

Bank Austria



Disclosure Report as of 31 December 2017 pursuant to Part 8 of the Capital Requirements Regulation (CRR) / Disclosure by Institutions (Pillar 3)

Disclosure of UniCredit Bank Austria AG

UniCredit Bank Austria AG („Bank Austria“) is regarded as significant subsidiary of UniCredit S.p.A. pursuant to Article 13 (1) of EU Regulation No. 575/2013 ("CRR") and therefore is subject to the disclosure requirements of CRR (Article 13 (1) in connection with Part 8 CRR).

By means of this disclosure report, Bank Austria fulfills these information requirements on the basis of Bank Austria subgroup. These reports are being published on an annual (with year-end data) and on a quarterly basis on the website of Bank Austria (www.bankaustria.at/en) at „About Us “ / „Investor Relations“ / „Disclosure“.

The information required by Article 437 b) and c) CRR – i.e. a description of the main features of Bank Austria’s capital instruments and their final terms – are being published separately as well on the website of Bank Austria at „About Us “ / „Investor Relations“ / „Disclosure“.

Article 450 CRR requires disclosure of Bank Austria’s remuneration policy and practices for all staff categories if their roles have a major impact on the risk profile of the bank. This information is also disclosed in a separate report which is done annually (as of year-end) and is published in the following year also on the website of Bank Austria at „About Us “ / „Investor Relations“ / „Disclosure“.

Bank Austria Group Disclosure (Pillar III) – 31 December 2017

Disclosure pursuant to Article 437 in combination with Article 492 CRR

Balance sheet reconciliation to regulatory own funds items

Below table illustrates the reconciliation of balance sheet positions to positions included in regulatory own funds.

Statement of financial position of UniCredit Bank Austria Group at 31 December 2017

Assets (in € million)	IFRS balance sheet	Adjustments	Balance sheet under regulatory scope	Reference
Cash and cash balances	230.5	0.0	230.5	
Financial assets held for trading	1,007.6	0.0	1,007.6	
of which non-significant investments in Common Equity Tier 1	1.3	0.0	1.3	Table G
Financial assets at fair value through profit and loss	6.1	0.0	6.1	
Available for sale financial assets	15,056.5	0.0	15,056.5	
of which subordinated available for sale financial assets	39.5	0.0	39.5	
of which significant investments in Common Equity Tier 1	58.1	0.0	58.1	Table G
of which non-significant investments in Common Equity Tier 1	31.5	0.0	31.5	Table G
of which significant investments in Tier 2 capital	6.5	0.0	6.5	Table G
of which non-significant investments in Tier 2 capital	12.9	0.0	12.9	Table G
of which significant investments in Additional Tier 1 capital	6.7	0.0	6.7	Table G
Held to maturity investments	215.9	0.0	215.9	
Loans and receivables with banks	19,688.0	-15.0	19,673.0	
of which subordinated loans and receivables with banks	338.3	0.0	338.3	
of which significant investments in Tier 2 capital	2.1	0.0	2.1	Table G
of which non-significant investments in Tier 2 capital	336.2	0.0	336.2	Table G
Loans and receivables with customers	60,031.6	174.3	60,205.9	
of which subordinated loans and receivables with customers	22.4	7.4	29.9	
of which non-significant investments in Tier 2 capital	22.0	0.0	22.0	Table G
Hedging derivatives	2,084.0	0.0	2,084.0	
Changes in fair value of portfolio hedged items (+/-)	242.6	0.0	242.6	
Investments in associates and joint ventures	1,936.6	23.2	1,959.8	
of which significant investments in Common Equity Tier 1	1,881.1	0.0	1,881.1	Table G
of which significant investments in Tier 2 capital	47.6	0.0	47.6	Table G
Property, plant and equipment	629.5	-251.8	377.6	
Intangible assets	9.4	-0.2	9.2	
of which goodwill	0.0	0.0	0.0	Table F
of which other intangible assets	9.4	-0.2	9.2	Table F
Tax assets	269.2	9.6	278.8	
a) current tax assets	43.1	0.0	43.1	
b) deferred tax assets	226.1	9.7	235.7	Table D
Non-current assets and disposal groups classified as held for sale	329.8	-3.9	325.9	
Other assets	391.0	272.1	663.1	
TOTAL ASSETS	102,128.4	208.3	102,336.7	

Liabilities and equity (in € million)	IFRS balance sheet	Adjustments	Balance sheet under regulatory scope	Reference
Deposits from banks	15,125.7	0.0	15,125.7	
Deposits from customers	55,463.3	155.1	55,618.4	
of which subordinated deposits from customers	88.8	0.0	88.8	Table H
Debt securities in issue	14,722.4	5.0	14,727.4	
of which subordinated liabilities	1,078.6	0.0	1,078.6	Table H
Financial liabilities held for trading	1,004.1	0.1	1,004.2	
Financial liabilities at fair value through profit and loss	300.8	0.0	300.8	
Hedging derivatives	1,655.0	0.0	1,655.0	
Changes in fair value of portfolio hedged items (+/-)	52.1	0.0	52.1	
Tax liabilities	33.6	-4.2	29.4	
a) Tax liabilities - current	27.1	-4.2	22.9	
b) Tax liabilities deferred	6.6	0.0	6.5	
Liabilities included in disposal groups classified as held for sale	55.6	-53.6	2.0	
Other liabilities	1,331.5	120.5	1,452.0	
Reserve for employee severance pay	0.1	0.0	0.1	
Reserve for risks and charges	3,962.0	-10.3	3,951.7	
a) post-retirement benefit obligations	3,624.9	-0.6	3,624.3	
b) Other provisions	337.1	-9.7	327.4	
Equity	8,422.0	-4.2	8,417.9	
Revaluation reserves	-831.0	0.1	-830.9	Table C
Reserves	2,722.5	-0.1	2,722.5	
Retained earnings	1,571.6	0.0	1,571.6	Table B
Other reserves	1,150.9	-0.1	1,150.8	Table C
Share premium	4,134.5	0.0	4,134.5	Table A
Share capital	1,681.0	0.0	1,681.0	Table A
Non-controlling interests (+/-)	61.5	-4.2	57.3	Table E
Net profit	653.5	0.0	653.5	Table B
TOTAL LIABILITIES AND EQUITY	102,128.4	208.3	102,336.7	

To enable a reconciliation of the balance sheet according to IFRS and the balance sheet according to the regulatory requirements of CRR, the figures which represent the difference between these two, resulting from the different methods of consolidation according to IFRS resp. to CRR, are shown as "Adjustments".

Tables

(in € million)

Table A		Reference
Share capital (ordinary shares)	1,681.0	
add Share premium	4,134.5	
Capital Instruments and the related share premium accounts	5,815.5	Annex VI, row 1

Table B		Reference
Retained earnings	1,571.6	
add Net profit	653.5	
less Part of interim profit not eligible	-379.2	
Sum of retained earnings	1,845.9	Annex VI, row 2

Table C		Reference
Revaluation reserves	-830.9	
add Other reserves	1,150.8	
Accumulated other comprehensive income and other reserves	319.9	Annex VI, row 3
of which relating to cash flow hedges not eligible for own funds	148.8	Annex VI, row 11

Table D		Reference
Deferred tax assets	235.7	
of which deferred tax assets that rely on future profitability and do not arise from temporary differences	5.8	
less Deductible deferred tax liabilities associated with deferred tax assets that rely on future profitability and do not arise from temporary differences	-2.0	
Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met)	3.8	Annex VI, row 10

Table E		Reference
Minority interests	57.3	
less Surplus capital attributed to minority shareholders	-27.6	
Minority Interests (amount allowed in consolidated Common Equity Tier 1)	29.8	Annex VI, row 5
Qualifying Tier 1 capital included in consolidated Additional Tier 1 capital	0.0	
add Transitional adjustments to Additional Tier 1 capital due to grandfathered instruments	72.6	Table J
Qualifying Tier 1 capital included in consolidated AT1 capital issued by subsidiaries and held by third parties	72.6	Annex VI, row 34
Qualifying own funds Instruments included in consolidated Tier 2 capital	0.0	Annex VI, row 48

Table F		Reference
Goodwill	0.0	
Other intangible assets	9.2	
Deferred tax liabilities associated to goodwill and other intangible assets	-1.0	
Intangible assets	8.2	Annex VI, row 8

Table G

Reference

Financial assets held for trading		
of which non-significant investments in Common Equity Tier 1	1.3	
Financial assets designated at fair value	0.0	
Available for sale financial assets		
of which significant investments in Common Equity Tier 1	58.1	
of which non-significant investments in Common Equity Tier 1	31.5	
of which significant investments in Tier 2 capital	6.5	
of which non-significant investments in Tier 2 capital	12.9	
of which significant investments in AT 1	6.7	
Loans and receivables with banks		
of which significant investments in Tier 2 capital	2.1	
of which non-significant investments in Tier 2 capital	336.2	
Loans and receivables with customers		
of which non-significant investments in Tier 2 capital	22.0	
Investments in associates and joint ventures		
of which significant investments in Common Equity Tier 1	1,881.1	
of which significant investments in Tier 2 capital	47.6	
Significant investments	2,002.0	
in Common Equity Tier 1	1,939.2	Annex VI, row 73
in AT 1 capital	6.7	Annex VI, row 40
in Tier 2 capital	56.1	Annex VI, row 55
Non-significant investments	403.8	
in Common Equity Tier 1	32.8	
in Tier 2 capital	371.0	
Amount of significant investments in Common Equity Tier 1 above the 10% threshold	1,158.1	
Amount of significant investments in Common Equity Tier 1 above the 17,65% threshold	55.4	
Amount of significant investments in Common Equity Tier 1 below threshold	725.7	
Amount of non-significant investments above the 10% threshold	0.0	
Amount of non-significant investments below the 10% threshold	403.8	Annex VI, row 72

Table H

Reference

Subordinated deposits from customers	88.8	
Subordinated debt certificates	1,078.6	
Sum of subordinated liabilities	1,167.4	
of which attributed to UniCredit Bank Austria AG	1,019.8	
of which grandfathered instruments (Art. 484 (4), 486 (3))	147.6	
of which not eligible as Tier 2 capital	0.0	
Balance sheet value	1,167.4	
less grandfathered instruments (Art. 484 (4), 486 (3))	-147.6	
less not eligible as Tier 2 capital	0.0	
less amortization, disagio, interest and hedging	-152.5	
Computable amount under regulatory scope	867.3	Annex VI, row 46
of which capital instruments and the related share premium accounts	867.3	

Table I

Reference

Transitional adjustments to Common Equity Tier 1 due to minority interests	1.1	
add Transitional adjustments due to unrealized gains and losses	-100.0	
add Transitional adjustments to Common Equity Tier 1 due to deductions	195.5	
of which transitional adjustments to Common Equity Tier 1 due to intangibles	1.6	
of which transitional adjustments to Common Equity Tier 1 due to IRB shortfall of provisions to expected losses	0.6	
of which deferred tax assets that are dependent on future profitability and arise from temporary differences and CET1 instruments of financial sector entities where the institution has a significant investment	-38.3	
of which transitional adjustments to Common Equity Tier 1 instruments of financial sector entities where the institution has a significant investment	231.6	
Total transitional adjustments to Common Equity Tier 1	96.6	Annex VI, row 26

Table J

Reference

Transitional adjustments to Additional Tier 1 capital due to grandfathered instruments	72.6	Annex VI, row 35
Adjustments due to holding in Additional Tier 1 grandfathered instrument	-6.7	Annex VI, row 40
Transitional adjustments to Additional Tier 1 capital due to deductions	-117.7	
of which transitional adjustments to Additional Tier 1 capital due to intangible assets	-1.6	Annex VI, row 41a
of which transitional adjustments to Additional Tier 1 capital due to IRB shortfall of provisions to expected losses	-0.3	Annex VI, row 41a
of which transitional adjustments to Additional Tier 1 capital due to own funds instruments of financial sector entities where the institution has a significant investment	-115.8	Annex VI, row 41a
Total transitional adjustments to Additional Tier 1 capital	-51.8	

Table K

Reference

Transitional adjustments to Tier 2 capital due to grandfathered instruments	36.3	Anhang VI, Zeile 56
Adjustments due to holding in Tier 2 grandfathered instrument	-3.3	Anhang VI, Zeile 55
Sum	33.0	
Transitional adjustments to Tier 2 capital due to deductions	-116.1	
of which transitional adjustments to Tier 2 capital due to IRB shortfall of provisions to expected losses	-0.3	Anhang VI, Zeile 56a
of which transitional adjustments to Tier 2 capital due to own funds instruments of financial sector entities where the institution has a significant investment	-115.8	Anhang VI, Zeile 56a
Total transitional adjustments to Tier 2 capital	-83.1	

**Transitional own funds disclosure as of 31 December 2017
according to Commission Implementing Regulation (EU) No 1423/2013
according to Annex VI**

