

This document constitutes a supplement to the prospectus dated 22 June 2011, as supplemented from time to time, pursuant to section 16 paragraph 1 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*).

Supplement No. 2

to the Prospectus dated 22 June 2011
UniCredit Bank AG
Munich, Federal Republic of Germany

Euro 10,000,000,000 Credit Linked Securities Programme
for the issuance of Credit Linked Notes and Credit Linked Certificates



Arranger and Dealer
UniCredit Bank AG

28 November 2011

This supplement is to be read and construed in conjunction with the base prospectus listed above (the "**Prospectus**") and in connection with any issue of Instruments, with the relevant Final Terms and/or Terms and Conditions. Therefore, with respect to issues under the Prospectus references in the Final Terms and/or Terms and Conditions to the Prospectus are to be read as references to the relevant Prospectus as amended and supplemented.

UniCredit Bank AG having its registered office at Kardinal-Faulhaber-Strasse 1, 80333 Munich accepts responsibility for the information contained in this Supplement No. 2. UniCredit Bank AG declares that the information contained in this Supplement No. 2 is, to the best of its knowledge, in accordance with the facts and that no material information has been omitted.

Investors who have already agreed to purchase or subscribe for the Instruments before the supplement is published shall have the right, exercisable within two working days after the publication of the Supplement No. 2, to withdraw their acceptances, pursuant to section 16 paragraph 3 of the German Securities Prospectus Act.

UniCredit Bank AG, LCI4SS Structured Securities and Regulatory, Arabellastraße 12, 81925 Munich, Germany, fax no.: +49-89-378 33 13944, has been appointed as recipient for the revocation notices according to Section 16 Paragraph 3 in connection with section 8 paragraph 1 sentence 4 of the German Securities Prospectus Act.

This Supplement No. 2 and the Prospectus are available during usual business hours on any weekday (except Saturdays and public holidays) at the office of UniCredit Bank AG, LCI4SS Structured Securities and Regulatory, Arabellastraße 12, 81925 Munich, Germany.

UniCredit Bank AG announces the following changes with regard to the Prospectus:

- In the section "**Summary of the Prospectus – 4. Summary description of the Issuer**" beginning on page 11 of the Prospectus, the paragraph "**Consolidated Financial Highlights of HVB Group as of 30 June 2011 (extracted from the unaudited Interim Report)**" shall be deleted and replaced with the following paragraph:

"Consolidated Financial Highlights of HVB Group as of 30 September 2011"*

Key performance indicators	1/1 – 30/9/2011	1/1 – 30/9/2010
Net operating profit	€2,211m	€1,720m
Cost-income ratio (based on operating income)	54.1%	52.3%
Profit before tax	€1,993m	€1,686m
Consolidated profit	€1,226m	€1,139m
Return on equity before tax ¹	11.8%	10.2%
Return on equity after tax ¹	7.3%	7.0%
Earnings per share	€1.48	€1.39

Balance sheet figures	30/9/2011	31/12/2010
Total assets	€400.4bn	€371.9bn
Shareholders' equity	€23.6bn	€23.7bn
Leverage ratio ²	17.0	15.7

Key capital ratios compliant with Basel II	30/9/2011	31/12/2010
Core capital without hybrid capital (core Tier 1 capital)	€19.8bn	€19.8bn
Core capital (Tier 1 capital)	€20.6bn	€20.6bn
Risk-weighted assets (including equivalents for market risk and operational risk)	€17.3bn	€24.5bn
Core capital ratio without hybrid capital (core Tier 1 ratio) ³	16.9%	15.9%
Core capital ratio (Tier 1 ratio) ³	17.6%	16.6%

* Financial information as of 31/12/2010 is audited and extracted from the Audited consolidated financial statements at 31 December 2010, financial information as of 30 September 2011 is unaudited and extracted from the Interim Report at 30 September 2011 or the management accounts of the Issuer.

1: return on equity calculated on the basis of average shareholders' equity according to IFRS.

2: ratio of total assets to shareholders' equity compliant with IFRS.

3: calculated on the basis of risk-weighted assets, including equivalents for market risk and operational risk".

2. In the section "**German Translation of Summary of the Prospectus (Zusammenfassung des Prospekts) – 4. Zusammenfassung der Beschreibung der Emittentin**" beginning on page 29 of the Prospectus, the paragraph "**Ausgewählte konsolidierte Finanzkennzahlen der HVB Group zum 30. Juni 2011 (auszugsweise dem ungeprüften Zwischenbericht entnommen)**" shall be deleted and replaced with the following paragraph:

"Ausgewählte konsolidierte Finanzkennzahlen zum 30. September 2011"

Kennzahlen der Erfolgsrechnung	1.1.-30.9.2011	1.1.-30.9.2010
Operatives Ergebnis nach Kreditrisikovorsorge	€2.211 Mio.	€1.720 Mio.
Cost-Income-Ratio gemessen an den operativen Erträgen)	54,1 %	52,3 %
Ergebnis vor Steuern	€1.993 Mio.	€1.686 Mio.
Konzernüberschuss	€1.226 Mio.	€1.139 Mio.
Eigenkapitalrentabilität vor Steuern ¹	11,8 %	10,2 %
Eigenkapitalrentabilität nach Steuern ¹	7,3 %	7,0 %
Ergebnis je Aktie	€1,48	€1,39

Bilanzzahlen	30.9.2011	31.12.2010
Bilanzsumme	€400,4 Mrd.	€371,9 Mrd.
Bilanzielles Eigenkapital	€23,6 Mrd.	€23,7 Mrd.
Leverage Ratio ²	17,0	15,7

Bankaufsichts- rechtliche Kennzahlen nach Basel II	30.9.2011	31.12.2010
Kernkapital ohne Hybridkapital (Core Tier 1-Kapital)	€19,8 Mrd.	€19,8 Mrd.
Kernkapital (Tier 1- Kapital)	€20,6 Mrd.	€20,6 Mrd.
Risikoaktiva (inklusive Äquivalente für das Marktrisiko bzw. operationelle Risiko)	€117,3 Mrd.	€124,5 Mrd.
Kernkapitalquote ohne Hybridkapital (Core Tier 1 Ratio) ³	16,9 %	15,9 %
Kernkapitalquote (Tier 1 Ratio) ³	17,6 %	16,6 %

* Die Finanzinformationen zum 31.12.2010 sind geprüft und dem Geprüften konsolidierten Jahresabschluss zum 31. Dezember 2010 entnommen, die Finanzinformationen zum 30. September 2011 sind ungeprüft und dem Zwischenbericht zum 30. September 2011 oder dem Rechnungswesen der Emittentin entnommen.

1: Eigenkapitalrentabilität berechnet auf Basis des durchschnittlichen bilanziellen Eigenkapitals gemäß IFRS.

2: Verhältnis von Bilanzsumme zu bilanziellem Eigenkapital gemäß IFRS.

3: Berechnet auf der Basis von Risikoaktiva inklusive Äquivalente für das Marktrisiko und für das operationelle Risiko."

3. Immediately after the section "**General Information - Documents incorporated by reference**", after page 554 of the Prospectus, the unaudited Interim Report of HVB as at 30 September 2011 as laid out in Appendix 1 of this Supplement No. 2 is inserted as F-Pages in its entirety.

