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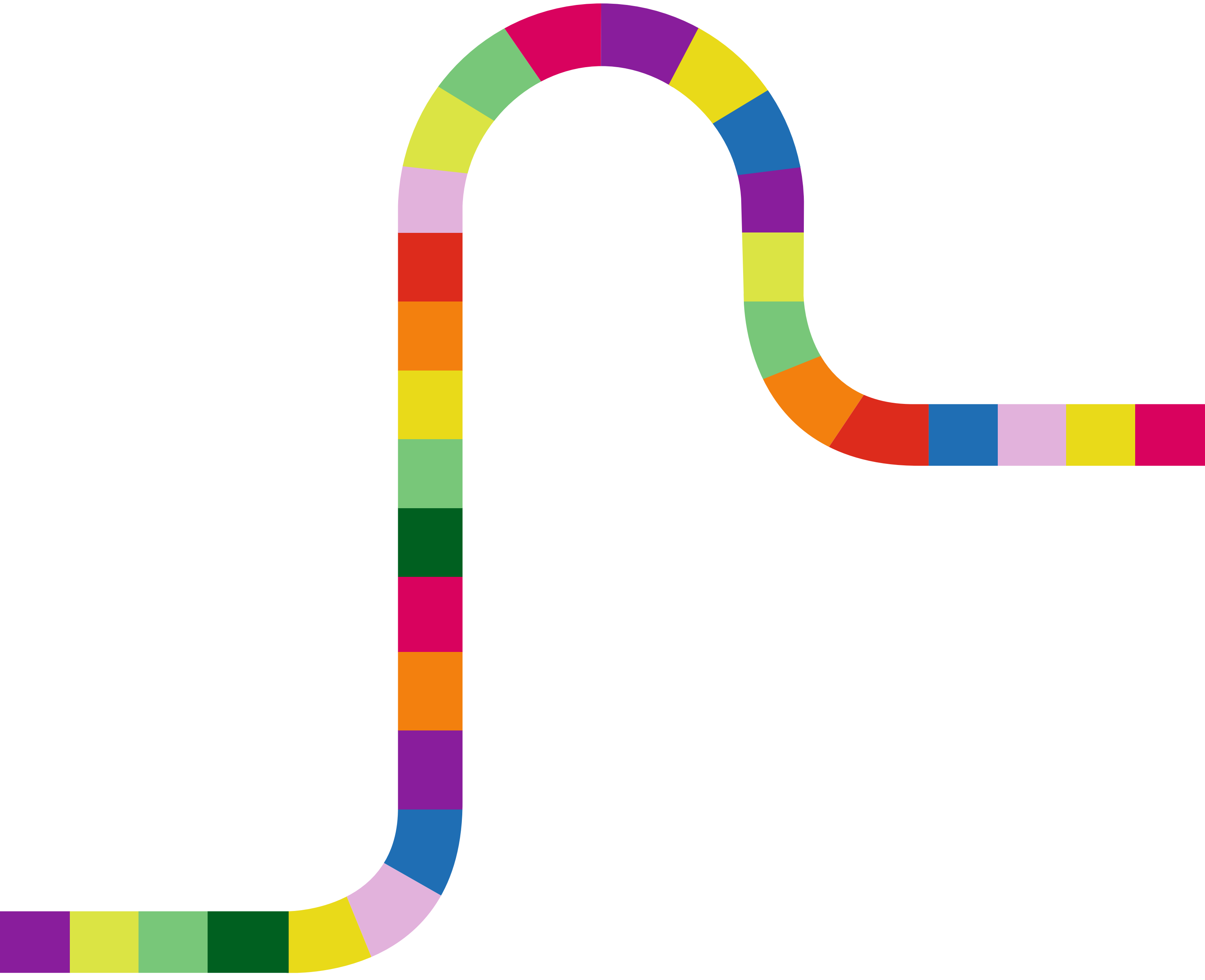
Interim Report at 31 March 2011



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Financial Highlights

Key performance indicators

	1/1–31/3/2011	1/1–31/3/2010
Net operating profit	€995m	€672m
Cost-income ratio (based on operating income)	44.2 %	45.1 %
Profit before tax	€995m	€694m
Consolidated profit	€681m	€460m
Return on equity before tax[1]	17.7 %	12.6 %
Return on equity after tax[1]	12.0 %	8.8 %
Earnings per share	€0.81	€0.58

Balance sheet figures

	31/3/2011	31/12/2010
Total assets	€350.5bn	€371.9bn
Shareholders' equity	€24.3bn	€23.7bn
Leverage ratio[2]	14.4	15.7

Key capital ratios compliant with Basel II

	31/3/2011	31/12/2010
Core capital (Tier 1 capital)	€20.6bn	€20.6bn
Core capital without hybrid capital (core Tier 1 capital)	€19.8bn	€19.8bn
Risk-weighted assets (including equivalents for market risk and operational risk)	€119.4bn	€124.5bn
Core capital ratio (Tier 1 ratio)[3]	17.3 %	16.6 %
Core capital ratio without hybrid capital (core Tier 1 ratio)[3]	16.6 %	15.9 %

	31/3/2011	31/12/2010
Employees (in full-time equivalents, FTEs)	18,768	19,146
Branch offices	930	927

1 return on equity calculated on the basis of average shareholders' equity according to IFRS
2 ratio of total assets to shareholders' equity compliant with IFRS
3 calculated on the basis of risk-weighted assets, including equivalents for market risk and operational risk

Ratings

	LONG-TERM	SHORT-TERM	OUTLOOK	FINANCIAL STRENGTH	CHANGED/ CONFIRMED	PFANDBRIEFS		CHANGED/ CONFIRMED
						PUBLIC	MORTGAGE	
Moody's	A1	P-1	stable	C–	22/11/2010	Aaa	Aa1	13/6/2008/ 17/6/2008
S & P	A	A-1	stable	—	15/3/2011	AAA	—	9/3/2010
Fitch Ratings	A+	F1+	stable	C	13/12/2010	AAA	AAA*	17/6/2008

* on Rating Watch Negative (10 August 2010)

Business Performance of HVB Group

Underlying conditions and general comments on the business situation

The global economy continued to perform well in the first quarter of 2011, even if growth did slow somewhat in individual countries like China and the United States. The disastrous earthquake in Japan and its consequences did not have a noticeable effect on global output, although the impact on the Japanese economy certainly was painful. Despite the persistently high budget and foreign trade deficits, the labour market in the United States advanced well. The Federal Reserve (Fed) left its key interest rates unchanged in the first quarter of 2011 and purchased further government bonds.

The economic recovery continued from last year in the eurozone, albeit with core and peripheral countries expanding at different speeds. The debt crisis in a number of states led to persistently high budget deficits; to provide support, the European Central Bank continued to buy government bonds issued by the countries concerned, although to a lesser extent than in 2010. At the same time, the business climate in the eurozone also improved in countries like Spain and Ireland. Among the core countries, Germany performed particularly strongly. Its economy continued to expand, driven by both domestic demand and exports. The employment trend remained positive and private consumption increased constantly.

The European capital markets started very strongly in 2011 across all asset classes. There was a sharp correction in mid-March following the natural disaster in Japan, but the lost ground was regained by a sharp rebound within a few days. As of the end of March, Germany's benchmark index, the DAX30, had risen 2% over its year-end total and the eurozone's benchmark index, the EuroStoxx50, had climbed 4%. The rise in yields on ten-year German government bonds continued following a short pause in mid-March; an increase of 38 basis points to 3.35% was recorded over the first quarter as a whole. Short-term interest rates similarly continued to rise. The European Central Bank raised its key interest rate by 25 basis points in March to 1.25%. In parallel to the rise in interest rates, the euro appreciated – considerably at times – against the US dollar, the British pound, the Swiss franc and the Japanese yen. The credit market was characterised by a period of rapidly narrowing spreads in January, with the level reached being largely maintained through February and March. The only countries to see their spreads remain at year-end levels were Greece, Ireland and Portugal. So far in the second quarter, a good start has given way to a period of weakness caused by concerns on the market about the creditworthiness of the United States and a restructuring of European sovereign debt.

In this still challenging capital market environment, HVB Group achieved a very good profit before tax of €995 million in the first quarter of 2011, exceeding the total for the equivalent period last year by a large €301 million or 43.4%. We generated a consolidated profit of €681 million after tax, which is around 48% higher than the year-ago figure of €460 million. This sharp rise in profits can be attributed in part to the strong performance of our commercial operations, with operating income increasing by 5.6% to €2,010 million. The higher revenues were generated primarily in net trading income which, at €514 million, was around 17% higher than the total at the same point last year. We also achieved higher contributions to profits than last year in net interest (up €23 million or 2.3%) and dividends (up €50 million). We almost matched the good figure recorded for net fees and commissions in the first quarter of 2010 (down 1.6% year-on-year). Despite the 3.4% rise in operating costs to €888 million, the cost-income ratio improved to 44.2% in the first quarter of 2011 (first quarter of 2010: 45.1%), which is an excellent level by both national and international standards. With the decline of around 66% year-on-year in net write-downs of loans and provisions for guarantees and commitments to €127 million, the net operating profit rose a strong 48.1% to €995 million, despite the charges from the bank levy included in the total.

