



PRESS RELEASE

UniCredit issues EUR 1 billion Additional Tier 1 PerpNC 6/2026 Notes (AT1)

UniCredit S.p.A. (the Issuer) has issued today Non-Cumulative Temporary Write-Down Deeply Subordinated Fixed Rate Resettable Notes - Additional Tier 1 (AT1), for a total amount of EUR 1 billion targeted to institutional investors.

UniCredit decided to proceed with the transaction to continue to strengthen its regulatory capital taking advantage of the positive market window.

The Additional Tier 1 notes will contribute to improve the Tier 1 ratio for approximately 27 bps and are part of UniCredit's 2019 TLAC Funding Plan.

The initial price guidance was set at 8 per cent area. The positive feedback led to a book of circa EUR 5 billion, one of the largest for a EUR Bank capital transaction since 2017, with more than 300 investors involved. Final size of the deal has been set at EUR 1 billion and the coupon has been fixed at 7.50 per cent up to the initial call date of June 2026, without paying any new issue concession. This represents a tightening of 50 bps from initial price guidance, one of the biggest seen in the AT1 space.

The Notes were distributed to different institutional investor categories such as funds (90 per cent), banks/private banks (7 per cent) and insurance companies (3 per cent). The demand came from the following main regions: UK (65 per cent), Italy (9 per cent), France (6 per cent) and US-offshore (4 per cent).

The Notes have a 5.125 per cent Common Equity Tier 1 (CET1) trigger - if the Group or Issuer CET1 ratio at any time falls below the trigger level, the instrument will be temporarily written down to cure the breach, taking into consideration other instruments with similar write down triggers ranking pari-passu.

The securities are perpetual and may be called by the Issuer on 3rd June, 2026 and thereafter at any interest payment date, subject to Regulatory approval. Notes pay fixed rate coupons of 7.50 per cent per annum up to June 2026 on a semi-annual basis; if not redeemed, coupon will be reset every 5 years to the aggregate of the then 5-Year Mid-Swap rate plus 733.4 bps, calculated on an annual basis and then converted to a semi-annual rate in accordance with market conventions. In line with the regulatory requirements, the coupon payments are fully discretionary.

Credit Agricole CIB, Credit Suisse, Deutsche Bank, Goldman Sachs International, ING and UniCredit Bank AG have managed the placement acting as joint bookrunners.

The Notes are rated "B+" by Fitch.

Milan, 12th March 2019

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