



PILLAR III DISCLOSURE REPORT

According to National Bank of Romania Regulation no.5/2013
regarding prudential requirements for credit institutions

and

Regulation no. 575/2013 of European Parliament and Council dated 26.06.2013 regarding
prudential requirements for credit institutions and investment companies and amending Regulation
(UE) no.648/2012

Report reference date: June 30, 2018

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Overview on disclosures

The Report is prepared in accordance with National Bank of Romania Regulation no. 5/2013 regarding prudential requirements for credit institutions, Regulation no. 575/2013 of European Parliament and Council dated 26.06.2013 regarding prudential requirements for credit institution and investment companies and amending Regulation (UE) no.648/2012.

The disclosed information is compliant with the Guideline on disclosure requirements under Part Eight of Regulation (EU) No 575/2013 and other dedicated Guidelines issued by European Banking Authority and Basel Committee.

The document is available in electronic format at www.unicredit.ro.

The cantitative data are presented on consolidated basis, except those flagged at individual level.

As the UniCredit Bank Romania has been identified as Other Systemically Important credit Institution (O-SII) from Romania, the Bank will provide to the users with quarterly frequency a relevant bucket of information according to its internal policy related to disclosure.

When assesing the disclosure requirements, the Bank considers that the following requirements as not applicable for June 2018.

Area	Regulation (EU) no 575/2013 article reference	Disclosure template	Reason for not disclosure
Use of Internal Market Risk Models	445 & 455	EU MR2-B – RWA flow statements of market risk exposures under the IMA (Internal Modal Approach)	Unicredit Bank does not apply an internal model approach for the calculation of market risk capital requirements
Capital requirements	438	EU INS1 – Non-deducted participations in insurance undertakings	As at June 30, 2018, Unicredit Bank does not has participations in insurance undertakings
Exposure to counterparty credit risk	439	EU CCR8 – Exposures to CCPs	As at June 30, 2018, Unicredit Bank does not has exposures to CCPs
		EU CCR6 – Credit derivatives exposures	As at June 30, 2018, Unicredit Bank does not has credit derivatives exposures
Use of credit risk mitigation techniques	453	EU CR7 – IRB approach – Effect on the RWAs of credit derivatives used as CRM techniques	As at June 30, 2018, Unicredit Bank does use credit derivatives used as CRM techniques

Area	Regulation (EU) no 575/2013 article reference	Disclosure template	Reason for not disclosure
Exposure to market risk	445	EU MR1 – Market risk under the standardised approach	For June 2018 Unicredit Bank does not fulfill the requirements for own funds requirements for foreign exchange risk

The Pillar III Report is approved by the Supervisory Board of UniCredit Bank Romania.

1. Own funds

Regulatory capital

Starting with January 2014, Romanian Banking System is applying the Basel III norms, in accordance with Regulation no. 575/2013 of European Parliament and Council dated 26.06.2013 regarding prudential requirements for credit institutions and investment companies, amended by Regulation (UE) no.648 / 2012 and by Regulation no. 5/2013 regarding prudential requirements for credit institutions issued by National Bank of Romania and Commission Implementing Regulation (EU) No 1423/2013 of 20 December 2013 laying down implementing technical standards with regard to disclosure of own funds requirements for institutions according to Regulation (EU) No 575/2013 of the European Parliament and of the Council.

The composition of the equity for the regulatory purpose is detailed by the own funds report of the UniCredit Group and Bank at 30.06.2018, as detailed below:

UniCredit Bank- consolidated view RON			
Reference Annex IV	Item	June 30, 2018	Regulation (EU) no 575/2013 article reference
	Common Equity Tier 1 (CET1) capital: instruments and reserves		
1	Capital instruments and the related share premium accounts	1,799,428,752	26 (1), 27, 28, 29
	of which: ordinary shares	1,177,748,253	EBA list 26 (3)
2	Retained earnings	2,235,858,261	26 (1) (c)
3	Accumulated other comprehensive income (and any other reserves)	51,416,979	26 (1)
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	4,086,703,992	Sum of rows 1 to 5a
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		

<i>UniCredit Bank- consolidated view RON</i>			
Reference Annex IV	Item	June 30, 2018	Regulation (EU) no 575/2013 article reference
7	Additional value adjustments (negative amounts)	7,470,295	34, 105
8	Intangible assets (net of related tax liability) (negative amounts)	141,376,384	36 (1) (b), 37
11	Fair value reserves related to gains or losses on cash flow hedges	(47,031,018)	33 (1) (a)
12	Negative amounts resulting from the calculation of expected loss amounts	64,071,874	36 (1) (d), 40, 159
25b	Foreseeable tax charges relating to CET1 items (negative amounts)	10,654,179	36 (1) (l)
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	176,541,714	Sum of rows 7 to 20a, 21, 22 and 25a to 27
29	Common Equity Tier 1 (CET1) capital	3,910,162,278	Row 6 minus row 28
	Additional Tier 1 (AT1) capital: instruments		
36	Additional Tier 1 (AT1) capital before regulatory adjustments		
	Additional Tier 1 (AT1) capital: regulatory adjustments		
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital		
	Excess of deduction from AT1 items over AT1		
44	Additional Tier 1 (AT1) capital		
45	Tier 1 capital (T1 = CET1 + AT1)	3,910,162,278	Sum of row 29 and row 44
	Tier 2 (T2) capital: instruments and provisions		
46	Capital instruments and the related share premium accounts	785,395,350	62, 63
51	Tier 2 (T2) capital before regulatory adjustment	785,395,350	
	Tier 2 (T2) capital: regulatory adjustments		
57	Total regulatory adjustments to Tier 2 (T2) capital		Sum of rows 52 to 56
58	Tier 2 (T2) capital	785,395,350	Row 51 minus row 57
59	Total capital (TC = T1 + T2)	4,695,557,628	Sum of row 45 and row

<i>UniCredit Bank- consolidated view</i> RON			
Reference Annex IV	Item	June 30, 2018	Regulation (EU) no 575/2013 article reference
			58
60	Total risk-weighted assets	27,328,175,598	
	Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	14.31%	92 (2) (a)
62	Tier 1 (as a percentage of total risk exposure amount)	14.31%	92 (2) (b)
63	Total capital (as a percentage of total risk exposure amount)	17.18%	92 (2) (c)

<i>UniCredit Bank- standalone view</i> RON			
Reference Annex IV	Item	June 30, 2018	Regulation (EU) no 575/2013 article reference
	Common Equity Tier 1 (CET1) capital: instruments and reserves		
1	Capital instruments and the related share premium accounts	1,799,428,752	26 (1), 27, 28, 29
	of which: ordinary shares	1,177,748,253	EBA list 26 (3)
2	Retained earnings	2,056,678,125	26 (1) (c)
3	Accumulated other comprehensive income (and any other reserves)	51,416,979	26 (1)
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	3,907,523,856	Sum of rows 1 to 5a
	Common Equity Tier 1 (CET1) capital: regulatory adjustments		
7	Additional value adjustments (negative amounts)	7,470,295	34, 105
8	Intangible assets (net of related tax liability) (negative amounts)	128,804,405	36 (1) (b), 37
11	Fair value reserves related to gains or losses on cash flow hedges	(47,031,018)	33 (1) (a)
12	Negative amounts resulting from the calculation of expected loss amounts	67,570,907	36 (1) (d), 40, 159

<i>UniCredit Bank- standalone view RON</i>			
Reference Annex IV	Item	June 30, 2018	Regulation (EU) no 575/2013 article reference
25b	Foreseeable tax charges relating to CET1 items (negative amounts)	10,654,179	36 (1) (l)
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	167,468,768	Sum of rows 7 to 20a, 21, 22 and 25a to 27
29	Common Equity Tier 1 (CET1) capital	3,740,055,088	Row 6 minus row 28
	Additional Tier 1 (AT1) capital: instruments		
36	Additional Tier 1 (AT1) capital before regulatory adjustments		
	Additional Tier 1 (AT1) capital: regulatory adjustments		
43	Total regulatory adjustments to Additional Tier 1 (AT1) capital		
	Excess of deduction from AT1 items over AT1		
44	Additional Tier 1 (AT1) capital		
45	Tier 1 capital (T1 = CET1 + AT1)	3,740,055,088	Sum of row 29 and row 44
	Tier 2 (T2) capital: instruments and provisions		
46	Capital instruments and the related share premium accounts	785,395,350	62, 63
51	Tier 2 (T2) capital before regulatory adjustment	785,395,350	
	Tier 2 (T2) capital: regulatory adjustments		
57	Total regulatory adjustments to Tier 2 (T2) capital		Sum of rows 52 to 56
58	Tier 2 (T2) capital	785,395,350	Row 51 minus row 57
59	Total capital (TC = T1 + T2)	4,525,450,438	Sum of row 45 and row 58
60	Total risk-weighted assets	21,650,858,128	