All the operating divisions contributed higher profits before tax to HVB Group's pleasing performance. The Corporate & Investment Banking division (CIB) improved its profit before tax by €329 million to €885 million, partly thanks to a significant increase in the operating profit as well as much lower net write-downs of loans and provisions for guarantees and commitments. The Family & SME division (F&SME; formerly known as the Retail division) also increased its profit before tax on the back of a good operating performance and lower net write-downs of loans and provisions for guarantees and commitments. With a pleasing contribution of €43 million to profits, the total represents a turnaround compared with the loss of €14 million recorded in the first quarter of last year. The final phase of our One for Clients programme (One4C) was implemented at the start of 2011. This involved the transfer of small and medium-sized customers with revenues of up to €50 million from the Corporate & Investment Banking division to the Retail division, which was renamed Family & SME at the start of 2011 to coincide with the expansion of the customer base. With this Group-wide programme, we aim to achieve an even more 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 the customers. The Private Banking division (PB) increased its profit before tax by 14.8% to €31 million, similarly as a result of a higher operating profit.

HVB Group continues to have an excellent capital base. The core Tier 1 ratio in accordance with Basel II (ratio of core capital excluding hybrid capital instruments to the total amount of credit risks and equivalent risk-weighted assets for market risk and operational risk) amounted to 16.6% at 31 March 2011 after 15.9% at year-end 2010, which is still an excellent level by both national and international standards. The shareholders' equity shown in the balance sheet totalled €24.3 billion at 31 March 2011. With total assets down by 6% compared with year-end 2010 to €350.5 billion, the leverage ratio (calculated as the ratio of total assets to shareholders' equity shown in the balance sheet) improved from 15.7 at the end of December 2010 to 14.4 at 31 March 2011.

HVB Group enjoyed an adequate liquidity base and a solid financing structure at all times during the first quarter of 2011. The funding risk remained low on account of the diversification in our products, markets and investor groups, meaning 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 a 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 biggest and strongest banking groups in Europe – UniCredit – HVB Group is in a unique position to leverage its regional strengths in the international network of UniCredit for the benefit of its customers.

Operating performance of HVB Group

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

Net interest

Compared with the result for the same period last year, net interest increased by €23 million, or 2.3%, to €1,033 million in the first quarter of 2011. This development can be attributed in part to increases in interest margins in deposit-taking operations in the F&SME and PB divisions, rising deposits in the CIB division and higher interest from trading operations.

Dividends and other income from equity investments

Compared with last year, there was a substantial increase of €50 million, to €65 million, in income generated from dividends and other income from equity investments. This is mainly due to higher dividends paid by private equity funds.

Net fees and commissions

At €367 million, net fees and commissions was unable to quite match the previous year's total (€373 million). In the process, the fee and commission income from management, brokerage and consultancy services fell by €26 million, to €181 million, and from payment services by €3 million, to €44 million. This development was only partly offset by the rise in fee and commission income from lending operations (up €17 million to €131 million) and by a higher contribution to earnings from other service operations (up €6 million to €11 million).

Net trading, hedging and fair value income

In the first quarter of 2011, HVB Group generated a very pleasing net trading income of €514 million, which significantly surpassed the excellent year-ago figure of €440 million by €74 million, or 16.8%. This was due to the increase of €149 million, to €488 million, in the contribution to profits from held-for-trading financial instruments. This result was generated primarily by the Rates and FX (interest- and currency-related products) and Equities (equity and index products) units. In addition, the effects on net trading income from hedge accounting increased compared with last year by €26 million, to €38 million, while the gains on fair-value-option holdings including the derivatives concluded for the purpose of hedging them declined by €20 million, to a loss of €12 million. The other net trading income still included in the previous year (€81 million) resulted from a profit from the buy-back of hybrid capital, which did not recur in 2011.

Business Performance of HVB Group (Continued)

Operating costs
Operating costs rose slightly year-on-year by €29 million, or 3.4%, to €888 million, which is mainly due to the 7.6% rise in other administrative expenses to €380 million, while payroll costs rose only slightly by 0.9%, to €456 million, and the depreciation and impairment losses on property, plant and equipment declined by 3.7% to €52 million. Within payroll costs (up 0.9% compared with last year) there was a slight increase in performance-related expenses, on account of the good performance, which were largely compensated by lower expenses for the pension guarantee association.

Operating profit (before net write-downs of loans and provisions for guarantees and commitments)
Due to the increase in operating income, there was a 7.5% rise in operating profit to €1,122 million in spite of the charges contained in this figure from the expenses for the bank levies to be paid in Germany and Austria (pro-rata for the first quarter of 2011: €35 million). In the first quarter of 2011, the cost-income ratio (ratio of operating expenses to operating income) improved to 44.2% (2010: 45.1%) and is still at an excellent level.

Net write-downs of loans and provisions for guarantees and commitments and net operating profit
Net write-downs of loans and provisions for guarantees and commitments declined by a significant €245 million, or 65.9%, to €127 million, in the first three months of 2011 in a much healthier lending environment than last year. This sharp decline is particularly due to the development in the CIB (down by €190 million compared with last year) and F&SME divisions (down by €51 million compared with last year). At €995 million, the net operating profit was thus a substantial €323 million higher than in the equivalent period last year after the first three months of 2011.

Net income from investments
In the first quarter of 2011, the net profit from investments amounted to €58 million after €27 million in the year-earlier period. Like last year, net income from investments is primarily due to gains realised on the sale and valuation of available-for-sale financial instruments, including realisation gains from private equity funds.

Profit before tax, income tax for the period and consolidated profit
In the first quarter of 2011, HVB Group generated a very good profit before tax of €995 million, which is 43%, or €301 million, higher than the figure recorded for the first quarter last year. As a result of the good performance, income tax rose by €80 million, to €314 million.

After deducting taxes, HVB Group generated a consolidated profit of €681 million in the first quarter of 2011, significantly surpassing the equivalent figure for the same period last year (€460 million).

Segment results by division
The divisions contributed the following amounts to the very good profit before tax of €995 million of HVB Group:

Corporate & Investment Banking	€885 million
Family & SME	€43 million
Private Banking	€31 million
Other/consolidation	€36 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 2010 Annual Report, “Notes to segment reporting by division”.

We have described the change in tasks of the segments compared with the previous quarters in 2010, in particular the reclassification of customers between CIB and F&SME due to the implementation of the One for Clients programme (One4C) in Note 1, “Accounting and valuation principles”, of this Interim Report. The quarterly figures of last year have been adjusted accordingly.

Financial situation

Total assets
The total assets of HVB Group amounted to €350.5 billion at the end of March 2011, representing a decline of €21.4 billion, or around 6%, compared with year-end 2010 (€371.9 billion).

On the assets side, there was a decline of €16.4 billion in financial assets held for trading, caused primarily by lower positive fair values from derivative financial instruments, reflecting the interest environment. In addition, there was a decline of €4.4 billion in loans and receivables with banks. Loans and receivables with customers also fell by €2.8 billion, to €136.5 billion, compared with year-end 2010. Above all, this decline is attributable to lower volumes of mortgage loans, the reduction of reclassified securities, the decrease in impaired assets as well as lower other loans and receivables. There was a rise of €2.6 billion in the cash and cash balances compared with year-end 2010.

On the liabilities side, the financial liabilities held for trading fell by €20.2 billion, to €106.9 billion, compared with year-end 2010 in line with the development on the assets side due to the decline in negative fair values from derivative financial instruments. Debt securities decreased by €1.0 billion, to €47.7 billion, on account of issues due. There was a slight decline of €0.5 billion, to €108.0 billion, in deposits from customers due to declining credit balances on current accounts, which were partially offset by the higher volumes of repurchase agreements. As a result of the transfer of liabilities under the sale of parts of the private banking business of UniCredit Luxembourg S.A. to DZ Privatbank S.A. at the beginning of the year, there was a decline of €0.6 billion in the balance sheet item "Liabilities of disposal groups held for sale". At 31 March 2011, shareholders' equity totalled €24.3 billion and had thus increased by €0.7 billion compared with the 2010 year-end total. This development is primarily due to the consolidated profit generated in the first quarter of 2011.

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

The risk-weighted assets for credit risks of HVB Group determined on the basis of Basel II (German Banking Act/Solvency Regulation – KWG/SolvV) by applying partial use amounted to €104.7 billion at 31 March 2011 (including counterparty default risk in the trading book). At 31 December 2010, these risk-weighted assets amounted to €111.8 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 risk and operational risk, amounted to €119.4 billion at 31 March 2011 (31 December 2010: €124.5 billion).

The total risk-weighted assets of HVB Group decreased by €5.1 billion compared with year-end 2010. This decline is due to the decrease of €7.1 billion in risk-weighted assets for credit risk and €0.6 billion for market risk while the risk-weighted assets for operational risk increased by €2.6 billion.

The reduction of €7.1 billion in risk-weighted assets for credit risk is chiefly attributable to the decline in risk-weighted assets at subsidiaries, particularly at UniCredit Luxembourg S.A., on account of the change in method applied to partial use. In addition, a lower counterparty risk as well as currency effects resulted in a reduction in risk-weighted assets for credit risk.