Common Equity Tier 1 capital: Instruments and reserves		(A) AMOUNT AT DISCLOSURE DATE (in MEUR)	(B) REGULATION (EU) No 575/2013 ARTICLE REFERENCE TREATMENT	(C) AMOUNTS SUBJECT TO PRE- REGULATION (EU) No 575/2013 OR PRESCRIBED RESIDUAL AMOUNT OF REGULATION (EU) No 575/ 2013 (in MEUR)
1	Capital Instruments and the related share premium accounts	5,815.5	26 (1), 27, 28, 29, EBA list 26 (3)	
	of which: ordinary shares	1,681.0	EBA list 26 (3)	
2	Retained earnings	1,845.9	26 (1) (c)	
3	Accumulated other comprehensive income (and other reserves, to include unrealised gains and losses under the applicable accounting standards)	319.9	26 (1)	
3a	Funds for general banking risk	0.0	26 (1) (f)	
4	Amount of qualifying items referred to in Article 484 (3) and the related share premium accounts subject to phase out from CET1	0.0	486 (2)	
	Public sector capital injections grandfathered until 1 January 2018	0.0	483 (2)	
5	Minority Interests (amount allowed in consolidated CET1)	29.8	84, 479, 480	
5a	Independently reviewed Interim profits net of any foreseeable charge or dividend	0.0	26 (2)	
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	8,011.1		
Common Equity Tier 1 capital: regulatory adjustments				
7	Additional value adjustments (negative amount)	-5.3	34.105	
8	Intangible assets (net of related tax liability) (negative amount)	-8.2	36 (1) (b), 37, 472 (4)	
9	Empty Set in the EU	0.0		
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in Article 38 (3) are met) (negative amount)	-3.8	36 (1) (c), 38, 472 (5)	
11	Fair value reserves related to gains or losses on cash flow hedges	-148.8	33 (a)	
12	Negative amounts resulting from the calculation of expected loss amounts	-2.8	36 (1) (d), 40, 159, 472 (6)	
13	Any increase in equity that results from securitised assets (negative amount)	0.0	32 (1)	
14	Gains or losses on liabilities valued at fair value resulting from changes in own credit standing	-8.9	33 (b)	
15	Defined-benefit pension fund assets (negative amount)	0.0	36 (1) (e), 41, 472 (7)	
16	Direct and indirect holdings by an Institution of own CET1 Instruments (negative amount)	0.0	36 (1) (f), 42, 472 (8)	
17	Holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross holdings with the Institution designed to inflate artificially the own funds of the Institution (negative amount)	0.0	36 (1) (g), 44, 472 (9)	

18	Direct and indirect holdings by the Institution of the CET1 Instruments of financial sector entities where the institution does not have a significant Investment in those entities (amount above the 10% threshold and net of eligible short positions) (negative amount)	0.0	36 (1) (h), 43, 45, 46, 49 (2) (3), 79, 472 (10)	
19	Direct, indirect and synthetic holdings by the Institution of the CET1 Instruments of financial sector entities where the Institution has a significant Investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-1,158.1	36 (1) (i), 43, 45, 47, 48 (1) (b), 49 (1) to (3), 79, 470, 472 (11)	
20	Empty Set in the EU	0.0		
20a	Exposure amount of the following items which qualify for a RW of 1250%, where the Institution opts for the deduction alternative	-22.0	36 (1) (k)	
20b	of which: qualifying holdings outside the financial sector (negative amount)	0.0	36 (1) (k) (i), 89 to 91	
20c	of which: securitisation positions (negative amount)	-22.0	36 (1) (k) (II), 243 (1) (b), 244 (1) (b) 258	
20d	of which: free deliveries (negative amount)	-0.0	36 (1) (k) (iii), 379 (3)	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in 38 (3) are met) (negative amount)	0.0	36 (1) (c), 38, 48 (1) (a), 470, 472 (5)	
22	Amount exceeding the 15% threshold (negative amount)	-75.4	48 (1)	
23	of which: direct and indirect holdings by the Institution of the CET1 Instruments of financial sector entities where the Institution has a significant Investment in those entities	-55.4	36 (1) (i), 48 (1) (b), 470, 472 (11)	
24	Empty Set in the EU			
25	of which: deferred tax assets arising from temporary differences	-19.9	36 (1) (c), 38, 48 (1) (a), 470, 472 (5)	
25a	Losses for the current financial year (negative amount)	0.0	36 (1) (a), 472 (3)	
25b	Foreseeable tax charges relating to CET1 items (negative amount)	0.0	36 (1) (l)	
26	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to pre-CRR treatment ¹⁾	96.6		-96.6
26a	Regulatory adjustments relating to unrealised gains and losses pursuant to Articles 467 and 468	-100.0		100.0
	Of which: ... filter for unrealised loss 1	0.0	467	
	Of which: ... filter for unrealised loss 2	0.0	467	
	Of which: ... filter for unrealised gain 1	-100.0	468	100.0
	Of which: ... filter for unrealised gain 2	0.0	468	
26b	Amount to be deducted from or added to Common Equity Tier 1 capital with regard to additional filters and deductions required pre CRR	196.6	481	-196.6
	Of which: country-specific deductions	0.0	481	
27	Qualifying AT1 deductions that exceed the AT1 capital of the institution (negative amount)	-51.8	36 (1) (j)	51.8
28	Total regulatory adjustments to Common equity Tier 1 (CET1)	-1,388.4		-44.8
29	Common Equity Tier 1 (CET1) capital	6,622.7		-44.8

Additional Tier 1 (AT1) capital: instruments				
30	Capital instruments and the related share premium accounts	0.0	51, 52	
31	of which: classified as equity under applicable accounting standards	0.0		
32	of which: classified as liabilities under applicable accounting standards	0.0		
33	Amount of qualifying items referred to in Article 484 (4) and the related share premium accounts subject to phase out from AT1	0.0	486 (3)	
	Public sector capital injections grandfathered until 1 January 2018	0.0	483 (3)	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	72.6	85, 86, 480	-72.6
35	of which: Instruments issued by subsidiaries subject to phase out	72.6	486 (3)	-72.6
36	Additional Tier 1 (AT1) capital before regulatory adjustments	72.6		-72.6
Additional Tier 1 (AT1) capital: regulatory adjustments				
37	Direct and indirect holdings by an institution of own AT1 Instruments (negative amount)	0.0	52 (1) (b), 56 (a), 57, 475 (2)	
38	Holdings of the AT1 Instruments of financial sector entities where those entities have reciprocal cross holdings with the Institution designed to inflate artificially the own Funds of the Institution (negative amount)	0.0	56 (b), 58, 475 (3)	
39	Direct and indirect holdings of the AT1 Instruments of financial sector entities where the Institution does not have a significant Investment in those entities (amount above the 10% threshold and net of eligible short positions) (negative amount)	0.0	56 (c), 59, 60, 79, 475 (4)	
40	Direct and indirect holdings by the Institution of the AT1 Instruments of financial sector entities where the institution has a significant Investment in those entities (amount above the 10% threshold net of eligible short positions) (negative amount)	-6.7	56 (d), 59, 79, 475 (4)	6.7
41	Regulatory adjustments applied to additional tier 1 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts) ²⁾	0.0		
41a	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013	-66.0	472, 472(3)(a), 472 (4), 472 (6), 472 (8) (a), 472 (9), 472 (10) (a), 472 (11) (a)	66.0
	thereof: Intangible assets	-1.6		1.6
	thereof: expected losses	-0.3		0.3
	thereof: CET1 instruments of financial sector entities where the institution has a significant investment	-115.8		115.8
	thereof: excess of AT1-deduction items over AT1	51.8		-51.8
41b	Residual amounts deducted from Additional Tier 1 capital with regard to deduction from Tier 2 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013	0.0	477, 477 (3), 477 (4) (a)	
	Of which direct holdings of significant Investments in the capital of other financial sector entities	0.0		
41c	Amount to be deducted from or added to Additional Tier 1 capital with regard to additional filters and deductions required pre- CRR	0.0	467, 468, 481	
	Of which:.... possible filter for unrealised losses	0.0	467	
	Of which:.... possible filter for unrealised gains	0.0	468	
	Of which:....	0.0	481	
42	Qualifying T2 deductions that exceed the T2 capital of the Institution (negative amount)	0.0	56 (e)	
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital	-72.6		72.6
44	Additional Tier 1 (AT1) capital	0.0		
45	Tier 1 capital (T1 = CET1 + AT1)	6,622.7		-44.8

Tier 2 (T2) capital: Instruments and provisions				
46	Capital Instruments and the related share premium accounts	867.3	62, 63	
47	Amount of qualifying items referred to in Article 484 (5) and the related share premium accounts subject to phase out from T2	0.0	486 (4)	
	Public sector capital injections grandfathered until 1 January 2018	0.0	483 (4)	
48	Qualifying own funds Instruments included in consolidated T2 capital (including minority interests and AT1 Instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	0.0	87, 88, 480	
49	of which: Instruments issued by subsidiaries subject to phase out	0.0	486 (4)	
50	Credit risk adjustments	124.6	62 (c) & (d)	
51	Tier 2 (T2) capital before regulatory adjustments	991.9		
Tier 2 (T2) capital: regulatory adjustments				
52	Direct and indirect holdings by an Institution of own T2 Instruments and subordinated loans (negative amount)	0.0	63 (b) (i), 66 (a), 67, 477 (2)	
53	Holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the Institution designed to inflate artificially the own funds of the Institution (negative amount)	0.0	66 (b), 68, 477 (3)	
54	Direct and indirect holdings of the T2 instruments and subordinated loans of financial sector entities where the Institution does not have a significant Investment in those entities (amount below 10% threshold and net of eligible short positions) (negative amount)	0.0	66 (c), 69, 70, 79, 477 (4)	
54a	Of which new holdings not subject to transitional arrangements	0.0		
54b	Of which holdings existing before 1 January 2013 and subject to transitional arrangements	0.0		
55	Direct and indirect holdings by the Institution of the T2 instruments and subordinated loans of financial sector entities where the Institution has a significant Investment in those entities (net of eligible short positions) (negative amount)	-56.1	66 (d), 69, 79, 477 (4)	3.3
56	Regulatory adjustments applied to tier 2 in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts) ³⁾	36.3		-36.3
56a	Residual amounts deducted from Tier 2 capital with regard to deduction from Common Equity Tier 1 capital during the transitional period pursuant to article 472 of Regulation (EU) No 575/2013	-116.1	472, 472(3)(a), 472 (4), 472 (6), 472 (8) (a), 472 (9), 472 (10) (a), 472 (11) (a)	116.1
	Of which items to be detailed line by line, e.g. Material net Interim losses, intangibles, shortfall of provisions to expected losses etc	-0.3		0.3
	Of which: transitional adjustments to Tier 2 capital due to own funds instruments of financial sector entities where the institution has a significant investment	-115.8		115.8
56b	Residual amounts deducted from Tier 2 capital with regard to deduction from Additional Tier 1 capital during the transitional period pursuant to article 475 of Regulation (EU) No 575/2013	0.0	475, 475 (2) (a), 475 (3), 475 (4) (a)	
	Of which items to be detailed line by line, e.g. reciprocal cross holdings in at1 instruments, direct holdings of non significant investments in the capital of other financial sector entities, etc	0.0		
56c	Amount to be deducted from or added to Tier 2 capital with regard to additional filters and deductions required pre CRR ⁴⁾	0.0	467, 468, 481	
	Of which:... possible filter for unrealised losses	0.0	467	
	Of which:... possible filter for unrealised gains	0.0	468	
	Of which:...	0.0	481	
57	Total regulatory adjustments to Tier 2 (T2) capital	-135.9		83.1
58	Tier 2 (T2) capital	856.0		83.1

