

This document constitutes a supplement to the thirteen base prospectuses dated 14 June 2010, 20 May 2010 for the issuance of Notes, Certificates and Warrants, 20 May 2010 for the issuance of Pfandbriefe, 20 May 2010 for the issuance of Global- and Jumbo-Pfandbriefe, 20 May 2009, 4 March 2009, 11 March 2008, 25 June 2007 and 27 June 2006, each as supplemented from time to time, pursuant to section 16 paragraph 1 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*).

Supplement

to the Prospectus dated 14 June 2010

UniCredit Bank AG

Munich, Federal Republic of Germany

Euro 50,000,000,000 Debt Issuance Programme

for the issuance of Credit Linked Notes and Credit Linked Certificates

and

to the Prospectus dated 20 May 2010

UniCredit Bank AG

Munich, Federal Republic of Germany

Euro 50,000,000,000 Debt Issuance Programme

for the issuance of Notes, Certificates and Warrants

and

to the Prospectus dated 20 May 2010

UniCredit Bank AG

Munich, Federal Republic of Germany

Euro 50,000,000,000 Debt Issuance Programme

for the issuance of Pfandbriefe

and

to the Prospectus dated 20 May 2010

UniCredit Bank AG

Munich, Federal Republic of Germany

Euro 50,000,000,000 Debt Issuance Programme

for the issuance of Global- and Jumbo-Pfandbriefe

and

to the Prospectus dated 20 May 2009

UniCredit Bank AG

Munich, Federal Republic of Germany

Euro 50,000,000,000 Debt Issuance Programme

for the issuance of Notes (including Credit Linked Notes), Certificates and Warrants

and

to the Prospectus dated 4 March 2009

UniCredit Bank AG

Munich, Federal Republic of Germany

Euro 50,000,000,000 Debt Issuance Programme

for the issuance of Notes (including Pfandbriefe and Credit Linked Instruments), Certificates and Warrants
(consisting of two base prospectuses)

and

to the Prospectus dated 11 March 2008

UniCredit Bank AG

Munich, Federal Republic of Germany

Euro 50,000,000,000 Debt Issuance Programme

for the issuance of Notes (including Pfandbriefe and Credit Linked Instruments), Certificates and Warrants
(consisting of two base prospectuses)

and

to the Prospectus dated 25 June 2007

UniCredit Bank AG

Munich, Federal Republic of Germany

Euro 50,000,000,000 Debt Issuance Programme

for the issuance of Notes (including Pfandbriefe), Certificates and Warrants
(consisting of two base prospectuses)

and

to the Prospectus dated 27 June 2006

UniCredit Bank AG

Munich, Federal Republic of Germany

Euro 50,000,000,000 Debt Issuance Programme

for the issuance of Notes (including Pfandbriefe), Certificates and Warrants
(consisting of two base prospectuses)

**Arranger and Dealer
UniCredit Bank AG**

29 November 2010

This supplement is to be read and construed in conjunction with the base prospectuses dated 14 June 2010, 20 May 2010, 20 May 2009, 4 March 2009, 11 March 2008, 25 June 2007 and 27 June 2006 listed above (each a "**Prospectus**" and together the "**Prospectuses**") each as supplemented from time to time, 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 Prospectuses 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 accepts responsibility for the information contained in this Supplement and declares that, having taken all reasonable care to ensure that this is the case, the information contained in this Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

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, to withdraw their acceptances, pursuant to section 16 paragraph 3 of the German Securities Prospectus Act.

UniCredit Bank AG, MCD2 Debt Capital Markets Documentation, Arabellastraße 12, 81925 Munich, Germany, fax no.: +49-89-378 33 15964, 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 and the Prospectuses are available during usual business hours on any weekday (except Saturdays and public holidays) at the office of UniCredit Bank AG, MCD2 Debt Capital Markets Documentation, Arabellastraße 12, 81925 Munich, Germany.

TABLE OF CONTENTS

1.	CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF CREDIT LINKED NOTES AND CREDIT LINKED CERTIFICATES DATED 14 JUNE 2010	- 5 -
2.	CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF NOTES, CERTIFICATES AND WARRANTS DATED 20 MAY 2010.....	- 7 -
3.	CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF PFANDBRIEFE DATED 20 MAY 2010	- 8 -
4.	CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF GLOBAL- AND JUMBO-PFANDBRIEFE DATED 20 MAY 2010.....	- 8 -
5.	CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF NOTES (INCLUDING CREDIT LINKED NOTES), CERTIFICATES AND WARRANTS DATED 20 MAY 2009	- 8 -
6.	CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF NOTES (INCLUDING PFANDBRIEFE AND CREDIT LINKED INSTRUMENTS), CERTIFICATES AND WARRANTS DATED 4 MARCH 2009.....	- 9 -
7.	CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF NOTES (INCLUDING PFANDBRIEFE AND CREDIT LINKED INSTRUMENTS), CERTIFICATES AND WARRANTS DATED 11 MARCH 2008.....	- 9 -
8.	CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF NOTES (INCLUDING PFANDBRIEFE), CERTIFICATES AND WARRANTS DATED 25 JUNE 2007.....	- 9 -
9.	CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF NOTES (INCLUDING PFANDBRIEFE), CERTIFICATES AND WARRANTS DATED 27 JUNE 2006.....	- 10 -
	APPENDIX 1.....	- 11 -
	SIGNATURE PAGE.....	- S -

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

1. CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF CREDIT LINKED NOTES AND CREDIT LINKED CERTIFICATES DATED 14 JUNE 2010

1.1 In the section "Summary of the Prospectus – 4. SUMMARY DESCRIPTION OF THE ISSUER", immediately prior to the paragraph "Recent Developments", the following paragraph is inserted:

**Financial Highlights
As of 30 September 2010**

Key performance indicators	1/1 – 30/9/2010	1/1 – 30/9/2009
Operating profit	€2,384 m	€2,856 m
Cost-income ratio (based on total revenues)	52.3%	47.6%
Profit before tax	€1,686 m	€720 m
Consolidated profit	€1,139 m	€396 m
Return on equity before taxes ¹	10.2%	4.2%
Return on equity after taxes ¹	7.0%	2.0%
Earnings per share	€1.39	€0.42

Balance sheet figures	30/9/2010	31/12/2009
Total Assets	€411.7 bn	€363.4 bn
Shareholders' equity	€23.0 bn	€23.6 bn
Leverage ratio ²	17.9	15.4

Key capital ratios compliant with Basel II	30/9/2010	31/12/2009
Tier 1 capital	€20.5 bn	€20.4 bn
Core Tier 1 capital ³	€19.6 bn	€19.3 bn
Risk-weighted assets (including equivalents for market risk and operational risk)	€127.8 bn	€115.1 bn
Tier 1 ratio ⁴	16.0%	17.8%

Core Tier 1 ratio ⁴	15.3%	16.7%
--------------------------------	-------	-------

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

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

3: Core Tier 1 capital is equivalent to Tier 1 capital excluding hybrid instruments

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

1.2 In the section "**Zusammenfassung des Prospekts – 4. ZUSAMMENFASSUNG DER BESCHREIBUNG DER EMITTENTIN**", immediately prior to the paragraph "**Jüngste Entwicklungen**", the following paragraph is inserted:

**Financial Highlights
zum 30. September 2010**

Kennzahlen der Erfolgsrechnung	1.1. – 30.9.2010	1.1. – 30.9.2009
Operatives Ergebnis	2.384 Mio €	2.856 Mio €
Cost-Income-Ratio (gemessen an den operativen Erträgen)	52,3%	47,6%
Ergebnis vor Steuern	1.686 Mio €	720 Mio €
Konzernüberschuss	1.139 Mio €	396 Mio €
Eigenrentabilität vor Steuern ¹	10,2%	4,2%
Eigenrentabilität nach Steuern ¹	7,0%	2,0%
Ergebnis je Aktie	1,39 €	0,42 €

Bilanzzahlen	30.9.2010	31.12.2009
Bilanzsumme	411,7 Mrd €	363,4 Mrd €
Bilanzielles Eigenkapital	23,0 Mrd €	23,6 Mrd €
Leverage Ratio ²	17,9	15,4

Bankaufsichtsrechtliche Kennzahlen nach Basel II	30.9.2010	31.12.2009
Kernkapital (Tier 1-Kapital)	20,5 Mrd €	20,4 Mrd €
Kernkapital (Core Tier 1-Kapital) ³	19,6 Mrd €	19,3 Mrd €
Risikoaktiva (inklusive Äquivalente für das Marktrisiko und operationelle Risiko)	127,8 Mrd €	115,1 Mrd €
Kernkapitalquote (Tier 1 Ratio) ⁴	16,0%	17,8%
Kernkapitalquote (Core Tier 1 Ratio) ⁴	15,3%	16,7%

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

2: Verhältnis von Bilanzsumme zu bilanziellem Eigenkapital gemäß IFRS.

3: Core Tier 1-Kapital entspricht dem Tier 1-Kapital ohne hybride Kapitalinstrumente.

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

1.3 Immediately after the section "**Documents incorporated by reference**", after page 492, the unaudited Interim Report at 30 September 2010 as laid out in Appendix 1 of this Supplement is inserted as E-Pages in its entirety.

2. **CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF NOTES, CERTIFICATES AND WARRANTS DATED 20 MAY 2010**

2.1 In the section "**Summary of the Prospectus – 4. SUMMARY DESCRIPTION OF THE ISSUER**", immediately prior to the paragraph "**Recent Developments**", the paragraph as stated under item 1.1 of this Supplement is inserted.

2.2 In the section "**Zusammenfassung des Prospekts – 4. ZUSAMMENFASSUNG DER BESCHREIBUNG DER EMITTENTIN**", immediately prior to the paragraph "**Jüngste Entwicklungen**", the paragraph as stated under item 1.2 of this Supplement is inserted.

2.3 Immediately after the section "**Documents incorporated by reference**", after page 398 the unaudited Interim Report at 30 September 2010 as laid out in Appendix 1 of this Supplement is inserted as E-Pages in its entirety.

3. **CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF PFANDBRIEFE DATED 20 MAY 2010**

3.1 In the section "**Summary of the Prospectus – 4. SUMMARY DESCRIPTION OF THE ISSUER**", immediately prior to the paragraph "**Recent Developments**", the paragraph as stated under item 1.1 of this Supplement is inserted.

3.2 In the section "**Zusammenfassung des Prospekts – 4. ZUSAMMENFASSUNG DER BESCHREIBUNG DER EMITTENTIN**", immediately prior to the paragraph "**Jüngste Entwicklungen**", the paragraph as stated under item 1.2 of this Supplement is inserted.

3.3 Immediately after the section "*Documents incorporated by reference*", after page 151, the unaudited Interim Report at 30 September 2010 as laid out in Appendix 1 of this Supplement is inserted as E-Pages in its entirety.

4. **CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF GLOBAL- AND JUMBO-PFANDBRIEFE DATED 20 MAY 2010**

4.1 In the section "**Summary of the Prospectus – 4. SUMMARY DESCRIPTION OF THE ISSUER**", immediately prior to the paragraph "**Recent Developments**", the paragraph as stated under item 1.1 of this Supplement is inserted.

4.2 In the section "**Zusammenfassung des Prospekts – 4. ZUSAMMENFASSUNG DER BESCHREIBUNG DER EMITTENTIN**", immediately prior to the paragraph "**Jüngste Entwicklungen**", the paragraph as stated under item 1.2 of this Supplement is inserted.

4.3 Immediately after the section "*Documents incorporated by reference*", after page 58, the unaudited Interim Report at 30 September 2010 as laid out in Appendix 1 of this Supplement is inserted as E-Pages in its entirety.

5. **CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF NOTES (INCLUDING CREDIT LINKED NOTES), CERTIFICATES AND WARRANTS DATED 20 MAY 2009**

5.1 In the section "**Summary of the Prospectus – 4. SUMMARY DESCRIPTION OF THE ISSUER**", immediately prior to the paragraph "**Recent Developments**", the paragraph as stated under item 1.1 of this Supplement is inserted.

5.2 In the section "**Zusammenfassung des Prospekts – 4. ZUSAMMENFASSUNG DER BESCHREIBUNG DER EMITTENTIN**", immediately prior to the paragraph "**Jüngste Entwicklungen**", the paragraph as stated under item 1.2 of this Supplement is inserted.

