



# HVB Group – Interim Report for Q1 2015

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Dr Theodor Weimer, Board Spokesman of HypoVereinsbank  
Peter Hofbauer, Chief Financial Officer of HypoVereinsbank

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## Highlights in Q1 2015

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Solid first quarter; high exceptional charge due to EU bank levy



Pleasingly stable net interest despite difficult market environment; strong growth in net fees and commissions; weak net trading income



Stable cost development despite new marketing campaign and increased regulatory requirements



All business segments with positive profit contribution



Strategic repositioning of private clients business fully in plan

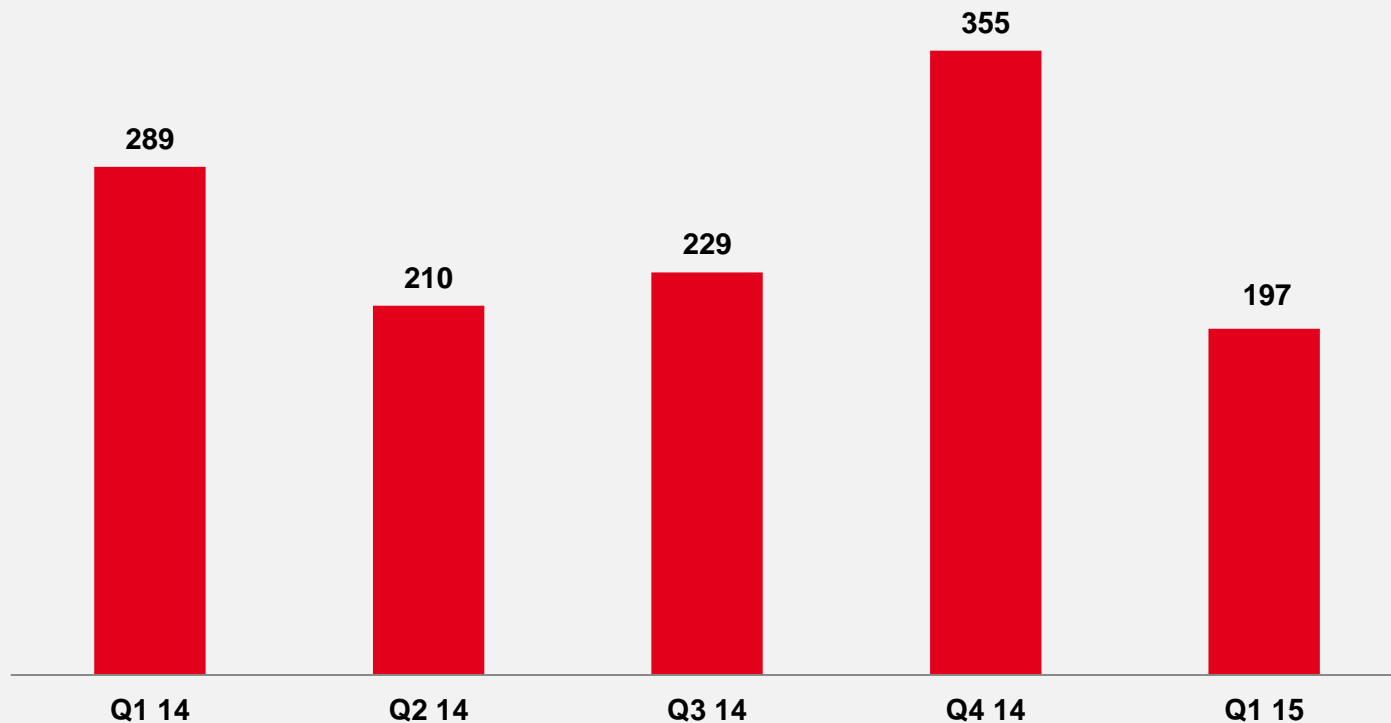


Capital ratios and balance sheet structure ratios reflect strength and solidity of HypoVereinsbank

