UniCredit
Factoring

The world is changing.

Let's change together.

Reports and Accounts 2014

UniCredit Factoring

This year's report depicts how innovative UniCredit products and ideas help our customers and businesses respond to the challenges of this changing world.

By spotlighting sophisticated, new multichannel products and services we have developed to meet the modern needs of our customers, we show how our bank is adapting to rapid changes – and how our solutions are helping our customers adapt at the same time.

At UniCredit, we make it easy for the people who bank with us to take full advantage of the technologies and customized services now available to them – so that they can achieve their goals and live their lives on their own terms. As their partner, we have a clear responsibility to provide them the flexibility, the foresight and the tools they need to overcome obstacles and seize new opportunities.

The world is changing. Let's change together.

Reports and Accounts 2014

It isn’t always easy to see things clearly.

It’s easy.

Precision, in just one click.

Goodbye receipts and daily ledgers. Hello online accounting. **UniCredit Family Budget**, a new web-based personal financial management service, sorts expenses into different categories and creates easy-to-understand charts and graphs to help you track transactions and balances. It offers an intuitive, practical approach to online banking, helping you manage savings and monitor accounts. Because the future begins with real answers.

Corporate Officers and General Management

Board of Directors

Roberto Bertola	**Chairman**
Maurizio Guerzoni	**Vice-Chairman**
Renato Martini	**Chief Executive Officer**
Alessandro Cataldo Antonella Giacobone Elena Patrizia Goitini Mauro Macchiaverna	**Directors**
Romano Andrea Ernesto	**Secretary**

Board of Statutory Auditors

Vincenzo Nicastro	**Chairman**
Roberto Bianco	**Standing Statutory Auditors**
Federica Bonato Paolo Colombo Massimo Gatto	**Alternate Auditors**

General Management

Renato Martini	**Chief Executive Officer**
Andrea Burchi	**Vice General Manager** **Head of Commercial Department**
Elvio Campagnola	**Vice General Manager** **Head of Debtor Management Department**
Marco Lotteri	**Vice General Manager** **Head of Credit and Risks Department**
Debora Gatti	**Head of Human Resources**
Silvio Felice Asti	**Head of Planning,** **Finance and Administration**
Antonio Moretti	**Head of Organization and Logistics**
Andrea Ernesto Romano	**Head of Legal Department**
Mauro Zandonà	**Head of Marketing**

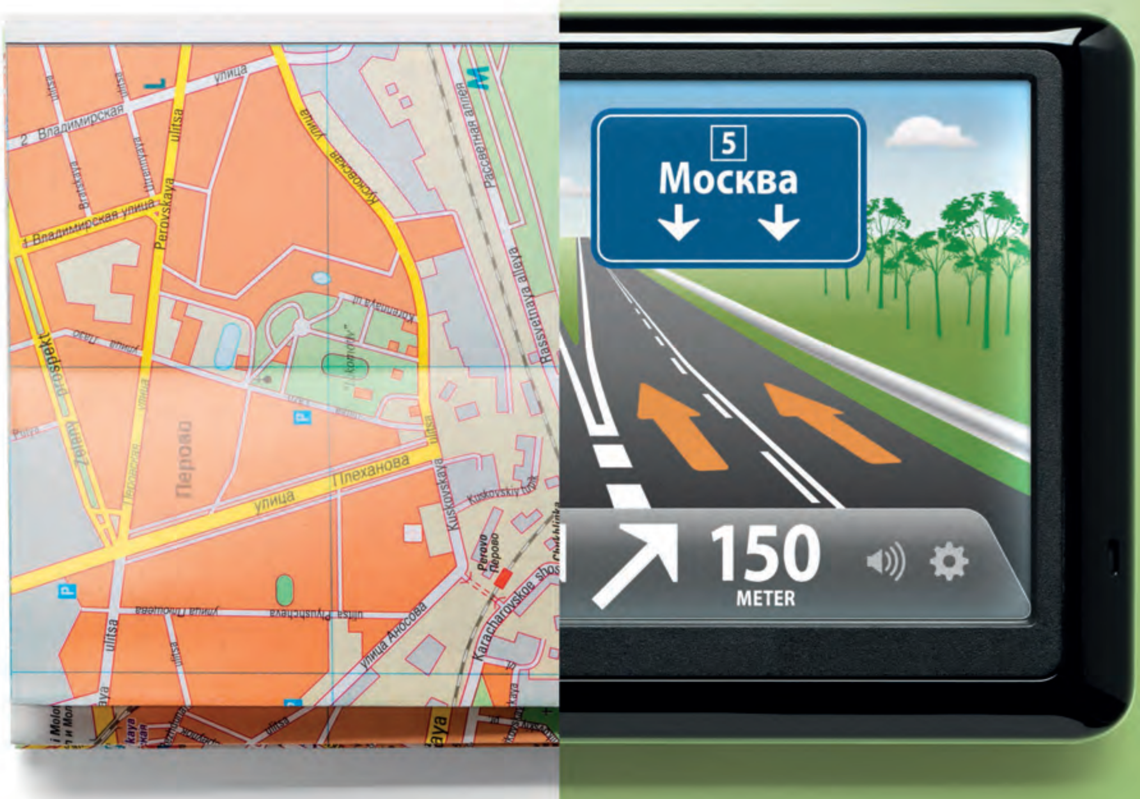
UniCredit Factoring S.p.A.
A sole partner company belonging to the Gruppo Bancario UniCredit (UniCredit Banking Group)
Listed in the Register of Banking Groups code.2008.1
Share capital Euro: 414,348,000 fully paid in
Legal reserve 17,534,353 Euros
Registered offices in Milan - 20122 Milan Via Livio Cambi, 5
Tel. +39 02 366 71181 - Fax +39 02 366 71143
R.E.A. nr. 840973
Enrolled in the Milan Business Register
Tax code and VAT nr. 01462680156
Registered in the general list pursuant toarticle 106 TUB under nr. 28148
and in the special list in conformity with article 107 TUB under nr. 1000005239
e-mail: info.ucfactoring.it@unicreditgroup.eu
www.unicreditfactoring.it
Certified Electronic Mail:: comunicazioni.ucf@pec.unicredit.eu

There is a whole world to discover.

Better discover it now.

At home when you're abroad.

Together, we can go far.
UniCredit has more than 8,500 branches and over 147,000 employees in roughly 50 markets across the world. That means we have the tools, the knowledge and the manpower to help your business go international. Our **UniCredit International Centers** gather our most experienced cross-border experts into a single, powerful network that can provide your business with the information and services it needs to succeed abroad. From evaluating investments, to identifying optimal financial solutions and, of course, providing basic banking services, UniCredit is always with you, anywhere you choose to be.



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Time
is precious.

Give it more value.

Advice when you want it.

Everyone needs advice. And no one wants to waste time. That is why we created **Video Advice@home**. This convenient service delivers expert advice online, allowing you to connect with our consultants from the comfort of home. Easy-to-install software enables us to respond quickly to questions about your current account, car loan or mortgage. We can create value for you, whenever and wherever you need us.

Agenda of the Ordinary Shareholder's Meeting

UNICREDIT FACTORING S.p.A.
A UniCredit Banking Group Company
Listed in the Register of Banking Groups
Registered Offices in Milan, Via Livio Cambi, 5
Share Capital 414,348,000.00 Euros, fully paid-in
Enrolment number in the Milan Business Register,
Fiscal Code and VAT Number 01462680156, R.E.A. nr. 840973

Our shareholders are convened to the Ordinary General Shareholders' Meeting to be held on **27th April 2015, at 14.30**, at the Company's registered offices in Milan, Via Livio Cambi 5, at first call and, if necessary, at second call on 28th April 2015 at the same time, same place, to deliberate the following:

AGENDA

1. Approval of the Financial Statements for the period ended at 12.31.2014, of the Reports of the Board of Directors, the Board of Auditors and the Independent Audit Company. Relevant resolutions.
2. Nomination of two new Directors, subject to the stipulation of 9 members as the number constituting of the Board of Directors of the Company, together with determination of the duration of their mandate.
3. Authorization for the performance of competitive activities pursuant to art. 2390 of the Civil Code.
4. Determination pursuant to art. 27 of the Articles of Association, of the fees due to the Directors for the activities performed by the latter within the framework of the Board of Directors.

Pursuant to Art.13 of the Articles of Association, all shareholders with voting rights, listed in the shareholders' book, may participate in the Meeting.

Milan, 25th March 2015

The Chairman
Roberto Bertola

Hospitality is important.

But the welcome is crucial.

The real star is the customer.

Going to the branch becomes a unique experience.
A **revolutionary branch format**, combining technological innovation and design to guide the customer in an easy, enjoyable and interactive world. A branch tailored to the customer where opening hours are no longer a constraint, with multiple access channels and ways to use the services.
A multifunctional space where Customers and consultants sit side by side to experience the bank service in total comfort.
Because reliability is part of our way of doing things.

Directors' Report on operation

N.B.:
The possible lack of balancing between the data reported in the Directors' Report depends exclusively on potential rounding.

Director’s Report on operation

Synthesis of results

In 2014, after the previous year’s contraction, the Euro Area showed a moderate recovery regarding gross internal product. For the third year running our country marked a slowdown, reflecting the further decline in investments, while, by and large, the other components making up the demand showed a positive trend. The trend of business loans, although improving, is still negative, mainly due to the weakness in demand caused by the lower capital requirements needed by corporations. The factoring sector reported a relatively more favourable evolution with a 3.5% upswing in turnover and a rise in lending which, however, recovered the previous year’s levels only at year end. Thanks also to the monetary policies adopted by the ECB supply conditions remained accommodating.

In this situation our Company, within the framework of Group strategies, managed to achieve a significant growth in operational levels with a turnover flow of 31.1 billion (+8.4%), which boosted our market share from 16.7% al 17.5% and consolidated the Company’s second place in the sector ranking. Based on this flow the rise in lending highlighted an overall stability in end of year situation, due to the increased rotation of total receivables and the reduction in the past-due component, also thanks to efficient collection activity.

The ongoing growth of the operational structure continued, in particular, with the strengthening of the Trade Management, aimed at developing business, after the 2013 build up of the Loans and Risks Management department. Human resources (in terms of Full Time Equivalent) rose from the 260 units of end 2013 to 268 at the end of 2014 (+3.2%), with 13 more units assigned to the Trade Management and a net saving of 5 units in the rest of the structure particularly in the Middle Office.

The financial performance maintained a positive growth trend with a 3.5% hike in the gross operating result, deriving from increased revenues and also from costs standing at around 3.5%. Moreover, the formation of the net profit benefited from minor adjustments on receivables of about one third compared to 2013 and from a reduction of the tax impact, which in 2013 had registered extraordinary increases. Net profits thus reached 103.8 billion with a more than 40% increase compared to the previous year.

The principle management indicators confirmed their exellent levels. Cost/income remains stable at 17.4% and the ROE rose to 17.3% from the 2013 12.7% of 2013, while productivity indicators showed limited deviations with a turnover increase and a reduction in the brokering margin, both in relation to the average human resources. Regarding the risk indicators the ratio between non-performing and lending improved (from 1.03% to 0.78%), whereas the impact of the total impaired increased by one and a half points chiefly due to the adverse trend of the past-due.

Including profit for the year, 70% of which distributed as dividend, Net Equity rose to 703 million from the 651 at end 2013. Bearing in mind the 8.2% upswing in total weighted assets, Core Tier 1 decreased to 8.76% compared to the previous year’s 9.01%

In conclusion, with respect to our prospects for the current year, in a scenario which should finally show recovery in economic activities, a further, positive development in operating volumes is expected, placing particular reliance on collaboration with the holding’s network, aimed at improving the profitability levels achieved over the recently ended fiscal period.

Principal Company data

Operating data

(€ million)

	PERIOD		CHANGE	
	2014	2013	ABSOLUTE	%
Turnover	31,142	28,726	+2,416	+8.4%
Outstanding	11,359	11,433	-75	-0.7%

Financial data

(€ million)

	PERIOD		CHANGE	
	2014	2013	ABSOLUTE	%
Brokering margin	249	240	+8	+3.5%
- net interest	*169*	*158*	*+11*	*+7.1%*
- net commission	*75*	*81*	*-7*	*-8.4%*
Operating costs	-43	-42	-2	+3.6%
Operating income	205	198	+7	+3.5%
Net operating income	157	128	+30	+23.1%
Net profit	**104**	**73**	**+31**	**+41.7%**

Asset and equity data

(€ million)

	SITUATION AT		CHANGE	
	12.31.2014	12.31.2013	ABSOLUTE	%
Total assets	8,249	8,268	-19	-0.2%
Receivables	8,143	8,207	-64	-0.8%
Net equity	**703**	**651**	**+52**	**+8.1%**

Structure data

	DATA AT			CHANGE
	12.31.2014	12.31.2013	ABSOLUTE	%
Number of employees (Full time equivalent)	268	260	+8	+3.2%
Number of trading points	13	13	-	-

Profitablity indexes

	PERIOD		
	2014	2013	CHANGE
ROE [1]	17.3%	12.7%	+4.6
Cost/income	17.4%	17.4%	+0.0

Risk indexes

	DATA AT		
	12.31.2014	12.31.2013	CHANGE
Net non-performing receivables /receivables	0.78%	1.03%	-0.25
Net impaired receivables /receivables	4.88%	3.30%	+1.58

Productivity indexes

(€ million)

	PERIOD		CHANGE	
	2014	2013	ABSOLUTE	%
Turnover per employee	117.2	115.5	1.7	+1.5%
Brokering margin per employee	0.94	0.97	-0.03	-3.1%

Capital ratios

(€ million)

	DATA AT		CHANGE	
	12.31.2014	12.31.2013	ABSOLUTE	%
Supervised assets	693	662	+31	4.7%
Total risk-weighted assets	7,182	6,639	+543	8.2%
Core Tier 1	8.76%	9.01%	-0.25%	
Supervised assets/Total weighted assets	9.64%	9.97%	-0.32%	

1. The share capital used in the report correspond to the end-of-year figure (excluding end-of-year profits).

Director’s Report on operation (Continued)

The External Scenario

Macro-economic scenario

In the last quarter of 2014, worldwide economic activities showed the first signs of a gradual acceleration, thank to the ongoing trend of extremely accomodating monetary policies and a timid recovery of global trading. But the growth prospects both from area to area and within the foregoing continued to show significant differences.
In the advanced economies, a strengthening of the domestic demand led to the consolidation the the expansive dynamics reported in the United States and Great Britain, while the Euro zone and Japan struggled to return to a progressive, sustained growth. On the other hand regarding the developing economies recovery in Brazil remained contained, whereas investment weakness let to a slowdown in China’s economic activities and the collapse of oil prices was probably the cause underlying the worsening economic and financial situation in Russia.

In the Euro zone, recovery remained modest. In the last quarter of 2014, the GDP is expected to register 0.1% on a quarterly basis. This moderate expansion, should be guided mainly by the recovery of the internal demand, even though at a lower level than what is needed to guarantee sustainable recovery. The external demand, on the other hand, suffered from the adverse impacts of the Russion/Ukraine crisis and the weakness of worldwide trade, linked to the slowdown in emerging economies, causing negative effects on investments. Despite the foregoing, the upturn in the component - prospects relating to the IFO (overall confidence index) confidence index for the manufacturing sector - rising from 98.2 in October to 100.2 in December, confirms the predictions for a more decisive recovery during the first half of 2015.

In this scenario of general weakness in the aggregate demand, inflation in the Euro zone registered a further downswing (-0.% in December). The oil price collapse was the determining factor underlying this disinflation spiral, even though the ‘core’ inflation (which excludes the more volatile components such as energy and foodsturffs) also remained considerably contained. The prospects regarding medium-term inflation prospects deteriorated even further despite the unconventional monetary policy measures announced by the Central European Bank.

After the ECB’s September cutback in reference rates, a second auction of the TLTRO (Targeted long term refinancing operation), was held in December, aiming at encouraging the granting of loans to companies. Together with the first September auction, this second tranch led to a net liquidity injection amounting to 212 billion Euros. Also during the last quarter the ECB declared its intention to expand its budjet by one trillion Euros, thus creating expectations for a Quantitative Easing program, which has contributed to the further depreciation of the Euro, begun the previous summer, with respect to the currencies of its chief trading partners.

The banking context

2014 closed with visible improvements regarding the overall dynamics of bank loans in the Euro zone, even if the growth rate remained negative in a context where economic recovery is proceed only gradually. To be more specific, loans in the private sector of the Euro zone had dropped in December 2014 to a mere 0.5%/year compared to the -2.3% in the December of 2013. In Italy the reduction in loans to companies continued, even though more gradually than in previous months - in a context showing ongoing weakness in investment spending - whereas the decline in loans to families remained contained (around -0.5% per year).

With respect to the dynamics of the collection system, at the end of 2014 there was a further increase in the rhythm of bank deposit expansion, boosted mainly by a net acceleration in current account deposits.

Regarding the trend relating to bank interest rates, following the European Central Bank’s interventions in the second half of 2014, reducing the official rates, the gradual reduction of interest rates both on loans and on bank deposits continued, driving them to even lower levels, with a slight drop in bank spreads (difference between the average rates regarding loans and deposits).

The factoring market

While still facing a somewhat critical macroeconomic scenario, the factoring market resisted better than the banking sector. On the basis of the data supplied by the category association Assifact on a 31 member sample turnover registered an upturn compared to 2013 (+3.5%), while the outstanding and the funded grew, respectively, by 1.9% and 2.7%, despite the higher debt payments by the Public Authorities which continued also in 2014.

The market remained highly competitive and concentrated. Indeed, notwithstanding the entry of new operators, the first four competitors hold a market share of 66.8% of the turnover, a downturn compared to the 69.5% of the previous year. The banking group companies, however, reported a decline in turnover (-2.1%) with respect to captive companies (+11.1%) decreasing their market shares to 83.4% against the 84.5% of 2013.

Company activities

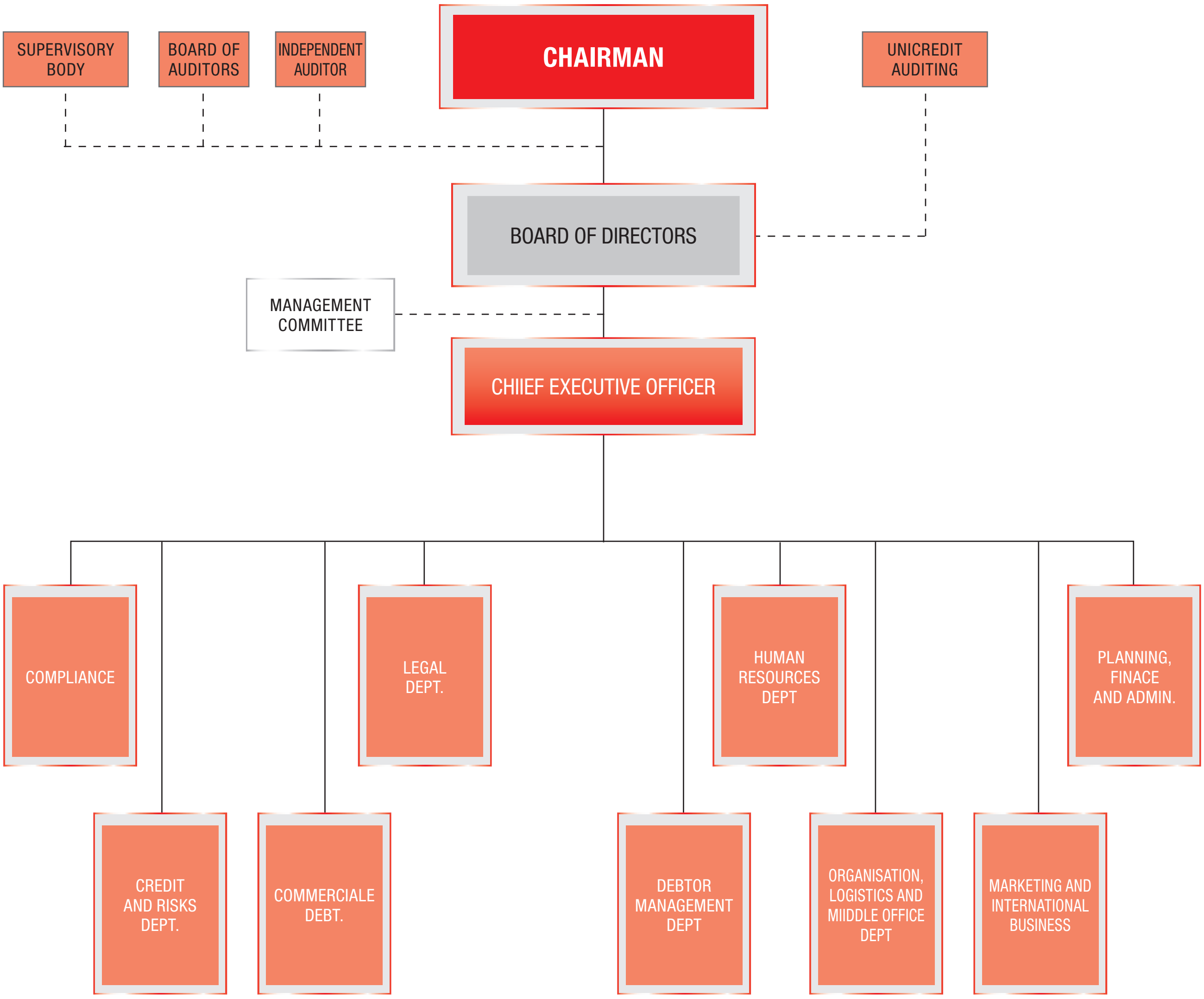
UniCredit Factoring is the Italian company of the Group specializing in the non-recourse and with-recourse purchase of trade receivables assigned by its customers that, besides optimizing their equity structure, can make use, for those receivables, of a series of correlated services such as collection, management and insurance.

Our company is active on both the domestic and cross-border markets. For both types of operation the Company, having developed a strong partnership between its own Commercial Network and the Group's, is also supported by Group-owned banks.

The Organisational Structure

UniCredit Factoring, within the framework of the in-Group, is collocated in the Italian Region whose perimenter encompasses our Group's activities in Italy, with the exception of Corporate & Investment Banking and Asset Management.

With respect to the end of last year, at first report level, our Company's organizational structure, illustrated here below, has not been substantially modified.



Director’s Report on operation (CONTINUED)

Commercial Management has reduced from 8 to 6 the number of territorial areas, as from January 2015, (Lombardia, South and Sicily, North West, North East Centre and Centre North) in line with the Bank Regions, thus encouraging improved cooperation and synergy with the Holding. The Public Sector has also merged into the territorial Areas, whereas Investment Banking and New Customer Development Areas have remained unchanged, in line with the organizational structure adopted in previous years.

Credit and Risks Management includes the following structures: credit management, credit monitoring, credit recovery (which since January 2015 has become ‘special credit’ incorporating also the management of positions subject to ‘re-structuring’ and risk management). The loan granting activity, organised with a view to the business segment pertaining to the legal subjects valuated (assignors and/or debtors) up to the end of 2014, has undergone since the beginning of 2015 a organizational change foreseeing structures dedicated to the assessment of assignors as a function of the business segment (exclusively for the Corporate & and Investment Banking segment) and of the geographic area (for all other types of customer enterprises), while the assessment of debtors is assigned to a single structure on a centralized basis.

The foregoing structural modifications, which reflect the geographic organization of the commercial areas were undertaken in order to render our lending process even more efficient and timely.
The Marketing and International Business Management, also as from the beginning of 2015, has re-organised, setting up the Organizational Unit Products and Instruments, Complaints and Customer Support and the Organizational Unit Development, Offer and Pricing which, together with the Conventions structure has taken on the task of studying, designing and coordinating the development of an innovative offer able to satisfy the increasingly customized and complex needs of our clients. Regarding International Business, during 2015, in line with our business goals, the start-up of a new structure reporting directly to the Chief Executive Officer is planned, to promote the development of the factoring product on the import/export markets.

The new Organizational Unit Business Organization Development has been set up in the Organization, Logistics and Middle Office Management, to improve the monitoring of ‘core’ projects, also in line with the re-structuring of the Marketing and International Business department, and the remaining structures too have been more specialized.

Human resources

UniCredit Factoring’s workforce at December 31, 2014 stood at 268 Full Time Equivalent (FTE), with a net increase of 3.2% compared to the previous year. The increase concerned the strengthening of structures, crucial and concentrated, for the reference year, in the Credit and Risk Management and Commercial Departments and aimed, among other things, at carrying out new commercial and strategic projects in synergy with the Bank. This fortification was implemented with ongoing, careful attention paid to the selection, management, training and development of human resources in compliance with Group models.

The following table illustrates the breakdown of the Company’s workforce by age, gender and classification.

With reference to distribution by age, a significant increase was registered in the over 40 group. Consequently the average age of our employees, highlighted a slight increase compared to the average reported last year, moving up from around 43 to 44.

Breakdown by age group

	12.31.2014		12.31.2013		CHANGE	
	FTE	BRKDN. %	FTE	BRKDN. %	ABSOLUTE	%
Up to 30 years	8	3.0%	12	4.7%	-4	-34.4%
From 31 to 40 years	85	31.8%	80	30.9%	+5	+6.3%
From 41 to 50 years	107	39.8%	110	42.1%	-3	-2.4%
Over 50 years	68	25.4%	58	22.3%	+10	+17.3%
Total	**268**	**100.0%**	**260**	**100.0%**	**+8**	**+3.2%**

The contractual status of the Company's human resources showed an increase chiefly in the percent incidence of 1st and 2nd Level executives. This was mainly due to the new appointments of higher profile professional figures coming both from the Holding and the outside market.

Breakdown by category

	12.31.2014		12.31.2013		CHANGE	
	FTE	BRKDN. %	FTE	BRKDN. %	ABSOLUTE	%
Managers	16	6.1%	16	6.3%	-0	-0.3%
4th and 5th level executives	78	29.1%	76	29.2%	+2	+3.1%
2nd and 3rd level executives	70	26.2%	58	22.3%	+12	+21.4%
Professional profiles	104	38.6%	110	42.3%	-6	-5.8%
Total	**268**	**100.0%**	**260**	**100.0%**	**+8**	**+3.2%**

The ratio men/women continues to represent a focal point for our Company. With respect to the input of female resources there was an increase of around 8% also due to our support for Group projects concerning Gender Diversity.

In this respect, we emphasize that, within the framework of HR projects, particular attention has been paid to women by identifying, in collaboration with the Managers, a selected pool of female colleagues with unquestionable potential, with whom we intend to implement training and experience-building programs specifically focusing on maximizing the acquisition of skills they may lack and encouraging the growth of professional expertise.

Breakdown men/women

	12.31.2014		12.31.2013		CHANGE	
	FTE	BRKDN. %	FTE	BRKDN. %	ABSOLUTE	%
Women	98	36.5%	91	34.9%	+7	+8.1%
Men	170	63.5%	169	65.1%	+1	+0.6%
Total	**268**	**100.0%**	**260**	**100.0%**	**+8**	**+3.2%**

Training and development of Human Resources

As regards training, in 2014 company projects developed along three, main guidelines: technical-specialist, on-thejob and compulsory.

In this respect and under these guidelines, in 2014 various formative projects were developed and carried out also with the support of means allocated by the 'Banks and Insurance Fund' for Management Executives and clerical employees and by the 'Management Profile Training Fund' aimed at the ongoing strengthening and updating of the specific skills pertaining to the Company's workforce. Here below, more specifically, we illustrate a few of the issues addressed.

- Language training: dedicated to resources using English for professional purposes and implemented with diversified methods, ie., e-learning, classroom, workshop, telephone conversation;
- Certification of Credit Skills dedicated to Network resources: this is a modular itinerary organised by UniCredit LLC (Lifelong Learning Center) in collaboration with the Facoltà di Finanza Aziendale dell'Università di Udine, (Faculty of Corporate Finance, University of Udine) which aims at increasing the credit-oriented skills of colleagues covering the roles and profiles dedicated to the Business and represents a solid commitment by the Company within the framework of a broader, Risk Culture issue.
- On the job training projects: within the Cross Skills project dedicated to human resources input into UCF during 2014, aiming at facilitating the rapid insertion of the roles of various professional profiles and promoting transversal collaboration among the various company functions;
- Soft Skills Training in UniManagement such as: 'negotiation strategies', 'building collaborator' skills in complex situations', 'Conflict management';
- Specialist courses in collaboration with AssiFact Education i.e.: "Basic Factoring Course';
- Specialized courses on Public Administration issues or other topics such as: 'Bank recovery of receivables', 'Model 231: planning, maintenance and updating', 'Risk centre';
- Law 81-based training on first-aid and fire-fighting issues;
- Specific coaching programs regarding trilateral partnerships between managers, coaches and coachees aimed at improving the latters's awareness and finding suitable, individual modes of achieving personal/professional objectives;
- Assessment culture: workshop on assessment to support middle managers in the running of company valuation processes in order to encourage the widespread adoption of well-balanced and homogenous assessment.

Director's Report on operation (Continued)

On the job training
On the job training has developed within the Cross Skills Project, which aims, through full immersion in the different company structures, not only at achieving the profitable role insertion of the new-entry professional profiles, but also the promotion of a transversal collaboration culture between the various company functions.

Obligatory training
Introduction of new, obligatory online courses such as, 'Privacy and Data Security' and 'Global Anti-recycling and financial sanctions'.

Development of Human Resources
In addition to the annual group projects, illustrated here below, focus has been centred on the population of Talents, in order to create for them significant growth plans and initiatives giving them adequate visibility and allowing them to compete in challenging contests.

At the same time, with the help of the relevant managers, a pool of Executives and women with high potential has been identified with a view to maximizing their career opportunities by inserting them in growth paths with increasing their visibility.

The Group's development projects include:

Talent Management Review (TMR): an annual process of Group development and valuation which, this year too, contributed to the promotion of the growth of our Talents by encouraging the analysis of career paths within the company and the Group by studying potential and Leadership.

UniQuest 7: This International-style Group programme examines the development of leadership with respect to young 'professionals' in various, different countries.

Marketing

Customer services and innovative projects
2014 confirmed the factoring activity as an important, strategic lever for the entire UniCredit Group, thanks to our offer of top-quality services and our ongoing capacity to work alongside not only our colleagues in the Bank, with which there is now total, commercial integration, but also our end-customers with rapid and efficient solutions.

All the foregoing was confirmed by the customary Customer Satisfaction survey, conducted in October 2014, which produced a two point growth result compared to the previous review, raising factoring to a quality level judged according to clientèle as not far short of excellent.