The risk-weighted asset equivalents for operational risk rose by €2.6 billion. This is primarily due to an increase at subsidiaries which calculate using the Advanced Measurement Approach (AMA).

The total lending volume of all the current securitisation transactions of HVB Group serving to reduce risk-weighted assets amounted to €9.3 billion at 31 March 2011 compliant with Basel II (31 December 2010: €12.0 billion). We have therefore reduced our risk-weighted assets by €3.5 billion and have optimised our capital allocation by doing so. The decline compared with year-end 2010 is mainly due to the expiry of the Provide A 2005 securitisation transaction.

At 31 March 2011, the core capital of HVB Group compliant with KWG still totalled €20.6 billion compared with year-end 2010 and the equity capital €23.5 billion (31 December 2010: €23.7 billion). Under Basel II, the core capital ratio (Tier 1 ratio, including market risk and operational risk) thus rose to 17.3% (31 December 2010: 16.6%). The core Tier 1 ratio (ratio of core capital excluding hybrid capital instruments to the total amount of credit risk-weighted assets and risk-weighted asset equivalents for the market risk and the operational risk) amounted to 16.6% at 31 March 2011 (31 December 2010: 15.9%). The equity funds ratio was 19.7% at the end of March 2011 (31 December 2010: 19.1%).

A bank's liquidity is evaluated using the liquidity ratio defined in KWG/German Liquidity Regulation (Liquiditätsverordnung – LiqV). 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 March 2011 after 1.41 at year-end 2010.

Corporate acquisitions and sales

In the period under review, there were no major corporate acquisitions and sales in HVB Group.

Other changes in the group of companies included in this Interim Report are listed in Note 2, "Companies included in consolidation".

Business Performance of HVB Group (Continued)

Corporate structure

Legal corporate structure

UniCredit Bank AG (HVB) was formed in 1998 through the merger of Bayerische Vereinsbank Aktiengesellschaft and Bayerische Hypotheken- und Wechselbank 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 the UniCredit corporate group from that date.

Since the shares held by minority shareholders of HVB were transferred to UniCredit compliant with Section 327a of the German Stock Corporation Act (Aktiengesetz – AktG), as resolved at the Annual General Meeting of Shareholders in June 2007 and entered in the Commercial Register on 15 September 2008, UniCredit has held 100% of the capital stock of HVB. Thus, trading in HVB shares officially ceased. HVB does, however, remain listed on securities exchanges as an issuer of debt instruments such as Pfandbriefs, bonds and certificates.

Organisation of management and control and internal management

The Management Board of HVB is directly responsible for managing the Bank. The Management Board provides regular, timely and comprehensive reports to the Supervisory Board 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.

The Supervisory Board of the Bank has 12 members and has an equal number of employee and shareholder representatives. At the beginning of 2011, there were changes in the composition of the Supervisory Board. Jutta Streit resigned from the Supervisory Board with effect from 15 January 2011. Werner Habich, who had been elected as a deputy member in the place of Ms Streit compliant with the provisions of the German Act on the Co-determination of Employees in Cross Border Mergers (Gesetz über die Mitbestimmung der Arbeitnehmer bei einer grenzüberschreitenden Verschmelzung – MgVG), replaced her on the Supervisory Board for the remaining term of office. Furthermore, Sergio Ermotti resigned as Chairman of the Supervisory Board and as a member of the Supervisory Board on 1 March 2011. Federico Ghizzoni was elected to take his place on the Supervisory Board for the remaining term of office with effect from 2 March 2011 by an Extraordinary Shareholders' Meeting and was elected Chairman of the Supervisory Board on 4 March 2011.

A list showing the names of all the members of the Management Board and the Supervisory Board of HVB is given in this Interim Report under Note 30, "Members of the Supervisory Board and Management Board".

Events after 31 March 2011

As part of the harmonisation of IT platforms for the Markets product unit within the CIB division (EuroMIB project), the first phase in the migration of interest rate products for HVB's Trading unit in Munich was carried out successfully in April 2011. The work involved migrating a total of around 60,000 transactions with a present value of around €100 billion. The result of the migration and the stability of the platform have met our high expectations in full across the entire process chain. The successful completion of this migration represents a milestone in the implementation of a new internal market risk model within UniCredit.

Outlook

The following comments on the outlook are to be viewed in connection with the comments in the outlook in the Financial Review and Risk Report in the consolidated financial statements for the 2010 financial year (see the HVB Group Annual Report for 2010).

General economic outlook and sector development in 2011

For 2011, we anticipate global GDP growth of 4.2% and assume that the strong recovery in the global economy will continue, albeit at a slightly slower pace. The rapid economic expansion and particularly the additional demand from emerging countries will contribute to a persistently high level of commodity prices, which will probably be reflected in higher production costs as well as rising consumer prices. We believe that there is a tangible improvement in the economic prospects of the United States due to the extension of the tax incentives and as a result of other fiscal stimulus. This will, however, cause the fiscal situation to deteriorate further and require large-scale consolidation in the medium term. We assume that the United States will record GDP growth of just under 3%. In Japan, the earthquake already led to a massive decline in both industrial production and consumption in March. This will serve to slow the Japanese economy hugely in the first half of the year. Provided the situation in the nuclear power plants in Fukushima does not worsen, a strong catch-up trend is likely to take hold in the second half of the year, although uncertainties do remain in this context.

We anticipate decent economic growth in the eurozone, despite the sovereign debt crisis. The upswing should continue to originate from the core countries where the strong global recovery has enhanced industrial capacity utilisation. Companies are increasingly planning to make higher investments, which will further stabilise labour markets and progressively boost domestic economies. We expect eurozone GDP to grow by 1.7% in 2011. Despite the persistent structural weaknesses in several member states, the ECB started to raise interest rates again in April. Further cautious interest rate rises can be expected later in the year. At the same time, the central bank is persisting with full allocation in money market transactions at this stage until a solution has been found for supplying liquidity in the tarnished banking systems in some peripheral countries. Provided that the debt crisis does not worsen in the peripheral countries of the eurozone, we believe that the euro will continue to appreciate against the US dollar.

We project growth of 2.8% in the German economy in the 2011 financial year. A solid expansion can be expected on the back of a strengthening domestic economy coupled with rising exports. Furthermore, unemployment is likely to continue its downward trend, reinforced by demographic developments. The healthy situation on the labour market together with the higher volume of work will tangibly boost real incomes, meaning that private consumption can be expected to increase by up to 2%, even if the strong economy and high commodity prices will cause inflation to rise tangibly, to around 2.3%, which could have an increasing impact on the purchasing power of consumers.

The banks will continue to face challenges throughout the rest of 2011. In particular, the uncertainty surrounding the yield curve, declining central bank liquidity and possibly also more volatile exchange rates resulting from a potential race to devalue the currencies of major economies are aggravating factors in this respect. In addition to this, the reduced credit standing of individual states may have a negative effect. The final effects of additional regulation cannot be clearly foreseen, even if some signs of future developments are already visible: the liquidity requirements are likely to be tightened and the requirements regarding the qualitative and quantity of equity capital will rise. This will give rise to a battle for capital among those banks that do not yet meet the new requirements regarding the higher capital base. Furthermore, the new liquidity and capital rules coupled with the fundamental challenges outlined above will further depress the profitability of the banking sector, which will additionally be reduced by the bank levies being charged in some countries as of 2011. Key questions remain regarding how the shape of relations between the financial world and the real economy will evolve and what global restrictions can be expected in the regulatory and political sphere.

Development of HVB Group

HVB Group continues to presume for 2011 as a whole that operating income will increase in a generally positive economic environment compared with 2010 and can more than compensate the increase in operating costs. The volatile net trading income will continue to be the crucial driver of the trend in operating income. We continue to expect that net write-downs of loans and provisions for guarantees and commitments will not significantly exceed the 2010 level in the 2011 financial year.

HVB Group's performance through the rest of the year will again crucially depend upon the operating performance of the CIB division, in particular its earnings and net write-downs of loans and provisions for guarantees and commitments. For 2011, we expect higher operating income and a moderate rise in operating costs.

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 over 2011 as a whole still remains dependent on the further development of the financial markets and the real economy as well as on other imponderables that still exist. In this environment, HVB Group will continually adapt its business strategy to reflect changes in market conditions and carefully review its risk strategy derived from this on a regular basis. With its strategic orientation and excellent capital resources, HVB Group is in a good overall position to exploit the opportunities that may arise from the new operating environment, the further volatility that can still be expected on the financial markets and an expanding real economy.

Development of Selected Risks

In the 2010 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.

As of the first quarter of 2011, we have been using new macroeconomic factor model parameters in our internal credit risk calculations that reflect the experience gained in the financial and economic crises in recent years. As expected, this update has caused the credit value at risk to rise significantly.