5.3 Immediately after the section "*Documents incorporated by reference*", after page 419, the unaudited Interim Report at 30 September 2010 as laid out in Appendix 1 of this Supplement is inserted as E-Pages in its entirety.

6. **CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF NOTES (INCLUDING PFANDBRIEFE AND CREDIT LINKED INSTRUMENTS), CERTIFICATES AND WARRANTS DATED 4 MARCH 2009**

6.1 In the section "**Summary of the Prospectus – 4. SUMMARY DESCRIPTION OF THE ISSUER**", immediately prior to the paragraph "**Recent Developments**", the paragraph as stated under item 1.1 of this Supplement is inserted.

6.2 In the section "**German Translation of Summary of the Prospectus – 4. ZUSAMMENFASSUNG DER BESCHREIBUNG DER EMITTENTIN**", immediately prior to the paragraph "**Jüngste Entwicklungen**", the paragraph as stated under item 1.2 of this Supplement is inserted.

6.3 Immediately after the section "*Documents incorporated by reference*", after page 604, the unaudited Interim Report at 30 September 2010 as laid out in Appendix 1 of this Supplement is inserted as E-Pages in its entirety.

7. **CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF NOTES (INCLUDING PFANDBRIEFE AND CREDIT LINKED INSTRUMENTS), CERTIFICATES AND WARRANTS DATED 11 MARCH 2008**

7.1 In the section "**Summary of the Prospectus – 4. SUMMARY DESCRIPTION OF THE ISSUER**", immediately prior to the paragraph "**Recent Developments**", the paragraph as stated under item 1.1 of this Supplement is inserted.

7.2 In the section "**German Translation of Summary of the Prospectus – 4. ZUSAMMENFASSUNG DER BESCHREIBUNG DER EMITTENTIN**", immediately prior to the paragraph "**Jüngste Entwicklungen**", the paragraph as stated under item 1.2 of this Supplement is inserted.

7.3 Immediately after the section "*Documents incorporated by reference*", after page 587, the unaudited Interim Report at 30 September 2010 as laid out in Appendix 1 of this Supplement is inserted as E-Pages in its entirety.

8. **CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF NOTES (INCLUDING PFANDBRIEFE), CERTIFICATES AND WARRANTS DATED 25 JUNE 2007**

8.1 In the section "**Summary of the Prospectus – 4. SUMMARY DESCRIPTION OF THE ISSUER**", immediately prior to the paragraph "**Recent Developments**", the paragraph as stated under item 1.1 of this Supplement is inserted.

8.2 In the section "**German Translation of Summary of the Prospectus – 4. ZUSAMMENFASSUNG DER BESCHREIBUNG DER EMITTENTIN**", immediately prior to the paragraph "**Jüngste Entwicklungen**", the paragraph as stated under item 1.2 of this Supplement is inserted.

8.3 Immediately after the section "*Documents incorporated by reference*", after page 363, the unaudited Interim Report at 30 September 2010 as laid out in Appendix 1 of this Supplement is inserted as E-Pages in its entirety.

9. **CHANGES TO THE PROSPECTUS FOR THE EURO 50,000,000,000 DEBT ISSUANCE PROGRAMME FOR THE ISSUANCE OF NOTES (INCLUDING PFANDBRIEFE), CERTIFICATES AND WARRANTS DATED 27 JUNE 2006**

9.1 In the section "**Summary of the Prospectus – 4. SUMMARY DESCRIPTION OF THE ISSUER**", immediately prior to the paragraph "**Recent Developments**", the paragraph as stated under item 1.1 of this Supplement is inserted.

9.2 In the section "**German Translation of Summary of the Prospectus – 4. ZUSAMMENFASSUNG DER BESCHREIBUNG DER EMITTENTIN**", immediately prior to the paragraph "**Jüngste Entwicklungen**", the paragraph as stated under item 1.2 of this Supplement is inserted.

9.3 Immediately after the section "*Documents incorporated by reference*", after page 263, the unaudited Interim Report at 30 September 2010 as laid out in Appendix 1 of this Supplement is inserted as E-Pages in its entirety.

APPENDIX 1

UNAUDITED INTERIM REPORT AT 30 SEPTEMBER 2010

Financial Highlights

Key performance indicators

	1/1–30/9/2010	1/1–30/9/2009
Operating profit	€2,384m	€2,856m
Cost-income ratio (based on total revenues)	52.3%	47.6%
Profit before tax	€1,686m	€720m
Consolidated profit	€1,139m	€396m
Return on equity before taxes ¹	10.2%	4.2%
Return on equity after taxes ¹	7.0%	2.0%
Earnings per share	€1.39	€0.42

Balance sheet figures

	30/9/2010	31/12/2009
Total assets	€411.7bn	€363.4bn
Shareholders' equity	€23.0bn	€23.6bn
Leverage ratio ²	17.9	15.4

Key capital ratios compliant with Basel II

	30/9/2010	31/12/2009
Tier 1 capital	€20.5bn	€20.4bn
Core Tier 1 capital ³	€19.6bn	€19.3bn
Risk-weighted assets (including equivalents for market risk and operational risk)	€127.8bn	€115.1bn
Tier 1 ratio ⁴	16.0%	17.8%
Core Tier 1 ratio ⁴	15.3%	16.7%

	30/9/2010	31/12/2009
Employees	19,943	20,459
Branch offices	898	852

1 return on equity (annualised) calculated on the basis of average shareholders' equity according to IFRS

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

3 Core Tier 1 capital is equivalent to Tier 1 capital excluding hybrid instruments

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

Ratings

	LONG-TERM	SHORT-TERM	OUTLOOK	FINANCIAL STRENGTH	CHANGED/ CONFIRMED	PFANDBRIEFS		CHANGED/ CONFIRMED
						PUBLIC	MORTGAGE	
Moody's	A1	P-1	stable	C-	7/10/2008	Aaa	Aa1	13/6/2008/ 17/6/2008
S & P	A	A-1	stable	—	18/3/2009	AAA	—	9/3/2010
Fitch Ratings	A +	F1+	stable	C	24/7/2009	AAA	AAA*	17/6/2008

* on Rating Watch Negative (10/8/2010)

Business Performance of HVB Group

Underlying conditions and general comments on the business situation

The global economy has registered a solid growth in 2010, although the pace of expansion slowed during the third quarter of the year as more of the various government stimulus packages came to an end and austerity measures were implemented, above all in heavily indebted countries. This had a dampening effect.

The unemployment rate in the United States remained high at just under 10%. Transactions in the residential property market fell to a low level as government subsidies finally petered out.

The pace of expansion in the European Union also slowed in the third quarter of the year, which can be attributed notably to developments in peripheral countries. The European Central Bank continued to boost liquidity by purchasing more government bonds issued primarily by structurally weak and highly indebted peripheral countries.

Germany had the fastest-growing economy in the euro area, although the dynamism of the second quarter was not repeated. Economic growth, for one, was dampened mainly by declining exports and construction activity over the summer months. At the same time, the domestic economy and private consumption both picked up pace. A continuing rise in industrial capacity utilisation led to both stronger investment activities and further stabilisation on the labour market.

Overall, the European capital markets proved to be highly volatile during the first nine months of the year. Even so, concerns expressed by market participants regarding a number of heavily indebted countries in the second quarter of 2010 lessened somewhat during the third quarter. The stock markets recovered strongly towards the end of the third quarter. In the credit markets, a slight calming followed on from a second quarter characterised by quickly widening spreads. The euro recovered from the losses it suffered in the first half of the year, notably against the dollar.

Yields on ten-year German government bonds fell to an all-time low, while short-term interest rates have risen again slightly since the end of the first half of 2010 due to the reduction of liquidity in the system.

Despite this persistently challenging capital market environment, HVB Group generated a profit before tax of €1,686 million in the first nine months of 2010, which is nearly a billion euros higher than the previous year's result. With a consolidated profit of €1,139 million after tax, we were able to almost triple last year's total of €396 million. This strong performance can be attributed above all to net write-downs of loans and provisions for guarantees and commitments of €664 million, less than half the amount recorded last year. Compared with last year, we also benefited from the non-recurrence of restructuring costs (year-on-year effect on earnings: gain of €268 million) and expenses under net income from investments (year-on-year effect on earnings: gain of €268 million). HVB Group achieved a pleasing rise in net fees and commissions, which increased by 7.3%, to €967 million, despite our customers' continuing restraint in the wake of the financial crisis. Net other income/expenses were also up 41.5% on last year, to €174 million. Net trading income of €749 million delivered a significant contribution to profit, even if it failed to match last year's sound figure (equivalent period in 2009: €1,018 million). Net interest income declined by around 9% compared with last year on the back of low interest rates. Thanks to the lasting success of our cost management measures, operating costs were kept largely stable (up 0.8%), so that the cost-income ratio, at 52.3% (equivalent period in 2009: 47.6%), remained at a very good level.

The Corporate & Investment Banking division made a significant contribution to the pleasing rise in the profit before tax of HVB Group. The division improved its profit before tax by €816 million, to €1,407 million, largely as a result of the substantial decline in net write-downs of loans and provisions for guarantees and commitments and non-recurrence of the expenses arising from restructuring costs and net income from investments compared with last year.

The Private Banking and Retail divisions also made a positive contribution to earnings. Profit before tax amounted to €82 million in the Private Banking division and €13 million in the Retail division. The increase in profit in the Retail division compared with last year is a result of non-recurring restructuring costs incurred in 2009 as well as lower operating costs and lower net write-downs of loans and provisions for guarantees and commitments. When evaluating the relatively low profit basis of the Retail division, it should be taken into account that the first phase in implementing the One4C initiative, an initiative that provides for the resegmentation of affluent retail customers and small and mid-sized companies, was completed in the second quarter of 2010. In the process, customers with free assets of at least 500,000 euros were moved from the Retail division to the Private Banking division, and customers with assets of less than 500,000 euros were moved from the Private Banking division to the Retail division. This reorganisation resulted in an overall shift in customers from the Retail division to the Private Banking division and, with it, a disproportionate net transfer of total revenues. In the second phase of One4C, which is scheduled to take place at the beginning of 2011, small and mid-sized companies with revenues of up to €50 million will be transferred from the Corporate & Investment Banking division along with any associated income and expenses. As a result of the resegmentation, the Retail division reports a temporarily lower income and profit basis that does not fully reflect the future profitability of the division.

HVB Group continues to show an excellent capital base. The core capital ratio (Tier 1 ratio) in accordance with Basel II totalled 16.0% at the end of September 2010 after 17.8% at year-end 2009, which still represents an outstanding level by both national and international standards. With the core capital remaining practically unchanged (€20.5 billion), the decline in the core capital ratio is attributable to the increase of €12.7 billion in risk-weighted assets (including market and operational risk equivalents), which is primarily due to the end of the relief provided by several securitisation transactions and the initial consolidation of UniCredit CAIB AG, Vienna (CAIB), which was

purchased from UniCredit Bank Austria AG, Vienna. The shareholders' equity shown in the balance sheet amounted to €23.0 billion at 30 September 2010. As the total assets increased from €363.4 billion at year-end 2009 to €411.7 billion at the end of September 2010, due in part to the first-time inclusion of CAIB (initial consolidation effect of CAIB: €21 billion), the leverage ratio (ratio of total assets to the shareholders' equity shown in the balance sheet) increased from 15.4 at the end of December 2009 to the still very good figure of 17.9 at 30 September 2010.

At all times, HVB Group displayed an adequate liquidity base and a solid financing structure throughout the first three quarters of the current financial year. The funding risk remained low on account of the diversification in terms of products, markets and investor groups, so that adequate funding of our lending operations was ensured at all times. Our Pfandbriefs continued to represent an important source of funding thanks to their very good credit rating and liquidity.

With our diversified business model, high capital base, solid funding foundation and good market position in our core business areas, we remain a reliable partner for our customers and investors. As an integral part of one of the largest and strongest banking groups in Europe – UniCredit Group – HVB Group is in a unique position to leverage its regional strengths in the international network of UniCredit Group for the benefit of its customers.

Operating performance of HVB Group

The operating performance of HVB Group is described in detail below.

Net interest income

Compared with the same period last year, total net interest income was down by €300 million, or 8.8%, to €3,107 million after the first nine months of the present financial year.