APPENDIX 1

Consolidated Income Statement

for the period from 1 January to 30 September 2011

Income/Expenses	NOTES	1/1–30/9/2011	1/1–30/9/2010	CHANGE	
		€ millions	€ millions	€ millions	in %
Interest income		6,677	6,485	+ 192	+ 3.0
Interest expense		(3,570)	(3,472)	(98)	+ 2.8
Net interest	4	3,107	3,013	+ 94	+ 3.1
Dividends and other income from equity investments	5	137	94	+ 43	+ 45.7
Net fees and commissions	6	1,016	967	+ 49	+ 5.1
Net trading, hedging and fair value income	7	639	749	(110)	(14.7)
Net other expenses/income	8	83	174	(91)	(52.3)
OPERATING INCOME		4,982	4,997	(15)	(0.3)
Payroll costs		(1,399)	(1,369)	(30)	+ 2.2
Other administrative expenses		(1,141)	(1,084)	(57)	+ 5.3
Amortisation, depreciation and impairment losses on intangible and tangible assets		(153)	(160)	+ 7	(4.4)
Operating costs		(2,693)	(2,613)	(80)	+ 3.1
OPERATING PROFIT		2,289	2,384	(95)	(4.0)
Net write-downs of loans and provisions for guarantees and commitments	9	(78)	(664)	+ 586	(88.3)
NET OPERATING PROFIT		2,211	1,720	+ 491	+ 28.5
Provisions for risks and charges		(281)	(25)	(256)	>+ 100.0
Restructuring costs		(33)	—	(33)	
Net income from investments	10	96	(9)	+ 105	
PROFIT BEFORE TAX		1,993	1,686	+ 307	+ 18.2
Income tax for the period		(763)	(547)	(216)	+ 39.5
PROFIT AFTER TAX		1,230	1,139	+ 91	+ 8.0
Impairment on goodwill		(4)	—	(4)	
CONSOLIDATED PROFIT		1,226	1,139	+ 87	+ 7.6
attributable to shareholder of UniCredit Bank AG		1,186	1,119	+ 67	+ 6.0
attributable to minorities		40	20	+ 20	+ 100.0

Earnings per share

(in €)

	NOTES	1/1–30/9/2011	1/1–30/9/2010
Earnings per share (undiluted and diluted)	11	1.48	1.39

Statement of total comprehensive income for the period from 1 January to 30 September 2011

(€ millions)

	1/1–30/9/2011	1/1–30/9/2010
Consolidated profit recognised in the income statement	1,226	1,139
Components of income and expenses recognised in other comprehensive income		
Changes from foreign currency translation and other changes	(11)	61
Changes from companies accounted for using the equity method	—	—
Actuarial profit on defined benefit plans (pension commitments)	—	—
Assets held for sale	—	—
Change in valuation of financial instruments (AfS reserve)	5	17
Change in valuation of financial instruments (hedge reserve)	(57)	(125)
Taxes on income and expenses recognised in equity	46	53
Total income and expenses recognised in equity under other comprehensive income	(17)	6
Total comprehensive income	1,209	1,145
of which:		
attributable to shareholder of UniCredit Bank AG	1,180	1,087
attributable to minorities	29	58

Consolidated Income Statement (CONTINUED)

for the period from 1 July to 30 September 2011

Income/Expenses	1/7–30/9/2011	1/7–30/9/2010	CHANGE	
	€ millions	€ millions	€ millions	in %
Interest income	2,365	2,165	+ 200	+ 9.2
Interest expense	(1,371)	(1,175)	(196)	+ 16.7
Net interest	994	990	+ 4	+ 0.4
Dividends and other income from equity investments	36	20	+ 16	+ 80.0
Net fees and commissions	326	286	+ 40	+ 14.0
Net trading, hedging and fair value income	(148)	293	(441)	
Net other expenses/income	41	57	(16)	(28.1)
OPERATING INCOME	1,249	1,646	(397)	(24.1)
Payroll costs	(482)	(442)	(40)	+ 9.0
Other administrative expenses	(378)	(367)	(11)	+ 3.0
Amortisation, depreciation and impairment losses on intangible and tangible assets	(50)	(53)	+ 3	(5.7)
Operating costs	(910)	(862)	(48)	+ 5.6
OPERATING PROFIT	339	784	(445)	(56.8)
Net write-downs of loans and provisions for guarantees and commitments	(114)	(155)	+ 41	(26.5)
NET OPERATING PROFIT	225	629	(404)	(64.2)
Provisions for risks and charges	(107)	(8)	(99)	>+ 100.0
Restructuring costs	(33)	—	(33)	
Net income from investments	(12)	(31)	+ 19	+ 61.3
PROFIT BEFORE TAX	73	590	(517)	(87.6)
Income tax for the period	(163)	(171)	+ 8	(4.7)
PROFIT/(LOSS) AFTER TAX	(90)	419	(509)	
Impairment on goodwill	(4)	—	(4)	
CONSOLIDATED PROFIT/(LOSS)	(94)	419	(513)	
attributable to shareholder of UniCredit Bank AG	(88)	379	(467)	
attributable to minorities	(6)	40	(46)	

Earnings per share

(in €)

	1/7–30/9/2011	1/7–30/9/2010
Earnings per share (undiluted and diluted)	(0.11)	0.47

Statement of total comprehensive income for the period from 1 July to 30 September 2011

(€ millions)

	1/7–30/9/2011	1/7–30/9/2010
Consolidated profit/(loss) recognised in the income statement	(94)	419
Components of income and expenses recognised in other comprehensive income		
Changes from foreign currency translation and other changes	55	(49)
Changes from companies accounted for using the equity method	—	—
Actuarial profit on defined benefit plans (pension commitments)	—	—
Assets held for sale	—	—
Change in valuation of financial instruments (AIS reserve)	(64)	6
Change in valuation of financial instruments (hedge reserve)	(24)	(37)
Taxes on income and expenses recognised in equity	20	33
Total income and expenses recognised in equity under other comprehensive income	(13)	(47)
Total comprehensive income	(107)	372
of which:		
attributable to shareholder of UniCredit Bank AG	(144)	408
attributable to minorities	37	(36)

Balance Sheet

at 30 September 2011

Assets

	NOTES	30/9/2011	31/12/2010	CHANGE	
		€ millions	€ millions	€ millions	in %
Cash and cash balances		3,159	3,065	+ 94	+ 3.1
Financial assets held for trading	12	157,929	133,389	+ 24,540	+ 18.4
Financial assets at fair value through profit or loss	13	29,093	26,631	+ 2,462	+ 9.2
Available-for-sale financial assets	14	5,638	5,915	(277)	(4.7)
Shares in associates accounted for using the equity method and joint ventures accounted for using the equity method	15	—	94	(94)	(100.0)
Held-to-maturity investments	16	2,476	2,600	(124)	(4.8)
Loans and receivables with banks	17	50,077	46,332	+ 3,745	+ 8.1
Loans and receivables with customers	18	136,492	139,351	(2,859)	(2.1)
Hedging derivatives		5,260	4,205	+ 1,055	+ 25.1
Hedge adjustment of hedged items in the fair value hedge portfolio		154	100	+ 54	+ 54.0
Property, plant and equipment		2,900	3,053	(153)	(5.0)
Investment properties		1,700	1,879	(179)	(9.5)
Intangible assets		567	608	(41)	(6.7)
of which: goodwill		418	424	(6)	(1.4)
Tax assets		3,206	3,257	(51)	(1.6)
Current tax assets		372	406	(34)	(8.4)
Deferred tax assets		2,834	2,851	(17)	(0.6)
Non-current assets or disposal groups held for sale	19	185	28	+ 157	>+ 100.0
Other assets		1,611	1,402	+ 209	+ 14.9
Total assets		400,447	371,909	+ 28,538	+ 7.7