# Continuation of stable quarterly performance; Q1 2015 negatively affected by EU bank levy

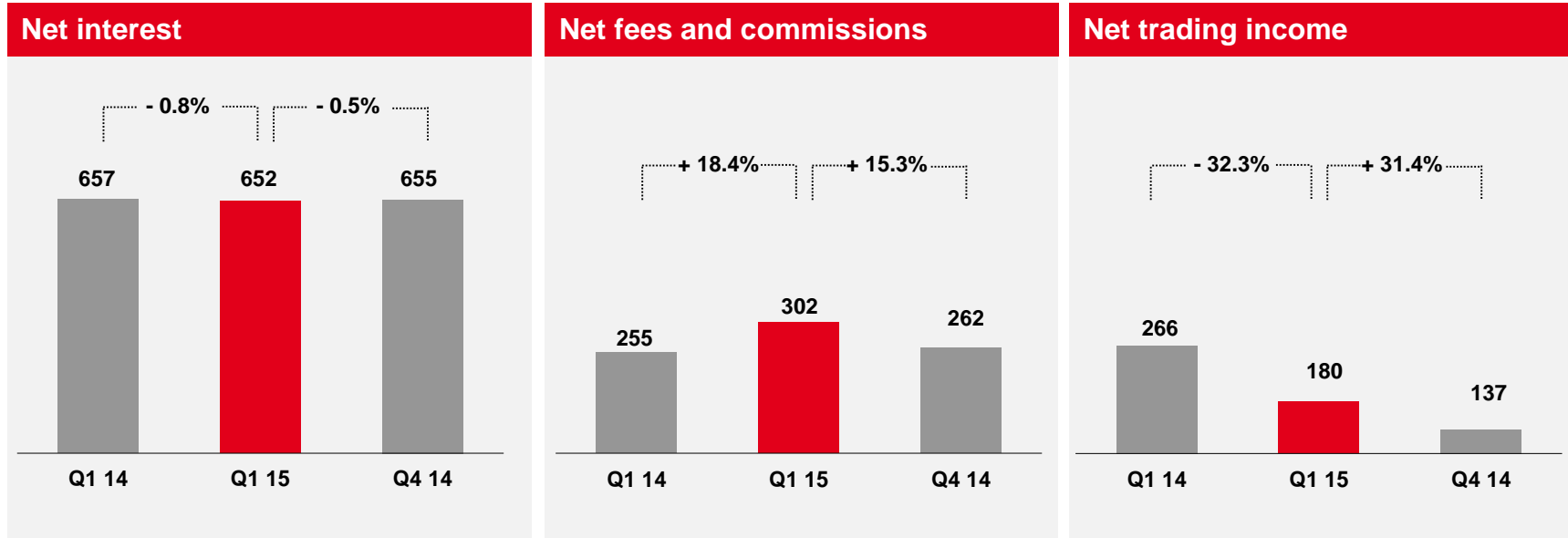
HVB Group, € millions

Profit before tax in each quarter



# Pleasingly stable net interest despite negative market environment; strong growth in net fees and commissions

€ millions



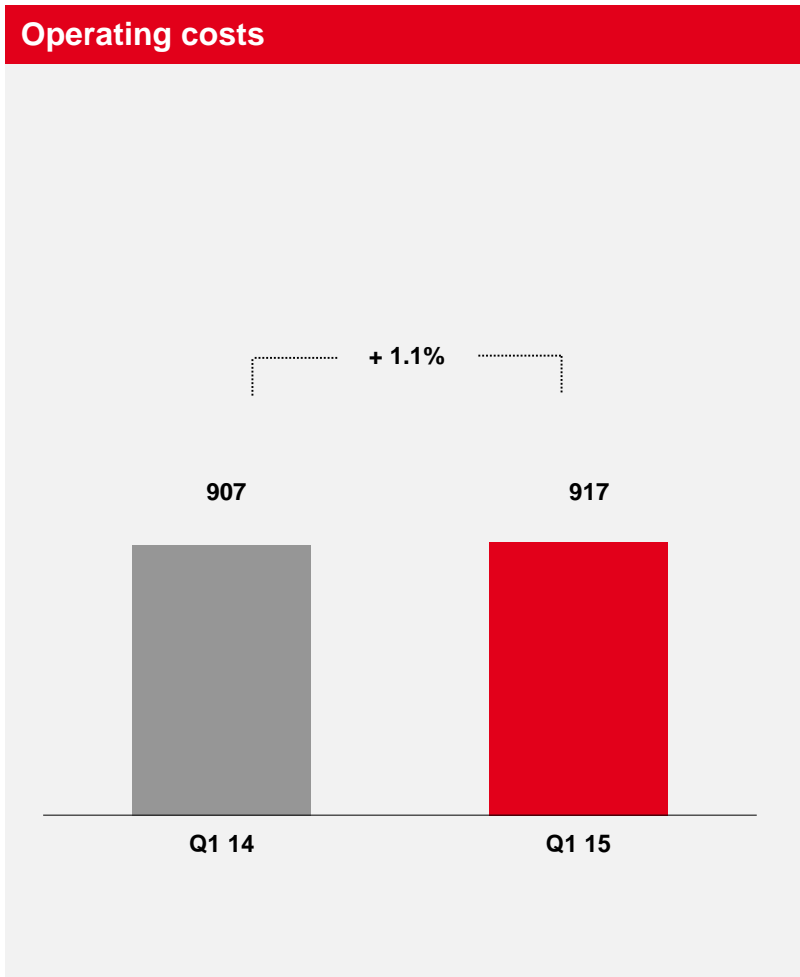
- Pleasingly stable net interest despite persistently low interest rate level
- Commercial Banking matches year-ago level
- Corporate & Investment Banking improves mainly due to higher trading-induced interest income