Business Performance of HVB Group (CONTINUED)

Within this total, the net income from original net interest within the framework of a low interest rate level fell by €359 million, to €3,013 million, mainly on account of a decline in the Corporate & Investment Banking division. This can be attributed primarily to lower trading-related interest income together with the limited effects arising from the amortisation of reclassified holdings compliant with IAS 39.50. Net interest income also decreased in the Retail and Private Banking divisions, although this was chiefly due to falling interest margins, particularly in the deposit-taking business.

At €94 million, the income generated to the end of September 2010 from dividends and other income from equity investments rose sharply as a result of higher dividends paid by private equity funds.

Net fees and commissions

Net fees and commissions developed very well in the first three quarters of 2010, increasing considerably by 7.3%, to €967 million, over the equivalent total last year. Most notably the Corporate & Investment Banking division (15.8%), but also the Retail division (2.1%) contributed to this rise, recording increases in their net fees and commissions. The sharp rise in HVB Group's net fees and commissions results mostly from the significant rise of around 15%, to €288 million, in fee and commission income from lending operations, notably on account of higher income from the Corporate Finance unit in the Corporate & Investment Banking division, together with a growth of around 7%, to €513 million, in fee and commission income from management, brokerage and consulting services.

Net trading income

The net trading income of €749 million generated by HVB Group as of the end of September 2010 provided a strong contribution to profits, even though the high level reached last year (€1,018 million) could not be matched. The main reason for this is that the unusually high contribution to profits from held-for-trading financial instruments last year benefited from a strong recovery in the market as a whole, an effect that has not been repeated this year.

At €582 million, we nevertheless succeeded in achieving a considerable contribution to profits from held-for-trading financial instruments in the first nine months of 2010. This was generated primarily by the Rates (interest-related products) and Equities (equity and index products) units. Compared with last year, there was an increase in the effects on net trading income arising from hedge accounting (up €60 million), the gains on fair-value-option holdings (up €55 million) and other net trading income (up €49 million). The increase in other trading income can be attributed notably to the positive effect from the buy-back of hybrid capital that is higher than last year.

Operating costs

The total operating costs of €2,613 million continue to reflect the success we have achieved with our consistent cost management, remaining largely unchanged (up 0.8%) compared with the equivalent figure last year. Within this total, payroll costs are at the same level as last year (up 0.2%), while other administrative expenses including depreciation and impairment losses on property, plant and equipment rose slightly by 1.4%, to €1,244 million. At 52.3%, the cost-income ratio after nine months of the current financial year is still at a very good level (first nine months of 2009: 47.6%).

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

Net write-downs of loans and provisions for guarantees and commitments fell by a significant €824 million, or 55.4%, to €664 million after the first three quarters of 2010 in a much healthier lending environment than last year. The vast majority of this decrease (down 58.7%) was recorded by the Corporate & Investment Banking division. There was also a notable decline (down 38.2%) in the Retail division.

Net income from investments

The net loss from investments amounted to €9 million at the end of September 2010 after a loss of €277 million in the equivalent period last year. This results mainly from changes in the valuation of investment properties that are largely offset by gains realised on the sale and valuation of available-for-sale financial instruments. Last year's net loss from investments was primarily attributable to impairments on private equity funds, direct investments and co-investments.

Profit before tax, income tax for the period and consolidated profit

In the first nine months of 2010, HVB Group generated a profit before tax of €1,686 million, which is €966 million higher than the figure recorded for the equivalent period last year.

Income tax rose by €223 million, to €547 million, at the end of September 2010. This increase is mainly due to the significant improvement in performance in 2010.

After deducting taxes, HVB Group generated a consolidated profit of €1,139 million in the first nine months of 2010, exceeding the equivalent figure for the same period last year (€396 million) by a factor of almost three.

Segment results by division

The divisions contributed the following amounts to the very good profit before tax of €1,686 million of HVB Group:

Corporate & Investment Banking	€1,407 million
Retail	€13 million
Private Banking	€82 million
Other/consolidation	€184 million.

Income statements for each division and comments on the economic performance of the individual divisions are provided in Note 3, "Segment reporting", in this Interim Report. The tasks and objectives of each division are described in detail in Note 27 of our 2009 Annual Report, "Notes to segment reporting by division". We have described the change in tasks of the segments compared with last year and the previous quarters of 2010, in particular the reclassification of customers from the Retail division to the Private Banking division due to the gradual implementation of the One4C initiative, in Note 1, "Accounting and valuation principles", and Note 3, "Segment reporting", of this Interim Report as part of the description of the Retail division. The quarterly figures for the current and last year have been adjusted accordingly.

Financial situation

Total assets

The total assets of HVB Group amounted to €411.7 billion at the end of September 2010, representing an increase of €48.3 billion, or 13.3%, over year-end 2009. Compared with the end of June, the total assets are practically unchanged (down 0.1%).

The €48.3 billion increase in total assets compared with year-end 2009 results, in part, from the initial consolidation of CAIB in June 2010 (initial consolidation effect: €21 billion). The rise in total assets is mainly attributable to the increase in financial assets held for trading by €36.8 billion, to €170.2 billion (initial consolidation effect of CAIB: €14.1 billion). The positive fair values from derivative financial instruments, in particular, rose by €40.6 billion (initial consolidation effect of CAIB: €13.2 billion), while the financial instruments recognized in the balance sheet fell by €3.8 billion. The rise of €11.7 billion in financial instruments at fair value through profit or loss is primarily attributable to the larger holdings of fixed-income securities. The rise of €8.4 billion in loans and receivables with banks (CAIB effect: €5.5 billion) is mainly due to a higher volume of current accounts, repurchase agreements and other loans and receivables, while reclassified securities declined. In contrast, loans and receivables with customers fell by €7.6 billion, to €138.3 billion, compared with year-end 2009. In particular, the decline is attributable to lower volumes of mortgage loans, the reduction of reclassified securities and the decrease in other loans and receivables.

On the liabilities side, there was also a substantial increase of €41.5 billion, to €162.7 billion, in the financial liabilities held for trading as a result of the €39.1-billion rise in negative fair value from derivative financial instruments due in part to the initial consolidation of CAIB (CAIB effect: €11.5 billion). Deposits from banks rose by a total of €3.1 billion, to €53.8 billion, which – apart from higher credit balances on current accounts and time deposits – is mainly attributable to higher volumes of repurchase agreements. The increase of €11.9 billion, to €108.4 billion, in deposits from customers is primarily a result of much higher volumes of repurchase agreements and higher levels of savings and demand deposits, while time deposits declined. In contrast, debt securities fell by an aggregate of €11.1 billion, to €50.2 billion, on account of issues due.

Business Performance of HVB Group (CONTINUED)

At 30 September 2010, shareholders' equity totalled €23.0 billion and had thus declined by €0.6 billion compared with the 2009 year-end total although it had increased by €0.3 billion since 30 June 2010. The reason for this decline compared with year-end 2009 is the dividend payout of the profit of €1.6 billion available for distribution in 2009 to our sole shareholder, UniCredit S.p.A. (UniCredit), Rome. This decline is partially offset by the consolidated profit reported for the first nine months of 2010 (€1.1 billion).

The leverage ratio (ratio of total assets to the shareholders' equity shown in the balance sheet) increased from 15.4 at year-end to the still very good figure of 17.9 at 30 September 2010, in particular due to the increase in total assets brought about in part by the initial consolidation of CAIB.

Risk-weighted assets, key capital ratios and liquidity of HVB Group

By applying partial use, the risk-weighted assets for credit risks of HVB Group determined on the basis of Basel II (German Banking Act/Solvency Regulation, KWG/SolvV) amounted to €114.3 billion at 30 September 2010 (including counterparty default risk in the trading book). At 31 December 2009, the comparable risk-weighted assets amounted to €102.9 billion. This total includes the holdings reclassified compliant with IAS from the trading book to the banking book. The total risk-weighted assets, including market and operational risks, increased to €127.8 billion at 30 September 2010 after €115.1 billion at year-end 2009. Compared with the mid-year, the total risk-weighted assets declined by €6.2 billion (30 June 2010: €134.0 billion).

The total risk-weighted assets increased by €12.7 billion compared with the 2009 year-end total. This rise is due to an increase of €11.4 billion in credit risk, €0.6 billion in market risk and €0.7 billion in operational risk. The rise in credit risk is chiefly attributable to the end of the relief provided by various securitisation transactions and the acquisition of CAIB.

The total lending volume under the nine current securitisation transactions of HVB Group serving to reduce risk-weighted assets amounted to €14.6 billion at 30 September 2010 (31 December 2009: €43.7 billion). The decline is primarily due to the ending of several securitisation transactions. As a result of the current total lending volume of the securitisation transactions, we have optimised our capital allocation and reduced the strain on our risk-weighted assets by €4.7 billion gross.

At 30 September 2010, the core capital of HVB Group compliant with KWG/SolvV totalled €20.5 billion and the equity capital €23.4 billion. Under Basel II, this gives rise to a core capital ratio (Tier 1 ratio, including market risk and operational risk) of 16.0% and an equity funds ratio of 18.3%.

A bank's liquidity is evaluated using the liquidity ratio defined in Section 11 of the KWG/Liquidity Regulation. This figure is the ratio of cash and cash equivalents available within a month to the payment obligations falling due in this period. Liquidity is considered adequate if the ratio is at least 1.00. At HVB, this figure amounted to 1.29 at the end of September 2010 after, 1.26 at the end of June 2010 and 1.43 at the end of December 2009.

Corporate acquisitions and sales

As part of pooling the investment banking activities of UniCredit Group into HVB Group, HVB acquired UniCredit CAIB AG, Vienna, including its subsidiary UniCredit CAIB Securities UK Ltd., London, from UniCredit Bank Austria AG with effect from 1 June 2010. The purchase price, which was determined on the basis of an independent, external expert appraisal, amounts to €1.24 billion plus the overcapitalisation kept on the books. Both companies were included in the group of fully consolidated companies of HVB Group as of 1 June 2010. UniCredit CAIB AG was merged by HVB with effect from 1 July 2010. After the technical integration at 24 September 2010, it will continue to operate within a modified structure as UniCredit Bank AG, Vienna branch.

Other changes concerning the companies included in this Interim Report are provided in Note 2, "Companies included in consolidation".

Corporate structure

Legal corporate structure

UniCredit Bank AG (HVB) was formed in 1998 through the merger of Bayerische Vereinsbank Aktiengesellschaft and Bayerische Hypotheken- und Wechsel-Bank Aktiengesellschaft. It is the parent company of HVB Group, which is headquartered in Munich. HVB has been an affiliated company of UniCredit S.p.A. (UniCredit), Rome, Italy, since November 2005 and hence a major part of UniCredit Group from that date as a subgroup.

Since the transfer of the shares held by minority shareholders of UniCredit Bank AG to UniCredit S.p.A., as resolved at the Annual General Meeting of Shareholders in June 2007, was registered in the Commercial Register maintained by Munich Local Court compliant with Section 327a of the German Stock Corporation Act (Aktiengesetz, AktG) in September 2008, 100% of the capital stock of UniCredit Bank AG, Munich, has been held by the majority shareholder, UniCredit S.p.A. Thus, trading in HVB shares has officially ceased. HVB does, however, remain listed on securities exchanges as an issuer of debt instruments such as Pfandbriefs, bonds and certificates.

The capital stock of UniCredit Bank AG had been divided into shares of common bearer stock with voting rights and shares of registered preferred stock without voting rights. However, given the change in the shareholder structure, there was no need to maintain this distinction. Consequently, the shares of registered preferred stock without voting rights were converted into shares of common bearer stock with voting rights and the Articles of Association amended accordingly in line with a resolution adopted at the Extraordinary Shareholders' Meeting held on 22 September 2010. This amendment to the Articles of Association was entered in the Commercial Register on 27 September 2010, at which date it took effect.