Liabilities

	NOTES	30/9/2011	31/12/2010	CHANGE	
		€ millions	€ millions	€ millions	in %
Deposits from banks	22	62,897	51,887	+ 11,010	+ 21.2
Deposits from customers	23	105,210	108,494	(3,284)	(3.0)
Debt securities in issue	24	41,787	48,676	(6,889)	(14.2)
Financial liabilities held for trading		153,301	127,096	+ 26,205	+ 20.6
Hedging derivatives		2,486	2,091	+ 395	+ 18.9
Hedge adjustment of hedged items in the fair value hedge portfolio		2,199	1,471	+ 728	+ 49.5
Tax liabilities		2,410	2,203	+ 207	+ 9.4
Current tax liabilities		697	840	(143)	(17.0)
Deferred tax liabilities		1,713	1,363	+ 350	+ 25.7
Liabilities of disposal groups held for sale	25	2	598	(596)	(99.7)
Other liabilities		4,443	3,822	+ 621	+ 16.2
Provisions	26	2,137	1,901	+ 236	+ 12.4
Shareholders' equity		23,575	23,670	(95)	(0.4)
Shareholders' equity attributable to shareholder of UniCredit Bank AG		22,767	22,866	(99)	(0.4)
Subscribed capital		2,407	2,407	—	—
Additional paid-in capital		9,791	9,791	—	—
Other reserves		9,473	9,485	(12)	(0.1)
Change in valuation of financial instruments	27	(90)	(87)	(3)	(3.4)
AFS reserve		(105)	(141)	+ 36	+ 25.5
Hedge reserve		15	54	(39)	(72.2)
Consolidated profit 2010		—	1,270	(1,270)	(100.0)
Net profit 1/1 – 30/9/2011 ¹		1,186	—	+ 1,186	
Minority interest		808	804	+ 4	+ 0.5
Total shareholders' equity and liabilities		400,447	371,909	+ 28,538	+ 7.7

¹ attributable to shareholder of UniCredit Bank AG

Statement of Changes in Shareholders' Equity

at 30 September 2011

	SUBSCRIBED CAPITAL	ADDITIONAL PAID-IN CAPITAL	OTHER RESERVES	
			TOTAL	OF WHICH: PENSIONS AND SIMILAR OBLIGATIONS (IAS 19)
Shareholders' equity at 1 January 2010	2,407	9,791	9,034	(223)
Recognised income and expenses				
Consolidated profit recognised in the consolidated income statement	—	—	—	—
Income and expenses recognised in equity				
Change in valuation of financial instruments not affecting income	—	—	—	—
Change in valuation of financial instruments affecting income	—	—	—	—
Reserve arising from foreign currency translation and other changes	—	—	19	—
Total income and expenses recognised in equity				
under other comprehensive income ³	—	—	19	—
Total income and expenses recognised				
19	—	—	19	—
Other changes recognised in equity				
Dividend payouts	—	—	—	—
Changes in group of consolidated companies	—	—	(66)	—
Total other changes in equity				
(66)	—	—	(66)	—
Shareholders' equity at 30 September 2010	2,407	9,791	8,987	(223)
Shareholders' equity at 1 January 2011	2,407	9,791	9,485	(189)
Recognised income and expenses				
Consolidated profit recognised in the consolidated income statement	—	—	—	—
Income and expenses recognised in equity				
Change in valuation of financial instruments not affecting income	—	—	—	—
Change in valuation of financial instruments affecting income	—	—	—	—
Reserve arising from foreign currency translation and other changes	—	—	(3)	—
Total income and expenses recognised in equity				
under other comprehensive income ³	—	—	(3)	—
Total income and expenses recognised				
(3)	—	—	(3)	—
Other changes recognised in equity				
Dividend payouts	—	—	—	—
Changes in group of consolidated companies	—	—	(9)	—
Total other changes in equity				
(9)	—	—	(9)	—
Shareholders' equity at 30 September 2011	2,407	9,791	9,473	(189)

1 attributable to shareholder of UniCredit Bank AG

2 UniCredit Bank AG (HVB)

3 see statement of total comprehensive income

4 The Annual General Meeting of Shareholders of 21 May 2010 resolved to distribute the 2009 consolidated profit in the amount of €1,633 million as a dividend to our sole shareholder, UniCredit S.p.A. (UniCredit), Rome, Italy. This represents a dividend of around €2.03 per share of common stock and per share of preferred stock, an advanced dividend of €0.064 per share of preferred stock and a retroactive payment on the advance share of profits of €0.064 per share of preferred stock for 2008.

5 The Annual General Meeting of Shareholders of 18 May 2011 resolved to distribute the 2010 consolidated profit in the amount of €1,270 million as a dividend to our sole shareholder, UniCredit S.p.A. (UniCredit), Rome, Italy. This represents a dividend of around €1.58 per share.

(€ millions)

CHANGE IN VALUATION OF FINANCIAL INSTRUMENTS		CONSOLIDATED PROFIT	PROFIT 1/1 – 30/9'	TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO SHAREHOLDER OF HVB ²	MINORITY INTEREST	TOTAL SHAREHOLDERS' EQUITY
AFS RESERVE	HEDGE RESERVE					
(190)	195	1,633	—	22,870	768	23,638
—	—	—	1,119	1,119	20	1,139
53	(11)	—	—	42	—	42
(25)	(72)	—	—	(97)	—	(97)
4	—	—	—	23	38	61
32	(83)	—	—	(32)	38	6
32	(83)	—	1,119	1,087	58	1,145
—	—	(1,633) ⁴	—	(1,633)	(25)	(1,658)
(13)	(58)	—	—	(137)	(1)	(138)
(13)	(58)	(1,633)	—	(1,770)	(26)	(1,796)
(171)	54	—	1,119	22,187	800	22,987
(141)	54	1,270	—	22,866	804	23,670
—	—	—	1,186	1,186	40	1,226
54	—	—	—	54	(4)	50
(17)	(39)	—	—	(56)	—	(56)
(1)	—	—	—	(4)	(7)	(11)
36	(39)	—	—	(6)	(11)	(17)
36	(39)	—	1,186	1,180	29	1,209
—	—	(1,270) ⁵	—	(1,270)	(25)	(1,295)
—	—	—	—	(9)	—	(9)
—	—	(1,270)	—	(1,279)	(25)	(1,304)
(105)	15	—	1,186	22,767	808	23,575

Selected Notes

1 Accounting and valuation principles

IFRS basis

After trading in HVB shares was officially discontinued during 2008 following the completion of the squeeze-out, we are no longer formally obliged to prepare quarterly financial statements at 31 March and 30 September. We have decided, however, to continue publishing interim reports with a view to retaining a high level of transparency on the market.

The income statement and balance sheet contained in the present Interim Report together with the associated notes have again been prepared in accordance with the regulations defined in the International Financial Reporting Standards (IFRS).

