



## PRESS RELEASE

### **UniCredit issues €500mn PerpNC5.5 Temp Write Down Additional Tier 1 Notes (AT1) in private placement format**

UniCredit S.p.A. has launched today Non-Cumulative Temporary Write-Down Deeply Subordinated Fixed Rate Resettable Notes - Additional Tier 1 notes, for a total amount of EUR 500 million in private placement format.

UniCredit decided to proceed with the transaction after the positive market response to their 2016-2019 Strategic Plan, Transform 2019, announced yesterday and to continue to strengthen its capital base especially in view of the new SREP which will now factor in a Tier 1 and Total Capital Ratio requirement.

The securities are perpetual (with maturity linked to corporate duration of UniCredit S.p.A.) and can be called by the Issuer after 5.5 years (June 2022) and thereafter at any interest payment date. Notes pay fixed rate coupons of 9.25% per annum for the initial 5.5 years on a semi-annual basis; if not redeemed, coupon will be reset every 5 years to the then 5-Years Mid-Swap rate + 930 bps. In line with the regulatory requirements, the coupon payments are fully discretionary.

Additional Tier 1 will contribute to strengthen the Tier 1 ratio of UniCredit S.p.A. The Notes have a 5.125% Common Equity Tier 1 (CET1) trigger - if the Group or Issuer CET1 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.

The transaction has encountered significant interest from a selected number of international institutional investors in a private placement format.

UniCredit Corporate & Investment Banking together with UBS have managed the placement acting as Joint Lead Managers. The expected rating from Fitch is "BB-".

Milan, 14<sup>th</sup> December 2016

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