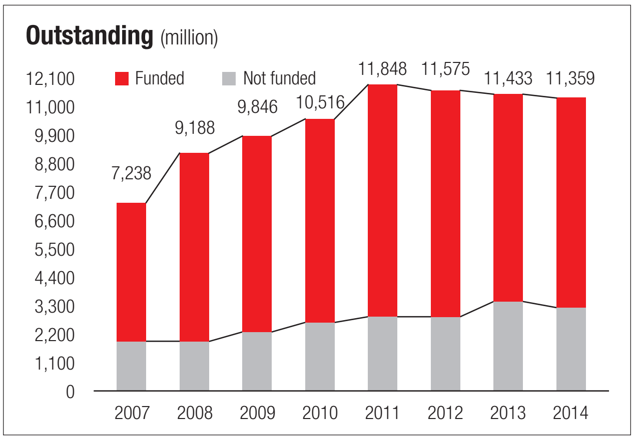
In the recently ended fiscal year 14 new reverse factoring agreements were signed, the most important with ESSELUNGA. In this sector our Company currently operates with over 60 agreements with large groups, guaranteeing adequate 'supply chain' credit to all their suppliers.

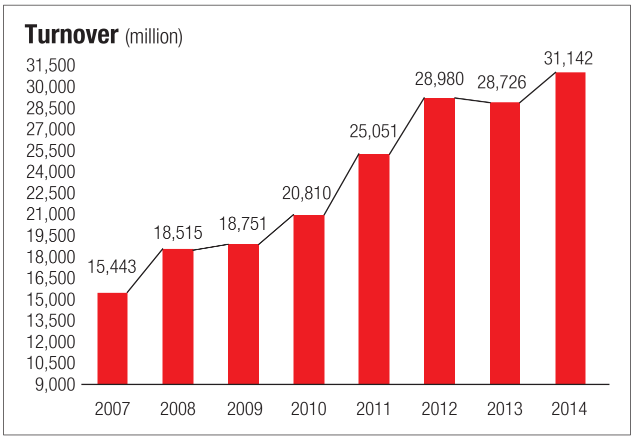
The Company continues to sustain enterprises claiming receivables from State Administration Organisations, also renewing existing agreements and stipulating new ones with Public Agencies, besides supplying prompt solutions to the new market requirements.
In October, for example, following the coming into force of DL (legislative decree) 66/2014 dedicated to the payment of previous receivables regarding State Administration Organisations, a new product was created in record time.

In conclusion, we highlight the event which took place in in 2014 - UniCredit Factoring was awarded the important Italian Prize 'LE FONTI' (the Sources) for 'innovation in factoring' and is currently participating in the even more prestigious European prize: 'EUROPEAN BUSINESS AWARDS 2014 - 2015' where, in 2014, we qualified as 'National Champion', winning the right to compete in 2015 for the title 'European Champion' in the category 'Customer Focus' thus confirming our Company's vocation for placing the Customer at the centre of every initiative.

Turnover and total receivables
During the period, the Company acquired a total turnover flow of 31,142 million, with an 8.4% upswing compared to 2013, higher than the market increase taken as a whole. As a result, this was reflected in a higher market share, which rose to 17.5% against the 16.7% of 2013, and in the consolidation of our second place in sector ranking.

Also as regards to outstanding and funded the Company won second place on the market, although it registered, a 0.7% drop in the first feature and a 2.5% increase in the second.
The slight decline in total receivables is to be attributed to a contraction in the past-due component.





As highlighted by the following table, with-recourse transactions represented around two thirds compared to both turnover and total receivables. This amount diminished in the last year both as regards to turnover, where with-recourse transactions registered and upturn of 0.1%, and as to outstanding, which dropped by 11.4%.

(€ million)

	12.31.2014		12.31.2013		CHANGE	
	AMOUNT	BRKDN. %	AMOUNT	BRKDN. %	ABSOLUTE	%
Turnover	**31,142**	**100.0%**	**28,726**	**100.0%**	**+2,416**	**+8.4%**
- non-recourse	12,937	41.5%	10,498	36.5%	+2,439	+23.2%
- with-recourse	18,204	58.5%	18,228	63.5%	-23	-0.1%
Outstanding	**11,359**	**100.0%**	**11,433**	**100.0%**	**-75**	**-0.7%**
- non-recourse	4,111	36.2%	3,251	28.4%	+861	+26.5%
- with-recourse	7,247	63.8%	8,183	71.6%	-935	-11.4%

The per product turnover indicates that, alongside traditional transactions, a consistent share is represented by outright receivable purchase transactions, reserved also to assignors claiming receivables from State Administration Organizations,which registered a 15.5% increase compared to the previous year. Guarantee only transactions declined (-62.1%), whereas maturity factoring increased (+21.3%).

(€ million)

	12.31.2014		12.31.2013		CHANGE	
	AMOUNT	BRKDN. %	AMOUNT	BRKDN. %	ABSOLUTE	%
Turnover	**31,142**	**100.0%**	**28,726**	**100.0%**	**+2,416**	**+8.4%**
traditional	17,765	57.0%	16,739	58.3%	+1,026	+6.1%
outright and discounted purchase	8,835	28.4%	7,651	26.6%	+1,184	+15.5%
guarantee only	327	1.1%	862	3.0%	-535	-62.1%
maturity	4,214	13.5%	3,474	12.1%	+740	+21.3%

The allocation of turnover between domestic and international remained mainly stable compared to the previous year, with a domestic share of over 90%.

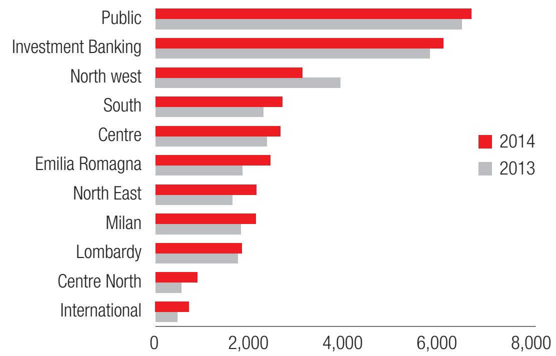
(€ million)

	12.31.2014		12.31.2013		CHANGE	
	AMOUNT	BRKDN. %	AMOUNT	BRKDN. %	ABSOLUTE	%
Turnover	**31,142**	**100.0%**	**28,726**	**100.0%**	**+2,416**	**+8.4%**
Domestic	28,858	92.7%	26,796	93.3%	+2,062	+7.7%
Import	238	0.8%	237	0.8%	+1	+0.6%
Export	2,045	6.6%	1,693	5.9%	+352	+20.8%

Director's Report on operation (Continued)

In conclusion, we emphasize that the Public and Investment Banking areas generated, by themselves, almost half the overall turnover, on the upturn moreover, compared to the previous year.
In percent terms, higher than average growths were reported by the International, Centre-North and Emilia Romagna areas.

Turnover by Area (€ million)



Concerning Total receivables, a further decline in the past-due share was registered, regarding both the absolute value and in proportion to the outstanding managed. The foregoing result was realised thanks to the now consolidated efficiency and effectiveness levels achieved by the Debtor Management Department which, although working in a still critical macroeconomic scenario, undertook operations leading to significant results, also market-related, in terms of average collection of receivables.

This occurred by:
- increasing the management and monitoring activities relevant to receivables past-due and due to mature;
- continuing the recognition and analysis of receivables past-due for the longest terms and refining the measures taken;
- amplifying the control levels relative to the operational management of the assigned receivables.

By and large the actions illustrated here above implemented by the Debtor Management Department contributed, furthermore, to the reduction of the risk levels inherent to the outstanding portfolio.
In conclusion the following table illustrates the sharing of the total receivables by sector and debtor's business activity.

With respect to the various sectors, the non-financial companies share increased of about 4 points, reaching 52.5% of the total, with stocks amounting to around 6 billion, substantially offset by the reduction of the State Administration Organisations share (35.4% with around 4 billion receivables), including the ASL (local health agencies). Also the foreign debtors share increased, whereas the Financial Companies portion reported a substantial decline.

Total receivables by sector of debtor's business activity

(€ million)

	12.31.2014		12.31.2013		CHANGE	
	AMOUNT	BRKDN. %	AMOUNT	BRKDN. %	ABSOLUTE	%
state organisations	4,022	35.4%	4,505	39.4%	-483	-10.7%
financial companies	107	0.9%	368	3.2%	-261	-70.9%
non-financial companies	5,963	52.5%	5,555	48.6%	+408	+7.3%
family producers	107	0.9%	124	1.1%	-17	-13.7%
non-profit institutes	29	0.3%	49	0.4%	-20	-40.8%
rest of the world	1,071	9.4%	800	7.0%	+271	+33.9%
other	60	0.5%	32	0.3%	+28	+87.5%
Total receivables	**11,359**	**100.0%**	**11,433**	**100.0%**	**-74**	**-0.6%**

With respect to the sharing by branch of business activity pertaining to the debtors, regarding exclusively 'non-financial companies' and 'family producers', the largest concentration concerned energy products, trade recovery and repair services, transport means and other sales-based services.

Total receivables by unit of debtor's business activity

(€ million)

	12.31.2014		12.31.2013		CHANGE	
	AMOUNT	BRKDN %	AMOUNT	BRKDN %	ABSOLUTE	%
agriculture, forestry, fishing	20	0.3%	30	0.5%	-10	-33.3%
energy	983	16.3%	847	14.9%	+136	+16.1%
minerals iron metals and others	333	5.5%	303	5.3%	+30	+9.9%
minerals and non-metal, mineral-based products	33	0.5%	34	0.6%	-1	-2.9%
chemicals	45	0.7%	52	0.9%	-7	-13.5%
metal products exc. machinery and transport means	326	5.4%	371	6.5%	-45	-12.1%
office machines	138	2.3%	23	0.4%	+115	+500.0%
electrical machinery and supplies	48	0.8%	212	3.7%	-164	-77.4%
transport means	924	15.3%	691	12.2%	+233	+33.7%
foodstuffs, beverages, tobacco	233	3.9%	208	3.7%	+25	+12.0%
textiles, leather, shoes, clothing	47	0.8%	51	0.9%	-4	-7.8%
paper, printing products publishing sector	45	0.7%	43	0.8%	+2	+4.7%
rubber, plastic	23	0.4%	22	0.4%	+1	+4.5%
other industrial products	48	0.8%	41	0.7%	+7	+17.1%
building and public works	214	3.5%	253	4.5%	-39	-15.4%
business services, recoveries, remedies	1,419	23.5%	1,156	20.4%	+263	+22.8%
hotel and public agency services	10	0.2%	31	0.5%	-21	-67.7%
internal transport services	224	3.7%	270	4.8%	-46	-17.0%
maritime, air-related services	1	0.0%	2	0.0%	-1	-50.0%
transport-related services	107	1.8%	122	2.1%	-15	-12.3%
communications	306	5.1%	367	6.5%	-61	-16.6%
other sales-based services	502	8.3%	550	9.7%	-48	-8.7%
Total non-financial companies and family businesses	**6,029**	**100.0%**	**5,679**	**100.0%**	**+350**	**+6.2%**

Receivables

The stocks of receivables at balance-sheet value stood at 8,143 million, showing a slight decline compared to the end of the previous year, mainly due to greater adjustments. With respect to the annual average the reduction amounted to 3.9%. Within the aggregate the variation in the increase of the credit agencies more than offset the downturn in the Financial sector. The gap between growth in turnover and the substantial stability of receivables compared to the previous year can be attributed to the greater rotation of the total receivables and to the reduction of the past-due quota, also thanks to efficient collection activities.

Receivables

(€ million)

	12.31.2014		12.31.2013		CHANGE	
	AMOUNT	BRKDN%	AMOUNT	BRKDN %	ABSOLUTE	%
receivables from credit agencies	134	1.6%	29	0.4%	+104	+357.6%
receivables from financial agencies	725	8.9%	816	9.9%	-91	-11.2%
receivables from customers	7,284	89.5%	7,362	89.7%	-78	-1.1%
Total receivables	**8,143**	**100.0%**	**8,207**	**100.0%**	**-65**	**-0.8%**
comprising:						
with-recourse advances	*1,406*	*17.3%*	*2,207*	*26.9%*	*-801*	*-36.3%*
with-recourse advances (ex-formal non-recourse)	*1,633*	*20.1%*	*1,503*	*18.3%*	*+131*	*+8.7%*
advances on contracts	*144*	*1.8%*	*123*	*1.5%*	*+21*	*+17.1%*
non-recourse advances	*3,849*	*47.3%*	*3,307*	*40.3%*	*+542*	*+16.4%*
deferred receivables	*548*	*6.7%*	*721*	*8.8%*	*-173*	*-23.9%*
impaired receivables	*397*	*4.9%*	*271*	*3.3%*	*+126*	*+46.6%*
other receivables	*164*	*2.0%*	*76*	*0.9%*	*+88*	*+116.9%*

The breakdown by technical form highlighted an increase in non-recourse purchases, both as regards the absolute, and in terms of the total receivables share (from 40.3% to 47.3%). Operations were mainly implemented through outright purchasing, amounting to around 80% of the total non-recourse purchases.

Director's Report on operation (Continued)

With respect to asset quality, impaired receivables at balance-sheet value increased by around 125 million in the recently ended fiscal period (from 271.1 million at end 2013 to 397.5 million at end 2014), due to the increase in the less risky component (past-due, objective doubtful and re-structured), against an over 20 million downturn in the non-performing. In relation to the total balance-sheet receivables, the impaired rose, therefore, from the 3.30% 2013 figure, to 4.88% at end 2014. Despite the general increase in hedging inside each category of impaired receivables, the ratio between value adjustments, including transfers to partial losses, the face value of the total receivables dropped from 47.5% to 40.8% due to the greater impact of the components with lower hedging.

Impaired receivables

(€ million)

	NON-PERFORMING					TOTAL IMPAIRED	
	BALANCE-SHEET	INCL. TRANSF. TO LOSSES	DOUBTFUL	RE-STRUCT. RECEIVABLES	PAST-DUE RECEIVABLES	BALANCE-SHEET	INCL. TRANSF. TO LOSSES
Situation at 12.31.2014							
Face value	196.1	276.6	155.4	41.6	197.7	**590.8**	**671.3**
impact on total receivables	*2.34%*		*1.85%*	*0.50%*	*2.36%*	**7.05%**	
Value adjustment	132.4	212.8	54.5	0.6	5.9	**193.4**	**273.8**
re face value	*67.49%*	*76.95%*	*35.05%*	*1.46%*	*3.00%*	**32.73%**	**40.79%**
Balance-sheet value	63.8	63.8	100.9	41.0	191.8	**397.5**	**397.5**
impact on total receivables	*0.78%*		*1.24%*	*0.50%*	*2.36%*	**4.88%**	
Situation at 12.31.2013							
Face value	196.6	285.1	122.0	17.1	92.4	**428.2**	**516.7**
impact on total receivables	*2.34%*		*1.45%*	*0.20%*	*1.10%*	**5.10%**	
Value adjustment	111.7	200.3	43.5	0.0	1.8	**157.1**	**245.6**
re face value	*56.83%*	*70.24%*	*35.65%*	-	*2.00%*	**36.68%**	**47.53%**
Balance-sheet value	84.9	84.9	78.5	17.1	90.6	**271.1**	**271.1**
impact on total receivables	*1.03%*		*0.96%*	*0.21%*	*1.10%*	**3.30%**	

At balance-sheet value the non-performing rose from the 84.9 million of 2013 to the 2014 63.8 million figure at absolute value and from 1.03 to 0.78% in relation to total receivables. The hedge ratio, considering adjustments and transfers to partial losses, grew from 70.24% at end 2013 to 76.95% in December 2014.

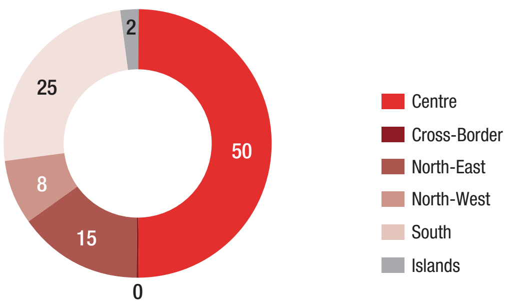
During 2014 nr. 69 new positions became non-performing, for an overall of 19.1 million, with provisions amounting to 14.1 million. The distribution of the non-performing by geographic area indicated the prevalence of positions relating to counterparts located in the Centre and South:

The doubtfuls, influenced by the performance of the objective doubtfuls (rising from 12.8 million in 2013 to 41.4 million in 2014) highlighted an upturn between the end of 2013 and the end of 2014 rising from 122.0 million to 155.4 million in terms of gross values and from 0.96 percent to 1.24% compared to the total net receivables.

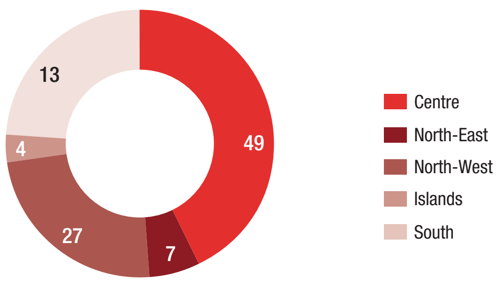
During 2014, net of the objective doubtfuls, 83 new positions transferred to the doubfuls sector for an overall 46.6 million with reserves for 17.7 million.

The distribution by geographic area of the total doubtfuls showed a decided prevalence of the Centre and North-West areas.

Non-performing by geographic area (%)

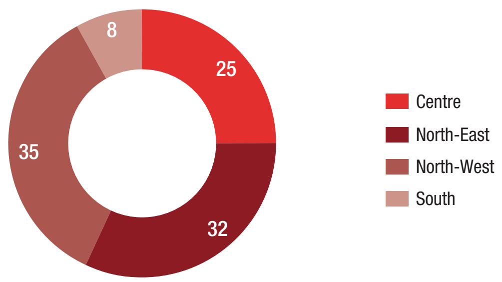


Doubtfuls by geographic area (%)



At the end of 2014 there were 15 positions among the re-structured receivables for overall face values amounting to 41.6 million (at the end of 2013 there were 6 positions amounting to an overall 17.1 million).

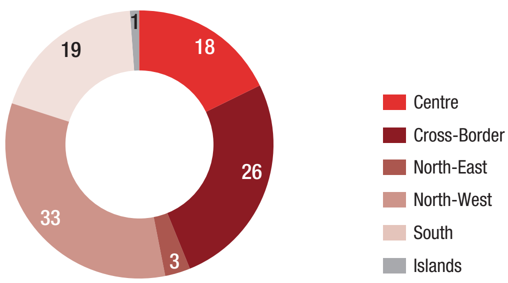
Re-structured by geographic area (%)



The past-due positions amounted to total face values equalling 197.7million (92.4 million at end 2013) and were dealt with by reserves for 5.9 million.

The distribution of the past-due receivables showed a marked concentration in the North West and Cross-border areas.

Past-due by geographic area (%)



Risk management and control methods

The Credits and Risks Department supervises the processes relating to the valuation/measuring/monitoring of risks, ensuring overall governance, through cost containment and the optimization of portfolio breakdown.

For the proper management of credit risks, in line with the model adopted by the Holding, our Company has designed its organizational structure by separating the customer-assignor acquisition and management processes from those relating to debtor management, entrusting decision-making faculties to the Credits and Risks Department, which also supervises systematic monitoring and Risk Management.

The power to grant loans, attributed to the Board of Directors, is partially delegated to the Loans Committee, the Chief Executive Officer and the Deputy-Director Generals, under whom there is a system of sub-delegations entrusted to individual units belonging to Receivables Management and, for limited amounts, to the Commercial Structure.

The delegation and sub-delegation system is periodically reviewed (together with the Holding) and adapted to the changing market context and the Company's structural requirements.

As to market risks, bearing in mind that the Company does not operate with financial, trading instruments, the product characteristics and the operating modes implemented allows us to keep any risk assumed within restricted Levels.

The Company's assets, chiefly characterized by short-term entries, makes for minimum exposure of the foregoing to interest-rate changes because our Company generally operates by:
- periodically updating the variable rates to match the same maturities as the fundings;
- applying fixed rates based on the cost of the funding (outright purchase receivables).

The interest rate risk relating to outright purchase transactions with maturities beyond the short term are usually hedged by interest-rate swaps implemented solely with the Group's Investment Banking.

In the same context, the liquidity profile is mitigated by associating the maturities of the funding flows with collection.

Receivables in foreign currency belonging to the Company's assets are financed with liabilities in the same currency. This operation allows us to minimize the exchange-rate risk.

For more detailed information regarding risks and the relevant hedging policies kindly consult the Notes (Part D - Section 3).

Director's Report on operation (Continued)

Income Statement and Equity

Income Statement

The Income Statement illustrated here below follows the reclassification outline adopted by the Group, which registers in attachment the reconciliation with the balance-sheet outline.

Reclassified income statement

	PERIOD		CHANGE	
	2014	2013	ABSOLUTE	%
Net interest	169.0	157.8	11.2	+7.1%
Net commission	74.6	81.5	-6.9	-8.4%
Trading result and hedging	0.2	-0.3	0.4	n.s.
Other income/other expenses	5.0	1.3	3.7	+297.0%
BROKERING MARGIN	**248.7**	**240.3**	**8.5**	**+3.5%**
Human resources costs	-23.6	-22.5	-1.1	+4.8%
Other administrative costs	-19.5	-19.1	-0.4	+1.9%
Amortization/Depreciation to/intangible fixed assets	-0.3	-0.2	-0.1	+42.1%
Operating costs	**-43.4**	**-41.9**	**-1.5**	**+3.6%**
OPERATING INCOME	**205.3**	**198.4**	**7.0**	**+3.5%**
Net adjustments to receivables	-47.9	-70.5	22.6	-32.0%
NET OPERATING INCOME	**157.5**	**127.9**	**29.5**	**+23.1%**
Net provisions for risks and charges	-8.3	-5.8	-2.5	+42.6%
PROFIT BEFORE TAX	**149.2**	**122.1**	**27.1**	**+22.2%**
Income tax for the period	-45.4	-48.9	3.5	-7.1%
NET PROFIT	**103.8**	**73.2**	**30.6**	**+41.7%**

With respect to revenue the growth trend was ongoing despite the weak economic activity and strong competition among operators facing a more contained demand for credit, in particular from counterparts with higher standings. The brokering margin rose, in fact, to 248.7 million with a 3.5% upturn, compared to the previous year. This result stemmed from the contribution of the 169.0 million interest margin (+7.1%, but +2.0% net of the extraordinary interest registered over the two periods), and from 74.6 million net fees (-8.4%).

To be more specific, the stability of the interest margin net of the extraordinary factors, was achieved, even though affected by a reduction in average loan volumes, thanks to a favourable exit from the previous period in terms of spread which allowed us to keep the average annual spread above the levels of the year before, despite the progressive reduction reported during the period. Our fees, on the other hand, despite increased turnover, declined due to the pressure of our competitors, as regards both customer and product breakdowns.

Regarding costs, expenses for human resources recorded a 4.8% hike compared with an average, annual workforce increase of 6.8%. This gap is more or less explained by the lower impact of the variable quota. Moreover, also discounting the foregoing, the average per-head cost remains substantially in line with the previous year.

Other administrative costs registered a 1.9% increase, due to greater charges for credit recovery and for indirect taxes. as well as for the expansion of the outsourcing acitivity with non-recurring charges. On the other hand, marketing and back office expenses diminished. Overall operating costs stood at 43.4 million, with a 3.6% increase over the previous year, less than proportional compared with the increased work force and in line with the growth of revenue. The ratio between costs and revenue remained stable, therefore, at 17.4% while the operating result, 205.3 million, also rose by 3.5% compared to 2013.

Net adjustments to receivables amounted to 47.9 million, dropping by 22.6 million compared to the previous year, even though with respect to those registered in 2013, the macroeconomic scenario remained fragile, thanks to the slowdown of the entries into non-performing, to higher collection recoveries for 7 million and to the already adequate hedging of pre-existing stocks. The adjustments to average loans stood at 0.77% against the1.09% of 2013.

Gross profits, bearing in mind net provisions for risks and charges amounted to 8.3 million (mostly attributable to clawbacks), stood at 149.2 million with a 22.2% increase over previous year. Taking account, in conclusion, of a more favourable tax impact compared to 2013, weighted down by extraordinary income tax, net profits stood at 103.8 million, on the upturn regarding the previous period (+41.7%).

Net Equity and capital ratios

Net equity stood at 703 million, with a 52 million increase compared to the previous year, substantially equal to the profits for the period (103.8 million) less the dividends distributed and the charity allocated with the approval of the 2013 profits (a total 51.4 million).
The supervisory capital, including hybrid capital instruments and subordinated liabilities for a total 63 million, and taking into account the distribution of around 70% of the net profit gained, stood at 693 million compared to the 662 million of the previous period.

Total weighted assets highlighted an 8.2% increase resulting chiefly from a reduction in the public sector burden and an increase in past-due receivables; the core tier 1 ratio dropped to 8,76% from the 9.01% at end 2013, while the total equity coefficient registered 9.64%, compared to the previous year's 9.97% and a 4.5 % allowed minimum.

Net equity and capital ratios (€ million)

	DATA AT		CHANGE	
	12.31.2014	12.31.2013	ABSOLUTE	%
Net equity	703	651	+52	8.0%
Profits distributed	-73	-51	-21	n.d.
Negative/positive features	-1	-1	-0	n.d.
Hybrid instruments and subordinated liabilities	63	63	+0	0.0%
Supervisory equity	693	662	+31	4.7%
Total risk-weighted assets	7,182	6,639	+543	8.2%
Core Tier 1	8.76%	9.01%	-0.25%	
Supervisory equity/Total weighted assets	9.64%	9.97%	-0.32%	

Further information

Auditing

Our company, in line with Group policies governing controls, avails itself of the Internal Auditing Service offered by UniCredit Audit S.p.A., through the Insourced Auditing Services which reports to the Internal Audit of UniCredit S.p.A.[1].

Administrative responsibility, D.Lgs. (Legislative Decree) 231/2001

In 2014 the supervisory activities monitoring adequacy and compliance with the Organizational and Managerial Model operated by the Supervisory Body (OdV), set up pursuant to D.Lgs nr.231/01 regarding the administrative liability of legal persons, corporations and associations, also lacking judicial status, were ongoing.

The operations carried out by the OdV included initiatives aimed at updating the Model, approved by the Board of Directors on 17.12.2014, together with the verifications carried out according to a specific control plan. There were also training operations carried out regarding the subject-matter.

Privacy and protection of personal details

The Company is no longer obliged to maintain an updated 'Programme document on security'. This obligation was eliminated by the cancellation of letter g, comma 1 of art. 34 del D.Lgs. (Legislative Decree nr. 196/2003 ('Code of Privacy') pursuant to *art. 45, comma 1, lett. c), D.L. nr. 5 of February 9, 2012, converted, with amendments by Law nr. 35 of April 4,l 2012.*

Business Continuity

As foreseen by the Bank of Italy regulations and in harmony with the indications issued by the Holding, our Company approved and activated the Operational Continuity Plan which takes into account the main crisis/ disaster scenarios and identifies, as regards each and every, potentially damaging event, the solutions to be adopted to ensure adequate operating continuity in acceptable conditions of deterioration. The principle guidelines indicated by the Plan foresee the distribution, in each prospective case, of the crucial activities pinpointed thoughout the Company's offices (Headquarters in Milan and secondary location in Rome), and the use of the competent resources located therein, periodically updated and equipped with the necessary skills, able to intervene rapidly to replace those units unable to operate in the stricken location.

Environment and work safety

In 2014 too, on the basis of Group guidelines and standards, training activities pursuant to D.Lgs. (Legislative Decree) 81/2008 were ongoing, in particular with the programme for the formative updating of the human resources appointed to manage fire-fighting and first-aid emergencies, together with the health control programme for video-terminal' employees.

1. Agreement initially stipulated with UniCredit Audit ScpA, a specialist Group company incorporated into UniCredit SpA on 25th February 2013 with a deed of merger by incorporation.

Director's Report on operation (Continued)

Operations with related parties

With respect to business relations with the Holding and with other companies belonging to the UniCredit Group, we refer you to the relevant Table illustrated in the Notes (Part D - Other information - Section 6 - Operations with related parties).

Own shares or Holding shares in portfolio

The Company does not hold, and has not held during the period, under any title whatever, own shares or shares belonging to the Holding.

Research and development

During the period no investments were made pertaining to research and development.

Financial instruments

At December 31, 2014 the Company owned derivative financial instruments for hedging interest-rate risks. More detailed information on the management policy relating to financial risks and the breakdown of the derivatives portfolio are illustrated in the Notes to the Financial Statements.

The Holding: management and coordination

We emphasize that, pursuant to articles 2497 and subsequent of the Civil Code, the Company is subject to the management and coordination of UniCredit S.p.A.; the Notes to the Financial Statement (Part D - Other information - Section 6) illustrate the business relations existing between whosoever performs management and coordination activities and also with the other companies thereto subjected. The Attachments to the Notes include a table summarizing the principle data pertaining to the Holding.

We specify, moreover, that the Company has adhered to the funded fiscal debt adopted by the Group.

Registered Offices

Milan, via Livio Cambi nr. 5.

Secondary, registered offices

The Company has no secondary, registered offices.

Significant Events subsequent to closure of the fiscal period, expected management evolution

Significant events subsequent to closure of the fiscal period

After closure of the fiscal period no significant events occurred which might affect the financial statements illustrated herein.

Expected evolution of operations

In 2014 global growth and worldwide trading registered a moderate expansion and the prospects for 2015 indicate only a slight acceleration. In this context the Eurozone economy will probably increase by 1%, only marginally higher than the 2014 figure.

However, this limited improvement in the yearly averages, conceals a significant recovery of economic activity on a quarterly basis, sustained by a weaker currency, much lower oil prices, a more neutral fiscal policy impact and a decline in loan rates in peripheral countries which, for the first time since the intensification of the sovereign debt crisis, showed signs of responding to the support policies activated by the ECB. At the level of the single countries, we expect Germany (+1.2% economic growth) to continue to report the best Eurozone results, whereas Italy will probably grow by 0.5%, the first positive result after three years contraction. Recovery in Italy risks being slowed down by a relatively modest, domestic demand, given the feeble profitability of companies which will limit the potential development of investments, employment and private consumption. Within the Eurozone, Germany and Italy will be the principle beneficiaries of the weaker currency and lower energy prices.
In January the ECB launched a large scale asset purchasing programme, including government bonds aimed at boosting the dimensions of the central bank's budget towards 3,000 billion Euros. Quantitative Easing is expected to sustain the recovery of economic activity mainly through the weakening of the exchange rate, while the thrust towards growth deriving from lower interest rates will probably remain restricted.

