

Milan, 6 November 2024

## UNICREDIT: 3Q24 AND 9M24 GROUP RESULTS

### RECORD 3Q AND 9M RESULTS: 15<sup>TH</sup> CONSECUTIVE QUARTER OF PROFITABLE GROWTH AND SEQUENTIAL IMPROVEMENTS TO OUR KPIS

**Demonstrates a new era of sustainable quality growth**

**3Q24 net profit up 8% versus prior year to €2.5 billion; €7.7 billion 9M24 net profit, up 16% compared to 9M23 and a RoTE of 19.7%**

**Net revenue growth of 2.6% year on year in 3Q24 underpinned by €1.9 billion in fees, up 8.5% versus prior year on client activity, and resilient NII at €3.6 billion**

**3Q24 costs further reduced year over year with industry leading to 9M24 cost/income ratio below 37%**

**Continued superior asset quality with cost of risk at 15 basis points in 3Q24, while maintaining c. €1.7 billion overlays**

**Strong CET1 ratio at 16.1% despite impact of strategic investments, underpinned by record organic capital generation at €3.5 billion<sup>1</sup> in 3Q24**

**Distribution accrual of €7.7 billion in 9M24 or 100% net profit, interim 2024 cash dividend of c. €1.4 billion<sup>2</sup>, or 92.61 €/cent dividend per share, in addition to the c. €1.7 billion 2024 interim share buy-back already under execution**

**Upgraded 2024 net profit guidance to above €9 billion, or around €10 billion “clean<sup>3</sup>”, and FY24 distribution<sup>4</sup> confirmed in line with FY23**

**FY25-26 annual ambition of above €9 billion net profit and distribution<sup>5</sup> greater than FY24. Cash dividend payout ratio to be increased to 50% from 40% starting from FY25 results**

**Ushering in a new era of our plan: after the success of our transformation there is still sustainable quality growth ahead**

**UniCredit has funded a new plafond of €5 billion for Italian corporates following investing criteria established by the “Piano di Transizione 5.0”, bringing the entire plafond to €35 billion since 2022**

On 5 November 2024, the Board of Directors of UniCredit S.p.A. (“UniCredit” or “the Group”) approved the 3Q24 and 9M24 Consolidated Results as of 30 September 2024. Another strong set of financial results is further

Please refer to the General Notes and Main Definition sections at the back of this document for information regarding the financial metrics and defined terms mentioned in this press release.

<sup>1</sup> Excluding the impact stemming from strategic investments related to price commitments for the insurance joint venture, Aion/Vodeno and Alpha Bank Romania acquisitions and the investment in Commerzbank.

<sup>2</sup> As approved by the UniCredit Board of Directors on 05 November 2024, having noted the fulfilment of the requirements of article 2433 bis of Italian Civil Code.

<sup>3</sup> Net Profit excluding integration costs and extraordinary other charges, net of taxes.

<sup>4</sup> Ordinary distribution of at least 90% of Net Profit, capped at organic capital generation.

<sup>5</sup> Total average annual distribution for FY25-26, excluding inorganic.

demonstration of the success of UniCredit's transformation, paving the way for sustainable quality growth ahead. For the 15th consecutive quarter, the Group has shown its ability to balance the three financial levers of net revenue, costs and capital and leveraging a unique pan-European model to deliver consistent growth across regions, resulting in a 3Q24 net profit of €2.5 billion, up 8.2 per cent versus prior year, and an equal stated net profit.

The bank's transformation is further evidenced by the continued excellent profitability and shareholder value creation with a 3Q24 RoTE at 19.7%, up by 1.4 p.p. versus prior year and EPS of €1.58, up almost 22 per cent versus prior year.

The 3Q24 financial outcome reflects the Group's strategic focus on enhancing client-centric operations and focusing on costs and capital efficiency, with further potential to be unlocked. These results were driven by €6.0 billion of net revenue in 3Q24, an increase of 2.6 per cent year on year, underpinned by net interest income ("NII") of €3.6 billion, €1.9 billion of fees, and €165 million of loan loss provisions ("LLPs").

NII was largely unchanged versus prior quarter at €3.6 billion, with an effective management of the deposit pass-through, closing the quarter at an average of circa 32 per cent, only marginally up versus prior quarter. The lower Euribor in the period, as well as lower volumes, were mostly compensated by higher calendar days in the quarter and other factors. NII demonstrated once again its resilience, remaining broadly stable year on year.

Loan loss provisions stood at €165 million for a cost of risk ("CoR") of 15 basis points in 3Q24. Our asset quality's soundness is once more evidenced by continued back-to-performing flows and continues to benefit from a geographically diversified and resilient credit portfolio with sound coverage levels and strong lines of defence with, among others, €1.7 billion of overlays on the performing portfolio. The FY24 CoR guidance was confirmed at below 20 basis points.

The very strong performance registered in quarterly fees of 8.5 per cent year on year growth demonstrates the effectiveness of our strategic direction and investments. Such performance once again highlights the benefits of our diversification and high-quality product factories, as well as the increased client appetite for our broader product offering. Fees were up 7.2 per cent nine months on nine months or 8.7 per cent when excluding the impact of the current account fee reduction in Italy and higher securitisation costs.

In 3Q24 operational costs were €2.3 billion, reduced by 0.3 per cent quarter on quarter and by 1.4 per cent year on year, confirming the Group's track-record in operational efficiency while protecting revenue growth through targeted cost reductions and supporting investments to drive future growth.

The Group maintained its best-in-class capital position with a CET1 ratio of 16.1%, thanks to a record quarterly organic capital generation of €3.5 billion<sup>1</sup>, bringing the 9M24 total to €10.1 billion<sup>1</sup>, or 357 basis points. As such, FY24 organic capital generation guidance has been increased to circa 400 basis points<sup>6</sup> from above 350 basis points. The CET1 ratio is already net of €7.7 billion distributions accrued in 9M24 and net of the impact stemming from strategic investments related to price commitments for an insurance joint venture, Aion/Vodeno and Alpha Bank Romania acquisitions and the investment in Commerzbank. This investment provides optionality and is hedged to allow us to protect our capital without penalising our shareholders.

On 5 November 2024 the Board of Directors of UniCredit, in accordance with the current shareholder remuneration policy and having noted the fulfilment of the requirements of article 2433 bis of Italian Civil Code, approved the payment of an interim cash dividends against FY24 results envisaging a distribution of €1.44 billion, with the ex

<sup>6</sup> Excluding strategic investments (e.g. impacts related to the insurance joint ventures, Aion/Vodeno and Alpha Bank Romania acquisitions and the investment in Commerzbank).

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dividend date on 18 November 2024, record date on 19 November 2024 and payment date on 20 November 2024, equal to a “per share” amount of 92.61 €/cent (“DPS”), before tax.

The FY24 interim share buy-back for an amount of up to €1.7 billion was launched on 16 September 2024 and is currently being executed.

On the back of its new sustainable run rate, UniCredit has improved its financial guidance for FY24. The net revenue guidance has been increased to circa €24 billion, from above €23 billion, reflecting improved revenues across the board at 9M24. The guidance for net profit was upgraded to above €9 billion from the prior guidance of in excess of €8.5 billion, notwithstanding the significantly higher investments to protect and propel future performance; net of these, the FY24 net profit guidance is around €10 billion<sup>3</sup>. At the same time, FY24 RoTE guidance has been improved to circa 17% from circa 16.5%.

We confirm our FY24 distribution<sup>4</sup> guidance in line with FY23, and we will increase the dividend payout ratio to 50% of earnings, from 40%, starting on FY25 results.

In line with the Net Zero Banking Alliance timeline, UniCredit has outlined its ambitions for seven of the most carbon-intensive sectors, including an industry-leading phase-out policy for coal, thus continuing to embed ESG in its financing activities.

Within the program “UniCredit per l’Italia”, the Bank has funded a new plafond of €5 billion for Italian corporates following investing criteria established by the “Piano di Transizione 5.0”, bringing the entire Unicredit plafond to €35 billion since 2022. “UniCredit for CEE” initiative, worth €2.6 billion investment over 2024 across Central and Eastern Europe, is progressing well. Of the €30 million 2024 funding to the UniCredit Foundation, €14 million have been allocated to the UCF Edu-Fund Platform with the aim to strengthen the Bank commitment to combating educational poverty.

On 14th November 2024, we will hold our second ESG Day: “A challenged future: choosing the path ahead”. For this year’s event, we want to put our clients at the centre, supporting them on their sustainable transition with actionable insights – tackling a range of topics from a customer-centric perspective. The event will provide a forum to discuss challenging issues and sustainability trade-offs, with a view to defining concrete solutions.

UniCredit has been included in the “Europe’s Climate Leaders 2024” list and, for the 4th consecutive year, in the “Europe’s Diversity Leaders 2025”. The Bank has also won the 2024 Diversity and Inclusion Initiative of the Year EMEA award from Environmental Finance for its “Group Holistic Well-being approach”. The Bank’s efforts have been recognized in further ESG rating improvements.