<i>UniCredit Bank- standalone view</i> <i>RON</i>			
Reference Annex IV	Item	June 30, 2018	Regulation (EU) no 575/2013 article reference
	Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	17.27%	92 (2) (a)
62	Tier 1 (as a percentage of total risk exposure amount)	17.27%	92 (2) (b)
63	Total capital (as a percentage of total risk exposure amount)	20.90%	92 (2) (c)

KM1: Key metrics

	30-Jun-18	31-Mar-18	31-Dec-17	30-Sep-17	30-Jun-17
Available capital (amounts)					
Common Equity Tier 1 (CET1)	3,910,162,278	4,017,014,833	3,379,971,273	3,207,341,848	3,237,106,499
Fully loaded ECL accounting model		N/A	N/A	N/A	N/A
Tier 1	3,910,162,278	4,017,014,833	3,379,971,273	3,207,341,848	3,237,106,499
Fully loaded accounting model Tier 1		N/A	N/A	N/A	N/A
Total capital	4,695,557,628	4,801,820,433	4,157,349,397	3,423,101,769	3,450,765,679
Fully loaded ECL accounting model total capital		N/A	N/A	N/A	N/A
Risk-weighted assets (amounts)					
Total risk-weighted assets (RWA)	27,328,175,598	28,340,880,032	26,364,458,726	25,808,344,170	24,763,589,646
Risk-based capital ratios as a percentage of RWA					
Common Equity Tier 1 ratio (%)	14.31%	14.17%	12.82%	12.43%	13.07%
Fully loaded ECL accounting model CET1 (%)	N/A	N/A	N/A	N/A	N/A
Tier 1 ratio (%)	14.31%	14.17%	12.82%	12.43%	13.07%
Fully loaded ECL accounting model Tier 1 ratio (%)	N/A	N/A	N/A	N/A	N/A
Total capital ratio (%)	17.18%	16.94%	15.77%	13.26%	13.93%
Fully loaded ECL accounting model total capital ratio (%)	N/A	N/A	N/A	N/A	N/A
Additional CET1 buffer requirements as a percentage of RWA					
Capital conservation buffer requirement (2.5% from 2019) (%)	1.875%	1.875%	1.250%	1.250%	1.250%
Countercyclical buffer requirement (%)					
Bank O-SIB additional requirements (%)	1.000%	1.000%	1.000%	1.000%	1.000%
Total of bank CET1 specific buffer requirements (%) (row 8 + row 9+ row 10)	2.875%	2.875%	2.250%	2.250%	2.250%

	30-Jun-18	31-Mar-18	31-Dec-17	30-Sep-17	30-Jun-17
CET1 available after meeting the bank's minimum capital requirements (%)	9.808%	9.674%	8.320%	7.928%	8.572%
Basel III Leverage Ratio					
Total Basel III leverage ratio measure	50,104,860,672	49,396,422,145	47,318,802,526	43,094,005,875	41,597,273,415
Basel III leverage ratio (%) (row 2/row 13)	7.80%	8.13%	7.14%	7.44%	7.78%
Fully loaded ECL accounting model Basel III leverage ratio (%) (row 2A/row 13)	N/A	N/A	N/A	N/A	N/A
Liquidity Coverage Ratio					
Total HQLA	6,677,134,879	10,121,174,907	10,624,243,714	7,707,420,256	6,790,531,216
Total net cash outflow	4,571,448,746	5,879,385,485	6,871,266,136	5,559,550,867	5,517,837,035
LCR ratio (%)	146.06%	172.15%	154.62%	138.63%	123.07%
Net Stable Funding Ratio					
Total available stable funding	33,560,999,244	32,294,848,445	30,382,697,906	27,910,927,645	24,775,671,007
Total required stable funding	22,896,151,930	22,162,737,461	20,762,184,694	20,299,366,497	19,891,114,008
NSFR ratio (%)	146.58%	145.72%	146.34%	137.50%	124.56%

UniCredit Bank decided not to apply the transitional arrangement for expected credit losses determined by IFRS 9 implementation.

In the first semester of 2018 the Bank increase its core capital issuing a number of 8.187.547 ordinary shares with a nominal value of 9.30 RON per share (amounted RON 76.144.187) and related share premium of 75.93 RON per share (amounted 621.680.444 RON).

Starting with 2018 there are no longer applicable the transitional provisions related to:

- intangible assets;
- unrealised gains and losses from assets and liabilities measured at fair value;
- local filters imposed by NBR (exposure from loans granted to former employees in more favourable conditions than market, prudential filter – differences between RAS and IFRS provisions);
- recognition in consolidated Common Equity Tier 1 capital of instruments and items that do not qualify as minority interests.

The prudential requirements define the eligibility criteria for capital instruments which shall be included in Own Funds – Common Equity Tier 1 Capital, Additional Tier 1 Capital or Own Funds – Tier 2 Capital.

Capital instruments qualify as equity instruments Level 1 basic eligibility if the conditions listed below are fulfilled:

- *Instruments are issued directly by the institution with the prior approval of shareholders institution or, where permitted under applicable national legislation governing body of the institution;*
- *Instruments are paid, and their purchase is not funded directly or indirectly by the institution; are classified as equity within the meaning of applicable accounting framework;*
- *Instruments are presented clearly and distinctly in the balance sheet in the financial statements of the institution;*
- *Instruments are perpetual*
- *The instruments meet the following conditions in terms of distributions:*
 - *No preferential treatment in terms of distribution order to perform distributions, including in relation to other instruments Tier 1 instruments and the conditions governing the instruments do not provide preferential rights to making distributions;*
 - *Distributions to holders of the instruments may be made only items that can be distributed;*
 - *The conditions governing the instruments do not include a cap or other restriction on the maximum level of distributions;*
 - *The level of distributions is not determined based on the purchase price of the instruments at issue.*
- *The conditions governing the instruments do not include any obligation for the institution to make distributions to their owners, and the institution is not otherwise subject to such obligations;*
 - *Failure distributions is not an event of default for the institution;*
 - *Annual distributions do not impose restrictions on the institution.*

Capital instruments qualify as equity instruments Level 2 if the conditions for eligibility listed below are fulfilled:

- *Subordinated loans are obtained and fully paid;*
- *Subordinated loans are not issued by a subsidiary or an associate;*
- *Providing subordinated loans is not funded directly or indirectly by the institution; the principal debt subordinated loans under the provisions governing subordinated loans, is entirely subordinated to the claims of all unsubordinated creditors;*
- *Subordinated loans have an original maturity of at least five years;*
- *Provisions governing, subordinated loans do not include any incentive for their principal amount to be refunded or, if applicable, returned by the institution before maturity;*
- *Subordinated loans can be recognized in the category of Tier 2 items if in the opinion of the National Bank of Romania meet the eligibility conditions listed above.*

2. Capital requirements

2.1. General comment

Capital Adequacy Assessment

During the first semester of 2018, within the Bank it was continued the sustained process for completing the internal methodological framework with specific regulations, mainly as regards the ICAAP general framework, stress tests, setting and monitoring of risk appetite, capital management rules, rules regarding the new risks identified by the Bank as significant.

The Internal Capital Adequacy Assessment Process (“ICAAP”) was performed in accordance with National Bank of Romania Regulation no 5/2013, with subsequent amendments and modifications, representing an independent assessment of the current and future internal capital, related to the risks the bank is facing and in line with the Bank’s strategy. That is to say that UCB assesses the balance between the assumed risk and the available capital consistently with the strategy and assumed objectives, respectively the internal capital and the available financial resources.

The internal capital is represented by the sum of the economic capitals calculated for each risk: credit risk, market risk, operational risk, business risk, financial investments risk, real estate investments risk based on internal models (ex. CVaR, VaR etc).

The ultimate mission of the capital adequacy is to ensure that it forms an integral part of day-to-day management and decision-making processes such as: embedding risk management measures and the capital needed in strategic planning, introduction of risk analysis in strategic planning and budgetary processes.

Thus, the Bank develops and manages its risk management processes, respectively implements processes and tools to assess the level of internal capital adequate to support each type of risk, including those risks not captured by the total capital requirement (i.e. Pillar I risks), within the scope of an assessment of the Bank’s Legal current and future exposure, taking account its strategies and developments in its business environment.

Necessary regulated own funds requirements at consolidated level

For calculating the regulatory capital requirements for credit risk, the Bank applies the Foundation Internal Rating Based Approach, according to Regulation no. 575/2013 of European Parliament and Council dated 26.06.2013 regarding prudential requirements for credit institutions and investment companies and

amending Regulation (UE) no. 648/2012 of the Commission for establishing technical standards for reporting for supervisory purposes and to Regulation no. 5/2013 regarding prudential requirements for credit institutions issued by National Bank of Romania (due to the joint approval received from Bank of Italy, Financial Market Authority Austria - FMA and National Bank of Romania) for the following segments of clients: corporate (except for real estate clients and specialized financing), multinational companies, banks, sovereigns and central banks and securities industries. For the rest of the portfolio, the Bank continued to use the standardized approach.