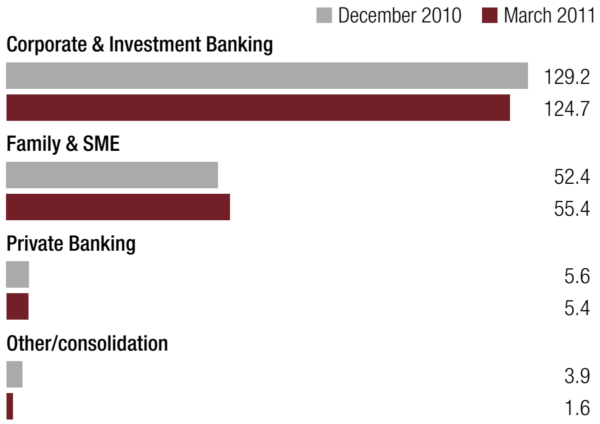
Furthermore, no essential methodological changes were made to risk management nor to the monitoring of individual risk types, or to the internal control and risk management systems. The following sections describe the development of selected risks.

Credit exposure and counterparty exposure

Breakdown of credit exposure and counterparty exposure by industry sector (€ billions)

Industry sector	MARCH 2011	DECEMBER 2010
Banking and insurance	32.0	33.9
Construction	30.5	31.2
Retail customers	25.2	25.9
Food, consumer goods, services	20.3	21.0
Public sector	14.5	12.4
Other	11.3	8.8
Transportation	10.8	11.7
Chemicals, health, pharmaceuticals	9.8	10.5
Utilities	8.6	9.4
Mechanical engineering, steel	7.6	8.3
Automotive	6.5	7.1
Mineral oil	4.5	5.0
Electrical, IT, communications	4.2	4.4
Media, printing, paper	3.3	3.6
HVB Group	**189.1**	**193.2**

Breakdown of credit exposure and counterparty exposure by division – core portfolio (€ billions)



The figures at December 2010 have been adjusted to reflect the changes to segment allocations described in the Notes in the present Interim Report.

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

Rating class	MARCH 2011 € billions	MARCH 2011 in %	DECEMBER 2010 € billions	DECEMBER 2010 in %
Not rated	6.2	3.3	8.4	4.4
Rating classes 1–4	96.2	51.4	95.9	50.2
Rating classes 5–8	78.2	41.8	79.9	41.8
Rating classes 9–10	6.5	3.5	6.9	3.6
HVB Group	**187.1**	**100.0**	**191.1**	**100.0**

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	31/3/2011	31/12/2010	31/3/2011	31/12/2010	31/3/2011	31/12/2010
Interest rate derivatives	**1,312,890**	**1,211,247**	**928,090**	**3,452,227**	**3,222,556**	**50,045**	**64,696**	**48,362**	**63,319**
Foreign exchange derivatives	**381,412**	**168,588**	**69,266**	**619,266**	**639,439**	**14,004**	**14,268**	**12,987**	**14,162**
Equity/index derivatives	**63,872**	**75,762**	**6,138**	**145,772**	**144,118**	**8,674**	**9,321**	**10,843**	**11,868**
Credit derivatives	**39,399**	**187,157**	**33,175**	**259,731**	**271,561**	**3,485**	**4,103**	**3,841**	**4,515**
– Protection buyer	19,021	90,916	15,995	125,932	131,046	2,246	2,913	1,381	1,275
– Protection seller	20,378	96,241	17,180	133,799	140,515	1,239	1,190	2,460	3,240
Other transactions	**5,055**	**4,892**	**490**	**10,437**	**10,152**	**414**	**403**	**720**	**718**
HVB Group	**1,802,628**	**1,647,646**	**1,037,159**	**4,487,433**	**4,287,826**	**76,622**	**92,791**	**76,753**	**94,582**

Development of Selected Risks (Continued)

Derivative transactions by counterparty type (€ millions)

	FAIR VALUE			
	POSITIVE		NEGATIVE	
	31/3/2011	31/12/2010	31/3/2011	31/12/2010
Central governments and central banks	1,232	1,378	566	724
Banks	57,810	72,245	57,541	74,848
Financial institutions	14,594	15,479	16,935	17,433
Other companies and private individuals	2,986	3,689	1,711	1,577
HVB Group	**76,622**	**92,791**	**76,753**	**94,582**

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 as well as the collateral provided by borrowers, risk-weighted assets for HVB Group amounted to €13.5 billion at 31 March 2011 (31 December 2010: €14.9 billion).

Market risk

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

	31/3/2011	AVERAGE 2010[1]	31/12/2010	30/9/2010	30/6/2010		31/3/2010
	NEW MODEL	NEW MODEL	NEW MODEL	NEW MODEL	NEW MODEL	PREVIOUS MODEL	PREVIOUS MODEL
Interest rate positions							
(incl. credit spread risks)	17	43	29	37	62	45	19
Foreign exchange derivatives	4	4	4	7	1	4	3
Equity/index positions[2]	6	9	8	7	12	6	2
Diversification effect[3]	(5)	(9)	(8)	(10)	(9)	(10)	(5)
HVB Group	**22**	**47**	**33**	**41**	**66**	**45**	**19**

The asset classes are broken down by business unit
1 arithmetic mean of the last three quarter-end figures
2 including commodity risk
3 because of the diversification effect between the risk categories, the total risk is less than the sum of the individual risks

Starting in 2011, the reclassified holdings have also been included in the market risk limits, and the overall limit has been increased to €173 million at the same time.

The comparison figure for market risk at 31 March 2011 without the reclassified holdings totals €42 million.

Limited market risk of HVB Group (value-at-risk, 99% confidence level, one-day holding period) (€ millions)

		31/3/2011	AVERAGE 2010[1]	31/12/2010	30/9/2010	30/6/2010	31/3/2010
HVB Group previous model	Market risk	—	—	—	—	81	54
	Limit	—	—	—	—	113	93
HVB Group new model	Market risk	48	72	62	66	93	67
	Limit	173	138	143	143	143	123

1 arithmetic mean of the four quarter-end figures

Liquidity risk

HVB Group put in a solid performance in the still challenging market environment of the first quarter of 2011, thanks to a good liquidity situation, a solid financing structure and the liquidity management measures it undertook. Based on the analyses we have carried out so far, we expect our overall liquidity to remain adequate. However, it will be important to monitor the possible effects on the funding of HVB Group that may result from the expiration of the global support measures by central banks and governments.

Short-term liquidity

Within the framework of our limit system, which operates under conservative assumptions, we showed an overall positive balance of short-term liquidity of €19.7 billion in HVB Group for the next banking day at the end of March 2011 (31 March 2010: €28.6 billion). The portfolio of highly liquid securities eligible at short notice as collateral for central bank borrowings and available at short notice to compensate for unexpected outflows of liquidity amounted to €23.9 billion at 31 March 2011 (31 March 2010: €24.7 billion).

The stress tests we conduct on a regular basis showed that liquidity reserves also at the end of the first quarter of 2011 were sufficient to cover liquidity requirements resulting from the defined scenarios.

The requirements of the German Liquidity Regulation (Liquiditätsverordnung – 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 €33.1 billion at 31 March 2011 (31 March 2010: €46.0 billion).

Funding risk

The funding risk of HVB Group was again quite low in the first quarter of 2011 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. With their high credit quality and liquidity our Pfandbrief covered bonds still remain an important funding instrument.

Consolidated Income Statement

for the period from 1 January to 31 March 2011

Income/Expenses	NOTES	1/1–31/3/2011 € millions	1/1–31/3/2010 € millions	CHANGE € millions	CHANGE in %
Interest income		2,105	2,153	(48)	(2.2)
Interest expense		(1,072)	(1,143)	+ 71	(6.2)
Net interest	4	1,033	1,010	+ 23	+ 2.3
Dividends and other income from equity investments	5	65	15	+ 50	>+ 100.0
Net fees and commissions	6	367	373	(6)	(1.6)
Net trading, hedging and fair value income	7	514	440	+ 74	+ 16.8
Net other expenses/income	8	31	65	(34)	(52.3)
OPERATING INCOME		**2,010**	**1,903**	**+ 107**	**+ 5.6**
Payroll costs		(456)	(452)	(4)	+ 0.9
Other administrative expenses		(380)	(353)	(27)	+ 7.6
Amortisation, depreciation and impairment losses on intangible and tangible assets		(52)	(54)	+ 2	(3.7)
Operating costs		**(888)**	**(859)**	**(29)**	**+ 3.4**
OPERATING PROFIT		**1,122**	**1,044**	**+ 78**	**+ 7.5**
Net write-downs of loans and provisions for guarantees and commitments	9	(127)	(372)	+ 245	(65.9)
NET OPERATING PROFIT		**995**	**672**	**+ 323**	**+ 48.1**
Provisions for risks and charges		(58)	(5)	(53)	>+ 100.0
Restructuring costs		—	—	—	—
Net income from investments	10	58	27	+ 31	>+ 100.0
PROFIT BEFORE TAX		**995**	**694**	**+ 301**	**+ 43.4**
Income tax for the period		(314)	(234)	(80)	+ 34.2
CONSOLIDATED PROFIT		**681**	**460**	**+ 221**	**+ 48.0**
attributable to shareholder of UniCredit Bank AG		651	468	+ 183	+ 39.1
attributable to minorities		30	(8)	+ 38	

Earnings per share

(in €)

	NOTES	1/1–31/3/2011	1/1–31/3/2010
Earnings per share (undiluted and diluted)	11	0.81	0.58

Statement of total comprehensive income

(€ millions)

