


**UniCredit Bank AG**  
**Hong Kong Branch**  
**Disclosure Statement for the Financial Period Ended 30 June 2016**

*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 2016

Section A. Hong Kong Branch Information

I. Income statement information

Description	30 June 2015	30 June 2016
	HK\$ million	HK\$ million
Interest income	173	122
Interest expense	(138)	(99)
Other operating income	41	120
- Gains less losses arising from trading in foreign currencies	16	109
- Gains less losses on securities held for trading purposes	-	-
- Gains less losses from other trading activities	(13)	(53)
- Net fees and commission income	9	23
- Fees and commission income	15	28
- Fees and commission expenses	(6)	(5)
- Others	29	41
Operating expenses	(114)	(123)
- Staff expenses	(52)	(49)
- Rental expenses	(11)	(11)
- Other expenses less fee and commission expenses	(51)	(63)
Impairment losses and provision for impaired loans and receivables	(1)	15
Net charge for other provision	-	-
Gains less losses from the disposal of property, plant and equipment and investment properties	-	-
Profit before taxation	(39)	35
Taxation expenses or tax income	-	-
<b>Profit after taxation</b>	<b>(39)</b>	<b>35</b>

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II. Balance sheet information

Description	<u>31 December 2015</u> HK\$ million	<u>30 June 2016</u> HK\$ million
<b>Assets</b>		
Cash and balances with banks (excluding overseas offices)	112	372
Placements with banks maturing between one and twelve months	1,972	6,806
Amounts due from overseas offices of the institution	43,727	55,162
Trade bills	778	803
Certificates of deposit held	-	-
Securities held for trading purposes	-	-
Loans and receivables	3,685	7,514
- Loans and advances to customers	1,391	2,131
- Loans and advances to banks	40	912
- Other accounts	2,281	4,484
- Provisions for impaired loans and receivables	(27)	(13)
- Collective provision	(13)	(13)
- Individual provision	(14)	-
Available-for-sale financial assets	4,945	9,317
Investment Securities	-	-
Other investments	-	-
Property, plant and equipment and investment properties	5	4
<b>Total assets</b>	<u>55,224</u>	<u>79,978</u>
<b>Liabilities</b>		
Deposits and balances from banks (excluding overseas offices)	17,327	15,850
Deposits from customers	853	1,401
- Demand deposits and current accounts	697	772
- Savings deposits	-	-
- Time, call and notice deposits	156	629
Amounts due to overseas offices of the institution	24,213	44,578
Certificates of deposit issued	80	80
Issued debt securities	-	-
Other liabilities	12,751	18,069
Provisions	-	-
<b>Total liabilities</b>	<u>55,224</u>	<u>79,978</u>

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**Additional balance sheet information**

(a) Impaired loans and advances (Note 1)	<u>31 December 2015</u>		<u>30 June 2016</u>	
	HK\$ million		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 2015</u>		<u>30 June 2016</u>	
	HK\$ million		HK\$ million	
<b>The contractual or notional amounts of each of the following class of off-balance sheet exposures outstanding:</b>				
<b>Contingent liabilities and commitments (Note 2)</b>				
Direct credit substitutes		412		357
Transaction-related contingencies		65		77
Trade-related contingencies		517		532
Note issuance and revolving underwriting facilities		-		-
Other commitments		1,771		1,445
Others		9,656		71,788
<b>Total</b>		<b>12,421</b>		<b>74,199</b>
<b>Derivatives (Note 3)</b>				
Exchange rate-related derivative contracts		249,137		337,798
Interest rate derivative contracts		22,404		18,592
Others		-		-
<b>Total</b>		<b>271,541</b>		<b>356,390</b>

(c) The fair value of derivatives outstanding (Note 4):	<u>31 December 2015</u>		<u>30 June 2016</u>	
	HK\$ million		HK\$ million	
Exchange rate-related derivative contracts		1,642		1,485
Interest rate derivative contracts		64		68
Others		-		-
<b>Total</b>		<b>1,706</b>		<b>1,553</b>

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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		
<b>As at 30 June 2016</b>						
1. Developed countries	56,732	7,218	2,704	1,428	-	68,082
of which Germany	56,114	1,744	383	940	-	59,181
of which Japan	21	5,475	1,389	-	-	6,885
2. Offshore centres	390	-	-	24	-	414
of which Hong Kong	354	-	-	23	-	377
3. Developing Europe	218	-	-	-	-	218
of which Russia	131	-	-	-	-	131
of which Turkey	78	-	-	-	-	78
4. Developing Latin America and Caribbean	-	-	-	-	-	-
5. Developing Africa and Middle East	-	-	-	-	-	-
6. Developing Asia-Pacific	8,223	771	-	735	-	9,729
of which China	7,873	771	-	259	-	8,903
7. International organisations	-	-	-	-	-	-
8. Unallocated by country	-	-	-	-	-	-
Impairments loans and advances to customers	-	-	-	-	-	-
Overdue loans and advances to customers	-	-	-	-	-	-

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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		
<b>As at 31 December 2015</b>						
1. Developed countries	46,838	1,732	1,722	199	-	50,491
of which Germany	46,065	437	-	-	-	46,502
2. Offshore centres	38	-	-	-	-	38
of which Singapore	37	-	-	-	-	37
3. Developing Europe	119	-	-	-	-	119
of which Russia	90	-	-	-	-	90
of which Turkey	29	-	-	-	-	29
4. Developing Latin America and Caribbean	-	-	-	-	-	-
5. Developing Africa and Middle East	-	-	-	-	-	-
6. Developing Asia-Pacific	3,148	781	-	302	-	4,231
of which China	2,882	781	-	-	-	3,663
7. International organisations	-	-	-	-	-	-
8. Unallocated by country	-	-	-	-	-	-
Impairments loans and advances to customers	-	-	-	-	-	-
Overdue loans and advances to customers	-	-	-	-	-	-