With respect, in particular, to the factoring sector the expectations of the relevant operators reported in January are moderately positive, indicating an expected growth in annual turnover, compared to 2014, amounting to an approximate 3.4% average and to 2.3% regarding the end of year outstanding.

In this scenario our Company aims at the further development of turnover volumes and at bringing back the growth trend regarding loans, by intensifying collaboration with the Holding network and building up new business opportunities concerning reverse factoring and international commerce.

Milan, March 5, 2015

Chief Executive Officer	For the Board of Directors
Renato Martini	The Chairman: Roberto Bertola

Proposals submitted to the Ordinary Shareholder's Meeting

The fiscal year financial statements, including the Directors' Report, which we submit to your approval, were audited by Deloitte & Touche S.p.A., pursuant to the resolution deliberated by the Shareholders' Meeting of April 18, 2013.

Furthermore we propose the following allocation of the fiscal year profits, amounting to 103,794,957 Euros, as follows:

to the Legal Reserve	5,189,748 Euros
to other Reserves	25,933,709 Euros
to shareholders on the basis of 0.905 per share	72,671,500 Euros

Milan, March 5, 2015

Chief Executive Officer
Renato Martini

For the Board of Directors
The Chairman:
Roberto Bertola

Financial Statements

Financial Statements

Statement of financial position

Euro values

ASSETS	12.31.2014	12.31.2013
10. Cash and cash equivalents	1,254	1,174
40. Financial assets available for sale	700,173	173
60. Receivables:	8,142,694,864	8,207,453,670
from banks	133,668,146	29,209,166
from financial institutes	725,119,880	816,144,020
from clients	7,283,906,838	7,362,100,484
70. Hedging derivatives	2,967,373	-
80. Value adjustment to financial assets subject to standard hedging (+/-)	660,268	533,335
100. Tangible assets	71,989	118,854
110. Intangible assets	790,697	643,078
120. Tax assets	50,711,900	38,604,569
a) current	3,454,544	-
b) deffered	47,257,356	38,604,569
- at L. 214/2011	36,855,138	29,620,605
140. Other assets	50,140,517	21,034,510
TOTAL ASSETS	**8,248,739,035**	**8,268,389,363**

LIABILITIES AND NET EQUITY	12.31.2014	12.31.2013
10. Payables	7,149,997,705	7,332,103,601
to banks	6,995,398,550	6,985,206,184
to financial institutes	21,650,417	24,581,363
to customers	132,948,738	322,316,054
20. Outstanding securities	77,099,342	77,113,894
50. Hedging derivatives	3,573,765	442,095
70. Tax payables	-	6,894,871
a) current	-	6,894,871
b) deferred	-	-
90. Other liabilities	288,145,944	181,914,586
100. Provisions for employee severance payment	3,343,672	2,758,273
110. Provisions for risks and charges	23,856,624	16,556,157
b) other provisions	23,856,624	16,556,157
120. Share capital	414,348,000	414,348,000
150. Share premiums	951,314	951,314
160. Reserves	184,033,291	162,187,666
131 Valuation reserves	(405,579)	(118,719)
180. Profit (Loss) for the period	103,794,957	73,237,625
TOTAL LIABILITIES AND NET EQUITY	**8,248,739,035**	**8,268,389,363**

Income Statement

Euro values

ITEMS	12.31.2014	12.31.2013
10. Receivable interest and similar revenues	191,465,085	209,976,272
20. Payable interest and similar charges	(22,458,909)	(52,152,138)
INTEREST MARGIN	**169,006,176**	**157,824,134**
30. Fee and commission income	82,382,297	90,860,810
40. Fee and commission expenses	(7,797,283)	(9,396,689)
NET FEES	**74,585,014**	**81,464,121**
60. Net result from trading assets	154,376	(291,892)
BROKERING MARGIN/OPERATING INCOME	**243,745,566**	**238,996,363**
100. Net value adjustments for impairment of:	(47,879,303)	(70,454,892)
a) financial assets	(47,879,303)	(70,454,892)
110. Administrative costs:	(43,110,355)	(41,670,590)
a) human resources costs	(23,601,735)	(22,521,424)
b) other administrative costs	(19,508,620)	(19,149,166)
120. Net value adjustments/write-backs to tangible assets	(46,865)	(58,252)
130. Net value adjustments/write-backs to intangible assets	(235,305)	(140,342)
150. Net provisions for risks and charges	(8,252,654)	(5,788,876)
160. Other operating revenues and charges	4,986,011	1,255,774
OPERATING RESULT	**149,207,095**	**122,139,185**
PROFIT (LOSS) FROM CURRENT ASSETS BEFORE TAXES	**149,207,095**	**122,139,185**
190. Income tax on financial year revenue from current operations	(45,412,138)	(48,901,560)
PROFIT (LOSS) FROM CURRENT ASSETS AFTER TAXES	**103,794,957**	**73,237,625**
PROFIT (LOSS) FOR THE YEAR	**103,794,957**	**73,237,625**

Statement of Comprehensive income

Euro values

ITEMS	12.31.2014	12.31.2013
10. Profit (Loss) for the year	**103,794,957**	**73,237,625**
Other comprehensive income net of taxes without reversal to income statement		
20. Tangible assets	-	-
30. Intangible assets	-	-
40. Defined benefit plans	(286,860)	107,750
50. Non-current assets held for sale	-	-
60. Share of valuation reserves of investments valued at equity method	-	-
Other comprehensive income net of taxes with reversal to income statement		
70. Foreign investments hedging	-	-
80. Exchange-rate differences	-	-
90. Cash-flow hedges	-	-
100. Financial assets available for sale	-	-
110. Non-current assets held for sale	-	-
120. Share of valuation reserves of investments valued at net equity method	-	-
130. Total other comprehensive income after taxes	**(286,860)**	**107,750**
140. Comprehensive income (Item 10+130)	**103,508,097**	**73,345,375**

Financial Statements (Continued)

Statement of changes in equity at december 31, 2014

	BALANCE AT 12.31.2013	CHANGES IN OPENING BALANCES	BALANCE AT 01.01.2014	ALLOCATION PREVIOUS YEAR RESULTS: RESERVES	ALLOCATION PREVIOUS YEAR RESULTS: DIVIDENDS AND OTHER ALLOCATIONS
Share capital	414,348,000	-	414,348,000	-	-
Share premiums	951,314	-	951,314	-	-
Reserves					
a) profits	162,187,666	-	162,187,666	21,845,625	-
b) others	-	-	-	-	-
Valuation reserves	(118,719)		(118,719)		-
Equity instruments	-	-	-		-
Own shares	-	-	-	-	-
Profit (Loss) for the year	73,237,625	-	73,237,625	(21,845,625)	(51,392,000)
Net equity	**650,605,886**	**-**	**650,605,886**	**-**	**(51,392,000)**

Statement of changes in equity at december 31, 2013

	BALANCE AT 12.31.2012	CHANGES IN OPENING BALANCES	BALANCE AT 01.01.2013	ALLOCATION PREVIOUS YEAR RESULTS: RESERVES	ALLOCATION PREVIOUS YEAR RESULTS: DIVIDENDS AND OTHER ALLOCATIONS
Share capital	114,518,475	-	114,518,475	-	-
Share premiums	951,314	-	951,314	-	-
Reserves					
a) profits	131,751,989	-	131,751,989	30,435,677	-
b) others	-	-	-	-	-
Valuation reserves	(226,469)		(226,469)		-
Equity instruments	-	-	-		-
Own shares	-	-	-	-	-
Profit (Loss) for the year	60,840,776	-	60,840,776	(30,435,677)	(30,405,099)
Net equity	**307,836,085**	**-**	**307,836,085**	**-**	**(30,405,099)**

Euro values

CHANGES OVER YEAR							
	OPERATIONS ON NET EQUITY						
CHANGES IN RESERVES	NEW SHARES ISSUE	OWN SHARES PURCHASE	EXTRAORD. DISTRIBUTION DIVIDENDS	CHANGES IN CAPITAL INSTRUMENTS	OTHER CHANGES	COMPREHENSIVE INCOME 12.31.2014	NET EQUITY AT 12.31.2014
-	-	-	-	-	-	-	414,348,000
-	-	-	-	-	-	-	951,314
-	-	-	-	-	-	-	184,033,291
-	-	-	-	-	-	-	-
	-	-	-	-	-	(286,860)	(405,579)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	103,794,957	103,794,957
-	**-**	**-**	**-**	**-**	**-**	**103,508,097**	**702,721,983**

Euro values

CHANGES OVER YEAR							
	OPERATIONS ON NET EQUITY						
CHANGES IN RESERVES	NEW SHARES ISSUE	OWN SHARES PURCHASE	EXTRAORD. DISTRIBUTION DIVIDENDS	CHANGES IN CAPITAL INSTRUMENTS	OTHER CHANGES	COMPREHENSIVE INCOME 12.31.2013	NET EQUITY AT 12.31.2013
-	299,829,525	-	-	-	-	-	414,348,000
-	-	-	-	-	-	-	951,314
-	-	-	-	-	-	-	162,187,666
-	-	-	-	-	-	-	-
	-	-	-	-	-	107,750	(118,719)
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	73,237,625	73,237,625
-	**299,829,525**	**-**	**-**	**-**	**-**	**73,345,375**	**650,605,886**

Financial Statements (Continued)

Cash-flow statement - Direct Method

Euro values

	12.31.2014	12.31.2013
A. OPERATING ASSETS		
1. MANAGEMENT	**141,319,061**	**124,746,668**
- interest income collected	180,308,430	204,398,527
- interest paid	(22,458,909)	(52,152,138)
- net fees	74,585,014	81,464,121
- staff costs	(23,601,735)	(22,521,424)
- other costs	(19,508,620)	(19,441,058)
- other revenues	9,514,350	1,881,929
- taxes	(57,519,469)	(68,883,289)
2. CASH-FLOW GENERATED/ABSORBED BY FINANCIAL ASSETS	**(9,884,796)**	**598,678,855**
- financial assets available for sale	(700,000)	221,00
- receivables from banks	(93,949,003)	560,011
- receivables from financial institutes	91,024,140	(280,202,100)
- receivables from customers	25,940,380	852,717,421
- other assets	(32,200,313)	25,603,302
3. CASH-FLOW GENERATED/ABSORBED BY FINANCIAL LIABILITIES	**(69,149,284)**	**(985,005,766)**
- payables to banks	10,192,366	(1,091,784,836)
- payables to financial institutes	(2,930,946)	14,323,034
- payables to customers	(189,367,316)	108,683,115
- outstanding securities	(14,552)	(5,721)
- other liabilities	112,971,164	(16,221,358)
NET CASH-FLOW GENERATED/ABSORBED BY OPERATING ACTIVITIES	**62,284,981**	**(261,580,243)**
B. INVESTMENT ASSETS		
1. LIQUIDITY GENERATED BY:		
- tangible assets sales	-	-
- intangible assets sales	-	-
- business unit sales	-	-
2. LIQUIDITY ABSORBED BY:		
- tangible assets purchases	-	-
- intangible assets purchases	(382,924)	(530,273)
- business units purchases	-	-
NET LIQUIDITY GENERATED/ABSORBED BY INVESTMENT ASSETS	**(382,924)**	**(530,273)**
C. FUNDING ACTIVITIES		
- own shares issue/purchases	-	299,829,525
- equity instruments issue/purchase	-	-
- distribution dividends and other purposes	(51,392,000)	(30,405,099)
NET LIQUIDITY GENERATED/ABSORBED BY FUNDING ASSETS	**(51,392,000)**	**269,424,426**
NET LIQUIDITY GENERATED/ABSORBED OVER PERIOD	**10,510,057**	**7,313,910**

Reconciliation

	2014 AMOUNT	2013 AMOUNT
Cash and cash equivalents at start of period	9,207,615	1,893,705
Total liquidity generated/absorbed over period	10,510,057	7,313,910
Cash and cash equivalents at end of period	19,717,672	9,207,615

Notes to the Financial Statements

Part A - Accounting standards

Part A - Accounting standards

A.1 - General Section

Section 1 - Declaration of compliance with International accounting standards

The financial statements at December 31, 2014 were drawn up according to international IAS/IFRS accounting standards,issued by the IASB, ratified by European Commission up to December 31, 2014, including the relevant interpretations of the International Financial Reporting Interpretation Committee (IFRIC), as stipulated by Community regulation nr. 1606 of July 19, 2002, applied in Italy by Legislative Decree nr. 38 of 2005.

The financial statements were prepared on the basis of the outlines illustrated in the instructions attached to the Governor of the Bank of Italy's provision of December 22, 2014 'Instructions for the drafting of the financial statements of Financial Brokers registered in the Special list, of electronic money Institutes (IMEL), of Savings management companies (SGR) and of Securities brokerage companies (SIM), which have totally replaced the instructions attached to the Regulations of February 14, 2006.

Section 2 - General standards for the preparation of financial statements

The preparation of the financial statements at December 31, 2014 pertaining to UniCredit Factoring S.p.A. was carried out, as Illustrated here above, in compliance with the international accounting standards (IAS/IFRS), ratified by the European Commission. The Financial statements comprise the following statements: Statement of Financial Position, Income Statement, Statement of Comprehensive Income, Cash flow Statement, Statement of Net Equity Changes and the Notes to the Financial Statements. They also include the Directors' Report on the ongoing performance of the management. The position was drawn up in Euro units, except for the Notes which were drawn up in Euro thousands, and corresponds to the company accounting which faithfully reflects the transactions undertaken during the period.

Drafting was implemented on an ongoing-concern basis and corresponds to standards of competency, relevance and the significance of the accounting information and of the prevalence of economic substance over legal form. The information relevant to the Cash flow Statement was given according to the cash flow standard.

Costs and revenues, assets and liabilities were not offset one against the other, unless indicated by an accounting standard and/or by the relative interpretation in order to render the annual statements clearer and more representative.

The outlines of the financial statements and the Notes to the Financial Statements indicate the corresponding comparisons with the previous year.

The financial statements at December 31, 2014 were drafted clearly and represent, truthfully and faithfully, the asset and liability position, the financial position and economic result pertaining the period, the changes in the Company's Net Equity and the Company's cash flows.

No exceptions to the IAS/IFRS accounting standards were applied in the financial statements illustrated herein.

Section 3 - Events occurring subsequent to the reference date of the Financial Statements

After closure of the period no significant events occurred warranting any adjustment to the result reported in the financial statements at December 31, 2014.

Section 4 - Further aspects

These financial statements, including the Directors' Report, which we submit to your approval, were audited by Deloitte & Touche S.p.A. pursuant to the Resolution of the Shareholders' Meeting of April 18, 2013.

We underline, in particular, pursuant to IAS 10, that the date when the publication of the Financial Statements was authorized by the Company's Board of Directors was March 05, 2015.

Risks and uncertainties connected with the use of estimates

In conformity with the IAS/IFRS standards, the company management must formulate valuations, estimates and hypotheses which affect the application of the accounting standards and the amounts pertaining to the assets, liabilities, costs and revenues reported in the statements.
The estimates and relevant hypotheses are based on previous experience and on other factors considered reasonable as regards the case in point. They were adopted to estimate the book value of those assets and liabilities not easily obtainable from other sources.

In particular, estimation procedures were adopted to support the registration values.

The foregoing estimates and hypotheses are regularly reviewed. Potential changes resulting from such reviews are reported in the relevant reviewing period, should that review be limited to that period only. If the revision concerns both current and future periods, the variation is registered in the period under review and in the relevant future periods.

The risk of uncertainty in the estimate is substantially inherent to:
• receivables
• severance funds and other benefits owed to employees
• provisions for risks and charges
• financial instruments.

During 2014 the following accounting standards and interpretations came into force:
• Revision of IAS 27 - Separate financial statement (EU Reg. 1254/2012);
• Revision of IAS 28 - Investments in associates and Joint Ventures (EU Reg. 1254/2012);
• IFRS 10 - Consolidated Financial Statements (EU Reg. 1254/2012);
• IFRS 11 - Joint control agreements (EU Reg. 1254/2012);
• IFRS 12 - Information on investments in other entities (EU Reg. 1254/2012);
• Amendments to IAS 36 - Supplementary information on the recoverable value of non-financial assets (EU Reg. 1374/2013);
• Amendments to IAS 39 - Novation of derivatives and continuation of hedge accounting (EU Reg. 1375/2013);
• Amendments to IFRS 10, IFRS 11 and IFRS 12 - Guide to transitory provisions (EU Reg. 313/2013);
• Amendments to IFRS 10, IFRS 12 and IAS 27 - Investment entities (EU Reg. 1174/2013);
• IFRIC 21 - Taxes (EU Reg. 634/2014).

The introduction of the new accounting standards did not affect the Company's 2014 financial statements
During 2014 the European Commission also ratified the following accounting standards to be applied to financial statements as from the 2015 financial statements:
• Annual cycle of improvements 2011 - 2013 of International accounting standards (EU Reg1361/2014).
• Annual cycle of improvements 2010 - 2012 of International accounting standards (EU Reg 28/2015);
• Amendments to IAS 19 - Defined plans and benefits: employees contributions (EU Reg. 29/2015).

Finally, by December 31, 2014, the IASB had issued the following accounting standards and interpretations or revisions of the foregoing:
• IFRS 9 - Financial instruments (July 2014);
• IFRS 14 Activities with tariff regulations (January 2014);
• IFRS 15 Revenue from agreements with customers (May 2014);
• Amendments to IFRS 10, IFRS 12 and IAS 28: Scale of investment: Application of objection to consolidation (December 2014);
• Amendments to IAS 1: Initiative disclosure (December 2014);
• Annual cycle of 2012-2014 improvements to International accounting standards (September 2014);
• Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and an affiliate company or a joint venture (September 2014);
• Amendments to IAS 27: Net equity method in separate financial statements (August 2014);
• Amendments to IAS 16 and to IAS 41: Agriculture: Fruit plants (June 2014);
• Amendments to IAS 16 and to IAS 38: Clarifications regarding methods permette for depreciation and amortization (May 2014);
• Amendments toIFRS 11: Accounting of investments in joint-control activities (May 2014).

The application of the foregoing standards is, however, subject to ratification by the European Union.

A.2 - Principle balance-sheet items

The guidelines adopted for valuating the prijnciple items are illustrated here below:

1) Receivables

The receivables are made up of non-derivative financial assets, versus customers, financial agencies and banks, with fixed or determinable payments, unlisted in an active market.

The first registration of a receivable takes place at the date of assignment following the signing of the agreement (in case of non-recourse assignment) and coincides with the date of allocation as regards with-recourse.

The receivable is registered on the basis of its fair-value, amounting to the sum allocated (with-recourse) or the face-value of the receivable purchased, (non recourse).

After the initial registration at fair-value, inclusive of the transaction costs, directly chargeable to the acquisition of the financial assets, the receivables are valued at depreciated cost.

Part A - Accounting standards (Continued)

Briefly, factoring operations are characterised by exposures versus assignors, representing loans granted against with-recourse assignments and exposures versus assigned debtors representing the value of the receivables acquired by non-recourse assignments.

Within the framework of IAS 39, the foregoing operations entail, as regards the assignor and factoring companies, the valuation of the existence or not of the conditions required by the mentioned international accounting standards governing the implementation of so-called derecognition.

In conformity, in fact, with the general principle of the prevalence of economic substance over legal form, an enterprise may cancel a financial asset from its balance-sheet only if, as a result of an assignment, it has transferred the risks and benefits connected with the instrument assigned.

In actual fact, this IAS foresees that an enterprise may cancel a financial asset from its balance-sheet if, and only if:
a) the financial asset is transferred together with substantially all its associated risks and if the contractual rights to the cash flows deriving from the asset expire;
b) the benefits associated with the the ownership of the asset no longer apply.

To evaluate the effective transfer of the risks and benefits, the assignor's exposure must be compared to the variability of the current value or of the cash flows generated by the financial asset transferred before and after the assignment.

The assignor maintains substantially all the risks and benefits, whenever its exposure to the 'variabililty' of the current value of the net future flows relating to the financial asset does not change significantly after its transfer. Conversely, transfer takes place when exposure to this 'variability' is no longer significant.

The most frequently used forms of assignment of a financial instrument may entail considerably different accounting effects:
- whenever, in relation to a non-recourse assignment (with no guarantee whatever) the assets assigned may be cancelled from the assignor's balance-sheet;
- whenever, in relation to a with-recourse assignment it is probable that in the majority of cases the risk connected with the assigned asset remains with the seller and, as a result, the assignment does not possess the requisites for the cancellation from the accounting records of the instrument sold.

The Company has registered among its receivables those purchased on a non-recourse basis subject to the verification of the non-existence of contractual clauses impeding the effective, substantial transfer of all the risks and benefits thereto connected. With respect to the portfolio assigned with-recourse, the Receivables are reported and maintained in the balance-sheet exclusively as regards the sums allocated by the assignor as prepayment of the consideration.

To be more specific:
a) The Receivables assigned with-recourse and 'legal' non-recourse (without derecognition by the assignor) are reported exclusively with respect to those sums allocated to the assignor as prepayments of the consideration, including accrued interest and fees, and the first registration is implemented according to the consideration advanced to the assignor against assignment of the Receivables.
b) Receivables purchased outright on a non-recourse basis, with substantial transfer of the risks and benefits and the deferred maturity receivables paid at maturity are recorded at the nominal amount of the assigned invoices (with derecognition by the assignor) and the first entry is registered at the face value of the receivable (equivalent to the fair-value).
c) Loans allocated against future receivables, not subject to assignments of receivables, and instalment loans, are recorded at a value equal to the amount of the loan, including the relevant interest and fees accrued.

At each balance-sheet date, if there is objective evidence that loss has been sustained due to a reduction in value of the receivables, the extent of the loss is measured as the difference between the book value of the asset and the current value of future, estimated cash flows discounted at the effective, original interest-rate. In particular, the guidelines for determining the write-downs to be applied to the receivables are based on the actualisation of the cash flows expected from capital and interest, net of recovery charges and potential prepayments received. The basic elements are represented by the identification of the estimated collections, relevant maturities and the discount rate to be applied.

A receivable is considered impaired when it appears unlikely that the entire amount will be recovered, according to the original, contractual terms and conditions, or for an equivalent value. The total cancellation of a receivable is implemented when it is considered irrecoverable or is totally written off.

In compliance with the regulations stipulated by the Bank of Italy, impaired exposures are classified according to the following categories:
- non-performing, comprising exposures versus insolvent customers, even if legally unascertained, or in equivalent situations. Valuation is implemented on an analytic basis;
- doubtfuls, comprising business relations with legal persons experiencing temporary difficulties, in expectation of remedy within a reasonable time-frame. This category also includes exposures not classified as non-performing and granted to persons other than state organisations, which have satisfied both the following conditions:
  - they are past-due and unpaid, continuously, for more than 270 days;
  - the overall amount of the foregoing exposures and of the other sums past-due for less than 270 days from the same debtor, amounts to at least 10% of the entire exposure versus that debtor.

Doubtfuls are valuated analytically whenever specific features make it advisable, i.e. by analytically applying lump-sum percents determined according to historical/statistical bases in the remaining cases.
- re-structured exposures, made up of exposures versus counterparts with which specific deferment agreements have been concluded, with contextual re-negotiation of below-market terms and conditions. These are valuated on an analytical basis;
- past-due exposures, representing exposures versus counterparts which, at the reference date, present receivables past-due by more than 90 days, subject to the condition that the past-due sum amounts to 5% of the entire exposure at the same date. These are valuated on a lump-sum basis.

The valuation of the performing (in bonis) receivables involves asset portfolios not presenting objective losses. The valuation implemented tends, therefore, to measure losses already sustained at balance-sheet date but not yet manifest, due to the normal delay between the deterioration of the customer's financial position and its classification among the impaired exposures. This delay can be valuated, for factoring reasons, as falling between an average 6 to 12 month period. The adjustment to the performing receivables is consequently determined by taking account of the corresponding fraction of the expected annual loss, calculated as produced between loan exposure, the probability of the counterpart's default over one year and the percent loss in case of non-fulfilment.

2) Tangible assets
'Assets for instrumental uses' is the definition given to assets with physical consistency, held for use in the production or supply of goods and services or for administrative purposes and considered useful for more than one period.

The item includes: installations and machinery, furniture and fittings.

Tangible assets are initially reported at cost, comprising the charges needed to put them to use for the asset for which they were purchased (including all costs directly linked to the rendering operational of the asset and to the non-recoverable purchase tax and duties). The foregoing value is subsequently increased by the expenses sustained from which the enjoyment of future benefits is expected. The costs for ordinary maintenance performed with respect to the asset are registered in the Income Statement as and when they occur. Conversely, extraordinary maintenance costs from which future benefits are expected, are capitalized as an increase to the value of the assets to which they refer.

After initial acknowledgement, the instrumental, tangible assets are registered at cost, net of the accumulated depreciation and of any accumulated value loss. The depreciable value, amounting to the relevant cost, less the residual value (i.e. the total amount foreseen normally obtainable at divestment, less the expected divestment costs, if the asset was already in the state, age-wise, expected at the end of its useful life), is systematically spread on a straight-line basis as regards depreciation, over the useful life of the tangible asset.

According to standard practice the residual value of the depreciable assets is considered to be zero.

Their useful life, regularly reviewed to determine whether any prospective estimates differ significantly from those previously performed, is defined as:
• the time-frame over which an asset is expected to remain useful to the company;
• the quantity of products or similar units which the company expects to obtain by using the product.

If there is objective evidence that the value of a single asset may have been impaired, the book value of the asset is compared to its recoverable value, corresponding to the greater between the fair-value, less selling costs, and the relevant value in use, defined as the current value of the future cash flows expected to derive from the asset. Potential value adjustments are reported in the item 'net adjustments/write-backs on tangible assets' in the Income Statement.

If the value of a previously written-down asset is reversed, the new book value may not exceed the net book value which would have resulted if no impairment had been acknowledged for that asset in previous years.

A tangible asset is cancelled from the Equity Statement at the moment of assignment or whenever no future financial benefits are expected from its use. Possible differences between assignment value and book value are reported in the Income Statement under the item 'profits (losses) from the assignment of investments'.

3) Intangible assets
Intangible assets is the definition given to non-monetary assets, identifiable even if lacking physical consistency, from which future, financial benefits are likely to derive.

The asset is identifiable whenever:
• it is separable, i.e. can be separated or detached and sold, transferred, licensed, leased or exchanged;
• it is derived from contractual or other legal rights, regardless of whether such rights are transferable or separable from other rights and obligations.

The asset is characterized by the fact that it can be controlled by the enterprise as a result of past events, on the assumption that financial benefits to the company will stem from its use. The company controls an asset if it has the power to make use of the future financial benefits deriving from the asset in question and can, furthermore, restrict third-party access to such benefits.

Part A - Accounting standards (Continued)

An intangible asset is reported as such if, and only if:
(a) future financial benefits attributable to the asset are likely to derive to the company;
(b) the asset's cost can be reliably measured.

This item chiefly includes goodwill and software.

Intangible assets other than goodwill are initially registered at cost, and prospective costs subsequent to initial registration are capitalized only if able to generate financial future benefits, or only if such expenses can be reliably determined and attributed to the asset.

The cost of an intangible asset comprises:
- purchase price including potential duties and taxes on non recoverable purchases after deducting trade discounts and allowances;
- any direct cost needed to set up the asset for use.

After initial registration, intangible assets with finite useful lives are reported at cost, net of overall depreciation and any value losses which might possibly be suffered.

Depreciation is calculated on a systematic basis over the best estimate of the useful life of the intangible, using the straight line allocation method.

If there is objective evidence that one, single asset may have reduced its value, a comparison is made between the book-value of the asset and its recoverable value, equal to the greater between the fair-value, less sale costs, and the relevant usage value, defined as being the current value of the future cash flows expected to derive from the asset. Possible value adjustments are entered in the Income Statement under the Item 'costs for disposal of assets'.

If the value of a previously impaired intangible asset, other than goodwill, is restored, the new value may not exceed the net book value which would have been determined if no loss for impairment had been reported over previous years.

An intangible asset is cancelled from the equity statement at the moment of assignment, or when no future benefits are expected from its use. Any, potential difference between the relevant assignment and book values is registered in the Income Statement under the item 'income from sale of inestments".

4) Payables and outstanding securities

Payables and subordinate, issued liabilities are initially recorded at fair-value, which generally corresponds to the consideration received, net of the transaction costs directly attributable to the financial liability, After initial recognition, these instruments are measured at depreciated cost, using the effective interest method.

Payables deriving from factoring transactions reflect the residual amount to be paid to the assignors, resulting from the difference between the value of the non-recourse receivables acquired and the prepayment implemented.

Financial liabilities are cancelled from the balance-sheet upon settlement or maturity.

Financial liabilities with a lower than 12 month original duration are registered at face-value, because the application of the 'depreciated cost' does not entail significant changes.

5) Hedging Operations

Hedging activities aim at neutralizing losses pertaining to a specific element (or group of elements) attributable to a specific risk, by using profits deriving from a different element (or group of elements) should that particular risk effectively become manifest. The hedging instruments employed by the Company are designed to cover the fair-value of a recognized asset.

Financial hedging derivatives, like all derivatives, are initially recorded and subsequently measured at fair-value and are classified in the balance-sheet on the asset side under item 70 'Hedging derivatives' and on the liability side under item 50 'Hedging derivatives'.

With respect to standard hedging the value of the financial assets is recorded in the balance-sheet under item 80 'Adjustment to the value of financial assets subject to standard hedging' and the financial liabilities under item 60 'Adjustment to the value of financial liabilities subject to standard hedging'. Positive adjustment may not be offset by negative adjustment.

An operation qualifies as hedging and is appropriately recorded in the accounting, only if all the following conditions are met:
- at the start of the hedging operation there is formal designation and documentation of such hedging, of the company objectives relating to risk management and of the strategy underlying the application of the hedge. The foregoing documentation shall include the identification of the hedging instrument, the element or operation hedged, the nature of the risk covered and the method used by the company to valuate the effectiveness of the hedging instrument in offsetting exposure to fair-value changes pertaining to the factor covered;
- hedging is expected to be highly effective;

• hedging effectiveness can be reliably measured;
• hedging is measured on a continuity basis and is considered highly effective for all the reference periods for which it was planned.