We have applied the same accounting, valuation and disclosure principles in 2011 as in the consolidated financial statements for 2010 (please refer to the HVB Group Annual Report for 2010, starting on page 104).

The following standards and interpretations newly released or revised by the IASB are applicable for the first time in the 2011 financial year:

- Annual Improvements Project 2010 "Improvements to IFRSs"
- Amendments to IAS 24 "Related Party Disclosures"
- Amendments to IAS 32 "Classification of Right Issues"
- IFRIC 19 "Extinguishing Financial Liabilities with Equity Investments"
- Amendments to IFRIC 14 "Prepayments of a Minimum Funding Requirement".

The new regulations have not had any material impact.

We have made minor structural adjustments to our income statement as of the 2011 financial year. The aggregate items "Net interest income" and "Net non-interest income" within operating income are no longer shown. The items "Net interest" and "Dividends and other income from equity investments" included in the old aggregate item "Net interest income" continue to be shown separately. Furthermore, we have added a new aggregate item "Net operating profit", which reflects the balance of the aggregate item "Operating profit" and the income statement item "Net write-downs of loans and provisions for guarantees and commitments". No changes have been made to the composition of the individual income statement items. In addition, we have added the item "Impairment on goodwill" to the income statement, as such amounts accrued for the first time in the third quarter of 2011.

Segment reporting

In segment reporting, the market-related activities of HVB Group are divided into the following globally active divisions: Corporate & Investment Banking (CIB), Family & SME (F&SME; formerly known as the Retail division), and Private Banking (PB).

Also shown is the "Other/consolidation" segment that covers Global Banking Services and Group Corporate Centre activities and the effects of consolidation.

The same principles are being applied in the 2011 financial year as were used at year-end 2010. We use risk-weighted assets compliant with Basel II as the criterion for allocating tied equity capital. The interest rate used to assess the equity capital allocated to companies assigned to several divisions (HVB, UniCredit Luxembourg) was 4.09% in 2010. This interest rate was redetermined for 2011 and has been 4.08% since 1 January 2011.

The following changes were made to the segment assignments in the first nine months of 2011:

- The final phase of our One for Clients programme (One4C) was implemented at the start of 2011. This involved the transfer of small and medium-sized companies with revenues of up to €50 million from the Corporate & Investment Banking division to the Retail division, which was renamed Family & SME to coincide with the expansion of the customer base. In the second quarter of 2010, retail customers with free assets of at least €500,000 had already been moved from the Retail division to the PB division and customers with assets of less than €500,000 transferred from the PB division to what at that time was the Retail division.
- The autonomous "Leasing" product unit, which was previously allocated to the CIB division, was transferred to F&SME.
- In order to ensure that the performance of the Private Banking division in 2011 can be compared with previous periods, the contribution to profits generated by the parts of the private banking business of UniCredit Luxembourg S.A. sold at year-end 2010, were assigned to the Other/consolidation segment together with the resulting gain on disposal and the associated restructuring costs.

- The income and expenses of a special purpose entity that were previously shown in the CIB division are now included in the Other/consolidation segment.
- There were further minor reorganisations, especially in operating costs.

The previous year's figures and those of the previous quarters have been adjusted accordingly to reflect the changes in segment allocations described above.

2 Companies included in consolidation

The following companies were added to the group of companies included in consolidation in the first nine months of 2011:

- Adler Funding LLC, Dover (valued at equity)
- Antus Immobilien- und Projektentwicklungs GmbH, Munich
- BIL Immobilien Fonds GmbH & Co Objekt Perlach KG, Munich
- BV Grundstücksentwicklungs-GmbH & Co. Verwaltungs-KG, Munich
- CUMTERRA Gesellschaft für Immobilienverwaltung mbH, Munich
- Elektra Purchase No. 27 Limited, Dublin
- Elektra Purchase No. 28 Limited, Dublin
- Elektra Purchase No. 50 Limited, Dublin
- Elektra Purchase No. 52 Limited, Dublin
- Erste Onshore Windkraft Beteiligungsgesellschaft mbH & Co. Windpark Krähenberg KG, Oldenburg
- Erste Onshore Windkraft Beteiligungsgesellschaft mbH & Co. Windpark Grefrath KG, Oldenburg
- Erste Onshore Windkraft Beteiligungsgesellschaft mbH & Co. Windpark Mose KG, Oldenburg
- HAWA Grundstücks GmbH & Co. OHG Hotelverwaltung, Munich
- HAWA Grundstücks GmbH & Co. OHG Immobilienverwaltung, Munich
- H & B Immobilien GmbH & Co. Objekte KG, Munich
- HVB Expertise GmbH, Munich
- HVB Life Science GmbH & Co. Beteiligungs-KG, Munich
- HVB Profil Gesellschaft für Personalmanagement mbH, Munich
- HYPO-REAL Haus & Grundbesitz Gesellschaft mbH & Co. Immobilien-Vermietungs KG, Munich
- Keller Crossing L.P., Wilmington
- Life Science I Beteiligungs GmbH, Munich
- MILLETERRA Gesellschaft für Immobilienverwaltung mbH, Munich
- Omnia Grundstücks-GmbH & Co. Objekt Eggenfeldener Straße KG, Munich
- Omnia Grundstücks-GmbH & Co. Objekt Haidenauplatz KG, Munich
- Simon Verwaltungs-Aktiengesellschaft i.L., Munich
- Spree Galerie Hotelbetriebsgesellschaft mbH, Munich
- Transterra Gesellschaft für Immobilienverwaltung mbH, Munich
- VuWB Investments Inc., Atlanta
- Wealth Capital Investments, Inc., Wilmington.

The following companies have left the group of companies included in consolidation:

- Morgan Stanley Series 2008-2933, New York
- Sofimmocentrale S.A., Brussels
- UniCredit Global Information Services Società Consortile per Azioni, Milan
- Elektra Purchase No. 26 Limited, Dublin
- HVB Capital Asia Limited, Hong Kong.

In the course of implementing All4Quality, a group-wide UniCredit project for enhancing the quality of internal services, we sold all but ten of our shares in UniCredit Global Information Services S.C.p.A. (UGIS) to UniCredit S.p.A. on 13 May 2011. Upon the sale of our shares (previous shareholding of 24.7%), UGIS, which was consolidated at equity, was deconsolidated.

Notes to the Income Statement

3 Segment reporting

Income statement broken down by division for the period from 1 January to 30 September 2011

(€ millions)

	CORPORATE & INVESTMENT BANKING	FAMILY & SME	PRIVATE BANKING	OTHER/ CONSOLIDATION	HVB GROUP
OPERATING INCOME					
1/1 – 30/9/2011	3,152	1,391	201	238	4,982
1/1 – 30/9/2010	2,997	1,309	196	495	4,997
Operating costs					
1/1 – 30/9/2011	(1,183)	(1,196)	(118)	(196)	(2,693)
1/1 – 30/9/2010	(1,192)	(1,150)	(123)	(148)	(2,613)
Net write-downs of loans and provisions for guarantees and commitments					
1/1 – 30/9/2011	(89)	(38)	(2)	51	(78)
1/1 – 30/9/2010	(515)	(105)	(2)	(42)	(664)
NET OPERATING PROFIT					
1/1 – 30/9/2011	1,880	157	81	93	2,211
1/1 – 30/9/2010	1,290	54	71	305	1,720
Restructuring costs					
1/1 – 30/9/2011	—	—	(3)	(30)	(33)
1/1 – 30/9/2010	—	—	—	—	—
Net income from investments and other items¹					
1/1 – 30/9/2011	(174)	(12)	(1)	2	(185)
1/1 – 30/9/2010	39	6	(2)	(77)	(34)
PROFIT BEFORE TAX					
1/1 – 30/9/2011	1,706	145	77	65	1,993
1/1 – 30/9/2010	1,329	60	69	228	1,686