The key recent events in 3Q24 and since the end of the quarter, include:

- “Concluded the Third Tranche of the Buy-Back Programme 2023. Update on the execution of the share buy-back programme during the period from 12 to 19 August 2024” (press release published on 20 August 2024);
- UniCredit launched the execution of the 2024 share buy-back anticipation programme for an amount of € 1.7 billion on 16 September 2024, after receiving ECB authorization on 13 September 2024.
- “UniCredit: Moody’s upgrades Senior Preferred outlook to stable and affirm rating at Baa1” (press release published on 1 August 2024);
- “UniCredit is pleased to announce that it has acquired an equity stake equal to around 9% in the share capital of Commerzbank AG” (press release published on 11 September 2024);
- “UniCredit enters into additional instruments relating to Commerzbank shares and increases its aggregate position to circa 21%” (press release published on 23 September 2024);
- “UniCredit launches a strategic process to fully internalize life bancassurance in Italy. Exercise of the rights to acquire CNP UniCredit Vita and UniCredit Allianz Vita majority stakes” (press release published on 25 September 2024);

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- “UniCredit: Moody’s affirms ratings, highlighting potential for upgrade of bank’s stand-alone rating above Italian sovereign” (press release published on 2 October 2024);
- Fitch upgrades issuer rating to 'BBB+', one notch above the Italian sovereign, and improves the outlook to positive (press release published on 31 October 2024);
- “UniCredit and Alpha Services and Holdings announce completion of the acquisition of majority stake by UniCredit in Alpha Bank Romania” (press release published on 4 November 2024);
- As of 1 November 2024, since the launch of the 2024 share buy-back anticipation programme, UniCredit purchased 30.1 million shares, equal to 1.84% of the share capital for a total consideration of €1.2 billion (equal to 68.51% of the total amount of the 2024 share buy-back anticipation programme). As of the same date, following the cancellation of the treasury shares on 26 June 2024, UniCredit holds a total of 72.4 million treasury shares equal to 4.42% of the share capital (press release published on 5 November 2024).

## **Andrea Orcel, Chief Executive Officer of UniCredit S.p.A. said:**

*We reported our fifteenth consecutive quarter of profitable growth and record financial results with net profit of €2.5 billion, or €7.7 billion for nine months, and EPS growth of 31% year over year. Fees increased by 8.5% versus prior year on the back of client activity and as we continue to transform our franchise. Together with resilient interest income, well controlled costs and a continued very low cost of risk, our RoTE reached 19.7% without adjusting for our excess capital. All our regions are contributing to our success while they reap the benefits of a larger Group.*

*The CET1 ratio at 16.1% is broadly unchanged versus prior quarter notwithstanding the impact of strategic investments as organic capital generation of €3.5 billion set another quarterly record.*

*It is clear that we have rebuilt our capacity to transform, adapt and excel, underpinned by a clear, consistent and simple strategic vision. As a signal of confidence in our quality sustainable growth we will increase our cash dividend to 50% of net profit from 2025, up from 40%, given the strength of our earnings and organic capital generation. Over the cycle we will continue to demonstrate strong profitability and superior distributions.*

*During the quarter we deployed some of our excess capital and made a strategic investment in Commerzbank which may or may not eventually lead to a full combination. This is in line with our disciplined approach to inorganic options, keeping to strict financial criteria while giving us future optionality. Our day-to-day priority however remains a commitment to accelerating our undisputed sector leadership and achieving our organic ambitions. We take great pride from what we have delivered for our clients, communities and shareholders and our people will not waver from our determination to continue achieving excellence for all our stakeholders.*

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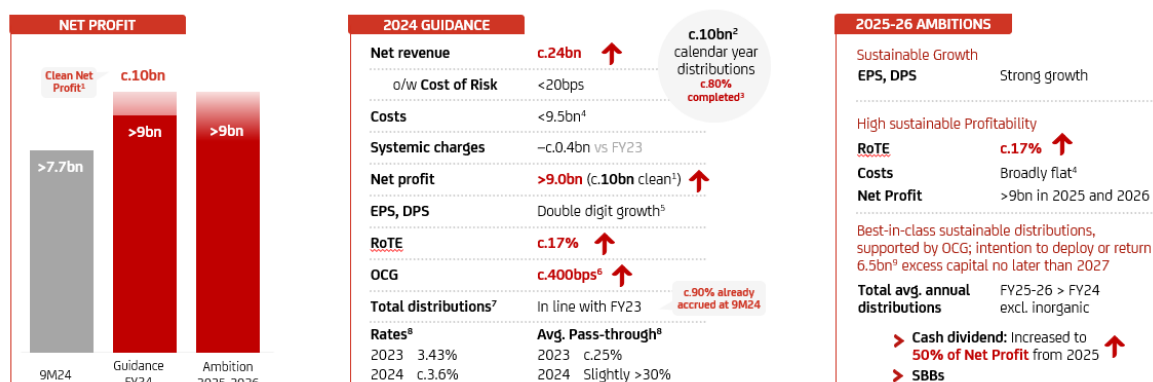
THE **CONFERENCE CALL** WILL ALSO BE **AVAILABLE VIA LIVE AUDIO WEBCAST AT**

<https://www.unicreditgroup.eu/en/investors/group-results.html>, WHERE THE SLIDES WILL BE DOWNLOADABLE

## 3Q24 KEY FIGURES

- **Total revenues:** €6.1 bn, down 2.9% Q/Q and up 2.9% Y/Y
- **Net revenue:** €6.0 bn, down 5.3% Q/Q and up 2.6% Y/Y
- **Net Interest Income (NII):** €3.6 bn, flat Q/Q and down 1.0% Y/Y
- **Fees:** €1.9 bn, down 8.3% Q/Q and up 8.5% Y/Y<sup>7</sup>
- **Trading income:** €441 m, down 6.2% Q/Q and down 7.7% Y/Y
- **Operating costs:** €2.3 bn, down 0.3% Q/Q and down 1.4% Y/Y
- **Integration costs:** €34 m, down 2.5% Q/Q and down 15.0% Y/Y
- **Cost/Income ratio:** 37.3%, up 1.0 p.p. Q/Q and down 1.6 p.p. Y/Y
- **Stated net profit:** €2.5 bn, down 6.2% Q/Q and up 8.2% Y/Y
- **Net profit:** €2.5 bn, down 6.2% Q/Q and up 8.2% Y/Y
- **RoTE:** 19.7%, down 0.1 p.p. Q/Q and up 1.4 p.p. Y/Y
- **RoTE at 13% CET1 ratio:** 23.4%, down 0.2 p.p. Q/Q and down 0.1 p.p. Y/Y
- **EPS:** €1.58, down 2.4% Q/Q and up 21.8% Y/Y
- **CET1 ratio:** 16.1%, down 8 bps Q/Q and up 47 bps<sup>8</sup> Y/Y
- **RWAs:** €277.8 bn, up 0.3% Q/Q and down 4.2% Y/Y
- **LLPs:** €165 m, up >100% Q/Q and up 19.0% Y/Y
- **Cost of Risk (CoR):** 15 bps, up 14 bps Q/Q and up 3 bps Y/Y
- **Average gross commercial performing loans:** €380.2 bn, down 0.8% Q/Q and down 4.4% Y/Y
- **Average commercial deposits:** €454.1 bn, down 0.7% Q/Q and down 1.1% Y/Y
- **Loan/Deposit ratio<sup>9</sup>:** 88.1%, up 0.6 p.p. Q/Q, and down 0.6 p.p. Y/Y
- **Gross NPEs:** €11.8 bn, up 0.8% Q/Q and down 1.6% Y/Y
- **Net NPEs:** €6.2 bn, up 1.2 % Q/Q and up 0.5% Y/Y
- **NPE Coverage ratio:** 47.0%, down 0.2 p.p. Q/Q and down 1.1 p.p. Y/Y

## GROUP KEY FINANCIAL 3Q24 GUIDANCE UPDATE



Distribution subject to supervisory and shareholder approvals. The targets, outlook and trends on which the assumptions underlying the distribution ambitions are based on are forward looking assumptions, based on management current expectations and subject to potential change.

1. Net Profit excluding integration costs and other extraordinary charges, net of taxes 2. o/w €3bn of FY23 cash dividend paid in Apr. 2024, €4.2bn of FY23 share buy-back executed during 2024, and €3.1bn FY24 interim distribution (o/w €1.7bn SBB currently in progress, €1.4bn cash dividend, to be paid in Nov. 2024) 3. As of 02.11.2024 4. Assuming like-for-like perimeter 5. Guidance FY24 net profit on expected average shares; based on current outstanding shares net of the shares to be repurchased via currently on-going SBB ("2024 SBB Anticipation") assuming at an average price as of 25.10.2024 close; Cash dividend assuming 40% net profit payout on expected eligible shares 6. Excluding strategic investments (e.g. impacts related to the insurance joint ventures, Aion/Vodeno and Alpha Bank Romania acquisitions and the investment in Commerzbank) 7. Ordinary distribution of at least 90% of net Profit, capped at organic capital generation 8. Average 3M Euribor 9. Excess to the 12.5-13% management target range, calculated as of 3Q24, pro-forma for Basel 4 impact

<sup>7</sup> Fees net of the impact of securitization costs are up 8.9% Y/Y.

<sup>8</sup> Considering 3Q23 pro-forma for full 2023 distribution payout.

<sup>9</sup> Net of Repos and Intercompany EOP.