	1/1–31/3/2011	1/1–31/3/2010
Consolidated profit recognised in the income statement	**681**	**460**
Components of income and expenses recognised in other comprehensive income		
Changes from foreign currency translation and other changes	(53)	42
Changes from companies accounted for using the equity method	—	—
Actuarial profit on defined benefit plans (pension commitments)	—	—
Assets held for sale	—	—
Change in valuation of financial instruments (AfS reserve)	22	52
Change in valuation of financial instruments (hedge reserve)	(5)	(55)
Taxes on income and expenses recognised in equity	23	13
Total income and expenses recognised in equity under other comprehensive income	**(13)**	**52**
Total comprehensive income	**668**	**512**
of which:		
attributable to shareholder of UniCredit Bank AG	681	473
attributable to minorities	(13)	39

Balance Sheet

at 31 March 2011

Assets

	NOTES	31/3/2011 € millions	31/12/2010 € millions	CHANGE € millions	in %
Cash and cash balances		5,700	3,065	+ 2,635	+ 86.0
Financial assets held for trading	12	117,029	133,389	(16,360)	(12.3)
Financial assets at fair value through profit or loss	13	27,357	26,631	+ 726	+ 2.7
Available-for-sale financial assets	14	6,230	5,915	+ 315	+ 5.3
Shares in associates accounted for using the equity method and joint ventures accounted for using the equity method	15	96	94	+ 2	+ 2.1
Held-to-maturity investments	16	2,536	2,600	(64)	(2.5)
Loans and receivables with banks	17	41,886	46,332	(4,446)	(9.6)
Loans and receivables with customers	18	136,507	139,351	(2,844)	(2.0)
Hedging derivatives		3,019	4,205	(1,186)	(28.2)
Hedge adjustment of hedged items in the fair value hedge portfolio		37	100	(63)	(63.0)
Property, plant and equipment		3,045	3,053	(8)	(0.3)
Investment properties		1,892	1,879	+ 13	+ 0.7
Intangible assets		593	608	(15)	(2.5)
of which: goodwill		424	424	—	—
Tax assets		2,989	3,257	(268)	(8.2)
Current tax assets		431	406	+ 25	+ 6.2
Deferred tax assets		2,558	2,851	(293)	(10.3)
Non-current assets or disposal groups held for sale	19	8	28	(20)	(71.4)
Other assets		1,558	1,402	+ 156	+ 11.1
Total assets		**350,482**	**371,909**	**(21,427)**	**(5.8)**

Liabilities

	NOTES	31/3/2011	31/12/2010	CHANGE	
		€ millions	€ millions	€ millions	in %
Deposits from banks	22	53,419	51,887	+ 1,532	+ 3.0
Deposits from customers	23	107,958	108,494	(536)	(0.5)
Debt securities in issue	24	47,704	48,676	(972)	(2.0)
Financial liabilities held for trading		106,876	127,096	(20,220)	(15.9)
Hedging derivatives		1,608	2,091	(483)	(23.1)
Hedge adjustment of hedged items					
in the fair value hedge portfolio		706	1,471	(765)	(52.0)
Tax liabilities		2,079	2,203	(124)	(5.6)
Current tax liabilities		880	840	+ 40	+ 4.8
Deferred tax liabilities		1,199	1,363	(164)	(12.0)
Liabilities of disposal groups held for sale	25	—	598	(598)	(100.0)
Other liabilities		3,866	3,822	+ 44	+ 1.2
Provisions	26	1,937	1,901	+ 36	+ 1.9
Shareholders' equity		24,329	23,670	+ 659	+ 2.8
Shareholders' equity attributable to					
shareholder of UniCredit Bank AG		23,545	22,866	+ 679	+ 3.0
Subscribed capital		2,407	2,407	—	—
Additional paid-in capital		9,791	9,791	—	—
Other reserves		9,470	9,485	(15)	(0.2)
Change in valuation of financial instruments	27	(44)	(87)	+ 43	+ 49.4
AfS reserve		(95)	(141)	+ 46	+ 32.6
Hedge reserve		51	54	(3)	(5.6)
Consolidated profit 2010		1,270	1,270	—	—
Net profit 1/1 – 31/3/2011[1]		651	—	+ 651	
Minority interest		784	804	(20)	(2.5)
Total shareholders' equity and liabilities		**350,482**	**371,909**	**(21,427)**	**(5.8)**

1 attributable to shareholder of UniCredit Bank AG

The 2010 profit available for distribution disclosed in the separate financial statements of UniCredit Bank AG (= consolidated profit of HVB Group), amounts to €1,270 million. We will propose to the Annual General Meeting of Shareholders that a dividend of €1,270 million be paid to our sole shareholder, UniCredit S.p.A. (UniCredit), Rome, Italy.

Statement of Changes in Shareholders' Equity

at 31 March 2011

	SUBSCRIBED CAPITAL	ADDITIONAL PAID-IN CAPITAL	OTHER RESERVES TOTAL	OTHER RESERVES OF WHICH: PENSIONS AND SIMILAR OBLIGATIONS (IAS 19)
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	—	—	5	—
Total income and expenses recognised in equity				
under other comprehensive income[3]	**—**	**—**	**5**	**—**
Total income and expenses recognised	**—**	**—**	**5**	**—**
Other changes recognised in equity				
Dividend payouts	—	—	—	—
Changes in group of consolidated companies	—	—	(2)	—
Total other changes in equity	**—**	**—**	**(2)**	**—**
Shareholders' equity at 31 March 2010	**2,407**	**9,791**	**9,037**	**(223)**
Shareholders' equity at 1 January 2011	**2,407**	**9,791**	**9,485**	**(189)**
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	—	—	(13)	—
Total income and expenses recognised in equity				
under other comprehensive income[3]	**—**	**—**	**(13)**	**—**
Total income and expenses recognised	**—**	**—**	**(13)**	**—**
Other changes recognised in equity				
Dividend payouts	—	—	—	—
Changes in group of consolidated companies	—	—	(2)	—
Total other changes in equity	**—**	**—**	**(2)**	**—**
Shareholders' equity at 31 March 2011	**2,407**	**9,791**	**9,470**	**(189)**

1 attributable to shareholder of UniCredit Bank AG
2 UniCredit Bank AG (HVB)
3 see Statement of Total Comprehensive Income

(€ millions)

CHANGE IN VALUATION OF FINANCIAL INSTRUMENTS						
AFS RESERVE	HEDGE RESERVE	CONSOLIDATED PROFIT	PROFIT 1/1 – 31/3[1]	TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO SHAREHOLDER OF HVB[2]	MINORITY INTEREST	TOTAL SHAREHOLDERS' EQUITY
(190)	**195**	**1,633**	**—**	**22,870**	**768**	**23,638**
—	**—**	**—**	**468**	**468**	**(8)**	**460**
46	(9)	—	—	37	1	38
1	(29)	—	—	(28)	—	(28)
(9)	—	—	—	(4)	46	42
38	**(38)**	**—**	**—**	**5**	**47**	**52**
38	**(38)**	**—**	**468**	**473**	**39**	**512**
—	—	—	—	—	(7)	(7)
—	—	—	—	(2)	—	(2)
—	**—**	**—**	**—**	**(2)**	**(7)**	**(9)**
(152)	**157**	**1,633**	**468**	**23,341**	**800**	**24,141**
(141)	**54**	**1,270**	**—**	**22,866**	**804**	**23,670**
—	**—**	**—**	**651**	**651**	**30**	**681**
57	—	—	—	57	1	58
(15)	(3)	—	—	(18)	—	(18)
4	—	—	—	(9)	(44)	(53)
46	**(3)**	**—**	**—**	**30**	**(43)**	**(13)**
46	**(3)**	**—**	**651**	**681**	**(13)**	**668**
—	—	—	—	—	(7)	(7)
—	—	—	—	(2)	—	(2)
—	**—**	**—**	**—**	**(2)**	**(7)**	**(9)**
(95)	**51**	**1,270**	**651**	**23,545**	**784**	**24,329**

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 2011 as in the consolidated financial statements for 2010 (please refer to the HVB Group Annual Report for 2010, starting on page 104).

The following standards and interpretations newly released or revised by the IASB are applicable for the first time in the 2011 financial year:
– Annual Improvements Project 2010 “Improvements to IFRSs”
– Amendments to IAS 24 “Related Party Disclosures”
– Amendments to IAS 32 “Classification of Right Issues”
– IFRIC 19 “Extinguishing Financial Liabilities with Equity Investments”
– Amendments to IFRIC “Prepayments of a Minimum Funding Requirement”.

The new regulations have not had any material impact.

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

Segment reporting

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

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

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

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

The previous year's figures and those of the previous quarters have been adjusted accordingly to reflect the changes in segment allocations described above as well as further minor reorganisations, especially in operating costs.

2 Companies included in consolidation

The following companies were added to the group of companies included in consolidation in the first three months of 2011:
– BIL Immobilien Fonds GmbH & Co Objekt Perlach KG, Munich
– Elektra Purchase No. 25 Limited, Dublin
– Elektra Purchase No. 28 Limited, Dublin
– Elektra Purchase No. 50 Limited, Dublin
– HAWA Grundstücks GmbH & Co. OHG Hotelverwaltung, Munich
– H & B Immobilien GmbH & Co. Objekte KG, Munich
– MILLETERRA Gesellschaft für Immobilienverwaltung mbH, Munich
– Omnia Grundstücks-GmbH & Co. Objekt Eggenfeldener Straße KG, Munich
– Wealth Capital Investments, Inc., Wilmington, Delaware.