- Strong rise in net fees and commissions
- Improvement mainly due to increase in management, brokerage and advisory services within securities business
- Slight growth also within lending activities

- Net trading income comparatively weak
- Main contributions from rates, equity derivatives and FX units

# Operating costs almost at year-ago level thanks to consistent cost management

€ millions



## Main developments

- Only slight increase compared to previous year's quarter
- Higher marketing spending due to new advertising campaign launched in December 2014
- Higher expenses on IT side partly as a result of increased regulatory requirements

# Commercial Banking business segment

## Profit before tax

€ millions



## Operating income

€ millions



## Highlights in the first three months of 2015

Profit negatively affected due to EU bank levy

Pleasingly stable operating activities: constant net interest as well as fees and commissions

Higher operating costs resulting from advertising campaign

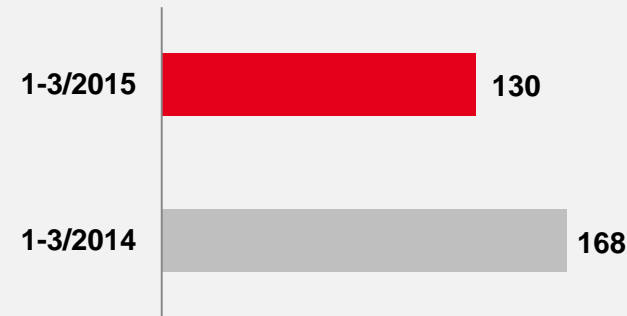
Loan loss provisions still at a very moderate level

Modernisation of private clients activities on track, yielding first positive effects