For calculating the regulatory capital requirements for market risk, the Bank uses the Standardised Approach, while, for operational risk, it is used advanced approach in accordance the above mentioned regulations. All tasks related to the calculation and monitoring of capital requirements are performed by specialized units of Finance Division and Risk Division of the Bank.

For complying with capital adequacy requirements established by Emergency Ordinance 99/2006, the Bank is actively involved in an evaluation process of capital requirements, for sustaining current and future activity, which implies the following processes:

- Budgeting
- Monitoring and analysis
- Stress testing
- Forecasting

The following information are disclosed in RON equivalent

EU OV1 – Overview of RWAs

	RWA		Minimum capital requirements
	30.06.2018	31.03.2018	30.06.2018
Credit risk (excluding CCR)	25,087,577,847	26,024,377,559	2,007,006,228
Of which the standardised approach	11,267,785,023	10,756,717,909	901,422,802
Of which the foundation IRB (FIRB) approach	13,819,792,824	15,267,659,650	1,105,583,426
Of which the advanced IRB (AIRB) approach			
Of which equity IRB under the simple risk-weighted approach or the IMA			
CCR	144,657,629	153,235,130	11,572,610
Of which mark to market	135,969,038	148,076,291	10,877,523
Of which original exposure			
Of which the standardised approach			
Of which internal model method (IMM)			
Of which risk exposure amount for contributions to the default fund of a CCP			
Of which CVA	8,688,591	5,158,839	695,087
Settlement risk			
Securitisation exposures in the banking book (after the cap)			
Of which IRB approach			
Of which IRB supervisory formula approach (SFA)			
Of which internal assessment approach (IAA)			
Of which standardised approach			
Market risk	116,012,700	100,929,268	9,281,016
Of which the standardised approach	116,012,700	100,929,268	9,281,016
Of which IMA			
Large exposures			
Operational risk	1,979,927,422	2,062,338,074	158,394,194
Of which basic indicator approach	672,174,338	672,174,338	53,773,947
Of which standardised approach			
Of which advanced measurement approach	1,307,753,084	1,390,163,737	104,620,247
Amounts below the thresholds for deduction (subject to 250% risk weight)			
Floor adjustment			
Total	27,328,175,598	28,340,880,032	

CR10 – IRB (specialised lending and equities)

Specialised lending							
Regulatory categories	Remaining maturity	On-balance-sheet amount	Off-balance-sheet amount	Risk weight	Exposure amount	RWA	Expected losses
Category 1	Less than 2.5 years			50%			
	Equal to or more than 2.5 years			70%			
Category 2	Less than 2.5 years			70%			
	Equal to or more than 2.5 years			90%			
Category 3	Less than 2.5 years			115%			
	Equal to or more than 2.5 years			115%			
Category 4	Less than 2.5 years			250%			
	Equal to or more than 2.5 years			250%			
Category 5	Less than 2.5 years			-			
	Equal to or more than 2.5 years			-			
Total	Less than 2.5 years						
	Equal to or more than 2.5 years						
Equities under the simple risk-weighted approach							
Categories		On-balance-sheet amount	Off-balance-sheet amount	Risk weight	Exposure amount	RWA	Capital requirements
Private equity exposures				190%			
Exchange-traded equity exposures				290%			
Other equity exposures		31,206,289		370%	31,206,289	115,463,269	9,237,062
Total		31,206,289			31,206,289	115,463,269	9,237,062

CCR1 – Analysis of CCR exposure by approach

	Notional	Replacement cost/current market value	Potential future credit exposure	EEPE	Multiplier	EAD post CRM	
Mark to market		72,003,042	132,664,422			204,667,464	135,969,038
Original exposure							
Standardised approach							
IMM (for derivatives and SFTs)							

	Notional	Replacement cost/current market value	Potential future credit exposure	EEPE	Multiplier	EAD post CRM	
<i>Of which securities financing transactions</i>							
<i>Of which derivatives and long settlement transactions</i>							
<i>Of which from contractual cross-product netting</i>							
Financial collateral simple method (for SFTs)							
Financial collateral comprehensive method (for SFTs)						6,073,997,530	66,783,644
VaR for SFTs							
Total							202,752,682

CCR2 – CVA capital charge

	Exposure value	RWAs
Total portfolios subject to the advanced method		
(i) VaR component (including the 3× multiplier)		
(ii) SVaR component (including the 3× multiplier)		
All portfolios subject to the standardised method	41,722,328	41,719,915
Based on the original exposure method		
Total subject to the CVA capital charge	41,722,328	41,719,915

CCR5-A – Impact of netting and collateral held on exposure values

	Gross positive fair value or net carrying amount	Netting benefits	Netted current credit exposure	Collateral held	Net credit exposure
Derivatives					
SFTs				6,074,184,735	
Cross-product netting					
Total				6,074,184,735	

CCR5-B – Composition of collateral for exposures to CCR

	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated	Unsegregated	Segregated	Unsegregated		
SFT					6,077,970,516	
Total					6,077,970,516	

CCR7 – RWA flow statements of CCR exposures under the IMM

	RWA amounts	Capital requirements
RWAs as at the end of the previous reporting period	85,284,384	6,822,751
Asset size		
Credit quality of counterparties	-78,637,945	-6,291,036
Model updates (IMM only)		
Methodology and policy (IMM only)		
Acquisitions and disposals	60,137,205	4,810,976
Foreign exchange movements		
Other		
RWAs as at the end of the current reporting period	66,783,644	5,342,692

CR1-A – Credit quality of exposures by exposure class and instrument (standalone)

	Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
	Defaulted exposures	Non-defaulted exposures					
Central governments or central banks	242,837,710	1,306,949,388	223,907,557		0	22,839,418	1,325,879,541
Institutions	0	4,463,468,662	1,354,130		0	1,002,012	4,462,114,532
Corporates	1,046,405,090	19,145,800,361	779,502,762		243,827,463	166,409,247	19,412,702,688
<i>Of which: Specialised lending</i>	0	0	0		0	0	0
<i>Of which: SMEs</i>	958,887,697	9,075,338,264	696,085,327		124,494,307	139,075,505	9,338,140,634

	Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
	Defaulted exposures	Non-defaulted exposures					
Retail	0	0	0		0	0	0
<i>Secured by real estate property</i>	0	0	0		0	0	0
<i>SMEs</i>	0	0	0		0	0	0
<i>Non-SMEs</i>	0	0	0		0	0	0
<i>Qualifying revolving</i>	0	0	0		0	0	0
<i>Other retail</i>	0	0	0		0	0	0
<i>SMEs</i>	0	0	0		0	0	0
<i>Non-SMEs</i>	0	0	0		0	0	0
Equity	0	174,321,972			0	0	174,321,972
Total IRB approach	1,289,242,800	25,090,540,383	1,004,764,449		0	190,250,677	25,375,018,733
Central governments or central banks	0	6,981,337,601	1,669,722		0	1,685,701	6,979,667,879
Regional governments or local authorities	0	366,765,714	1,426,757		0	1,242,052	365,338,957
Public sector entities	0	494	8		0	8	486
Multilateral development banks	0	0	0		0	0	0
International organisations	0	0	0		0	0	0
Institutions	0	0	0		0	0	0
Corporates	242,070,181	2,470,226,511	243,122,273		0	33,740,965	2,469,174,418
<i>Of which: SMEs</i>	231,164,787	1,111,190,015	205,945,015		0	7,565,955	1,136,409,787
Retail	371,167,879	2,901,031,551	289,367,613		3,815,697	17,347,004	2,982,831,817
<i>Of which: SMEs</i>	180,696,424	1,680,254,750	154,853,764		0	7,126,402	1,706,097,410
Secured by mortgages on immovable property	55,673,061	4,269,822,392	18,582,380		0	10,510,756	4,306,913,073
<i>Of which: SMEs</i>	11,022,918	307,705,943	1,768,403		0	631,923	316,960,458
Exposures in default	668,911,120		470,110,177		465,790,519	55,238,913	198,800,943
Items associated with particularly high risk	80,405,540	472,678,153	62,426,646		0	3,661,627	490,657,046
Covered bonds	0	0	0		0	0	0
Claims on institutions and corporates with a short-term credit assessment	0	0	0		0	0	0

	Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
	Defaulted exposures	Non-defaulted exposures					
Collective investments undertakings	0	0	0		0	0	0
Equity exposures	0	0	0		0	0	0
Other exposures	0	0	0		0	0	0
Total standardised approach	749,316,660	17,461,862,416	616,595,399		0	123,427,025	17,594,583,677
Total	2,038,559,460	42,552,402,799	1,621,359,848		713,433,679	313,677,702	42,969,602,411
Of which: Loans	1,796,562,647	25,098,686,769	1,480,948,024		0	265,123,065	25,414,301,393
Of which: Debt securities	0	5,930,811,778	0		0	0	5,930,811,778
Of which: Off-balance-sheet exposures	241,996,813	11,348,582,280	140,411,824		0	48,597,854	11,450,167,268