Organisation of management and control and internal management

The Management Board of HVB is the management body of HVB Group. It is directly responsible for managing the Bank. The Management Board provides the Supervisory Board with regular, timely and comprehensive reports on all issues relevant to corporate planning and strategic development, the course of business and the state of HVB Group, including the risk situation as well as compliance issues. Up until the end of the Extraordinary Shareholders' Meeting of UniCredit Bank AG held on 22 September 2010, the Supervisory Board of the Bank had had 20 members; it was subject to the provisions of the German Co-determination Act and consisted of ten employee representatives and ten shareholder representatives in accordance with Sections 95 and 96 of the German Stock Corporation Act and Section 7 (1) No. 3 of the German Co-determination Act. Since the cross-border merger of UniCredit CAIB AG, Vienna, with UniCredit Bank AG, Munich, became effective by being entered in the Commercial Register of UniCredit Bank AG, Munich, on 1 July 2010, the provisions of the German Co-determination Act have no longer applied to the composition of the Supervisory Board. The composition of the Bank's Supervisory Board is now based on Section 24 (1) sent. 2 of the German Act on the Co-determination of Employees in the Event of Mergers of Joint-stock Companies of Different Member States of 21 December 2006 (MgVG) in conjunction with Section 95 sent. 1 and 3 and Section 96 of the German Stock Corporation Act. Against this backdrop, the Extraordinary Shareholders' Meeting of UniCredit Bank AG on 29 July 2010 resolved that the Supervisory Board should consist of 12 members in the future. There will continue to be an equal number of employee and shareholder representatives on the Supervisory Board. New elections for the employee representatives on the Supervisory Board were held in accordance with the MgVG provisions on 24 August 2010. The shareholder representatives were appointed at the Extraordinary Shareholders' Meeting of UniCredit Bank AG held on 22 September 2010. At the subsequent constitutive meeting of the Supervisory Board, Sergio Ermotti was re-elected Chairman of the Supervisory Board, Peter König Deputy Chairman and Dr Wolfgang Sprissler further Deputy Chairman.

Business Performance of HVB Group (CONTINUED)

Rolf Friedhofen, formerly Chief Financial Officer and member of the Management Board of HVB, left the Bank with effect from 31 May 2010. At its meeting on 21 May 2010, the Supervisory Board of HVB appointed Peter Hofbauer as the new Chief Financial Officer and member of the Management Board of HVB with effect from 1 November 2010. Until the end of October 2010, the Board Spokesman Dr Theodor Weimer was also provisionally responsible for the CFO unit. Peter Hofbauer has assumed the operative and functional management of the unit in his capacity as holder of a general power of attorney with effect from 1 June 2010.

A list showing the names of all the members of the Management Board and the Supervisory Board of HVB is given under Note 29, "Members of the Supervisory Board and Management Board", of this Interim Report.

Events after the reporting date

No significant events occurred at HVB Group after the reporting date.

Outlook

The following comments on the outlook are to be viewed in connection with the comments on the outlook in the Financial Review and the Risk Report in the consolidated financial statements for the 2009 financial year (see the HVB Group Annual Report for 2009).

General economic outlook and sector development in 2010

We expect the global economy to expand by 4.6% this year. Nevertheless, a number of leading indicators point towards a clear slowdown in growth in the second half of 2010. There have to date been no signs of a worldwide recession, however, so that we expect global

trade to remain robust. Expansion is set to continue apace in the emerging markets in particular, driven by the very dynamic growth in China where GDP could increase by more than 10% this year. The United States, on the other hand, is experiencing several dampening factors, including the ending of the inventory cycle and of fiscal stimulus measures, the high budget deficit and high structural unemployment coupled with heavy indebtedness in many sectors. All in all, the US economy will probably still expand by around 2.5% following a strong start to 2010.

In Europe, the gap in growth rates between the economically stronger core countries and the peripheral countries suffering from structural weaknesses and high levels of debt will remain. The euro zone will, we believe, expand by 1.6% in 2010. Despite successful measures to consolidate government debt, for now it is likely to increase in most EU countries. The ECB is likely to mop up excess liquidity and hold interest rates at the same level. If the Fed continues to buy government bonds, this could contribute to a strengthening of the euro.

Germany is forecast to expand by a robust 3.5% in 2010. Nevertheless, the German economy is entering a phase of more moderate growth following a period of dynamic expansion. Both the good sales taking place in industry and domestic economic activity will continue to provide a positive impetus. Unemployment should also fall further in line with both improved industrial capacity utilisation levels and the demographic trend. The weakening of the global economy coupled with the moderate pay rises that have already been agreed in Germany do not at present suggest any strong inflationary pressure. In light of receding fears of job losses in combination with rising disposable incomes, the upwards trend in private consumption should persist.

Banks will continue to face major challenges including a flat yield curve, declining central bank liquidity and possibly greater exchange rate volatility as a consequence of major economies potentially seeking to devalue their currencies. This situation may be exacerbated by the downgrading of certain states' credit ratings. It is not yet possible to definitively assess the effects of further regulation, even if the general direction is already apparent: liquidity requirements are being tightened, and the requirements on the quality and quantity of equity capital will increase. This will give rise to competition for equity capital among those banks that do not meet the new standards. As a further consequence of the new liquidity and capital rules together with the fundamental challenges mentioned above, the banking sector will become less profitable, a situation that the bank levy to be charged from 2011 will do nothing to ameliorate. The key questions still concern the shape of future relations between the financial sector and the real economy and the likely global limitations in the regulatory and political field. It remains to be seen what resolutions will be adopted at the summit of G20 heads of state held in South Korea.

Development of HVB Group

HVB Group expects basic economic conditions both worldwide and in Germany, to remain difficult and marked by considerable uncertainty, despite signs of positive trends. This means that the situation will remain challenging for the financial industry in the fourth quarter of 2010.

Against this backdrop, we do not expect the very good performance of the first nine months of the current financial year in terms of profit before tax, which at the end of September 2010 significantly exceeded the figure for the equivalent period last year, to continue to the same extent through the fourth quarter of 2010. We nevertheless assume that we can surpass the very good pre-tax result of 2009 over the whole of the 2010 financial year. We expect to benefit

year-on-year from a considerable decline in net write-downs of loans and provisions for guarantees and commitments, from a significant decrease in restructuring costs, from the non-recurrence of the expenses under net income from investments and from largely stable operating costs, thus compensating the decline in net interest income compared with the whole of 2009. The development in total revenues will continue to be heavily affected by the volatility of net trading income. For net fees and commissions, we anticipate a tangible rise over last year in keeping with the economic recovery.

It still remains unclear whether the financial markets will continue to be affected by the debt crisis in some European countries in particular and by risks arising from changes in interest and exchange rates. Consequently, our performance in the fourth quarter of 2010 still remains dependent on the further development of the financial markets and the real economy as well as on other imponderables that still exist. With its strategic orientation and excellent capital resources, HVB Group is in a good overall position to effectively exploit the opportunities that may arise from the new operating environment, the further volatility that can be expected on the financial markets and a recovering real economy.

Development of Selected Risks

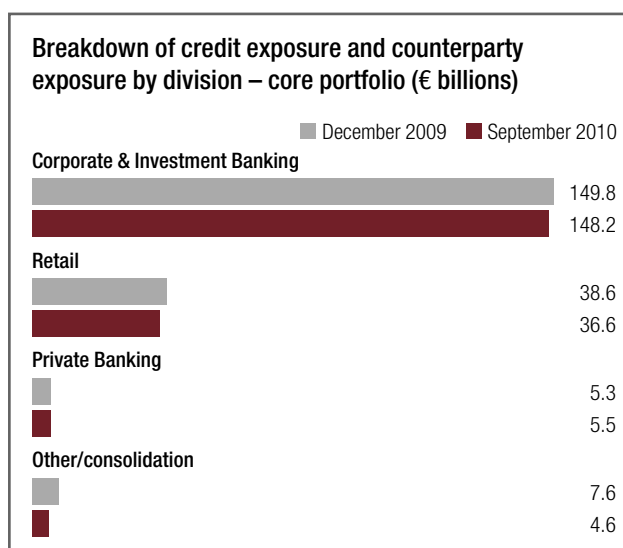
In the 2009 Annual Report, we presented a comprehensive description of the management and monitoring of risks in HVB Group, the essential characteristics of the internal control and risk management systems with regard to the financial reporting process, risk types and risk measurement, overall bank management, and risk types in detail. In light of the expected regulatory changes to market risk and the planned introduction of a new internal model, we conducted a thorough review of the internal capital calculation for all risk types during the first quarter of 2010. We also introduced the announced broadening of internal capital components to include the capital cushion. In the interest of allowing group-wide standardisation and consolidation, we introduced a new internal model for determining market risk in the third quarter of 2010. Furthermore, no essential methodological changes were made to risk management nor to the monitoring of individual risk types, or to the internal control and risk management system. The following sections describe the development of selected risks.

Credit and Counterparty exposure

Breakdown of credit exposure and counterparty exposure by industry sector

(€ billions)

Industry sector	SEPTEMBER 2010	DECEMBER 2009
Banking and insurance	33.8	32.8
Construction	31.2	31.7
Retail customers	26.8	28.7
Food/consumer goods/services	21.0	21.2
Public sector	14.0	14.6
Transportation	11.7	11.8
Chemicals, health, pharmaceuticals	10.7	11.9
Utilities	9.1	9.5
Other	8.9	9.4
Mechanical engineering, steel	8.3	8.8
Automotive	7.1	8.2
Mineral oil	5.4	4.2
Electrical, IT, communications	4.6	5.4
Media, printing, paper	3.8	4.1
HVB Group	196.4	202.3



Breakdown of credit exposure and counterparty exposure by rating class – core portfolio

Rating class	SEPTEMBER 2010		DECEMBER 2009	
	€ billions	in %	€ billions	in %
Free of default risk ¹	0.0	0.0	7.5	3.7
Not rated	7.4	3.8	9.7	4.8
Rating classes 1–4	96.3	49.4	89.4	44.4
Rating classes 5–8	83.1	42.6	85.9	42.7
Rating classes 9–10	8.1	4.2	8.8	4.4
HVB Group	194.9	100.0	201.3	100.0

¹ to standardise reporting within the UniCredit Group, the rating class "free of default risk" will no longer be assigned as of 2010

Derivative transactions

Derivative transactions

(€ millions)

	NOMINAL AMOUNT					FAIR VALUE			
	RESIDUAL MATURITY			TOTAL	TOTAL	POSITIVE		NEGATIVE	
	UP TO 1 YEAR	MORE THAN 1 YEAR UP TO 5 YEARS	MORE THAN 5 YEARS	30/9/2010	31/12/2009	30/9/2010	31/12/2009	30/9/2010	31/12/2009
Interest rate derivatives	1,196,125	1,147,628	883,792	3,227,545	2,873,119	91,534	60,896	90,372	59,833
Foreign exchange derivatives	401,044	154,041	77,338	632,423	467,793	19,125	9,499	17,985	9,599
Equity/index derivatives	81,962	98,443	8,153	188,558	186,805	12,377	9,212	15,018	11,742
Credit derivatives	42,689	224,433	38,060	305,182	326,438	4,195	4,318	4,533	4,684
– Protection buyer	18,286	108,726	18,989	146,001	157,154	3,069	2,902	1,205	1,526
– Protection seller	24,403	115,707	19,071	159,181	169,284	1,126	1,416	3,328	3,158
Other transactions	4,762	3,593	314	8,669	7,313	395	786	724	1,104
HVB Group	1,726,582	1,628,138	1,007,657	4,362,377	3,861,468	127,626	84,711	128,632	86,962

Development of Selected Risks (CONTINUED)

Derivative transactions by counterparty type

(€ millions)

	FAIR VALUE			
	POSITIVE		NEGATIVE	
	30/9/2010	31/12/2009	30/9/2010	31/12/2009
Central governments and central banks	2,142	593	888	536
Banks	105,855	67,606	109,092	70,523
Financial institutions	15,051	12,818	16,747	14,286
Other companies and private individuals	4,578	3,694	1,905	1,617
HVB Group	127,626	84,711	128,632	86,962

In accordance with the banking supervision regulations under Basel II (German Banking Act/Solvency Regulation), with so-called partial use based on individual risk weightings and the risk-reducing effects of existing, legally enforceable bilateral netting agreements and the

collateral provided by borrowers, risk weighted assets for HVB Group amounted to €17.0 billion at 30 September 2010 (31 December 2009: €14.1 billion).

Market risk

In the interests of allowing group-wide standardisation and consolidation, we introduced a new internal model for determining market risk in the third quarter of 2010. In contrast to the old model, which is founded on a Monte Carlo approach, the new model applies a

historical simulation based on the development of the relevant market data over the past 500 trading days. The days are not weighted, so that a uniform weighting of changes in the market data is assumed.