# Corporate & Investment Banking business segment

## Profit before tax

€ millions



## Operating income

€ millions



## Highlights in the first three months of 2015

Profit negatively affected due to EU bank levy

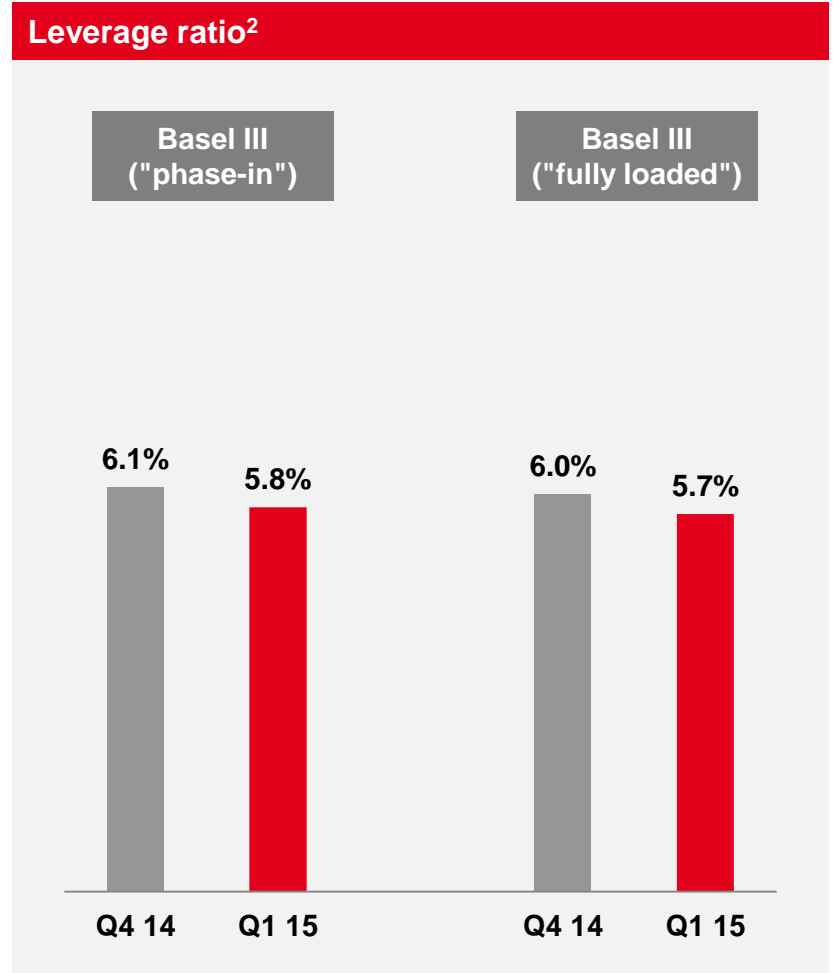
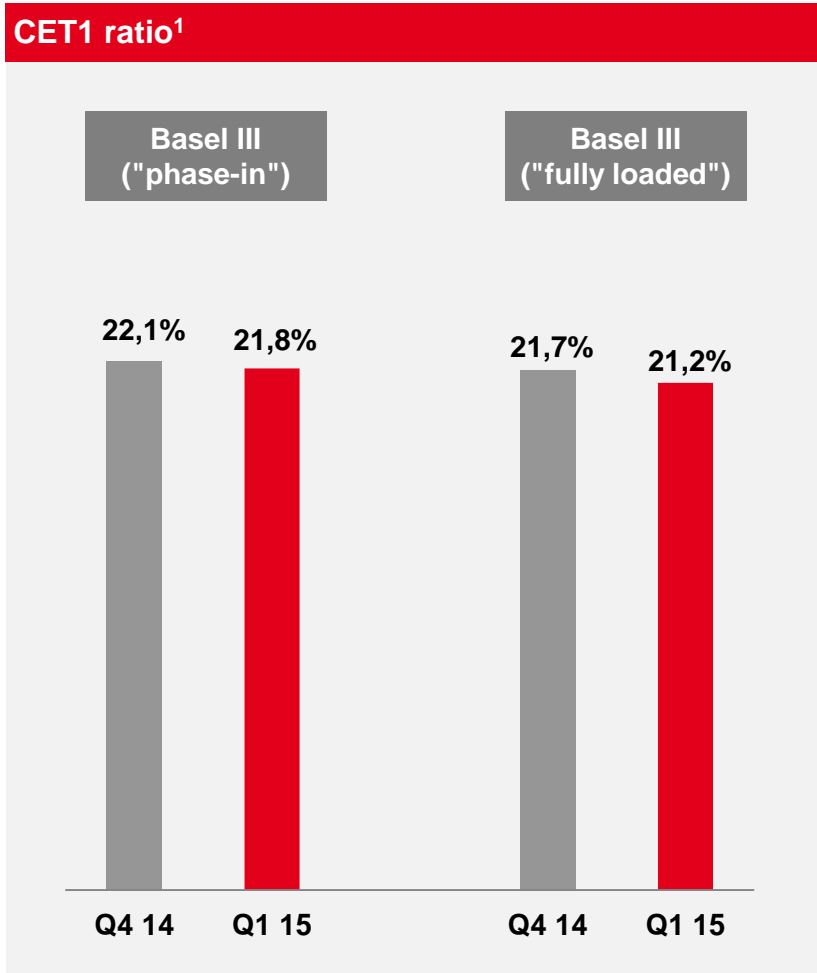
Reduction of operating income mainly due to lower net trading income

Net interest improved by higher trading-induced interest

Strong rise in net fees and commissions, mainly from customer business with capital measures

Operating costs at year-ago level

# Consistently strong capital base



<sup>1</sup> Figures for Q4 14 after profit appropriation

<sup>2</sup> Definition: Ratio of core capital and total risk position metric, which is the aggregate of the risk position figures for all assets and off-balance-sheet items



## Summary

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▶ Solid start in 2015; exceptional charge due to EU bank levy

▶ Stable net interest and rising fees and commissions;  
net trading income comparatively weak

▶ Modernisation of private clients activities progressing as planned;  
first income effects evident