¹ contains the following income statement items: provisions for risks and charges and net income from investments

Income statement of the Corporate & Investment Banking division

(€ millions)

INCOME/EXPENSES	1/1 – 30/9/ 2011	1/1 – 30/9/ 2010	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2010
Net interest	1,892	1,846	587	686	619	699	599
Dividends and other income							
from equity investments	118	73	33	25	60	38	14
Net fees and commissions	466	397	157	142	167	156	119
Net trading, hedging and fair value income	660	631	(117)	271	506	15	239
Net other expenses/income	16	50	9	4	3	(12)	8
OPERATING INCOME	3,152	2,997	669	1,128	1,355	896	979
Payroll costs	(471)	(490)	(155)	(158)	(158)	(96)	(153)
Other administrative expenses	(701)	(687)	(232)	(239)	(230)	(231)	(228)
Amortisation, depreciation and impairment losses on intangible and tangible assets	(11)	(15)	(4)	(3)	(4)	(7)	(5)
Operating costs	(1,183)	(1,192)	(391)	(400)	(392)	(334)	(386)
OPERATING PROFIT	1,969	1,805	278	728	963	562	593
Net write-downs of loans and provisions for guarantees and commitments	(89)	(515)	(97)	97	(89)	12	(176)
NET OPERATING PROFIT	1,880	1,290	181	825	874	574	417
Restructuring costs	—	—	—	—	—	3	—
Net income from investments and other items ¹	(174)	39	(79)	(97)	2	(522)	(1)
PROFIT BEFORE TAX	1,706	1,329	102	728	876	55	416
Cost-income ratio in %	37.5	39.8	58.4	35.5	28.9	37.3	39.4

¹ contains the following income statement items: provisions for risks and charges and net income from investments

Development of the Corporate & Investment Banking division

The Corporate & Investment Banking division generated operating income of €3,152 million in the first nine months of 2011, which exceeded the year-ago total of €2,997 million by €155 million. With operating costs down by €9 million, the operating profit improved by €164 million in the reporting period to €1,969 million after €1,805 million in the equivalent period last year.

The €46 million increase in net interest can be attributed to improved margins and volumes in deposit-taking activities coupled with special effects in the Multinational Corporates unit. Dividends and other income from equity investments rose by €45 million mainly on the back of dividend payments from private equity funds. Net fees and commissions were up by €69 million to €466 million on account of lower expenses in connection with own securitisation transactions and higher income from structured financing.

Net trading, hedging and fair value income was heavily affected by the turmoil on the capital markets in the third quarter of 2011. Nevertheless, a substantial total of €660 million was recorded for the first nine months of 2011, up by €29 million on the year-ago figure. Above all else, the Rates and FX (interest- and currency-related products) and Equities (equity and index products) units made a major contribution to the positive result in the reporting period. Positive contributions to profits were also generated by lending and capital-market-related operations during the reporting period.

With operating costs falling by a minor €9 million to €1,183 million (down 0.8%), the division's cost-income ratio improved by 2.3 percentage points over last year to the good figure of 37.5% in the reporting period mainly on account of the higher operating income.

Net write-downs of loans and provisions for guarantees and commitments fell to a mere €89 million on account of the beneficial lending environment overall during the reporting period. A total of €515 million was required during the equivalent period last year. On the non-operating side, there were net expenses of €174 million (net income of €39 million in 2010) resulting from additions to provisions arising from an obligation in connection with the completion of an offshore wind farm and legal risks. These were only partially offset by net income from investments.

All in all, the division generated a strong profit before tax of €1,706 million in the first nine months of 2011, despite the difficult market conditions, up by a material €377 million on the year-ago total of €1,329 million.

Notes to the Income Statement (CONTINUED)

Income statement of the Family & SME division

(€ millions)

INCOME/EXPENSES	1/1 – 30/9/ 2011	1/1 – 30/9/ 2010	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2010
Net interest	927	868	317	306	304	301	290
Dividends and other income							
from equity investments	4	4	—	4	—	1	—
Net fees and commissions	428	429	138	135	155	142	128
Net trading, hedging and fair value income	—	8	(2)	1	1	6	1
Net other expenses/income	32	—	19	8	5	(3)	—
OPERATING INCOME	1,391	1,309	472	454	465	447	419
Payroll costs	(453)	(435)	(152)	(151)	(150)	(147)	(147)
Other administrative expenses	(730)	(704)	(243)	(244)	(243)	(249)	(231)
Amortisation, depreciation and impairment							
losses on intangible and tangible assets	(13)	(11)	(4)	(5)	(4)	(7)	(4)
Operating costs	(1,196)	(1,150)	(399)	(400)	(397)	(403)	(382)
OPERATING PROFIT	195	159	73	54	68	44	37
Net write-downs of loans and provisions							
for guarantees and commitments	(38)	(105)	(18)	4	(24)	23	20
NET OPERATING PROFIT	157	54	55	58	44	67	57
Restructuring costs	—	—	—	—	—	—	—
Net income from investments and other items ¹	(12)	6	—	(11)	(1)	(13)	(2)
PROFIT BEFORE TAX	145	60	55	47	43	54	55
Cost-income ratio in %	86.0	87.9	84.5	88.1	85.4	90.2	91.2

¹ contains the following income statement items: provisions for risks and charges and net income from investments

Development of the Family & SME division

The operating income of the Family & SME division (F&SME) rose by 6.3% to €1,391 million in the first nine months of 2011, driven primarily by net interest and net other expenses/income. Net interest increased by 6.8%, with higher interest margins in deposit-taking operations serving to more than offset the declining volumes in lending operations. Net fees and commissions of €428 million matched the good result recorded in the equivalent period last year. Factors contributing to this pleasing development include the securities activities of our DAB subsidiary and the brokerage of home loan savings agreements and housing loans.

Operating costs increased by 4.0% to €1,196 million compared with the equivalent period last year. Payroll costs rose mainly on account of the initial consolidation of UniCredit Direct Services. The 3.7% increase in other administrative expenses can be attributed primarily to buildings costs and expenses relating to the new media campaign. The cost-income ratio improved by around two percentage points to 86.0% on the back of the good earnings performance.

The net operating profit totalled €157 million (2010: €54 million) partly as a result of the strong 63.8% decline in net write-downs of loans and provisions for guarantees and commitments to €38 million. All in all, the division generated a profit before tax of €145 million in the first nine months of the 2011 financial year, which is much larger than the €60 million reported at the same point last year.