## IV. Sector information

(expressed in HK\$ million)

Sector classification	31 December 2015		30 June 2016	
	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>				
<b>Industrial, commercial and financial :</b>				
- Property development	-	-	-	-
- Property investment	-	-	-	-
- Financial concerns	-	-	-	23
- Stockbrokers	-	-	-	-
- Wholesale and retail trade	-	314	-	312
- Manufacturing	-	22	-	285
- Transport and transport equipment	-	5	-	7
- Recreational activities	-	-	-	-
- Information technology	-	-	-	-
- Others	-	29	-	31
Total industrial, commercial and financial	-	370	-	658
<b>Individuals :</b>				
- 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		370		658
<i>Trade finance</i>		139		134
<i>Loans and Advances for use outside Hong Kong</i>		882		1,339
<i>Advances to customers (Note 6)</i>		<u>1,391</u>		<u>2,131</u>
<b>Geographic Breakdown :</b>				
Germany		633		937
Italy		505		484
China		-		258

## V. Overdue and rescheduled assets

(expressed in HK\$ million)

Description	31 December 2015			30 June 2016		
	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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VI. Mainland Activities (Note 6)

(expressed in HK\$ million)

Types of Counterparties	On-balance sheet exposures	Off-balance sheet exposures	Total
<b>As at 30 June 2016</b>			
1. Central government, central government-owned entities and their subsidiaries and JVs	770	-	770
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	609	-	609
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	171	82	253
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
<b>Total</b>	<b>1,550</b>	<b>82</b>	<b>1,632</b>
<b>Total Assets after provisions</b>	<b>79,978</b>		
<b>On-balance sheet exposure as percentage of total assets</b>	<b>1.94%</b>		

Types of Counterparties	On-balance sheet exposures	Off-balance sheet exposures	Total
<b>As at 31 December 2015</b>			
1. Central government, central government-owned entities and their subsidiaries and JVs	790	-	790
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	629	-	629
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	186	93	279
7. Other counterparties where the exposures are considered by the reporting institution to be non-bank Mainland China exposures	-	-	-
<b>Total</b>	<b>1,605</b>	<b>93</b>	<b>1,698</b>
<b>Total Assets after provisions</b>	<b>55,224</b>		
<b>On-balance sheet exposure as percentage of total assets</b>	<b>2.91%</b>		

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VII. Currency Risk (Note 8)

Equivalent in millions of HK\$	<u>USD</u>	<u>Total</u>
<b><u>As at 30 June 2016</u></b>		
Spot assets	3,236	3,236
Spot liabilities	(27,718)	(27,718)
Forward purchases	156,094	156,094
Forward sales	(133,401)	(133,401)
Net option position	-	-
<b>Net long (short) position</b>	<b>(1,789)</b>	<b>(1,789)</b>
<b>Net structural position</b>	<b>4</b>	<b>4</b>
<b><u>As at 31 December 2015</u></b>		
Spot assets	3,074	3,074
Spot liabilities	(25,989)	(25,989)
Forward purchases	121,335	121,335
Forward sales	(98,533)	(98,533)
Net option position	-	-
<b>Net long (short) position</b>	<b>(113)</b>	<b>(113)</b>
<b>Net structural position</b>	<b>5</b>	<b>5</b>

**UniCredit Bank AG**

**Financial Disclosure for Hong Kong Branch for the financial period ended 30 June 2016**

<b>VIII. Liquidity Information</b>	<b><u>30 June 2015</u></b>	<b><u>30 June 2016</u></b>
(i) The average liquidity maintenance ratio for the financial period	96.30	267.95

(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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*Section B. Consolidated Group Information*

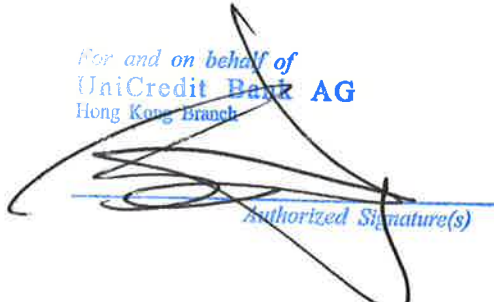
<b>I. Capital and capital adequacy</b>	<u>31 December 2015</u>	<u>30 June 2016</u>
Capital adequacy ratio	25.1%	22.3%
	<b>EUR Billion</b>	<b>EUR Billion</b>
Shareholders' equity	20.8	20.4

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.

<b>II. Other financial information</b>	<u>31 December 2015</u>	<u>30 June 2016</u>
	<b>EUR Billion</b>	<b>EUR Billion</b>
Total assets	298.7	316.6
Total liabilities	277.9	296.2
Total advances (Note 1)	146.3	153.9
Total customer deposits	107.7	117.7
	<u>30 June 2015</u>	<u>30 June 2016</u>
	<b>EUR Billion</b>	<b>EUR Billion</b>
Pre-tax profit / (loss) for the financial period	0.50	0.57
Note (1) :		
Advances to Bank	32.8	34.7
Advances to Customers	<u>113.5</u>	<u>119.2</u>
Total	<u><u>146.3</u></u>	<u><u>153.9</u></u>

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