The following company has left the group of companies included in consolidation:
– Morgan Stanley Series 2008-2933, New York.

Notes to the Income Statement

3 Segment reporting

Income statement broken down by division for the period from 1 January to 31 March 2011 (€ millions)

	CORPORATE & INVESTMENT BANKING	FAMILY & SME	PRIVATE BANKING	OTHER/ CONSOLIDATION	HVB GROUP
OPERATING INCOME					
1/1 – 31/3/2011	1,365	465	69	111	2,010
1/1 – 31/3/2010	1,185	446	70	202	1,903
Operating costs					
1/1 – 31/3/2011	(391)	(397)	(39)	(61)	(888)
1/1 – 31/3/2010	(379)	(386)	(42)	(52)	(859)
Net write-downs of loans					
and provisions for guarantees					
and commitments					
1/1 – 31/3/2011	(90)	(24)	—	(13)	(127)
1/1 – 31/3/2010	(280)	(75)	(1)	(16)	(372)
NET OPERATING PROFIT					
1/1 – 31/3/2011	884	44	30	37	995
1/1 – 31/3/2010	526	(15)	27	134	672
Restructuring costs					
1/1 – 31/3/2011	—	—	—	—	—
1/1 – 31/3/2010	—	—	—	—	—
Net income from					
investments and other items[1]					
1/1 – 31/3/2011	1	(1)	1	(1)	—
1/1 – 31/3/2010	30	1	—	(9)	22
PROFIT/(LOSS) BEFORE TAX					
1/1 – 31/3/2011	885	43	31	36	995
1/1 – 31/3/2010	556	(14)	27	125	694

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 – 31/3/2011	1/1 – 31/3/2010	Q4 2010	Q3 2010	Q2 2010
Net interest	629	608	710	610	657
Dividends and other income from equity investments	60	12	38	14	47
Net fees and commissions	166	167	154	116	108
Net trading, hedging and fair value income	507	373	16	242	29
Net other expenses/income	3	25	(11)	7	17
OPERATING INCOME	**1,365**	**1,185**	**907**	**989**	**858**
Payroll costs	(157)	(155)	(94)	(151)	(181)
Other administrative expenses	(231)	(220)	(234)	(231)	(242)
Amortisation, depreciation and impairment					
losses on intangible and tangible assets	(3)	(4)	(7)	(5)	(6)
Operating costs	**(391)**	**(379)**	**(335)**	**(387)**	**(429)**
OPERATING PROFIT	**974**	**806**	**572**	**602**	**429**
Net write-downs of loans and provisions					
for guarantees and commitments	(90)	(280)	11	(177)	(46)
NET OPERATING PROFIT	**884**	**526**	**583**	**425**	**383**
Restructuring costs	—	—	3	—	—
Net income from investments and other items[1]	1	30	(522)	(1)	10
PROFIT BEFORE TAX	**885**	**556**	**64**	**424**	**393**
Cost-income ratio in %	28.6	32.0	36.9	39.1	50.0

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

Development of the Corporate & Investment Banking division

The Corporate & Investment Banking division generated an operating income of €1,365 million in the first quarter of 2011, which is €180 million more than the €1,185 million recorded in the equivalent period last year. With operating costs rising €12 million, the operating profit increased to €974 million in the first quarter of 2011 after €806 million in the same quarter last year.

The €21 million increase in net interest to €629 million results among other things from greater volumes of deposits and higher trading-related interest income. Dividends and other income from equity investments include dividend payments of nearly €60 million from private equity funds, an increase of €48 million on the year-ago figure. The total recorded for net fees and commissions matched the amount for the equivalent quarter last year.

Net trading, hedging and fair value income improved greatly over the same quarter last year, rising by €134 million to €507 million in the first quarter of 2011. The Rates and FX (fixed-income and exchange-rate products) and Equities (equity and index products) units made a major contribution to this pleasing development. At the same time, the net income arising from holdings classified as fair value option declined compared with the equivalent period last year. Despite the rise of €12 million in operating costs to €391 million (up 3.2%), the division's cost-income ratio improved by 3.4 percentage points compared with the first quarter of 2010 to the very good figure of 28.6% during the reporting period as a result of the strong increase in operating income.

Net write-downs of loans and provisions for guarantees and commitments declined by €190 million to €90 million in the first quarter of 2011 on account of the vastly improved lending environment. All in all, the division generated a very good profit before tax of €885 million in the first quarter of 2011 (first quarter of 2010: €556 million).

Notes to the Income Statement (Continued)

Income statement of the Family & SME division (€ millions)

INCOME/EXPENSES	1/1 – 31/3/2011	1/1 – 31/3/2010	Q4 2010	Q3 2010	Q2 2010
Net interest	304	290	301	290	288
Dividends and other income from equity investments	—	—	1	—	4
Net fees and commissions	155	151	142	128	150
Net trading, hedging and fair value income	1	4	6	1	3
Net other expenses/income	5	1	(3)	—	(1)
OPERATING INCOME	**465**	**446**	**447**	**419**	**444**
Payroll costs	(150)	(147)	(147)	(147)	(140)
Other administrative expenses	(243)	(235)	(249)	(231)	(239)
Amortisation, depreciation and impairment losses on intangible and tangible assets	(4)	(4)	(7)	(4)	(3)
Operating costs	**(397)**	**(386)**	**(403)**	**(382)**	**(382)**
OPERATING PROFIT	**68**	**60**	**44**	**37**	**62**
Net write-downs of loans and provisions for guarantees and commitments	(24)	(75)	23	20	(50)
NET OPERATING PROFIT	**44**	**(15)**	**67**	**57**	**12**
Restructuring costs	—	—	—	—	—
Net income from investments and other items[1]	(1)	1	(13)	(2)	7
PROFIT BEFORE TAX	**43**	**(14)**	**54**	**55**	**19**
Cost-income ratio in %	85.4	86.5	90.2	91.2	86.0

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

Development of the Family & SME division

As part of the complete implementation of our One for Clients programme (One4C), at the start of 2011 small and medium-sized corporate customers with revenues of up to €50 million were transferred from the Corporate & Investment Banking division to the Retail division, which was renamed Family & SME at the same time to coincide with the expansion of the customer base.

The F&SME division generated a profit before tax of €43 million in the first quarter of 2011 after recording a loss of €14 million in the equivalent period of 2010 essentially on account of higher net write-downs of loans and provisions for guarantees and commitments. However, the positive development on the operating side also made a major contribution to the rise in profit before tax.

The operating income of the F&SME division increased by around 4.3% to €465 million in the first quarter of 2011. Net interest rose by around 4.8% to €304 million as a result of higher interest margins in deposit-taking operations. This more than offset the lower net interest in lending activities, caused primarily by a decline in the volume of real estate financing activities. Net fees and commissions also performed well, increasing by 2.6% over the already high year-ago total to €155 million. This increase results from better securities operations together with higher income from the brokerage of services relating to real estate.

The rise in operating income was partially offset by a slight increase (2.8%) in operating costs. Within operating costs, payroll costs rose by 2.0% due mainly to the effects of initial consolidation (inclusion of UniCredit Direct Services for the first time at year-end 2010) that were only partially offset by effects from the lower headcount serving to reduce expenses. The 3.4% increase in other administrative expenses can similarly be attributed in part to the effect of initial consolidation mentioned above. With an operating income rising faster than operating costs, operating profit rose by 13.3% to €68 million while the cost-income ratio improved by 1.1 percentage points to 85.4%.

As a result of the good operating performance together with significantly lower net write-downs of loans and provisions for guarantees and commitments (€24 million after €75 million in the first quarter of 2010), the F&SME division generated a strong profit before tax of €43 million in the first quarter of 2011 (2010: loss of €14 million).

Income statement of the Private Banking division (€ millions)

INCOME/EXPENSES	1/1 – 31/3/2011	1/1 – 31/3/2010	Q4 2010	Q3 2010	Q2 2010
Net interest	25	24	27	24	22
Dividends and other income from equity investments	1	—	6	1	2
Net fees and commissions	43	46	35	35	41
Net trading, hedging and fair value income	—	—	—	—	—
Net other expenses/income	—	—	1	2	(1)
OPERATING INCOME	**69**	**70**	**69**	**62**	**64**
Payroll costs	(18)	(19)	(18)	(19)	(16)
Other administrative expenses	(20)	(23)	(20)	(22)	(23)
Amortisation, depreciation and impairment					
losses on intangible and tangible assets	(1)	—	(1)	—	(1)
Operating costs	**(39)**	**(42)**	**(39)**	**(41)**	**(40)**
OPERATING PROFIT	**30**	**28**	**30**	**21**	**24**
Net write-downs of loans and provisions					
for guarantees and commitments	—	(1)	—	(1)	—
NET OPERATING PROFIT	**30**	**27**	**30**	**20**	**24**
Restructuring costs	—	—	(18)	—	—
Net income from investments and other items[1]	1	—	1	(2)	—
PROFIT BEFORE TAX	**31**	**27**	**13**	**18**	**24**
Cost-income ratio in %	56.5	60.0	56.5	66.1	62.5

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

Development of the Private Banking division

Starting in the first quarter of 2011, the Private Banking division is being shown without the contributions to profits provided by the private banking activities of UniCredit Luxembourg that were sold at year-end 2010. The year-ago figures have been adjusted accordingly. In the first three months of 2011, the division generated a profit before tax of €31 million, which is higher than the figure reported at the equivalent point last year.