59	Total capital (TC = T1 + T2)	7,478.7		38.3
59a	Risk weighted assets in respect of amounts subject to pre-CRR treatment and transitional treatments subject to phase out as prescribed in Regulation (EU) No 575/2013 (i.e. CRR residual amounts)	0.0		0.0
	Of which: ... items not deducted from CET1 (Regulation (EU) No 575/2013 residual amounts) relating to direct holdings of own CET1 of other financial sector entities	0.0	472, 472 (5), 472 (8) (b), 472 (10) (b), 472 (11) (b)	0.0
	Of which: ... items not deducted from AT1 items (Regulation (EU) No 575/2013 residual amounts) (items to be detailed line by line, e.g. Reciprocal cross holdings in T2 instruments, direct holdings of non-significant Investments in the capital of other financial sector entities, etc.)	0.0	475, 475 (2) (b), 475 (2) (c), 475 (4) (b)	0.0
	Items not deducted from T2 items (Regulation (EU) No 575/2013 residual amounts) relating to direct holdings of significant Investments in the capital of other financial sector entities	0.0	477, 477 (2) (b), 477 (2) (c), 477 (4) (b)	0.0
60	Total risk weighted assets	33,243.0		14.4
Capital ratios and buffers				
61	Common Equity Tier 1 (as a percentage of risk exposure amount)	19.9%	92 (2) (a), 465	
62	Tier 1 (as a percentage of risk exposure amount)	19.9%	92 (2) (b), 465	
63	Total capital (as a percentage of risk exposure amount)	22.5%	92 (2) (c)	
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92 (1) (a) plus capital conservation and countercyclical buffer requirements, plus systemic risk buffer, plus the systemically important Institution buffer (G-SII or O-SII buffer), expressed as a percentage of risk exposure amount)	1.8%	CRD 128, 129, 130	
65	of which: capital conservation buffer requirement	1.3%		
66	of which: countercyclical buffer requirement	0.0%		
67	of which: systemic risk buffer requirement	0.5%		
67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer	0.5%	CRD 131	
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk exposure amount)	15.4%	CRD 128	
69	[non relevant in EU regulation]			
70	[non relevant in EU regulation]			
71	[non relevant in EU regulation]			
Amount below thresholds for deductions (not risk-weighted)				
72	Direct and indirect holdings of the capital of financial sector entities where the Institution does not have a significant Investment in those entities (amount below 10% threshold and net of eligible short positions)	403.8	36 (1) (h), 45, 46, 472 (10), 56 (c), 59, 60, 475 (4), 66 (c), 69, 70, 477 (4)	
73	Direct and indirect holdings by the Institution of the CET 1 Instruments of financial sector entities where the institution has a significant Investment in those entities (amount below 10% threshold and net of eligible short positions)	1,939.2	36 (1) (i), 45, 48, 470, 472 (11)	
74	Empty Set in the EU	0.0		
75	Deferred tax assets arising from temporary differences (amount below 10% threshold, net of related tax liability where the conditions in Article 38 (3) are met)	281.1	36 (1) (c), 38, 48, 470, 472 (5)	
Applicable caps on the inclusion of provisions in Tier 2				
76	Credit risk adjustments included in T2 in respect of exposures subject to standardized approach (prior to the application of the cap)	0.0	62	
77	Cap on inclusion of credit risk adjustments in T2 under standardised approach	110.2	62	
78	Credit risk adjustments included in T2 in respect of exposures subject to internal ratings-based approach (prior to the application of the cap)	188.6	62	
79	Cap for inclusion of credit risk adjustments in T2 under internal ratings-based approach	124.6	62	

Capital Instruments subject to phase-out arrangements (only applicable between 1 Jan 2014 and 1 Jan 2022)				
80	Current cap on CET1 instruments subject to phase out arrangements	0.0	484 (3), 486 (2) & (5)	
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	0.0	484 (3), 486 (2) & (5)	
82	Current cap on AT1 instruments subject to phase out arrangements	72.6	484 (4), 486 (3) & (5)	
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	72.6	484 (4), 486 (3) & (5)	
84	Current cap on T2 Instruments subject to phase out arrangements	36.3	484 (5), 486 (4) & (5)	
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	109.0	484 (5), 486 (4) & (5)	

¹⁾ Minority interest and other transitional adjustments

²⁾ Transitional adjustments due to additional recognition in AT1 Capital of instruments issued by subsidiaries

³⁾ Grandfathered T2 instruments and transitional adjustments due to T2 Capital of instruments issued by subsidiaries

⁴⁾ other T2 deductions and T2 instruments of financial sector entities

Extent to which the level of Common Equity Tier 1 capital and Tier 1 capital exceed the requirements laid down in Article 465 CRR

	Amount as of 31 December 2017 (in MEUR)
Surplus of Common Equity Tier 1 (CET1) capital	5,126.8
Surplus of Tier 1 (T1) capital	4,628.1

In adding up rounded figures and calculating the percentage rates of changes, slight differences may result compared with totals and rates arrived at by adding up component figures which have not been rounded off.

Disclosure Capital requirements pursuant to Article 438 CRR - Bank Austria Group

The capital planning, budgeting and monitoring processes within UniCredit Bank Austria are carried out by the responsible local functions and are in line with the respective UniCredit Holding guidelines.

The Capital Requirements Regulation (CRR) and the Capital Requirements Directive (CRD IV) for the implementation of Basel 3 in the European Union were published in the EU Official Journal on 27 June 2013. The new legal framework replaces Capital Requirements Directives 2006/48/EC and 2006/49/EC and came into force in Austria on 1 January 2014.

After full implementation of the Basel 3 framework (2019), stricter capital requirements will apply with a minimum of Common Equity Tier 1 Capital of 4.5%, Total Tier 1 Capital of 6% and Total Capital of 8% of RWAs.

In addition, all banks are required to hold a capital conservation buffer consisting of Common Equity Tier 1 Capital of 2.5% on top of the new minimum requirements. This will lead to an effective total requirement of 7% Common Equity Tier 1 Capital, 8.5% Tier 1 Capital and 10.5% Total Capital.

Furthermore, Member States can set an additional buffer requirement to dampen excess lending growth (counter-cyclical buffer up to 2.5%). According to legislation (*Kapitalpuffer-Verordnung / KP-V*) and starting with 1.1.2016, the countercyclical buffer for Austrian exposure was set to 0%. In addition, systemic risk buffers can be set by the authorities. Currently, according to KP-V, a systemic risk buffer of 2% is foreseen starting with 2019. A transition regulation foresees a gradual increase (2016 0,25%; 2017 0,5%; 2018 1% and 2019 2%).

Should an authority impose the systemic risk buffer and the systemic bank surcharge (*O-SII/D-SII buffer*) is applicable, the higher of the two should apply.

Due to inclusion of the annual profit of 2017 (after dividends) and slightly lower RWA level in the fourth quarter 2017 vs. third quarter 2017, both CET1 and total capital ratio increased. Bank Austria continues to have a solid capital base to meet the own funds requirements pursuant to Art. 92 CRR / Art. 129 CRD IV.

Disclosure Capital requirements pursuant to CRR Article 438 – Bank Austria Group

Article 438 c) Credit risk - Standardised approach

for institutions calculating the risk-weighted exposure amounts in accordance with Chapter 2 of Part Three, Title II, 8 % of the risk-weighted exposure amounts for each of the exposure classes specified in Article 112

(in € mn)

Exposure classes		RWA	Capital requirement
Art. 112 a)	Exposures to central governments or central banks	654	52
Art. 112 b)	Exposures to regional governments or local authorities	14	1
Art. 112 c)	Exposures to public sector entities	20	2
Art. 112 d)	Exposures to multilateral development banks	0	0
Art. 112 e)	Exposures to international organisations	-	-
Art. 112 f)	Exposures to institutions	515	41
Art. 112 g)	Exposures to corporates	3,546	284
Art. 112 h)	Retail exposures	447	36
Art. 112 i)	Exposures secured by mortgages on immovable property	237	19
Art. 112 j)	Exposures in default	150	12
Art. 112 k)	Exposures associated with particularly high risk	92	7
Art. 112 l)	Exposures in the form of covered bonds	0	0
Art. 112 m)	Items representing securitisation positions	-	-
Art. 112 n)	Exposures to institutions and corporates with a short-term credit assessment	14	1
Art. 112 o)	Exposures in the form of units or shares in collective investment undertakings ("CIUs")	0	0
Art. 112 p)	Equity exposures	2,349	188
Art. 112 q)	Other items	782	63
Standardised approach total		8,818	706

Article 438 d) Credit risk - IRB approach

for institutions calculating risk-weighted exposure amounts in accordance with Chapter 3 of Part Three, Title II, 8 % of the risk-weighted exposure amounts for each of the exposure classes specified in Article 147.

For the retail exposure class, this requirement applies to each of the categories of exposures to which the different correlations in Article 154 (1) to (4) correspond.

For the equity exposure class, this requirement applies to:

- (i) each of the approaches provided in Article 155;
- (ii) exchange traded exposures, private equity exposures in sufficiently diversified portfolios, and other exposures;
- (iii) exposures subject to supervisory transition regarding own funds requirements;
- (iv) exposures subject to grandfathering provisions regarding own funds requirements;

(in € mn)

Exposure classes		RWA	Capital requirement
Art. 147 (2) a)	Exposures to central governments and central banks	29	2
Art. 147 (2) b)	Exposures to institutions	3,343	267
Art. 147 (2) c)	Exposures to corporates	11,254	900
Art. 147 (2) d)	Retail exposures	5,059	405
Art. 154 (2) (3)	Retail - Secured by real estate SME	182	15
Art. 154 (3)	Retail - Secured by real estate non-SME	1,968	157
Art. 154 (4)	Retail - Qualifying revolving	403	32
Art. 154 (2)	Retail - Other SME	375	30
Art. 154 (1)	Retail - Other non-SME	2,131	170
Art. 147 (2) e)	Equity exposures	214	17
Art. 155 (3)	PD-LGD-Approach	122	10
Art. 155 (2)	Simple risk weight approach	83	7
Art. 155 (4)	Internal models approach	-	-
Art. 48 (4) Art. 471 (2)	Equity exposures subject to risk weights	10	1
Art. 147 (2) f)	Items representing securitisation positions	123	10
Art. 147 (2) g)	Other non credit-obligation assets	874	70
IRB approach total		20,896	1,672

Article 438 d) iv) Exposures subject to grandfathering provisions regarding own funds requirements

(in € mn)

	RWA	Capital requirement
Article 438 d) iv) exposures subject to grandfathering provisions regarding own funds requirements	817	65

EU OV1 – Overview of RWAs (Template 4 - Art. 438 CRR)

EUR mn

Categories			RWA		Capital requirements
			31.12.2017	30.09.2017	31.12.2017
	1	Credit risk (excluding CCR)	26,332.6	25,886.9	2,106.6
Art 438(c)(d)	2	Of which the standardised approach	6,261.8	6,116.1	500.9
Art 438(c)(d)	3	Of which the foundation IRB (FIRB) approach	-	-	-
Art 438(c)(d)	4	Of which the advanced IRB (AIRB) approach	19,988.1	19,681.1	1,599.0
Art 438(d)	5	Of which equity IRB under the simple riskweighted approach or the IMA	82.8	89.7	6.6
Art 107, Art 438(c)(d)	6	CCR	836.5	624.5	66.9
Art 438(c)(d)	7	Of which mark to market	97.3	96.7	7.8
Art 438(c)(d)	8	of which Original Exposure	-	-	-
	9	of which standardised approach	-	-	-
	10	Of which internal model method (IMM)	708.8	497.4	56.7
Art 438(c)(d)	11	Of which risk exposure amount for contributions to the default fund of a CCP	2.7	2.5	0.2
Art 438(c)(d)	12	Of which CVA	27.7	27.9	2.2
Art 438(e)	13	Settlement Risk	0.2	0.2	0.0
Art 449(o)(i)	14	Securitisation exposures in banking book (after the cap)	122.7	166.0	9.8
	15	Of which IRB approach	57.7	95.4	4.6
	16	Of which IRB supervisory formula approach (SFA)	64.9	70.6	5.2
	17	Of which internal assessment approach (IAA)	-	-	-
	18	Of which standardised approach	-	-	-
Art 438(e)	19	Market Risk	302.2	130.4	24.2
	20	Of which the standardised approach	21.0	24.7	1.7
	21	Of which IMA	281.2	105.8	22.5
Art 438(e)	22	Large exposures	-	-	-
Art 438(f)	23	Operational Risk	3,196.1	4,123.5	255.7
	24	of which Basic Indicator Approach	-	-	-
	25	of which Standardised Approach	678.3	808.2	54.3
	26	of which Advanced Measurement Approach	2,517.8	3,315.4	201.4
Art 437(2), 48,60	27	Amounts below the thresholds for deduction (subject to 250% risk weight)	2,452.7	2,365.3	196.2
Art 500	28	Floor adjustment	-	-	-
	29	Total	33,243.0	33,296.8	2,659.4

EU CR 10 – IRB (Specialized lending and equities) (Template 5 - Art. 438 CRR)

EUR mn

Specialised lending - slotting criteria							
Regulatory categories	Remaining maturity	On-balance sheet amount	Off-balance sheet amount	Risk weight	Exposure amount	RWAs	Expected losses
Category 1	Less than 2.5 years	-	-	50%	-	-	-
	Equal to or more than 2.5 years	-	-	70%	-	-	-
Category 2	Less than 2.5 years	-	-	70%	-	-	-
	Equal to or more than 2.5 years	-	-	90%	-	-	-
Category 3	Less than 2.5 years	-	-	115%	-	-	-
	Equal to or more than 2.5 years	-	-	115%	-	-	-
Category 4	Less than 2.5 years	-	-	250%	-	-	-
	Equal to or more than 2.5 years	-	-	250%	-	-	-
Category 5	Less than 2.5 years	-	-	0%	-	-	-
	Equal to or more than 2.5 years	-	-	0%	-	-	-
Total	Less than 2.5 years	-	-	-	-	-	-
	Equal to or more than 2.5 years	-	-	-	-	-	-
Equities under the simple risk-weighted approach							
Categories		On-balance sheet amount	Off-balance sheet amount	Risk Weight	Exposure amount	RWAs	Capital Requirements
Private equity exposures		0.7	-	190%	0.7	1.4	0.1
Exchange-traded equity exposures		-	-	290%	-	-	-
Other equity exposures		22.0	-	370%	22.0	81.4	6.5
Total		22.7	-	-	22.7	82.8	6.6