▶ Consequent continuation of growth primarily in Private Banking & Wealth Management  
as well as in corporate customers business

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**Annex**

# HVB Group: Income statement

Income Statement € millions	1-3/2015	1-3/2014	Change	
			€ millions	%
■ Net interest	652	657	- 5	- 0.8
■ Dividends and other income from equity investments	6	6	0	0.0
■ Net fees and commissions	302	255	+ 47	+ 18.4
■ Net trading income	180	266	- 86	- 32.3
■ Net other expenses/income	21	44	- 23	- 52.3
<b>Operating income</b>	<b>1,161</b>	<b>1,228</b>	<b>- 67</b>	<b>- 5.5</b>
■ Operating costs	-917	-907	- 10	+ 1.1
<b>Operating profit</b>	<b>244</b>	<b>321</b>	<b>- 77</b>	<b>- 24.0</b>
■ Net write-downs of loans	-62	-78	+ 16	- 20.5
<b>Net operating profit</b>	<b>182</b>	<b>243</b>	<b>- 61</b>	<b>- 25.1</b>
■ Provisions for risks and charges	-2	40	- 42	
■ Restructuring costs	0	-2	+ 2	- 100.0
■ Net income from investments	17	8	+ 9	>+100.0
<b>Profit before tax</b>	<b>197</b>	<b>289</b>	<b>- 92</b>	<b>- 31.8</b>
■ Income tax for the period	-66	-103	+ 37	- 35.9
<b>Consolidated profit from continuing operations</b>	<b>131</b>	<b>186</b>	<b>- 55</b>	<b>- 29.6</b>
Profit before tax from discontinued operations	0	7	- 7	- 100.0
Income tax from discontinued operations	0	-2	+ 2	- 100.0
<b>Profit after tax from discontinued operations</b>	<b>0</b>	<b>5</b>	<b>- 5</b>	<b>- 100.0</b>
<b>Consolidated profit of full HVB Group</b>	<b>131</b>	<b>191</b>	<b>- 60</b>	<b>- 31.4</b>
<i>attributable to the shareholder of UniCredit Bank AG</i>	129	189	- 60	- 31.7
<i>attributable to minorities</i>	2	2	0	0.0

# Operating business segments: Income statement

HVB Group € millions	Commercial Banking vs 1-3/2014				CIB vs 1-3/2014			
	1-3/2015	1-3/2014	€ millions	%	1-3/2015	1-3/2014	€ millions	%
■ Net interest	398	399	- 1	- 0.3	262	250	+ 12	+ 4.8
■ Dividends	1	1	0	0.0	5	5	0	0.0
■ Net fees and commissions	215	214	+ 1	+ 0.5	91	44	+ 47	>+100.0
■ Net trading income	7	11	- 4	- 36.4	182	246	- 64	- 26.0
■ Net other expenses/income	-16	6	- 22		-8	17	- 25	
<b>Operating income</b>	<b>605</b>	<b>631</b>	<b>- 26</b>	<b>- 4.1</b>	<b>532</b>	<b>562</b>	<b>- 30</b>	<b>- 5.3</b>
■ Payroll costs	-187	-185	- 2	+ 1.1	-122	-132	+ 10	- 7.6
■ Other administrative expenses	-322	-305	- 17	+ 5.6	-235	-224	- 11	+ 4.9
■ Amortisation and depreciation	-3	-3	0	0.0	-18	-17	- 1	+ 5.9
■ <b>Operating costs</b>	<b>-512</b>	<b>-493</b>	<b>- 19</b>	<b>+ 3.9</b>	<b>-375</b>	<b>-373</b>	<b>- 2</b>	<b>+ 0.5</b>
<b>Operating profit</b>	<b>93</b>	<b>138</b>	<b>- 45</b>	<b>- 32.6</b>	<b>157</b>	<b>189</b>	<b>- 32</b>	<b>- 16.9</b>
■ Net write-downs of loans	-33	-31	- 2	+ 6.5	-34	-58	+ 24	- 41.4
<b>Net operating profit</b>	<b>60</b>	<b>107</b>	<b>- 47</b>	<b>- 43.9</b>	<b>123</b>	<b>131</b>	<b>- 8</b>	<b>- 6.1</b>
■ Provisions for risks and charges	-3	2	- 5		0	31	- 31	+ 100.0
■ Restructuring costs	0	0	0	0.0	0	0	0	0.0
■ Net income from investments	0	2	- 2	- 100.0	7	6	+ 1	+ 16.7
<b>Profit before tax</b>	<b>57</b>	<b>111</b>	<b>- 54</b>	<b>- 48.6</b>	<b>130</b>	<b>168</b>	<b>- 38</b>	<b>- 22.6</b>