CR1-B – Credit quality of exposures by industry or counterparty types (standalone)

	Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
	Defaulted exposures	Non-defaulted exposures					
Agriculture, forestry and fishing	26,826,101	1,560,380,443	24,494,244		13,653,300	7,931,768	1,562,712,300
Mining and quarrying	2,761,485	195,864,462	2,172,975		713,550	1,694,382	196,452,972
Manufacturing	392,367,077	7,009,706,335	304,211,403		200,220,217	65,132,697	7,097,862,008
Electricity, gas, steam and air conditioning supply	78,009,129	913,072,517	48,793,016		0	898,972	942,288,631
Water supply; sewerage, waste management and remediation activities	52,773,683	165,222,714	29,613,734		2,675,624	4,933,068	188,382,663
Construction	329,156,796	1,828,152,445	252,509,872		33,113,043	38,536,582	1,904,799,370
Wholesale and retail trade; repair of motor vehicles and motorcycles	312,903,039	6,699,768,562	251,053,728		168,622,767	71,715,497	6,761,617,873
Transport and storage	15,692,984	882,599,305	16,511,622		6,419,460	3,952,418	881,780,667
Accommodation and food service activities	10,702,328	195,433,007	3,972,451		2,723,000	1,835,155	202,162,884

	Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges of the period	Net values
	Defaulted exposures	Non-defaulted exposures					
Information and communication	38,523,164	920,913,573	27,171,658		62,296	4,430,019	932,265,079
Financial and insurance activities	231,998	7,393,678,969	4,047,790		1,580,474	2,960,763	7,389,863,177
Real estate activities	103,578,877	1,747,535,394	113,301,489		10,548,379	31,835,391	1,737,812,781
Professional, scientific and technical activities	61,446,708	976,011,151	54,712,576		9,661,279	14,182,377	982,745,283
Administrative and support service activities	13,406,310	252,220,699	9,570,879		1,506,456	585,911	256,056,131
Public administration and defence, compulsory social security	242,837,710	6,261,542,641	224,978,348		96,558	23,954,443	6,279,402,003
Education	9,703	7,921,860	21,917		64,057	7,477	7,909,646
Human health and social work activities	2,889,970	57,376,083	2,122,328		5,960,187	1,812,251	58,143,726
Arts, entertainment and recreation	8,859,948	29,934,288	6,120,368		17,737	851,506	32,673,867
Other services activities	2,793,556	52,828,564	2,100,084		94,492,930	361,068	53,522,036
Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use	342,787,834	5,378,346,280	243,976,175		161,302,365	36,002,180	5,477,157,939
Activities of extraterritorial organisations and bodies	0	0	0		0	0	0
Other	0	23,457,801	73,340		0	63,779	23,384,461
Total	2,038,558,400	42,551,967,092	1,621,529,998		713,433,679	313,677,702	42,968,995,495

EU CR1-C – Credit quality of exposures by geography

	Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges	Net values
	Defaulted exposures	Non-defaulted exposures					
	Emiratele Arabe Unite	0					
Argentina	0	23,306	0	0	0	0	23,306
Austria	1,379,306	222,703,921	1,456,486	0	0	183,878	222,626,741
Australia	0	68,000	319	0	0	5	67,681
Belgia	0	699,907	254	0	0	239	699,653
Bulgaria	0	10,695,784	2,589	0	0	1,781	10,693,195
Bahamas	0	23,000	146	0	0	2	22,854
Canada	0	368,045	150	0	0	13	367,895
Congo	0	21	0	0	0	0	20
Elvetia	0	57,533,601	4,780	0	0	4,597	57,528,822
China	0	1,147,601	960	0	0	960	1,146,641
Cipru	1,060,757	9	1,060,758	0	0	151,778	9
Republica Cehia	0	16,283,412	880	0	0	880	16,282,532
Germania	8,538	1,080,894,164	72,539	0	0	51,048	1,080,830,163
Danemarca	0	6,125,599	4,306	0	0	3,336	6,121,293
Spania	0	112,127,627	29,191	0	0	29,187	112,098,435
Franta	0	62,636,185	46,690	0	0	43,390	62,589,495
Regatul Unit	0	48,403,154	20,324	0	0	14,958	48,382,830
Grecia	532	20	487	0	0	82	65
Georgia de Sud și Insulele Sandwich	0	52,377	0	0	0	0	52,377
Ungaria	0	34,368,439	18,266	0	0	18,265	34,350,173
Indonezia	0	8,034	34	0	0	0	8,000
Irlanda	0	16,438,537	2,183	0	0	1,694	16,436,354
Israel	0	5,931,831	282	0	0	281	5,931,550
India	0	385,687	29	0	0	29	385,658
Teritoriul Britanic al Oceanului Indian	6,835	0	6,835	0	0	677	0
Italia	62,619	2,537,538,073	538,068	0	0	431,692	2,537,062,624
Iordania	0	194,480	43	0	0	43	194,437
Japonia	0	4,037,859	885	0	0	884	4,036,974
Liban	47,592	2,301,680	32,833	0	0	11,198	2,316,439
Luxembourg	0	3,510,643	376	0	0	376	3,510,267
Monaco	358	794,838	2,985	0	0	1,837	792,211

	Gross carrying values of		Specific credit risk adjustment	General credit risk adjustment	Accumulated write-offs	Credit risk adjustment charges	Net values
	Defaulted exposures	Non-defaulted exposures					
Republica Moldova	0	41	2	0	0	1	39
Mongolia	0	12	0	0	0	0	12
Malta	0	1,849,780	0	0	0	0	1,849,780
Mexico	0	202,175	13	0	0	13	202,162
Nigeria	0	188,986	1,490	0	0	1,406	187,496
Olanda	0	494,450,374	367,501	0	0	189,115	494,082,873
Norvegia	0	12,000	61	0	0	0	11,939
Pakistan	0	52,500	138	0	0	34	52,362
Polonia	0	9,809,485	2,557	0	0	1,763	9,806,928
Reunion	0	2,636	8	0	0	0	2,628
România	2,035,966,797	37,628,069,974	1,617,533,899	0	0	312,412,729	38,046,502,871
Federația Rusă	0	8,484,335	1,922	0	0	1,922	8,482,413
Suedia	0	20,761,700	936	0	0	936	20,760,764
Slovenia	0	83,198,717	95,735	0	0	88,243	83,102,982
Slovacia	0	1,909,772	194	0	0	62	1,909,578
Tunisia	0	1,741,421	436	0	0	436	1,740,986
Turcia	14,617	13,451,372	35,179	0	0	22,247	13,430,809
Taiwan	0	185,459	20	0	0	20	185,440
Insulele minore periferice ale Statelor	0	5	0	0	0	0	5
Statele Unite	11,509	60,065,941	14,713	0	0	4,755	60,062,737
Africa de Sud	0	2,201,781	167	0	0	167	2,201,613

CR1-D – Ageing of past-due exposures

	Gross carrying values					
	≤ 30 days	> 30 days ≤ 60 days	> 60 days ≤ 90 days	> 90 days ≤ 180 days	> 180 days ≤ 1 year	> 1 year
Loans	1,858,758,559	206,660,937	119,011,317	205,603,647	268,155,940	961,501,073
Debt securities						
Total exposures	1,858,758,559	206,660,937	119,011,317	205,603,647	268,155,940	961,501,073

CR1-E – Non-performing and forborne exposures

	Gross carrying values of performing and non-performing exposures						
		Of which performing but past due > 30 days and <=90 days	Of which performing forborne	Of which non-performing			
					Of which defaulted	Of which impaired	Of which forborne
Debt securities	5,937,039,402						
Loans and advances	39,807,765,097	179,442,224	404,473,841	2,177,710,986	2,177,710,986	2,177,710,986	1,174,463,212
Off-balance-sheet exposures	12,152,461,280	11,947,287,544	93,122,779	205,173,736	205,173,736	205,173,736	141,248,049

(continuing)

	Accumulated impairment and provisions and negative fair value adjustments due to credit risk				Collaterals and financial guarantees received	
	On performing exposures		On non-performing exposures		On non-performing exposures	Of which forborne exposures
		Of which forborne		Of which forborne		
Debt securities	(6,227,624)					
Loans and advances	(265,382,297)	(18,305,819)	(1,575,032,757)	(807,247,437)	391,044,922	486,253,521
Off-balance-sheet exposures	(22,050,884)	(1,734,586)	(115,956,130)	(79,238,032)	42,902,842	54,359,284

CR2-A – Changes in the stock of general and specific credit risk adjustments

	Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment
Opening balance	1,816,954,815	
Net increases due to amounts set aside for estimated loan losses during the period	120,259,437	
Decreases due to amounts taken against accumulated credit risk adjustments	118,374,610	
Transfers between credit risk adjustments		
Impact of exchange rate differences	541,387	
Business combinations, including		