Hedging is considered highly effective if, both at start-up and during its useful life, the fair-value changes in the monetary amount hedged are almost totally offset by the fair-value changes of the hedging derivative, i.e. the effective results are between 80% and 125%.
The effectiveness of the hedging is verified during start-up by performing the prospective test and, when the annual financial statements are drafted, the retrospective test; the outcome of the latter test justifies the application of hedge accounting inasmuch as it demonstrates its expected effectiveness.

6) Provision for employee severance payment

The Human Resources Severance Fund (ESF=TFR) is considered a 'post-employment, defined benefit payment'. Consequently, its registration requires the estimate - using actuarial methods - of the amount of benefits accrued by employees, discounted to their present value. The determination of the foregoing benefits was implemented by an external actuary using the 'Unitary Credit Projection Method'. This method spreads the cost of the benefit uniformly over the employee's working life. Obligations are defined as the discounted value of the average future allocations on the basis of the ratio between the years of service matured and the overall seniority reached at the moment of allocation of the benefit.

Following the supplementary insurance reform pursuant to Legislative Decree nr. 252 of 5th December 2005, the Severance Fund quotas accrued up to 12.31.2006 (or up to the date chosen by the employee - between 1.1.2007 and 06.30.2007 - in case of allocation of the employee's severance payment to Supplementary Insurance) remain with the company and continue to be considered as a 'post-employment, defined benefit service'.
They are, therefore, subject to actuarial valuation albeit with simplified actuarial assumptions which do not contemplate forecasts relating to future remuneration increases.

ESF quotas, accrued as from 1.1.2007 (date of application of D.lgs. (Legislative Decree) nr. 252) (or from the date falling between 1.1.2007 and 06.30.2007) allocated, at the employee's choice, to supplementary forms of insurance, or left in the company, and transferred by the latter (by companies with more than 50 employees) to the INPS Treasury Fund are, on the contrary, considered as a 'defined contribution' plan.

The costs relating to ESFs matured during the year are registered in the Income Statement and include the interest matured over the year (interest cost) on the obligation, already existing at the date of the reform. The portions matured over the year and transferred to the Supplementary Insurance plan or to the INPS Treasury Fund are reported under the item 'Severance Indemnities'.

The introduction, with start-up as from 1st January 2013, of the accounting standard IAS19R, referring to the treatment of 'benefits subsequent to the termination of the employment relations' (including the severance benefit), has led to the elimination of the optional accounting treatment concerning the 'corridor method' with registration in the equity statement of the Defined Benefit Obligation according to the relevant actuarial valuation and registration in the connected actuarial profits/losses as offset for Valuation Reserves.

This guideline change determined the registration of an adverse valuation reserve amounting to 118,719 euro in the 2013 Financial Statements.

7) Provisions for risks and charges

Provisions allocated to the Fund for risks and charges are reported in the books if and only if:
• an obligation is in progress (legal or implicit) as a result of a previous Event;
• it is likely that, in order to fulfil an obligation, the use of resources expected to produce financial benefits becomes necessary;
• a reliable estimate of the amount deriving from fulfilment of the obligation can be produced.

The amount recorded as provision represents the best estimate of the expense required to fulfil the obligation existing at the reference date of the financial statements and reflects the risks and uncertainties which inevitably characterize a plurality of facts and circumstances.

The Funds reserved are periodically re-examined and prospectively adjusted to reflect the best, current estimate. Whenever, as a result of the review, sustaining the burden becomes potential or remote, the provision is written off.

A provision is used only to deal with those charges for which it was originally registered.

Regarding only potential and improbable liabilities, no provision is reported although, in any case, a description of the nature of such liabilities is supplied.

Part A - Accounting standards (Continued)

8) Current and deferred taxation

Current taxes relating to the year and to previous years are acknowledged, for the uncollected amount, as liabilities. Any potential surplus relating to the amount due is recognised as an asset.
Current tax liabilities/assets for the current and previous years are set at the amount expected to be paid/recovered from tax authorities, after application of all the prevailing tax rates and regulations currently in force.
A deferred tax liability is recorded for all taxable, temporal differences.
A prepaid tax asset is recognised for all deductible, temporary differences if it is likely that future taxable income will be earned, against which the prepaid temporary difference may be used.
Prepaid tax assets and deferred tax liabilities are continuously monitored and are quantified on the basis of the tax rates likely to be applied in the period when the tax asset is earned, or the tax liability settled, taking into account the fiscal regulations stipulated by current legislation. Prepaid tax assets and deferred tax liabilities are neither discounted nor offset one against the other.

9) Share-based payments

These are payments to employees implemented as remuneration for work performed, based on shares representing the Holding company's share capital. The foregoing payments comprise the assignment of:
a) rights to subscribe share capital increases against payment (properly known as Stock Options);
b) rights to receive shares on achieving quantitative/qualitative objectives (so-called 'performance shares');
c) shares subject to unavailability clauses (so-called 'restricted shares').
Given the difficulty in estimating reliably the fair-value of the benefits received as counterpart for the instruments representing the Holding's capital, reference is made to the fair-value of these instruments, measured at their assignment date.
The fair-value of payments made through share issue is acknowledged as a cost and recorded in the Income Statement under the item 'Human Resources costs' as offsetting the item 'Other liabilities', according to the guideline governing accrual in proportion to the period in which the service is supplied.

10) Revenue

Revenue, as defined by IAS 18, is represented by the gross inflows of economic benefits deriving from a company's ordinary activities and are accounted on the basis of temporal accrual.
Revenue is measured at the fair-value of the consideration received or receivable and is recognised in the accounts whenever it can be estimated reliably.
The outcome of a transaction involving the rendering of services can be estimated reliably when all the following conditions have been met:
- total revenue can be measured reliably;
- the Company is likely to profit from the financial benefits associated with the transaction;
- the transaction's completion can be measured reliably at balance-sheet date;
- any costs incurred for the transaction and those to be sustained for its completion can be measured reliably.

Revenue is recognised only when it is likely that the economic benefits associated with the transaction will be collected by the Company. However, when uncertainty arises regarding the recoverability of an amount already included in the revenue item, the non-collectable amount, or the value whose recovery is no longer probable, is recognised as a cost rather than an adjustment to the revenue originally recorded.

11) Foreign currency transactions

Foreign currency transactions are recognised at the exchange-rate current at the date of the transaction.
Monetary assets and liabilities are converted using the exchange-rate current at closure of the period.
Exchange-rate differences, deriving from the liquidation of such transactions at rates different from those reported at the date of the transaction and exchange-rate differences not performed on monetary assets and liabilities in currency, not yet concluded and different from hedges, are entered in the Income Statement under item 80 'Net result of trading activities'.

12) Further information

Long-term employee benefits

Long-term employee benefits - such as those deriving from length-of-service bonuses allocated on achievement of a pre-defined seniority of service (25^{th} and 35^{th} year) - are recorded under the item 'other liabilities - length-of-service bonuses', based on the valuation at balance-sheet date of the liability assumed, determined by a non-Group, external actuary. For this type of benefit the actuarial gains/losses are immediately recorded in the Income Statement.

A.3 - Information on transfers of financial assets between portfolios

The Company undertook no reclassifications of financial instruments between portfolios, neither during the fiscal period under analysis nor during previous periods.

A.4 - Information on fair-value

QUALITATIVE INFORMATION
This section includes the information on fair value as requested by IFRS13.

Fair-value is the consideration potentially receivable for the sale of an asset, or paid to transfer a liability, in ordinary transactions between market counterparts in the principle market at the measuring date (exit price).

A.4.1 Fair value Levels 2 and 3: valuation and input techniques employed
The only assets or liabilities, held by the Company, valued at fair value on recurring or non-recurring bases, are hedging derivatives (Interest Rate Swaps). With respect to the foregoing instruments, not exchanged on an active market, valuation techniques market to model are applied, using input parameters for which there is an active market.
To be more specific, the valuation technique used refers to discounted cash flows, comprising the determination of an estimate relevant to future cash flows expected during the useful life of the instrument. This model requires the estimate of the cash flows and the adoption of market parameters for the discount: the discount rate or margin reflects the credit and/or funding spread required by the market for instruments with similar risk or liquidity profiles in order to define an 'actualised value'. The fair value of the agreement is given by the amount of actualised future cash flows.

With respect to entries not valuated at fair value, the discounted cash flows technique is also used to estimate the fair value of the outstanding securities. For on demand or short term receivables and payables, substantially equal to the total amount of corresponding items, the balance-sheet value is considered to be an adequate approximation of their fair value. For medium long-term receivables and payables the balance-sheet value is calculated using a current value model appropriate to the risk involved.

A.4.2 Valuation: methods and sensitivity
The Company has no assets or liabilities valued at fair value on a Level 3 recurring or non-recurring basis for which information is required.

A.4.3 Fair value hierarchy
The IFRS 7 standard establishes a fair value hierarchy according to the degree of observability of the inputs of the techniques adopted for the valuations.

The hierarchy Level of the fair value associated with the assets and liabilities is defined as the minimum Level between all the significant inputs employed. In general, a valuation input is not considered significant for estimating the fair value of an instrument if the remaining inputs spread most of the fair value variance over a three-month time-frame.

In particular, three, specific Levels in are foreseen:

Level 1: the fair-value of the instruments classified at this level is determined on the basis of the quotation prices observed on active markets;
Level 2: the fair-value of the instruments classified at this Level is determined on the basis of valuation models using inputs observable on active markets;
Level 3: the fair-value of the instruments classified at this level is determined on the basis of valuation models mainly using significant inputs not observable on active markets.

A certain fair value level is associated with the financial instruments on the basis of the observability of the inputs used for their valuation.

Level 1 (prices quoted on active markets): prices quoted (not adjusted) on active markets for identical assets or liabilities whose entity can be accessed at the valuation date. An active market is such when transactions relating to the asset or liability subject to valuation occur with sufficient frequency and volumes to supply information useful to the determination of the relevant price on an ongoing basis.

Level 2 (observable inputs): inputs other than the market prices already included in Level 1, which are observable for the asset or liability, directly or indirectly. Inputs are considered observable if developed on the basis of information available to the market regarding current events or transactions and reflect the assumptions that the market counterparts would use to valuate the foregoing asset or liability.

Part A - Accounting standards (Continued)

Level 3 (non-observable inputs): these are inputs other that those included in Levels 1 and 2, not directly observable on the market as regards the valuation of the asset or liability, or used in determining significant adjustments to fair value. Non-observable inputs must, however, reflect the assumptions which the market participants would employ in valuating the foregoing asset or liability, including assumptions of risk.

When the fair value is measured directly, using an observable and active market quoted price, the process of attribution of the hierarchy will assign Level 1. When the fair value has to be measured through a comparable approach or through the use of a pricing model, the il process of hierarchy attribution will assign Level 2 or Level 3, according to the observability of all the significant inputs used in the valuation.

QUANTITATIVE INFORMATION

TAB A.4.5.1
Financial assets and liabilities valued at fair value on a recurrent basis: sharing by fair value Level

(€ thousands)

FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR-VALUE	LEVEL 1	LEVEL 2	LEVEL 3	TOTAL
1. Financial assets held for trading	-	-	-	-
2. Financial assets measured at fair value		-	-	-
3. Financial assets available for sale	-	-	700	700.0
4. Hedging derivatives	-	2,967	-	2,967
Total assets	**-**	**2,967**	**700**	**3,667**
1. Financial liabilities held for trading	-	-	-	-
2. Financial liabilities measured at fair-value	-	-	-	-
3. Hedging derivatives	-	3,574	-	3,574
Total liabilities	**-**	**3,574**	**700**	**4,274**

TAB A.4.5.4
Financial assets/liabilities not measured at fair value or measured at fair value on a non-recurrent basis

(€ thousands)

FINANCIAL ASSETS/LIABILITIES NOT MEASURED AT FAIR VALUE OR MEASURED ON NON-RECURRING BASIS	12.31.2014				12.31.2013			
	VB	L1	L2	L3	VB	L1	L2	L3
1. Financial assets held at maturity	-	-	-	-	-	-	-	-
2. Receivables	8,142,695	-	-	8,143,355	8,207,453	-	-	8,208,520
3. Tangible assets held for investment	-	-	-	-	-	-	-	-
4. Non-current assets and groups of assets held for sale	-	-	-	-	-	-	-	-
Total	**8,142,695**	**-**	**-**	**8,143,355**	**8,207,453**	**-**	**-**	**8,208,520**
1. Payables	7,149,998	-	-	7,149,998	7,332,103	-	-	7,332,103
2. Outstanding securities	77,099	-	-	73,712	77,114	-	-	74,115
3. Liabilities associated with assets held for sale	-	-	-	-	-	-	-	-
Total	**7,227,097**	**-**	**-**	**7,223,710**	**7,409,217**	**-**	**-**	**7,406,218**

The fair value of the receivables and payables on demand or short term is registered at equivalent to book value.

Key:
BV = Book value
L1 = Level 1
L2 = Level 2
L3 = Level 3

A.5 Information on so-called ‘day one profit/loss’

The Company implemented no operations entailing ‘day one profit/loss’ registration.

Part B - Information on Statement of financial position

Part B - Information on Statement of financial position

Assets

Section 1 - Cash and cash equivalents - Item 10

Breakdown of item 1' 'Cash in hand and at bank'

(€ thousands)

ITEMS/VALUES	12.31.2014	12.31.2013
1.1 Cash and stamp values	1	1
Total	**1**	**1**

Section 4 - Financial assets available for sale - Item 40

4.1 Breakdown of item 40 'Financial assets available for sale'

(€ thousands)

	12.31.2014			12.31.2013		
ITEMS/VALUES	LEVEL 1	LEVEL 2	LEVEL 3	LEVEL 1	LEVEL 2	LEVEL 3
1. Debt securities	-	-	-	-	-	-
- structured securities	-	-	-	-	-	-
- other debt securities	-	-	-	-	-	-
2. Capital securities and OICR quotas	-	-	-	-	-	-
3. Loans *	-	-	700	-	-	-
Total	**-**	**-**	**700**	**-**	**-**	**-**

* The item loans includes a joint venture with FILMAURO S.r.l amounting to 700 thousand Euros.

The Company's portfolio includes 20 shares issued by UniCredit Business Integrated Solutions ScpA for 173 euros not quoted and valued at cost.

4.2 Financial assets available for sale: break down by debtors/issuers

(€ thousands)

ITEMS/VALUES	12.31.2014	12.31.2013
Financial assets	**700**	**-**
a) Governments and central banks	-	-
b) Other public agencies	-	-
c) Banks	-	-
d) Financial agencies	-	-
e) Other issuers	700	-
Total	**700**	**-**

4.3 Financial assets available for sale - annual changes

(€ thousands)

CHANGES/TYPOLOGIES	DEBT SECURITIES	CAPITAL SECURITIES AND OICR QUOTAS	LOANS	TOTAL
A Opening balance	**-**	**-**	**-**	**-**
B Increases	**-**	**-**	**700**	**700**
B.1 Purchases	-	-	700	700
B.2 Positive fair-value changes	-	-	-	-
B.3 Write-backs	-	-	-	-
- Allocated to Income Statement	-	-	-	-
- Allocated to net equity	-	-	-	-
B.4 Transfers from other portfolios	-	-	-	-
B.5 Other changes	-	-	-	-
C Decreases	**-**	**-**	**-**	**-**
C.1 Sales	-	-	-	-
C.2 Refunds	-	-	-	-
C.3 Negative fair-value changes	-	-	-	-
C.4 Value adjustments	-	-	-	-
C.5 Transfer to other portfolios	-	-	-	-
C.6 Other changes	-	-	-	-
D Final balance	**-**	**-**	**700**	**700**

Section 6 - Receivables - Item 60

6.1 Receivables from banks

(€ thousands)

BREAKDOWN	12.31.2014 BOOK VALUE	12.31.2014 FAIR VALUE L1	12.31.2014 FAIR VALUE L2	12.31.2014 FAIR VALUE L3	12.31.2013 BOOK VALUE	12.31.2013 FAIR VALUE L1	12.31.2013 FAIR VALUE L2	12.31.2013 FAIR VALUE L3
1. Deposits and current accounts	**19,716**	**-**	**-**	**19,716**	**9,206**	**-**	**-**	**9,206**
2. Loans	**104,824**	**-**	**-**	**104,824**	**7,092**	**-**	**-**	**7,092**
2.1 Re-purchase agreements	-	-	-	-	-	-	-	-
2.2 Financial leasing	-	-	-	-	-	-	-	-
2.3 Factoring	104,824	-	-	104,824	7,092	-	-	7,092
- with-recourse	93,328	-	-	93,328	3,338	-	-	3,338
- non-recourse	11,496	-	-	11,496	3,754	-	-	3,754
2.4 Other loans	-	-	-	-	-	-	-	-
3. Debt securities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- structured securities	-	-	-	-	-	-	-	-
- other debt securities	-	-	-	-	-	-	-	-
4. Other assets *	**9,128**	**-**	**-**	**9,128**	**12,911**	**-**	**-**	**12,911**
Total book value	**133,668**	**-**	**-**	**133,668**	**29,209**	**-**	**-**	**29,209**

The fair value of the receivables on demand and short term is registered at equivalent to balance-sheet value.
* The item includes receivables from banks participating in pool factoring transactions.
L1 = Level 1
L2 = Level 2
L3 = Level 3

6.2 Receivables from financial agencies

(€ thousands)

BREAKDOWN	12.31.2014 BOOK VALUE PERFORM.	12.31.2014 BOOK VALUE IMPAIRED PURCHASED	12.31.2014 BOOK VALUE IMPAIRED OTHERS	12.31.2014 FAIR VALUE L1	12.31.2014 FAIR VALUE L2	12.31.2014 FAIR VALUE L3	12.31.2013 BOOK VALUE PERFORM.	12.31.2013 BOOK VALUE IMPAIRED PURCHASED	12.31.2013 BOOK VALUE IMPAIRED OTHERS	12.31.2013 FAIR VALUE L1	12.31.2013 FAIR VALUE L2	12.31.2013 FAIR VALUE L3
1. Loans	**723,255**	**-**	**234**	**-**	**-**	**723,489**	**812,777**	**-**	**118**	**-**	**-**	**812,895**
1.1 Repurchase agreements	-	-	-	-	-	-	-	-	-	-	-	-
1.2 Financial leasing	-	-	-	-	-	-	-	-	-	-	-	-
1.3 Factoring	723,255	-	234	-	-	723,489	812,777	-	118	-	-	812,895
- with-recourse	692,022	-	-	-	-	692,022	811,926	-	118	-	-	812,044
- non-recourse	31,233	-	234	-	-	31,467	851	-	-	-	-	851
1.4 Other loans	-	-	-	-	-	-	-	-	-	-	-	-
2. Debt securities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- structured securities	-	-	-	-	-	-	-	-	-	-	-	-
- other debt securities	-	-	-	-	-	-	-	-	-	-	-	-
3. Other assets*	**1,631**	**-**	**-**	**-**	**-**	**1,631**	**3,249**	**-**	**-**	**-**	**-**	**3,249**
Total book-value	**724,886**	**-**	**234**	**-**	**-**	**725,120**	**816,026**	**-**	**118**	**-**	**-**	**816,144**

The fair value of the receivables on demand and short term is registered at equivalent to balance-sheet value.
* The item includes receivables from financial agencies participating in pool factoring transactions.

Part B - Information on Statement of financial position - Assets (Continued)

6.3 Receivables from customers

(€ thousands)

	12.31.2014						12.31.2013					
	BREAKDOWN			FAIR VALUE			BREAKDOWN			FAIR VALUE		
		IMPAIRED						IMPAIRED				
BREAKDOWN	PERFORM.	PURCHASED	OTHERS	L1	L2	L3	PERFORM.	PURCHASED	OTHERS	L1	L2	L3
1. Loans	**6,886,678**	**-**	**397,229**	**-**	**-**	**7,284,567**	**7,091,099**	**-**	**271,001**	**-**	**-**	**7,363,167**
1. Financial leasing	-	-	-	-	-	-	-	-	-	-	-	-
- without final purchase options	-	-	-	-	-	-	-	-	-	-	-	-
2. Factoring	6,800,161	-	388,861	-	-	7,189,682	7,073,117	-	269,339	-	-	7,343,523
- with-recourse	2,933,438	-	254,414	-	-	3,187,852	3,040,139	-	203,807	-	-	3,244,479
- non-recourse	3,866,723	-	134,447	-	-	4,001,830	4,032,978	-	65,532	-	-	4,099,044
3. Consumer credit (including revolving cards)	-	-	-	-	-	-	-	-	-	-	-	-
4. Credit cards	-	-	-	-	-	-	-	-	-	-	-	-
5. Loans granted for payment services performed	-	-	-	-	-	-	-	-	-	-	-	-
6. Other loans *	86,517	-	8,368	-	-	94,885	17,982	-	1,662	-	-	19,644
- from execution of guarantees and commitments		-		-	-			-		-	-	
7. Debt securities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- structured securities	-	-	-	-	-	-	-	-	-	-	-	-
- other debt securities	-	-	-	-	-	-	-	-	-	-	-	-
8. Other assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total balance-sheet value	**6,886,678**	**-**	**397,229**	**-**	**-**	**7,284,567**	**7,091,099**	**-**	**271,001**	**-**	**-**	**7,363,167**

The fair value of the receivables on demand and short term is registered at equivalent to balance-sheet value.
* The other loans are made up of invoices issued for receivables from debtors who have received payment extensions and from loans to debtors of transactions foreseeing at maturity payments.
L1 = Level 1
L2 = Level 2
L3 = Level 3

6.4 Receivables - secured assets

(€ thousands)

	12.31.2014					
	RECEIVABLES FROM BANKS		RECEIVABLES FROM FINANCIAL AGENCIES		RECEIVABLES FROM CUSTOMERS	
BREAKDOWN SECURED	VE	FVG	VE	FVG	VE	FVG
1. Performing assets secured by:	**93,328**	**93,328**	**692,022**	**692,022**	**2,939,205**	**2,939,205**
- Financial leasing assets	-	-	-	-	-	-
- Factoring assets *	93,328	93,328	692,022	692,022	2,933,438	2,933,438
- Mortgages	-	-	-	-	-	-
- Pledges	-	-	-	-	-	-
- Personal collateral	-	-			5,767	5,767
- Derivatives on receivables	-	-	-	-	-	-
2. Impaired assets secured by:	**-**	**-**	**-**	**-**	**254,414**	**254,414**
- Financial leasing assets	-	-	-	-	-	-
- Factoring assets *	-	-	-	-	254,414	254,414
- Mortgages	-	-	-	-	-	-
- Pledges	-	-	-	-	-	-
- Personal collateral	-	-	-	-	-	-
- Derivatives on receivables	-	-	-	-	-	-
Total	**93,328**	**93,328**	**692,022**	**692,022**	**3,193,619**	**3,193,619**

VE = balance-sheet value of exposures
FVG = fair-value of guarantees
* The secured factoring receivables include prepayments on with-recourse transactions and non-recourse receivables assisted by bank sureties. The value of the guarantees for with-recourse transactions amounts to the total receivables, up to the value of the prepaid amount.

BREAKDOWN SECURED	12.31.2013					
	RECEIVABLES FROM BANKS		RECEIVABLES FROM FINANCIAL AGENCIES		RECEIVABLES FROM CUSTOMERS	
	VE	FVG	VE	FVG	VE	FVG
1. Performing assets secured by:	**3,338**	**3,338**	**811,926**	**811,926**	**3,072,780**	**3,072,780**
- Financial leasing assets	-	-	-	-	-	-
- Factoring assets *	3,338	3,338	811,926	811,926	3,040,139	3,040,139
- Mortgages	-	-	-	-	-	-
- Pledges	-	-	-	-	-	-
- Personal collateral	-	-			32,641	32,641
- Derivatives on receivables	-	-	-	-	-	-
2. Impaired assets secured by:	**-**	**-**	**118**	**118**	**203,807**	**203,807**
- Financial leasing assets	-	-	-	-	-	-
- Factoring assets *	-	-	118	118	203,807	203,807
- Mortgages	-	-	-	-	-	-
- Pledges	-	-	-	-	-	-
- Personal collateral	-	-	-	-	-	-
- Derivatives on receivables	-	-	-	-	-	-
Total	**3,338**	**3,338**	**812,044**	**812,044**	**3,276,587**	**3,276,587**

The fair value of the receivables on demand and short term is registered at equivalent to balance-sheet value.
* The other loans are made up of invoices issued for receivables from debtors who have received payment extensions and from loans to debtors of transactions foreseeing at maturity payments.

Section 7 - Hedging derivatives - Item 70

7.1 Breakdown of item 70 'Hedging derivatives':

(€ thousands)

NOMINAL VALUE/FAIR-VALUE LEVELS	12.31.2014				12.31.2013			
	FAIR VALUE				FAIR VALUE			
	L1	L2	L3	NV	L1	L2	L3	NV
A Financial derivatives	-	2,967	-	45,169	-	-	-	-
1 Fair value	-	2,967		45,169		-		-
2 Cash-flows	-	-	-	-	-	-	-	-
3 Foreign investments	-	-	-	-	-	-	-	-
Total A	**-**	**2,967**	**-**	**45,169**	**-**	**-**	**-**	**-**
B Credit derivatives	-	-	-	-	-	-	-	-
1 Fair value	-	-	-	-	-	-	-	-
2 Cash-flows	-	-	-	-	-	-	-	-
Total B	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**2,967**	**-**	**45,169**	**-**	**-**	**-**	**-**

L1 = Level 1
L2 = Level 2
L3 = Level 3
NV = Nominal Value

7.2 Breakdown of item 70 'Hedging derivatives' hedged portfolios and types of hedging:

(€ thousands)

TRANSACTION/TYPES OF HEDGING	FAIR VALUE						CASH FLOWS		FOREIGN INVESTMENTS
	SPECIFIC								
	RATE RISK	EXCHANGE-RATE RISK	CREDIT RISK	PRICE RISK	OTHER RISKS	STANDARD	SPECIFIC	STANDARD	
1. Financial assets available for sale	-	-	-	-	-	-	-	-	-
2. Receivables		-	-	-		-	-	-	-
3. Financial assets held till maturity	-	-	-	-	-	-	-	-	-
4. Portfolio	-	-	-	-	-	2,967	-	-	-
5. Other transactions	-	-	-	-	-	-	-	-	-
Total Assets	**-**	**-**	**-**	**-**	**-**	**2,967**	**-**	**-**	**-**
1. Financial liabilities	-	-	-	-	-	-	-	-	-
2. Portfolio	-	-	-	-	-	-	-	-	-
Total Liabilities	**-**	**-**	**-**	**-**	**-**	**-**			
1. Expected transactions	-	-	-	-	-	-	-	-	-
2. Portfolio of financial assets and liabilities	-	-	-	-	-	-	-	-	-

Part B - Information on Statement of financial position - Assets (Continued)

Section 8 - Value adjustment to Financial assets covered by standard hedging - item 80

8.1 Breakdown of item 80 'Adjustment to the value of Financial assets covered by standard hedging':

(€ thousands)

VALUE ADJUSTMENT TO HEDGED ASSETS	12.31.2014	12.31.2013
1. Positive adjustment	**660**	**533**
1.1 of specific portfolios:	660	533
a) receivables	660	533
b) financial assets available for sale	-	-
VALUE ADJUSTMENT TO HEDGED ASSETS	-	-
2. Negative adjustment	**-**	**-**
2.1 of specific portfolios:	-	-
a) receivables	-	-
b) financial assets available for sale	-	-
2.2 overall	-	-
Total	**660**	**533**

Section 10 - Tangible assets - Item 100

10.1 Tangible assets for functional use: breakdown of assets valued at cost

(€ thousands)

	12.31.2014	12.31.2013
ITEMS/VALUATION	COST-VALUED ASSETS	COST-VALUED ASSETS
1. Owned	**72**	**119**
a) land	-	-
b) buildings	-	-
c) furniture	72	119
d) electronic equipment	-	-
e) others	-	-
2. Acquired in financial leasing	**-**	**-**
a) land	-	-
b) buildings	-	-
c) furniture	-	-
d) electronic equipment	-	-
e) others	-	-
Total	**72**	**119**

10.2 Tangible assets held for investment: breakdown of assets valued at cost

The Company does not hold this type of tangible asset.

10.3 Tangible assets for functional use: breakdown of re-valued assets valued at cost

The Company does not hold this type of tangible asset.

10.4 Tangible assets held for investment: breakdown of assets valued at fair value.

The Company does not hold this type of tangible asset.

10.5 Tangible assets: annual changes

(€ thousands)

	LAND	BUILDINGS	FURNITURE	ELECTRONIC EQUIPMENT	OTHERS	TOTAL
A. Gross initial balance	**-**	**-**	**118**	**1**	**-**	**119**
A.1 Purchases	-	-	-	-	-	-
A.2 Net initial balance	**-**	**-**	**118**	**1**	**-**	**119**
B. Increases	**-**	**-**	**-**	**-**	**-**	**-**
B.1 Purchases	-	-	-	-	-	-
B.2 Capitalized improvement costs	-	-	-	-	-	-
B.3 Write-backs	-	-	-	-	-	-
B.4 Positive fair value changes attributed to:	-	-	-	-	-	-
a) net equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
B.5 Positive exchange-rate differences	-	-	-	-	-	-
B.6 Transfer of real estate held for investment	-	-	-	-	-	-
B.7 Other changes	-	-		-	-	-
C. Decreases	**-**	**-**	**(46)**	**(1)**	**-**	**(47)**
C.1 Sales	-	-	-	-	-	-
C.2 Depreciation	-	-	(46)	(1)	-	(47)
C.3 Impaired value adjustments attributed to:	-	-	-		-	-
a) net equity	-	-	-	-	-	-
b) income statement	-	-	-		-	-
C.4 Negative fair value changes attributed to :	-	-	-	-	-	-
a) net equity	-	-	-	-	-	-
b) income statement	-	-	-	-	-	-
C.5 Negative exchange-rate differences	-	-	-	-	-	-
C.6 Transfers to:	-	-	-	-	-	-
a) tangible assets held for investment	-	-	-	-	-	-
b) assets held for sale	-	-	-	-	-	-
C.7 Other changes	-	-	-	-	-	-
D. Net final balance	**-**	**-**	**72**	**-**	**-**	**72**
D.1 Total net value reductions	-	-	-	-	-	-
D. Gross final balance	**-**	**-**	**72**	**-**	**-**	**72**
E. At cost valuation	**-**	**-**	**72**	**-**	**-**	**72**

The depreciation rates used are:
- electronic equipment 20%
- furniture and fittings 12%.

