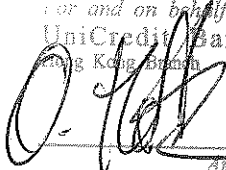


UniCredit Bank AG
Hong Kong Branch
Disclosure Statement for the Financial Period Ended 30 June 2015

For and on behalf of
UniCredit Bank AG
Hong Kong Branch



Authorized Signature(s)

UniCredit Bank AG

Financial Disclosure for Hong Kong Branch for the financial period ended 30 June 2015

Section A. Hong Kong Branch Information

I. Income statement information

Description	30 June 2014	30 June 2015
	HKS million	HKS million
Interest income	237	173
Interest expense	(127)	(138)
Other operating income	52	41
- Gains less losses arising from trading in foreign currencies	(16)	16
- Gains less losses on securities held for trading purposes	-	-
- Gains less losses from other trading activities	(1)	(13)
- Net fees and commission income	13	9
- Fees and commission income	18	15
- Fees and commission expenses	(5)	(6)
- Others	56	29
Operating expenses	(142)	(114)
- Staff expenses	(63)	(52)
- Rental expenses	(12)	(11)
- Other expenses less fee and commission expenses	(67)	(51)
Impairment losses and provision for impaired loans and receivables	-	(1)
Gains less losses from the disposal of property, plant and equipment and investment properties	1	-
Profit before taxation	21	(39)
Taxation expenses or tax income	-	-
Profit after taxation	21	(39)

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Financial Disclosure for Hong Kong Branch for the financial period ended 30 June 2015

II. Balance sheet information

Description	<u>31 December 2014</u> HK\$ million	<u>30 June 2015</u> HK\$ million
Assets		
Cash and balances with banks (excluding overseas offices)	956	56
Placements with banks maturing between one and twelve months	1,249	4,835
Amounts due from overseas offices of the institution	15,519	23,379
Trade bills	910	649
Certificates of deposit held	-	-
Securities held for trading purposes	-	-
Loans and receivables	4,723	4,276
- Loans and advances to customers	2,283	2,324
- Loans and advances to banks	35	8
- Other accounts	2,439	1,975
- Provisions for impaired loans and receivables	(34)	(31)
- Collective provision	(14)	(14)
- Individual provision	(20)	(17)
Available-for-sale financial assets	7,113	5,278
Investment Securities	-	-
Other investments	-	-
Property, plant and equipment and investment properties	7	6
Total assets	<u><u>30,477</u></u>	<u><u>38,479</u></u>
Liabilities		
Deposits and balances from banks (excluding overseas offices)	11,587	18,606
Deposits from customers	1,233	605
- Demand deposits and current accounts	971	503
- Savings deposits	-	-
- Time, call and notice deposits	262	102
Amounts due to overseas offices of the institution	11,360	10,887
Certificates of deposit issued	80	80
Issued debt securities	-	-
Other liabilities	6,217	8,301
Provisions	-	-
Total liabilities	<u><u>30,477</u></u>	<u><u>38,479</u></u>

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Financial Disclosure for Hong Kong Branch for the financial period ended 30 June 2015

Additional balance sheet information

(a) Impaired loans and advances (Note 1)	<u>31 December 2014</u> HK\$ million	<u>30 June 2015</u> HK\$ million
	Collateral coverage	Collateral coverage
(i) Impaired loans and advances to customers	-	-
Specific provisions made in respect of such advances	-	-
Impaired loans to customers after allowances	-	-
Percentage of impaired loans to total advances to customers	0.00%	0.00%
(ii) Impaired loans and advances to banks	-	-
Specific provisions made in respect of such advances	-	-
Impaired loans to banks after allowances	-	-
Percentage of impaired loans to total advances to banks	0.00%	0.00%