Income statement of the Private Banking division

(€ millions)

INCOME/EXPENSES	1/1 – 30/9/ 2011	1/1 – 30/9/ 2010	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2010
Net interest	82	70	31	27	24	27	24
Dividends and other income							
from equity investments	3	3	—	2	1	6	1
Net fees and commissions	116	122	33	40	43	35	35
Net trading, hedging and fair value income	—	—	—	—	—	—	—
Net other expenses/income	—	1	—	—	—	1	2
OPERATING INCOME	201	196	64	69	68	69	62
Payroll costs	(56)	(54)	(20)	(18)	(18)	(18)	(19)
Other administrative expenses	(61)	(68)	(20)	(21)	(20)	(20)	(22)
Amortisation, depreciation and impairment							
losses on intangible and tangible assets	(1)	(1)	—	(1)	—	(1)	—
Operating costs	(118)	(123)	(40)	(40)	(38)	(39)	(41)
OPERATING PROFIT	83	73	24	29	30	30	21
Net write-downs of loans and provisions							
for guarantees and commitments	(2)	(2)	1	(3)	—	—	(1)
NET OPERATING PROFIT	81	71	25	26	30	30	20
Restructuring costs	(3)	—	(3)	—	—	(18)	—
Net income from investments and other items ¹	(1)	(2)	(1)	(1)	1	1	(2)
PROFIT BEFORE TAX	77	69	21	25	31	13	18
Cost-income ratio in %	58.7	62.8	62.5	58.0	55.9	56.5	66.1

¹ contains the following income statement items: provisions for risks and charges and net income from investments

Development of the Private Banking division

The Private Banking division is being shown in the reporting period without the contributions to profits provided by the private banking activities of UniCredit Luxembourg that were sold at year-end 2010. The year-ago figures have been adjusted accordingly. The division generated a profit before tax of €77 million in the first nine months of 2011, which exceeded the year-ago total of €69 million.

Within operating income, a year-on-year increase of 17.1% was generated in net interest primarily as a result of higher interest margins in the deposit-taking business. The €116 million recorded for net fees and commissions failed to match the year-ago total essentially on account of falling demand for long-term bonds in the first half of 2011 and the difficult market environment in the third quarter of 2011. Nonetheless, operating income rose by 2.6% to €201 million overall.

The cost-income ratio improved by a strong 4.1 percentage points to 58.7%, which can be attributed to both the higher operating income and the 4.1% decline in operating costs achieved by applying strict cost management. The operating profit rose by a sharp 13.7% to €83 million.

Notes to the Income Statement (CONTINUED)

Income statement of the Other/consolidation segment

(€ millions)

INCOME/EXPENSES	1/1 – 30/9/ 2011	1/1 – 30/9/ 2010	Q3 2011	Q2 2011	Q1 2011	Q4 2010	Q3 2010
OPERATING INCOME	238	495	44	72	122	149	186
Operating costs	(196)	(148)	(80)	(55)	(61)	(44)	(53)
OPERATING PROFIT/(LOSS)	42	347	(36)	17	61	105	133
Net write-downs of loans and provisions							
for guarantees and commitments	51	(42)	—	65	(14)	(3)	2
NET OPERATING PROFIT/(LOSS)	93	305	(36)	82	47	102	135
Restructuring costs	(30)	—	(30)	—	—	(22)	—
Net income from investments and other items ¹	2	(77)	(39)	43	(2)	(6)	(34)
PROFIT/(LOSS) BEFORE TAX	65	228	(105)	125	45	74	101

¹ contains the following income statement items: provisions for risks and charges and net income from investments

Development of the Other/consolidation segment

The operating income of the Other/consolidation segment declined by €257 million in the first nine months of 2011. Among other things, this strong decrease can be attributed to gains realised on the buy-back of hybrid capital in the equivalent period last year. These have not recurred in 2011. Furthermore, the total has been depressed by the expenses of €76 million arising from the bank levy that has been charged for the first time in Germany.

Operating costs rose by a total of €48 million, attributable primarily to the bank levy of €36 million in Austria that has been included for the first time. Thus the operating profit posted by this segment in the first nine months of 2011 amounted to €42 million (2010: €347 million).

Within net write-downs of loans and provisions for guarantees and commitments, there was a net reversal of €51 million in the first nine months of 2011, compared with net additions of €42 million required in the corresponding period last year. Net income from investments and other items amounting to €2 million reflects expenses for provisions for legal risks offset by a gain on the partial sale of our shareholdings in UniCredit Global Information Services S.C.p.A. (UGIS) and UniCredit Business Partners S.C.p.A. (UCBP). After restructuring costs, the profit before tax for the reporting period totalled €65 million (2010: €228 million).

4 Net interest

(€ millions)

	1/1 – 30/9/2011	1/1 – 30/9/2010
Interest income from	6,677	6,485
lending and money market transactions	4,486	4,520
other interest income	2,191	1,965
Interest expense from	(3,570)	(3,472)
deposits	(1,211)	(932)
debt securities in issue and other interest expenses	(2,359)	(2,540)
Total	3,107	3,013

5 Dividends and other income from equity investments

(€ millions)

	1/1 – 30/9/2011	1/1 – 30/9/2010
Dividends and other similar income	131	87
Companies accounted for using the equity method	6	7
Total	137	94

6 Net fees and commissions

(€ millions)

	1/1 – 30/9/2011	1/1 – 30/9/2010
Management, brokerage and consultancy services	504	525
Collection and payment services	132	134
Lending operations	357	304
Other service operations	23	4
Total	1,016	967

This item comprises the balance of fee and commission income of €1,424 million (2010: €1,611 million) and fee and commission expenses of €408 million (2010: €644 million).

7 Net trading, hedging and fair value income

(€ millions)

	1/1 – 30/9/2011	1/1 – 30/9/2010
Net gains on financial assets held for trading ¹	455	582
Effects arising from hedge accounting	102	84
Changes in fair value of hedged items	(803)	(1,211)
Changes in fair value of hedging derivatives	905	1,295
Net gains/(losses) on financial assets at fair value through profit or loss (fair value option) ²	73	(26)
Other net trading income	9	109
Total	639	749

¹ including dividends on financial assets held for trading

² also including the valuation results of derivatives concluded to hedge financial assets through fair value at profit or loss

The effects arising from hedge accounting include the hedge results of the fair value hedge portfolio and the individual micro fair value hedges as a net aggregate total.

The net gains on holdings at fair value through profit or loss (held-for-trading portfolio and fair value option) generally only contain the changes in fair value disclosed in the income statement. The interest income from held-for-trading portfolios is normally disclosed under net interest. To ensure that the full contribution to profits is disclosed, the interest cash flows are only carried in net trading, hedging and fair value income for the interest rate swap trading book, which exclusively contains interest rate derivatives.

8 Net other expenses/income

(€ millions)

	1/1 – 30/9/2011	1/1 – 30/9/2010
Other income	240	253
Other expenses	(157)	(79)
Total	83	174

In the first nine months of 2011, other expenses include the German bank levy in the amount of €76 million for the first time.

