

BA-CA Investor Relations Release

Gerhard Smoley ☎ +43 (0) 50505 58803
Michael Bauer ☎ +43 (0) 50505 58809

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UniCredit and BA-CA take key steps for organisation of CEE business

- **UniCredit transfers its CEE banking shareholdings to BA-CA (including Turkey, excluding Poland)**
- **BA-CA sells Polish subsidiary Bank BPH to UniCredit**

Today, the Board of Directors of UniCredito Italiano S.p.A. (“UniCredit”) and the Supervisory Board of Bank Austria Creditanstalt AG (“BA-CA”) have respectively adopted two resolutions on the basis of which:

- BA-CA will sell the 71.03% shareholding it currently owns in Bank BPH S.A.’s (“BPH”) share capital to UniCredit (“BPH Transfer”), and
- UniCredit will contribute to BA-CA a business unit (“CEE Business Unit”) comprising its banking shareholdings in Central and Eastern Europe (“CEE”), excluding Poland, in exchange for newly issued BA-CA shares.

BPH Transfer to UniCredit

The transaction will consist of the sale of the controlling stake in BPH by BA-CA to UniCredit against payment by UniCredit to BA-CA of a total amount of approximately €4.3 billion comprising:

- three yearly cash instalments between 2007 and 2009, equivalent to 71.03% of BPH’s earnings for the period (calculated as a percentage of the combined earnings of Bank Pekao and BPH), currently estimated to be equal to approximately €0.7 billion, and
- a fixed cash payment at the end of 2009 of €3.6 billion.

The BPH Transfer follows UniCredit's undertakings to the Polish Banking Supervisory Commission to consolidate all activities carried out in Poland directly under UniCredit. The transaction, which will be subject to the approval of the Austrian Financial Market Authority ("FMA"), is expected to be completed around October 2006.

Transfer of UniCredit CEE Business Unit to BA-CA

The CEE Business Unit comprises the following shareholdings, held by UniCredit, in banks operating in CEE:

- 50.00% of Koç Finansal Hizmetler A.Ş., Turkey ,
- 81.91% of Zagrebačka banka D.D., Croatia,
- 86.13% of Bulbank A.D., Bulgaria,
- 100.00% of Živnostenská banka a.s., Czech Republic,
- 97.11% of UniBanka a.s.¹, Slovakia, and
- 99.95% of UniCredit Romania S.A., Romania.

The CEE Business Unit also includes management and support activities relating to the CEE banks listed above.

The transaction will consist of the contribution in kind of the CEE Business Unit from UniCredit to BA-CA in exchange for 55 million newly issued BA-CA shares. The issue price in relation to the value of the contribution will have to be confirmed by an independent expert appraisal to be delivered following the resolution on the capital increase to be taken by BA-CA's Managing Board and Supervisory Boards in the course of the last quarter of 2006. The newly issued BA-CA shares would not carry dividend rights with respect to the financial year ending 31 December 2006. UniCredit would, in turn, retain the right to any dividend paid by the CEE banks transferred with respect to the financial year ending 31 December 2006.

The envisaged transaction is consistent with the future role of BA-CA within the UniCredit Group as the hub for CEE activities as announced in the Austrian Take Over offer by UniCredit in August 2005.

The transaction, which will be subject to the approval of the FMA and any other competent Austrian supervisory authority, as well as all relevant authorities in all jurisdictions involved, is expected to be completed at the beginning of January 2007 with the registration of BA-CA's capital increase.

Following completion of the transaction, UniCredit's direct and indirect shareholdings in BA-CA are expected to increase from the current 94.98% to 96.35%.

JP Morgan and Deloitte acted as financial advisers to BA-CA for the BPH Transfer. Citigroup Global Markets and Deloitte acted as financial advisers to BA-CA for the transfer of the CEE Business Unit.

¹ The shareholding includes the 19.90% stake in UniBanka a.s. held by the European Bank for Reconstruction and Development ("EBRD") which UniCredit is in the process of acquiring pursuant to the share purchase agreement entered into on 3 August 2006 between UniCredit and EBRD.