(b) Off-balance sheet exposures	<u>31 December 2014</u> HK\$ Million	<u>30 June 2015</u> HK\$ Million
The contractual or notional amounts of each of the following class of off-balance sheet exposures outstanding:		
Contingent liabilities and commitments (Note 2)		
Direct credit substitutes	345	683
Transaction-related contingencies	152	112
Trade-related contingencies	469	708
Note issuance and revolving underwriting facilities	-	-
Other commitments	979	706
Others	47	6,394
Total	<u>1,992</u>	<u>8,603</u>
Derivatives (Note 3)		
Exchange rate-related derivative contracts	228,412	235,868
Interest rate derivative contracts	9,459	7,861
Others	-	-
Total	<u>237,871</u>	<u>243,729</u>

(c) The fair value of derivatives outstanding (Note 4):	<u>31 December 2014</u> HK\$ Million	<u>30 June 2015</u> HK\$ Million
Exchange rate-related derivative contracts	1,713	1,488
Interest rate derivative contracts	73	67
Others	-	-
Total	<u>1,786</u>	<u>1,555</u>

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Financial Disclosure for Hong Kong Branch for the financial period ended 30 June 2015

III. International claims (Note 5)

(expressed in HK\$ million)

Geographical segment	Banks	Official Sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
As at 30 June 2015						
1. Developed countries	25,206	3,492	11	1,509	-	30,218
of which Germany	24,436	2,254	-	700	-	27,390
2. Offshore centres	51	-	-	761	-	812
of which Cayman Islands	-	-	-	761	-	761
3. Developing Europe	26	-	-	-	-	26
of which Turkey	26	-	-	-	-	26
4. Developing Latin America and Caribbean	-	-	-	-	-	-
5. Developing Africa and Middle East	-	-	-	-	-	-
6. Developing Asia-Pacific	6,046	890	-	323	-	7,259
of which China	5,785	890	-	-	-	6,675
7. International organisations	-	-	-	-	-	-
8. Unallocated by country	-	-	-	-	-	-
Impairments loans and advances to customers	-	-	-	-	-	-
Overdue loans and advances to customers	-	-	-	-	-	-

UniCredit Bank AG

Financial Disclosure for Hong Kong Branch for the financial period ended 30 June 2015

International claims (cont.)

(expressed in HK\$ million)

Geographical segment	Banks	Official Sector	Non-bank private sector		Others	Total
			Non-bank financial institutions	Non-financial private sector		
As at 31 December 2014						
1. Developed countries	18,025	3,762	12	1,441	-	23,240
of which Germany	17,413	2,428	-	620	-	20,461
2. Offshore centres	20	-	-	766	-	786
of which Cayman Islands	-	-	-	761	-	761
3. Developing Europe	136	-	-	-	-	136
of which Turkey	136	-	-	-	-	136
4. Developing Latin America and Caribbean	-	-	-	-	-	-
5. Developing Africa and Middle East	-	-	-	-	-	-
6. Developing Asia-Pacific	3,210	2,377	-	345	-	5,932
of which China	3,065	2,377	-	-	-	5,442
of which Philippines	-	-	-	-	-	-
7. International organisations	-	-	-	-	-	-
8. Unallocated by country	-	-	-	-	-	-
Impairments loans and advances to customers	-	-	-	-	-	-
Overdue loans and advances to customers	-	-	-	-	-	-

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Financial Disclosure for Hong Kong Branch for the financial period ended 30 June 2015

IV. Sector information

(expressed in HK\$ million)

Sector classification	31 December 2014		30 June 2015	
	Collateral Coverage	Gross amount of loans and advances	Collateral Coverage	Gross amount of loans and advances
Gross loans and advances to customers by major sectors				
<i>Loans and Advances for use in Hong Kong</i>				
Industrial, commercial and financial :				
- Property development	-	-	-	-
- Property investment	-	-	-	-
- Financial concerns	-	-	-	-
- Stockbrokers	-	-	-	-
- Wholesale and retail trade	-	341	-	317
- Manufacturing	-	22	-	33
- Transport and transport equipment	-	10	-	8
- Recreational activities	-	28	-	-
- Information technology	-	-	-	-
- Others	-	36	-	23
Total industrial, commercial and financial	-	437	-	381
Individuals :				
- Loans for the purchase of flats in the Home Owners Scheme, Private Sector Participation Scheme & Tenants Purchase Scheme, or their respective successor schemes	-	-	-	-
- Loans for the purchase of other residential properties	-	-	-	-
- Credit card advances	-	-	-	-
- Others	-	-	-	-
Total individual	-	-	-	-
Loans and Advances for use in Hong Kong		437		381
<i>Trade finance</i>		177		255
<i>Loans and Advances for use outside Hong Kong</i>		1,669		1,688
<i>Advances to customers (Note 6)</i>		2,283		2,324
Geographic Breakdown :				
Germany		606		653
Cayman Islands		760		760
Philippines		281		266