Notes to the Income Statement (CONTINUED)

9 Net write-downs of loans and provisions for guarantees and commitments

(€ millions)

	1/1 – 30/9/2011	1/1 – 30/9/2010
Additions/releases	(223)	(701)
Allowances for losses on loans and receivables	(210)	(648)
Allowances for losses on guarantees and indemnities	(13)	(53)
Recoveries from write-offs of loans and receivables	150	37
Gains/(losses) on the disposal of impaired loans and receivables	(5)	—
Total	(78)	(664)

10 Net income from investments

(€ millions)

	1/1 – 30/9/2011	1/1 – 30/9/2010
Available-for-sale financial assets	98	38
Shares in affiliated companies	20	—
Companies accounted for using the equity method	(7)	—
Held-to-maturity investments	(4)	—
Land and buildings	—	—
Investment properties	(11)	(47)
Other	—	—
Total	96	(9)

Net income from investments breaks down as follows:

(€ millions)

	1/1 – 30/9/2011	1/1 – 30/9/2010
Gains on the disposal of	128	46
available-for-sale financial assets	109	46
shares in affiliated companies	20	—
companies accounted for using the equity method	(7)	—
held-to-maturity investments	(4)	—
land and buildings	—	—
investment properties	10	—
other	—	—
Write-downs, value adjustments and write-ups on	(32)	(55)
available-for-sale financial assets	(11)	(8)
shares in affiliated companies	—	—
companies accounted for using the equity method	—	—
held-to-maturity investments	—	—
investment properties ¹	(21)	(47)
Total	96	(9)

¹ impairments and write-ups together with fair value fluctuations for investment properties measured at market value**11 Earnings per share**

	1/1 – 30/9/2011	1/1 – 30/9/2010
Consolidated profit attributable to shareholder (€ millions)	1,186	1,119
Average number of shares	802,383,672	802,383,672
Earnings per share (€)	1.48	1.39

Notes to the Balance Sheet

12 Financial assets held for trading

(€ millions)

	30/9/2011	31/12/2010
Balance sheet assets	40,950	44,903
Fixed-income securities	26,620	26,952
Equity instruments	2,896	6,422
Other financial assets held for trading	11,434	11,529
Positive fair value from derivative financial instruments	116,979	88,486
Total	157,929	133,389

The financial assets held for trading include €233 million (31 December 2010: €392 million) in subordinated assets at 30 September 2011.

13 Financial assets at fair value through profit or loss

(€ millions)

	30/9/2011	31/12/2010
Fixed-income securities	27,073	24,555
Equity instruments	—	—
Investment certificates	1	1
Promissory notes	2,019	2,075
Other financial assets at fair value through profit or loss	—	—
Total	29,093	26,631

The financial assets at fair value through profit or loss include €295 million (31 December 2010: €297 million) in subordinated assets at 30 September 2011.

14 Available-for-sale financial assets

(€ millions)

	30/9/2011	31/12/2010
Fixed-income securities	3,847	3,974
Equity instruments	689	778
Other available-for-sale financial assets	340	448
Impaired assets	762	715
Total	5,638	5,915

At 30 September 2011, available-for-sale financial assets include financial instruments of €1,447 million (31 December 2010: €1,416 million) valued at cost compliant with IAS 39.46.

The available-for-sale financial assets contain a total of €762 million (31 December 2010: €715 million) in impaired assets at 30 September 2011 for which impairments of €33 million (30 September 2010: €20 million) were taken to the income statement during the period under review. None of the non-impaired debt instruments are financial instruments past due.

The available-for-sale financial assets include €284 million (31 December 2010: €493 million) in subordinated assets at 30 September 2011.

The available-for-sale financial assets include Greek government bonds with a carrying amount/market value of €2 million, or a nominal amount of €6 million, at 30 September 2011. We have recognised an impairment of €2 million on this holding in 2011.

Notes to the Balance Sheet (CONTINUED)

15 Shares in associates accounted for using the equity method and joint ventures accounted for using the equity method

(€ millions)

	30/9/2011	31/12/2010
Associated companies accounted for using the equity method	—	94
of which: goodwill	—	—
Joint ventures accounted for using the equity method	—	—
Total	—	94

In the course of implementing All4Quality, a group-wide UniCredit project for enhancing the quality of internal services, we sold all but ten of our shares in UniCredit Global Information Services S.C.p.A. (UGIS) to UniCredit S.p.A. on 13 May 2011. Upon the sale of our shares (previous shareholding of 24.7%), UGIS, which was consolidated at equity, was deconsolidated.

16 Held-to-maturity investments

(€ millions)

	30/9/2011	31/12/2010
Fixed-income securities	2,476	2,596
Impaired assets	—	4
Total	2,476	2,600

No impaired assets are included in held-to-maturity investments at 30 September 2011 (31 December 2010: €4 million). None of the non-impaired debt instruments are financial instruments past due. No impairment losses were recognised in the income statement during the reporting period.

The held-to-maturity investments include a total of €11 million (31 December 2010: €15 million) in subordinated assets at 30 September 2011.

No Greek government bonds are included in held-to-maturity investments at 30 September 2011.

17 Loans and receivables with banks

(€ millions)

	30/9/2011	31/12/2010
Current accounts and demand deposits	16,789	16,222
Repos ¹	9,932	12,343
Reclassified securities	3,502	4,983
Other loans to banks	19,854	12,784
Total	50,077	46,332

¹ repurchase agreements

The loans and receivables with banks include €661 million (31 December 2010: €784 million) in subordinated assets at 30 September 2011.

18 Loans and receivables with customers

(€ millions)

	30/9/2011	31/12/2010
Current accounts	10,451	8,923
Repos ¹	2,216	484
Mortgage loans	47,397	50,062
Finance leases	2,788	2,600
Reclassified securities	4,992	6,068
Non-performing loans and receivables	4,454	5,095
Other loans and receivables	64,194	66,119
Total	136,492	139,351

¹ repurchase agreements

The loans and receivables with customers include €1,733 million (31 December 2010: €2,006 million) in subordinated assets at 30 September 2011.

No Greek government bonds are included in loans and receivables with customers at 30 September 2011.

19 Non-current assets and disposal groups held for sale

The €185 million reported for non-current assets and disposal groups held for sale on the assets side of the balance sheet at 30 September 2011 essentially results from intended disposals of HVB property, plant and equipment in Munich and Hamburg, the sale of HVB shareholdings and the decision taken by DAB Bank at the end of the third quarter to sell shares in its majority-owned SRQ FinanzPartner AG subsidiary.

20 Application of reclassification rules defined in IAS 39.50 et seq.

No further assets held for trading have been reclassified as loans and receivables in 2011. The intention to trade no longer exists for the assets reclassified in 2008 and 2009, since the markets in these financial instruments had become illiquid as a result of the extraordinary circumstances created by the financial crisis through to the time of reclassification. Given the high quality of the assets concerned, HVB intends to retain the assets for a longer period. HVB has not reclassified any assets from the available-for-sale portfolio.

The following table shows the development of the reclassified holdings:

(€ billions)

RECLASSIFIED ASSET-BACKED SECURITIES AND OTHER DEBT SECURITIES	CARRYING AMOUNT OF ALL RECLASSIFIED ASSETS ¹	FAIR VALUE OF ALL RECLASSIFIED ASSETS	NOMINAL AMOUNT OF ALL RECLASSIFIED ASSETS
Reclassified in 2008			
Balance at 31/12/2008	13.7	11.8	14.6
Balance at 31/12/2009	9.0	8.0	9.7
Balance at 31/12/2010	6.5	5.9	7.0
Balance at 30/9/2011	5.0	4.5	5.4
Reclassified in 2009			
Balance at 31/12/2009	7.3	7.4	7.4
Balance at 31/12/2010	4.6	4.5	4.6
Balance at 30/9/2011	3.5	3.5	3.6
Balance of reclassified assets at 30/9/2011	8.5	8.0	9.0

¹ before accrued interest

Notes to the Balance Sheet (CONTINUED)

The fair value of the financial instruments reclassified as loans and receivables with banks and customers amounts to a total of €8.0 billion at 30 September 2011. If these reclassifications had not been carried out in 2008 and 2009, mark-to-market valuation (including realised disposals) would have given rise to a net gain of €178 million in net trading, hedging and fair value income in the first nine months of 2011. A net gain of €416 million (2010) and €1,159 million (2009) would have arisen in net trading, hedging and fair value income in the financial years 2010 and 2009 while a net loss of €1,792 million would have accrued in net trading, hedging and fair value income from the reclassified holdings in 2008. These effects reflect a theoretical, pro forma calculation, as the assets are measured at amortised cost on account of the reclassification.