10.6 Tangible assets held for investment: annual changes

The Company does not hold this type of tangible asset.

10.7 Commitment for purchases of tangible assets (IAS16/74.c)

The Company has no commitment to purchase tangible assets.

Part B - Information on Statement of financial position - Assets (Continued)

Section 11 - Intangible assets - Item 110

11.1 Breakdown of item 110 'Intangible assets':

(€ thousands)

ITEMS/VALUATION	12.31.2014 ASSETS VALUED AT COST	12.31.2014 ASSETS VALUED AT FAIR VALUE OR REVALUED	12.31.2013 ASSETS VALUED AT COST	12.31.2013 ASSETS VALUED AT FAIR VALUE OR REVALUED
1. Goodwill	-	-	-	-
2. Other intangible assets	-	-	-	-
2.1 owned	791	-	643	-
- internally generated	-	-	-	-
- others	791	-	643	-
2.2 purchased in financial leasing				
Total 2	791	-	643	-
3. Assets refereable to financial leasing	-	-	-	-
3.1 unredeemed goods	-	-	-	-
3.2 goods withdrawn after cancellation	-	-	-	-
3.3 other goods	-	-	-	-
Total 3	-	-	-	-
4. Assets granted in operating leasing	-	-	-	-
Total (1+2+3+4)	791	-	643	-
Total	791	-	643	-

11.2 'Intangible assets': annual changes

(€ thousands)

	TOTAL
A. Opening balance	643
B. Increases	383
B.1 Purchases	383
B.2 Write-backs	-
B.3 Positive changes to fair-value attributed to:	-
a) net equity	-
b) income statement	-
B.4 Other changes	-
C. Decreases	(235)
C.1 Sales	-
C.2 Depreciation	(235)
C.3 Adjustments to impaired value attributed to:	-
a) net equity	-
b) income statement	-
C.4 Negative changes to fair-value attributed to:	-
a) net equity	-
b) income statement	-
C.5 Other changes	-
D. Final balance	791

Section 12 - Tax assets and liabilities (Item 120 asset side and Item 70 liabilities)

12.1 Breakdown of 120 'Fiscal assets: current and deferred'

(€ thousands)

TAX ASSETS	12.31.2014	12.31.2013
a) current*	3,455	-
b) deferred	47,257	38,605
Total	**50,712**	**38,605**

12.2 Breakdown of item 70 'Fiscal liabilities: current and deferred'

FISCAL LIABILITIES	12.31.2014	12.31.2013
a) current*	-	6,895
b) deferred	-	-
Total	**-**	**6,895**

* UniCredit Factoring S.p.A. adheres to the UniCredit Group's funded fiscal debt. The item current tax liabilities is offset with the item current tax assets pursuant to IAS 12.

12.3 Changes to deferred taxes (offset in Income Statement)

(€ thousands)

	MOVEMENTS	
ITEMS	2014	2013
1. Opening balance	**34,596**	**13,863**
2. Increases	**16,277**	**21,764**
2.1 Prepaid taxes reported in period	15,848	21,054
a) relating to previous periods	-	-
b) due to changed accounting standards	-	-
c) write-backs	-	-
d) others	15,848	21,054
2.2. New taxes or tax rate increases	-	-
2.3 Other increases	429	710
3. Decreases	**(7,286)**	**(1,031)**
3.1 Prepaid taxes annulled in period	(7,286)	(1,031)
a) reversals	(7,286)	(1,031)
b) write-downs due to non-recoverability	-	-
c) due to changed accounting standards	-	-
d) others	-	-
3.2 Tax rate reductions	-	-
3.3 Other decreases	-	-
4. Final balance	**43,587**	**34,596**

12.3.1 Changes to deferred taxes ex. L 214/2011 (offset in Income Statement)

(€ thousands)

	MOVEMENTS	
ITEMS	2014	2013
1. Opening balance	**30,332**	**11,012**
2. Increases	**12,667**	**18,770**
3. Decreases	**(6,144)**	**550**
3.1 reversals	(5,302)	(879)
3.2 changed into tax credits	-	-
a) deriving from operating losses	-	-
a) deriving from tax losses	-	-
3.3 Other decreases	(842)	1,429
4. Final balance	**36,855**	**30,332**

This table does not include prepaid taxes pursuant to L 214/2011 offset in Net Equity (equal to 4,262.500 euros) whose reversals transfer to Income Statement.

Part B - Information on Statement of financial position - Assets (Continued)

12.4 Changes to deferred taxes (offset in Income Statement)

(€ thousands)

ITEMS	MOVEMENTS 2014	2013
1. Opening balance	**(129)**	**(129)**
2. Increases	**-**	**-**
2.1 Deferred taxes reported in period	-	-
a) relating to previous periods	-	-
b) due to changed accounting standards	-	-
c) others	-	-
2.2 New taxes or increased tax rates	-	-
2.3 Other increases	-	-
3. Decreases	**-**	**-**
3.1 Deferred taxes annulled in period	-	-
a) reversals	-	-
b) due to changed accounting standards	-	-
c) others	-	-
3.2 Tax rate reductions	-	-
3.3 Other Decreases	-	-
4. Final balance	**(129)**	**(129)**

12.5 Changes to deferred taxes (offset in Net Equity)

(€ thousands)

ITEMS	MOVEMENTS 2014	2013
1. Opening balance	**4,009**	**4,760**
2. Increases	**109**	**46**
2.1 Prepaid taxes reported in period	-	-
a) relating to previous periods	-	-
b) due to changed accounting standards	-	-
c) Others	-	-
2.2. New taxes or increased tax rates	-	-
2.3 Other increases	109	46
3. Decreases	**(448)**	**(797)**
3.1 Prepaid taxes cancelled in period	(448)	-
a) reversals	(429)	-
b) write-downs for non-recoverability	-	-
c) due to changed accounting standards	-	-
d) others	(19)	-
3.2 Tax rate reductions	-	-
3.3 Other decreases	-	(797)
4. Final balance	**3,670**	**4,009**

12.6 Changes to deferred taxes (offset in Net Equity)

(€ thousands)

ITEMS	MOVEMENTS 2014	MOVEMENTS 2013
1. Opening balance	**129**	**129**
2. Increases	**-**	**-**
2.1 Deferred taxes reported in period	-	-
a) relating to previous periods	-	-
b) due to changed accounting standards	-	-
c) others	-	-
2.2 New taxes or increased tax rates	-	-
2.3 Other increases	-	-
3. Decreases	**-**	**-**
3.1 Deferred taxes annulled in period	-	-
a) reversals	-	-
b) due to changed accounting standards	-	-
c) others	-	-
3.2 Tax rate reductions	-	-
3.3 Other decreases	-	-
4. Final balance	**129**	**129**

The initial balance represents the amount of liabilities for deferred taxes created as regards FTA, due to the transition to International Accounting Standards, offset in Net Equity according to the provisions of IFRS 1.

Section 14 - Other assets - Item 140

14.1 Breakdown of item 140 'Other assets':

(€ thousands)

ITEMS	12.31.2014	12.31.2013
Bills subject to collection to customers awaiting bank collection	48,039	18,703
Receivables vs tax authorities (inland revenue)	461	752
Cautionary deposits	105	138
Receivables vs Insurance companies for expected reimboursement	283	236
Transitory entries	167	187
Improvements to third party assets	33	40
IRES tax credit**	771	756
Others***	282	223
Total	**50,141**	**21,035**

* Assets deriving from upon collection accreditation to customers of effects awaiting Bank settlement.
** Benefit against requests for refunds presented pursuant to art. 2, comma 1 of decree nr. 201 of December 2011 relevant to recovery of IRES and IRAP taxes paid with respect to labour costs.
*** The item includes the amounts invoiced in advance by other in-Group companies.

Part B - Information on Statement of financial position

Liabilities and net equity

Section 1 - Payables - Item 10

1.1 Payables

(€ thousands)

ITEMS	12.31.2014 FROM BANKS	12.31.2014 FROM FINANCIAL AGENCIES	12.31.2014 FROM CUSTOMERS	12.31.2013 FROM BANKS	12.31.2013 FROM FINANCIAL AGENCIES	12.31.2013 FROM CUSTOMERS
1. Loans	6,995,399	-	-	6,985,206	-	-
1.1 Repurchase agreements	-	-	-	-	-	-
1.2 Other loans	6,995,399	-	-	6,985,206	-	-
2. Other payables	-	21,650	132,949	-	24,581	322,316
Total	**6,995,399**	**21,650**	**132,949**	**6,985,206**	**24,581**	**322,316**
Fair Value - level 1	**-**	**-**	**-**	**-**	**-**	**-**
Fair Value - level 2	**-**	**-**	**-**	**-**	**-**	**-**
Fair Value - level 3	**6,995,399**	**21,650**	**132,949**	**6,985,206**	**24,581**	**322,316**
Total Fair Value	**6,995,399**	**21,650**	**132,949**	**6,985,206**	**24,581**	**322,316**

The fair value of on demand and short term payables is registered as equivalent to balance-sheet value.

Payables from banks are chiefly made up of the provision implemented with the Holding. This item included the loans received for investments with UniCredit S.p.A. in pool operations.
Payables from customers ('Other Payables') chiefly represent the difference between total-receivables and the amount of considerations already prepaid to assignors in relation to non-recourse transactions, amounting to 72,002 thousand euros, and the debt exposure regarding customers, amounting to 60,947 thousand euros.

Section 2 - Outstanding securities - Item 20

2.1 Breakdown of item 20 'Outstanding securities'

(€ thousands)

LIABILITIES	12.31.2014 BOOK-VALUE	12.31.2014 *FAIR VALUE* L1	12.31.2014 *FAIR VALUE* L2	12.31.2014 *FAIR VALUE* L3	12.31.2013 BOOK-VALUE	12.31.2013 *FAIR VALUE* L1	12.31.2013 *FAIR VALUE* L2	12.31.2013 *FAIR VALUE* L3
1. Securities	**77,099**	**-**	**-**	**73,712**	**77,114**	**-**	**-**	**74,115**
- Bonds	77,099	-	-	73,712	77,114	-	-	74,115
- structured	-	-	-	-	-	-	-	-
- others	77,099	-	-	73,712	77,114	-	-	74,115
- Other securities	-	-	-	-	-	-	-	-
- structured	-	-	-	-	-	-	-	-
- others	-	-	-	-	-	-	-	-
Total	**77,099**	**-**	**-**	**73,712**	**77,114**	**-**	**-**	**74,115**

L1 = Level 1
L2 = Level 2
L3 = Level 3
This item is entirely made up of the subordinated securities listed in detail in Section 2.2.

2.2 Subordinated securities
Subordinated liabilities have the following characteristics:

		BALANCE AT 01.01.14	REFUNDS AND CHANGES	RESIDUAL AMOUNT AT 12.31.14	MATURITY	RATE
capital	Euro thousands	10,000	-	10,000	03.30.2017	For first 5 years: Euribor at 6 months + 30 bps as from 6th months, if not refunded in advance: Euribor 6 months + 90 bps
interest	Euro thousands	32	(4)	28		
Total	**Euro thousands**	**10,032**	**(4)**	**10,028**		

- Typology: infragroup subordinated liability LOWER TIER II TV;
- Effect: 03.30.2007;
- Six-month, variable rate: for first five years Euribor 6 months + 30 bps and as from sixth year, if not refunded in advance, 6 months + 90 bps;

- Refund: full capital refund at maturity, subject to prior, Bank of Italy consent;
- Advance refund: subject to Bank of Italy authorization, market conditions checked, the Company reserves the right to proceed, once 60 months have elapsed as from the date of allocation of the loan and coinciding with the dates foreseen for interest payment, with the advance refund of all or part of the capital still to be repaid, with prior notice of at least one month;
- Subordination clause: in case of liquidation of the Company or subjection to insolvency proceedings, the payable will be refunded only after all the other creditors, not equally subordinated, have been satisfied.
- The subordinated bond was subscribed by UniCredit Bank Ireland p.l.c.

		BALANCE AT 01.01.14	REFUNDS AND CHANGES	RESIDUAL AMOUNT AT 12.31.14	MATURITY	RATE
capital	Euro thousands	15,000	-	15,000	03.30.17	
interest	Euro thousands	33	(6)	27		
Total	**Euro thousands**	**15,033**	**(6)**	**15,027**		Euribor at 6 months + 53 bps

- Typology: infragroup, hybrid, capitalization instrument UPPER TIER II TV;
- Effect: 03.30.2007
- Six-month, variable rate: Euribor 6 months + 53 bps
- Refund: full capital refund at maturity, subject to prior, Bank of Italy consent;
- Subordination clause: in case of liquidation of the Company or subjection to insolvency proceedings, the payable will be refunded only after all the other creditors, not equally subordinated, have been satisfied.
- Loss hedging clause: in case of balance-sheet losses determining decline in paid-in capital and of provisions lower than the minimum level of capital foreseen for registration in the general List, pursuant to art. 106 TUB, the sums deriving from the loan and the interest matured may be used to offset losses to allow the Company to continue its business activities;
- In case of negative performance of the Company, the right to remuneration may be suspended to the extent needed to avoid or limit as far as possible the emergence of losses;
- The subordinated bond was subscribed by UniCredit Bank Ireland p.l.c.

		BALANCE AT 01.01.14	REFUNDS AND CHANGES	RESIDUAL AMOUNT AT 12.31.14	MATURITY	RATE
capital	Euro thousands	24,000	-	24,000	12.14.2017	
interest	Euro thousands	22	(2)	20		For 1st 5 yrs: Euribor 6 months + 100 bps from 6th yr, if not refunded in advance: Euribor 6 months + 160 bps
Total	**Euro thousands**	**24,022**	**(2)**	**24,020**		

- Typology: infragroup subordinated liability LOWER TIER II TV;
- Effect: 14.12.2007;
- Six-month, variable rate: for the first five years Euribor 6 months + 100 bps and as from sixth year, if not refunded in advance, Euribor 6 months + 160 bps;
- Refund: full capital refund at maturity, subject to prior, Bank of Italy consent;
- Advance refund: subject to Bank of Italy authorization, market conditions checked, the Company reserves the right to proceed, as from 14/12/2012 and coinciding with the dates foreseen for the payment of interest, with the advance refund of all or part of the capital still to be repaid, with prior notice of at least one month;
- Subordination clause: in case of liquidation of the Company or subjection to insolvency proceedings, the payable will be refunded only after all the other creditors, not equally subordinated, have been satisfied.
- The subordinated bond was subscribed by the Holding.

		BALANCE AT 01.01.14	REFUNDS AND CHANGES	RESIDUAL AMOUNT AT 12.31.14	MATURITY	RATE
capital	Euro thousands	28,000	-	28,000	12.14.2017	
interest	Euro thousands	27	(3)	24		
Total	**Euro thousands**	**28,027**	**(3)**	**28,024**		Euribor 6 months + 165 bps

- Typology: infragroup, hybrid, capitalization instrument UPPER TIER II TV;
- Effect: 14.12.2007;

Part B - Information on Statement of financial position - Liabilities and net equity (Continued)

- Six-month, variable rate: Euribor 6 months + 165 bps;
- Refund: full capital refund at maturity, subject to prior, Bank of Italy consent;
- Subordination clause: in case of liquidation of the Company or subjection to insolvency proceedings, the payable will be refunded only after all the other creditors, not equally subordinated, have been satisified.
- Loss hedging clause: in case of balance-sheet losses determining decrease of capital paid-in and of provisions under the minimum Level of capital foreseen for registration in the general List, pursuant to art. 106 TUB, the sums deriving from the loan and the interest matured may be used to face losses to allow the Company to continue its business activities;
- In case of adverse performance of the Company, the right to remuneration may be suspended to the extent needed to avoid or limit as far as possible the emergence of losses;
- The loan was subscribed by the Holding.

Section 5 - Hedging derivatives - Item 50

5.1 Breakdown of item 50 'Hedging derivatives'

(€ thousands)

	12.31.2014				12.31.2013			
	FAIR VALUE				FAIR VALUE			
NOMINAL VALUE/FAIR-VALUE LEVELS	L1	L2	L3	NV	L1	L2	L3	NV
A. Financial derivatives	-	3,574	-	57,459	-	442	-	11,493
1 Fair value	-	3,574	-	57,459	-	442	-	11,493
2 Cash-flows	-	-	-	-	-	-	-	-
3 Foreign investments	-	-	-	-	-	-	-	-
Total A	**-**	**3,574**	**-**	**57,459**	**-**	**442**	**-**	**11,493**
B. Credit derivatives	-	-	-	-	-	-	-	-
1 Fair value	-	-	-	-	-	-	-	-
2 Cash-flows	-	-	-	-	-	-	-	-
Total B	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**-**	**3,574**	**-**	**57,459**	**-**	**442**	**-**	**11,493**

L1 = Level 1
L2 = Level 2
L3 = Level 3
NV = Nominal value

5.2 Breakdown of item 50 'Hedging derivatives': hedged portfolios and types of hedging

(€ thousands)

	FAIR VALUE						CASH FLOWS		
	SPECIFIC								
TRANSACTION/TYPES OF HEDGING	RATE RISK	EXCHANGE-RATE RISK	CREDIT RISK	PRICE RISK	OTHER RISKS	STANDARD	SPECIFIC	STANDARD	FOREIGN INVESTMENTS
1. Financial assets available for sale	-	-	-	-	-	-	-	-	-
2. Receivables		-	-	-		-	-	-	-
3. Financial assets held till maturity	-	-	-	-	-	-	-	-	-
4. Portfolio	-	-	-	-	-	-	-	-	-
5. Other transactions	-	-	-	-	-	-	-	-	-
Total Assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1. Financial liabilities	-	-	-	-	-	-	-	-	-
2. Portfolio	-	-	-	-	-	3,574	-	-	-
Total Liabilities	**-**	**-**	**-**	**-**	**-**	**3,574**	**-**	**-**	**-**
1. Expected transactions	-	-	-	-	-	-	-	-	-
2. Portfolio of financial assets and liabilities	-	-	-	-	-	-	-	-	-

Section 7 - Tax liabilities - Item 70

For this item see Section 12 - Tax assets and liabilities

Section 9 - Other liabilities - Item 90

(€ thousands)

9.1 Breakdown of item 90 'Other liabilities'

ITEMS	12.31.2014	12.31.2013
Payables for Equity Settled Share Based Payments	383	364
Payables vs employees	2,659	3,946
Payables vs other human resources	1,090	1,475
Payables vs Directors and Auditors	194	184
Sums available to be acknowledged to third parties*	248,640	132,992
Entries still being registered	19,606	30,762
Payables vs suppliers	1,494	1,644
Other current liabilities	10,996	8,329
Other tax entries	890	733
Transitory entries to be allocated	2,194	1,486
Total	**288,146**	**181,915**

* The item includes takings collected from debtors, to be re-allocated to their respective credit positions.

Section 10 - Provision for employee severance pay - Item 100

(€ thousands)

10.1 'Provision for employee severance pay': annual changes

	MOVEMENTS	
ITEMS	2014	2013
A. Opening balance	**2,758**	**2,705**
B. Increases	**671**	**403**
B.1 Provisions for the period	90	87
B.2 Other increase changes	581	316
C. Decreases	**(85)**	**(350)**
C.1 Liquidations implemented	-	(136)
C.2 Other decrease changes	(85)	(214)
D. Final balance	**3,344**	**2,758**

10.2 Further information

The ESF (Provision for employee severance pay) is included in the defined plans and is determined using the actuarial method described in the Accounting Standards. Here below we indicate the actuarial hypotheses and the reconciliation between the current value of the fund and the relevant liability reported in the balance-sheet.

DESCRIPTION OF CHIEF ACTUARIAL HYPOTHESES	2014	2013
Actualization rate	1.60%	3.30%
Expected inflation rate	1.10%	1.80%

€ thousand values

RECONCILIATION, BETWEEN CURRENT VALUE OF FUNDS, CURRENT VALUE OF SERVICE PLAN ASSETS + ASSETS AND LIABILITIES REPORTED IN BALANCE-SHEET	2014	2013
Current value of defined benefits plan - ESF (=TFR) EMPLOYEE SEVERANCE FUND	3,344	2,758
Unreported actuarial profits (losses)	-	-
Net liabilities	3,344	2,758

The provision for employee severance pay (TFR) can be considered as a 'post-employment, defined benefit payment'. Consequently, its acknowledgment in the balance-sheet required the estimate - using actuarial methods - of the amount of benefits accrued by employees together with the relevant discounting. The determination of such benefits was implemented by a non-Group actuary using the 'Unitary Credit Projection Method'.

Following the supplementary insurance reform pursuant to Legislative Decree nr. 252 of December 5. 2005, the ESF portions accrued up to 12.31.2006 remained with the company, whereas the ESF portions accrued as from January 1, 2007 were, on an employee's-choice basis (exercised within 06.30.2007), allocated to forms of supplementary insurance or to the INPS Treasury Fund.

Part B - Information on Statement of financial position - Liabilities and net equity (Continued)

As a result:
The ESF Fund accrued up to 12.31.2006 (or as from the date of choice - made between 01.01.2007 and 06.30.2007 - by the employee, relating to allocation of his/her ESF to Supplementary Insurance) continues to be a 'defined benefit' plan and consequently subject to actuarial valuation, although based on simplified actuarial hypotheses which no longer comprise forecasts on expected remuneration increases
The portions accrued at 01.01.2007 (or as from the date of choice - made between 01.01.2007 and 06.30.2007 - by the employee relating to allocation of his/her ESF to Supplementary Insurance) were considered as a 'defined contribution plan' (because the Company's obligation ceases when the ESF portions accrued are transferred to the fund chosen by the employee) and, therefore, the relevant cost entailed, pertaining to the period, amounts to the sums transferred to the Supplementary Insurance or to the INPS Treasury Fund.

The costs relating to the ESF accrued over the year were registered under Item 110 a) 'Human Resources Costs' and include the interest accrued during the year (interest cost) on the obligation already extant at the date of the Reform, together with the portions accrued over the year and transferred to the Supplementary Insurance or to the INPS Treasury Fund.
The actuarial profits/losses, defined as the difference between the balance-sheet value of the liability and the present value of the obligation at end-of-period, were registered in Net Equity within the framework of the Valuation Reserves

Section 11 - Provisions for risks and charges - Item 110

11.1 Breakdown of item 110 'Provisions for risks and charges'

(€ thousands)

ITEMS	12.31.2014	12.31.2013
Fund for clawback actions	5,240	4,714
Fund for legal disputes	9,694	6,388
Fund for staff claims	3,807	2,660
Other risks funds	5,116	2,794
Total	**23,857**	**16,556**

The Company is currently involved in legal disputes and clawback claims for an overall, maximum risk amounting to 58 million Euros (49.4 million at end 2013), hedged by provisions for 14.9 million which represents the best estimate of the costs our Company expects to sustain to cover the foregoing risks.

Among the lawsuits the most significant sum (11,9 million) refers to a writ of summons stemming from the bankruptcy of an assignor.

The Fund for staff claims refers to the variable, discretional portion of the remuneration.

The increase of the Item Other risk funds is mainly due to the new fund - 2.5 million - created in the current year for the counterpart Impresa Spa.

11.2 Change over period in item 110 'Provisions for risks and charges'

(€ thousands)

ITEMS	12.31.2014	12.31.2013
1. Opening balance	**16,556**	**8,438**
2. Increases	**13,736**	**8,558**
Fund for clawback actions	3,245	2,449
Fund for legal disputes	4,218	3,119
Fund for staff charges	3,707	2,660
Other risks funds	2,566	330
3. Decreases	**(6,435)**	**(440)**
Fund for clawback actions	(2,718)	-
Fund for legal disputes	(912)	(28)
Fund for staff charges	(2,560)	-
Other risks funds	(245)	(412)
4. Final balance	**23,857**	**16,556**

Section 12 - Net equity - Items 120, 150 and 160

12.1 Breakdown of item 120 'Capital'

(€ thousands)

TYPOLOGIES	12.31.2014	12.31.2013
1. Capital	**414,348**	**414,348**
1.1 Ordinary shares	414,348	414,348
1.2 Other shares	-	-

The number of ordinary shares is 80,300,000.

12.4 Breakdown of item 150 'Share premium'

(€ thousands)

TYPOLOGIES	12.31.2014	12.31.2013
1. Share premiums	**951**	**951**
1.1 Premium deriving from 1997 capital increase	951	951

12.5 Further information

(€ thousands)

ITEMS	LEGAL RESERVE	PROFITS CARRIED FORWARD	STATUTORY RESERVE	OTHER RESERVES	TOTAL
A. Opening balance	**13,872**	**118**	**185**	**147,894**	**162,069**
B. Increases	**3,662**	**-**	**-**	**17,896**	**21,558**
B.1 Allocations of Profits	3,662	-	-	17,896	21,558
B.2 Other increase changes	-	-	-	-	-
C. Decreases	**-**	**-**	**-**	**-**	**-**
C.1 Uses	-	-	-	-	-
- losses hedged	-	-	-	-	-
- distribution	-	-	-	-	-
- transfer to capital	-	-	-	-	-
C.2 Other decrease changes	-	-	-	-	-
D. Final balance	**17,534**	**118**	**185**	**165,790**	**183,627**

The 'Other Provisions are chiefly made up of undistributed profits.

Further information:
there are no assets and liabilities subject to compensation or similar agreements.

Analysis of the breakdown of Net Equity with reference to availability and possible distribution (art. 2427, nr. 7 bis)

(€ thousands)

NATURE/DESCRIPTION	AMOUNT	POSSIBLE USE	PORTION AVAILABLE	SUMMARY OF USES IMPLEMENTED OVER 3 PREVIOUS PERIODS: FOR HEDGING LOSSES	SUMMARY OF USES IMPLEMENTED OVER 3 PREVIOUS PERIODS: FOR OTHER REASONS
Capital	**414,348**		**-**		
Capital reserve:	**951**		**-**		
- Share premiums	951	A, B, C	-		
Profits reserve	**183,628**		**166,508**		
- Statutory reserve	185	A, B, C	185		
- Legal reserve	17,534	B	-		
- FTA reserve	(447)		-		
- Other reserves *	166,238	A, B, C	166,205		
- Previous period profit	118	A, B, C	118		
Profit for the period	**103,795**		**-**		
Total	**702,722**		**166,508**		

Key:
A: for capital increase
B: for loss hedging
C: for distribution to shareholders

* Pursuant to OIC 28 and to art. 2426 comma 5 of the civil code, the unavailable quota regards the amount of installation and enlargement costs reported in the item 'Other Assets' for 2014 amounts to 33 thousand Euros.

Part C - Information on Income Statement

Part C - Information on Income Statement (amounts in € thousands)

Section 1 - Interest - Items 10 and 20

1.1 Breakdown of item 10 'Receivable interest and assimilated revenue'

(€ thousands)

ITEMS/TECHNICAL TYPES	DEBT SECURITIES	LOANS	OTHER TRANSACTIONS	2014	2013
1. Financial assets held for trading	-	-	-	-	-
2. Financial assets at fair-value	-	-	-	-	-
3. Financial assets available for sale	-	-	-	-	-
4. Financial assets held till maturity	-	-	-	-	-
5. Receivables	-	191,465	-	191,465	209,976
5.1 Receivables from banks	-	1,199	-	1,199	2,038
5.2 Receivables from financial agencies	-	14,519	-	14,519	14,270
5.3 Receivables from customers	-	175,747	-	175,747	193,668
6. Other assets	-	-	-	-	-
7. Hedging derivatives	-	-	-	-	-
Total	**-**	**191,465**	**-**	**191,465**	**209,976**

Receivable interest, different from interest reported in the item 'Write-backs', matured in the 2014 period against exposures classified in Impaired Receivables at December 31, amounted to 4.3 million.

1.3 Breakdown of item 20 'Payable interest and assimilated charges'

(€ thousands)

ITEMS/TECHNICAL TYPES	LOANS	SECURITIES	OTHER	2014	2013
1. Payables to banks	(20,880)	-	-	(20,880)	(49,610)
2. Payables to financial agencies	-	-	-	-	(849)
3. Payables to customers	(3)	-	-	(3)	-
4. Outstanding securities	-	(1,297)	-	(1,297)	(1,291)
5. Financial trading payables	-	-	-	-	-
6. Financial payables valued at fair-value	-	-	-	-	-
7. Other liabilities	-	-	-	-	-
8. Hedging derivatives	-	-	(279)	(279)	(402)
Total	**(20,883)**	**(1,297)**	**(279)**	**(22,459)**	**(52,152)**

The decrease in receivable and payable interest is explained by the reduction in rates.

Section 2 - Fees - Items 30 and 40

2.1 Breakdown of Item 30 'Fee and commission income'

(€ thousands)

DETAIL	2014	2013
1. financial leasing transactions	-	-
2. factoring transactions	80,725	88,986
3. consumer credit	-	-
4. merchant banking assets	-	-
5. guarantees released	-	-
6. services for:	-	-
- third party fund management	-	-
- foreign exchange brokering	-	-
- product distribution	-	-
- others	-	-
7. collection and payment services	116	141
8. servicing in securitization operations	-	-
9. Other fees: cost recovery from customers for preparation credit-line files, account keeping costs etc.	1,541	1,734
Total	**82,382**	**90,861**

2.2 Breakdown of 40 'Fee and commission expenses'

(€ thousands)

DETAIL	2014	2013
1. guarantees received	(512)	(895)
2. distribution of third party services	-	-
3. collection and payment services	(363)	(280)
4. other fees	(6,922)	(8,222)
4.1 provisions	(4,343)	(5,785)
4.2 costs for re-insurance receivables	(2,579)	(2,437)
Total	**(7,797)**	**(9,397)**

Section 4 - Net result from trading operations - Item 60

4.1 Breakdown of Item 60 'Net result from trading operations'

(€ thousands)

	2014				
ITEMS/INCOME EARNING COMPS.	CAPITAL GAINS	TRADING PROFITS	CAPITAL LOSSES	TRADING LOSSES	NET RESULT
1. Financial assets	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-
1.2 Capital securities and OICR quotas"	-	-	-	-	-
1.3 Loans	-	-	-	-	-
1.4 Other assets	-	-	-	-	-
2. Financial liabilities	**-**	**-**	**-**	**-**	**-**
2.1 Debt securities	-	-	-	-	-
2.2 Payables	-	-	-	-	-
2.3 Other liabilities	-	-	-	-	-
3. Financial assets and liabilities: exchange-rate differences	**-**	**154**	**-**	**-**	**154**
4. Financial derivatives		**-**	**-**	**-**	**-**
5. Derivatives on receivables	**-**	**-**	**-**	**-**	**-**
Total	**-**	**154**	**-**	**-**	**154**

Section 8 - Net adjustments/write-backs for impairment - Item 100

8.1 'Net adjustments/write-backs for impairment of financial assets'

(€ thousands)

	VALUE ADJUSTMENTS		WRITE-BACKS			
ITEMS/ADJUSTMENTS	SPECIFIC	PORTFOLIO	SPECIFIC	PORTFOLIO	2014	2013
1. Receivables from banks	**-**	**-**	**-**	**-**	**-**	**-**
- for leasing	-	-	-	-	-	-
- for factoring	-	-	-	-	-	-
- other receivables	-	-	-	-	-	-
2. Receivables from fin. agencies	**-**	**-**	**-**	**-**	**-**	**-**
Impaired receivables purchased	-	-	-	-	-	-
- for leasing	-	-	-	-	-	-
- for factoring	-	-	-	-	-	-
- other receivables	-	-	-	-	-	-
Other receivables	-	-	-	-	-	-
- for leasing	-	-	-	-	-	-
- for factoring	-	-	-	-	-	-
- other receivables	-	-	-	-	-	-
3. Receivables from customers	**(65,142)**	**(2,883)**	**20,146**	**-**	**(47,879)**	**(70,455)**
Impaired receivables purchased	-	-	-	-	-	-
- for leasing	-	-	-	-	-	-
- for factoring	-	-	-	-	-	-
- other receivables	-	-	-	-	-	-
Other receivables	(65,142)	(2,883)	20,146	-	(47,879)	(70,455)
- for leasing	-	-	-	-	-	-
- for factoring *	(65,142)	(2,883)	20,146	-	(47,879)	(70,455)
- for consumer credit	-	-	-	-	-	-
- other receivables	-	-	-	-	-	-
Total	**(65,142)**	**(2,883)**	**20,146**	**-**	**(47,879)**	**(70,455)**

* Specific value adjustments also include transfers to losses without using provisions.