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Financial Disclosure for Hong Kong Branch for the financial period ended 30 June 2015

V. Overdue and rescheduled assets

(expressed in HK\$ million)

Description	31 December 2014			30 June 2015		
	Collateral coverage	Gross amount	As % to total loans	Collateral coverage	Gross amount	As % to total loans
(1) Analysis of loans and advances to customers which have been overdue for:						
- more than 3 months but not more than 6 months	-	-	0.00%	-	-	0.00%
- more than 6 months but not more than one year	-	-	0.00%	-	-	0.00%
- more than one year	-	-	0.00%	-	-	0.00%
Total						
(2) Analysis of loans and advances to banks which have been overdue for:						
- more than 3 months but not more than 6 months	-	-	0.00%	-	-	0.00%
- more than 6 months but not more than one year	-	-	0.00%	-	-	0.00%
- more than one year	-	-	0.00%	-	-	0.00%
Total						
(3) Value of collateral held against overdue loans and advances						
- Current market value of collateral held against the covered portion of overdue loans and advances		-			-	
- Covered portion of overdue loans and advances		-			-	
- Uncovered portion of overdue loans and advances		-			-	
(4) Specific provision made for overdue loans and advances		-			-	
(5) Rescheduled loans and advances to customers net of those which have been overdue for over three months		-	0.00%		-	0.00%
(6) Rescheduled loans and advances to banks net of those which have been overdue for over three months		-	0.00%		-	0.00%
(7) Analysis of gross amount of other assets such as trade bills and debt securities, which have been overdue for:						
- more than 3 months but not more than 6 months	-	-	0.00%	-	-	0.00%
- more than 6 months but not more than one year	-	-	0.00%	-	-	0.00%
- more than one year	-	-	0.00%	-	-	0.00%
Total						
(8) Amount of repossessed assets held (Note 7)		-	0.00%		-	0.00%

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Financial Disclosure for Hong Kong Branch for the financial period ended 30 June 2015

VI. Mainland Activities (Note 6)

(expressed in HK\$ million)

Types of Counterparties	On-balance sheet exposures	Off-balance sheet exposures	Total
As at 30 June 2015			
1. Central government, central government-owned entities and their subsidiaries and JVs	889	-	889
2. Local governments, local government-owned entities and their subsidiaries and JVs	-	-	-
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	662	-	662
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of central government not reported in items 2 above	-	-	-
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	881	5	886
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	2,432	5	2,437
Total Assets after provisions	38,479		
On-balance sheet exposure as percentage of total assets	6.32%		

Types of Counterparties	On-balance sheet exposures	Off-balance sheet exposures	Total
As at 31 December 2014			
1. Central government, central government-owned entities and their subsidiaries and JVs	2,350	-	2,350
2. Local governments, local government-owned entities and their subsidiaries and JVs	-	-	-
3. PRC nationals residing in Mainland China or other entities incorporated in Mainland China and their subsidiaries and JVs	621	-	621
4. Other entities of central government not reported in item 1 above	-	-	-
5. Other entities of central government not reported in items 2 above	-	-	-
6. PRC nationals residing outside Mainland China or entities incorporated outside Mainland China where the credit is granted for use in Mainland China	910	7	917
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
Total	3,881	7	3,888
Total Assets after provisions	30,477		
On-balance sheet exposure as percentage of total assets	12.73%		