	Accumulated specific credit risk adjustment	Accumulated general credit risk adjustment
acquisitions and disposals of subsidiaries		
Other adjustments		
Closing balance	1,819,381,029	
Recoveries on credit risk adjustments recorded directly to the statement of profit or loss	12,490,808	
Specific credit risk adjustments directly recorded to the statement of profit or loss		

CR2-B – Changes in the stock of defaulted and impaired loans and debt securities (standalone)

	Gross carrying value defaulted exposures
Opening balance	2,160,337,095
Loans and debt securities that have defaulted or impaired since the last reporting period	75,673,353
Returned to non-defaulted status	(12,004,008)
Amounts written off	(713,433,679)
Other changes	527,822,539
Closing balance	2,038,395,300

CR5 – Standardised approach

Exposure classes	Risk weight								
	0%	2%	4%	10%	20%	35%	50%	70%	75%
Central governments or central banks	7,142,094,711								
Regional government or local authorities					261,057,006				
Public sector entities									
Multilateral development banks	26,674,126								
International organisations									
Institutions					355,818		87,307,885		
Corporates					219,405		11,186,640		
Retail									6,551,382,654
Secured by mortgages on immovable property						4,262,026,981			
Exposures in default									
Exposures associated with particularly high risk									
Covered bonds									
Institutions and corporates with a short-term credit assessment									
Collective investment undertakings									
Equity									
Other items	7,150								
Total	7,168,775,987	0	0	0	261,632,229	4,262,026,981	98,494,525	0	6,551,382,654

(continuing)

Exposure classes	100%	150%	250%	370%	1250%	Others	Deducted	Total	Of which unrated
Central governments or central banks			51,997,879					7,194,092,591	
Regional government or local authorities	81,080,397							342,137,402	
Public sector entities	486							486	
Multilateral development banks								26,674,126	
International organisations								0	
Institutions	606,806							88,270,510	
Corporates	3,760,749,690							3,772,155,735	
Retail								6,551,382,654	
Secured by mortgages on immovable property								4,262,026,981	
Exposures in default	310,632,283	98,705,847						409,338,130	
Exposures associated with particularly high risk		489,774,226						489,774,226	
Covered bonds								0	
Institutions and corporates with a short-term credit assessment								0	
Collective investment undertakings								0	
Equity	2,244,048							2,244,048	
Other items	222,419,312							222,426,462	
Total	4,377,733,022	588,480,073	51,997,879	0	0	0	0	23,360,523,352	

CCR3 – Standardised approach – CCR exposures by regulatory portfolio and risk

Exposure classes	Risk weight											Total	Of which unrated	
	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others			
Central governments or central banks														
Regional government or local authorities														
Public sector entities														
Multilateral development banks														
International organisations														
Institutions														
Corporates									41,712,678				41,712,678	
Retail								9,650					9,650	
Institutions and corporates with a short-term credit assessment														
Other items														
Total								9,650	41,712,678	0	0	41,722,328		

CR6 – IRB approach – Credit risk exposures by exposure class and PD range

	Average	Original on-balance-sheet gross exposures	Off-balance-sheet exposures pre-CCF	Average CCF	EAD post CRM and post CCF
Central governments or central banks					
	0.00 to <0.15	0	437,071	0.50	218,536
	0.15 to <0.25	0	92,637,158	0.50	46,204,023
	0.25 to <0.50	1,213,875,158	0	-	1,301,698,314
	0.50 to <0.75	0	0	-	0
	0.75 to <2.50	0	0	-	0
	2.50 to <10.00	0	0	-	0
	10.00 to <100.00	0	0	-	0

	Average	Original on-balance-sheet gross exposures	Off-balance-sheet exposures pre-CCF	Average CCF	EAD post CRM and post CCF
	100.00 (Default)	242,837,710	0	-	242,837,710
	Subtotal	1,456,712,869	93,074,230	0.50	1,590,958,582
Institutions					
	0.00 to <0.15	2,211,978,999	1,531,066,858	0.83	3,105,560,936
	0.15 to <0.25	1,481,092	34,357,237	0.52	18,659,711
	0.25 to <0.50	131,176,474	136,387,201	0.95	253,471,905
	0.50 to <0.75	2,980,050	5,435,687	0.68	5,697,894
	0.75 to <2.50	343,465,373	13,347,468	0.98	349,700,524
	2.50 to <10.00	1,039,523	1,004,891	0.84	1,717,570
	10.00 to <100.00	0	3,029,715	0.50	1,514,858
	100.00 (Default)				
	Subtotal	2,692,121,511	1,724,629,057	0.85	3,736,323,398
Corporate - SME					
	0.00 to <0.15	22,628,613	18,808,531	0.56	23,331,172
	0.15 to <0.25	1,629,166	13,195,735	0.18	2,602,187
	0.25 to <0.50	217,513,718	310,013,271	0.53	278,587,305
	0.50 to <0.75	173,529,964	125,530,589	0.63	188,442,251
	0.75 to <2.50	2,705,056,953	1,815,693,021	0.69	3,135,690,911
	2.50 to <10.00	2,546,109,647	1,005,709,996	0.73	2,607,971,050
	10.00 to <100.00	91,881,011	20,651,600	0.72	81,421,794
	100.00 (Default)	747,113,740	174,902,062	0.86	792,100,337
	Subtotal	6,505,462,812	3,484,504,805	0.71	7,110,147,006
Corporate Others					
	0.00 to <0.15	132,410,470	2,020,984,721	0.40	857,605,299
	0.15 to <0.25	76,556,509	201,609,559	0.35	96,733,453
	0.25 to <0.50	1,197,586,166	677,500,679	0.72	1,343,024,978
	0.50 to <0.75	488,576,899	209,328,825	0.79	549,682,761
	0.75 to <2.50	2,404,171,223	1,214,384,945	0.75	2,718,519,951
	2.50 to <10.00	962,322,394	452,880,068	0.67	944,706,931
	10.00 to <100.00	3,380,197	28,266,974	0.44	14,034,105
	100.00 (Default)	61,109,446	26,407,948	0.64	55,974,415
	Subtotal	5,326,113,305	4,831,363,718	0.65	6,580,281,892

	Average	Original on-balance- sheet gross exposures	Off- balance-sheet exposures pre-CCF	Average CCF	EAD post CRM and post CCF
Total		15,980,410,496	10,133,571,809	0.73	19,017,710,878

(continuing)

	Average	Average PD	Number of obligors	Average LGD	Average maturity
Central governments or central banks					
	0.00 to <0.15	-	1	-	912.5
	0.15 to <0.25	0.00	1	0.45	912.5
	0.25 to <0.50	0.00	3	0.45	912.5
	0.50 to <0.75		0		
	0.75 to <2.50		0		
	2.50 to <10.00	-	-	-	
	10.00 to <100.00		-		
	100.00 (Default)	1.00	1	0.45	912.50
	Subtotal	0.50	6	0.23	912.50
Institutions					
	0.00 to <0.15	0.00	74	0.26	788.95
	0.15 to <0.25	0.00	5	0.45	912.50
	0.25 to <0.50	0.00	31	0.43	912.50
	0.50 to <0.75	0.01	3	0.45	912.50
	0.75 to <2.50	0.01	7	0.38	669.36
	2.50 to <10.00	0.02	3	0.11	912.50
	10.00 to <100.00	-	1	-	912.50
	100.00 (Default)				
	Subtotal	0.01	124	0.30	860.12
Corporate - SME					

	Average	Average PD	Number of obligors	Average LGD	Average maturity
	0.00 to <0.15	0.00	14	0.28	912.50
	0.15 to <0.25	-	4	0.45	912.50
	0.25 to <0.50	0.00	134	0.87	912.50
	0.50 to <0.75	0.01	109	0.85	912.50
	0.75 to <2.50	0.02	1,490	0.83	912.50
	2.50 to <10.00	0.05	1,381	0.81	912.50
	10.00 to <100.00	0.16	87	0.83	912.50
	100.00 (Default)	1.00	217	0.43	912.50
	Subtotal	0.15	3,436	0.67	912.50
Corporate Others					
	0.00 to <0.15	0.00	100	0.45	912.50
	0.15 to <0.25	0.00	24	0.43	912.50
	0.25 to <0.50	0.00	136	0.39	912.50
	0.50 to <0.75	0.01	46	0.42	912.50
	0.75 to <2.50	0.02	306	0.11	912.50
	2.50 to <10.00	0.05	151	0.41	912.50
	10.00 to <100.00	0.14	9	0.26	912.50
	100.00 (Default)	1.00	27	0.42	0.00
	Subtotal	0.15	799	0.36	798.44
Total		0.20	4,365	0.39	870.89

(continuing)