Part C - Information on the Income Statement (CONTINUED)

8.4 Breakdown of sub-item 100.b 'Net adjustments/write-backs for impairment of other financial transactions

There are no adjustments/write-backs for impairment of other financial transactions.

Section 9 - Administrative costs - Item 110

9.1 Breakdown of item 110.a 'Human resources costs'

(€ thousands)

ITEMS/SECTORS	2014	2013
1. Employees	**(21,367)**	**(20,793)**
a) salaries and wages	(15,076)	(14,082)
b) social security charges	(4,222)	(4,297)
c) severance indemnities	(133)	(125)
d) insurance costs	-	-
e) reserve for employee severance bonuses	(94)	(97)
f) reserve for retirement and similar obligations	-	-
- defined contribution	-	-
- defined benefits	-	-
g) transfer to external complementary insurance funds	(738)	(650)
- defined contribution	(738)	(650)
- defined benefits	-	-
h) other costs	(1,104)	(1,542)
2. Other human resources	**(3)**	**(2)**
3. Directors and auditors	**(176)**	**(296)**
4. Retirees	**-**	**-**
5. Cost recovery for employees seconded to other companies	**169**	**111**
6. Cost refunds for employees seconded to the Company *	**(2,225)**	**(1,541)**
Total	**(23,602)**	**(22,521)**

* The item 'Cost refunds for employees seconded to the Company' chiefly refers to costs pertaining to seconded staff.
The 2014 remuneration for directors and auditors amounted, respectively, to 70 (173 nel 2013) e 106 (123 nel 2013).

9.2 Average number of human resources by category

BY CATEGORY	2014	2013
Managers	12.0	11.0
Managerial executives	132.8	119.4
Remaining staff	103.8	98.1
Total subordinate staff	**248.6**	**228.5**
Third party staff	16.1	21.0
Other	0.0	0.5
Total	**264.7**	**250.0**

9.3 Breakdown of Item 110.b 'Other administrative costs'

(€ thousands)

BY CATEGORY	2014	2013
1) Indirect duties and taxes	**1,172**	**697**
1a. Paid:	1,172	697
1b. Unpaid:	-	-
2) Miscellaneous costs and expenses	**18,337**	**18,452**
a) Advertizing, marketing, communication costs	**200**	**293**
b) Credit risk expenses	**4,268**	**3,326**
c) Indirect staff-based expenses	**1,349**	**1,146**
d) Information Communication Technology expenses	**5,202**	**5,570**
Hardware expenses: rentals and maintenance	-	-
Software expenses: rentals and maintenance	-	-
ICT communication systems	302	277
ICT service: external staff/outsourced services	4,900	5,293
Financial interproviders	-	-
e) Consulting and professional services expenses	**668**	**760**
Consulting	570	480
Legal costs	98	280
f) Real estate costs	**2,279**	**2,847**
Rentals payable for property leasing	1,642	2,415
Utilities	376	284
Other real estate expenses	261	148
g) Operating costs	**4,371**	**4,510**
Security and surveillance services	-	-
Transport and counting of values	-	-
Insurance	70	85
Mailing expenses and document transport	438	416
Printouts and stationary	73	91
Administration and logistics services	3,688	3,758
Rights, quotas and contributions to category associations and protection funds	86	84
Other administrative costs - Others	16	76
Total (1+2)	19,509	19,149

The increase in administrative costs compared with the previous year was caused chiefly by higher expenses relating to credit risk and indirect duties and taxes, partially offset by the reduction in IT and real-estate-based expenses, the latter attributable to the transfer of our Milan headquarters.

Part C - Information on the Income Statement (Continued)

Section 10 - Net value adjustments/write-backs to tangible assets - Item 120

10.1 Breakdown of item 120 'Net value adjustments/write-backs to tangible assets'

(€ thousands)

ITEMS/ADJUSTMENTS/ WRITE-BACKS	2014				2013			
	DEPRECIATION (a)	VALUE ADJUSTMENTS FOR IMPAIRMENT (b)	WRITE-BACKS (c)	NET RESULT (a+b-c)	DEPRECIATION (a)	VALUE ADJUSTMENTS FOR IMPAIRMENT (b)	WRITE-BACKS (c)	NET RESULT (a+b-c)
1. Functional use assets	(47)	-	-	(47)	(58)	-	-	(58)
1.1 owned	(47)	-	-	(47)	(58)	-	-	(58)
a) land	-	-	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-	-	-
c) furniture	(47)	-	-	(47)	(38)	-	-	(38)
d) equipment	-	-	-	-	(20)	-	-	(20)
e) other	-	-	-	-	-	-	-	-
1.2 purchased in financial leasing	-	-	-	-	-	-	-	-
a) land	-	-	-	-	-	-	-	-
b) buildings	-	-	-	-	-	-	-	-
c) furniture	-	-	-	-	-	-	-	-
d) equipment	-	-	-	-	-	-	-	-
e) other	-	-	-	-	-	-	-	-
3. Assets held for investment	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- granted in operating leasing	-	-	-	-	-	-	-	-
Total	**(47)**	**-**	**-**	**(47)**	**(58)**	**-**	**-**	**(58)**

Section 11 - Net value adjustments/write-backs to intangible assets - Item 130

11.1 Breakdown of item 130 'Net value adjustments/write-backs to intangible assets'

(€ thousands)

ITEMS/ADJUSTMENTS AND WRITE-BACKS	2014				2013			
	DEPRECIATION	VALUE ADJUSTMENTS FOR IMPAIRMENT (b)	WRITE-BACKS (c)	NET RESULT (a+b-c)	DEPRECIATION (a)	VALUE ADJUSTMENTS FOR IMPAIRMENT (b)	WRITE-BACKS (c)	NET RESULT (a+b-c)
1. Goodwill	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2. Other intangible assets	**(235)**	**-**	**-**	**(235)**	**(140)**	**-**	**-**	**(140)**
2.1 owned	(235)	-	-	(235)	(140)	-	-	(140)
2.2 purchased in financial leasing	-	-	-	-	-	-	-	-
3. Assets referable to financial leasing	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
4. Assets granted in operating leasing	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**(235)**	**-**	**-**	**(235)**	**(140)**	**-**	**-**	**(140)**

Section 13 - Net provisions for risks and charges - Item 150

13 Breakdown of item 150 'Net allocations for for risks and charges funds'

(€ thousands)

PROVISIONS FOR RISKS AND CHARGES	2014	2013
- Provision for clawback lawsuits	(3,206)	(2,449)
- Provision for legal disputes	(3,306)	(3,119)
- Other provisions for risks fund	(2,573)	(330)
- Write-backs on fund for risks and charges	832	109
Total	**(8,253)**	**(5,789)**

Kindly refer to Table11.1 'liabilities' in the Statement of Financial Position (Breakdown of item 110 'Fund for risks and charges').

Section 14 - Other revenue and operating charges - Item 160

14.1 Breakdown of item 160 'Other revenue and operating costs'

(€ thousands)

ITEMS/OTHER REVENUE AND OPERATING CHARGES	2014	2013
- customers' legal expenses	1,144	1,012
- dual-purpose use of company cars	69	69
- receivable rentals	3	2
- recovery of costs for legal deeds	-	162
- insurance indemnity	677	470
- miscellaneous revenue	3,209	291
Total other operating revenue	**5,102**	**2,006**
- Other operating costs *	(116)	(750)
Total other operating costs	**(116)**	**(750)**
Total other revenue and operating costs	**4,986**	**1,256**

Section 17 - Income tax of financial year revenue from current operations - Item 190

17.1 Breakdown of item 190 'Income tax for the period on current transactions'

(€ thousands)

ITEMS/ADJUSTMENTS AND WRITE-BACKS	2014	2013
1. Current taxes	(55,892)	(69,910)
2. Changes in current taxes compared to previous periods	1,918	985
3. Reduction in taxes current for the period	-	-
4. Changes to prepaid taxes	8,562	20,023
5. Changes to deferred taxes	-	-
Taxes for the period	**(45,412)**	**(48,902)**

17.2 Reconciliation between theoretic tax load and effective balance-sheet tax load

(€ thousands)

ITEMS/ADJUSTMENTS AND WRITE-BACKS	2014	2013
Profit (Loss) in current transactions before tax	**149,207**	**122,139**
Theoretic imposable tax rate	27.5%	27.5%
Theoretic taxes	(41,033)	(33,589)
Fiscal effects deriving from:		
+ non-taxable revenue - permanent differences	-	-
- non-deductible tax costs -permanent differences	(3,778)	(3,522)
- IRAP	(10,901)	(11,334)
+ registration of assets for prepaid and deferred taxes	-	-
+/- other differences	10,300	(457)
Income tax registered in Income Statement	**(45,412)**	**(48,902)**
Income tax for the period on current transactions	**(45,412)**	**(48,902)**
Difference	**-**	**-**

The effective 2014 tax rate was 30.44% a decrease compared to the previous Year when an 8.5% additional tax was applied.

Part C - Information on the Income Statement (Continued)

Section 19 - Income Statement: Further information

19.1 Breakdown of receivable income and fees

(€ thousands)

ITEMS/COUNTERPARTS	RECEIVABLE INTEREST			RECEIVABLE FEES				
	BANKS	FINANCIAL AGENCIES	CUSTOMERS	BANKS	FINANCIAL AGENCIES	CUSTOMERS	2014	2013
1. Financial leasing		**-**	**-**	**-**	**-**	**-**	**-**	**-**
- real estate	-	-	-	-	-	-	-	-
- movables assets	-	-	-	-	-	-	-	-
- equipment	-	-	-	-	-	-	-	-
- intangible assets	-	-	-	-	-	-	-	-
2. Factoring	**1,199**	**14,519**	**175,747**	**226**	**3,232**	**78,924**	**273,847**	**300,837**
- on current receivables	-	-	-	-	-	-	-	-
- on future receivables	-	-	3,901	-	-	3,608	7,509	6,599
- on outright purchase receivables	116	-	46,116	-	-	16,654	62,886	83,990
- on receivables purchased at less than original value	-	-	-	-	-	-	-	-
- for other loans	1,083	14,519	125,730	226	3,232	58,662	203,452	210,248
3. Consumer credit	**-**	**-**	**-**	**-**		**-**	**-**	**-**
- personal loans	-	-	-	-	-	-	-	-
- purpose loans	-	-	-	-	-	-	-	-
- assign. 1/5 remuneration	-	-	-	-	-	-	-	-
4. Guarantees/commitments	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- commercial	-	-	-		-	-	-	-
- financial	-	-	-	-	-	-	-	-
Total	**1,199**	**14,519**	**175,747**	**226**	**3,232**	**78,924**	**273,847**	**300,837**

Part D - Further information

Part D - Further information (amounts in € thousands)

Section 1 - Specific references to operations performed

B. Factoring and assignment of receivables

B.1 Gross value and balance-sheet value

B.1.1 Factoring transactions

(€ thousands)

ITEMS/VALUES	12.31.2014 GROSS VALUE	12.31.2014 VALUE ADJUSTMENTS	12.31.2014 NET VALUE	12.31.2013 GROSS VALUE	12.31.2013 VALUE ADJUSTMENT	12.31.2013 NET VALUE
1. Performing assets	**7,669,479**	**41,239**	**7,628,240**	**7,931,346**	**38,360**	**7,892,986**
- exposures vs assignors (with-recourse)	3,738,384	19,596	3,718,788	3,879,325	23,922	3,855,403
- sales of future receivables	145,793	1,370	144,423	124,176	836	123,340
- others	3,592,591	18,226	3,574,365	3,755,149	23,086	3,732,063
- exposures vs assigned debtors (non-recourse)	3,931,095	21,643	3,909,452	4,052,021	14,438	4,037,583
2. Impaired assets	**582,470**	**193,375**	**389,095**	**426,530**	**157,073**	**269,457**
2.1 non-performing	**195,902**	**132,368**	**63,534**	**196,330**	**111,720**	**84,610**
- exposures vs assignors (with-recourse)	178,007	120,161	57,846	178,621	101,103	77,518
- assignments of future receivables	12,881	5,570	7,311	12,146	4,577	7,569
- others	165,126	114,591	50,535	166,475	96,526	69,949
- exposures vs assigned debtors (non-recourse)	17,895	12,207	5,688	17,709	10,617	7,092
- purchases below face-value	-	-	-	-	-	-
- others	17,895	12,207	5,688	17,709	10,617	7,092
2.2 Doubtfuls	**154,496**	**54,468**	**100,028**	**121,025**	**43,504**	**77,521**
- exposures vs assignors (with-recourse)	104,537	35,310	69,227	67,419	27,298	40,121
- assignments of future receivables	3,891	1,098	2,793	1,079	777	302
- others	100,646	34,212	66,434	66,340	26,521	39,819
- exposures vs assigned debtors (non-recourse)	49,959	19,158	30,801	53,606	16,206	37,400
- purchases below face-value	-	-	-	-	-	-
- others	49,959	19,158	30,801	53,606	16,206	37,400
2.3 Re-structured exposures	**41,622**	**609,00**	**41,013**	**17,130**	**-**	**17,130**
- exposures vs assignors (with-recourse)	41,622	609,00	41,013	17,130	-	17,130
- assignments of future receivables	-	-	-	-	-	-
- others	41,622	609,00	41,013	17,130	-	17,130
- exposures vs assigned debtors (non-recourse)	-	-	-	-	-	-
- purchases below face-value	-	-	-	-	-	-
- others	-	-	-	-	-	-
2.4 Past-due exposures	**190,450**	**5,930**	**184,520**	**92,045**	**1,849**	**90,196**
- exposures vs assignors (with-recourse)	88,997	2,669	86,328	70,568	1,412	69,156
- assignments of future receivables	114	3	111	271	5	266
- others	88,883	2,666	86,217	70,297	1,407	68,890
- exposures vs assigned debtors (non-recourse	101,453	3,261	98,192	21,477	437	21,040
- purchases below face-value	-	-	-	-	-	-
- others	101,453	3,261	98,192	21,477	437	21,040
Total	**8,251,949**	**234,614**	**8,017,335**	**8,357,876**	**195,433**	**8,162,443**

B.1.2 Purchase transactions for non-factoring impaired receivables

Our Company does not perform this type of transaction.

B.2 Allocation by residual life

Past-due receivables, if not impaired, are classified in the ‘on demand’ bracket, if impaired, they are classified according to the estimated maturity for balance-sheet valuations.

B.2.1 With-recourse factoring transactions: prepayments and 'total-receivables.

(€ thousands)

TIME FRAMES	PREPAYMENTS 12.31.2014	PREPAYMENTS 12.31.2013	TOTAL-RECEIVABLES 12.31.2014	TOTAL-RECEIVABLES 12.31.2013
- on demand	1,221,715	1,169,950	2,534,922	2,137,965
- up to 3 months	1,407,834	1,430,939	2,544,122	2,176,017
- over 3 months up to 6 months	577,148	565,494	1,119,053	1,293,344
- from 6 months to 1 year	333,070	529,807	447,167	893,342
- over 1 year	433,435	363,138	561,690	787,884
- unspecified duration	-	-	-	-
Total	**3,973,202**	**4,059,328**	**7,206,954**	**7,288,552**

The allocation of the with-recourse prepayments by time-frame was conventionally implemented in proportion to the maturities of the relevant total-receivables.

B.2.2 Non-recourse factoring transactions: exposures

(€ thousands)

TIME-FRAMES	EXPOSURES 12.31.2014	EXPOSURES 12.31.2013
- on demand	615,387	1,037,112
- up to 3 months	2,474,236	2,223,092
- over 3 months up to 6 months	436,848	435,579
- from 6 months to 1 year	255,040	270,432
- over 1 year	262,622	136,900
- unspecified duration	-	-
Total	**4,044,133**	**4,103,115**

B.2.3 Purchase transactions for non-factoring impaired receivables

Our Company does not perform this type of transaction.

B.3 Ongoing progress of value adjustments

B.3.1 Factoring transactions

(€ thousands)

ITEM	INITIAL VALUE ADJUSTS.	INCREASES: VALUE ADJUSTS.	INCREASES: ASSIGNMENT LOSSES	INCREASES: TRANSF. FROM OTHER STATUS	INCREASES: OTHER POSITIVE CHANGES	DECREASES: WRITE-BACKS	DECREASES: PROFITS FROM SALE	DECREASES: TRANSF. FROM OTHER STATUS	DECREASES: CANC.	DECREASES: OTHER NEGATIVE CHANGES	FINAL VALUE AJDUSTS.
Specifications on impaired assets	**157.073**	**65,144**	**-**	**20,948**	**446**	**20,147**	**-**	**20,948**	**9,141**	**-**	**193,375**
Exposures vs assignors	129,813	46,339	-	16,930	446	13,746	-	16,930	4,103	-	*158,749*
- non-performing	101,103	20,759	-	11,330	446	10,432	-	-	3,045	-	*120,161*
- doubtfuls	27,298	18,425	-	4,767	-	1,989	-	12,133	1,058	-	*35,310*
- re-structured exposures	-	474	-	135	-	-	-	-	-	-	*609*
- past-due exposures	1,412	6,681	-	698	-	1,325	-	4,797	-	-	*2,669*
Exposures vs assigned debtors	27,260	18,805	-	4,018	-	6,401	-	4,018	5,038	-	*34,626*
- non-performing	10,617	1,358		3,082	-	2,295	-	-	555	-	*12,207*
- doubtfuls	16,206	13,327	-	936	-	3,746	-	3,082	4,483	-	*19,158*
- re-structured exposures	-	-	-	-	-	-	-	-	-	-	-
- past-due exposures	437	4,120	-	-	-	360	-	936	-	-	*3,261*
Portfolio other assets	**38,423**	**2,882**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**41,305**
- exposures vs assignors	23,922	(4,326)	-	-	-	-	-	-	-	-	*19,596*
- exposures vs assigned debtors	14,501	7,208	-	-	-	-	-	-	-	-	*21,709*
Total	**195,496**	**68,026**	**-**	**20,948**	**446**	**20,147**	**-**	**20,948**	**9,141**	**-**	**234,680**

B.3.2 Purchase transactions for non-factoring impaired receivables

Our Company does not perform this type of transaction.

Part D - Other information (Continued)

B.4 Further information

B.4.1 Turnover of receivables subject to factoring transactions

(€ thousands)

ITEM	12.31.2014	12.31.2013
1. Non-recourse transactions	12,937,459	10,498,447
- purchases below face-value	-	-
2. With-recourse transactions *	18,204,385	18,227,733
Total	**31,141,844**	**28,726,180**

* The entry includes 7.547.993 euro/thousands for 2013 6.276.784 euro/thousands for 2014 regarding non-recourse agreements which did not pass the IAS 39 recognition test.

B.4.2 Collection services

There are no receivables requiring collection services only.

B.4.3 Face value of purchase agreements for future receivables

(€ thousands)

ITEM	12.31.2014	12.31.2013
Future receivables purchase agreements: flow over period	3,416,970	3,552,351
Total agreements extent at period closure	7,226,575	6,034,408

Margin between assignor's credit-line and receivables purchased with-recourse

ITEM	12.31.2014	12.31.2013
Margin	2,591,938	1,326,215

The value in this table represents the difference between the credit-line granted to the assignor and the total-receivables relevant only to with-recourse transactions.

D. Guarantees issued and commitments

D.1 Value of guarantees issued and commitments

(€ thousands)

TRANSACTIONS	12.31.2014	12.31.2013
1) Financial guarantees issued at first request	-	-
a) Banks	-	-
b) Financial agencies	-	-
c) Customers	-	-
2) Other financial guarantees issued	48	-
a) Banks	-	-
b) Financial agencies	-	-
c) Customers	48	
3) Commercial guarantees issued	-	-
a) Banks*	-	-
b) Financial agencies	-	-
c) Customers	-	-
4) Irrevocable committments to allocate funds	407,440	599,101
a) Banks	-	-
i) certain use	-	-
ii) uncertain use	-	-
b) Financial agencies	-	-
i) certain use	-	-
ii) uncertain use	-	-
c) Customers	407,440	599,101
i) certain use	72,002	260,310
ii) uncertain use	335,438	338,791
5) Commitments underlying derivatives on receivables: protection sales	-	-
6) Assets as guarantees for third party obligations	-	-
7) Other irrevocable commitments	-	-
Total	**407,488**	**599,101**

The irrvevocable commitments to allocate funds are made up of the non-prepaid portion relevant to agreements non-recourse from start-up.

D.2 Loans registered in balance-sheet for perfected enforcement
Item not present.

Section 3 - Information on risks and relevant hedging policies

3.1 Credit risks

QUALITATIVE INFORMATION

1. General features

Factoring offers a number of different services to satisfy various company requirements with respect to collection management, securing assigned trading receivables and their potential funding.

The credit risk assumed by the Factor possesses only a few features in common with the credit risk typical of the banking activity. Whereas in banking operations, advances on invoices, as an assimilable technique, is implemented only when cash credit is granted, chiefly on the basis of the customer's credit-worthiness, on the quality of the single debtors and on the relevant operating modes. At the moment when the factoring company assumes a risk, it valuates both counterparts, the assignor supplier and the assigned debtor. Both of them are analysed to assess their credit-worthiness; the assumption of risk on the foregoing counterparts can assume different operating profiles in relation to the type of product required by the customer/assignor.

When the factor advances the receivables to the assignor, it is subject to cash exposure for an amount equal to the advance granted, which, in general, does not exceed a specific percent of the total-receivables purchased and/or approved.
In non-recourse agreements, the factoring company, guarantees the assignor against the assigned debtor's default, with the exception of cases expressly regulated by the agreement. The factor undertakes to pay the amount pertaining to the assigned receivables once a pre-established period of days has elapsed since the receivables became payable, apart from outright purchase operations where payment (discount) occurs at the same time as the assignment.

With respect to the operating modes adopted, the factoring company is more protected if the purchase transaction relating to the receivables is accompanied by:
- notification to debtor of the perfected assignment of the receivable;
- debtors' recognition of the perfected assignment of the receivable;
- certification of the assigned receivable by State Administration Organisations;
- purchase of trade receivables as against other types of receivables;
- purchase of payable or maturing receivables as against funding of future receivables;
- existence of escrow accounts in non-notified transactions.

In with-recourse agreements the risk is diversified. The factor becomes owner of the receivable claimed from the assigned debtor, which represents the main source of refunding but, in case of debtor's default, the factor may request payment from the assignor (right of recourse).

The non-recourse agreement, with performance of funding and/or guarantee services, entails for the factor the exposure to the credit risk regarding the assigned debtors only.

When the factor supplies exclusively management services, it is not subject to risk exposure.

In general, when the factor performs the funding and/or securing services, the possibility of incurring losses is determined, first of all, by the decline in the credit-worthiness of the counterparts, with the resulting emergence of the assigned debtor's default risk (in both non-recourse and with-recourse transactions) or of the risk of non-refund of the considerations advanced by the assignor in with-recourse transactions.

To be more specific, because the factor performs its services within the framework of pre-existing business relations (between assignor and debtor), the credit risk is characterised mainly by the following, debtor-orientated factors:
- the risk of dilution when the debtor refuses to pay, due to events relating to the performance of the underlying supply relations (by way of example we underline offsetting, allowances, disputes regarding product quality and promotional discounts);
- the risk of delayed payment as regards real or conventional maturity (maturity negotiated at purchase of the trade receivables) of the purchased receivable currently linked to critical economic situations or to various Italian State Administration Organisations; the delayed payment risk scenario also includes the risk of administrative quashing of funds. This occurs when the sums allocated in the State budjet are not spent by the State Organisations within a definite time-frame;
- the offsetting risk is particularly high in transactions with State Organisations which reserve the right to offset between their own receivables and payables.

Part D - Other information (Continued)

2. Credit risk management policies

2.1.Organisational aspects

The regulation of credit risks is based on structures and processes consolidated over time and entrusted to skilled and expert resources.

The origination process starts off with the Commercial Department, responsible for managing business relations with assignors through the ongoing monitoring of the relevant progress with direct visits and the use of remote instruments. In this sense, one of the tasks is to perceive possible signs of credit-worthiness deterioration relating to the assignor counterpart and therefore to prevent potential losses deriving from such deterioration.
Valuation of the assignor and debtor counterparts is carried out using Group methods comprising the analysis of financial statements, the risk centre, trade information and information available to the UniCredit Group. UniCredit Factoring does not have its own rating models, however, for customers shared with the UniCredit Group - counterpart rating, calculated by the Holding and supplemented in the assignors' and debtors' electronic files, constitutes a fundamental support feature as regards the valuation process.
When assuming assignor and debtor risks, the credit risk is assessed by the Credit Operations Department which operates through distinctive structures relating to allocation to assigners and debtors.

The Debtor Management Department manages, on an ongoing basis, business relations with debtor counterparts, by controlling the assigned receivables and implementing surveys/initiatives to secure prompt payments (supervision of maturities and payment reminders).

The Receivables Department also comprises:
- the monitoring Office, which guarantees maintenance of portfolio quality through ongoing monitoring activities permitting systematic intervention whenever impairment of both assignor/ assigned debtor risk profiles emerge. This activity is performed during the phase previous to the appearance of the default, when there is still a chance that the counterpart (assignor/debtor) may be able to respect its commitments and provide for the transfer of the state of associated risk associated with the position for improved management protection;
- the Recovery Office ensures the management and monitoring of the restructured, doubtful and non-performing entries, by identifying and adopting the most effective solutions to maximise recovery and by proposing the necessary provisions as regards loss forecasts;
- the Risk Management Office ensures:
  - analysis, assessment, measuring and monitoring of the typical risks inherent to company activities (loan-based, operational and market-based) in order to determine the relevant financial and Equity impact);
  - support for the implementation of Group policies;
  - systematic reporting for Senior Management and the Board of Directors;
  - stipulation and monitoring, together with the Holding and in compliance with the latter's guidelines, the risk-level the Company is willing to assume ('Risk Appetite') in order to pursue its strategic and business plan goals, bearing in mind its customers' and shareholders's interests and compatibly with the available financial resources ('Risk Taking Capacity'), the capital requirements imposed by the first pillar as well as the other requirements.
  - support for the management in the measuring and management of cost risks.

2.2 Management, measuring and control systems

Measuring and reporting operations foresee the release of periodic and systematic documents as well as the production of ad hoc estimates supporting different types of decisions.

Within the framework of the mentioned reporting, the most significant documents are the following:
- the 'Credit Tableau de Bord' presented to the Board of Directiors containing the analysis of: i) Total-receivables and their underlying uses with particular focus on the relevant breakdowns (type of assignment, existence of notification and acknowledgement, etc.) defining risk - level and relevant progress; ii) credit quality and provisions for hedging losses risks; iii) concentration risk;
- the 'credit monitoring' and 'Risk Appetite Framework' submitted to the Risk Committee which permit the assessment of the evolution of the credit risks assumed by the Company and the potential definition of corrective actions in case of moving towards or exceeding the threshold limits defined in the Framework of 'risk propensity' and/or of the guidelines indicated in the credit and business strategies;
- the monitoring control panel relating to assignors and debtors including anomaly tracing.

2.3 Credit risk mitigation techniques

Management of the guarantees forms an integrating part of the credit process. The primary purpose of guarantee agreements is to maximize the Net Actualised Value of the recoverable sums, thus reducing potential credit losses (LGD) in case of transfers to recovery of the position. Indeed, despite the fact that guarantees represent an essential feature in the definition of the terms and conditions of the loan agreement (above all for more long-term operations), their collection merely offers subsidiary support to the loan, in no way can it replace the objective capacity of the customer to honour its obligations.

Risk mitigation techniques take into account the aspects peculiar to factoring which, according to the service performed, spreads the risk between the client/assignor and the assigned debtor.
Among the guarantees acquired by the Company we further underline the following:
UniCredit Factoring's credit exposures concern chiefly company counterparts and can be secured by 'personal collateral' type guarantees (usually: performance guarantees from private persons or companies) and, less frequently, by 'real' type guarantees (usually: pledges on sums or receivables) issued by natural and legal persons (owners, family members, holding).

Personal guarantees are released, in general, by owners of companies making use of credit-lines, or by their family members.
Among the guarantees acquired by the Company we further underline the following:

- performance guarantees issued by the Holding to hedge exposures in favour of assignors or debtors for sums exceeding 40% of the Company's Supervisory Equity, in order to comply with the limits stipulated by the legislation governing 'greater risks' (see paragraph here below). To this end the Company periodically reports the guaranteed positions and takes care of the updating of the guarantees with respect to the evolution of the risk evolution (increase/reduction);
- insurance policies hedging receivables to attenuate the credit risk deriving from private, non-recourse assigned debtor's default.