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Financial Disclosure for Hong Kong Branch for the financial period ended 30 June 2015

VII. Currency Risk (Note 8)

Equivalent in millions of HK\$	<u>CNY</u>	<u>EUR</u>	<u>USD</u>	<u>Total</u>
<u>As at 30 June 2015</u>				
Spot assets	7,332	22,159	4,680	34,171
Spot liabilities	(615)	(10,773)	(20,442)	(31,830)
Forward purchases	44,296	31,473	121,571	197,340
Forward sales	(51,080)	(42,790)	(105,991)	(199,861)
Net option position	-	-	-	-
Net long (short) position	(67)	69	(182)	(180)
Net structural position	-	-	6	6
<u>As at 31 December 2014</u>				
Spot assets	7,859	14,074	5,233	27,166
Spot liabilities	(825)	(10,700)	(14,175)	(25,700)
Forward purchases	58,842	34,033	114,015	206,890
Forward sales	(65,939)	(37,343)	(105,192)	(208,474)
Net option position	-	-	-	-
Net long (short) position	(63)	64	(119)	(118)
Net structural position	-	-	7	7

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Financial Disclosure for Hong Kong Branch for the financial period ended 30 June 2015

VIII. Liquidity Information	<u>30 June 2014</u>	<u>30 June 2015</u>
(i) The liquidity ratio for the financial period	127.69	-
The average liquidity maintenance ratio for the financial period (Implemented on 1 January 2015)	-	96.30

(ii) Liquidity Risk Management Policy

To meet the statutory liquidity ratio, UCB HK maintains a secured 3 month positive funding gap by implementing match-funded policy on medium-long term and short term assets; and the HQLA investment with bonds rating A- or above, such as European state government and Chinese government bonds.

Note 1: A loan to customer is impaired if it is not probable to have a full repayment of principal.

Note 2: For contingent liabilities and commitments, the contract amount represents the amount at risk should the contract be fully drawn upon and the client defaults. The total of the contract amount is not representative of future liquidity requirements.

Note 3: For derivatives, the notional amounts indicate the nominal value of transactions outstanding at the balance sheet date; they do not represent amounts at risk.

Note 4: No bilateral netting arrangements has been taken into account in deriving the fair value.

Note 5: The country or geographical classification has been taken into account of transfer of risk.

Note 6: The above analysis has been classified according to categories and definitions used by the Hong Kong Monetary Authority.

Note 7: Upon the repossession of the assets, the related loans and advances will continue to be recorded in the account.

Note 8: The net options position is calculated by using our internal reporting method.

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Financial Disclosure for Hong Kong Branch for the financial period ended 30 June 2015

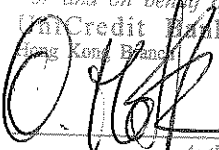
Section B. Consolidated Group Information

I. Capital and capital adequacy	<u>31 December 2014</u>	<u>30 June 2015</u>
Capital adequacy ratio	22.1%	23.4%
	EUR Billion	EUR Billion
Shareholders' equity	20.6	20.3

The capital adequacy ratio is computed in accordance with the Basel III and calculated on the basis of risk-weighted assets, including equivalents for market risk and operational risk.

II. Other financial information	<u>31 December 2014</u>	<u>30 June 2015</u>
	EUR Billion	EUR Billion
Total assets	300.3	313.7
Total liabilities	279.7	293.3
Total advances (Note 1)	142.3	155.3
Total customer deposits	100.7	103.6
	<u>30 June 2014</u>	<u>30 June 2015</u>
	EUR Billion	EUR Billion
Pre-tax profit / (loss) for the financial period	0.5	0.5
Note (1) :		
Advances to Bank	32.7	44.1
Advances to Customers	109.6	111.2
Total	<u>142.3</u>	<u>155.3</u>

- END -

for and on behalf of
 UniCredit Bank AG
 Hong Kong Branch

 Authorized Signature(s)