## UNICREDIT GROUP CONSOLIDATED RESULTS

(€ million)	9M23	9M24	9M/9M	3Q23	2Q24	3Q24	Q/Q	Y/Y
Total revenues	17,864	18,842	+5.5%	5,967	6,328	6,142	-2.9%	+2.9%
o/w Net interest	10,395	10,707	+3.0%	3,600	3,565	3,564	-0.0%	-1.0%
o/w Fees	5,751	6,163	+7.2%	1,790	2,120	1,943	-8.3%	+8.5%
o/w Trading	1,404	1,469	+4.7%	478	470	441	-6.2%	-7.7%
Operating cost	-6,982	-6,896	-1.2%	-2,324	-2,298	-2,292	-0.3%	-1.4%
Gross operating profit	10,882	11,946	+9.8%	3,643	4,031	3,851	-4.5%	+5.7%
Loan Loss Provisions	-249	-283	+14.0%	-139	-15	-165	<i>n.m.</i>	+19.0%
Net operating profit	10,633	11,663	+9.7%	3,505	4,016	3,686	-8.2%	+5.2%
Stated net profit/loss	6,696	7,750	+15.7%	2,322	2,679	2,513	-6.2%	+8.2%
Net profit	6,696	7,750	+15.7%	2,322	2,679	2,513	-6.2%	+8.2%
CET1 ratio	17.2%	16.1%	-1.1 p.p.	17.2%	16.2%	16.1%	-0.1 p.p.	-1.1 p.p.
RoTE	17.4%	19.7%	+2.3 p.p.	18.3%	19.8%	19.7%	-0.1 p.p.	+1.4 p.p.
Customers loans (excl. repos and IC)	416,172	403,289	-3.1%	416,172	406,588	403,289	-0.8%	-3.1%
Gross NPE	11,976	11,779	-1.6%	11,976	11,681	11,779	+0.8%	-1.6%
Customer deposits (excl. repos and IC)	469,157	457,690	-2.4%	469,157	464,391	457,690	-1.4%	-2.4%
Cost/income ratio	39.1%	36.6%	-2.5 p.p.	38.9%	36.3%	37.3%	+1.0 p.p.	-1.6 p.p.
Cost of risk (bps)	7	9	+1	12	1	15	+13.9	+2.8

**Total revenues** stood at €6.1 bn in 3Q24, down 2.9% Q/Q, driven by some seasonality on fees at €1.9 bn (-8.3% Q/Q), mitigated by higher dividends and a resilient NII at €3.6 bn (flat Q/Q). Total revenues were up 2.9% Y/Y, driven by fees (+8.5% Y/Y) partially offset by NII (-1.0% Y/Y) and trading (-7.7% Y/Y).

**Net revenue** reached €6.0 bn in 3Q24, down 5.3% Q/Q and up 2.6% Y/Y.

In 3Q24, **NII** stood at €3.6 bn, flat Q/Q, notwithstanding a lower average Euribor and lower loan volumes, compensated by higher calendar days in the quarter and with a continued effective management of the pass-through at c. 32% average in the quarter. NII was down 1.0% Y/Y driven by lower market rates (3M Euribor average) and lower loan volumes almost entirely offset by higher customer loan rates and the contribution from non-commercial items including the structural hedge on core deposits. The Group's prioritisation of quality and profitable clients and segments continues to result in a superior and capital generative net NII<sup>10</sup>.

**Fees** stood at €1.9 bn in 3Q24, down 8.3% Q/Q due to, among others, seasonality in investment fees and in financing and advisory fees, especially in Germany, as well as to lower current account and payment fees. Fees were up 8.5% Y/Y mainly thanks to higher investment fees, especially in Italy, as well as to strong advisory & financing fees in Italy and Germany, reflecting the past years' investments and a more supportive macroeconomic environment. Excluding the impact of larger securitisation costs fees are up almost 9% Y/Y. In particular, in 3Q24:

- **Investment fees** were €0.6 bn, up of 15.1% Y/Y growing especially in Italy thanks to high level of gross sales in the quarter, as well as improving AuM management fees, thanks to higher average volumes.
- **Insurance fees** stood at €0.2 bn, up 1.1% Y/Y, driven by a strong growth in both CPI related products and property and casualty insurance.
- **Current accounts & payments fees** generated € 0.6bn, down 1.2% Y/Y, mainly driven by Italy.

<sup>10</sup> Stated NII net of LLPs.

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- **Financing & advisory fees** were €0.4 bn, up 12.2% with better loans related fees in Italy and advisory & capital markets fees in Germany.
- **Client hedging fees** were €0.2 bn, up 33.9% Y/Y, mainly driven by higher client activity on FX Cash products.

**Trading income** stood at €441 m in 3Q24, down 6.2% Q/Q mostly driven by negative valuation adjustments (down €48 m Q/Q). Trading income was down 7.7% Y/Y, or down 0.3% excluding the impact from the Commerzbank investment.

**Dividends**<sup>11</sup> were at €151 m in 3Q24, up 27.7% Q/Q and up 33.7% Y/Y.

**Operating costs** stood at €2.3 bn in 3Q24 down 0.3% Q/Q, and down 1.4% Y/Y, thanks to the proactive measures taken to mitigate the salary and inflationary pressure. In particular:

- **HR costs** were €1.4 bn in 3Q24, up 0.2% Q/Q, and down 0.6% Y/Y thanks to net FTE reductions more than compensating the salary increases.
- **Total non-HR costs**<sup>12</sup> were €0.9 bn in 3Q24, down 1.1% Q/Q and down 2.6% Y/Y thanks to lower real estate and depreciation related costs.

The **Cost/Income ratio** stood at of 37.3% in 3Q24, up 1.0 p.p. Q/Q, and down 1.6 p.p. Y/Y.

**Cost of Risk**, stood at 15 bps in 3Q24, up 14 bps Q/Q and up 3 bps Y/Y, as 2Q24 benefitted from larger writebacks in Eastern Europe and Russia. The Group kept the amount of overlays on performing exposures broadly stable Q/Q at circa €1.7 bn.

The 3Q24 **Group stated tax rate** of 28.5%.

**Net profit** was €2.5 bn in 3Q24, down 6.2% Q/Q and up 8.2% Y/Y. **Stated net profit** equalled net profit in 3Q24.

## BALANCE SHEET

**Average gross commercial performing loans** were €380.2 bn<sup>13</sup> as of 30 September 2024 (-0.8% Q/Q, -4.4% Y/Y). The main contributors were Italy (€143.8 bn), Germany (€107.9 bn) and Central Europe (€89.5 bn).

**Gross customer performing loan rates** were 4.5%<sup>13</sup> in 3Q24, down 10 bps Q/Q and up 18 bps Y/Y.

**Average commercial deposits** stood at €454.1 bn<sup>13</sup> as of 30 September 2024 (-0.7% Q/Q, -1.1% Y/Y). The main contributors were Italy (€179.7 bn), Germany (€126.6 bn) and Central Europe (€93.6 bn).

**Customer deposit rates** stood at -1.22%<sup>13</sup> in 3Q24, +11 bps Q/Q and -18 bps Y/Y.

**Loan/Deposit ratio** net of Repos and Intercompany at 3Q24 end of period was 88.1%, up 0.6 p.p. Q/Q, and down 0.6 p.p. Y/Y.

**Total Financial Assets (TFAs)** were €807.9 bn in 3Q24, up 1.0% Q/Q and up 6.7% Y/Y.

- **AuM + AuA:** €162.7 bn, up 4.7% Q/Q and up 17.1% Y/Y;
- **Insurance:** €58.1 bn, flat Q/Q and up 3.4% Y/Y;
- **AuC:** €204.4 bn, up 3.0% Q/Q and up 20.1% Y/Y;
- **Deposits:** €382.7 bn, down 1.3% Q/Q and down 2.2% Y/Y.

<sup>11</sup> Include other dividends and equity investments.

<sup>12</sup> Includes Non-HR costs, recovery of expenses and amortisations and depreciations.

<sup>13</sup> Includes Group Corporate Centre.

## ASSET QUALITY<sup>14</sup>

**Gross NPEs** were €11.8 bn in 3Q24 (+0.8% Q/Q and -1.6% Y/Y) leading to a **gross NPE ratio** of 2.7% (flat Q/Q and Y/Y), while **net NPEs** were €6.2 bn in 3Q24 (+1.2% Q/Q and +0.5% Y/Y), with a **net NPE ratio** of 1.4% (flat Q/Q and Y/Y). The **NPE coverage ratio** was 47.0% in 3Q24 (-0.2 p.p. Q/Q and -1.1 p.p. Y/Y).

**Gross bad loans** amounted to €3.2 bn in 3Q24 (-5.5% Q/Q, +9.8% Y/Y) with a coverage ratio of 68.5% (+3.2 p.p. Q/Q, -4.8 p.p. Y/Y). **Gross unlikely to pay** stood at €7.8 bn in 3Q24 (+3.8% Q/Q, -5.6% Y/Y), with a coverage ratio of 39.4% (-1.0 p.p. Q/Q, -1.7 p.p. Y/Y).

## CAPITAL & FUNDING

The Group's 3Q24 **CET1 ratio** stood at 16.1%, down 8 bps Q/Q, mainly driven by +126 bps organic capital generation, -93 bps from distribution (-54 bps from 3Q24 SBB accrual of €1.5 bn, -36 bps from 3Q24 dividend accrual of €1.0 bn and -2 bps CASHES coupons of €0.1bn), -26bps from strategic investments<sup>15</sup>, -5 bps from RWA Probability of Default ("PD") scenario, +2 bps from regulatory impacts, -12 bps from other items<sup>16</sup>.

**Group Tangible Equity** was €56.6 bn, up 1.3% Q/Q and up 1.7% Y/Y, while **Group tangible book value per share** was €35.8, up 4.4% Q/Q and up 13.8% Y/Y.

The **RoTE at 13% CET1 ratio** was 23.4% in 3Q24, down 0.2 p.p. Q/Q and down 0.1 p.p. Y/Y.