EU INS1 – Non-deducted participations in insurance undertakings (Template 6 - Art. 438 CRR)

	EUR mn
	Value
Holdings of own funds instruments of a financial sector entity where the institution has a significant investment not deducted from own funds (before risk-weighting)	-
Total RWAs	-

EU CR8 – RWA flow statements of credit risk exposures under the IRB approach (Template 23 - Art. 438 CRR)

		EUR mn		
		a	b	
Description		RWA amounts	Capital requirements	
1	RWAs as at the end of the previous reporting period	19.8	1.6	
2	Asset size	0.113	0.009	
3	Asset quality	0.409	0.033	RWA increase due to usual change of risk parameters
4	Model updates	-0.019	-0.002	
5	Methodology and policy	0.000	0.000	
6	Acquisitions and disposals	0.000	0.000	
7	Foreign exchange movements	-0.139	-0.011	RWA decrease due to change in CHF/USD exchange rate
8	Other	-0.064	-0.005	
9	RWAs as at the end of the reporting period	20.1	1.6	

Disclosure pursuant to Article 440 CRR

Table 1
Geographical distribution of credit exposures relevant for the calculation of the countercyclical capital buffer

in € million

Row	Breakdown by country	General credit exposures		Trading book exposure		Securitisation exposures		Own funds requirements				Own funds requirement weights	Countercyclical capital buffer rate
		Exposure value for SA	Exposure value IRB	Sum of long and short position of trading book	Value of trading book exposure for internal models	Exposure value for SA	Exposure value for IRB	Of which: General credit exposures	Of which: Trading book exposures	Of which: Securitisation exposures	Total		
		010	020	030	040	050	060	070	080	090	100	110	120
010	United Arab Emirates	3.1	36.7	0.0	0.0	0.0	0.0	1.3	0.0	0.0	1.3	0.0007	0.0000
	Albania	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Armenia	5.8	0.6	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.0001	0.0000
	Argentina	0.0	0.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Austria	8,142.9	45,248.7	0.0	3.3	0.0	927.8	1,375.4	1.0	5.2	1,381.7	0.7085	0.0000
	Australia	2.3	49.3	0.0	0.0	0.0	0.0	2.0	0.0	0.0	2.0	0.0010	0.0000
	Azerbaijan	0.0	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Bosnia and Herzegovina	0.4	38.6	0.0	0.0	0.0	0.0	4.5	0.0	0.0	4.5	0.0023	0.0000
	Barbados	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Bangladesh	0.0	1.8	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.3	0.0001	0.0000
	Belgium	8.4	7.3	0.0	0.0	0.0	0.0	1.0	0.0	0.0	1.0	0.0005	0.0000
	Bulgaria	269.0	281.1	0.0	0.0	0.0	0.0	25.5	0.0	0.0	25.5	0.0131	0.0000
	Bahrain	0.0	19.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Bermuda	69.6	0.0	0.0	0.0	0.0	0.0	1.2	0.0	0.0	1.2	0.0006	0.0000
	Brazil	5.8	27.2	0.0	0.0	0.0	0.0	1.3	0.0	0.0	1.3	0.0006	0.0000
	Belarus	0.8	15.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.0001	0.0000
	Canada	6.5	37.1	0.0	0.0	0.0	0.0	1.4	0.0	0.0	1.4	0.0007	0.0000
	Switzerland	83.5	597.5	0.0	0.0	0.0	0.0	19.9	0.0	0.0	19.9	0.0102	0.0000
	Chile	0.3	2.4	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.0000	0.0000
	China	12.3	34.6	0.0	0.0	0.0	0.0	1.0	0.0	0.0	1.0	0.0005	0.0000
	Colombia	1.0	5.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.0001	0.0000
	Costa Rica	0.8	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.0000	0.0000
	Cyprus	0.1	80.1	0.0	0.0	0.0	0.0	2.6	0.0	0.0	2.6	0.0013	0.0000
	Czech Republic	105.9	132.5	0.0	0.0	0.0	0.0	10.0	0.0	0.0	10.0	0.0051	0.5000
	Germany	618.7	2,389.7	0.0	0.0	0.0	0.2	90.3	0.0	0.0	90.3	0.0463	0.0000
	Denmark	3.6	261.9	0.0	0.0	0.0	0.0	6.0	0.0	0.0	6.0	0.0031	0.0000
	Algeria	0.3	14.4	0.0	0.0	0.0	0.0	1.1	0.0	0.0	1.1	0.0005	0.0000
	Ecuador	0.1	1.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Estonia	20.0	0.0	0.0	0.0	0.0	0.0	1.6	0.0	0.0	1.6	0.0008	0.0000
	Egypt	1.4	3.8	0.0	0.0	0.0	0.0	0.5	0.0	0.0	0.5	0.0003	0.0000
	Spain	13.0	1,669.8	0.0	0.0	0.0	72.6	47.0	0.0	3.0	50.1	0.0257	0.0000
	Finland	17.4	1,233.7	0.0	0.0	0.0	0.0	21.4	0.0	0.0	21.4	0.0110	0.0000
	France	34.9	179.2	0.0	0.0	0.0	0.0	5.8	0.0	0.0	5.8	0.0030	0.0000
	United Kingdom	39.9	251.2	0.0	0.0	0.0	46.6	6.5	0.0	0.5	7.0	0.0036	0.0000
	Georgia	10.4	1.4	0.0	0.0	0.0	0.0	1.0	0.0	0.0	1.0	0.0005	0.0000
	Guernsey	9.3	0.0	0.0	0.0	0.0	0.0	1.1	0.0	0.0	1.1	0.0006	0.0000
	Greece	10.4	11.2	0.0	0.0	0.0	0.0	1.1	0.0	0.0	1.1	0.0006	0.0000
	Guatemala	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Hong Kong	0.8	23.5	0.0	0.0	0.0	0.0	0.6	0.0	0.0	0.6	0.0003	1.2500
	Honduras	1.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Croatia	271.9	124.0	0.0	0.0	0.0	0.0	24.1	0.0	0.0	24.1	0.0124	0.0000
	Hungary	188.4	280.2	0.0	0.0	0.0	0.0	13.1	0.0	0.0	13.1	0.0067	0.0000
	Indonesia	0.6	20.6	0.0	0.0	0.0	0.0	0.5	0.0	0.0	0.5	0.0002	0.0000
	Ireland	0.9	55.6	0.0	0.0	0.0	0.0	1.8	0.0	0.0	1.8	0.0009	0.0000
	Israel	0.9	3.3	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.2	0.0001	0.0000
	Isle of Man	13.5	27.6	0.0	0.0	0.0	0.0	1.7	0.0	0.0	1.7	0.0009	0.0000
	India	7.4	0.3	0.0	0.0	0.0	0.0	0.5	0.0	0.0	0.5	0.0003	0.0000
	Iraq	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Iceland	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	1.2500
	Italy	139.5	472.8	0.0	0.0	0.0	15.4	17.9	0.0	0.2	18.1	0.0093	0.0000

Row	Breakdown by country	General credit exposures		Trading book exposure		Securitisation exposures		Own funds requirements				Own funds requirement weights	Countercyclical capital buffer rate
		Exposure value for SA	Exposure value IRB	Sum of long and short position of trading book	Value of trading book exposure for internal models	Exposure value for SA	Exposure value for IRB	Of which: General credit exposures	Of which: Trading book exposures	Of which: Securitisation exposures	Total		
		010	020	030	040	050	060	070	080	090	100	110	120
	Jordan	0.0	2.0	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.2	0.0001	0.0000
	Japan	0.0	1.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Kenya	0.0	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Korea, Republic of	12.3	1.7	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.0000	0.0000
	Kuwait	0.0	5.9	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.0001	0.0000
	Cayman Islands	12.9	3.7	0.0	0.0	0.0	0.0	1.7	0.0	0.0	1.7	0.0008	0.0000
	Kazakhstan	0.0	2.8	0.0	0.0	0.0	0.0	0.4	0.0	0.0	0.4	0.0002	0.0000
	Lebanon	0.1	14.1	0.0	0.0	0.0	0.0	1.1	0.0	0.0	1.1	0.0006	0.0000
	Liechtenstein	0.5	56.3	0.0	0.0	0.0	0.0	2.9	0.0	0.0	2.9	0.0015	0.0000
	Sri Lanka	0.2	0.3	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.0000	0.0000
	Lithuania	20.0	3.5	0.0	0.0	0.0	0.0	1.6	0.0	0.0	1.6	0.0008	0.0000
	Luxembourg	56.2	393.9	0.0	0.0	0.0	0.0	12.0	0.0	0.0	12.0	0.0062	0.0000
	Latvia	123.3	0.1	0.0	0.0	0.0	0.0	9.9	0.0	0.0	9.9	0.0051	0.0000
	Morocco	0.3	7.6	0.0	0.0	0.0	0.0	0.4	0.0	0.0	0.4	0.0002	0.0000
	Monaco	0.5	7.5	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.0000	0.0000
	Macedonia, The Former ¹	0.1	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Malta	119.4	0.2	0.0	0.0	0.0	0.0	9.6	0.0	0.0	9.6	0.0049	0.0000
	Mexico	17.5	88.7	0.0	0.0	0.0	0.0	2.9	0.0	0.0	2.9	0.0015	0.0000
	Malaysia	0.0	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Netherlands	178.0	979.0	0.0	0.0	0.0	12.6	46.9	0.0	0.1	46.9	0.0241	0.0000
	Norway	8.4	121.5	0.0	0.0	0.0	0.0	4.1	0.0	0.0	4.1	0.0021	2.0000
	New Zealand	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Oman	2.2	0.5	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.2	0.0001	0.0000
	Panama	0.0	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Peru	0.8	16.3	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.3	0.0002	0.0000
	Papua New Guinea	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Philippines	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Pakistan	3.4	3.4	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.3	0.0002	0.0000
	Poland	163.0	434.0	0.0	0.0	0.0	0.0	18.1	0.0	0.0	18.1	0.0093	0.0000
	Portugal	5.6	253.9	0.0	0.0	0.0	30.2	10.6	0.0	0.7	11.3	0.0058	0.0000
	Qatar	0.6	7.1	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.2	0.0001	0.0000
	Romania	38.1	261.0	0.0	0.0	0.0	0.0	13.4	0.0	0.0	13.4	0.0069	0.0000
	Serbia	10.9	185.2	0.0	0.0	0.0	0.0	24.6	0.0	0.0	24.6	0.0126	0.0000
	Russian Federation	740.1	232.5	0.0	0.0	0.0	0.0	29.3	0.0	0.0	29.3	0.0150	0.0000
	Saudi Arabia	1.8	5.5	0.0	0.0	0.0	0.0	0.2	0.0	0.0	0.2	0.0001	0.0000
	Sweden	16.9	385.8	0.0	0.0	0.0	0.0	9.6	0.0	0.0	9.6	0.0049	2.0000
	Singapore	0.3	36.6	0.0	0.0	0.0	0.0	1.5	0.0	0.0	1.5	0.0007	0.0000
	Slovenia	38.3	160.9	0.0	0.0	0.0	0.0	7.2	0.0	0.0	7.2	0.0037	0.0000
	Slovakia	106.3	165.1	0.0	0.0	0.0	0.0	9.6	0.0	0.0	9.6	0.0049	0.5000
	Senegal	29.2	3.7	0.0	0.0	0.0	0.0	0.5	0.0	0.0	0.5	0.0003	0.0000
	El Salvador	0.6	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.0000	0.0000
	Thailand	0.7	5.6	0.0	0.0	0.0	0.0	0.3	0.0	0.0	0.3	0.0001	0.0000
	Tunisia	0.1	5.8	0.0	0.0	0.0	0.0	0.6	0.0	0.0	0.6	0.0003	0.0000
	Turkey	150.3	79.8	0.0	0.0	0.0	0.0	3.5	0.0	0.0	3.5	0.0018	0.0000
	Taiwan	0.4	0.7	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.1	0.0000	0.0000
	Tanzania, United Republ	0.3	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Ukraine	26.7	5.2	0.0	0.0	0.0	0.0	0.4	0.0	0.0	0.4	0.0002	0.0000
	Uganda	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	United States	113.3	334.7	0.0	0.0	0.0	0.0	11.7	0.0	0.0	11.7	0.0060	0.0000
	Uzbekistan	0.0	0.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0000	0.0000
	Virgin Islands (british)	19.9	0.0	0.0	0.0	0.0	0.0	1.6	0.0	0.0	1.6	0.0008	0.0000
	Vietnam	0.0	11.1	0.0	0.0	0.0	0.0	1.4	0.0	0.0	1.4	0.0007	0.0000
	Supranational	1.9	2.4	0.0	0.0	0.0	25.2	0.2	0.0	0.2	0.3	0.0002	0.0000
	South Africa	25.5	297.2	0.0	0.0	0.0	0.0	8.2	0.0	0.0	8.2	0.0042	0.0000
020		12,171.9	58,228.4	0.0	3.3	0.0	1,130.6	1,939.3	1.0	9.8	1,950.1		

Table 2
Amount of institution-specific countercyclical capital buffer

in € million

Row		Column
		010
010	Total risk exposure amount	33,243.0
020	Institution specific countercyclical buffer rate	0.02
030	Institution specific countercyclical buffer requirement	6.5

Qualitative disclosure pursuant to Art. 442 CRR (Credit risk adjustments)

Definition of „Non-Performing Exposures”, impaired (IAS 39), past-due and forbearance measures

Non-performing exposures are divided into the following categories according to UniCredit Group rules:

- **Bad loans:** credit exposures that are considered uncollectable to insolvent borrowers, even if insolvency has not been judicially ascertained. A workout scenario is assumed in respect of borrowers in this category. The impairment loss assessment is performed in general on an analytical basis. Detailed information is given in the “Description of methodology applied to determine write-downs” section
- **Unlikely to pay:** risk exposures that do not qualify as “bad loans”, but where it is unlikely that the borrower will meet its obligations (capital and/or interest) arising from the loan in full without measures being taken, such as the disposal of collateral, regardless of any days in arrears. For a loan placed in the category “unlikely to pay”, there are not necessarily specific default criteria in place (non-performance of the payment obligation); rather, there are indications that a borrower may default. The impairment loss assessment is performed in general on an analytical basis. Detailed information is given in the “Description of methodology applied to determine write-downs” section
- **Past-due:** on-balance sheet exposures other than those classified as “bad loans” or “unlikely to pay” which at the reference date have amounts that are more than 90 days past due or over limits. Such amounts are determined at the level of the individual debtor.