	Average	RWAs	RWA density	EL	Value adjustments and provisions
Central governments or central banks					
	0.00 to <0.15	0	-	0	0
	0.15 to <0.25	21,040,715	0.46	39,978	229,112
	0.25 to <0.50	689,929,352	0.53	1,494,402	127,098
	0.50 to <0.75	0	-	0	0
	0.75 to <2.50	0	-	0	0
	2.50 to <10.00	0	-	0	0

	Average	RWAs	RWA density	EL	Value adjustments and provisions
	10.00 to <100.00	0	-	0	0
	100.00 (Default)	0	-	109,276,970	223,551,346
	Subtotal	710,970,067	0.45	110,811,350	223,907,557
Institutions					
	0.00 to <0.15	294,648,945	0.09	357,174	506,705
	0.15 to <0.25	8,203,004	0.44	14,914	13,230
	0.25 to <0.50	151,990,587	0.60	379,233	84,211
	0.50 to <0.75	4,955,444	0.87	18,850	18,377
	0.75 to <2.50	368,567,954	1.05	2,032,640	758,009
	2.50 to <10.00	3,362,118	1.96	55,860	16,987
	10.00 to <100.00	0	-	0	0
	100.00 (Default)				
	Subtotal	831,728,052	0.22	2,858,670	1,397,520
Corporate - SME					
	0.00 to <0.15	7,655,189	0.33	12,495	5,862
	0.15 to <0.25	803,620	0.31	2,380	4,942
	0.25 to <0.50	154,392,423	0.55	538,444	531,509
	0.50 to <0.75	118,049,172	0.63	548,027	359,857
	0.75 to <2.50	2,709,822,565	0.86	22,851,145	11,102,681
	2.50 to <10.00	2,833,032,149	1.09	44,318,432	16,237,269
	10.00 to <100.00	114,468,484	1.41	4,060,257	922,729
	100.00 (Default)	0	-	343,311,893	666,920,477
	Subtotal	5,938,223,600	0.84	415,643,071	696,085,327
Corporate Others					
	0.00 to <0.15	232,967,127	0.27	313,340	1,175,953
	0.15 to <0.25	41,115,007	0.43	76,941	1,843,511
	0.25 to <0.50	755,100,038	0.56	1,798,072	1,453,979
	0.50 to <0.75	444,190,555	0.81	1,603,353	619,327
	0.75 to <2.50	2,938,290,497	1.08	18,156,696	8,810,702
	2.50 to <10.00	1,318,723,822	1.40	16,189,512	4,659,579
	10.00 to <100.00	31,934,345	2.28	1,547,551	3,605,140

	Average	RWAs	RWA density	EL	Value adjustments and provisions
	100.00 (Default)	0	-	23,517,903	61,246,034
	Subtotal	5,762,321,391	0.88	63,203,368	83,414,225
	Total	13,243,243,111	0.70	592,516,459	1,004,804,628

CR8 – RWA flow statements of credit risk exposures under the IRB approach (standalone)

	RWA amounts	Capital requirements
RWAs as at the end of the previous reporting period	14,603,908,858	1,168,312,709
Asset size	(1,174,678,749)	(93,974,300)
Asset quality	(26,249,952)	(2,099,996)
Model updates	0	0
Methodology and policy	0	0
Acquisitions and disposals	(319,640,689)	(25,571,255)
Foreign exchange movements	1,691,615	135,329
Other	9,872,316	789,785
RWAs as at the end of the reporting period	13,094,903,400	1,047,592,272

CCR4 – IRB approach – CCR exposures by portfolio and PD scale

	PD scale	EAD post CRM	Average PD	Number of obligors	Average LGD	Average maturity	RWAs	RWA density
Institutions								
	0.00 to <0.15	120,843,746	0.0012	12	0.4500	912.5	53,201,692	0.4403
	0.15 to <0.25							
	0.25 to <0.50							
	0.50 to <0.75							
	0.75 to <2.50							
	2.50 to <10.00							
	10.00 to <100.00							

	PD scale	EAD post CRM	Average PD	Number of obligors	Average LGD	Average maturity	RWAs	RWA density
	100.00 (Default)							
	Subtotal	120,843,746	0.0012	12	0.4500	912.5000	53,201,692	0.4403
Corporate Others								
	0.00 to <0.15	24,078,373	0.0014	40	0.4496	912.5	23,268,386	0.9664
	0.15 to <0.25							
	0.25 to <0.50							
	0.50 to <0.75							
	0.75 to <2.50							
	2.50 to <10.00							
	10.00 to <100.00							
	100.00 (Default)							
	Subtotal	24,078,373	0.0014	40	0.4496	912.5	23,268,386	0.9664
Corporate - SME								
	0.00 to <0.15	18,023,018	0.0599	107	0.45	912.5	17,779,045	0.9865
	0.15 to <0.25							
	0.25 to <0.50							
	0.50 to <0.75							
	0.75 to <2.50							
	2.50 to <10.00							
	10.00 to <100.00							
	100.00 (Default)							
	Subtotal	18,023,018	0.0599	107	0.45	912.5	17,779,045	0.9865
Total (all portfolios)		162,945,137	0.0208	159	0.45	912.5	94,249,123	0.5784

CR3 – CRM techniques – Overview

	Exposures unsecured – Carrying amount	Exposures secured – Carrying amount	Exposures secured by collateral	Exposures secured by financial guarantees	Exposures secured by credit derivatives
Total loans*	20,439,295,117	17,528,054,926	15,540,332,594	1,987,722,332	
Total debt securities	5,930,811,778				
Total exposures	26,370,106,895	17,528,054,926	15,540,332,594	1,987,722,332	
Of which defaulted	211,633,307	391,044,922	370,301,820	20,743,102	

* includes loans and advances to customers, loans and advances to banks and balances at central banks

Exposure classes	Exposures before CCF and CRM		Exposures post CCF and CRM		RWAs and RWA density	
	On-balance-sheet amount	Off-balance-sheet amount	On-balance-sheet amount	Off-balance-sheet amount	RWAs	RWA density
Central governments or central banks	7,033,647,878	0	7,194,033,463	59,128	129,994,698	1.81%
Regional government or local authorities	304,255,376	62,390,762	304,255,376	37,882,027	133,291,798	38.96%
Public sector entities	486	0	486	0	486	100%
Multilateral development banks	0	0	19,866,399	6,807,727	0	-
International organisations	0	0	0	0	0	-
Institutions	1,407,310	0	74,255,518	14,014,992	42,383,240	48.02%
Corporates	3,752,695,816	758,790,884	3,434,536,228	295,906,830	3,630,857,239	97.33%
Retail	6,422,009,013	1,168,832,293	6,206,022,568	345,350,437	4,441,585,183	67.80%
Secured by mortgages on immovable property	4,253,171,620	19,937,493	4,253,171,620	8,855,361	1,471,656,626	34.53%
Exposures in default	415,637,549	2,735,052	408,692,402	645,728	458,691,054	112.06%
Exposures associated with particularly high risk	490,657,046	0	489,774,226	0	734,661,339	150%
Covered bonds	0	0	0	0	0	-
Institutions and corporates with a short-term credit assessment	0	0	0	0	0	-
Collective investment undertakings	0	0	0	0	0	-
Equity	2,244,048	0	2,244,048	0	2,244,048	100%
Other items	222,426,462	0	222,426,462	0	222,419,312	100%
Total	22,898,152,604	2,012,686,484	22,609,278,796	709,522,230	11,267,785,023	48.32%

2.2. Capital surcharges & buffers

Regulation no.5/2013 issued by National Bank of Romania includes specific provisions for capital buffers that may be applicable on top of minimum capital requirements. The following buffers were imposed by the National Bank of Romania through Order no.12/2015, Order no.1/2017 and Order no.4/09.05.2018:

Capital requirements - Pillar I	30.06.2018	
Capital conservation buffer (affecting CET1)	1.875%	
Countercyclical capital buffer (affecting CET1)	0%	
O-SII buffer (affecting CET1)	1%	only at sub-consolidated level, starting with 01.03.2017
Systemic risk buffer	2%, but additional requirements is 1% according to NBR Regulation no.5/2013 article 276 and 277	only at sub-consolidated level, starting with 30.06.2018
Combined buffer requirement	1.875%	at standalone level
	3.875%	at sub-consolidated level

Additionally, College of Supervisors of European Central Bank (ECB), in line with the local Supervisory Review and Evaluation Process (SREP) assessment carried out by the National Bank of Romania, decided that UniCredit Bank S.A. shall maintain a solvency ratio above 11.20% at individual level and 10.70% at sub-consolidated level.