Within operating income, a year-on-year increase of 4.2% was generated in net interest as a result of higher interest margins in the deposit-taking business. By contrast, the €43 million recorded for net fees and commissions failed to match the year-ago total essentially on account of declining demand for long-term bonds. This led to a slight reduction of 1.4% in operating income to €69 million. As a result of the 7.1% decline in operating costs achieved by applying strict cost management, the cost-income ratio improved by 3.5 percentage points to 56.5%. The operating profit rose at the same time by 7.1% to €30 million.

Notes to the Income Statement (Continued)

Income statement of the Other/consolidation segment (€ millions)

INCOME/EXPENSES	1/1 – 31/3/2011	1/1 – 31/3/2010	Q4 2010	Q3 2010	Q2 2010
OPERATING INCOME	**111**	**202**	**138**	**176**	**82**
Operating costs	**(61)**	**(52)**	**(43)**	**(52)**	**(41)**
OPERATING PROFIT	**50**	**150**	**95**	**124**	**41**
Net write-downs of loans and provisions for guarantees and commitments	(13)	(16)	(2)	3	(41)
NET OPERATING PROFIT	**37**	**134**	**93**	**127**	**—**
Restructuring costs	—	—	(22)	—	—
Net income from investments and other items[1]	(1)	(9)	(6)	(34)	(34)
PROFIT/(LOSS) BEFORE TAX	**36**	**125**	**65**	**93**	**(34)**

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

Development of the Other/consolidation segment

The operating income of this segment declined by €91 million in the first quarter of 2011 (first quarter of 2010: €202 million). This strong decrease can be attributed primarily to gains realised on the buy-back of hybrid capital in the equivalent period last year. These have not recurred in the reporting period.

Operating costs rose by a total of €9 million, giving rise to an operating profit of €50 million (first quarter of 2010: €150 million). The operating profit was depressed by the bank levies payable for the first time in Germany and Austria, which gave rise to pro rata expenses of €35 million in the first quarter of 2011.

Net write-downs of loans and provisions for guarantees and commitments amounted to €13 million in the first quarter of 2011, which represents a slight decline of €3 million compared with the equivalent period last year. With net income from investments and other items showing a net loss of €1 million, the profit before tax totalled €36 million (first quarter of 2010: €125 million).

4 Net interest

(€ millions)

	1/1 – 31/3/2011	1/1 – 31/3/2010
Interest income from	**2,105**	**2,153**
lending and money market transactions	1,481	1,513
other interest income	624	640
Interest expense from	**(1,072)**	**(1,143)**
deposits	(350)	(282)
debt securities in issue and other interest expenses	(722)	(861)
Total	**1,033**	**1,010**

5 Dividends and other income from equity investments

(€ millions)

	1/1 – 31/3/2011	1/1 – 31/3/2010
Dividends and other similar income	63	14
Companies accounted for using the equity method	2	1
Total	**65**	**15**

6 Net fees and commissions

(€ millions)

	1/1 – 31/3/2011	1/1 – 31/3/2010
Management, brokerage and consultancy services	181	207
Collection and payment services	44	47
Lending operations	131	114
Other service operations	11	5
Total	**367**	**373**

This item comprises the balance of fee and commission income of €502 million (2010: €615 million) and fee and commission expenses of €135 million (2010: €242 million).

7 Net trading, hedging and fair value income

(€ millions)

	1/1 – 31/3/2011	1/1 – 31/3/2010
Net gains on financial assets held for trading[1]	488	339
Effects arising from hedge accounting	38	12
Changes in fair value of hedged items	649	(614)
Changes in fair value of hedging derivatives	(611)	626
Net gains/(losses) on financial assets at fair value through profit or loss (fair value option)[2]	(12)	8
Other net trading income	—	81
Total	**514**	**440**

1 including dividends on financial assets held for trading
2 also including the valuation results of derivatives concluded to hedge financial assets through fair value at profit or loss

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

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

8 Net other expenses/income

(€ millions)

	1/1 – 31/3/2011	1/1 – 31/3/2010
Other income	82	89
Other expenses	(51)	(24)
Total	**31**	**65**

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

(€ millions)

	1/1 – 31/3/2011	1/1 – 31/3/2010
Additions/releases	**(138)**	**(382)**
Allowances for losses on loans and receivables	(138)	(363)
Allowances for losses on guarantees and indemnities	—	(19)
Recoveries from write-offs of loans and receivables	**11**	**10**
Gains on the disposal of impaired loans and receivables	**—**	**—**
Total	**(127)**	**(372)**

Notes to the Income Statement (Continued)

10 Net income from investments

(€ millions)

	1/1 – 31/3/2011	1/1 – 31/3/2010
Available-for-sale financial assets	57	27
Shares in affiliated companies	—	—
Companies accounted for using the equity method	—	—
Held-to-maturity investments	—	—
Land and buildings	—	—
Investment properties[1]	1	—
Other	—	—
Total	**58**	**27**

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 – 31/3/2011	1/1 – 31/3/2010
Gains on the disposal of	**46**	**20**
available-for-sale financial assets	46	20
shares in affiliated companies	—	—
companies accounted for using the equity method	—	—
held-to-maturity investments	—	—
land and buildings	—	—
other	—	—
Write-downs, value adjustments and write-ups on	**12**	**7**
available-for-sale financial assets	11	7
shares in affiliated companies	—	—
companies accounted for using the equity method	—	—
held-to-maturity investments	—	—
investment properties[1]	1	—
Total	**58**	**27**

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

11 Earnings per share

	1/1 – 31/3/2011	1/1 – 31/3/2010
Consolidated profit attributable to shareholder (€ millions)	651	468
Average number of shares	802,383,672	802,383,672
Earnings per share (€)	0.81	0.58

Notes to the Balance Sheet

12 Financial assets held for trading

(€ millions)

	31/3/2011	31/12/2010
Balance sheet assets		
Fixed-income securities	24,218	26,952
Equity instruments	7,229	6,422
Other financial assets held for trading	12,016	11,529
Positive fair value from derivative financial instruments	**73,566**	**88,486**
Total	**117,029**	**133,389**

The financial assets held for trading include €451 million (31 December 2010: €392 million) in subordinated assets at 31 March 2011.

13 Financial assets at fair value through profit or loss

(€ millions)

	31/3/2011	31/12/2010
Fixed-income securities	25,371	24,555
Equity instruments	—	—
Investment certificates	1	1
Promissory notes	1,985	2,075
Other financial assets at fair value through profit or loss	—	—
Total	**27,357**	**26,631**

The financial assets at fair value through profit or loss include €280 million (31 December 2010: €297 million) in subordinated assets at 31 March 2011.

14 Available-for-sale financial assets

(€ millions)

	31/3/2011	31/12/2010
Fixed-income securities	4,293	3,974
Equity instruments	771	778
Other available-for-sale financial assets	430	448
Impaired assets	736	715
Total	**6,230**	**5,915**

At 31 March 2011, available-for-sale financial assets include financial instruments of €1,412 million (31 December 2010: €1,416 million) valued at cost compliant with IAS 39.46.

The available-for-sale financial assets contain a total of €736 million (31 December 2010: €715 million) in impaired assets at 31 March 2011 for which impairments of €3 million (31 March 2010: €2 million) were taken to the income statement during the period under review. None of the non-impaired debt instruments are financial instruments past due.

The available-for-sale financial assets include €537 million (31 December 2010: €493 million) in subordinated assets at 31 March 2011.

Notes to the Income Statement (Continued)

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

(€ millions)

	31/3/2011	31/12/2010
Associated companies accounted for using the equity method	96	94
of which: goodwill	—	—
Joint ventures accounted for using the equity method	—	—
Total	**96**	**94**

16 Held-to-maturity investments

(€ millions)

	31/3/2011	31/12/2010
Fixed-income securities	2,532	2,596
Impaired assets	4	4
Total	**2,536**	**2,600**

Held-to-maturity investments include a total of €4 million (31 December 2010: €4 million) in impaired assets. None of the non-impaired debt instruments are financial instruments past due.

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

17 Loans and receivables with banks

(€ millions)

	31/3/2011	31/12/2010
Current accounts and demand deposits	12,406	16,222
Repos[1]	8,066	12,343
Reclassified securities	3,991	4,983
Other loans to banks	17,423	12,784
Total	**41,886**	**46,332**

1 repurchase agreements

The loans and receivables with banks include €668 million (31 December 2010: €784 million) in subordinated assets at 31 March 2011.

18 Loans and receivables with customers

(€ millions)

	31/3/2011	31/12/2010
Current accounts	9,202	8,923
Repos[1]	820	484
Mortgage loans	49,433	50,062
Finance leases	2,537	2,600
Reclassified securities	5,842	6,068
Non-performing loans and receivables	4,453	5,095
Other loans and receivables	64,220	66,119
Total	**136,507**	**139,351**

1 repurchase agreements

The loans and receivables with customers include €1,905 million (31 December 2010: €2,006 million) in subordinated assets at 31 March 2011.