The **transitional leverage ratio** stood at 5.6% in 3Q24, up 6 bps Q/Q and down 50 bps Y/Y.

**RWA** was €277.8 bn in 3Q24, up 0.3% Q/Q, driven by RWA savings resulting from active portfolio management (-€2.0 bn o/w -€0.7 bn stemming from sEVA negative business review), securitization (-€2.2 bn), and FX effects stemming from the ruble depreciation (-€1.4 bn), more than compensated by business dynamics (+€5.4 bn mainly driven by strategic investments), regulatory impacts (+€0.3 bn) and PD scenario update (+€0.9 bn). RWA was down 4.2% Y/Y in 3Q24.

**Regulatory liquidity ratios** are sound: **LCR** around 140% as of 3Q24, meaningfully above the regulatory limit of 100% and within the 125-150% managerial target range. The **NSFR** above 125% as of 3Q24, well above the regulatory limit of 100%.

The 2024 Funding Plan execution is well advanced, with unsecured institutional funding completed and lower secured funding execution expected for 2024. The 3Q24 **MREL ratio on RWA** stood at 32.4%, down 14 bps Q/Q, implying a buffer of 507 bps above regulatory requirement of 27.3%. The **3Q24 MREL ratio on Leverage exposure** stood at 10.0%, down 10 bps Q/Q with a buffer of 392 bps above regulatory requirement of 6.1%.

<sup>14</sup> NPEs excludes exposures classified as held for sale.

<sup>15</sup> Impact stemming from strategic investments related to price commitments for the insurance joint venture, Aion/Vodeno and Alpha Bank Romania acquisitions and the investment in Commerzbank.

<sup>16</sup> Including -9bps capital reserve (+9 bps FVOCI and -15 bps FX reserve, -3bps DBO and -0 bp RE reserve), +6 bps TLCF net of tax liabilities, -6 bps threshold deduction and -2 bps impact on other reserves for disposal of participations.



## DIVISIONAL HIGHLIGHTS<sup>17</sup>

### ITALY

(€ million)	9M23	9M24	9M/9M	3Q23	2Q24	3Q24	Q/Q	Y/Y
Total revenues	8,189	8,604	+5.1%	2,683	2,903	2,788	-4.0%	+3.9%
o/w Net interest	4,710	4,965	+5.4%	1,639	1,655	1,649	-0.4%	+0.6%
o/w Fees	3,100	3,329	+7.4%	954	1,147	1,036	-9.6%	+8.6%
Operating cost	-2,921	-2,924	+0.1%	-965	-984	-955	-2.9%	-1.0%
Gross operating profit	5,268	5,680	+7.8%	1,718	1,919	1,832	-4.5%	+6.7%
Loan Loss Provisions	-314	-364	+16.0%	-89	-102	-118	+15.5%	+31.8%
Net operating profit	4,954	5,316	+7.3%	1,629	1,817	1,715	-5.6%	+5.3%
Stated net profit/loss	2,924	3,452	+18.0%	945	1,201	1,161	-3.3%	+22.9%
Net profit/Loss	2,924	3,452	+18.0%	945	1,201	1,161	-3.3%	+22.9%
RoAC	24.9%	32.6%	+7.7 p.p.	24.7%	33.4%	33.8%	+0.4 p.p.	+9.0 p.p.
Cost/income ratio	35.7%	34.0%	-1.7 p.p.	36.0%	33.9%	34.3%	+0.4 p.p.	-1.7 p.p.
Cost of risk (bps)	23	28	+6	20	23	28	+4	+8

### GERMANY

(€ million)	9M23	9M24	9M/9M	3Q23	2Q24	3Q24	Q/Q	Y/Y
Total revenues	4,210	4,227	+0.4%	1,318	1,399	1,361	-2.8%	+3.2%
o/w Net interest	2,023	1,928	-4.7%	637	619	682	+10.2%	+7.1%
o/w Fees	1,202	1,222	+1.6%	350	411	375	-8.8%	+7.0%
Operating cost	-1,797	-1,667	-7.2%	-595	-558	-544	-2.5%	-8.6%
Gross operating profit	2,414	2,560	+6.0%	723	841	817	-2.9%	+13.0%
Loan Loss Provisions	-140	-187	+33.8%	-82	-68	-52	-23.5%	-36.0%
Net operating profit	2,274	2,373	+4.3%	641	773	765	-1.1%	+19.2%
Stated net profit/loss	1,430	1,578	+10.3%	415	503	515	+2.4%	+24.1%
Net profit/Loss	1,430	1,578	+10.3%	415	503	515	+2.4%	+24.1%
RoAC	17.9%	21.7%	+3.8 p.p.	16.2%	19.7%	22.1%	+2.4 p.p.	+5.8 p.p.
Cost/income ratio	42.7%	39.4%	-3.2 p.p.	45.2%	39.9%	40.0%	+0.1 p.p.	-5.2 p.p.
Cost of risk (bps)	14	19	+5	25	21	16	-5	-9

<sup>17</sup> Please consider that (i) all divisional figures in "Divisional Highlights" represent the contribution of each division to Group data; (ii) Return on Allocated Capital (RoAC) related to each division and shown in this section is calculated as: annualised net profit / allocated capital. Allocated capital calculated as 13% of RWA plus deductions.

## CENTRAL EUROPE

(€ million)	9M23	9M24	9M/9M at constant FX	3Q23	2Q24	3Q24	Q/Q at constant FX	Y/Y
Total revenues	3,197	3,267	+3.6%	1,136	1,110	1,086	-1.9%	-3.2%
o/w Net interest	2,074	2,056	+0.7%	752	680	678	+0.1%	-8.5%
o/w Fees	858	931	+9.9%	278	329	293	-11.0%	+6.7%
Operating cost	-1,195	-1,193	+1.1%	-402	-403	-397	-1.2%	-0.1%
Gross operating profit	2,002	2,073	+5.0%	733	707	689	-2.3%	-4.8%
Loan Loss Provisions	45	25	-40.8%	-16	-22	0	<i>n.m.</i>	<i>n.m.</i>
Net operating profit	2,046	2,098	+4.1%	717	686	689	+0.9%	-2.6%
Stated net profit/loss	1,495	1,540	+4.5%	596	569	490	-13.3%	-16.4%
Net profit/Loss	1,495	1,540	+4.5%	596	569	490	-13.3%	-16.4%
RoAC	23.3%	24.0%	+0.8 p.p.	28.5%	26.2%	23.5%	-2.6 p.p.	-4.9 p.p.
Cost/income ratio	37.4%	36.5%	-0.9 p.p.	35.4%	36.3%	36.6%	+0.3 p.p.	+1.1 p.p.
Cost of risk (bps)	-6	-4	+2	7	9	0	-9	-7

**Note:**

Stated numbers at current FX. Variations Q/Q and Y/Y are at constant FX.

## EASTERN EUROPE

(€ million)	9M23	9M24	9M/9M at constant FX	3Q23	2Q24	3Q24	Q/Q at constant FX	Y/Y
Total revenues	1,909	2,117	+11.1%	692	706	709	+0.4%	+2.7%
o/w Net interest	1,340	1,491	+11.4%	493	497	502	+1.0%	+1.8%
o/w Fees	494	545	+10.5%	172	186	181	-2.5%	+5.1%
Operating cost	-621	-641	+3.5%	-208	-213	-215	+1.0%	+3.7%
Gross operating profit	1,288	1,475	+14.7%	484	493	494	+0.1%	+2.2%
Loan Loss Provisions	37	90	<i>n.m.</i>	6	78	-11	<i>n.m.</i>	<i>n.m.</i>
Net operating profit	1,325	1,565	+18.3%	490	571	483	-15.5%	-1.4%
Stated net profit/loss	1,051	1,229	+17.1%	396	448	389	-13.3%	-1.7%
Net profit/Loss	1,051	1,229	+17.1%	396	448	389	-13.3%	-1.7%
RoAC	36.9%	39.3%	+2.4 p.p.	41.7%	42.7%	36.5%	-6.2 p.p.	-5.2 p.p.
Cost/income ratio	32.5%	30.3%	-2.2 p.p.	30.1%	30.2%	30.4%	+0.2 p.p.	+0.3 p.p.
Cost of risk (bps)	-15	-34	-19	-8	-89	12	+102	+20

**Note:**

Stated numbers at current FX. Variations Q/Q and Y/Y are at constant FX.

### GROUP CORPORATE CENTRE (GCC)

(€ million)	9M23	9M24	9M/9M	3Q23	2Q24	3Q24	Q/Q	Y/Y
Total revenues	-427	-336	-21.3%	-111	-88	-185	n.m.	+67.6%
Operating cost	-278	-300	+7.9%	-104	-83	-123	+49.2%	+18.4%
Gross operating profit	-705	-636	-9.8%	-215	-171	-308	+80.7%	+43.8%
Loan Loss Provisions	3	0	-93.0%	1	0	0	-59.3%	-96.3%
Stated net profit/loss	-631	-648	+2.6%	-185	-159	-312	+96.6%	+68.5%
Net profit/Loss	-631	-648	+2.6%	-185	-159	-312	+96.6%	+68.5%
FTE	7,228	6,952	-3.8%	7,228	6,928	6,952	+0.4%	-3.8%
Costs GCC/total costs	4.0%	4.4%	0.4 p.p.	4.5%	3.6%	5.4%	+2 p.p.	+1 p.p.