Solvency ratio - minimum requirements including Pillar I & II buffers	30.06.2018		
	NBR Supervisory Report - SREP	Capital buffers in force starting with 01.03.2017 as per Order no 1/13.02.2017	TOTAL - in force starting with 01.01.2018
<i>- individual level</i>			
CET 1 ratio	6.30%	1.875%	8.18%
Tier 1 ratio	8.40%		10.28%
Total capital ratio	11.20%		13.075%
<i>-sub-consolidated level</i>			
CET 1 ratio	6.02%	3.875%	9.90%
Tier 1 ratio	8.03%		11.91%
Total capital ratio	10.70%		14.575%

Other Systemically Important Institutions buffer

Starting with 2015, UniCredit Bank was identified as O-SII (Other Systemically Important Institutions) by the NBR (National Bank of Romania) and consequently, had to maintain an O-SII buffer of 1% of the total risk weighted exposure, calculated as per art 92(3) of NBR Regulation no 575/ 2013 on prudential requirements for credit institutions, at both individual and sub-consolidated level. Starting with 1st of March 2017, as per NBR Order no 1/ 13.02.2017, UniCredit Bank S.A. had to maintain this O-SII buffer of 1% of the total risk



weighted exposure, calculated as per art 92(3) of NBR Regulation no 575/ 2013, only at sub-consolidated level.

Capital conservation buffer

As per NBR Order no.12/2015, during the first semester of 2018, UniCredit Bank had to maintain a capital conservation buffer of 1.875% of the total risk weighted exposure, calculated in accordance with Article 92(3) of Regulation (EU) no. 575/2013, at both individual and sub-consolidated level.

Countercyclical capital buffer

As per NBR Order no.12/2015, during the first semester of 2018, UniCredit Bank had to maintain a countercyclical capital buffer of 0% of the total risk weighted exposure, calculated as per art 92(3) of NBR Regulation no 575/ 2013 on prudential requirements for credit institutions.

Systemic risk buffer

Starting with June 2018, UniCredit Bank had to maintain at consolidated level, a systemic risk buffer according to NBR Order no.4/2018 for systemic risk buffer.

2.3. Capital planning- targeted level of capital

As per Regulation no.575/ 2013, the Minimum Capital Requirement is set to 8% of Risk Weighted Assets(RWA).

Based on common decision European Central Bank and National Bank of Romania, UniCredit Bank must at all times satisfy the total capital ratio (solvency ratio) of 11.20% at individual level and 10.70% at sub-consolidated level.

3 Excessive Leverage Risk

Description of Excessive Leverage Risk

Risk of excessive leverage represents the risk resulting from the Bank's vulnerability due to leverage or contingent leverage that may require unintended corrective measures to its business plan, including distressed selling of assets which might result in losses or in valuation adjustments to its remaining assets.

The monitoring of risk of excessive leverage is realised based on specific instructions received from the Group and by taking into account the legal provisions in force.

Thus, the Leverage Ratio indicator, calculated according to instructions received from Group is included in the Risk Appetite Framework of the Bank. A system of limits comprising a Target level, a Trigger and a Limit is applied. Monitoring is done on a quarterly basis.

LR1: Summary comparison of accounting assets vs leverage ratio exposure

Total consolidated assets as per published financial statements	46,167,315,126
Adjustments for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	0
Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	0
Adjustments for derivative financial instruments	132,664,423
Adjustment for securities financing transactions (ie repos and similar secured lending)	0
Adjustments for off-balance sheet items (ie conversion to credit equivalent amounts of off-balance sheet exposures)	4,017,799,675
Other adjustments	-212,918,553
Leverage ratio exposure measure	50,104,860,672

LR2: Leverage ratio common disclosure template

	Jun-18	Mar-18
On-balance sheet exposures		
On-balance sheet exposures (excluding derivatives and securities financing transactions (SFTs), but including collateral)	40,021,484,705	44,271,475,312
(Asset amounts deducted in determining Basel III Tier 1 capital)	-212,918,553	-186,091,328
Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of row 1 and 2)	39,808,566,152	44,085,383,984
Derivative exposures		
Replacement cost associated with <i>all</i> derivatives transactions (where applicable net of eligible cash variation margin and/or with bilateral netting)	72,003,041	82,376,460
Add-on amounts for PFE associated with <i>all</i> derivatives transactions	132,664,423	124,125,892
Gross-up for derivatives collateral provide where deducted from the balance sheet assets pursuant to the operative accounting framework		
(Deductions of receivable assets for cash variation margin provided in derivatives transactions)		
(Exempted CCP leg of client-cleared trade exposures)		
Adjusted effective notional amount of written credit derivatives (Adjusted effective notional offsets and add-on deductions for written credit derivatives)		
Total derivative exposures (sum of rows 4 to 10)	204,667,464.41	206,502,351.91
Securities financing transactions		
Gross SFT <i>assets</i> (with no recognition of netting), after adjusting for sale accounting transactions	6,073,827,380	1,149,301,275
(Netted amounts of cash payables and cash receivables of gross SFT assets)		0
CCR exposure for SFT assets		0
Agent transaction exposures		0
Total securities financing transaction exposures (sum of rows 12 to 15)	6,073,827,380	1,149,301,275
Other off-balance sheet exposures		
Off-balance sheet exposure at gross notional amount	12,152,461,277	12,190,549,549
(Adjustments for conversion to credit equivalent amounts)	-8,134,661,602	-8,235,315,015
Off-balance sheet items (sum of rows 17 and 18)	4,017,799,675	3,955,234,534
Capital and total exposures		
Tier 1 capital	3,910,162,278	4,017,014,833
Total exposures (sum of rows 3, 11, 16 and 19)	50,104,860,672	49,396,422,145
Leverage ratio		
Basel III leverage ratio	7.80%	8.13%

4 Liquidity risk

4.1 Liquidity

The liquidity risk is defined as the risk that the Bank may not be able to fulfill its expected or unexpected financial obligations, without affecting its daily operations or its financial condition.

Among the main potential generators of liquidity risk, UniCredit Bank distinguishes between:

- Liquidity Mismatch Risk/Refinancing Risk: the risk of a mismatch between either the amounts and/or the timing of cash inflows and outflows;
- Liquidity Contingency Risk: the risk that future events may require a materially larger amount of liquidity than the bank currently requires. This might be due to the loss of liabilities, requirements to fund new assets, difficulty in selling liquid assets or difficulty obtaining needed new liabilities in the case of a liquidity crisis;
- Market liquidity risk: the risk that the institution cannot easily unwind or offset specific exposures, such as investments held as liquidity reserves, without incurring a loss because of inadequate market depth or market disruptions.

Monitoring and Reporting

UniCredit Bank measures and manages liquidity based on monitoring system that envisages different types of restrictions – managerial and regulatory – embedded in risk metrics limits or warning/trigger levels.

In case of limit breach or warning level activation, Market Risk function investigates the rationale of the events, triggering the proper escalation and reporting them to the relevant committees.

Regulatory reports refer to LCR (Liquidity Coverage Ratio) and NSFR (Net Stable Funding Ratio).

During 2017 and the first semester of 2018 the LCR ratio evolution was as per table below:

LCR UCB standalone			RON	
date	liquid assets	outflows	inflows	ratio
Dec-16	8,514,217,434	7,396,806,394	447,295,573	122.52%
Jan-17	7,916,238,516	6,283,634,185	410,555,735	134.79%

LCR UCB standalone				RON
date	liquid assets	outflows	inflows	ratio
Feb-17	7,045,445,009	6,043,232,027	546,130,029	128.17%
Mar-17	5,961,605,067	7,355,530,813	2,472,069,513	122.08%
Apr-17	6,657,696,321	6,231,950,519	747,606,449	121.39%
May-17	6,545,037,989	6,411,644,215	1,196,170,953	125.49%
Jun-17	6,790,526,279	6,527,688,906	956,254,179	121.88%
Jul-17	7,066,964,842	7,263,441,997	1,866,463,016	130.94%
Aug-17	6,970,472,107	6,594,105,861	1,556,489,388	138.37%
Sep-17	7,707,412,699	6,729,850,225	1,070,067,424	136.18%
Oct-17	7,490,639,473	6,531,849,878	1,377,589,990	145.33%
Nov-17	8,559,280,734	7,240,571,444	1,057,849,561	138.44%
Dec-17	10,624,227,780	7,629,505,268	636,727,272	151.93%
Jan-18	10,643,383,144	6,947,174,106	811,738,237	173.47%
Feb-18	10,642,324,050	7,974,666,683	1,198,780,714	157.06%
Mar-18	10,121,159,067	8,378,099,800	2,399,108,111	169.28%

The table below shows the detailed picture of the LCR (HQLA and outflows) as of 30 June 2018 (values in RON equivalent - standalone basis).