Performing loans:

- **Past-due:** Overdue but not impaired loans: risk exposures that are between 1 and 90 days overdue
- **Other exposures:** borrowers not included in the other categories.

Forborne exposure:

Forbearance measures are concessions made by a bank to a debtor facing or about to face difficulties in meeting its financial commitments. These may take the form of a modification of the terms and conditions of a contract that would not have been agreed if the debtor had not been in financial difficulties, or the form of total or partial refinancing. Debtors that are classified as “forborne” are subject to special monitoring requirements and are to be clearly marked as such. Forbearance measures include, for example, a rescheduling agreement, renegotiated pricing at interest rates below the market level, the conversion of a partial amount of the loan into shares, or a reduction of the principal amount.

Forborne exposures can be classified in the categories “non-performing exposures” and “performing exposures” as defined by the same EBA standards.

With reference to the assessments of impairment and provisions for forborne exposures, the accounting policies applied are the general criteria in accordance with IAS 39 requirements.

Description of methodology applied to determine write-downs

Loan loss provisions are determined by reference to the amount and quality of loans granted. Bank Austria applies the following four methods of calculation, taking the special segment of foreign currency loans into account:

- Specific write-downs (non-performing assets)
- Portfolio-based specific write-downs (non-performing assets)
- Portfolio-based provision for foreign-currency loans (performing assets)
- Provisions for IBNR (incurred but not reported) losses (performing assets)

Specific write-downs:

Customers with a total exposure of over €2 million – on a GCC (group of connected customers) basis – are transferred to Monitoring & Special Credit Corporate/CIB within UniCredit Bank Austria AG whenever there is initial concrete evidence of potential default. When taking over a specific case, Special Credit management has to review the requirement for recognizing an impairment loss on such exposures on a case-by-case analytical basis, and subsequently carry out quarterly reviews. The amount of the impairment loss is the difference between the carrying amount of the loan and the present value of estimated future cash flows.

Portfolio-based specific provisioning method

UniCredit Bank Austria AG applies a parameter-based and portfolio-based provisioning method (“Pauschale Einzelwertberichtigung” – PEWB) for defaulted assets grouped by similar credit risk characteristics and with no significant exposure (lower than €2 million) at the GCC (group of connected customers) level. By decision of the restructuring management, this method can be used for customers belonging to a group of associated customers of more than 2 million, provided that the individual customer exposure does not exceed €1 million. The provisioning requirement is determined and recognized automatically, depending on the customer segment, the amount of the exposure and collateral, the credit rating and the duration of the default. The parameters used to calculate the loss rate are validated and back-tested annually.

Portfolio-based provision for foreign currency loans and loans with repayment vehicles (performing assets)

This provision is determined at individual loan level for the performing portfolio and takes into account the potential risk associated with foreign currency loans and loans with repayment vehicles – most of which have a bullet maturity – which may arise from the forecast deficit between the repayable amount, determined by the exchange rate, and the repayment vehicle, which is also subject to currency risk. All relevant calculation parameters (including, for example, the annual performance of repayment vehicles, exchange rate forecasts, underlying interest rate of the EUR and FX financing arrangements) are reviewed annually, reported to the Management Board and adjusted where required. The provision is reflected in the quantitative disclosure in the table “Breakdown of credit exposure by portfolio and credit quality” under “portfolio adjustments” for performing portfolio.

Provisions for IBNR losses (performing assets):

Such provisions for performing loans are made on the assumption that de facto losses incurred are taken into account too late, and to an extent that is too low, because of the lag between the time when the losses (incurred but not reported – IBNR) are actually incurred and the time when the loss event is identified. The loss is estimated on the basis of expected loss – which is determined using the parameters of PD (Probability of Default), EAD (Exposure at Default) and LGD (Loss Given Default) – weighted by a time factor (for the period during which the loss is not identified), the so-called LCP (Loss Confirmation Period) factor, at the level of various product and customer clusters. The individual parameters used for the calculation are validated annually. The provision is reflected in the quantitative disclosure in the table “Breakdown of credit exposure by portfolio and credit quality” under “portfolio adjustments” for performing portfolio.

EU CRB-B – Total and average net amount of exposures (Template 7 - Art. 442 CRR)

EUR mn

		a	b
Description		Net value of exposures at the end of the period	Average net exposures over the period
1	Central governments or central banks	1,447.7	1,480.5
2	Institutions	13,815.1	14,063.1
3	Corporates	56,485.3	55,561.5
4	- Of which: Specialised lending	4,593.1	5,057.7
5	- Of which: SMEs	8,721.1	9,100.0
6	Retail	21,275.6	21,530.9
7	Secured by real estate property	11,968.6	12,011.1
8	- SMEs	1,718.2	1,684.7
9	- Non-SMEs	10,250.5	10,326.3
10	Qualifying revolving	3,633.0	3,641.3
11	Other retail	5,674.0	5,878.5
12	- SMEs	1,109.0	1,103.7
13	- Non-SMEs	4,565.0	4,774.8
14	Equity	69.1	112.0
15	Total IRB approach	93,092.7	92,748.1
16	Central governments or central banks	22,351.9	20,150.3
17	Regional governments or local authorities	5,007.6	5,232.5
18	Public sector entities	1,886.2	1,961.6
19	Multilateral development banks	45.6	45.6
20	International organisations	705.4	756.5
21	Institutions	871.3	671.6
22	Corporates	6,823.0	6,632.0
23	Of which: SMEs	1,182.4	1,198.9
24	Retail	988.8	946.1
25	Of which: SMEs	179.0	182.2
26	Secured by mortgages on immovable property	499.7	522.6
27	Of which: SMEs	287.5	289.9
28	Exposures in default	149.4	159.5
29	Items associated with particularly high risk	61.2	48.3
30	Covered bonds	0.1	0.7
31	Claims on institutions and corporates with a short-term credit assessment	12.9	16.0
32	Collective investments undertakings	1.1	1.1
33	Equity exposures	1,266.0	1,287.1
34	Other exposures	893.3	884.6
35	Total standardised approach	41,563.6	39,316.1
36	Total	134,656.3	132,064.2

EU CRB-C – Geographical breakdown of exposures (Template 8 - Art. 442 CRR)

EUR mn

Description		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Net value														
		EUROPE	of which: AUSTRIA	of which: GERMANY	of which: SPAIN	of which: ITALY	of which: FINLAND	of which: CZECH REPUBLIC	of which: NETHERLANDS	of which: FRANCE	of which: ROMANIA	OTHER EUROPEAN COUNTRIES	AMERICA	ASIA	REST OF THE WORLD	TOTAL
1	Central governments or central banks	159.2	-	-	-	-	-	-	-	-	-	159.2	159.5	549.3	579.7	1,447.7
2	Institutions	13,341.7	4,655.6	2,545.7	357.4	2,013.0	-	1,440.1	35.3	601.7	414.3	1,278.6	47.3	408.4	17.7	13,815.1
3	Corporates	54,675.3	37,813.9	2,741.9	2,572.6	573.7	1,772.4	136.3	1,495.6	418.7	331.3	6,818.9	834.3	364.3	611.4	56,485.3
4	Retail	21,248.0	20,870.2	295.1	1.1	1.4	0.1	0.4	2.8	1.3	0.2	75.4	13.6	11.2	2.8	21,275.6
5	Equity	65.3	20.4	-	-	-	-	-	-	-	22.0	22.9	3.7	-	0.1	69.1
6	Total IRB approach	89,489.6	63,360.1	5,582.7	2,931.1	2,588.1	1,772.6	1,576.8	1,533.7	1,021.7	767.7	8,355.1	1,058.4	1,333.2	1,211.5	93,092.7
7	Central governments or central banks	22,351.8	16,923.9	189.7	3,057.7	912.0	-	35.6	0.2	431.1	129.2	672.4	0.1	-	0.0	22,351.9
8	Regional governments or local authorities	5,007.6	4,970.6	0.4	-	-	-	-	-	-	-	36.6	-	-	-	5,007.6
9	Public sector entities	1,861.5	1,860.8	-	-	-	-	-	-	-	-	0.7	-	-	24.7	1,886.2
10	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-	-	45.6	45.6
11	International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	705.4	705.4
12	Institutions	831.0	46.9	366.0	-	0.1	-	1.1	0.2	-	337.8	78.9	40.2	-	0.1	871.3
13	Corporates	6,744.2	4,770.4	263.5	7.3	19.6	11.6	92.7	18.9	29.4	45.1	1,485.7	33.0	26.2	19.6	6,823.0
14	Retail	984.8	918.0	16.8	-	0.5	-	-	0.4	-	-	49.1	0.2	3.7	0.1	988.8
15	Secured by mortgages on immovable property	499.7	457.5	1.7	-	-	-	0.1	-	-	-	40.4	-	-	-	499.7
16	Exposures in default	148.5	105.8	1.1	7.1	-	-	-	-	-	-	34.5	0.8	-	0.1	149.4
17	Items associated with particularly high risk	41.4	13.9	0.1	-	-	-	-	-	-	-	27.4	19.8	-	0.0	61.2
18	Covered bonds	0.1	0.1	-	-	-	-	-	-	-	-	-	-	-	-	0.1
19	Claims on institutions and corporates with a short-term credit assessment	12.9	0.6	5.9	-	-	-	-	-	6.5	-	0.1	-	-	-	12.9
20	Collective investments undertakings	1.1	1.1	-	-	-	-	-	-	-	-	-	-	-	-	1.1
21	Equity exposures	1,236.8	906.2	315.9	-	-	-	-	-	-	-	14.7	27.4	-	1.8	1,266.0
22	Other exposures	893.3	822.4	0.1	-	-	-	14.2	-	-	-	56.6	-	-	-	893.3
23	Total standardised approach	40,614.8	31,798.2	1,161.1	3,072.1	932.1	11.6	143.7	19.7	466.9	512.1	2,497.3	121.5	29.9	797.4	41,563.6
24	Total	130,104.4	95,158.3	6,743.8	6,003.2	3,520.2	1,784.2	1,720.5	1,553.4	1,488.6	1,279.9	10,852.3	1,179.9	1,363.1	2,008.9	134,656.3

EU CRB-D – Concentration of exposures by industry or counterparty types (Template 9 - Art. 442 CRR)