Concentration risks and considerable exposures
Concentration risk indicates the risk deriving from significant exposure versus single counterparts, groups of connected counterparts or those exercising the same activity or belonging to the same geographic area. The foregoing risk must be contained and monitored, with respect to capital, total assets or the overall risk level, in order to avoid threats to the company's stability or its capacity to carry out the regular performance of its characteristic management.

The issue is dealt with, on a normative basis by both the first and second pillars of the Basel II Agreements. The first pillar includes the regulations relating to the so-called 'greater exposures' referring to total exposures (cash-based and off balance-sheet - weighted with specific capital ratios towards a single customer or group of connected customers exceeding 10% of the supervisory equity of the agency. which monitors the instability risk pertaining to the granting to single entrepreneurs or groups of entrepreneurs of loans for considerable amounts with respect to the Supervisory Equity. For 'greater exposures' 2 limits are established: i) alone they may not exceed 25% of the E.V. (the limit is raised to 40% for supervised brokers consolidated in bank groups subject to the 25% limit) ii) globally they may not exceed 8 times the Supervisory Equity value.
The second pillar includes measuring, management and monitoring of the 'concentration risks', both sector-based and single name.

First of all, the Holding of the consolidated group and the single UniCredit group companies, implement a self-assessment of the minimum financial resources deemed necessary for the Group/company to be able to face the risks it is taking on. The assessment is based on a series of elements such as: situation and forecasts regarding the domestic and International economic scenarios, at macro-economic level and regarding single activity sectors; concentration of the exposures. The ratio between financial resources effectively available (Available Financial Resources) and inside capital defines the so-called 'Risk Taking Capacity', which is the essential feature of the Risk Appetite Framework and of the definition of credit strategies.

In addition to the credit strategies, to avoid excessive concentrations with high risk impacts, group level restrictions are defined, each and every time on both sectorial and individual bases.

With respect to individual concentration, the quantitative limits restricting credit exposures are calculated using the Economic Capital approach and for the most part reflect the counterpart's rating or the economic group it belongs to. Compliance with such restrictions is monitored by the Holding structures, in collaboration with the CRO structures belonging to the Legal Entities.

To guarantee the timely control of risk concentration at Group Level, specific guidelines have been established for the management of the Larger Credit-lines. A 'Larger Credit-line' indicates any credit commitment whatever (direct and indirect) requiring at least one of the following conditions:

- exclusively for direct risks, the total amount of applicant's commitments (single counterpart/financial group) versus all the in-Group Entities, exceeds the amount thresholds defined by the Holding and approved by the competent Bodies of the Entities; for factoring, the foregoing threshold is fixed at 75 million Euros in the case of overall risks in the Italy region of the UniCredit Group or at individual level at 10% of the Supervisory Equity;
- the applicant is included in a specific list of counterparts, distributed and regularly updated by the Holding's CRO Function.

2.4 Impaired financial assets
The Company makes use of appropriate regulations, governing the definition regarding both the various states of risk for assignors and debtors (performing, monitored, re-entering, in debt recovery, doubtful, non-performing, restructured), and the faculties correlated with the changes pertaining to them, together with the legal faculties linked to the implementation of provisions and transfers to losses. These regulations also govern the faculties connected with the approval of re-entry plans proposed by assigned debtors and with the acquisition of new guarantees.

In line with International Accounting Standards and with Bank of Italy instructions, impaired assets include the so-called "persistent non-fulfilments" which reveal positions presenting receivables, not present among the non-performing, doubtfuls and restructured, continuously past-due or outstanding for a number of days exceeding 90-180-270 days. UniCredit Factoring uses internal control systems relating to past-dues and generally examines the entire portfolio in order to monitor and control the evolution of all past-due exposures.

Part D - Other information (Continued)

QUANTITIVE INFORMATION

1 - Distribution of credit exposures by owned portfolios and credit quality

(€ thousands)

PORTFOLIO/QUALITY	NON-PERFORMING	DOUBTFULS	RE-STRUCTURED POSITIONS	PAST-DUE EXPOSURES	NOT IMPAIRED PAST-DUE EXPOSURES	OTHER ASSETS	TOTAL
1. Financial assets held for trading	-	-	-	-	-	-	-
2. Financial assets valued at fair-value	-	-	-	-	-	-	-
3. Financial assets available for sale	-	-	-	-	-	700	700
4. Financial assets held to maturity	-	-	-	-	-	-	-
5. Receivables from banks	-	-	-	-	-	133,668	133,668
6. Receivables from fin. agencies	-	-	-	234	34,219	690,667	725,120
7. Receivables from customers	63,753	100,931	41,013	191,531	742,983	6,143,696	7,283,907
8. Hedging derivatives	-	-	-	-	-	2,967	2,967
Total at 12.31.2014	**63,753**	**100,931**	**41,013**	**191,765**	**777,202**	**6,971,698**	**8,146,362**
Total at 12.31.2013	**84,866**	**78,534**	**17,130**	**90,588**	**1,203,548**	**6,732,787**	**8,207,453**

Here below in detail the non-impaired, past-due exposures, by time-frame, pertinent to the ‘performing’ portfolio.
(data in € thousands)
past-due up to 3 months: 528,784;
past-due from 3 months to 6 months: 51,817;
past-due from 6 months to 1 year: 42,608;
past-due over 1 year: 153,994.

2 - Credit Exposures

2.1 Credit exposures versus customers: gross and net values

(€ thousands)

TYPOLOGIES: EXPOSURES/VALUES	GROSS EXPOSURE	SPECIFIC VALUE ADJUSTMENTS	ADJUSTMENTS TO PORTFOLIO VALUE	NET EXPOSURE
A. IMPAIRED ASSETS				
CASH EXPOSURES:	589,843	192,992	-	396,851
- non-performing	195,692	131,992	-	63,700
- doubtfuls	155,285	54,467	-	100,818
- re-structured exposures	41,412	609	-	40,803
- impaired past-due exposures	197,454	5,924	-	191,530
OFF BALANCE-SHEET EXPOSURES:	4,405	-	-	4,405
- non-performing	504	-	-	504
- doubtfuls	389	-	-	389
- re-structured exposures	1,085	-	-	1,085
- impaired past-due exposures	2,427	-	-	2,427
Total A	**594,248**	**192,992**	**-**	**401,256**
B. PERFORMING EXPOSURES *				
- unimpaired past-due exposures	748,811	-	5,828	742,983
- Other exposures	6,507,266	-	32,161	6,475,105
Total B	**7,256,077**	**-**	**37,989**	**7,218,088**
Total (A+B)	**7,850,325**	**192,992**	**37,989**	**7,619,344**

* There are no exposures subject to re-negotiation within the framework of collective agreements.

The off-balance-sheet exposures include commitments to allocate funds along formal non-recourse lines.

The total amount of partial cancellation relating to impaired assets at December 31, 2014 stood at 80.45 million, entirely applied to non-performing positions.

2.2 Credit exposures vs banks and financial agencies: gross and net values

(€ thousands)

TYPOLOGIES EXPOSURES/VALUES	GROSS EXPOSURE	SPECIFIC VALUE ADJUSTMENTS	PORTFOLIO VALUE ADJUSTMENTS	NET EXPOSURE
A. IMPAIRED ASSETS				
CASH EXPOSURES:	617	383	-	234
- non-performing	376	376	-	-
- doubtfuls	-	-	-	-
- restructured exposures	-	-	-	-
- impaired past-due exposures	241	7	-	234
OFF BALANCE-SHEET EXPOSURES:	-	-	-	-
- non-performing	-	-	-	-
- doubtfuls	-	-	-	-
- restructured exposures	-	-	-	-
- impaired past-due exposures	-	-	-	-
Total A	**617**	**383**	**-**	**234**
B. PERFORMING EXPOSURES				
- unimpaired past-due exposures	34,359	-	140	34,219
- other exposures	827,512	-	3,176	824,336
Total B	**861,871**	**-**	**3,316**	**858,555**
Total (A+B)	**862,488**	**383**	**3,316**	**858,789**

2.3 Classification of exposures according to internal and external rating
2.3.1 Distribution of cash and 'off balance-sheet' exposures by external rating categories

(€ thousands)

EXPOSURES	RATING CATEGORIES						NO RATING	TOTAL
	CLASS 1	CLASS 2	CLASS 3	CLASS 4	CLASS 5	CLASS 6		
A. Cash exposure	-	29,441	442,358	2,473	13,392	-	7,583,029	8,070,693
B. Derivatives	-	-	-	-	-	-	-	-
C. Issued guarantees	-	-	-	-	-	-	48	48
D. Commitments to allocate funds	-	-	-	-	-	-	407,440	407,440
E. Others	-	-	-	-	-	-	-	-
Total	**-**	**29,441**	**442,358**	**2,473**	**13,392**	**-**	**7,990,517**	**8,478,181**

The rating companies used were: Standard & Poor's, Moody's and Fitch.
If, for the same position, there are credit-worthiness assessments of two ECAIs the assessment corresponding to the higher weighting factor is taken; in case of 3 or more assessments the two assessments corresponding to the lowest weighting factors are considered, using the worst between the two if they are different.

The classification of the rating categories for the 3 agencies used is as follows:

MERIT CLASS	STANDARD & POOR'S	MOODY'S	FITCH
1	from AAA to AA-	from Aaa to Aa3	from AAA to AA-
2	from A+ to A-	from A1 to A3	from A+ to A-
3	from BBB+ to BBB-	from Baa1 to Baa3	from BBB+ to BBB-
4	from BB+ to BB-	from Ba1 to Ba3	from BB+ to BB-
5	from B+ to B-	from B1 to B3	from B+ to B-
6	CCC+ and lower rating	Caa1 and lower rating	CCC+ and lower rating

2.3.2 Distribution of cash and 'off-balance-sheet' exposures by internal rating categories
Table not reported because the Company uses the standard credit risk assessment method.

3 - Loan concentration
3.1 Distribution of cash and and off-balance-sheet exposures by counterpart's sector of financial activity

(€ thousands)

	TOTAL
GOVERNMENTS	716,174
OTHER STATE AGENCIES	586,848
NON-FINANCIAL FIRMS	5,846,549
FINANCIAL FIRMS	857,828
INSURANCE	960
OTHERS	134,336
total	**8,142,695**

Part D - Other information (Continued)

3.2 Distribution of cash and off-balance-sheet exposures by counterpart's geographic area

(€ thousands)

	TOTAL
NORTH-WEST	2,974,182
NORTH-EAST	1,160,076
CENTRE	2,597,983
SOUTH	435,314
ISLANDS	156,782
FOREIGN	818,358
Total	**8,142,695**

3.3 Greater risks

a) Nominal amount	2,984,066
b) Weighted amount	2,298,913
c) Number	14

4 - Models and other methods for credit risk management and measurement

The analytic write-downs are punctually performed on the basis of the losses forecasts implemented each and every time; for the other default positions to which the application of analytic write-downs is not possible, a statistic approach is used (specific write-downs on a lump-sum basis) and finally, for positions not in default, the write-downs are calculated on the basis of assessment models relating to the Expected Loss used by the Holding, adapted to the specificity of the factoring activity, in expection of the setting-up of an internal model.

The relevant calculations are performed in conformity with the Units of Business Activity (RAE) and the Sectors of Business Activity (SAE) pertaining to the assignors, as regards with-recourse prepayments, and to the debtors concerning total non-recourse receivables.

3.2 Market risks

3.2.1 Interest-rate risk

QUALITATIVE INFORMATION

1. General

In compliance with Group guidelines, in December 2012 our Company adopted a specific policy regarding the banking book interest-rate risk, to define the standards, responsibilities and methodologies for the management of the foregoing risk.

The two main yardsticks employed for monitoring the interest-rate risk and setting the relevant limits are the following:
- 'Net Income interest Sensitivity', which measures change in the interest margin over the following 12 months, when no new operations are undertaken, according to the variation of 100 basic points in interest-rates;
- 'Basis Point Value Sensitivity', which measures change in the current value of the interest-rate positions deriving from an instantaneous shock of 1bp in interest-rates. This takes account of the current value of all future cash flows generated by the assets, liabilities and existing derivatives.

In order to manage liquidity and interest-rate risks, the various technical, lending forms can be re-conducted to the two, main types of operation illustrated here below:
- transactions for outright and/or under-discount purchase of receivables: these are fixed-rate transactions with definite durations - though they may be uncertain because the maturity pertaining to the transaction includes an estimated delay for invoice collection compared with their natural maturity;
- standard transactions (non-recourse and with-recourse): these are revolving exposures, on principle revocable at stipulated conditions, usually regulated at a variable rate according to the average monthly reports and liquidated on a monthly/quarterly basis.

On the whole:
- the first case is funded by time deposits;
- the second by a credit-line periodically adjusted to the amount and regulated at a rate consistent with the contractual rate applied to customers.

This permits the minimization of the liquidity risk as well as the interest-rate risk, in itself already limited considering that the transactions performed are almost entirely short-term.

Furthermore, various interest rate swap agreements have been concluded with the Group's Investment Bank to transform from fixed to variable the interest-rate on outright purchase transactions with original duration beyond the short-term.

QUANTITATIVE INFORMATION

1. Distribution by residual duration (re-pricing date) of financial assets and liabilities

(€ thousands)

ITEMS/RESIDUAL DURATION	ON DEMAND	UP TO 3 MONTHS	FROM OVER 3 MTHS UP TO 6 MTHS	FROM OVER 6 MTHS UP TO 1 YR	FROM OVER 1 YR UP TO 5 YRS	FROM OVER 5 YRS UP TO 10 YRS	OVER 10 YEARS	UNSPEC. DURATION
1. Assets	**4,884,953**	**2,032,201**	**298,512**	**355,769**	**201,871**	**90,612**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
1.3 Receivables	4,884,953	2,032,201	298,512	355,769	201,871	90,612	-	-
1.4 Other assets	-	-	-	-	-	-	-	-
2. Liabilities	**4,430,158**	**2,080,244**	**352,528**	**50,000**	**-**	**-**	**-**	**-**
3.1 Payables	4,430,158	2,055,189	300,484	50,000	-	-	-	-
3.2 Debt securities	-	25,055	52,044	-	-	-	-	-
3.3 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
Options								
3.1 Long positions	-	-	-	-	-	-	-	-
3.2 Short positions	-	-	-	-	-	-	-	-
Other derivatives								
3.3 Long positions	-	102,419	-	-	-	-	-	-
3.4 Short positions	-	904	-	313	43,997	57,205	-	-

Non-performing receivables are classified according to the collection date foreseen and are chiefly included in the time-frame ‘from over 5 up to 10 years’.

Dollars

(€ thousands)

ITEMS/RESIDUAL DURATION	ON DEMAND	UP TO 3 MONTHS	FROM OVER 3 MTHS UP TO 6 MTHS	FROM OVER 6 MTHS UP TO 1 YR	FROM OVER 1 YR UP TO 5 YRS	FROM OVER 5 YRS UP TO 10 YRS	OVER 10 YEARS	UNSPEC. DURATION
1. Assets	**68,540**	**117,536**	**3,547**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
1.3 Receivables	68,540	117,536	3,547	-	-	-	-	-
1.4 Other assets	-	-	-	-	-	-	-	
2. Liabilities	**40,151**	**185,971**	**-**	**-**	**-**	**-**	**-**	**-**
3.1 Payables	40,151	185,971	-	-	-	-	-	-
3.2 Debt securities	-	-	-	-	-	-	-	-
3.3 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
Options								
3.1 Long positions	-	-	-	-	-	-	-	-
3.2 Short positions	-	-	-	-	-	-	-	-
Other derivatives								
3.3 Long positions	-	-	-	-	-	-	-	-
3.4 Short positions	-	-	-	-	-	-	-	-

Assets and liabilities in dollars consistently differ in value due to a specific non-recourse transaction which contemplates prepayment in dollars against invoices assigned in Euros.

Other currencies

(€ thousands)

ITEMS/RESIDUAL DURATION	ON DEMAND	UP TO 3 MONTHS	FROM OVER 3 MTHS UP TO 6 MTHS	FROM OVER 6 MTHS UP TO 1 YR	FROM OVER 1 YR UP TO 5 YRS	FROM OVER 5 YRS UP TO 10 YRS	OVER 10 YEARS	UNSPEC. DURATION
1. Assets	**29,914**	**59,240**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
1.3 Receivables	29,914	59,240	-	-	-	-	-	-
1.4 Other assets	-	-	-	-	-	-	-	-
2. Liabilities	**6,062**	**76,494**	**5,489**	**-**	**-**	**-**	**-**	**-**
3.1 Payables	6,062	76,494	5,489	-	-	-	-	-
3.2 Debt securities	-	-	-	-	-	-	-	-
3.3 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
Options								
3.1 Long positions	-	-	-	-	-	-	-	-
3.2 Short positions	-	-	-	-	-	-	-	-
Other derivatives								
3.3 Long positions	246	-	-	-	-	-	-	-
3.4 Short positions	-	23	223	-	-	-	-	-

Part D - Other information (Continued)

2. Models and other methods for measuring and managing the interest-rate risk

Sensitivity analysis
At December 31, 2014 the sensitivity of the interest margin to an instant and parallel change in the + 100 bps rates amounted to 5 million. Sensitivity to an instant and parallel change in the +200 bps rates of the financial value of share capital at December 31, 2014 amounted to -12 million, substantially attributable to the change in the current value of the non-performing.

3.2.2 Price risk

QUALITATIVE INFORMATION

1. General
The Company neither holds nor has issued any financial instruments exposed to price risks.

3.2.3 Exchange-rate risk

QUALITATIVE INFORMATION

1. General
The exchange-rate risk expresses the risk of incurring losses due to currency and gold price fluctuations. Company policy relating to the exchange-rate risk foresees that receivables assigned in foreign currency are advanced and funded in the same currency. With respect to advances in Euros, potential differenes or conversion costs inherent to the provision are governed by specific agreements with customers, stipulating that the possible exchange-rate risk is to be charged to those customers.

The Equity hedging needed to cover the exchange-rate risk is determined by applying to the net open position in the exchange-rates an 8% co-efficient, reduced by 25% for companies belonging to a banking group. At December 31, 2014 the open positions with respect to exchange-rates did not determine capital uptake.

QUANTITATIVE INFORMATION

1. Distribution by currency of denomination of assets, liabilities and derivatives

(€ thousands)

	CURRENCIES					
ITEMS	US DOLLARS	POUNDS STERLING	YEN	CANADIAN DOLLARS	SWISS FRANCS	OTHER CURRENCIES
1. Financial assets	**227,240**	**16,021**	**39**	**37,658**	**298**	**35,138**
1.1 Debt securities	-	-	-	-	-	-
1.2 Capital securities	-	-	-	-	-	-
1.3 Receivables	27,064	5,119	-	533	-	4,303
1.4 Other financial assets	200,176	10,902	39	37,125	298	30,835
2. Other assets	**-**	**-**	**-**	**-**	**-**	**-**
3. Financial liabilities	**226,122**	**15,717**	**-**	**36,965**	**564**	**34,799**
3.1 Payables	1,386	945	-	-	-	-
3.2 Debt securities	-	-	-	-	-	-
3.3 Other financial liabilities	224,736	14,772	-	36,965	564	34,799
4. Other liabilities	**-**	**-**	**-**	**-**	**-**	**-**
5. Derivatives	**-**	**-**	**-**	**-**	**-**	**-**
5.1 Long positions	-	-	-	-	-	-
5.2 Short positions	-	-	-	-	-	-
Total Assets	**227,240**	**16,021**	**39**	**37,658**	**298**	**35,138**
Total Liabilities	**226,122**	**15,717**	**-**	**36,965**	**564**	**34,799**
Imbalance (+/-)	**1,118**	**304**	**39**	**693**	**(266)**	**339**

3.3 Operating risks

QUALITATIVE INFORMATION

1. General aspects, management processes and measuring methods pertaining to the operating risk

In compliance with internal and external Group regulations, the operating risk consists in the possibility of incurring losses due to errors, infringements, interruptions or damage attributable to internal processes, persons, systems or external events.

Operating events can stem from inadequate or disregarded internal procedures, human resources, informative systems or telecommunications, systemic events or other external events, internal or external fraud, inadequate work practices or workplace safety, customers' complaints, product distribution, fines or penalties for failure to comply with provisions or legislative fulfilments, damage to company assets, interruption of informative or communications systems, performance of procedures.

To measure and manage the operating risk, UCF operates in pursuance of the following objectives:
- mapping Company processes (including the mappings required by regulations - Law. 262/2005);
- implementation of computer-based procedures with automatic controls and anomaly-management systems;
- supplying human resources with information needed to identify such operating risks;
- utilisation of Group methods and instruments for Disaster Recovery, Business Continuity and Insurance Policies;
- collection of operating loss events through registration in the Group-based applicative;
- calculation of the equity requisite with respect to the operating risk, using the "Basic method" or applying a regulation coefficient equal to 15% of the average brokering margin of the last three periods.

QUANTITATIVE INFORMATION

The equity consumption quantified according to the basic method, corresponding to 15% of the average brokerage margin of the last three periods, amounted to 35 million at end 2014, against the 29,7 million at the end of the previous year.

3.4 Liquidity risk

QUALITATIVE INFORMATION

1. General aspects, management processes and measuring methods pertaining to the liquidity risk

The Company's 'liquidity policy', already adopted from January 2010, was integrated in December 2012 with respect to Governance and to the responsibilities of the single functions.

We remind you that UniCredit Factoring implements its provisioning exclusively through the Holding, which also monitors our Company as regards the liquidity risk. Our Company belongs, in fact, to the perimeter of the Regional Liquidity Centre Italy which manages liquidity risks at centralised level and accesses capital markets also on behalf of banks/product companies belonging to their own perimeter.

Provisioning is carried out according to the following modes, within the framework of a credit-line periodically reviewed in relation to approved budgets and development plans, also bearing in mind the characteristics of the loans to be funded:
- **Accessory current account**: this is the chief source for provisions and finances the most stable portion of the revolving uses. It is normally moved on a monthly basis according to the tendential level of such uses;
- **Maturity deposits (at one month or more)**: these are the natural type of provision for transactions relating to outright purchase receivables;
- **Very brief maturity deposits (from overnight to 2 weeks)**: these are the instruments used to cover daily needs for liquidity and to finance short-term loan fluctuations;
- **Subordinated liabilities**: together with capital these constituted the main source of funding for transactions with over one year maturities;
- **Current account**: the current bank account is the channel through which all UCF's operating activities (allocations, collections, creation and extinction of deposits, changes to accessory accounts etc.) are channelled. The unused credit margin constitutes a ready-to-use liquidity reserve also for hedging sudden cash needs.

For all the foregoing the Company's liquidity position possesses no significant, autonomous value, but should be viewed within the framework of the Group's Regione Italia funded debt.

Part D - Other information (Continued)

QUANTITATIVE INFORMATION

1. Temporal distribution by residual, contractual duration of financial assets and liabilities

(€ thousands)

EUROS

ITEMS/RESIDUAL DURATION	ON DEMAND	FROM OVER 1 DAY UP TO 7 DAYS	FROM OVER 7 DAYS UP TO 15 DAYS	FROM OVER 15 DAYS UP TO 1 MONTH	FROM OVER 1 MONTH UP TO 3 MONTHS	FROM OVER 3 MONTHS UP TO 6 MONTHS	FROM OVER 6 MONTHS UP TO 1 YEAR	FROM OVER 1 YEAR UP TO 3 YEARS	FROM OVER 3 YEARS UP TO 5 YEARS	OVER 5 YEARS	UNSPEC. DURATION
Cash assets	**1,881,311**	**296,234**	**416,260**	**994,734**	**2,045,871**	**979,236**	**579,335**	**483,235**	**95,528**	**90,331**	**-**
A.1 State securities	-	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-	-
A.3 Loans	1,881,311	296,234	416,260	994,734	2,045,871	979,236	579,335	483,235	95,528	90,331	-
A.4 Other assets	-	-	-	-	-	-	-	-	-	-	-
Cash liabilities	**1,787,978**	**355,821**	**416,395**	**994,734**	**2,047,963**	**979,609**	**244,212**	**-**	**86,218**	**-**	**-**
B.1 Payables to	1,787,978	355,821	416,395	994,734	2,047,963	979,609	244,212	-	9,119	-	-
- banks	1,677,251	354,447	415,177	991,367	2,018,892	975,070	243,750	-	9,119	-	-
- financial agencies	21,650	-	-	-	-	-	-	-	-	-	-
- customers	89,077	1,374	1,218	3,367	29,071	4,539	462	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	77,099	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-	-
Off balance-sheet transactions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
C.2 Financial derivatives without capital exchange											
- Positive differentials	-	-	-	-	(102,419)	-	-	-	-	-	-
- Negative differentials	-		-	-	904	-	313	23,587	20,410	57,205	-
C.4 Irrevocable commitments to grant loans											
- Long positions	-	-	-	-	(407,440)	-	-	-	-	-	-
- Short positions	-	-	-	-	407,440	-	-	-	-	-	-

The accessory current account opened with the Holding, amounting to 4.1 billion at December 31 was divided over the single time-frames according to the guidelines used for allocating lending, privileging substance, purposes of the provision, over form, on demand.

DOLLARS

(€ thousands)

ITEMS/RESIDUAL DURATION	ON DEMAND	FROM OVER 1 DAY UP TO 7 DAYS	FROM OVER 7 DAYS UP TO 15 DAYS	FROM OVER 15 DAYS UP TO 1 MONTH	FROM OVER 1 MONTH UP TO 3 MONTHS	FROM OVER 3 MONTHS UP TO 6 MONTHS	FROM OVER 6 MONTHS UP TO 1 YEAR	FROM OVER 1 YEAR UP TO 3 YEARS	FROM OVER 3 YEARS UP TO 5 YEARS	OVER 5 YEARS	UNSPEC. DURATION
Cash assets	**9,452**	**17,393**	**15,056**	**29,362**	**72,343**	**46,148**	**1,102**	**-**	**-**	**610**	**-**
A.1 State securities	-	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-	-
A.3 Loans	9,452	17,393	15,056	29,362	72,343	46,148	1,102	-	-	610	-
A.4 Other assets	-	-	-	-	-	-	-	-	-	-	-
Cash liabilities	**9,452**	**17,393**	**82,354**	**38,149**	**78,774**	**-**	**-**	**-**	**-**	**-**	**-**
B.1 Payables to	9,452	17,393	82,354	38,149	78,774	-	-	-	-	-	-
- banks	6,055	17,391	82,295	38,143	78,759	-	-	-	-	-	-
- financial agencies	-	-	-	-	-	-	-	-	-	-	-
- customers	3,397	2	59	6	15	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-	-
Off balance-sheet transactions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
C.2 Financial derivatives without capital exchange											
- Positive differentials	-	-	-	-	-	-	-	-	-	-	-
- Negative differentials	-	-	-	-	-	-	-	-	-	-	-
C.4 Irrevocable commitments to grant loans											
- Long positions	-	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-	-

Current accounts held in currency, opened with the Holding have been divided over the single time-frames according to the standards regulating the allocation of lending, privileging substance, purposes of the provision, over form, on demand.

OTHER CURRENCIES

(€ thousands)

ITEMS/RESIDUAL DURATION	ON DEMAND	FROM OVER 1 DAY UP TO 7 DAYS	FROM OVER 7 DAYS UP TO 15 DAYS	FROM OVER 15 DAYS UP TO 1 MONTH	FROM OVER 1 MONTH UP TO 3 MONTHS	FROM OVER 3 MONTHS UP TO 6 MONTHS	FROM OVER 6 MONTHS UP TO 1 YEAR	FROM OVER 1 YEAR UP TO 3 YEARS	FROM OVER 3 YEARS UP TO 5 YEARS	OVER 5 YEARS	UNSPEC. DURATION
Cash assets	**25,146**	**368**	**31,342**	**14,319**	**17,180**	**786**	**13**	**-**	**-**	**-**	**-**
A.1 State securities	-	-	-	-	-	-	-	-	-	-	-
A.2 Other debt securities	-	-	-	-	-	-	-	-	-	-	-
A.3 Loans	25,146	368	31,342	14,319	17,180	786	13	-	-	-	-
A.4 Other assets	-	-	-	-	-	-	-	-	-	-	-
Cash liabilities	**5,344**	**-**	**16,768**	**1,838**	**58,061**	**5,956**	**78**	**-**	**-**	**-**	**-**
B.1 Payables to	5,344	-	16,768	1,838	58,061	5,956	78	-	-	-	-
- banks	4,982	-	16,768	1,838	58,061	5,956	78	-	-	-	-
- financial agencies	-	-	-	-	-	-	-	-	-	-	-
- customers	362	-	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-	-
Off balance-sheet transactions											
C.2 Financial derivatives without capital exchange											
- Positive differentials	(246)	-	-	-	-	-	-	-	-	-	-
- Negative differentials	-	-	-	-	23	223	-	-	-	-	-
C.4 Irrevocable commitments to grant loans											
- Long positions	-	-	-	-	-	-	-	-	-	-	-
- Short positions	-	-	-	-	-	-	-	-	-	-	-

Part D - Other information (Continued)

Section 4 - Information on Equity

4.1 Corporate Equity

4.1.1 QUALITATIVE INFORMATION

Corporate Equity constitutes the amount of own means allocated to the achievement of company purposes and to protection against the risks connected with Company activities. An adequate business wealth is, therefore, fundamental to the development of the Company and at the same time ensures solidity and stability over time.

UniCredit Factoring, in compliance with in-Group policies, pays great attention to capital management with a view, not only to maximise returns for the shareholder, but also to sustain the expansion of the various uses.

The entity of the capital subject to monitoring was defined by circular nr. 216 of the Bank of Italy's "Supervising Instructions for Financial Brokers enrolled in the Special List", which stipulates that UniCredit Factoring, as part of a banking group, must maintain a solvency coefficient (ratio between Supervisory Equity and risk weighted activities) of at least 4.5%.

From an organisational angle the monitoring of equity coefficients is performed by the Planning, Finance and Administration Department, on a monthly basis, both for the final balance and for budgeting.

Management of capital is implemented in coordination with the Holding's appointed structures, by using as levers, on one side the dividends policy and the issuing of subordinated loans and, on the other, the issuing of performance bonds and trade lists.