### RUSSIA

(€ million)	9M23	9M24	9M/9M at constant FX	3Q23	2Q24	3Q24	Q/Q at constant FX	Y/Y at constant FX
Total revenues	786	964	+34.1%	250	298	383	+29.6%	+46.2%
o/w Net interest	597	611	+12.0%	190	201	210	+5.4%	+5.8%
o/w Fees	148	176	+29.1%	46	58	74	+29.6%	+51.4%
Operating cost	-170	-169	+8.4%	-50	-57	-56	+0.5%	+5.9%
Gross operating profit	616	795	+41.2%	200	241	327	+36.5%	+56.5%
Loan Loss Provisions	121	153	+42.4%	42	99	17	-84.1%	-60.9%
Net operating profit	737	948	+41.4%	242	340	344	+1.6%	+37.7%
Stated net profit/loss	427	599	+52.4%	156	116	270	n.m.	+67.9%
Net profit/Loss	427	599	+52.4%	156	116	270	n.m.	+67.9%
RoAC	+15.9%	16.9%	+5.6 p.p.	20.8%	-3.8%	26.9%	+34.1 p.p.	+11.1 p.p.
Cost/income ratio	21.6%	17.5%	-4.2 p.p.	19.8%	19.0%	14.7%	-4.3 p.p.	-5.6 p.p.
Cost of risk (bps)	-308	-776	-476	-375	n.m.	-305	n.m.	+74

**Note:**

Stated numbers at current FX. Variations Q/Q and Y/Y are at constant FX.

## SIGNIFICANT EVENTS DURING AND AFTER 3Q24

With reference to the main events that occurred during 3Q24 and after, refer to section “Subsequent events” in the Consolidated interim report on operations, which is an integral part of the Consolidated first half financial report as at 30 June 24 as well as the press releases published on the UniCredit Group website. Here below therefore, the main financial press releases published after 23 July 2024 (date of approval of the Consolidated First Half Financial Report as at 30 June 2024):

- “UniCredit announces investment in Vodeno and Aion Bank acquiring:” (press release published on 24 July 2024);
- “Notice of early redemption: UniCredit S.p.A. € 1,250,000,000 Fixed Rate Resetable Tier 2 Subordinated Callable Notes due 23 September 2029 (the “Notes”) ISIN XS2055089457 (press release published on 30 August 2024);
- “UniCredit issued EUR 1 billion Additional Tier 1 PerpNC 6/2032 Notes” (press release published on 9 September 2024).
- “Notice of early redemption UniCredit S.p.A. €100,000,000 6.30 per cent Fixed Rate Senior Notes due 14 November 2036 ISIN IT0005571051” (press release published on 25 October 2024);
- “Notice of the early closure of the offer period relating to €77,000,000 Fixed Floating Rate Senior Notes due 14 October 2037 (ISIN IT0005617375) issued by UniCredit S.p.A.” (press release published on 31 October 2024);

## ECONOMIC OUTLOOK

We expect global GDP growth to amount to 3.2% this year and next. This would be below its long-run average. Recent macro data indicate that economic activity is losing momentum at a global level, with further weakness in manufacturing and signs of a slowdown in service activity. Still, we think that the global economy is headed for a soft landing as the removal of monetary-policy restraints in Western economies, the absence of major imbalances and policy stimulus in China will provide support. The US economy has shown strong performance so far this year. However, private consumption is likely to slow in the coming quarters, and so GDP growth, as the labor market softens, and business surveys point to a loss of momentum. With regard to China, we have revised our 2025 GDP-growth forecast upward, to 4.5% from 4.3%, as central government now seems committed to using both fiscal- and monetary-policy levers to ameliorate a weakening economic outlook and rising deflationary risks.

The eurozone faces a weak growth outlook, with the economy likely to expand by about 1% in 2025. Private consumption is yet to show signs of recovery despite growth in real wages, while investment spending continues to struggle amid weak demand, reduced profitability and still-tight financing conditions. Italy's GDP was flat in the third quarter, but we expect the pace of growth to strengthen in the coming quarters, supporting annual GDP growth of about 1% in 2025. Economic recovery is likely to benefit from expansion in private consumption amid a further increase in real disposable income and from acceleration in exports.

Our inflation outlook for the eurozone projects a timely convergence of inflation with the ECB's target. We expect service-price inflation, which has been stuck around 4% for almost a year, to drive the final leg of disinflation, bringing inflation to 2% over the course of 2025. Accordingly, the ECB lowered the deposit rate to 3.25% and is likely to abandon its restrictive stance relatively soon. We expect rate cuts to be announced at consecutive meetings until March, with the deposit rate being brought to a terminal level of 2% in September 2025.

## GROUP TABLES

## UNICREDIT GROUP: RECLASSIFIED INCOME STATEMENT

(€ million)	9M23	9M24	9M/9M	3Q23	2Q24	3Q24	Q/Q	Y/Y
Net interest	10,395	10,707	+3.0%	3,600	3,565	3,564	-0.0%	-1.0%
Dividends	365	377	+3.2%	113	118	151	+27.7%	+33.7%
Fees	5,751	6,163	+7.2%	1,790	2,120	1,943	-8.3%	+8.5%
Trading income	1,404	1,469	+4.7%	478	470	441	-6.2%	-7.7%
Other expenses/income	(50)	126	n.m.	(14)	56	43	-21.8%	n.m.
<b>Revenue</b>	<b>17,864</b>	<b>18,842</b>	<b>+5.5%</b>	<b>5,967</b>	<b>6,328</b>	<b>6,142</b>	<b>-2.9%</b>	<b>+2.9%</b>
HR costs	(4,285)	(4,280)	-0.1%	(1,437)	(1,424)	(1,427)	+0.2%	-0.6%
Non HR costs	(1,908)	(1,903)	-0.3%	(637)	(649)	(622)	-4.1%	-2.3%
Recovery of expenses	52	77	+49.6%	20	36	19	-47.3%	-4.4%
Amortisations and depreciations	(840)	(790)	-6.0%	(270)	(260)	(261)	+0.2%	-3.5%
<b>Operating cost</b>	<b>(6,982)</b>	<b>(6,896)</b>	<b>-1.2%</b>	<b>(2,324)</b>	<b>(2,298)</b>	<b>(2,292)</b>	<b>-0.3%</b>	<b>-1.4%</b>
<b>GROSS OPERATING PROFIT (LOSS)</b>	<b>10,882</b>	<b>11,946</b>	<b>+9.8%</b>	<b>3,643</b>	<b>4,031</b>	<b>3,851</b>	<b>-4.5%</b>	<b>+5.7%</b>
Loan Loss Provisions (LLPs)	(249)	(283)	+14.0%	(139)	(15)	(165)	n.m.	+19.0%
<b>NET OPERATING PROFIT (LOSS)</b>	<b>10,633</b>	<b>11,663</b>	<b>+9.7%</b>	<b>3,505</b>	<b>4,016</b>	<b>3,686</b>	<b>-8.2%</b>	<b>+5.2%</b>
Other charges and provisions	(1,122)	(683)	-39.1%	(285)	(228)	(109)	-52.1%	-61.6%
<i>of which: systemic charges</i>	(920)	(475)	-48.4%	(232)	(45)	(70)	+57.2%	-69.7%
Integration costs	(272)	(88)	-67.6%	(41)	(35)	(34)	-2.5%	-15.0%
Net income from investments	(137)	(42)	-69.5%	(11)	(24)	(19)	-22.4%	+64.0%
<b>PROFIT (LOSS) BEFORE TAX</b>	<b>9,102</b>	<b>10,850</b>	<b>+19.2%</b>	<b>3,168</b>	<b>3,728</b>	<b>3,523</b>	<b>-5.5%</b>	<b>+11.2%</b>
Income taxes	(2,382)	(3,079)	+29.3%	(837)	(1,043)	(1,003)	-3.8%	+19.8%
Profit (Loss) of discontinued operations	-	-	n.a.	-	-	-	n.a.	n.a.
<b>NET PROFIT (LOSS) FOR THE PERIOD</b>	<b>6,721</b>	<b>7,771</b>	<b>+15.6%</b>	<b>2,331</b>	<b>2,685</b>	<b>2,520</b>	<b>-6.2%</b>	<b>+8.1%</b>
Minorities	(21)	(22)	+5.2%	(9)	(7)	(7)	+2.1%	-21.9%
<b>NET PROFIT (LOSS) ATTRIBUTABLE TO THE GROUP BEFORE PPA</b>	<b>6,700</b>	<b>7,750</b>	<b>+15.7%</b>	<b>2,322</b>	<b>2,679</b>	<b>2,513</b>	<b>-6.2%</b>	<b>+8.2%</b>
Purchase Price Allocation (PPA)	(4)	-	-100.0%	(0)	-	-	n.a.	n.m.
Goodwill impairment	-	-	n.a.	-	-	-	n.a.	n.a.
<b>GROUP STATED NET PROFIT (LOSS)</b>	<b>6,696</b>	<b>7,750</b>	<b>+15.7%</b>	<b>2,322</b>	<b>2,679</b>	<b>2,513</b>	<b>-6.2%</b>	<b>+8.2%</b>

**Note:** Figures of Reclassified consolidated income statement relating to 2023 have been restated, starting from March 2024, with the effects of the:

- extension of shift from Trading Income to Fees of the client hedging mark-up for some additional derivatives non-linear product: Equity derivatives, FX derivatives and prepaid forward carbon trades;
- shift from Non HR Costs to Loan Loss Provisions of Credit recovery expenses for the variable portion of the outsourced NPE recovery costs not recovered from the clients and charged to the bank based on the recovered volumes;
- shift from Other charges and provision to Other expenses/income of amounts related to asset management distribution agreements.