We took write-downs of loans of €9 million on the reclassified assets in the first nine months of 2011 (whole of 2010: €8 million, 2009: €80 million, 2008: €63 million). The fair value at the date when the reclassification takes effect represents the new acquisition cost, which in some cases is considerably less than the nominal value. Accordingly, this difference (discount) is to be amortised over the remaining term of the reclassified financial assets. This together with the reclassified securities that had matured or been partially repaid gives rise to an effect of €77 million in the first nine months of 2011 (whole of 2010: €160 million, 2009: €208 million, 2008: €127 million), which is recognised in net interest.

A gain of €3 million (whole of 2010: €19 million, 2009: €83 million) on reclassified securities that had been sold was recognised in the income statement in the first nine months of 2011.

In the first nine months of 2011, the reclassifications carried out in 2008 and 2009 resulted in a profit before tax that was €107 million too low. Between the date when the reclassifications took effect and the reporting date, the cumulative net impact on the income statement from the reclassifications already carried out totalled €556 million before tax (first nine months of 2011: minus €107 million, whole of 2010: minus €245 million, 2009: minus €948 million, 2008: plus €1,856 million).

21 Allowances for losses on loans and receivables with customers and banks

Analysis of loans and receivables

(€ millions)

Balance at 1 January 2010	5,222
Changes affecting income ¹	648
Changes not affecting income	
Changes due to make-up of group of consolidated companies and reclassifications of disposal groups held for sale	—
Use of existing loan-loss allowances	(467)
Effects of currency translation and other changes not affecting income	75
Non-current assets or disposal groups held for sale	—
Balance at 30 September 2010	5,478
Balance at 1 January 2011	5,059
Changes affecting income ¹	215
Changes not affecting income	
Changes due to make-up of group of consolidated companies and reclassifications of disposal groups held for sale	—
Use of existing loan-loss allowances	(479)
Effects of currency translation and other changes not affecting income	87
Non-current assets or disposal groups held for sale	—
Balance at 30 September 2011	4,882

¹ the total includes the gains on disposal of impaired loans and receivables

22 Deposits from banks

(€ millions)

	30/9/2011	31/12/2010
Deposits from central banks	5,409	4,396
Deposits from banks	57,488	47,491
Current accounts and demand deposits	14,861	12,815
Reverse repos ¹	20,172	8,071
Other liabilities	22,455	26,605
Total	62,897	51,887

¹ repurchase agreements

23 Deposits from customers

(€ millions)

	30/9/2011	31/12/2010
Current accounts and demand deposits	48,152	47,893
Savings deposits	13,992	14,893
Reverse repos ¹	10,114	10,010
Other liabilities	32,952	35,698
Total	105,210	108,494

¹ repurchase agreements

24 Debt securities in issue

(€ millions)

	30/9/2011	31/12/2010
Bonds	40,767	46,142
Other securities	1,020	2,534
Total	41,787	48,676

25 Liabilities of disposal groups held for sale

The liabilities of disposal groups held for sale disclosed at year-end 2010 relate to the sale of parts of the private banking activities of UniCredit Luxembourg S.A. to DZ Privatbank S.A. that took effect in December 2010. These have been carried forward to the start of January 2011.

26 Provisions

(€ millions)

	30/9/2011	31/12/2010
Provisions for pensions and similar commitments	49	51
Allowances for losses on guarantees and commitments	214	283
Restructuring provisions	104	87
Actuarial provisions	34	35
Other provisions	1,736	1,445
Total	2,137	1,901

Notes to the Balance Sheet (CONTINUED)

27 Change in valuation of financial instruments

The reserves arising from changes in the valuation of financial instruments recognised in equity totalled minus €90 million at 30 September 2011 (31 December 2010: minus €87 million). Within this total, the €39 million decline in the hedge reserve compared with year-end 2010 to €15 million was offset by the positive development in the AfS reserve, which increased by €36 million to minus €105 million. Financial instruments classified as available for sale, which still constituted a large negative AfS reserve at year-end 2010, were redeemed early at their face value. In the first nine months of 2011, there was a market-related increase in the value of ABS holdings in the available-for-sale portfolio, for which there were no impairment criteria as defined in IAS 39.59 and hence no impairment losses needed to be recognised.

28 Subordinated capital

The following table shows the breakdown of subordinated capital included in deposits from banks and customers and debt securities in issue: (€ millions)

	30/9/2011	31/12/2010
Subordinated liabilities	2,530	2,628
Participating certificates outstanding	155	205
Hybrid capital instruments	783	1,299
Total	3,468	4,132

Other Information

29 Contingent liabilities and other commitments

(€ millions)

	30/9/2011	31/12/2010
Contingent liabilities¹	20,930	19,170
Guarantees and indemnities	20,930	19,170
Other commitments	64,012	65,015
Irrevocable credit commitments	41,872	39,721
Other commitments	22,140	25,294
Total	84,942	84,185

¹ contingent liabilities are offset by contingent assets to the same amount

Other Information (CONTINUED)

30 Members of the Supervisory Board and Management Board

Supervisory Board

Federico Ghizzoni
since 2 March 2011
Chairman since 4 March 2011

Chairman

Sergio Ermotti
until 1 March 2011

Chairman

Peter König
Dr Wolfgang Sprissler

Deputy Chairman

Deputy Chairman

Aldo Bulgarelli
Beate Dura-Kempf
Klaus Grünewald
Werner Habich
since 16 January 2011
Dr Lothar Meyer
Marina Natale
Klaus-Peter Prinz
Jutta Streit
until 15 January 2011
Jens-Uwe Wächter
Dr Susanne Weiss

Members

Management Board

Peter Buschbeck **Family & SME division¹**

Jürgen Danzmayr **Private Banking division**
since 1 July 2011

Lutz Diederichs **Corporate & Investment
Banking division**

Peter Hofbauer **Chief Financial Officer (CFO)**

Heinz Laber **Human Resources Management,
Global Banking Services**

Andrea Umberto Varese **Chief Risk Officer (CRO)**

Dr Theodor Weimer **Board Spokesman**

Andreas Wölfer **Private Banking division**
until 30 June 2011

¹ formerly Retail division; the division was renamed Family & SME on 1 January 2011 after resegmentation

Munich, 9 November 2011

UniCredit Bank AG
The Management Board



Buschbeck



Danzmayr



Diederichs



Hofbauer



Laber



Varese



Dr Weimer

UniCredit Bank AG
Kardinal-Faulhaber-Strasse 1
80333 Munich

Signed by

Bettina Rödl

Katrin Felix

A handwritten signature in black ink, appearing to be 'BRödl', written in a cursive style.A handwritten signature in black ink, appearing to be 'K. Felix', written in a cursive style.