Market risk of HVB Group (value-at-risk, 99% confidence level, one-day holding period)

(€ millions)

	AVERAGE 2010 ¹	30/9/2010	30/6/2010	31/3/2010	AVERAGE 2009 ¹	31/12/2009
HVB Group former model			81	54	113	65
HVB Group new model	75	66	93	67		

¹ Arithmetic mean of the quarters

The table below shows the aggregate market risks of our trading positions in HVB Group for the first three quarters of 2010. The reduction in market risks is also due to the underlying timeframe for the historical simulation. In contrast to the end of the second quarter

2010, a number of extremely strong market movements from the financial market crisis in September and October 2008 dropped out from the observation period of 500 days by the third quarter of 2010.

Market risk of HVB Group from trading positions of HVB Group (value-at-risk, 99% confidence level, one day holding period)

(€ millions)

	30/9/2010	30/6/2010		31/3/2010		AVERAGE 2009 ¹	31/12/2009
	NEW MODEL	NEW MODEL	FORMER MODEL	FORMER MODEL	FORMER MODEL	FORMER MODEL	FORMER MODEL
Interest rate positions (incl. credit spread risks)	37	62	45	19	51	22	
Foreign exchange derivatives	7	1	4	3	5	3	
Equity/index positions	7	12	6	2	5	5	
Diversification effect ²	(10)	(9)	(10)	(5)	(12)	(9)	
HVB Group	41	66	45	19	49	21	

1 arithmetic mean of the quarters

2 because of the diversification effect between the risk categories, the total market risk is less than the sum of the individual risks

Liquidity risk

Conditions on the money markets and capital markets were still dominated by uncertainty in the third quarter of 2010. Continually arising discussions on the budgetary situation in some European countries caused nervousness around the world, also in this quarter. Despite the tense situation in the markets, the liquidity of HVB Group remained at an adequate level at all times during the third quarter of 2010. It is possible that the market movements could again become more pronounced, for instance through problems in other countries, which could further upset the money markets and capital markets.

Short-term liquidity

Within the framework of our short-term liquidity limit system, which operates under conservative assumptions, we showed an overall positive balance of €24.2 billion (31 December 2009: €41.4 billion) in HVB Group for the next banking day at the end of September 2010. The portfolio of highly liquid securities eligible as collateral for central bank borrowings and available at short notice to compensate for unexpected outflows of liquidity amounted to €30.9 billion at 30 September 2010

(31 December 2009: €38.4 billion). Compared with the previous year-end balance, this reduction in the overall positive balance amounts to a normalisation at an adequate level.

The stress tests we conduct on a regular basis showed that liquidity reserves also at the end of the third quarter of 2010 were sufficient to cover liquidity requirements resulting from the defined scenarios.

The requirements of the German Liquidity Regulation (LiqV) were met at all times by the affected units of HVB Group during the period under review. The funds available exceeded the payment obligations for the following month by €37.8 billion at 30 September 2010 (31 December 2009: €49.5 billion).

Funding risk

The structural funding risk of HVB Group was again quite low in the first three quarters of 2010 due to our broad funding base with regard to products, markets and investor groups. This ensured that we were able to obtain adequate funding for our lending operations at all times.

Consolidated Income Statement

for the period from 1 January to 30 September 2010

Income/Expenses	NOTES	1/1–30/9/2010	1/1–30/9/2009	CHANGE	
		€ millions	€ millions	€ millions	in %
Net interest		3,013	3,372	(359)	(10.6)
Dividends and other income from equity investments		94	35	+ 59	>+ 100.0
Net interest income	4	3,107	3,407	(300)	(8.8)
Net fees and commissions	5	967	901	+ 66	+ 7.3
Net trading income	6	749	1,018	(269)	(26.4)
Net other expenses/income	7	174	123	+ 51	+ 41.5
Net non-interest income		1,890	2,042	(152)	(7.4)
TOTAL REVENUES		4,997	5,449	(452)	(8.3)
Payroll costs		(1,369)	(1,366)	(3)	+ 0.2
Other administrative expenses		(1,084)	(1,062)	(22)	+ 2.1
Amortisation, depreciation and impairment losses on intangible and tangible assets		(160)	(165)	+ 5	(3.0)
Operating costs		(2,613)	(2,593)	(20)	+ 0.8
OPERATING PROFIT		2,384	2,856	(472)	(16.5)
Provisions for risks and charges		(25)	(103)	+ 78	(75.7)
Write-down on goodwill		—	—	—	—
Restructuring costs		—	(268)	+ 268	(100.0)
Net write-downs of loans and provisions for guarantees and commitments	8	(664)	(1,488)	+ 824	(55.4)
Net income from investments	9	(9)	(277)	+ 268	+ 96.8
PROFIT BEFORE TAX		1,686	720	+ 966	>+ 100.0
Income tax for the period		(547)	(324)	(223)	+ 68.8
CONSOLIDATED PROFIT		1,139	396	+ 743	>+ 100.0
attributable to shareholder of UniCredit Bank AG		1,119	334	+ 785	>+ 100.0
attributable to minorities		20	62	(42)	(67.7)

Earnings per share

(in €)

	NOTES	1/1–30/9/2010	1/1–30/9/2009
Earnings per share (€)	10	1.39	0.42

**Statement of Other Comprehensive Income
for the period from 1 January to 30 September 2010**

(€ millions)

	1/1–30/9/2010	1/1–30/9/2009
Consolidated profit recognised in the income statement	1,139	396
Income and expenses recognised in equity		
Changes from foreign currency translation and other changes	61	(40)
Changes from companies accounted for using the equity method	—	—
Actuarial profit on defined benefit plans (pension commitments)	—	—
Discontinued operations and assets held for sale	—	—
Change in valuation of financial instruments (AfS reserve)	17	111
Change in valuation of financial instruments (hedge reserve)	(125)	(142)
Taxes on income and expenses recognised in equity	53	44
Income and expenses recognised in equity	6	(27)
Total recognised in equity	1,145	369
of which:		
attributable to shareholder of UniCredit Bank AG	1,087	345
attributable to minority interest	58	24

Consolidated Income Statement (CONTINUED)

for the period from 1 July to 30 September 2010

Income/Expenses	1/7–30/9/2010	1/7–30/9/2009	CHANGE	
	€ millions	€ millions	€ millions	in %
Net interest	990	1,019	(29)	(2.8)
Dividends and other income from equity investments	20	5	+ 15	>+ 100.0
Net interest income	1,010	1,024	(14)	(1.4)
Net fees and commissions	286	301	(15)	(5.0)
Net trading income	293	597	(304)	(50.9)
Net other expenses/income	57	32	+ 25	+ 78.1
Net non-interest income	636	930	(294)	(31.6)
TOTAL REVENUES	1,646	1,954	(308)	(15.8)
Payroll costs	(442)	(462)	+ 20	(4.3)
Other administrative expenses	(367)	(355)	(12)	+ 3.4
Amortisation, depreciation and impairment losses on intangible and tangible assets	(53)	(50)	(3)	+ 6.0
Operating costs	(862)	(867)	+ 5	(0.6)
OPERATING PROFIT	784	1,087	(303)	(27.9)
Provisions for risks and charges	(8)	(39)	+ 31	(79.5)
Write-down on goodwill	—	—	—	—
Restructuring costs	—	(1)	+ 1	(100.0)
Net write-downs of loans and provisions for guarantees and commitments	(155)	(519)	+ 364	(70.1)
Net income from investments	(31)	(180)	+ 149	+ 82.8
PROFIT BEFORE TAX	590	348	+ 242	+ 69.5
Income tax for the period	(171)	(133)	(38)	+ 28.6
CONSOLIDATED PROFIT	419	215	+ 204	+ 94.9
attributable to shareholder of UniCredit Bank AG	379	189	+ 190	>+ 100.0
attributable to minorities	40	26	+ 14	+ 53.8

Earnings per share

(in €)

	1/7–30/9/2010	1/7–30/9/2009
Earnings per share	0.47	0.24

**Statement of Other Comprehensive Income
for the period from 1 July to 30 September 2010**

(€ millions)

	1/7–30/9/2010	1/7–30/9/2009
Consolidated profit recognised in the income statement	419	215
Income and expenses recognised in equity		
Changes from foreign currency translation and other changes	(49)	(16)
Changes from companies accounted for using the equity method	—	—
Actuarial profit on defined benefit plans (pension commitments)	—	—
Discontinued operations and assets held for sale	—	—
Change in valuation of financial instruments (Afs reserve)	6	171
Change in valuation of financial instruments (hedge reserve)	(37)	(49)
Taxes on income and expenses recognised in equity	33	10
Income and expenses recognised in equity	(47)	116
Total recognised in equity	372	331
of which:		
attributable to shareholder of UniCredit Bank AG	408	329
attributable to minority interest	(36)	2

Balance Sheet

at 30 September 2010

Assets

	NOTES	30/9/2010	31/12/2009	CHANGE	
		€ millions	€ millions	€ millions	in %
Cash and cash balances		1,836	6,400	(4,564)	(71.3)
Financial assets held for trading	11	170,190	133,389	+ 36,801	+ 27.6
Financial assets at fair value through profit or loss	12	25,489	13,758	+ 11,731	+ 85.3
Available-for-sale financial assets	13	5,243	4,441	+ 802	+ 18.1
Shares in associates accounted for using the equity method and joint ventures accounted for using the equity method	14	95	88	+ 7	+ 8.0
Held-to-maturity investments	15	2,598	2,679	(81)	(3.0)
Loans and receivables with banks	16	51,668	43,254	+ 8,414	+ 19.5
Loans and receivables with customers	17	138,297	145,919	(7,622)	(5.2)
Hedging derivatives		5,751	3,578	+ 2,173	+ 60.7
Hedge adjustment of hedged items in the fair value hedge portfolio		155	53	+ 102	>+ 100.0
Property, plant and equipment		2,737	2,581	+ 156	+ 6.0
Investment properties		1,859	1,907	(48)	(2.5)
Intangible assets		615	656	(41)	(6.3)
of which: goodwill		424	424	—	—
Tax assets		3,076	2,612	+ 464	+ 17.8
of which: deferred tax assets		2,623	2,252	+ 371	+ 16.5
Non-current assets or disposal groups held for sale	20	27	4	+ 23	>+ 100.0
Other assets		2,082	2,101	(19)	(0.9)
Total assets		411,718	363,420	+ 48,298	+ 13.3

Liabilities

	NOTES	30/9/2010	31/12/2009	CHANGE	
		€ millions	€ millions	€ millions	in %
Deposits from banks	21	53,815	50,704	+ 3,111	+ 6.1
Deposits from customers	22	108,432	96,490	+ 11,942	+ 12.4
Debt securities in issue	23	50,176	61,286	(11,110)	(18.1)
Financial liabilities held for trading		162,692	121,206	+ 41,486	+ 34.2
Hedging derivatives		2,779	1,369	+ 1,410	>+ 100.0
Hedge adjustment of hedged items in the fair value hedge portfolio		2,326	1,200	+ 1,126	+ 93.8
Tax liabilities		2,493	1,849	+ 644	+ 34.8
of which: deferred tax liabilities		1,672	1,175	+ 497	+ 42.3
Liabilities of disposal groups held for sale	24	610	—	+ 610	
Other liabilities		4,000	4,179	(179)	(4.3)
Provisions	25	1,408	1,499	(91)	(6.1)
Shareholders' equity		22,987	23,638	(651)	(2.8)
Shareholders' equity attributable to shareholder of UniCredit Bank AG		22,187	22,870	(683)	(3.0)
Subscribed capital		2,407	2,407	—	—
Additional paid-in capital		9,791	9,791	—	—
Own shares		—	—	—	—
Other reserves		8,987	9,034	(47)	(0.5)
Change in valuation of financial instruments	26	(117)	5	(122)	
AfS reserve		(171)	(190)	+ 19	+ 10.0
Hedge reserve		54	195	(141)	(72.3)
Consolidated profit 2009		—	1,633	(1,633)	(100.0)
Net profit 1/1 – 30/9/2010 ¹		1,119	—	+ 1,119	
Minority interest		800	768	+ 32	+ 4.2
Total shareholders' equity and liabilities		411,718	363,420	+ 48,298	+ 13.3

¹ shareholders' equity attributable to shareholder of UniCredit Bank AG

Statement of Changes in Shareholders' Equity

at 30 September 2010

	SUBSCRIBED CAPITAL	ADDITIONAL PAID-IN CAPITAL	OTHER RESERVES	
			TOTAL	OF WHICH: PENSIONS AND SIMILAR OBLIGATIONS (IAS 19)
Shareholders' equity at 1 January 2009	2,407	9,791	9,996	(139)
Recognised income and expenses				
Consolidated profit recognised in the consolidated income statement	—	—	—	—
Income and expenses recognised in equity				
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	—	—	(10)	—
Income and expenses recognised in equity	—	—	(10)	—
Total income and expenses recognised in equity	—	—	(10)	—
Other changes recognised in equity				
Dividend payouts	—	—	—	—
Changes in group of consolidated companies	—	—	(17)	—
Total other changes in equity	—	—	(17)	—
Shareholders' equity at 30 September 2009	2,407	9,791	9,969	(139)
of which:				
shareholders' equity of disposal groups held for sale	—	—	—	—
Shareholders' equity at 1 January 2010	2,407	9,791	9,034	(223)
Recognised income and expenses				
Consolidated profit recognised in the consolidated income statement	—	—	—	—
Income and expenses recognised in equity				
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	—	—	19	—
Income and expenses recognised in equity	—	—	19	—
Total income and expenses recognised in equity	—	—	19	—
Other changes recognised in equity				
Dividend payouts	—	—	—	—
Changes in group of consolidated companies	—	—	(66)	—
Total other changes in equity	—	—	(66)	—
Shareholders' equity at 30 September 2010	2,407	9,791	8,987	(223)
of which:				
shareholders' equity of disposal groups held for sale	—	—	—	—

1 shareholders' equity attributable to shareholder of UniCredit Bank AG

2 UniCredit Bank AG (HVB)

3 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. 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.