Figures of Reclassified consolidated income statement have been restated starting from June 2024, with reference to 2023 and first quarter 2024, for the reclassification of "Tax Recovery" from Recovery of expenses to Non HR Costs.

## UNICREDIT GROUP: RECLASSIFIED BALANCE SHEET

(€ million)	3Q23	2Q24	3Q24	Q/Q	Y/Y
<b>ASSETS</b>					
Cash and cash balances	87,357	50,029	38,425	-23.2%	-56.0%
Financial assets held for trading	62,938	55,674	58,286	+4.7%	-7.4%
Loans to banks	54,309	54,447	61,221	+12.4%	+12.7%
Loans to customers	436,512	433,997	430,941	-0.7%	-1.3%
Other financial assets	152,793	171,620	180,569	+5.2%	+18.2%
Hedging instruments	(3,711)	(2,387)	(946)	-60.4%	-74.5%
Property, plant and equipment	8,849	8,958	8,818	-1.6%	-0.4%
Goodwill	(0)	-	-	<i>n.m.</i>	<i>n.m.</i>
Other intangible assets	2,230	2,194	2,157	-1.7%	-3.3%
Tax assets	11,337	10,470	9,929	-5.2%	-12.4%
Non-current assets and disposal groups classified as held for sale	1,198	610	471	-22.7%	-60.7%
Other assets	11,832	13,313	13,638	+2.4%	+15.3%
<b>Total assets</b>	<b>825,644</b>	<b>798,925</b>	<b>803,509</b>	<b>+0.6%</b>	<b>-2.7%</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Deposits from banks	96,928	82,916	86,971	+4.9%	-10.3%
Deposits from customers	510,626	499,492	493,506	-1.2%	-3.4%
Debt securities issued	92,551	91,656	90,116	-1.7%	-2.6%
Financial liabilities held for trading	44,162	36,858	36,185	-1.8%	-18.1%
Other financial liabilities	13,005	15,039	15,480	+2.9%	+19.0%
Hedging instruments	(17,316)	(13,114)	(8,711)	-33.6%	-49.7%
Tax liabilities	1,698	1,778	2,050	+15.3%	+20.7%
Liabilities included in disposal groups classified as held for sale	500	0	0	<i>n.m.</i>	-99.9%
Other liabilities	20,608	22,128	24,055	+8.7%	+16.7%
Minorities	157	158	166	+5.0%	+6.0%
Group Shareholders' Equity:	62,726	62,013	63,691	+2.7%	+1.5%
- <i>Capital and reserves</i>	56,030	56,777	55,941	-1.5%	-0.2%
- <i>Group stated net profit (loss)</i>	6,696	5,236	7,750	+48.0%	+15.7%
<b>Total liabilities and Shareholders' Equity</b>	<b>825,644</b>	<b>798,925</b>	<b>803,509</b>	<b>+0.6%</b>	<b>-2.7%</b>

## UNICREDIT GROUP: SOVEREIGN DEBT SECURITIES – BREAKDOWN BY COUNTRY/PORTFOLIO

With reference to the Group's sovereign exposures<sup>18</sup>, the book value of sovereign debt securities as at 30 September 2024 amounted to €117,779 million (of which 113,441 million classified in the banking book<sup>19</sup>), about the 77% of it concentrated in eight countries; Italy, with €42,096 million, represents about 36% of the total. For each of the eight countries, the following table shows the book value, the nominal value and the fair value of the exposures broken down by portfolio as at 30 September 2024.

(€ million)	Book value	Nominal value	Fair Value
<b>As of September 30 2024</b>			
- Italy	42,096	41,814	42,205
financial assets/liabilities held for trading (net exposures <sup>*)</sup>	2,405	2,369	2,405

<sup>18</sup> Information on Sovereign exposures refers to the scope of the UniCredit Group consolidated results as of 30 September 2024, determined under IAS/IFRS.

Sovereign exposures are bonds issued by and loans given to central and local governments and governmental bodies.

To the purpose of this risk exposure are not included:

- Sovereign exposures and Group's Legal entities classified as held for sale as at 30 September 2024
- ABSs.

<sup>19</sup> The banking book includes financial assets designated at fair value, those mandatorily at fair value, those at fair value through other comprehensive income and those at amortised cost.

financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	55	52	55
financial assets at fair value through other comprehensive income	21,076	20,430	21,076
financial assets at amortised cost	18,560	18,963	18,669
<b>- Spain</b>	<b>15,716</b>	<b>15,976</b>	<b>15,753</b>
financial assets/liabilities held for trading (net exposures*)	49	101	49
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	-	-	-
financial assets at fair value through other comprehensive income	5,166	5,143	5,166
financial assets at amortised cost	10,501	10,732	10,538
<b>- Germany</b>	<b>7,522</b>	<b>7,482</b>	<b>7,494</b>
financial assets/liabilities held for trading (net exposures*)	244	295	244
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	216	219	216
financial assets at fair value through other comprehensive income	2,820	2,772	2,820
financial assets at amortised cost	4,242	4,196	4,214
<b>- Japan</b>	<b>6,360</b>	<b>6,421</b>	<b>6,364</b>
financial assets/liabilities held for trading (net exposures*)	-	-	-
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	-	-	-
financial assets at fair value through other comprehensive income	5,694	5,795	5,694
financial assets at amortised cost	666	626	670
<b>- U.S.A.</b>	<b>6,122</b>	<b>7,054</b>	<b>6,140</b>
financial assets/liabilities held for trading (net exposures*)	728	941	728
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	-	-	-
financial assets at fair value through other comprehensive income	3,125	3,081	3,125
financial assets at amortised cost	2,269	3,032	2,287
<b>- France</b>	<b>4,907</b>	<b>4,952</b>	<b>4,827</b>
financial assets/liabilities held for trading (net exposures*)	144	247	144
financial assets designated at fair value	-	1	-
financial assets mandatorily at fair value	14	14	14
financial assets at fair value through other comprehensive income	2,997	2,958	2,997
financial assets at amortised cost	1,752	1,732	1,672
<b>- Austria</b>	<b>3,787</b>	<b>3,918</b>	<b>3,775</b>
financial assets/liabilities held for trading (net exposures*)	104	95	104
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	69	70	69
financial assets at fair value through other comprehensive income	2,820	2,976	2,820
financial assets at amortised cost	794	777	782
<b>- Czech Republic</b>	<b>3,665</b>	<b>3,454</b>	<b>3,645</b>
financial assets/liabilities held for trading (net exposures*)	28	28	28
financial assets designated at fair value	-	-	-
financial assets mandatorily at fair value	-	-	-
financial assets at fair value through other comprehensive income	2,196	2,089	2,196
financial assets at amortised cost	1,441	1,337	1,421
<b>Total on-balance sheet exposures</b>	<b>90,175</b>	<b>91,071</b>	<b>90,203</b>

**Note:** (\*) Including exposures in Credit Derivatives. In case of negative amount, it indicates the prevalence of liabilities positions.

## UNICREDIT GROUP: WEIGHTED DURATION

The weighted duration of the sovereign bonds shown in the table above, divided by the banking and trading book, is the following:



Weighted duration (years)	Trading Book		
	Banking Book	Assets positions	Liabilities positions
Italy	4.03	4.30	5.10
Spain	5.22	21.74	5.36
Germany	5.14	8.23	5.63
Japan	4.27	-	-
U.S.A.	8.87	16.20	-
France	7.15	18.25	12.80
Austria	7.50	10.82	9.92
Czech Republic	4.23	3.89	-

The remaining 23% of the total of sovereign debt securities, amounting to €27,604 million with reference to the book values as at 30 September 2024, is divided into 32 countries, including Romania (€2,893 million), Bulgaria (€2,540 million), Croatia (€2,417 million), Hungary (€1,899 million), Slovakia (€1,236 million), Poland (€1,050 million), Portugal (€1,003 million), Serbia (€901 million), China (€727 million), Ireland (€709 million) and Russia (€634 million).

With respect to these exposures, as at 30 September 2024 there were no indications that default have occurred and the Group is closely monitoring the evolution of the situation.

With particular reference to the book value of the sovereign debt securities exposure to Russia it should be noted that it is almost totally held by the Russian controlled bank in local currency and classified in the banking book.

It should also be noted that among the aforementioned remaining part of sovereign debt securities as at 30 September 2024 there are also debt securities towards Supranational Organisations such as the European Union, the European Financial Stability Facility and the European Stability Mechanism amounting to €9,659 million.

In addition to the exposures to sovereign debt securities, loans<sup>20</sup> given to central and local governments and governmental bodies must be taken into account, amounting to €24,368 million as at 30 September 2024, of which about 70% to Germany, Austria and Italy.

#### UNICREDIT GROUP: RATINGS

	Short-term debt	Medium and long-term debt	Outlook	Standalone Rating
Standard & Poor's	A-2	BBB	Stable	bbb+
Moody's	P-2	Baa1	Stable	baa3
Fitch Ratings	F2	BBB+	Positive	bbb+

<sup>20</sup> Tax items are not included.