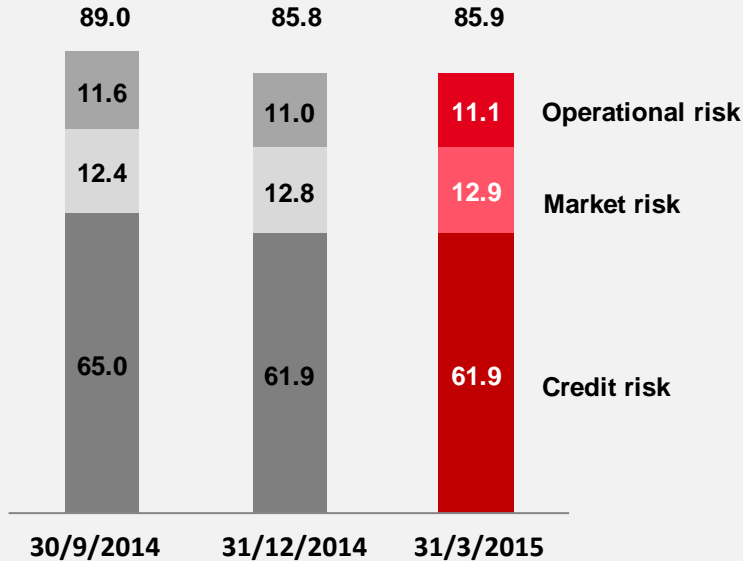
# HVB Group: Quarterly performance

Income Statement € millions	Q1 2015	Q4 2014	Q3 2014	Q2 2014	Q1 2014
■ Net interest	652	655	648	683	657
■ Dividends and other income from equity investments	6	18	25	43	6
■ Net fees and commissions	302	262	278	287	255
■ Net trading income	180	137	64	16	266
■ Net other expenses/income	21	199	26	33	44
<b>Operating income</b>	<b>1,161</b>	<b>1,271</b>	<b>1,041</b>	<b>1,062</b>	<b>1,228</b>
■ Operating costs	-917	-858	-887	-907	-907
<b>Operating profit</b>	<b>244</b>	<b>413</b>	<b>154</b>	<b>155</b>	<b>321</b>
■ Net write-downs of loans	-62	-156	95	-12	-78
<b>Net operating profit</b>	<b>182</b>	<b>257</b>	<b>249</b>	<b>143</b>	<b>243</b>
■ Provisions for risks and charges	-2	20	-34	-1	40
■ Restructuring costs	0	18	0	2	-2
■ Net income from investments	17	60	14	66	8
<b>Profit/(loss) before tax</b>	<b>197</b>	<b>355</b>	<b>229</b>	<b>210</b>	<b>289</b>
■ Income tax for the period	-66	-8	-115	-72	-103
<b>Consolidated profit/(loss) from continuing operations</b>	<b>131</b>	<b>347</b>	<b>114</b>	<b>138</b>	<b>186</b>

# Stable RWA; CET1 ratio still at an excellent level of >20%

€ billions

## Total risk-weighted assets (Basel III)



## Capital ratios, in %

	30/9/2014	31/12/2014	31/3/2015
CET1 capital ratio	21.2	22.1	21.8
Tier 1 ratio	21.2	22.1	21.8
Equity funds ratio	22.0	22.9	22.4

- Total risk-weighted assets of €85.9 billion almost unchanged on year-end 2014
- Common Equity Tier 1 (CET1) capital ratio of 21.8% under Basel III still at a very high level
- Liquidity coverage ratio at 31 March 2015 well above the minimum value required for the first time at 1 October 2015

# Financial calendar and contacts

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## Financial calendar

**6 August 2015**

Half-yearly Financial Report  
at 30 June 2015

**12 November 2015**

Interim Report  
at 30 September 2015

## Contacts for the press

Marion Nagl

Phone +49 89 378-25554

[marion.nagl@unicredit.de](mailto:marion.nagl@unicredit.de)

Margret Riedlsperger

Phone +49 89 378-29319

[margret.riedlsperger@unicredit.de](mailto:margret.riedlsperger@unicredit.de)

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