(€ millions)

CHANGE IN VALUATION OF FINANCIAL INSTRUMENTS		CONSOLIDATED PROFIT ³	PROFIT 1/1 – 30/9 ¹	TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO SHAREHOLDER OF HVB ²	MINORITY INTEREST	TOTAL SHAREHOLDERS' EQUITY
AFS RESERVE	HEDGE RESERVE					
(306)	329	—	—	22,217	807	23,024
—	—	—	334	334	62	396
96	6	—	—	102	1	103
14	(104)	—	—	(90)	—	(90)
9	—	—	—	(1)	(39)	(40)
119	(98)	—	—	11	(38)	(27)
119	(98)	—	334	345	24	369
—	—	—	—	—	(31)	(31)
—	—	—	—	(17)	(30)	(47)
—	—	—	—	(17)	(61)	(78)
(187)	231	—	334	22,545	770	23,315
—	—	—	—	—	—	—
(190)	195	1,633	—	22,870	768	23,638
—	—	—	1,119	1,119	20	1,139
53	(11)	—	—	42	—	42
(25)	(72)	—	—	(97)	—	(97)
4	—	—	—	23	38	61
32	(83)	—	—	(32)	38	6
32	(83)	—	1,119	1,087	58	1,145
—	—	(1,633)	—	(1,633)	(25)	(1,658)
(13)	(58)	—	—	(137)	(1)	(138)
(13)	(58)	(1,633)	—	(1,770)	(26)	(1,796)
(171)	54	—	1,119	22,187	800	22,987
—	—	—	—	—	—	—

Selected Notes

1 Accounting and valuation principles

IFRS basis

After trading in HVB shares was officially discontinued during 2008 following the completion of the squeeze-out, we are no longer formally obliged to prepare quarterly financial statements at 31 March and 30 September. We have decided, however, to continue publishing interim reports with a view to retaining a high level of transparency on the market.

The income statement and balance sheet contained in the present Interim Report together with the associated notes have again been prepared in accordance with the regulations defined in the International Financial Reporting Standards (IFRS).

We have applied the same accounting, valuation and disclosure principles in 2010 as in the consolidated financial statements for 2009 (please refer to the HVB Group Annual Report for 2009, starting on page 97). The main new regulations worthy of note in this regard are the revised IFRS 3 "Business Combinations" (IFRS 3 R) and IAS 27 "Consolidated and Separate Financial Statements" (IAS 27 R). Whereas IFRS 3 R defines more closely the application of the purchase method for business combinations, IAS 27 R contains revised regulations for the presentation of minority interests and for disclosure in the event of the loss of controlling influence over a subsidiary in the balance sheet. The new regulations could have an impact on HVB Group should there be future business combinations and transactions.

Segment reporting

In segment reporting, the market-related activities of HVB Group are divided into the following globally operating divisions: Corporate & Investment Banking, Retail, and Private Banking. 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 were used at year-end 2009 are being applied in 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 S.A.) was 4.30% in 2009. This rate was redetermined for 2010 and has been 4.09% since 1 January 2010.

In the second quarter of 2010, we launched our One4C initiative, which provides for the resegmentation of affluent private customers as well as small and mid-sized companies. The overall goal of this initiative is the consistent orientation of the Bank towards a sustainable customer business model, using it to achieve even closer and more targeted relationship management for the benefit of customers. In a first Phase, customers with free assets of at least 500,000 euros were moved from the Retail division to the Private Banking division, and customers with assets of less than 500,000 euros were moved from the Private Banking division to the Retail division in the second quarter of 2010. This reorganisation resulted in an overall shift in customers from the Retail division to the Private Banking division. The second Phase in implementing One4C, the transfer of small and mid-sized companies with revenues of up to 50 million euros from the Corporate & Investment Banking, will commence at the beginning of 2011 as planned.

In addition to transferring customers between divisions as a result of the One4C initiative, other smaller reorganisation measures were taken in the second and third quarter of 2010, particularly in administrative expenses. The previous year's figures or, respectively, those of the previous quarters, have been adjusted accordingly to reflect described changes in segment allocations.

2 Companies included in consolidation

In the first nine month of 2010, the following companies and fund assets were added to the group of companies included in consolidation:

- Bank Austria Immobilien Service GmbH, Vienna,
- UniCredit CAIB Securities UK Ltd., London,
- HVB Asset Leasing Limited, London,
- HVB International Asset Leasing GmbH, Munich,
- HVB Export Leasing GmbH, Munich,
- HVB Principal Equity GmbH, Munich,
- RHOTERRA Gesellschaft für Immobilienverwaltung mbH, Munich,
- Salvatorplatz-Grundstücksgesellschaft mbH, Munich,
- Salvatorplatz-Grundstücksgesellschaft mbH & Co. OHG Saarland, Munich,
- Structured Invest Société Anonyme, Luxembourg,
- UniCredit Beteiligungs GmbH, Munich,
- Elektra Purchase No. 1 Ltd., St. Helier, Jersey,
- Bandon Leasing Limited, Dublin,
- HVB Gesellschaft für Gebäude Beteiligungs GmbH, Munich,
- HVB Global Assets Company (GP), LLC, City of Dover,
- HVB Hong Kong Limited, Hong Kong,
- HVB Realty Capital Inc., New York,
- HVB Verwa 1 GmbH, Munich,
- HVBFF Objekt Beteiligungs GmbH, Munich,
- WealthCap PEIA Komplementär GmbH, Munich,
- Life Management Zweite GmbH, Grünwald,
- Life Management Erste GmbH, Munich,
- AB Immobilienverwaltungs-GmbH, Munich,
- Active Asset Management GmbH, Grünwald,
- “Portia” Grundstücksverwaltungs-Gesellschaft mit beschränkter Haftung, Munich,
- Status Vermögensverwaltung GmbH, Schwerin,
- BIL Leasing-Fonds GmbH & Co VELUM KG, Munich,
- BIL Leasing-Fonds Verwaltungs-GmbH, Munich,
- BIL V & V Vermietungs GmbH, Munich,
- WealthCap Stiftungstreuhand GmbH, Hamburg,
- BV Grundstücksentwicklungs-GmbH, Munich,
- UniCredit (China) Advisory Limited, Peking,
- Geldilux-TS-2010 S.A., Luxembourg.

With effect from 1 June 2010, HVB acquired UniCredit CAIB AG and its subsidiary, Uni-Credit CAIB Securities UK Ltd., from UniCredit Bank Austria AG, Vienna. As this business combination is a group-internal transaction within UniCredit Group, IFRS 3 does not apply to the acquisition of the two companies (IFRS 3.2c: business combinations involving entities or businesses under common control). Upon its entry into the Commercial Register, UniCredit CAIB AG was merged into UniCredit Bank AG with effect from 1 July 2010. After the technical integration at 24 September 2010, it will continue to operate within a modified structure as UniCredit Bank AG, Vienna branch.

At 30 September 2010, the following companies are no longer consolidated for HVB Group:

- Geldilux-TS-2009 S.A., Luxembourg,
- Geldilux-TS-2005 S.A., Luxembourg,
- Claris Limited – Series 64/2006, St. Helier, Jersey.

Notes to the Income Statement

3 Segment reporting

Income statement broken down by division for the period from 1 January to 30 September 2010

(€ millions)

	CORPORATE & INVESTMENT BANKING	RETAIL	PRIVATE BANKING	OTHER/ CONSOLIDATION	HVB GROUP
TOTAL REVENUES					
1/1 – 30/9/2010	3,313	1,007	214	463	4,997
1/1 – 30/9/2009	3,744	1,090	233	382	5,449
Operating costs					
1/1 – 30/9/2010	(1,372)	(965)	(128)	(148)	(2,613)
1/1 – 30/9/2009	(1,249)	(1,015)	(133)	(196)	(2,593)
OPERATING PROFIT					
1/1 – 30/9/2010	1,941	42	86	315	2,384
1/1 – 30/9/2009	2,495	75	100	186	2,856
Restructuring costs					
1/1 – 30/9/2010	—	—	—	—	—
1/1 – 30/9/2009	(212)	(55)	(1)	—	(268)
Net write-downs of loans and provisions for guarantees and commitments					
1/1 – 30/9/2010	(574)	(34)	(2)	(54)	(664)
1/1 – 30/9/2009	(1,391)	(55)	5	(47)	(1,488)
Net income from investments and other items¹					
1/1 – 30/9/2010	40	5	(2)	(77)	(34)
1/1 – 30/9/2009	(301)	(8)	(2)	(69)	(380)
PROFIT/(LOSS) BEFORE TAX					
1/1 – 30/9/2010	1,407	13	82	184	1,686
1/1 – 30/9/2009	591	(43)	102	70	720

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

Income statement of the Corporate & Investment Banking division

(€ millions)

INCOME/EXPENSES	1/1 – 30/9/ 2010	1/1 – 30/9/ 2009	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009
Net interest income	2,173	2,504	703	773	697	733	754
Net fees and commissions	439	379	133	123	183	137	123
Net trading income	644	855	242	29	373	72	581
Net other expenses/income	57	6	10	20	27	(3)	3
Net non-interest income	1,140	1,240	385	172	583	206	707
TOTAL REVENUES	3,313	3,744	1,088	945	1,280	939	1,461
Payroll costs	(577)	(482)	(180)	(212)	(185)	(211)	(178)
Other administrative expenses	(778)	(762)	(264)	(269)	(245)	(233)	(253)
Amortisation, depreciation and impairment losses on intangible and tangible assets	(17)	(5)	(6)	(6)	(5)	(5)	(2)
Operating costs	(1,372)	(1,249)	(450)	(487)	(435)	(449)	(433)
OPERATING PROFIT	1,941	2,495	638	(458)	845	490	1,028
Restructuring costs	—	(212)	—	—	—	125	—
Net write-downs of loans and provisions for guarantees and commitments	(574)	(1,391)	(162)	(68)	(344)	(145)	(496)
Net income from investments and other items ¹	40	(301)	(2)	12	30	(112)	(211)
PROFIT BEFORE TAX	1,407	591	474	(402)	531	358	321
Cost-income ratio in %	41.4	33.4	41.4	51.5	34.0	47.8	29.6

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

Development of the Corporate & Investment Banking division

In the first nine months of 2010, the Corporate & Investment Banking division recorded a very good profit before tax of €1,407 million, which is a substantial increase of €816 million compared with last year (€591 million).