C72				30-Jun-18	
ITEM	rand	amount / market value	standard weight	applicable weight	adjusted value
		010	020	030	040
Liquid assets - HQLA	010	6,683,996,865			6,677,119,214
Level 1 Assets	020	6,638,145,859			6,638,145,859
Coins and banknotes	040	1,138,424,291	1.00	1.0000	1,138,424,291
Withdrawable central bank reserves	050	46,186,489	1.00	1.0000	46,186,489
Central governments assets (bonds)	070	5,453,535,079	1.00	1.0000	5,453,535,079
Level 2 Assets	220	45,851,006			38,973,355
regional government assets	240	45,851,006	0.85	0.8500	38,973,355

C73					
Outflows	010	35,523,837,850			10,070,469,886
Retail deposits	030	10,245,055,237			1,045,082,372
Higher outflows	050	3,282,533,570			566,940,913
Category 1	060	1,791,316,017	0,10-0,15	0.1500	268,697,403
Category 2	070	1,491,217,553	0,15-0,20	0.2000	298,243,511
stable deposits	080	4,362,214,161	0,05	0.0500	218,110,708
other deposits	110	2,600,307,506	0,10	0.1000	260,030,751
Operational deposits	120	0			0
Maintain for clearing, custody, cash management or other comparable services in the context of long term operational relationship	130	0			0
covered by a Deposit Guarantee Scheme	140	0	0,05	0.0500	0
not covered by a Deposit Guarantee Scheme	150	0	0,25	0.2500	0
Non-operational deposits	210	17,898,650,671			8,315,491,597
correspondent banking and provisions of prime brokerage deposits	220	0	1,00	1.0000	0
deposits by financial customers	230	2,273,283,219	1,00	1.0000	2,273,283,219
deposits by other customers	240	15,625,367,452			6,042,208,379
covered by a Deposit Guarantee Scheme	250	1,039,693,011	0,20	0.2000	207,938,602
not covered by a Deposit Guarantee Scheme	260	14,585,674,441	0,40	0.4000	5,834,269,776
Additional outflows	270	2,379,075			2,379,075
outflows from derivatives	340	2,379,075	1,00	1.0000	2,379,075
others	910	416,731,240	1,00	1.0000	416,731,240

The following table presents on consolidated basis the LCR average ratio in RON equivalent during H1 2018.

The number of data observations in order to calculate the average value of LCR is 7 and are represented by the values reported under mandatory reporting framework for H1 2018.

LIQ1: Liquidity Coverage Ratio (LCR)

	Total unweighted value (average)	Total weighted value (average)
High-quality liquid assets		
Total HQLA		9,259,510,174
Cash outflows		
Retail deposits and deposits from small business customers, of which:	10,440,716,947	1,092,351,764
Stable deposits	3,654,580,200	182,729,010
Less stable deposits	6,786,136,747	909,622,754
Unsecured wholesale funding, of which:	13,949,596,042	6,746,553,207
Operational deposits (all counterparties) and deposits in networks of cooperative banks	81,381,870	20,345,468
Non-operational deposits (all counterparties)	13,786,122,789	6,644,116,356
Unsecured debt	82,091,383	82,091,383
Secured wholesale funding		109,467,060

	Total unweighted value (average)	Total weighted value (average)
Additional requirements, of which:	1,708,214,985	150,496,705
Outflows related to derivative exposures and other collateral requirements	6,102,537	6,102,537
Outflows related to loss of funding of debt products		
Credit and liquidity facilities	1,702,112,448	144,394,168
Other contractual funding obligations	404,825,737	347,782,460
Other contingent funding obligations	5,540,630,583	164,710,301
TOTAL CASH OUTFLOWS		8,611,361,496
Cash inflows		
Secured lending (eg reverse repo)	888,573,975	888,573,975
Inflows from fully performing exposures	326,683,959	163,341,980
Other cash inflows	10,180,606,504	1,974,265,441
TOTAL CASH INFLOWS	11,395,864,438	3,026,181,395
		Total adjusted value
Total HQLA		9,259,510,174
Total net cash outflows		5,585,180,101
Liquidity coverage ratio (%)		165.79%

LIQ2: Net Stable Funding Ratio (NSFR)

	Unweighted value by residual maturity				Weighted value
	No maturity*	<6 months	6 months to <1 year	≥1 year	
Available stable funding (ASF) item					
Capital:				4,695,557,628	4,695,557,628
<i>Regulatory capital</i>				4,695,557,628	4,695,557,628
<i>Other capital instruments</i>					
Retail deposits and deposits from small business customers:		10,523,299,054	0	0	9,703,659,915
<i>Stable deposits</i>		4,653,815,322	0	0	4,421,124,556
<i>Less stable deposits</i>		5,869,483,732	0	0	5,282,535,359
Wholesale funding:		19,189,550,577	2,250,633,887		17,714,373,598
<i>Operational deposits</i>		181,883,208	0	0	90,941,604

	Unweighted value by residual maturity				Weighted value
	No maturity*	<6 months	6 months to <1 year	≥1 year	
<i>Other wholesale funding</i>		19,007,667,369	2,250,633,887	0	17,623,431,994
Liabilities with matching interdependent assets					
Other liabilities:		22,826,291	2,929,931	1,513,090,907	1,447,408,103
<i>NSFR derivative liabilities</i>		91,439,026			
<i>All other liabilities and equity not included in the above categories</i>		0	0	1,447,408,103	1,447,408,103
Total ASF					33,560,999,244
Required stable funding (RSF) item					
Total NSFR high-quality liquid assets (HQLA)					
Deposits held at other financial institutions for operational purposes		8,837,147,521	216,481,337	1,492,112,827	2,925,925,623
Performing loans and securities:		11,295,771,422	2,448,853,987	19,394,636,613	17,308,023,094
<i>Performing loans to financial institutions secured by Level 1 HQLA</i>					
<i>Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions</i>					
<i>Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:</i>					
<i>With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk</i>					
<i>Performing residential mortgages, of which:</i>					
<i>With a risk weight of less than or equal to 35% under the Basel II standardised approach for credit risk</i>					
<i>Securities that are not in default and do not qualify as HQLA, including exchange-traded equities</i>					
Assets with matching interdependent liabilities					
Other liabilities:					
<i>Physical traded commodities, including gold</i>					
<i>Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs</i>					
<i>NSFR derivative assets</i>			19,395,455		0
<i>NSFR derivative liabilities before deduction of variation margin posted</i>					
<i>All other assets not included in the above categories</i>		1,451,299,007	137,978,081	1,072,926,124	2,662,203,213
Off-balance sheet items					
Total RSF					22,896,151,930
Net Stable Funding Ratio (%)					146.58%

As a general view, LCR has improved during Q2 2018 versus Q1 2018, but the ratio has been characterised by higher intra-period volatility in the second quarter 2018.



Total liquid assets are represented mainly by government bonds portfolio, but also the withdrawable reserves from NBR (including also deposit facility with NBR) and cash.

Adjusted outflows are mainly generated by non-operational deposits respectively 78%.

Main inflows are reverse repo transactions with banks and interbank money market deposits with residual maturity less than 30 days (including 1W term deposits with NBR – open market operations).

The value of LCR in EUR is higher than RON ratio. Based on end of June 2018 report, the consolidated level of LCR in RON equivalent was 146.06% while the level of LCR ratio for RON was 75.14% and for EUR 246.80%. No other significant currencies have been reported (excluding RON and EUR) during the analysis period.

Using intra-period information (27 data points - operative data including range end points) , the average of standalone LCR ratio was 176.98% in Q1 2018 and 233.89% in Q2 2018.

During the analysis period H1 2018, the bank has gradually improved LCR ratio through the consolidation process of deposits base drawn from nonbanking customers, increase of residual maturity of resources, weight increase of resources with low applicable weight coefficients.

Risk Mitigation

The main liquidity mitigation factors for UniCredit Bank are:

- planning and monitoring of the short-term and medium to long-term liquidity needs;
- an effective Contingency Liquidity Policy (CLP), including a Contingency Action Plan to be executed in case of market crisis;
- a liquidity buffer to face unexpected outflows;
- liquidity stress testing performed on a regular basis;
- a system of early warning indicators to anticipate increased risk or vulnerabilities in the liquidity position or potential funding needs.

Early warning indicators

In order to identify emerging vulnerabilities in its liquidity risk position or potential funding needs, UniCredit Bank employs a set of early warning indicators linked to macroeconomic or market indicators and specific internal metrics. A specific activation mechanism is adopted in order to have sufficient time to inform senior

management of a deteriorating situation and allow putting in place adequate actions aimed at restoring the business-as-usual state.

Concentration of funding and liquidity sources

During Q2 2018 the non-banking customer deposits continued to generate around 70% of total liabilities, comparable level with Q1 2018. Resources from corporate and public entities customers represented at the end of June 2018 around 56% of total resources borrowed from nonbanking customers, comparable with the share recorded at the end of March 2018.

At mid of June 2018 matured the bond **ROUCTBDBC014** (own issue) in nominal amount of 550 mio RON issued in 2013. Outflows related to principal and coupon were paid to registered bond holders.

At the end of 2017, the bank has drawn a subordinated loan in amount of 120 mio EUR.

The bank carries out an extensive process focused on diversification of financing resources as well as the extension of residual maturity of resources borrowed from private individuals but also from corporate and financial customers.