		EUR mn																						
Description		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o	p	q	r	s	t	u	v	w
		Agriculture, forestry and fishing	Mining and quarrying	Manufacturing	Electricity, gas, steam and air conditioning supply	Water supply	Construction	Wholesale and retail trade	Transport and storage	Accommodation and food service activities	Information and communication	Financial and insurance activities	Real estate activities	Professional, scientific and technical activities	Administrative and support service activities	Public administration and defence, compulsory social security	Education	Human health services and social work activities	Arts, entertainment and recreation	Other services activities	Activities on households as employers; undifferentiated goods- and services-producing activities of households for own use	Activities of extraterritorial organisations and bodies	Other	Total
1	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	2.0	-	-	-	1,445.8	-	-	-	-	-	-	-	1,447.7
2	Institutions	-	-	-	0.2	3.7	-	-	-	-	-	13,222.4	140.5	294.7	2.6	0.0	21.0	118.9	-	11.0	-	-	-	13,815.1
3	Corporates	75.4	581.9	12,768.9	4,446.2	358.6	6,212.6	6,036.8	2,063.1	558.5	1,304.9	5,208.7	7,366.3	7,435.1	1,167.0	93.5	27.2	235.4	356.3	179.6	1.8	7.3	-	56,485.3
4	Retail	85.7	1.5	117.5	7.6	3.3	152.8	304.4	36.8	151.3	150.0	100.2	346.0	598.6	104.3	0.1	18.9	455.2	60.0	65.7	18,515.9	-	-	21,275.6
5	Equity	-	-	-	-	-	-	-	-	-	-	48.7	0.0	20.4	-	-	-	-	-	-	-	-	-	69.1
6	Total IRB approach	161.1	583.4	12,886.4	4,453.9	365.6	6,365.5	6,341.2	2,099.9	709.8	1,454.9	18,582.0	7,852.9	8,348.8	1,273.9	1,539.3	67.1	809.6	416.2	256.3	18,517.6	7.3	-	93,092.7
7	Central governments or central banks	-	-	-	-	-	-	-	-	-	-	8,684.2	-	-	-	13,667.7	-	-	-	-	0.0	-	-	22,351.9
8	Regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-	0.0	-	4,933.0	-	-	-	74.7	0.0	-	-	5,007.6
9	Public sector entities	-	-	-	0.0	309.1	0.2	-	24.9	-	0.5	169.0	172.0	2.5	0.5	831.5	20.3	342.6	2.7	10.6	0.0	-	-	1,886.2
10	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	45.6	-	-	-	-	-	-	-	-	-	-	-	45.6
11	International organisations	-	-	-	-	-	-	-	-	-	-	705.4	-	-	-	-	-	-	-	-	-	-	-	705.4
12	Institutions	-	-	-	-	-	-	-	-	-	-	871.3	-	-	-	-	-	-	-	-	-	-	-	871.3
13	Corporates	18.4	17.4	901.1	187.6	8.6	100.3	498.6	435.8	25.8	28.2	2,768.9	704.8	311.4	137.3	278.5	1.9	83.5	37.3	19.4	92.4	0.1	165.8	6,823.0
14	Retail	37.7	1.5	16.6	0.4	2.5	17.8	37.4	18.2	5.3	1.4	1.1	2.0	9.2	7.0	-	0.4	7.0	5.3	2.0	816.1	-	-	988.8
15	Secured by mortgages on immovable property	1.6	-	77.0	-	1.5	6.2	65.1	10.8	28.1	2.3	18.3	209.9	24.0	6.4	0.5	0.9	2.1	0.7	1.4	42.9	-	-	499.7
16	Exposures in default	1.6	-	28.8	0.1	0.6	3.6	14.9	2.9	10.6	0.9	5.6	48.3	3.9	3.9	6.7	7.1	0.1	2.4	0.4	7.1	-	-	149.4
17	Items associated with particularly high risk	-	-	-	-	-	-	-	-	-	-	30.9	30.1	-	-	-	-	-	-	-	0.2	-	-	61.2
18	Covered bonds	-	-	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-	-	-	-	-	-	-	0.1
19	Claims on institutions and corporates with a short-term credit assessment	-	-	5.3	-	-	-	0.0	-	-	0.5	7.1	-	-	-	-	-	-	0.0	-	-	-	-	12.9
20	Collective investments undertakings	-	-	-	-	-	-	-	-	-	-	1.1	-	-	-	-	-	-	-	-	-	-	-	1.1
21	Equity exposures	-	-	0.0	-	-	0.2	0.1	7.0	0.0	2.1	1,073.2	24.8	146.1	0.4	-	0.0	-	0.0	4.7	4.0	-	3.4	1,266.0
22	Other exposures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	893.3	893.3
23	Total standardised approach	59.3	18.9	1,028.9	188.1	322.3	128.2	616.1	499.6	69.8	35.9	14,381.8	1,191.9	497.3	155.4	19,717.8	30.5	435.2	48.4	113.1	962.6	0.1	1,062.5	41,563.6
24	Total	220.4	602.3	13,915.3	4,642.0	687.9	6,493.7	6,957.3	2,599.5	779.6	1,490.8	32,963.8	9,044.8	8,846.1	1,429.4	21,257.0	97.7	1,244.8	464.6	369.4	19,480.2	7.4	1,062.5	134,656.3

EU CRB - E – Maturity of exposures (Template 10 - Art. 442 CRR)

		EUR mn					
		a	b	c	d	e	f
		Net exposure value					
Description		On demand	<=1 year	>1 year <= 5 years	> 5 years	Not stated maturity	Total
1	Central governments of central banks	0.0	9.8	129.7	1,164.8	0.3	1,304.6
2	Institutions	0.0	6,409.1	2,379.9	925.2	445.7	10,159.9
3	Corporates	167.7	4,120.4	9,781.5	12,251.2	4,101.8	30,422.7
4	Retail	114.5	251.8	1,370.4	14,088.9	499.8	16,325.4
5	Equity	-	22.9	-	22.0	21.1	66.1
6	Total IRB approach	282.3	10,814.0	13,661.6	28,452.0	5,068.7	58,278.6
7	Central governments or central banks	8,364.0	1,716.8	8,668.0	2,366.7	130.7	21,246.1
8	Regional governments or local authorities	2.4	1,209.3	724.4	2,646.3	12.4	4,594.8
9	Public sector entities	0.8	84.2	71.4	1,262.5	39.6	1,458.5
10	Multilateral development banks	-	-	45.6	-	0.0	45.6
11	International organisations	-	212.7	378.6	114.2	-	705.4
12	Institutions	1.5	169.6	124.5	105.8	34.4	435.9
13	Corporates	314.8	875.0	1,384.1	1,332.7	231.7	4,138.2
14	Retail	2.3	68.1	178.8	39.1	649.9	938.1
15	Secured by mortgages on immovable property	1.4	33.2	122.0	334.7	0.6	491.9
16	Exposures in default	9.4	8.6	45.9	64.3	11.9	140.2
17	Items associated with particularly high risk	0.2	11.4	12.2	12.6	20.9	57.3
18	Covered bonds	-	-	0.1	-	-	0.1
19	Claims on institutions and corporates with a short-term credit assessment	1.2	4.9	-	-	6.8	12.9
20	Collective investments undertakings	1.1	-	-	-	-	1.1
21	Equity exposures	-	-	85.0	228.2	952.7	1,266.0
22	Other exposures	814.5	29.4	47.7	1.6	-	893.3
23	Total standardised approach	9,513.7	4,423.1	11,888.5	8,508.5	2,091.6	36,425.4
24	Total	9,796.0	15,237.1	25,550.1	36,960.6	7,160.3	94,704.1

Note: excluding off-balance sheet items

EU CR1 – A – Credit quality of exposures by exposures class and instrument (Template 11 - Art. 442 CRR)

EUR mn

Description		a	b	c	d	e	f	g
		Gross carrying value of		Specific credit risk adjustments	General credit risk adjustments	Accumulated write-offs	Credit risk adjustments charges of the period	Net values (a+b-c-d)
		Defaulted exposures	Non-Defaulted exposures					
1	Central governments of central banks	158.3	1,293.7	4.3		0.1	0.3	1,447.7
2	Institutions	4.0	13,815.0	3.9		11.0	0.0	13,815.1
3	Corporates	1,802.3	55,614.0	931.0		64.2	230.6	56,485.3
4	- Of which: Specialised lending	102.6	4,511.5	21.0		0.0	3.6	4,593.1
5	- Of which: SMEs	752.6	8,403.1	434.6		19.8	60.6	8,721.1
6	Retail	711.6	21,408.1	844.1		4.1	178.3	21,275.6
7	Secured by real estate property	204.0	12,039.2	274.5		0.1	118.1	11,968.6
8	- SMEs	81.2	1,676.5	39.5		0.1	12.0	1,718.2
9	- Non-SMEs	122.8	10,362.7	235.0		0.0	106.0	10,250.5
10	Qualifying revolving	336.7	3,620.1	323.9		1.1	10.8	3,633.0
11	Other retail	170.8	5,748.9	245.8		3.0	49.4	5,674.0
12	- SMEs	102.8	1,113.5	107.3		2.9	12.8	1,109.0
13	- Non-SMEs	68.0	4,635.4	138.4		0.1	36.6	4,565.0
14	Equity	3.7	65.3			-	-	69.1
15	Total IRB approach	2,679.9	92,196.2	1,783.3		79.4	409.3	93,092.7
16	Central governments or central banks		22,351.9	0.0		-	0.0	22,351.9
17	Regional governments or local authorities		5,007.8	0.2		-	0.0	5,007.6
18	Public sector entities		1,886.2	0.0		-	0.0	1,886.2
19	Multilateral development banks		45.6	-		-	-	45.6
20	International organisations		705.4	-		-	-	705.4
21	Institutions		871.3	-		-	-	871.3
22	Corporates		6,837.8	14.7		5.1	3.1	6,823.0
23	- Of which: SMEs		1,189.0	6.5		0.8	0.7	1,182.4
24	Retail		991.5	2.6		11.2	0.8	988.8
25	- Of which: SMEs		180.1	1.0		2.2	0.2	179.0
26	Secured by mortgages on immovable property		509.1	9.4		-	1.8	499.7
27	Of which: SMEs¹		295.9	8.3		-	1.5	287.5
28	Exposures in default	281.9		132.5		1.2	11.2	149.4
29	Items associated with particularly high risk	3.7	69.1	11.5		-	2.1	61.2
30	Covered bonds		0.1	-		-	-	0.1
31	Claims on institutions and corporates with a short-term credit assessment		12.9	-		-	-	12.9
32	Collective investments undertakings		1.1	-		-	-	1.1
33	Equity exposures	1.9	1,264.1	-		-	-	1,266.0
34	Other exposures		893.3	-		-	-	893.3
35	Total standardised approach	287.5	41,447.2	171.1		17.4	19.1	41,563.6
36	Total	2,967.4	133,643.3	1,954.4		96.9	428.4	134,656.3
37	- Of which: Loans	2,598.5	75,403.8	1,813.3		96.9	346.0	76,189.0
38	- Of which: Debt securities	8.9	16,376.1	11.8		-	1.4	16,373.2
39	- Of which: Off-balance-sheet exposures	358.1	39,721.9	127.8		-	79.5	39,952.2

EU CR1 – B – Credit quality of exposures by industry or counterparty types (Template 12 - Art. 442 CRR)

EUR mn

Description		a	b	c	d	e	f	g
		Gross carrying value of		Specific credit risk adjustments	General credit risk adjustments	Accumulated write-offs	Credit risk adjustments charges of the period	Net values
		Defaulted exposures	Non-Defaulted exposures					(a+b-c-d)
1	Agriculture, forestry and fishing	16.2	212.8	8.6		0.4	2.2	220.4
2	Mining and quarrying	0.7	602.4	0.8		-	0.2	602.3
3	Manufacturing	544.9	13,673.3	302.9		22.4	79.4	13,915.3
4	Electricity, gas, steam and air conditioning supply	35.0	4,617.1	10.1		0.0	7.5	4,642.0
5	Water supply; sewerage, waste management and remediation activities	3.0	687.9	3.0		-	0.1	687.9
6	Construction	193.6	6,453.8	153.8		25.7	17.0	6,493.7
7	Wholesale and retail trade; repair of motor vehicles and motorcycle	423.3	6,779.4	245.4		4.8	81.5	6,957.3
8	Transport and storage	43.8	2,587.9	32.2		4.0	3.3	2,599.5
9	Accommodation and food service activities	134.2	709.3	63.9		1.5	11.9	779.6
10	Information and communication	80.0	1,479.9	69.1		0.8	2.8	1,490.8
11	Financial and insurance activities	99.3	32,926.4	61.9		15.3	6.5	32,963.8
12	Real estate activities	334.0	8,826.6	115.8		5.7	19.9	9,044.8
13	Professional, scientific and technical activities	252.5	8,688.1	94.5		1.6	30.0	8,846.1
14	Administrative and support service activities	34.2	1,419.7	24.6		1.7	2.1	1,429.4
15	Public administration and defence, compulsory social security	165.7	21,096.6	5.3		0.1	1.0	21,257.0
16	Education	9.4	90.3	2.0		0.3	0.3	97.7
17	Human health and social work activities	17.2	1,247.8	20.2		-	3.9	1,244.8
18	Arts, entertainment and recreation	7.0	462.2	4.6		0.0	0.3	464.6
19	Other services activities	12.3	365.7	8.6		0.1	1.5	369.4
20	Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	561.0	19,644.8	725.6		12.6	154.7	19,480.2
21	Activities of extraterritorial organisations and bodies	0.0	7.4	0.0		-	0.0	7.4
22	Other	-	1,064.1	1.6		-	2.1	1,062.5
23	Total	2,967.4	133,643.3	1,954.4		96.9	428.4	134,656.3