## BASIS OF PREPARATION

**1.** This Consolidated interim report as at 30 September 2024 - Press release has been prepared on a voluntary basis, with the aim of ensuring continuity with the previous quarterly reports, following the elimination of the requirement to disclose additional financial information to the half-year and annual reports pursuant to law (D.Lgs. 25/2016), issued in application of Directive 2013/50/EU. This Consolidated interim report as at 30 September 2024 - Press release as well as the press releases on significant events occurred during the period, the market presentation of third quarter 2024 results and the Divisional Database are available on UniCredit Group website.

This Consolidated interim report as at 30 September 2024 - Press release is not audited by the External Auditors.

**2.** Reclassified balance sheet and income statements items have been prepared pursuant to Banca d'Italia instructions laid down in Circular 262/2005 (and subsequent amendments) by applying the aggregations and reclassifications disclosed in Annex 1 of Consolidated First Half Financial Report as at 30 June 2024 of UniCredit Group and supplemented by the notes below the reclassified balance sheet and income statement of this document.

**3.** The contents of this Consolidated interim report as at 30 September 2024 - Press release are not prepared according to the international accounting standard on interim reporting (IAS34).

Furthermore, in addition to the financial information prepared by applying measurement criteria in accordance with International Financial Reporting Standards ("IFRS"), this document contains alternative performance measures ("APMs") as defined in the Guidelines on Alternative Performance Indicators (APIs) issued by the European Securities and Markets Authority (ESMA) on 5 October 2015 (ESMA/2015/1415) and other information not based on-IFRS definitions, in order to provide further information about the Group's performance. The financial measures that qualify as APMs and additional information not based on IFRS definitions determined using information from UniCredit group should be considered supplemental information to IFRS information and do not intend to substitute them. Furthermore, companies in same industry and others may calculate or use APIs and information not based on IFRS definitions differently, thus making them less useful for compare.

The description of such APIs (such as Cost/Income ratio, Economic Value Added (EVA), Return On Tangible Equity (ROTE), Net bad loans to customers/Loans to customers, Net non-performing loans to customers/Loans to customers, Absorbed capital, Return On Allocated Capital (ROAC), Return On Assets (ROA), Cost of risk) is included in the Consolidated First Half Financial Report as at 30 June 2024 of UniCredit Group (Consolidated interim report on operations and Annexes). Further APMs (i.e. Coverage ratio, Default rate, ROTE at 13% CET1r) have been described in the first quarter 2024 market presentation.

**4.** The Consolidated interim report as at 30 September 2024 - Press release, within which the accounts are presented in reclassified form, was prepared on the basis of IAS/IFRSs standards in force.

As at 31 December 2023, considering the context of persisting uncertainty, and also taking into account the ESMA communication ("European common enforcement priorities for 2023 Annual Financial Reports"), UniCredit group defined different macroeconomic scenarios, to be used for the purposes of the evaluation processes of 2023 Consolidated financial statements. In particular, in addition to the "Base" scenario (weighted at 60%), which reflects the expectations considered most likely concerning macroeconomic trends, an "Alternative" scenario (weighted 40%) was outlined, the latter reflecting a downward forecast of the macroeconomic parameters and consequently in the expected profitability of the business; in light of the persistent level of uncertainty, no positive scenario was included in the approach (thus, the positive scenario was weighted at zero percent). These scenarios were used for the DTA sustainability test and for LLP calculation.

Such uncertainty did not decrease in the nine months of 2024, due to the geopolitical tensions between the Russian Federation and the Ukraine, as well as to evolution of the conflict in Middle east. Indeed, the ECB

Macroeconomic projections published in September 2024, report that incoming information suggests a recovery in the short run but at lower rates than foreseen in June projections.

Nevertheless, economic growth is projected to gradually pick up during this year as real disposable income rises, supported by robust wage growth and by a gradually increasing confidence that would underpin a consumption-driven recovery.

Domestic demand will be supported by past monetary policy tightening effects wearing off and an assumed continued easing of financing conditions, in line with market expectations of the future path of interest rates. In addition, a projected rise in foreign demand supports the outlook for Euro area exports.

As per the ordinary process, following the update of the macro-economic forecasts, specific analyses were performed in the third quarter of 2024 with the aim to evaluate whether the scenarios used as at 30 June 2024 - for the purposes of evaluating DTAs and credit exposures - were still valid or, conversely, which adjustments should have been put in place to reflect the updated economic environment. As outlined below, the assessment also leveraged on an updated macro-economic scenario developed by UniCredit Research. The outcome showed that the scenarios used for June 2024 valuations are considered still adequate for 30 September 2024 valuation purposes.

**5.** Starting from 31 December 2019, the calculation of the sustainability test methodology was updated by the Group considering appropriate a 10 years' time horizon, for the recognition of DTA arising from tax losses carrying forward deemed coherent for assessing the generation of sufficient taxable profit to be available against which tax assets can be utilised. As at 30 September 2024 the following analyses were performed with reference to the Italian Tax Perimeter (which accounts for the significant majority of the Group DTAs) with the aim to evaluate whether the DTAs recognised as at June 2024 are still sustainable: (i) evolution of the macroeconomic scenario for the period 2024-2026, compared to the scenarios underlying the valuation process at 30 June 2024; (ii) comparison between the actual profit before taxes and the budget underlying the test executed in June 2024; (iii) confirmation of the validity of the additional methodological assumptions (e.g., reference tax legislation, perimeter of companies, volatility of the parameters underlying the model) used in the valuation process. By assessing the overall outcome of the analyses, no material changes were retrieved vis-à-vis the parameters and the assumptions which featured the sustainability test as at 30 June 2024, whose results were confirmed as at 30 September 2024.

It shall be noted that the outcome of the measurement of deferred tax assets is significantly influenced by assumptions on future cash flows, which - on turn - incorporate assumptions about the evolution of the macroeconomic scenario. Moreover, the sustainability of DTAs is influenced by criteria and assumptions of the statistic model used for future taxable income projections, for the period following that for which the official projections are available, by the volatility of expected results and by the confidence level used.

Therefore, the results of these evaluations might be subject to changes currently not foreseeable, depending on the existence and degree of economic recovery. Possible deviations of the actual economic recovery, compared to the assumptions which form the basis of the evaluations, might require a re-determination of the parameters used for valuation purposes, specifically regarding the future cash flows, and the consequent changes in the valuation.

**6.** With reference to the credit exposures, the update of macroeconomic scenarios used for calculation of credit risk parameters (Probability of Default, Loss Given Default and Exposure at Default) usually occurs on a semi-annual basis (June and December) in accordance with the Group policies.

In light of the evolution of the geo-political environment in the third quarter 2024, a specific analysis was put in place as at 30 September 2024 by comparing (i) the scenarios used in the evaluation process of credit exposures as at 30 June 2024, and (ii) the updated macro-economic scenario released by UniCredit Research, with the aim to evaluate whether the assumptions used for June 2024 valuations were to be confirmed.

In this regard, considering that the updated UniCredit Base scenario is basically in line with second quarter IFRS9 baseline scenario, with a limited upward revision for 2024-26 cumulative GDP, the update of the IFRS9 macro-economic scenario will be executed in the fourth quarter 2024, in line with the Group policy.

Always, during 2023, given the persisting level of uncertainty which followed the Russian-Ukraine conflict even worsened by the Middle east conflicts, UniCredit continued to apply a geopolitical overlay originally adopted in 2022, when calculating the Loan Loss Provisions.

As at 31 December 2023, the geopolitical overlays amounted to €1.3 billion; starting from second quarter 2024, given the persistence of the geopolitical uncertainty, the geopolitical overlays is still in place for €1.2 billion, where evolution is mainly due to (i) default in-flows and portfolio dynamic and (ii) Macroeconomic scenario evolution.

In addition, the ECB Economic Bulletin (Issue 7, 2023, published on 9 November 2023) noted specific risks with reference to real estate, whose decline in the activity in the last periods amplified a cumulative loss in housing investments. Given the real estate risk, which might impact the ability of Commercial Real Estate clients to repay their credit exposures giving the persistent high interest rates and lower price of real estate assets, an overlay was recognised to cover refinancing risk and collateral value reduction; such overlay was applied to clients having Commercial Real Estate Financing business or belonging to Real Estate Industry.

As at 31 December 2023, the Commercial Real estate overlay amounted to €0.5 billion; during third quarter 2024, given the persistence of such risk, the overlay was confirmed as deemed still adequate to cope with downside risks.

The amount of loan loss provisions is determined by considering the classification - current and expected - of credit exposures as non-performing, the sale prices (for those non-performing exposures whose recovery is expected through sale to external counterparties), and credit risk parameters which - in accordance with IFRS9 - incorporate, among other factors, forward looking information, and the expected evolution of the macroeconomic scenario. Therefore, also in this case, the measurement is affected by the already mentioned degree of uncertainty on the evolution of the geo-political tensions and the effects of sanctions imposed to Russia.

Indeed, the evolution of these factors might require the classification of additional credit exposures as non-performing in future reporting periods, thus determining the recognition of additional loan loss provisions related to both these exposures as well as performing exposures following the potential update in credit risk parameters.

In addition, the need to adjust the loan loss provisions might derive from a macro-economic scenario different from the one estimated for the calculation of the credit risk parameters, or by the prevalence on the market of non-performing exposures of prices different from those used in the measurement. Finally, the evolution of the real estate market could impact on the value of properties received as collateral and may require an adjustment to the loan loss provisions.

**7.** With reference to the real estate portfolio, which starting from 31 December 2019 is measured at fair value, the evaluations through external appraisals are usually updated on a semi-annual basis in June and December, in accordance with the Group policies. As at 30 September 2024, the Group performed an analysis on the real estate market and the status of the properties (“trigger analysis”) aimed to evaluate whether the values determined as at 30 June 2024 were confirmed.