Net fees and commissions showed a very pleasing development in operations, rising by around 16%, to €439 million. This is attributable to traditional lending operations as well as the income from project and structured finance. At €644 million, the division reported an impressive net trading income in the first nine months of the year under review. This figure does not match the exceptionally high contribution to profits of €855 million generated in the previous year, which was supported by the strong recovery of the overall market at that time. In particular, the Rates (interest-related products), Equities (share and index products) and Capital Markets units made significant contributions to this good performance. In addition, this result was improved by holdings assigned to the fair-value-option, which were still under considerable pressure last year due to widening spreads caused by the more difficult market conditions.

Net interest income decreased by 13%, to €2,173 million, compared with last year. This decrease can be attributed primarily to lower trading-related interest income together with the limited effects arising from the amortisation of reclassified assets compliant with IAS 39. Furthermore, net interest income fell in deposit-taking activities on account of considerably lower margins. However, there was a slight rise in the result for traditional lending operations with corporate customers; the dividends included in net interest income also increased on account of higher dividends paid by private equity funds.

Although operating costs rose in the period under review to €1,372 million, after €1,249 million in the previous year, at 41.4%, the cost-income ratio is still at a very good level.

A significant increase of €816 million, to €1,407 million, in the profit before tax was generated in the first nine months of 2010. This development was largely due to the significant year-on-year decline in net write-downs of loans and provisions for guarantees and commitments and the non-recurrence of last year's restructuring costs as well as a considerable improvement in net income from investments, which included heavy burdens from the impairments of private equity funds in 2009.

Notes to the Income Statement (CONTINUED)

Income statement of the Retail division

In the first phase of implementing our One4C initiative (in which measures were taken to provide a consistent orientation of the Bank towards a sustainable customer business model to achieve even closer and more targeted relationship management for the benefit of customers), customers were transferred between the Retail and Private Banking divisions during the second quarter of 2010. Customers with free assets of at least 500,000 euros were moved from the Retail division to the Private Banking division, and customers with assets of less than 500,000 euros were moved from the Private Banking division to the Retail division. This reorganisation resulted in an overall shift in customers from the Retail division to the Private Banking division and, with it, a disproportionate transfer of total revenues. Figures from the previous year and previous quarters have been adjusted accordingly.

Since One4C's second phase (transferring specific corporate customers from the Corporate & Investing Banking division as well as any associated income and expenses) will not take place until the beginning of 2011, the total revenues shown in the table below as well as figures found in profit/(loss) before tax have been appropriately understated until One4C has been fully implemented.

(€ millions)

INCOME/EXPENSES	1/1 – 30/9/ 2010	1/1 – 30/9/ 2009	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009
Net interest income	624	714	211	206	207	222	227
Net fees and commissions	383	375	112	136	135	113	127
Net trading income	8	6	1	3	4	4	5
Net other expenses/income	(8)	(5)	(3)	(4)	(1)	(10)	(3)
Net non-interest income	383	376	110	135	138	107	129
TOTAL REVENUES	1,007	1,090	321	341	345	329	356
Payroll costs	(393)	(422)	(134)	(125)	(134)	(135)	(138)
Other administrative expenses	(563)	(583)	(182)	(191)	(190)	(187)	(194)
Amortisation, depreciation and impairment losses on intangible and tangible assets	(9)	(10)	(3)	(3)	(3)	(3)	(3)
Operating costs	(965)	(1,015)	(319)	(319)	(327)	(325)	(335)
OPERATING PROFIT	42	75	2	22	18	4	21
Restructuring costs	—	(55)	—	—	—	(8)	—
Net write-downs of loans and provisions for guarantees and commitments	(34)	(55)	5	(27)	(12)	(8)	(13)
Net income from investments and other items ¹	5	(8)	—	4	1	1	—
PROFIT/(LOSS) BEFORE TAX	13	(43)	7	(1)	7	(11)	8
Cost-income ratio in %	95.8	93.1	99.4	93.5	94.8	98.8	94.1

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

Development of the Retail division

In a persistently challenging economic environment, the total revenues of the Retail division fell by around 8% in the first nine months of 2010 compared with the equivalent period last year. This decline is primarily attributable to the decrease in net interest income of around 13%, to €624 million. This is essentially due to lower interest margins in deposit-taking activities which, despite an increase in volumes, resulted in a decline in net interest income in the deposit-taking business. On the lending side, there was a decrease in net interest income as a result of falling volumes, whereby a significant rise in new real estate financing business partially offset the decrease in volumes. Furthermore, net interest income declined due to the deconsolidation of Vereinsbank Victoria Bausparkasse in the second half of 2009. In contrast, net fees and commissions developed pleasingly, increasing by €8 million, to €383 million, despite customers' continuing reticence in the wake of the financial crisis. This rise was a result of better year-on-year securities operations driven by the strong demand for mandated products, such as the innovative "HVB Vermögensdepot privat". In addition, the successful sales of pension products and the increased distribution of savings-and-loan products had a positive impact. The cooperations with ERGO and Wüstenrot Bausparkasse AG contributed to this success.

The decline in total revenues was partially offset by applying consistent cost management to savings achieved in operating costs (down 4.9%). In the process, payroll costs fell in particular due to the 6.9% reduction in headcount. In addition, other administrative expenses decreased by 3.4%.

The sharp decline in net write-downs of loans and provisions for guarantees and commitments of around 38.2%, to €34 million, coupled with the non-recurring restructuring costs included last year led to an improvement in the now positive profit before tax of €13 million (1.1. to 30.9.2009: a loss of €43 million) for the first three quarters of 2010. As already explained at the outset, however, the reorganisation completed in the second quarter of 2010 has resulted in a temporarily low income and profit basis that does not fully reflect the future profitability of the Retail division.

Notes to the Income Statement (CONTINUED)

Income statement of the Private Banking division

(€ millions)

INCOME/EXPENSES	1/1 – 30/9/ 2010	1/1 – 30/9/ 2009	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009
Net interest income	75	90	26	24	25	31	30
Net fees and commissions	138	141	39	47	52	42	45
Net trading income	—	—	—	—	—	—	—
Net other expenses/income	1	2	2	(1)	—	5	(1)
Net non-interest income	139	143	41	46	52	47	44
TOTAL REVENUES	214	233	67	70	77	78	74
Payroll costs	(57)	(55)	(19)	(19)	(19)	(17)	(18)
Other administrative expenses	(70)	(77)	(23)	(23)	(24)	(26)	(26)
Amortisation, depreciation and impairment							
losses on intangible and tangible assets	(1)	(1)	—	(1)	—	—	—
Operating costs	(128)	(133)	(42)	(43)	(43)	(43)	(44)
OPERATING PROFIT	86	100	25	27	34	35	30
Restructuring costs	—	(1)	—	—	—	(2)	(1)
Net write-downs of loans and provisions							
for guarantees and commitments	(2)	5	(1)	—	(1)	(1)	4
Net income from investments and other items ¹	(2)	(2)	(2)	—	—	(7)	4
PROFIT BEFORE TAX	82	102	22	27	33	25	37
Cost-income ratio in %	59.8	57.1	62.7	61.4	55.8	55.1	59.5

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

Development of the Private Banking division

In the course of implementing the One4C initiative, there was a disproportionate transfer of customers and the related earnings from the Retail division to the Private Banking division in the second quarter of 2010. The previous year's figures and previous quarters have been adjusted accordingly.

Under still challenging market conditions, the operating profit of the Private Banking division in the first nine months of 2010 was €86 million, down €14 million on the same period last year. In the process, total revenues fell by €19 million, to €214 million, mainly due to the decline in net interest income, which fell by €15 million, to €75 million (down 17%). The decisive reason for this development were unfavourable changes in market interest rates, which led to much narrower margins in deposit-taking activities. In contrast, net fees and commissions developed satisfactorily, which, at €138 million (down 2.1%) are only slightly lower than last year. This reflects our customers' still noticeable reticence in the wake of the financial crisis.

On account of strict cost management, operating costs showed a pleasing development, falling by a total of €5 million, to €128 million (down 4%). At 59.8% (previous year: 57.1%), the cost-income ratio is still at a very good level. Taking into account the negative total effect of €6 million compared with last year (in particular from net write-downs of loans and provisions for guarantees and commitments, and the loss in net income from investments), the Private Banking division generated a profit before tax of €82 million (2009: €102 million) in the first nine months of 2010.

Income statement of the Other/consolidation segment

(€ millions)

INCOME/EXPENSES	1/1 – 30/9/ 2010	1/1 – 30/9/ 2009	Q3 2010	Q2 2010	Q1 2010	Q4 2009	Q3 2009
TOTAL REVENUES	463	382	170	92	201	135	63
Operating costs	(148)	(196)	(51)	(43)	(54)	(52)	(55)
OPERATING PROFIT	315	186	119	49	147	83	8
Restructuring costs	—	—	—	—	—	(17)	—
Net write-downs of loans and provisions for guarantees and commitments	(54)	(47)	3	(42)	(15)	41	(14)
Net income from investments and other items ¹	(77)	(69)	(35)	(33)	(9)	67	(12)
PROFIT/(LOSS) BEFORE TAX	184	70	87	(26)	123	174	(18)

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

Development of the Other/consolidation segment

The total revenues of this segment increased by €81 million, to €463 million, in the first nine months of 2010. Within this total, an increase in profit from asset/liability management as well as higher income in connection with the buy-back of hybrid capital were partially offset by the negative effects from exchange rate differences compliant with IAS 21.28.

With operating costs declining by €48 million, an operating profit of €315 million (equivalent period in 2009: €186 million) was generated in the first three quarters of 2010.

The net write-downs of loans and provisions for guarantees and commitments in this segment are due to the Special Credit Portfolio. The total rose by €7 million, to €54 million, in the period under review compared with last year. In the year under review, net income from investments and other items declined by €8 million, to a loss of €77 million, whereby higher impairments of investment properties were partially offset by lower provisions for risks and charges. The profit before tax improved by €114 million, to €184 million, in the first nine months of 2010.

4 Net interest income

(€ millions)

	1/1 – 30/9/2010	1/1 – 30/9/2009
Interest income from		
lending and money market transactions	4,520	5,981
other interest income	1,965	2,556
Interest expense from		
deposits	(932)	(1,926)
debt securities in issue and other interest expenses	(2,540)	(3,239)
Net interest	3,013	3,372
Dividends and other income from equity investments		
Dividends and other similar income	87	35
Companies accounted for using the equity method	7	—
Total	3,107	3,407

Notes to the Income Statement (CONTINUED)

5 Net fees and commissions

(€ millions)

	1/1 – 30/9/2010	1/1 – 30/9/2009
Management, brokerage and consultancy services	513	480
Collection and payment services	150	146
Lending operations	288	250
Other service operations	16	25
Total	967	901

This item comprises the balance of fee and commission income of €1,611 million (2009: €1,646 million) and fee and commission expenses of €644 million (2009: €745 million).

6 Net trading income

(€ millions)

	1/1 – 30/9/2010	1/1 – 30/9/2009
Net gains on financial assets held for trading ¹	582	1,015
Effects arising from hedge accounting	84	24
Changes in fair value of hedged items	(1,211)	(858)
Changes in fair value of hedging derivatives	1,295	882
Net gains/(losses) on financial assets at fair value through profit or loss (fair value option)	(26)	(81)
Other net trading income	109	60
Total	749	1,018

¹ including dividends on financial assets held for trading

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 income. To ensure that the full contribution to profits is disclosed, the interest cash flows are only carried in net trading income for the interest rate swap trading book, which exclusively contains interest rate derivatives.