EU CR1-C – Credit quality of exposures by geography (Template 13 - Art. 442 CRR)

		EUR mn						
		a	b	c	d	e	f	g
		Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values (a+b-c-d)
Description		Defaulted exposures	Non-defaulted exposures					
	HIER1	P3CR1C010a	P3CR1C010b	P3CR1C010c	P3CR1C010d	P3CR1C010e	P3CR1C010f	P3CR1C010g
1	EUROPE	2,759.7	129,263.6	1,918.9		96.1	424.8	130,104.4
2	of which: AUSTRIA	2,250.9	94,588.6	1,681.3		73.7	370.8	95,158.3
3	of which: GERMANY	126.6	6,705.6	88.3		18.9	35.7	6,743.8
4	of which: SPAIN	8.4	5,996.8	2.0		-	0.3	6,003.2
5	of which: ITALY	0.5	3,520.9	1.1		-	0.6	3,520.2
6	of which: FINLAND	8.7	1,776.5	1.0		-	0.4	1,784.2
7	of which: CZECH REPUBLIC	0.3	1,720.5	0.4		-	0.0	1,720.5
8	of which: NETHERLANDS	76.3	1,482.5	5.4		-	0.1	1,553.4
9	of which: FRANCE	0.0	1,488.6	0.1		-	0.0	1,488.6
10	of which: ROMANIA	2.3	1,277.9	0.3		-	0.1	1,279.9
11	of which: OTHER EUROPEAN COUNTRIES	285.7	10,705.7	139.0		3.6	16.7	10,852.4
12	AMERICA	35.1	1,175.2	30.4		-	3.1	1,179.9
13	ASIA	14.2	1,349.8	0.9		0.7	0.2	1,363.1
14	REST OF THE WORLD	158.3	1,854.7	4.2		0.0	0.3	2,008.8
15	TOTAL	2,967.4	133,643.3	1,954.4		96.9	428.4	134,656.3

EU CR1-D – Ageing of past-due exposures (Template 14 - Art. 442 CRR)

		EUR mn				
		a	b	c	d	e
		Gross carrying values				
		≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year
1	Loans	302.9	18.6	1,329.2	29.4	65.6
2	Debt securities	-	-	24.8	-	-
3	Total exposures	302.9	18.6	1,354.0	29.4	65.6

EU CR1-E – Non-performing and forborne exposures (Template 15 - Art. 442 CRR)

		EUR mn												
		a	b	c	d	e	f	g	h	i	j	k	l	m
		Gross carrying amount of performing and non-performing exposures							Accumulated impairment and provisions and negative fair value adjustments due to credit risk				Collaterals and financial guarantees received	
		Of which performing but past due > 30 days and <= 90 days	Of which performing forborne	Of which non-performing			On performing exposures		On non-performing exposures		On non-performing exposures	Of which forborne exposures		
				Of which defaulted	Of which impaired	Of which forborne		Of which forborne	Of which forborne					
010	Debt securities	16,095.3	0.0	0.0	24.8	24.8	24.8	0.0	10.9	0.0	4.6	0.0	0.0	0.0
020	Loans and advances	80,892.0	28.0	256.4	2,632.6	2,632.6	2,632.6	717.4	404.6	7.9	1,413.4	332.6	503.5	277.8
030	Off-balance-sheet exposures	39,868.6	183.4	17.3	344.7	344.7	344.7	23.4	21.2	0.0	153.8	0.0	21.3	0.0

EU CR2-A – Changes in the stock of general and specific credit risk adjustments (Template 16 - Art. 442 CRR)

		EUR mn	
		a	b
		Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment
1	Opening balance	1,735.9	427.8
2	Increases due to amounts set aside for estimated loan losses during the period	212.1	29.5
3	Decreases due to amounts reversed for estimated loan losses during the period	269.4	39.7
4	Decreases due to amounts taken against accumulated credit risk adjustments	209.8	2.3
5	Transfers between credit risk adjustments	0.0	0.0
6	Impact of exchange rate differences	0.0	0.0
7	Business combinations, including acquisitions and disposals of subsidiaries	0.0	0.0
8	Other adjustments	51.0	-0.2
9	Closing balance	1,418.0	415.6
10	Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	18.1	0.0
11	Specific credit risk adjustments directly recorded to the statement of profit or loss	14.6	0.0

EU CR2-B – Changes in the stock of defaulted and impaired loans and debt securities (Template 17 - Art. 442 CRR)

		EUR mn
		a
		Gross carrying value defaulted exposures
1	Opening balance	2,953.7
2	Loans and debt securities that have defaulted or impaired since the last reporting period	529.1
3	Returned to non-defaulted status	113.3
4	Amounts written off	224.3
5	Other changes	487.9
6	Closing balance	2,657.4

CRR Leverage Ratio (Art. 451 CRR)

Reference date		31 December 2017
Entity name		UniCredit Bank Austria AG
Level of application		subconsolidated
Table LRSum: Summary reconciliation of accounting assets and leverage ratio exposures		
		Applicable amount in EUR mn
1	Total assets as per published financial statements	102,128.39
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of regulatory consolidation or entities which are not fully/proportionally consolidated for accounting purposes but are inside the scope of regulatory consolidation	208.29
3	(Adjustment for fiduciary assets recognised on the balance sheet pursuant to the applicable accounting framework but excluded from the leverage ratio exposure measure in accordance with Article 429 (13) of Regulation (EU) No 575/2013)	0.00
4	Adjustments for derivative financial instruments	-1,583.72
5	Adjustment for securities financing transactions (SFTs)	111.29
6	Adjustment for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	12,519.82
EU-6a	(Adjustment for intragroup exposures excluded from the leverage ratio total exposure measure in accordance with Article 429 (7) of Regulation (EU) No 575/2013)	0.00
EU-6b	(Adjustment for exposures excluded from the leverage ratio exposure measure in accordance with Article 429 (14) of Regulation (EU) No 575/2013)	0.00
7	Other adjustments	-1,137.99
8	Leverage ratio total exposure measure	112,246.08
Table LRCom: Leverage ratio common disclosure		
		CRR leverage ratio exposures in EUR mn
On-balance sheet exposures (excluding derivatives and SFTs)		
1.0	On-balance sheet items (excluding derivatives, SFTs and fiduciary assets, but including collateral)	98,271.24
2.0	(Asset amounts deducted in determining Tier 1 capital)	-1,199.23
3.0	Total on-balance sheet exposures (excluding derivatives, SFTs and fiduciary assets) (sum of lines 1 and 2)	97,072.02
Derivative exposures		
4.0	Replacement cost associated with all derivatives transactions (ie net of eligible cash variation margin)	479.52
5.0	Add-on amounts for PFE associated with all derivatives transactions (mark-to-market method)	780.44
EU-5a	Exposure determined under Original Exposure Method	0.00
6.0	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the applicable accounting framework	0.00
7.0	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-110.45
8.0	(Exempted CCP leg of client-cleared trade exposures)	0.00
9.0	Adjusted effective notional amount of written credit derivatives	356.80
10.0	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	0.00
11.0	Total derivative exposures (sum of lines 4 to 10)	1,506.31
SFT exposures		
12.0	Gross SFT assets (with no recognition of netting), after adjusting for sales accounting transactions	1,036.65
13.0	(Netted amounts of cash payables and cash receivables of gross SFT assets)	0.00
14.0	Counterparty credit risk exposure for SFT assets	111.29
EU-14a	Derogation for SFTs: Counterparty credit risk exposure in accordance with Article 429b (4) and 222 of Regulation (EU) No 575/2013	0.00
15.0	Agent transaction exposures	0.00
EU-15a	(Exempted CCP leg of client-cleared SFT exposure)	0.00
16.0	Total securities financing transaction exposures (sum of lines 12 to 15a)	1,147.94
Other off-balance sheet exposures		
17.0	Off-balance sheet exposures at gross notional amount	40,895.66
18.0	(Adjustments for conversion to credit equivalent amounts)	-28,375.84
19.0	Other off-balance sheet exposures (sum of lines 17 to 18)	12,519.82
Exempted exposures in accordance with Article 429 (7) and (14) of Regulation (EU) No 575/2013 (on and off balance sheet)		
EU-19a	(Intragroup exposures (solo basis) exempted in accordance with Article 429 (7) of Regulation (EU) No 575/2013 (on and off balance sheet))	0.00
EU-19b	(Exposures exempted in accordance with Article 429 (14) of Regulation (EU) No 575/2013 (on and off balance sheet))	0.00
Capital and total exposure measure		
20.0	Tier 1 capital	6,622.69
21.0	Leverage ratio total exposure measure (sum of lines 3, 11, 16, 19, EU-19a and EU-19b)	112,246.08
Leverage ratio		
22	Leverage ratio	5.90%
Choice on transitional arrangements and amount of derecognised fiduciary items		
EU-23	Choice on transitional arrangements for the definition of the capital measure	TRANSITIONAL
EU-24	Amount of derecognised fiduciary items in accordance with Article 429 (11) of Regulation (EU) No 575/2013	0.0

Table LRSpl: Split-up of on balance sheet exposures (excluding derivatives, SFTs and exempted exposures)

		CRR leverage ratio exposures in EUR mn
EU-1	Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:	98,271.24
EU-2	Trading book exposures	1.59
EU-3	Banking book exposures, of which:	98,269.65
EU-4	Covered bonds	0.10
EU-5	Exposures treated as sovereigns	27,675.31
EU-6	Exposures to regional governments, MDB, international organisations and PSE not treated as sovereigns	1,967.81
EU-7	Institutions	10,153.15
EU-8	Secured by mortgages of immovable properties	11,996.17
EU-9	Retail exposures	5,548.91
EU-10	Corporate	33,870.07
EU-11	Exposures in default	1,195.84
EU-12	Other exposures (eg equity, securitisations, and other non-credit obligation assets)	5,862.28

Table LRQua: Disclosure on qualitative items

1	<p>Description of the processes used to manage the risk of excessive leverage:</p> <p>Group Risk Appetite Framework represents the foundation for risk management within UniCredit Bank Austria Subgroup. This framework envisages comprehensive governance, processes, tools and procedures for the widespread management of risks. The leverage risk is included in the Group Risk Appetite Framework, therefore, the relevant procedures and resources are applied to this kind of risk.</p> <p>The quantitative tools to assess the leverage risk are coming from Group Risk Appetite KPIs that include also the leverage ratio metric. This KPI has its own targets, triggers and limit levels that are periodically monitored within the regular reporting activity. The monitoring and the periodical reporting is submitted to the Risk Committee (on a quarterly basis) and to the Board of Directors.</p> <p>The Group Risk Appetite process identifies the governance mechanism, managerial involvement and escalation process under normal and stressed operating conditions. The defined escalation process is activated at relevant organizational levels in order to ensure an adequate reaction when triggers or limits are breached.</p>
2	<p>Description of the factors that had an impact on the leverage ratio during the period to which the disclosed leverage ratio refers:</p> <p>Changes of Leverage Ratio between June 2017 and December 2017 mainly driven by:</p> <p>Increase of Leverage Exposure EUR ~469 mn due to decrease of SFT exposure EUR ~3.4 bn, an increase of Other Assets EUR ~2.7 bn and an increase of Off-Balance Exposure after ccf EUR ~1.3 bn.</p> <p>Increase of TIER1 Capital EUR ~201 mn.</p> <p>Overall Leverage Ratio increase from 5.74% zu 5.90%.</p>

Disclosure pursuant to Art. 453 CRR Credit Risk Mitigation Techniques (CRM)

The Austrian Financial Market Authority (FMA) and Oesterreichische Nationalbank (OeNB) have assessed UniCredit Bank Austria AG for the use of own estimates for volatility adjustments (comprehensive method) for credit risk mitigation techniques.

By FMA decree dated 12 June 2008, UniCredit Bank Austria AG has been authorized to use its own volatility estimates (comprehensive method) for credit risk mitigation techniques. This permission was given without limitation.

Qualitative disclosure as of 31 December 2017

UniCredit Group, consistent with the “Revised Framework of International Convergence of Capital Measures and Rules” (Basel), is firmly committed to satisfying the requirements for recognition of Credit Risk Mitigation (hereafter “CRM”) techniques for regulatory capital purposes, according to the different approaches adopted (Standardized, F-IRB or A-IRB).

In this regard, specific projects have been completed and actions have been carried out for implementing the Group’s internal regulations and for bringing processes and IT systems into compliance. Considering the Group’s presence in different countries, implementation measures have been made in accordance with local regulations and the requirements of the oversight authorities in the countries to which the individual entities belong.

The Group has acknowledged the regulatory requirement with specific internal Guidelines issued by the Holding Company, in compliance with the Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms (CRR) and amending Regulation (EU) No. 648/2012. Such Guidelines pursue several objectives:

- to encourage collateral and guarantees optimal management;
- to maximize the mitigating effect of collateral and guarantees on defaulted loans;
- to attain positive effect on Group capital requirements, ensuring that local CRM practices meet minimum “Basel” requirements;
- to define general rules for eligibility, valuation, monitoring and management of collateral (funded protection) and guarantees (unfunded protection) and to detail special rules and requirements for specific collateral/guarantees.