19 Non-current assets and disposal groups held for sale

(€ millions)

	31/3/2011	31/12/2010
Loans and receivables with customers	—	25
Investment properties	8	3
Total	**8**	**28**

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

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

The following table shows the development of the reclassified holdings:

(€ billions)

RECLASSIFIED ASSET-BACKED SECURITIES AND OTHER DEBT SECURITIES	CARRYING AMOUNT OF ALL RECLASSIFIED ASSETS[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 31/12/2009	9.0	8.0	9.7
Balance at 31/12/2010	6.5	5.9	7.0
Balance at 31/3/2011	5.9	5.4	6.3
Reclassified in 2009			
Balance at 31/12/2009	7.3	7.4	7.4
Balance at 31/12/2010	4.6	4.5	4.6
Balance at 31/3/2011	4.0	4.0	4.0
Balance of reclassified assets at 31/3/2011	**9.9**	**9.4**	**10.3**

1 before accrued interest

The fair value of the financial instruments reclassified as loans and receivables with banks and customers amounts to a total of €9.4 billion at 31 March 2011. If these reclassifications had not been carried out in 2008 and 2009, mark-to-market valuation (including realised disposals) would have given rise to a net gain of €167 million in net trading, hedging and fair value income in the first quarter of 2011. A net gain of €416 million (2010) and €1,159 million (2009) would have arisen in net trading, hedging and fair value income in the financial years 2010 and 2009 while a net loss of €1,792 million would have accrued in net trading, hedging and fair value income from the reclassified holdings in 2008. These effects reflect a theoretical, pro forma calculation, as the assets are measured at amortised cost on account of the reclassification.

We took write-downs of loans of €4 million on the reclassified assets in the first three months of 2011 (whole of 2010: €8 million, 2009: €80 million, 2008: €63 million). The fair value at the date when the reclassification takes effect represents the new acquisition cost, which in some cases is considerably less than the nominal value. Accordingly, this difference (discount) is to be amortised over the remaining term of the reclassified financial assets. This together with the reclassified securities that had matured or been partially repaid gives rise to an effect of €28 million (whole of 2010: €160 million, 2009: €208 million, 2008: €127 million), which is recognised in net interest.

A loss of €3 million (whole of 2010: gain of €19 million, 2009: gain of €83 million) on reclassified securities that had been sold was recognised in the income statement in the first quarter of 2011.

In the first three months of 2011, the reclassifications carried out in 2008 and 2009 resulted in a profit before tax that was €146 million too low. Between the date when the reclassifications took effect and the reporting date, the cumulative net impact on the income statement from the reclassifications already carried out totalled €517 million before tax (Q1/2011: minus €146 million, whole of 2010: minus €245 million, 2009: minus €948 million, 2008: plus €1,856 million).

Notes to the Balance Sheet (Continued)

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

Analysis of loans and receivables (€ millions)

Balance at 1 January 2010	**5,222**
Changes affecting income	363
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	(28)
Effects of currency translation and other changes not affecting income	15
Non-current assets or disposal groups held for sale	—
Balance at 31 March 2010	**5,572**
Balance at 1 January 2011	**5,059**
Changes affecting income	138
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	(79)
Effects of currency translation and other changes not affecting income	(33)
Non-current assets or disposal groups held for sale	—
Balance at 31 March 2011	**5,085**

22 Deposits from banks

(€ millions)

	31/3/2011	31/12/2010
Deposits from central banks	**5,679**	**4,396**
Deposits from banks	**47,740**	**47,491**
Current accounts and demand deposits	12,001	12,815
Reverse repos[1]	10,900	8,071
Other liabilities	24,839	26,605
Total	**53,419**	**51,887**

1 repurchase agreements

23 Deposits from customers

(€ millions)

	31/3/2011	31/12/2010
Current accounts and demand deposits	45,143	47,893
Savings deposits	14,892	14,893
Reverse repos[1]	12,343	10,010
Other liabilities	35,580	35,698
Total	**107,958**	**108,494**

1 repurchase agreements

24 Debt securities in issue

(€ millions)

	31/3/2011	31/12/2010
Bonds	45,013	46,142
Other securities	2,691	2,534
Total	**47,704**	**48,676**

Notes to the Balance Sheet (Continued)

25 Liabilities of disposal groups held for sale

(€ millions)

	31/3/2011	31/12/2010
Deposits from customers	—	597
Financial liabilities held for trading	—	1
Total	**—**	**598**

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

26 Provisions

(€ millions)

	31/3/2011	31/12/2010
Provisions for pensions and similar commitments	50	51
Allowances for losses on guarantees and commitments	284	283
Restructuring provisions	79	87
Actuarial provisions	33	35
Other provisions	1,491	1,445
Total	**1,937**	**1,901**

27 Change in valuation of financial instruments

The reserves arising from changes in the valuation of financial instruments recognised in equity totalled minus €44 million at 31 March 2011 (31 December 2010: minus €87 million). Whereas the hedge reserve narrowed by a minor €3 million to €51 million compared with year-end 2010, this positive development can be attributed exclusively to the €46 million increase in the AfS reserve to minus €95 million. This results primarily from positive fair value fluctuations of fixed-income securities classified as available for sale. In the first quarter of 2011, there was a market-related increase in the value of ABS holdings in the available-for-sale portfolio, for which there were no impairment criteria as defined in IAS 39.59 and hence no impairment losses needed to be recognised.

28 Subordinated capital

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

	31/3/2011	31/12/2010
Subordinated liabilities	2,564	2,628
Participating certificates outstanding	155	205
Hybrid capital instruments	1,240	1,299
Total	**3,959**	**4,132**

Other Information

29 Contingent liabilities and other commitments

(€ millions)

	31/3/2011	31/12/2010
Contingent liabilities[1]	**19,855**	**19,170**
Guarantees and indemnities	19,855	19,170
Other commitments	**63,710**	**65,015**
Irrevocable credit commitments	41,128	39,721
Other commitments	22,582	25,294
Total	**83,565**	**84,185**

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

Other Information (Continued)

30 Members of the Supervisory Board and Management Board

Supervisory Board

Federico Ghizzoni since 2 March 2011 Chairman since 4 March 2011	**Chairman**
Sergio Ermotti until 1 March 2011	**Chairman**
Peter König	**Deputy Chairman**
Dr Wolfgang Sprissler	**Deputy Chairman**
Aldo Bulgarelli Beate Dura-Kempf Klaus Grünewald Werner Habich since 16 January 2011 Dr Lothar Meyer Marina Natale Klaus-Peter Prinz Jutta Streit until 15 January 2011 Jens-Uwe Wächter Dr Susanne Weiss	**Members**

Management Board

Peter Buschbeck	**Family & SME division[1]**
Lutz Diederichs	**Corporate & Investment Banking division**
Peter Hofbauer	**Chief Financial Officer (CFO)**
Heinz Laber	**Human Resources Management, Global Banking Services**
Andrea Umberto Varese	**Chief Risk Officer (CRO)**
Dr Theodor Weimer	**Board Spokesman**
Andreas Wölfer	**Private Banking division**

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

Munich, 11 May 2011

UniCredit Bank AG
The Management Board

Buschbeck Diederichs Hofbauer Laber

Varese Dr Weimer Wölfer

Summary of Quarterly Financial Data

(€ millions)

OPERATING PERFORMANCE	Q1 2011	Q4 2010	Q3 2010	Q2 2010	Q1 2010
Net interest	1,033	1,087	990	1,013	1,010
Dividends and other income from equity investments	65	54	20	59	15
Net fees and commissions	367	345	286	308	373
Net trading, hedging and fair value income	514	10	293	16	440
Net other expenses/income	31	65	57	52	65
OPERATING INCOME	**2,010**	**1,561**	**1,646**	**1,448**	**1,903**
Operating costs	(888)	(820)	(862)	(892)	(859)
OPERATING PROFIT	**1,122**	**741**	**784**	**556**	**1,044**
Net write-downs of loans and provisions					
for guarantees and commitments	(127)	32	(155)	(137)	(372)
NET OPERATING PROFIT	**995**	**773**	**629**	**419**	**672**
Provisions for risks and charges	(58)	(417)	(8)	(12)	(5)
Restructuring costs	—	(37)	—	—	—
Net income from investments	58	(123)	(31)	(5)	27
PROFIT BEFORE TAX	**995**	**196**	**590**	**402**	**694**
Income tax for the period	(314)	393	(171)	(142)	(234)
CONSOLIDATED PROFIT	**681**	**589**	**419**	**260**	**460**
attributable to shareholder of UniCredit Bank AG	651	584	379	272	468
attributable to minorities	30	5	40	(12)	(8)
Earnings per share (€)	**0.81**	**0.73**	**0.47**	**0.34**	**0.58**

Financial Calendar

Important Dates 2011*

Interim Report at 31 March 2011	13 May 2011
Half-yearly Financial Report at 30 June 2011	5 August 2011
Interim Report at 30 September 2011	15 November 2011

* dates planned

Contacts

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