7 Net other expenses/income

(€ millions)

	1/1 – 30/9/2010	1/1 – 30/9/2009
Other income	253	251
Other expenses	(79)	(128)
Total	174	123

8 Net write-downs of loans and provisions for guarantees and commitments

(€ millions)

	1/1 – 30/9/2010	1/1 – 30/9/2009
Additions/Releases	(701)	(1,532)
Allowances for losses on loans and receivables	(648)	(1,458)
Allowances for losses on guarantees and indemnities	(53)	(74)
Recoveries from write-offs of loans and receivables	37	44
Gains on the disposal of impaired loans and receivables	—	—
Total	(664)	(1,488)

9 Net income from investments

(€ millions)

	1/1 – 30/9/2010	1/1 – 30/9/2009
Available-for-sale financial assets	38	(284)
Shares in affiliated companies	—	32
Companies accounted for using the equity method	—	(6)
Held-to-maturity investments	—	8
Land and buildings	—	8
Investment properties ¹	(47)	(36)
Other	—	1
Total	(9)	(277)

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

Net income from investments breaks down as follows:

(€ millions)

	1/1 – 30/9/2010	1/1 – 30/9/2009
Gains on the disposal of	46	123
available-for-sale financial assets	46	59
shares in affiliated companies	—	47
companies accounted for using the equity method	—	—
held-to-maturity investments	—	8
land and buildings	—	8
other	—	1
Write-downs and value adjustments on	(55)	(400)
available-for-sale financial assets	(8)	(343)
shares in affiliated companies	—	(15)
companies accounted for using the equity method	—	(6)
held-to-maturity investments	—	—
investment properties ¹	(47)	(36)
Total	(9)	(277)

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

10 Earnings per share

	1/1 – 30/9/2010	1/1 – 30/9/2009
Consolidated profit attributable to the shareholder (€ millions)	1,119	334
Average number of shares	802,383,672	802,383,672
Earnings per share (€)	1.39	0.42

Notes to the Balance Sheet

11 Financial assets held for trading

(€ millions)

	30/9/2010	31/12/2009
Balance-sheet assets		
Fixed-income securities	32,049	33,950
Equity instruments	4,210	6,586
Other financial assets held for trading	12,211	11,772
Positive fair value from derivative financial instruments	121,720	81,081
Total	170,190	133,389

The financial assets held for trading include €365 million (31 December 2009: €512 million) in subordinated assets at 30 September 2010.

12 Financial assets at fair value through profit or loss

(€ millions)

	30/9/2010	31/12/2009
Fixed-income securities	23,250	11,266
Equity instruments	1	1
Investment certificates	1	1
Promissory notes	2,237	2,490
Other financial assets at fair value through profit or loss	—	—
Total	25,489	13,758

The financial assets at fair value through profit or loss include €292 million (31 December 2009: €274 million) in subordinated assets at 30 September 2010.

13 Available-for-sale financial assets

(€ millions)

	30/9/2010	31/12/2009
Fixed-income securities	3,225	2,433
Equity instruments	770	862
Other available-for-sale financial assets	534	475
Impaired assets	714	671
Total	5,243	4,441

Available-for-sale financial assets include financial instruments of €1,456 million (31 December 2009: €1,444 million) valued at cost at 30 September 2010.

The available-for-sale financial assets contain a total of €714 million (31 December 2009: €671 million) in impaired assets at 30 September 2010. Impairments of €20 million (30 September 2009: €351 million) were taken to the income statement in the period under review. None of the non-impaired debt instruments are financial instruments past due.

The available-for-sale financial assets include €426 million (31 December 2009: €257 million) in subordinated assets at 30 September 2010.

14 Shares in associated companies accounted for using the equity method and joint ventures accounted for using the equity method

(€ millions)

	30/9/2010	31/12/2009
Associated companies accounted for using the equity method	95	88
of which: goodwill	—	—
Joint ventures accounted for using the equity method	—	—
Total	95	88

15 Held-to-maturity investments

(€ millions)

	30/9/2010	31/12/2009
Fixed-income securities	2,594	2,675
Impaired assets	4	4
Total	2,598	2,679

The held-to-maturity investments include €15 million (31 December 2009: €15 million) in subordinated assets at 30 September 2010.

16 Loans and receivables with banks

(€ millions)

	30/9/2010	31/12/2009
Current accounts and demand deposits	18,838	14,887
Repos ¹	12,945	10,265
Reclassified securities	5,487	8,349
Other loans to banks	14,398	9,753
Total	51,668	43,254

¹ repurchase agreements

The loans and receivables with banks include €868 million (31 December 2009: €862 million) in subordinated assets at 30 September 2010.

17 Loans and receivables with customers

(€ millions)

	30/9/2010	31/12/2009
Current accounts	6,471	6,349
Repos ¹	741	971
Mortgage loans	51,737	56,012
Finance leases	2,491	2,357
Reclassified securities	6,543	8,009
Non-performing loans and receivables	5,203	5,029
Other loans and receivables	65,111	67,192
Total	138,297	145,919

¹ repurchase agreements

The loans and receivables with customers include €1,902 million (31 December 2009: €2,054 million) in subordinated assets at 30 September 2010.

18 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 2010. 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 SECURITIES	CARRYING AMOUNT OF ALL RECLASSIFIED ASSETS ¹	FAIR VALUE OF ALL RECLASSIFIED ASSETS	NOMINAL AMOUNT OF ALL RECLASSIFIED ASSETS
Reclassified in 2008			
Balance at 31/12/2008	13.7	11.8	14.6
Balance at 30/9/2010	7.1	6.4	7.7
Reclassified in 2009			
Balance at 31/12/2009	7.3	7.4	7.4
Balance at 30/9/2010	4.9	5.0	5.0
Balance of reclassified assets at 30/9/2010	12.0	11.4	12.7

¹ before accrued interest

Notes to the Balance Sheet (CONTINUED)

The fair value of the financial instruments reclassified as loans and receivables with banks and customers amounts to a total of €11.4 billion at 30 September 2010. 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 €432 million in net trading income in the first three quarters of 2010. In 2008 and 2009, a net loss of €633 million would have accrued in net trading income from the accumulated reclassified holdings. These effects reflect a theoretical, pro-forma calculation, as the assets are measured at amortised cost on account of the reclassification.

We have built up loan-loss provisions of €24 million on the reclassified assets in the first nine months 2010 (financial years 2008 and 2009 cumulated: a loss of €143 million). The fair value at the date when the reclassification takes effect represents the new acquisition costs, some of which are considerably less than the nominal value. Accordingly, this difference (discount) is to be amortised over the remaining term of the reclassified financial assets. This and the reclassified securities that had matured or been partially paid off gave rise to an effect of €126 million (financial years 2008 and 2009 cumulated: €335 million) at 30 September 2010, which is recognised in net interest income.

A gain of €45 million (financial years 2008 and 2009 cumulated: €83 million) on reclassified securities that had been sold was recognised in the income statement in the first nine months of 2010.

In the first nine months of 2010, the reclassifications carried out in 2008 and 2009 resulted in a decline in the profit before tax by €285 million. Since the reclassification took effect up to the reporting date, the accumulated net impact on the income statement from the reclassifications already carried out totalled €623 million before tax.

19 Allowances for losses on loans and receivables with customers and banks

Analysis of loans and receivables:

(€ millions)

	SPECIFIC ALLOWANCES	PORTFOLIO ALLOWANCES	TOTAL
Balance at 1 January 2009	4,305	536	4,841
Changes affecting income	1,385	73	1,458
Changes not affecting income			
Changes due to make-up of group of consolidated companies and reclassifications of disposal groups held for sale	(9)	(2)	(11)
Use of existing loan-loss allowances	(613)	—	(613)
Effects of currency translation and other changes not affecting income	25	—	25
Non-current assets or disposal groups held for sale	—	—	—
Balance at 30 September 2009	5,093	607	5,700
	SPECIFIC ALLOWANCES	PORTFOLIO ALLOWANCES	TOTAL
Balance at 1 January 2010	4,641	581	5,222
Changes affecting income	604	44	648
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	(467)	—	(467)
Effects of currency translation and other changes not affecting income	74	1	75
Non-current assets or disposal groups held for sale	—	—	—
Balance at 30 September 2010	4,852	626	5,478

20 Non-current assets or disposal groups held for sale

In September 2010, UniCredit Luxembourg S.A. agreed to sell the private banking business of UniCredit Luxembourg S.A. to DZ Privatbank S.A. For this reason, we are reporting the relevant assets separately in the balance sheet compliant with IFRS 5.

(€ millions)

ASSETS	30/9/2010	31/12/2009
Loans and receivables with customers	24	—
Investment Properties	3	4
Total	27	4

21 Deposits from banks

(€ millions)

	30/9/2010	31/12/2009
Deposits from central banks	5,199	8,385
Deposits from banks	48,616	42,319
Current accounts and demand deposits	14,491	13,553
Reverse repos ¹	8,346	5,574
Other liabilities	25,779	23,192
Total	53,815	50,704

¹ repurchase agreements

22 Deposits from customers

(€ millions)

	30/9/2010	31/12/2009
Current accounts and demand deposits	43,273	41,281
Savings deposits	14,809	13,183
Reverse repos ¹	14,984	1,834
Other liabilities	35,366	40,192
Total	108,432	96,490

¹ repurchase agreements

23 Debt securities in issue

(€ millions)

	30/9/2010	31/12/2009
Bonds	48,144	59,265
Other securities	2,032	2,021
Total	50,176	61,286

24 Liabilities of disposal groups held for sale

Due to the sale of the private banking business of UniCredit Luxembourg S.A., as shown in Note 20, we are reporting the liabilities allocated in this regard in the balance sheet compliant with IFRS 5 separately.

(€ millions)

LIABILITIES	30/9/2010	31/12/2009
Deposits from customers	609	—
Financial liabilities held for trading	1	—
Total	610	—

Notes to the Balance Sheet (CONTINUED)

25 Provisions

(€ millions)

	30/9/2010	31/12/2009
Provisions for pensions and similar commitments	50	50
Allowances for losses on guarantees and commitments	261	237
Restructuring provisions	80	121
Other provisions	1,017	1,091
Total	1,408	1,499

26 Change in valuation of financial instruments

The reserves arising from changes in the valuation of financial instruments declined by €122 million to a loss of €117 million at 30 September 2010 compared with year-end 2009, also due to the impact of the first-time inclusion of UniCredit CAIB AG. The cash flow hedge reserve fell by €141 million to €54 million, while the available-for-sale reserve fell by €19 million to a loss of €171 million at 30 September 2010. The increase in the AfS reserve is mainly attributable to the positive fair-value fluctuations in our shareholdings and fixed-income securities classified as available for sale. This was partially offset by the sale of available-for-sale securities. There was also a slightly positive, 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.

27 Subordinated capital

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

	30/9/2010	31/12/2009
Subordinated liabilities	3,438	4,232
Participating certificates outstanding	205	205
Hybrid capital instruments	1,338	1,671
Total	4,981	6,108

Other Information

28 Contingent liabilities and other commitments

(€ millions)

	30/9/2010	31/12/2009
Contingent liabilities¹	17,459	19,544
Guarantees and indemnities	17,459	19,544
Other commitments	66,893	56,787
Irrevocable credit commitments	41,609	37,252
Other commitments	25,284	19,535
Total	84,352	76,331

¹ contingent liabilities are offset by contingent assets to the same amount

Other Information (CONTINUED)

29 Members of the Supervisory Board and Management Board Supervisory Board

Sergio Ermotti
Chairman

Peter König
Deputy Chairman

Dr Wolfgang Sprissler
Deputy Chairman

Gerhard Bayreuther
until 22 September 2010

Aldo Bulgarelli

Beate Dura-Kempf

Paolo Fiorentino
until 22 September 2010

Giulio Gambino
until 22 September 2010

Klaus Grünewald

Karl Guha
until 22 September 2010

Beate Mensch
until 22 September 2010

Dr Lothar Meyer

Marina Natale

Roberto Nicastrò
until 22 September 2010

Klaus-Peter Prinz
since 22 September 2010

Panagiotis Sfeliniotis
until 22 September 2010

Professor Hans-Werner Sinn
until 22 September 2010

Jutta Streit

Michael Voss
until 22 September 2010

Jens-Uwe Wächter

Dr Susanne Weiss

Management Board

Peter Buschbeck

Retail division

Lutz Diederichs

Corporate & Investment Banking division

Rolf Friedhofen

Chief Financial Officer (CFO)
until 31 May 2010

Peter Hofbauer

Chief Financial Officer (CFO)
since 1 November 2010

Heinz Laber

Human Resources Management
Global Banking Services

Andrea Umberto Varese

Chief Risk Officer (CRO)

Dr Theodor Weimer

Board Spokesman
Chief Financial Officer (CFO)¹

Andreas Wölfer

Private Banking division²

¹ from 1 June 2010 until 31 October 2010 provisionally

² formerly Wealth Management division; renamed Private Banking division as of 1 April 2010

Munich, 9 November 2010

UniCredit Bank AG
The Management Board

Buschbeck

Diederichs

Hofbauer

Laber

Varese

Dr Weimer

Wölfer

Munich, 29 November 2010

UniCredit Bank AG
Kardinal-Faulhaber-Strasse 1
80333 Munich

Signed

Michael Furmans

Michaela Karg