Credit Risk mitigations are accepted only to support loans and they cannot serve as a substitute for the borrower’s ability to meet its obligations. For this reason they have to be evaluated in the credit application along with the assessment of the creditworthiness and the repayment capacity of the borrower, emphasizing the importance of the “legal certainty” requirement for all collaterals and guarantees, as well as their suitability. Legal Entities shall put in place all necessary actions in order to:

- fulfill the respect of any contractual and legal requirements, and take all steps necessary to ensure the enforceability of the collateral/guarantee arrangements under the applicable law;
- conduct sufficient legal review confirming the enforceability of the collateral/guarantee arrangements on the parties and in the relevant jurisdictions.

Legal Entities conduct such review, as applicable, to ensure enforceability for the entire term of the underlying collateralized credit exposure. On the other hand, suitability has always to be granted. Any collateral/guarantee can be considered adequate if it is consistent with the underlying credit exposure and, for guarantees, when there are no relevant risks towards the protection provider.

Collateral management assessments and Credit Risk Mitigation compliance verifications are performed by the Legal Entities, specifically as part of the wider process of internal validation on rating systems and of IRB methods roll-out activities.

Policies and processes for, and an indication of the extent to which the Group makes use of, on- and off-balance sheet netting

In general, netting agreements on balance sheet of reciprocal credit exposures between the Bank and its counterparty are considered eligible if they are legally effective and enforceable in all relevant jurisdictions, including in the event of default or bankruptcy of counterparty, and if they meet the following operational conditions:

- provide for the netting of gains and losses on transactions cleared under the master agreement so that a single net amount is owed by one party to the other;
- fulfil the minimum requirements for recognition of financial collateral (valuation requirements and monitoring).

In general, Group Entities can apply netting agreements only if they are able at any time to determine the position netting value (assets and liabilities with the same counterparty that are subject to the netting agreement), monitoring and controlling debts, credit and netting value.

The Group makes use of netting instruments mainly for OTC derivatives, repos and securities lending transactions where the counterparties are – generally – Financial Institutions. The primary objective of the bank is to cover with netting agreements as many as possible transactions in order to reduce utilization of credit lines and to release the amount of required regulatory capital. In this regard, a special policy ("Collateral Management and Control Global Policy ") has been issued aiming at defining an efficient and comprehensive framework for collateral management in order to safeguard the bank from avoidable risk-taking.

The effectiveness of a collateral agreement of each individual counterparty relationship depends on the selection of appropriate assets qualifying as eligible collateral. Certain collateral types may present inherent risks related to the price volatility, the liquidity and the settlement of the asset. In addition, the collateral assets must be assessed in the context of the collateral providing counterparty (double default risk). The mentioned policy details the eligibility criteria for both OTC derivatives and Repo/securities Lending Transactions, and defines the requirements in terms of documentations, requiring, as a general base, market standard agreements such as ISDA Master Agreement, Global Master Repurchase Agreement or European Master Agreement.

Policies and processes for collateral evaluation and management

UniCredit group has implemented a clear and robust system for managing the credit risk mitigation techniques, governing the entire process for evaluation, monitoring and management of collaterals. The assessment of the collateral value is based on the current market price or the estimated amount which the underlying asset could reasonably be liquidated for (i.e. pledged financial instrument or mortgaged real estate fair value).

For financial instruments, valuation methods are different depending on their type:

- securities listed on a recognized stock exchange, are evaluated according to the market price (the price of the most recent trading session);
- securities not listed on a recognized stock exchange, have to be based on pricing models based on market data;
- undertakings for Collective Investments and mutual funds are based on the price for the units that are publicly quoted daily.

The market price of pledged securities is adjusted by applying haircuts for market price and /or foreign exchange volatility, according to regulatory requirements.

In case of currency mismatch between the credit facility and the collateral, an additional haircut is applied. Possible mismatches between the maturity of the exposure and that of the collateral are also considered in the adjusted collateral value.

The current models in place within the Group are based both on pre-defined prudential haircuts and internally estimated haircuts. The methodological approach provides that the hedging value has to be estimated for each financial instrument on the basis of its market value (s.c. mark-to-market) adjusted with a haircut that has to consider the intrinsic riskiness according to the different factors (price risk, time of ownership and liquidity risk).

The main Legal Entities of the Group are also provided with tools for the automatic evaluation of the mark- to-market of the pledged securities, granting the constant monitoring of the financial collateral values.

For the valuation of real estate collateral, specific processes and procedures ensure that the property is evaluated by an independent appraiser. For the Legal Entities operating in Austria, Germany and Italy, systems for the periodic monitoring and revaluation of the real estate collateral, based on statistical methods, adopting internal databases or provided by external info-providers, are in place.

Other types of collateral (such as a pledge of movable assets) are subject to specific prudential haircuts. Monitoring activities strictly depend on the collateral characteristics. In general pledges on goods are treated with caution.

Description of the main types of collateral taken by the Group Entities

The collateral accepted in support of credit lines granted by the Group's Legal Entities, primarily includes real estate, both residential and commercial (around 67% of the stock) and financial instruments collateral, including debt securities, equities, and units of Undertakings for Collective Investment in Transferable Securities (UCITS) (around 22%). The remaining part includes pledges on other assets (e.g. pledged goods) and other collaterals (e.g. movable properties).

However, in order to be considered eligible for risk mitigation, the general requirements according to Supervisory Regulations must be met, along with the specific requirements for the approach adopted for purposes of calculating regulatory capital for the individual counterparty/exposure (Standardized, F-IRB, A-IRB), in accordance with the legal framework of the country in scope.

The Parent Company provides specific guidelines for the eligibility of all kind of collaterals and each Legal Entity shall define the list of eligible collateral, according to Group methods and procedures and in compliance with local legal and supervisory requirements and peculiarities.

Main types of guarantors and credit derivative counterparties and their creditworthiness

Personal guarantees can be accepted as module complementary and accessory to the granting of loans, for which the risk mitigation serves as additional security for repayment. Their use is widespread within the Group, though their characteristics differ among the different local markets.

Less frequently, the risk of default is covered by personal guarantees provided by other legal entities (usually the holding company or other companies belonging to the same economic group as the borrower), or by financial institutions and insurance companies.

At consolidated level, personal guarantees are provided by banks (around 21% of the stock), government, central banks and other public entities (around 18%) and others (61%). The last category includes the personal guarantees provided by natural persons, whose eligibility for CRM depends on the approach used by the different Legal Entities.

Credit derivative protection providers are mainly banks and institutional counterparties.

The list of eligible protection providers depends on the specific approach adopted by each single Legal Entity. Specifically, under the Standardized approach, eligible protection providers pertain to a restricted list of counterparts, such as Central Government and Central Banks, public sector entities and regional and local authorities, multilateral development banks, supervised institutions and corporate entities that have a credit assessment by an eligible ECAI associated with credit quality step 2 or above. Legal Entities adopting IRB-A may recognize guarantees provided that the relevant minimum requirements are satisfied and, particularly, provided that the Legal Entity can evaluate the protection provider risk profile at the time that the guarantee is established and over its entire duration.

Before a personal guarantee is accepted, the protection provider (or the protection seller in case of credit default swap) has to be assessed in order to measure his/her creditworthiness and risk profile. The hedging effect of guarantees/credit derivatives for the purpose of credit protection depends basically on the creditworthiness of the protection provider which is assessed during the credit underwriting phase.

Information about market or credit risk concentrations under the credit risk mitigation instruments used

Concentration risk occurs when the major part of Group-wide collateral financial assets (at portfolio level) are concentrated in a small number of collateral types, protection instruments, or specific providers of collaterals or sectors or when there is lack of proportion in the volume of collaterals taken.

Such concentration is monitored and controlled by the following processes/mechanisms:

- In case of personal guarantees/credit derivatives, a contingent liability (indirect risk) is charged to the protection provider. In the evaluation of the credit application, a secondary commitment is added to the guarantor and it is reflected in the guarantor's total credit exposure as deemed competent and approved in accordance with the bank's system of authority;
- In case the protection provider, directly or indirectly, is a Central Bank or a Sovereign country, a specific credit limit has to be instructed and, if the guarantor is a foreign subject, a country limit must be obtained, if necessary.

EU CR3 – CRM techniques – Overview (Template 18 - Art. 453 CRR)

		EUR mn				
		a	b	c	d	e
		Exposures unsecured – Carrying amount	Exposures to be secured	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
1	Total exposures	50,373.1	44,472.2	24,479.1	6,728.4	0.0
2	Of which defaulted	242.5	982.2	576.0	392.6	0.0

EU CR4 – Standardised approach – Credit risk exposure and CRM effects (Template 19 - Art. 453 CRR)

EUR mn

		a	b	c	d	e	f
		Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
Description		On-balance-sheet amount	Off-balance-sheet amount	On-balance-sheet amount	Off-balance-sheet amount	RWAs	RWA density
1	Central governments or central banks	21,246.1	1,105.7	25,928.9	377.1	653.8	2.49%
2	Regional government or local authorities	4,594.8	412.8	7,217.7	140.3	13.5	0.18%
3	Public sector entities	1,458.5	427.7	98.7	2.2	20.2	20.01%
4	Multilateral development banks	45.6	-	121.4	42.5	0.0	0.00%
5	International organisations	705.4	-	705.4	-	-	0.00%
6	Institutions	435.9	435.4	784.0	105.7	504.8	56.74%
7	Corporates	4,138.2	2,684.8	3,263.0	211.0	3,443.2	99.12%
8	Retail	938.1	50.7	627.6	8.7	446.6	70.19%
9	Secured by mortgages on immovable property	491.9	7.8	491.9	3.8	237.4	47.89%
10	Exposures in default	140.2	9.2	117.2	4.6	149.8	123.08%
11	Higher-risk categories	57.3	3.9	57.1	3.9	91.5	150.00%
12	Covered bonds	0.1	-	0.1	-	0.0	10.00%
13	Institutions and corporates with a short-term credit assessment	12.9	0.0	12.9	0.0	12.4	96.15%
14	Collective investment undertakings	1.1	-	1.1	-	0.1	10.12%
15	Equity	1,266.0	-	1,266.0	-	2,348.5	185.51%
16	Other items	893.3	-	893.3	-	782.4	87.59%
17	Total	36,425.4	5,138.2	41,586.3	899.8	8,704.5	20.49%

EU CR7 – IRB approach – Effect on the RWAs of credit derivatives used as CRM techniques (Template 22 - Art. 453 CRR)

		EUR mn	
		a	b
Description		Pre-credit derivatives RWAs	Actual RWAs
1	Exposures under FIRB	-	-
2	Central governments and central banks	-	-
3	Institutions	-	-
4	Corporates – SMEs	-	-
5	Corporates – Specialised lending	-	-
6	Corporates – Other	-	-
7	Exposures under AIRB	20,772.5	20,772.5
8	Central governments and central banks	28.6	28.6
9	Institutions	3,343.5	3,343.5
10	Corporates – SMEs	1,727.2	1,727.2
11	Corporates – Specialised lending	323.4	323.4
12	Corporates – Other	9,203.3	9,203.3
13	Retail – Secured by real estate SMEs	182.2	182.2
14	Retail – Secured by real estate non-SMEs	1,968.3	1,968.3
15	Retail – Qualifying revolving	402.6	402.6
16	Retail – Other SMEs	374.8	374.8
17	Retail – Other non-SMEs	2,130.6	2,130.6
18	Equity IRB	214.3	214.3
19	Other non credit obligation assets	873.7	873.7
20	Total	20,772.5	20,772.5

Declaration by the Manager charged with preparing the financial reports

The undersigned Kurt Bachinger, in his capacity as the Manager charged with preparing the financial reports of UniCredit Bank Austria AG

DECLARES

that the information disclosed in this document corresponds to the document results, books and accounts records.

Vienna – April 16, 2018



Kurt Bachinger

Declaration pursuant to the EBA Guidelines 2016/11 on disclosure requirements under Part Eight of Regulation (EU) No 575/2013

The undersigned Gregor Hofstätter-Pobst (Chief Financial Officer) and Kurt Bachinger (as Manager charged with preparing the financial reports) of UniCredit Bank Austria AG

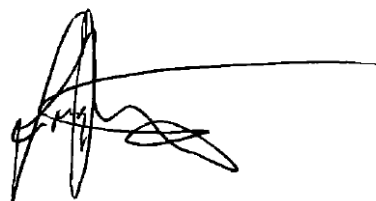
CERTIFY

that, pursuant to the EBA Guidelines 2016/11 on disclosure requirements under Part Eight of Regulation (EU) No 575/2013 ("CRR") 4.2 paragraph – section C, disclosures provided according to the aforementioned Part Eight have been prepared in accordance with the internal control processes agreed upon at the management body level.

Vienna – April 16, 2018



Kurt Bachinger



Gregor Hofstätter-Pobst