The trigger analysis performed did not reveal significant events causing impacts on the evaluation of real estate portfolio. As per the previous evaluation matters, it cannot be excluded that - within next reporting periods - the fair value of these assets might be different from the values presented as at 30 September 2024 because of possible evolutions of prices in the real estate market, which also depend on the evolution of the macro-economic scenario, including but not limited to the geo-political tensions.

**8.** On 2 March 2022, the ECB stopped the quotation of EUR/RUB exchange rate; therefore, for the preparation of the Consolidated interim report as at 30 September 2024, and in coherence with the approach adopted since the first quarter 2022, the Group is applying an OTC foreign exchange rate provided by Electronic Broking Service<sup>21</sup> (EBS). In this regard, it cannot be excluded that, once the ECB will restart listing RUB/EUR FX rate, these quotes might be different from EBS quotes, thus requiring the recognition impacts in Net Equity and P&L.

**9.** In addition to the above, the following additional Balance sheet items might be significantly affected in their evaluation by risks and uncertainties, even if not directly connected with the slow-down of the economic activity and the associated uncertainty level of the economic recovery:

- fair value of financial instruments not listed in active markets;
- severance pay and other employee's benefits (including defined benefit obligation);
- provisions for risks and charges.

While evaluations have been made on the basis of information deemed to be reasonable and supportable as at 30 September 2024, they might be subject to changes not foreseeable at the moment, as a result of the evolution in the parameters used for the evaluation.

Furthermore, the following factors, in addition to those illustrated above, might influence the future results of the Group and cause outcomes materially different from those deriving from the valuations: (i) general economic and industrial conditions of the regions in which the Group operates or holds significant investments; (ii) exposure to various market risks (e.g. foreign exchange risk); (iii) political instability in the areas in which the Group operates or holds significant investments; (iv) legislative, regulatory and tax changes, including regulatory capital and liquidity requirements, also taking into account increased regulation in response to the financial crisis; (v) adverse change in climate which may affect the value of the assets held and/or the ability of customers to serve their debts. Other unknown and unforeseeable factors could determine material deviations between actual and expected results.

**10.** Regarding the scope of consolidation, the following changes occurred in the first nine months of 2024:

- the number of fully consolidated companies, including those ones classified as non-current assets and asset disposal groups based on the accounting principle IFRS5, decreased from 325, as at 31 December 2023, to 321 as at 30 September 2024;
- the number of companies consolidated by using the equity method, including those ones classified as non-current assets and asset disposal groups, decreased from 27 as at 31 December 2023 to 26 as at 30 September 2024, due to 1 liquidation.

**11.** As at 30 September 2024, the main assets which - based on the application of IFRS5 accounting principle - were reclassified as non-current assets and asset disposal groups, regard the following individual assets held for sale and groups of assets held for sale and associated liabilities which do not satisfy IFRS5 requirements for the classification as discontinued operations:

- the associated companies Risanamento S.p.A. and Barn B.V. and the controlled companies Weicker S.A.R.L. and Monnet 8-10 S.A.R.L.;
- the loans included in some sale's initiatives of portfolios;
- the real estate properties held by certain companies in the Group.

<sup>21</sup>EBS is a wholesale electronic trading platform used to trade on the foreign exchange market (FX) with market-making banks. It is part of CME Group (Chicago Mercantile Exchange).

## GENERAL NOTES

- **CET1 ratio** fully loaded throughout the document, unless otherwise stated.
- **Numbers** throughout the press release may not add up precisely to the totals provided in tables and text due to rounding.
- **Russia** includes the local bank and legal entities, plus the cross-border exposure booked in UniCredit SpA.
- **Shareholders distribution** subject to supervisory and shareholder approvals.
- **Q/Q means:** current quarter versus previous quarter (in this document equal to 3Q24 versus 2Q24)
- **Y/Y means:** current quarter of the current year versus the same quarter of the previous year (in this document equal to 3Q24 versus 3Q23)
- **9M/9M means:** 9 months of the current year versus 9 months of the previous year (in this presentation equal to 9M24 versus 9M23)

## MAIN DEFINITIONS

- **Allocated capital** calculated as 13.0% of RWA plus deductions.
- **Average commercial deposits** (excluding repurchase agreements – repos) are managerial figures and are calculated as daily averages. Deposits net of Group bonds are placed by the network.
- **Average gross commercial performing loans** defined as average stock for the period of performing loans to commercial clients (e.g., excluding markets counterparts and operations); managerial figures, key driver of the NII generated by the network activity.
- **Client Hedging Fees** refers to the client markup on client hedging transactions. The client markup is the difference between the final price to the client and the offer price, containing bid/ask spread, market risk hedging costs and day one XVA.
- **Cost of risk (CoR)** is based on reclassified P&L and Balance sheet, calculated as (i) LLPs of the period (annualised in the interim periods) over (ii) average loans to customers (including active repos, excluding debt securities and IFRS5 reclassified assets).
- **Coverage ratio (on NPE)** defined as stock of LLPs on NPEs over gross NPEs excluding IFRS5 reclassified assets.
- **EPS** calculated as net profit - as defined below - on average number of outstanding shares excluding avg. treasury and CASHES usufruct shares.
- **Dividend per share (DPS)** calculated as end-of-reference-period cash dividend amount accrued, divided by the number of outstanding shares eligible for cash dividend payments, as at the end-of-reference-period (i.e. excluding treasury shares bought back as of the same date, excluding the ordinary shares underlying the Usufruct contract (Cashes)).
- **Gross Non Performing Exposure (Gross NPE)** defined as non-performing exposures before deduction of provisions comprising bad loans, unlikely to pay, and past due; including only loans to customers (including repurchase agreements – repos), excluding debt securities and IFRS5 reclassified assets.
- **Gross Non Performing Exposure ratio (Gross NPE ratio)** defined as (i) gross NPEs over (ii) gross loans (including repurchase agreements – repos) excluding debt securities and IFRS5 reclassified assets.
- **IFRS5 reclassified assets** means exposures classified as Held for Sale.
- **LCR** means Liquidity Coverage Ratio - ratio between the high-quality liquid assets (HQLA) and the net cash outflows expected over the coming 30 days, under stress test conditions.
- **Net non performing exposure (Net NPE)** defined as loans to customers non-performing exposures after deduction of provisions, comprising bad loans, unlikely to pay and past due (including active repurchase agreements – repos, excluding debt securities and IFRS5 reclassified assets).
- **Net Non Performing Exposure ratio (Net NPE ratio)** defined as (i) Net NPEs over total net loans (including repurchase agreements – repos), excluding debt securities and IFRS5 reclassified assets.
- **Net profit** means stated net profit adjusted for impacts from DTAs tax loss carry forward resulting from sustainability test. The result is used for cash dividend accrual / total distribution.

- **Net profit after AT1 /CASHES** means net profit as defined above adjusted for impacts from AT1 and Cashes coupons. The result is used for RoTE and RoAC calculation.
- **Net revenue** means (i) revenues minus (ii) Loan Loss Provisions (LLPs).
- **NPE** means Non Performing Exposure
- **NSFR** means Net Stable Funding Ratio - ratio between the available amount of stable funding and the required amount of stable funding that are calculated applying defined weighting factors to on and off-balance sheet items. The relevant instructions for its calculation are included in the Regulation (EU) 876/2019 of the European Parliament.
- **Organic capital generation** for Group calculated as (Net profit, as defined above, minus delta RWA excluding Regulatory impacts and PD scenario impacts x CET1r actual)/ RWA.
- **Pass-through** calculated as average cost of total deposits on average Euribor 3M or equivalent interest rate in the period. Deposit amount including term and sight products.
- **PD scenario** means the impacts deriving from probability of default scenario, including rating dynamics.
- **Regulatory impacts** are impacts mostly driven by regulatory changes and model maintenance, shortfall, and calendar provisioning (impacting on capital).
- **RoAC** means annualized ratio between (i) Net profit after AT1/Cashes minus excess capital charge (where applicable) and (ii) allocated capital, both as defined above.
- **RoTE** means (i) Net profit after AT1/ CASHES – as defined above, over (ii) average tangible equity excluding CASHES and DTA from tax loss carry forward contribution.
- **RoTE at 13% CET1 ratio** means RoTE as defined above, but with a tangible equity assuming to distribute the capital in excess of a 13% CET1r (FL), upper end of UniCredit CET1 ratio management target, reducing immediately the tangible equity by this amount of distribution.
- **Share buy-back** defined as repurchasing of shares by the company that issued them to reduce the number of shares available on the open market.
- **Stated net profit** means accounting net profit.
- **Tangible book value per share** for Group calculated as end-of-period tangible equity over end-of-period number of outstanding shares excluding treasury shares.
- **Tangible equity** for Group calculated as shareholders' equity (including Group Stated profit of the period) minus intangible assets (goodwill and other intangibles), minus AT1 component.

**DECLARATION BY THE MANAGER CHARGED WITH PREPARING THE FINANCIAL REPORTS**

The undersigned, Bonifacio Di Francescantonio, in his capacity as the Manager charged with preparing UniCredit S.p.A.'s financial reports

DECLARES

that, pursuant to article 154 bis, paragraph 2, of the "Consolidated Law on Finance", the information disclosed in this document corresponds to the accounting documents, books, and records.

Milan, 05 November 2024

**Manager charged with  
preparing the financial reports**