4.1.2 QUANTITATIVE INFORMATION

4.1.2.1 Corporate equity: breakdown

(€ thousands)

VALUES/ITEMS	12.31.2014	12.31.2013
1. Capital shares	414,348	414,348
2. Share premiums	951	951
3. Reserves	184,033	162,188
- profits	184,033	162,188
a) legal	17,534	13,872
b) statutory	185	185
c) own shares	-	-
d) others *	166,314	148,131
- others	-	-
4. (Own shares)	-	-
5. Valuation reserves	(406)	(119)
- Financial assets available for sale	-	-
- Tangible assets	-	-
- Intangible assets	-	-
- Foreign investments hedging	-	-
- Cash-flows hedging	-	-
- Exchange-rate differences	-	-
- Not current assets and groups of assets held for sale	-	-
- Special revaluation laws	-	-
- Actuarial profits/losses relating to defined benefit insurance plans	(406)	(119)
- Share of valuation reserves relating to shareholdings valued at net equity	-	-
6. Capital instruments	-	-
7. Profit (loss) for the period	103,795	73,238
Total	**702,721**	**650,606**

* The item 'Other provisions' includes undistributed profits.

4.2 Corporate Equity and Supervisory coefficients

4.2.1 Supervisory equity

4.2.1.1 QUALITATIVE INFORMATION

At December 31, 2014 the supervisory equity was determined in compliance with the regulations stipulated by the Bank of Italy in circular nr. 216 relevant to the 'Instructions for the compilation of the reports on Supervisory Equity and equity coefficients'.

Basic Equity is made up of own means belonging to the Company because no deductions nor prudential filters are applicable. Basic Equity includes the entire profit for the period, net of dividends to be distributed, in line with the allocation of profits proposed by the Board of Directors at the General Shareholders' Meeting.

The supplementary Equity is represented by hybrid Equity-settled instruments and by subordinated liabilities as illustrated in part B of the Notes to the Financial Statements (section 2 'Outstanding Securities').

4.2.1.2 QUANTITATIVE INFORMATION

(€ thousands)

VALUES/ITEMS	12.31.2014	12.31.2013
A. Basic equity before cautionary filters	**630,050**	**599,332**
B. Basic equity cautionary filters:	406	119
B.1 Positive IAS/IFRS cautionary filters (+)	406	119
B.2 Negative IAS/IFRS cautionary filters (-)	-	-
C. Basic equity gross of items to be deducted (A + B)	**630,456**	**599,451**
D. Items to be deducted from basic equity	1,193	759
E. Total basic equity (TIER 1) (C – D)	**629,263**	**598,692**
F. Supplementary equity before cautionary filters	**63,400**	**63,400**
G. Supplementary equity cautionary filters:	-	-
G.1 Positive IAS/IFRS cautionary filters (+)	-	-
G.2 Negative IAS/IFRS cautionary filters (-)	-	-
H. Supplementary equity gross of items to be deducted (F + G)	**63,400**	**63,400**
I. Items to be deducted from supplementary equity	-	-
L. Total supplementary equity (TIER 2) (H – I)	**63,400**	**63,400**
M. Items to be deducted from total basic and supplementary equity	-	-
N. Supervisory equity (E + L – M)	**692,663**	**662,092**
O. Third level equity (TIER 3)	-	-
P. Supervisory equity Including TIER 3 (N+O)	**692,663**	**662,092**

4.2.2 Adequacy of equity

4.2.2.1 QUALITATIVE INFORMATION

The level of equity adequacy is monitored regularly:
- at final balance, each end of month, by applying to the letter all the rules governing the drafting of the quarterly reports addressed to the Supervisory body;
- prospectively, usually every quarter, according to the evolution and expected Breakdown of Receivables and Equity.

Should intervention be appropriate, possible options are valuated, together with the Holding, which, among others, contemplate capital increase, a specific profit distribution policy, issue of capital instruments computable in the Supplementary Equity, assignment of receivables.

Part D - Other information (CONTINUED)

4.2.2.2 QUANTITATIVE INFORMATION

(€ thousands)

CATEGORY/VALUES	UNWEIGHTED AMOUNTS 12.31.2014	UNWEIGHTED AMOUNTS 12.31.2013	WEIGHTED AMOUNTS/REQUISITES 12.31.2014	WEIGHTED AMOUNTS/REQUISITES 12.31.2013
A. Risk bearing assets				
A.1 Credit and counterpart risk	**9,463,800**	**9,492,314**	**6,756,569**	**6,268,176**
1. Standardized method	9,463,800	9,492,314	6,756,569	6,268,176
2. Internal rating method	-	-	-	-
2.1 Basic	-	-	-	-
2.2 Advanced	-	-	-	-
3. Securitizations	-	-	-	-
B. SUPERVISORY EQUITY REQUISITES				
B.1 Credit and counterpart risk			**405,394**	**376,091**
B.2 MARKET RISKS			**-**	**-**
1. Standardized method			-	-
2. Internal models			-	-
3. Concentration risk			-	-
B.3 Operating risk			**35,003**	**29,674**
1. Basic method			35,003	29,674
2. Standardized method			-	-
3. Advanced method			-	-
B.4 Other cautionary requisites			**-**	**-**
B.5 Other calculation features			**(110,099)**	**(101,441)**
B.6 Total cautionary requisites			**330,298**	**304,324**
C. RISK-BEARING ASSETS AND SUPERVISORY COEFF.				
C.1 Weighted risk assets			5,506,068	5,073,081
C.2 Basic equity/weighted risk assets (Tier 1 capital ratio)			11.43%	11.80%
C.3 Supervisory equity including TIER 3/weighted risk assets (Total capital ratio)			12.58%	13.05%

Item B.5 includes the 25% reduction of requisites, foreseen for brokers belonging to Italian banking groups. The weighted risk assets, reported in Item C.1, used also to calculate the coefficients reported in items C.2 and C.3, are calculated as the product between the total, prudential requisite (Item B.6) and 16.67 (inverse proportion of the minimum, obligatory coefficient, equal to 6%).

Section 5 - Analytical comprehensive income

(€ thousands)

ITEMS		GROSS AMOUNT	INCOME TAX	NET AMOUNT
10	Profit (Loss) for the period	149,207	(45,412)	103,795
	Other income producing components			
20	Tangible assets	-	-	-
30	Intangible assets	-	-	-
40	Defined benefit plans	(396)	109	(287)
50	Non-current assets held for sale	-	-	-
60	Quota of valuation reserves of net equity valued stock	-	-	-
	Other income items with reversal to income statement			
70	Foreign investments hedging:	-	-	-
	a) fair-value changes	-	-	-
	b) reversal to Income Statement	-	-	-
	c) other changes	-	-	-
80	Exchange-rate differences:	-	-	-
	a) fair-value changes	-	-	-
	b) reversal to Income Statement	-	-	-
	c) other changes	-	-	-
90	Cash-flow hedging:	-	-	-
	a) fair-value changes	-	-	-
	b) reversal to Income Statement	-	-	-
	c) other changes	-	-	-
100	Financial assets available for sale:	-	-	-
	a) value changes	-	-	-
	b) reversal to income statement	-	-	-
	- impairment adjustments	-	-	-
	- profits/losses on disposals	-	-	-
	c) other changes	-	-	-
110	Non-current assets held for sale:	-	-	-
	a) fair-value changes	-	-	-
	b) reversal to Income Statement	-	-	-
	c) other changes	-	-	-
120	Quota of reserves from valuation of net equity valued stock	-	-	-
	a) fair-value changes	-	-	-
	b) reversal to Income Statement	-	-	-
	- adjustments from impairments	-	-	-
	- profits/losses on disposals	-	-	-
	c) other changes	-	-	-
130	Total other income-producing components	-	-	-
140	Comprehensive income (Item 10+110)	148,811	(45,303)	103,508

Section 6 - Transactions with related parties

The types of related parties, as defined in IAS 24 and significant for UniCredit Factoring, include the:

- holding company;
- holding controlled companies;
- “managers with strategic responsibilities” employed by UniCredit Factoring and the Holding;
- the immediate families of “managers with strategic responsibilities” and companies controlled by (or connected with) any manager with strategy responsibilities or his/her immediate family members;
- pension funds in favour of Group employees.

Managers with strategic responsibilities are persons who, in relation to the Holding or to UniCredit Factoring, have powers and responsibilities, directly or indirectly, relating to the planning, management and control of Company assets. This category includes, besides the Chief Executive Officer and the other members of the Board of Directors, also the members of the Executive Management Committee.

Part D - Other information (CONTINUED)

6.1 Information on remuneration for managers with strategic responsibilities

Information relating to remuneration for managers with strategic responsibilities is illustrated in the following table, as required by IAS 24 and in line with Bank of Italy indications contemplating the inclusion of remuneration paid to members of the Board of Auditors.

REMUNERATION FOR MANAGERS WITH STRATEGIC RESPONSIBILITIES	2014	2013
a) short-term benefits for employees	1,914	2,109
b) benefits after work relations	-	-
relevant to defined services plans	-	-
relevant to defined contributions plans	-	-
c) other long-term benefits	-	-
d) retirement indemnitiies	-	-
e) stock options	-	-
Total	**1,914**	**2,109**

6.2 Receivables and Guarantees issued in favour of Directors and Auditors

The Company has issued no receivables and guarantees in favour of Directors and Auditors.

6.3 Information on transactions with related parties

To ensure ongoing compliance with the legislation and regulations currently in force regarding company information on transactions with related parties, UniCredit Factoring identifies the transactions in question.

Within this framework, in agreement with the instructions stipulated by the Holding, guidelines for identifying transactions concluded with related parties have been defined in compliance with Consob indications.

The transactions in question were usually performed under the same conditions as those applied for transactions concluded with independent, third-party persons.

Infra-group transactions were undertaken on the basis of mutual financial interest valuations and the definition of the terms and conditions to be applied took place in compliance with the guidelines governing substantial propriety, bearing in mind the common aim of creating value for the entire group.

The same principle was applied also to the performance of infra-group services, together with the principle of regulating such services on a minimum basis, proportionate to the recovery of the relevant production costs.

The following synergies were activated and are producing positive effects:

- the premises situated in Milan, Via Livio Cambi 5, headquarters of the Company, were leased from UniCredit Business Integrated Solutions S.C.p.A., service line Real Estate, which also performs the relevant ordinary and extraordinary maintenance;
- UniCredit S.p.A. branch offices perform development activities on behalf of the Company according to the convention signed during 2011 between UniCredit Factoring S.p.A. and the CIB and F&SME divisions;
- the Holding manages human resources administration, purchasing activities, mailing and soft collection, for the recovery of past-due and unpaid receivables, the in-Group company UniCredit Business Integrated Solutions S.c.p.A, supplies technological outsourcing and acts as Internet Provider, as well as all staff-based operations. The unification of the foregoing activities has encouraged the use of specific, professional profiles;
- according to Group policy, auditing is entrusted to the Insourced Auditing Services (UniCredit S.p.A. Internal Audit) in compliance with a detailed service agreement, signed between UniCredit Factoring S.p.A. and UniCredit Audit S.p.A. (now UniCredit S.p.A.). A referent of Insourced Auditing Services, co-adjuvated by three other resources, operates within the Company on an exclusive basis.

The following table indicates the assets, liabilities, guarantees and commitments extant at December 31, 2014, together with the financial data relating to the period, identified separately by the different types of related parties. The principle item is represented by loans and current accounts in euros and other currencies for provisioning operations.

Transactions with related parties

(€ thousands)

	STOCKS AT 12.31.2014			
	HOLDING	HOLDING CONTROLLED COMPANIES	MANAGERS WITH STRATEGIC RESPONSIBILITIES	OTHER RELATED PARTIES
EQUITY ITEMS				
Financial assets available for sale (shareholdings)	-	-	-	-
Financial assets held to maturity	-	-	-	-
Receivables from credit agencies	19,411	280	-	-
Receivables from from financial agencies	-	-	-	-
Receivables from customers	-	-	-	377
Stock	-	-	-	-
Other asset items	48,803	2,974	-	-
Total assets	**68,214**	**3,254**	**-**	**377**
Payables vs credit agencies	6,955,110	-	-	-
Securities and financial liabilities	52,044	25,055	-	-
Other liability items	3,436	5,844	-	-
Total liabilities	**7,010,590**	**30,899**	**-**	**-**
Guarantees issued and commitments				
FINANCIAL ITEMS				
Interest earned and assimilated revenue	576	-	-	127
Interest paid and assimilated charges	(22,178)	(279)	-	-
Fees earned	-	4	-	20
Fees paid	(2,263)	(285)	-	-
Administrative costs: other costs for human resources	(1,740)	(73)	(1,039)	-
Administrative costs: other administrative costs	(1,931)	(6,951)	-	-
Other operating revenue	-	-	-	-
Total income statement	**(27,536)**	**(7,584)**	**(1,039)**	**147**

In conclusion we underline, in compliance with the provisions currently in force, that during the 2014 fiscal period no atypical and/or unusual operations were performed, either with related parties or with legal persons different from the latter, which, as regards significance/importance, might cause doubts regarding the protection of Company Equity.

Section 7 - Further information

Part I) Payment agreements based on own equity instruments

A. QUALITATIVE INFORMATION

1. Description of the payment agreements based on own equity instruments

1.1 Outstanding instruments

Within the framework of the long/medium term incentivising plans addressed to Company resources, the following types of instruments are identifiable:
- Equity-Settled Share Based Payments;
- Cash Settled Share Based Payments[2].

The first category includes assignments of:
- **Stock Options** assigned to selected beneficiaries belonging to Top and Senior Management and Key Group resources, represented by subscription rights for UniCredit shares;
- **Performance Stock Options** attributed to selected beneficiaries belonging to Top and Senior Management and Key Resources, represented respectively by subscription rights which the Holding undertakes to assign, subject tò the achievement of the performance targets stipulated by the Holding's Board of Directors;
- **Employee Share Ownership Plan (ESOP)** which offers to Group employees, possessing the requisites, the opportunity to purchase ordinary UniCredit shares with the following advantages: assignment of a number of free shares ('free shares or rights to receive them) measured on the number of shares purchased by each participant ("Investment Shares) during the "Subscription period". The assignment of the free shares is subject to compliance with the "vesting" conditions (different from market conditions) established by the Regulations governing the Plan;

2. Proportional to the financial value of the instruments representing the Net Equity of in-Group companies.

Part D - Other information (CONTINUED)

- **In-Group Executive Incentive System** which offers to selected Group Executives a variable remuneration profile with payment implemented within five years. For the first two years of the plan the beneficiaries will receive a cash payment whereas for the subsequent years payment will be implemented in cash and in relation to compliance with individual and in-Group performances according to the regulations governing the Plan/s;
- **Share Plan for Talent** offering to selected, talented resources free UniCredit shares which the Holding undertakes to assign, subject to the achievement of the performance targets stipulated by the Holdings' Board of Directors;
- **In-Group Executive Incentive System 2014 (Bonus Pool)** offered to selected in-group Executives and to significant resources identified on the basis of normative requirements, a bonus structure which will comprise immediate payments (following assessment of performance) and deferred, in cash and ordinary UniCredit shares over a 6-year time-frame (1 year immediate and 5 years deferred). This payment structure guarantees alignment with the shareholders' interests and is subject to the verification of malus clauses (applied if specific thresholds of profitability, capital and liquidity are not reached both at Group level and at Country/Division levels) and of clawback (inasmuch as legally applicable) according to the stipulations of the plan (both vesting conditions being different from market conditions).

The second category includes assignments comparable to the Share Appreciation Rights linked to share value and to the performance results of various in-Group companies[3].

1.2. Valuation model
1.2.1 Stock options and Performance Stock Options
To estimate the financial value of the Stock Options and the Performance Stock Options the Hull and White model was applied.
This model is based on a trinomial tree price distribution, determined according to Boyle's algorithm, and estimates the probability of early exercise on the basis of a deterministic model connected to:
- the achievement of a Market Value equal to a multiple (M) of the price value inherent to the period;
- the assignees' tendency to anticipate exit (E) once the vesting period has expired.

In 2014 no new Stock Option and Performance Stock Option plans were assigned.

1.2.2. Other share-based instruments - Share Plan for Talent
The Plan offers, to selected beneficiaries, free UniCredit shares to be paid in three installments, each with annual vesting.The financial value of one share is equivalent to the market price of the share reduced by the current value of unassigned dividends in the period between the date of promise and the future delivery of the share. The parameters were estimated on the same bases as those used for regulating stock options.
The financial and equity-based effect of the plan will be recorded during the period relevant to the vesting period of the instruments.

1.2.3 In-Group Executive Incentive System
The amount of the incentive will be determined on the basis of the achievement of the qualitative and quantitative targets described in the plan.
In particular, the determination of the achievement of the targets will be expressed in variable, percent terms from 0% to 150% (non market vesting conditions). This percent, corrected by applying a risk/sustainability factor - Group Gate - at first payment, multiplied by the sum-total of the incentive, will determine the effective amount to be paid to the beneficiary.
The equity and financial effects will be allocated according to the duration of the Plans.

In-Group Executive Incentive System 2013 - Shares
The financial value of the shares assigned amounted to the market price per share reduced by the current value of the dividends unassigned during the period between the date of promise and the future allocation of the share.

	SHARE ASSIGNED GROUP EXECUTIVE INCENTIVE SYSTEM 2013		
	FIRST INSTALLMENT (2016)	SECOND INSTALLMENT (2017)	THIRD INSTALLMENT (2018)
Date of assignmnt of Bonus Opportunity Financial Value - (Grant Date)	29-Jan-2013	29-Jan-2013	29-Jan-2013
Date of definition number of Shares - Date - Date of Board resolution	11-Mar-2014	11-Mar-2014	11-Mar-2014
Start of Vesting period	1-Jan-2013	1-Jan-2013	1-Jan-2013
Maturity of Vesting Period	31-Dec-2015	31-Dec-2016	31-Dec-2017
Market price/UniCredit share [€]	5.862	5.862	5.862
Financial value of Vesting conditions [€]	-0.200	-0.299	-0.427
Unitary value / Performance Share at promise [€]	**5.662**	**5.563**	**5.435**

(1) Only for Plans assigned to Executive Vice Presidents.

In-Group Executive Incentive System 2014 (Pool Bonus)
The new 2014 incentivisation system is based on a pool bonus approach, aligned to the legislative requirements and market practices, which define:
- sustainability, through direct connection with company results and alignment to significant risk categories, by using specific indicators reflecting the reference scenario for risk propensity;

3. Pioneer Global Asset Management.

- link between the bonuses and our organizational structure by classifying pool bonuses at Country/Division level with further consolidation a Group level;
- allocation of bonuses to beneficiaries identified as Executives and to other more significant resources, identified on the basis of the guidelines supplied by the Regulations of the European Banking Association, and to other specific roles, on the basis of local, normative requirements;
- payment structure over a 6 year time-frame (1 year immediate plus 5 years deferment) in cash and shares, immediate and deferred, compliant to the most recent normative requirements.

The financial and asset-based effects will be recognized during the vesting period of the instruments.

1.2.5 Employee Share Ownership Plan (Let's Share Plan for 2012)

The following tables illustrate the parameters relevant to the Free Shares (or rights to receive them) linked to the 'Employee Share Ownership Plan' approved in 2013.

Valuation Free Share ESOP for 2014

	FREE SHARE 1ST PERIOD SUBSCRIPTION	FREE SHARE 2ND PERIOD SUBSCRIPTION
Date of assignment of Free Shares to Group employees	31-Jan-2014	31-Jan-2014
Start of Vesting period	31-Jan-2014	31-July-2014
Maturity of Vesting Period	31-Jan-2015	31-July-2015
Unitary fair value of Free Shares [€]	**5.774**	**5.972**

All the equity and financial effects of the plan, relating to the Free Shares assigned, will be recognized during the Vesting period (excepting adjustments, according to the provisions stipulated by the plan, which will be registered at the first useful closure subsequent to the Vesting period). The ordinary UniCredit shares assigned within the framework of the application of the foregoing plan, are purchased on the market.

QUANTITATIVE INFORMATION

2. Further information

2015 (ex 2014) Share Participation Plan for UniCredit Group employees (Let's Share Plan for 2015)

In May 2014 the Ordinary General Meeting of UniCredit Shareholders approved the "2015 Plan for the Share Participation of UniCredit Group Employees (Let's Share for 2015) offering Group Employees, possessing the requisites, the opportunity to purchase ordinary UniCredit shares at favourable conditions, as from January 2015, in order to strengthen their sense of belonging to the Group, as well as increasing motivation for achieving company targets.

The Let's Share for 2015 plan was launched on 27th November 2014 in 12 countries where our Group is operational (Austria, Bulgaria, Germania, Italy, Poland, Czech Republic, Serbia, Slovacchira, Hungary, UK, Luxembourg and Franced) with an adherence rate of around 3% of potential participants.
The 2015 Let's Share foresees that:

- during the "Subscription Period" (from January 2015 to December 2015 for the first adherence and/or July 2015 to December 2015 for the second) Participants may purchase ordinary UniCredit shares ("Investment Shares") by debiting their current account, on a monthly basis, or in one, sole solution, pursuant to the orders issued in January or July 2015 ('one-off' modes). With respect to exits from the Plan during the Subscription Period, the Participant will lose the right to receive free shares at closure of the Subscription Period;
- at the start of the Subscription Period (January 2015/July 2015), each Participant will receive a 25% discount on the total shares purchased, in the form of shares, ("Free Shares"); Participants will be forbidden to sell the Free Shares for one year ('Holding Period) and will lose ownership if he/she ceases to be a UniCredit Group employee before the end of the Holding Period, unless his/her service ceases, due to reasons permitted by Plan Regulations. For fiscal motives, in various countries it is not possible to assign Free Shares at closure of the Subscription Period: therefore an alternative structure has been foreseen acknowledging to Participants of those countries the right to receive Free Shares at closure of the Holding period ('Alternative Structure');
- during the "Holding period" (from January 2015 to January 2016 or from July 2015 to July 2016) the Participants may sell, at any moment, their 'purchased' Investment Shares, but will lose the corresponding Free Shares (or the right to receive them).

The Free Shares can be qualified as "Equity Settled Share-based Payments" because the Participants, according to the regulations goverining the Plan, will receive Net Equity instruments issued by UniCredit as remuneration for the financial value of their services performed in favour of the employer company. For Free Shares (or the right to receive them) the unitary value will be measured at closure of the Subscription Period on the basis of the average price paid by the Participants to buy the first portion of Investment Shares on the market.
Each and Every financial and equity effect relating to the Let's Share 2015 Plan will be book-registered during the four-year Holding period.
The Let's Share for 2015 plan produced no effect whatever on the 2014 Financial Statements.

Effects produced on financial result

The application of the regulations included all Share-Based Payments assigned after November 7, 2002 with closure of vesting period subsequent to January 1, 2005.

Attachments to the notes

Attachment 1

UniCredit S.p.A.

Reclassified Statement of Financial Position at 12.31.2013

Values in € million

Assets	
Cash in bank and at hand	3,227
Financial assets for trading	12,254
Receivables from banks	21,869
Receivables from customers	231,171
Financial investments	97,716
Hedging	7,858
Tangible assets	2,666
Goodwill	0
Other intangible assets	1
Fiscal assets	14,766
Non-current assets and groups of assets under divestment	368,00
Other assets	6,411
Total assets	**398,307**

Liabilities and net equity	
Payables to banks	47,379
Takings from customers and securities	270,751
Financial liabilities from negotiation	10,804
Hedging	8,141
Provisions for risks and charges	2,284
Tax liabilities	862
Other liabilities	12,008
Net equity:	46,078
- capital and reserves	*57,290*
- reserves for valuation assets availale for sale and cash-flow hedging	*389*
- net loss	*-11,601*
Total liabilities and net equity	**398,307**

Reclassified Income Statement for 2013

Values in € million

Net interest	3,994
Dividends and other revenue on stock	3,180
Net fees	3,487
Net trading, hedging and fair value income	355
Other income/Other expenses	32
BROKERING MARGIN	**11,048**
Human resources costs	-3,245
Other administrative costs	-2,739
Cost recoveries	544
Value adjustments to tangibles and intangibles	-166
Operating costs	**-5,606**
OPERATING INCOME	**5,442**
Net adjustments to receivables and reserves for guarantees and commitments	-9,915
NET OPERATING INCOME	**-4,473**
Net provisions for risks and charges	-665
Integration charges	-153
Net profits from investments	-5,866
GROSS PROFITS ON CURRENT TRANSACTIONS	**-11,157**
Taxes on fiscal period income	2,371
Adjustments to goodwill value	-2,815
NET PROFIT	**-11,601**

Attachment 2

Reconciliation between Income Statement and reclassified Income Statement items

	BALANCE-SHEET STATEMENT ITEMS
Net interest	Interest margin
Dividends and other revenue on stock	Item 50
Net fees	Net commission
Trading and hedging income	Item 60
Other income/other expenses	Item 160
BROKERING MARGIN	**Amount**
Human resources costs	Item 110 a)
Other administrative costs	Item 110 b)
Value adjustments to tangibles and intangibles	Item 120
Operating costs	**Amount**
OPERATING INCOME	**Amount**
Net adjustments to financial assets	Item 100 a)
NET OPERATING INCOME	**Amount**
Net provisions for risks and charges	Item 150
GROSS PROFIT	**Amount**
Taxes on fiscal period income	Item 190
NET PROFIT	**Amount**

Attachment 3

Disclosure of the Independent Auditors' remuneration

Pursuant to the provisions of art. 149 twelfth of the Consob Issuers Regulations, the following table illustrates the information relating to the remuneration paid to the Auditing Company Deloitte & Touche S.p.A., and to the companies belonging to the same network, for the following services:

1. Auditing services comprising:
   • Auditing of the companies' annual accounts, aimed at expressing a professional opinion;
   • Auditing of the infra-annual accounts.
2. Certification services comprising assignments appointing the auditor to valuate, using suitable guidelines, a specific feature, whose determination is implemented by another person, with pertinent responsibility, in order to express a conclusion supplying the addressee with a degree of reliability regarding the foregoing, specific feature. This category also includes services linked to book-keeping control.
3. Other services including residual assignments to be detailed according to an adequate detail Level. By way of non-exhaustive example, the foregoing could include services such as: financial - fiscal - legal - accounting, due diligence, pre-arranged procedures and advisory services addressed to the appointed manager.

The considerations illustrated in the table, pertaining to the 2014 period, are those stipulated in the agreement, comprising potential indexing (excluding out-of-pocket expenses, possible supervisory contributions and VAT).

According to the mentioned provision, acknowledged remuneration for possible, secondary auditors, or persons belonging to their respective networks are not included.

(€ thousands)

TYPE OF SERVICE	LEGAL PERSON PERFORMING SERVICE	SERVICE RECEIVER	FEES (EUROS)
Auditing:			
- Financial statements	Deloitte & Touche S.p.A.	UniCredit Factoring S.p.A.	68
- Limited verification procedures re six-monthly accounting situation	Deloitte & Touche S.p.A.	UniCredit Factoring S.p.A.	16
Certification	Deloitte & Touche S.p.A.	UniCredit Factoring S.p.A.	-
Fiscal advice	Deloitte & Touche S.p.A.	UniCredit Factoring S.p.A.	-
Others	Deloitte & Touche S.p.A.	UniCredit Factoring S.p.A.	3
Total			**87**

Auditors’ Report

Auditors' Report

Board of 'Auditors' Report submitted to the Shareholders' Meeting pursuant to art. 2429 of the Civil Code

Dear Shareholders,

During the fiscal period closed at 31st December 2014 we performed the supervisory activities foreseen by the law, in compliance with the standards of behaviour proper to the Board of Auditors, recommended by the Consigli Nazionali dei Dottori Commercialisti e degli Esperti Contabili. (National Councils of Accountants and Book-keeping Experts).
By virtue and effect of art. 2429 of the Civil Code, we hereby render account of the supervisory activity performed during the period closed at December 31, 2014, specifying that the Board of Auditors exercised administration supervision, whereas the accounting control, ex art. 2409 bis of the Civil Code, was assigned by the Company to DELOITTE TOUCHE S.p.A..

Compliance with the Law and the Articles of Association - Compliance with the standards of proper administration

We underline, in particular:

- that we verified the observance of the law and of the articles of association, i.e. your company's compliance with the statutory provisions governing the functioning of the company bodies and their relations with institutional organizations;
- our ongoing participation in the Board of Directors' meetings, together with the information we assumed on such occasions, allows us to bear witness to the proper performance of the company's activities and to its compliance with the statutory provisions and with the law.

We are able, therefore, to assure you that the more significant financial, economic and equity-based operations, resolved and carried out during the period, were in conformity with the law and with the articles of association and that the foregoing operations were not manifestly imprudent, hazardous, in potential conflict of interest or in contrast with the resolutions deliberated by the shareholders' meeting, or such that they might compromise the integrity of the share capital;

Adequacy of the organizational, administrative and accounting structure

- we acquired knowledge and supervised, also in relation to the provisions of art. 19 D.Lgs. N. 39/2010, the organizational structure of the company and the internal control and administrative-accounting systems adopted. We considered both the foregoing to be adequate and reliable, for the purposes of an efficient governance of management events and of their proper representation; thanks not only to the information obtained from the executives responsible for the various company functions, but also during the verifications regularly performed in the course of the year, when examining the company documents and analyzing the operations implemented by the independent auditing company;
- we found no evidence of atypical or unusual operations with Group controlled companies, third parties or related parties. The Board of Directors, in its management report, supplied exhaustive illustration concerning not only the more important, economic, financial and equity-based operations carried out with related parties, but also the modes of determination and the amounts of considerations thereto pertaining.
- we held informal meetings with DELOITTE & TOUCHE S.p.A., the independent company appointed to execute the legal audit of the accounts, whose executives illustrated the quarterly controls performed, together with their relevant outcomes, the auditing strategy and the fundamental issues emerging during the implementation of the activities. The auditing operations revealed no events open to censure nor aspects needing specific in-depth analyses.
- during 2014 the independent auditing company DELOITTE & TOUCHE S.p.A. performed, on an exclusive basis, the legal audit of the accounts and issued a statement, pursuant to art. 17 of Legislative Decree 39/2010 indicating that no situations existed which might compromise the independence of your company or lead to causes for incompatibility.
  Bearing in mind the statement issued by the Legal Auditing Company, the Board of Auditors considers that no critical aspects exist in relation to the independence of DELOITTE & TOUCHE S.p.A..

Reports and Accounts

With respect to the Reports and Accounts closed at 12.31.2014, which indicated profits amounting to 103,794,957 Euros, as we were not appointed to execute the auditing, we supervised the general layout given to the Reports and Accounts and their compliance with the law in relation to their formation and structure and refer the following comments to your attention:

- we analyzed and verified the application of the accounting standards and we specify that these Reports and Accounts were drafted in conformity with the International IAS/IFRS accounting standards issued by IASB, ratified by the European Commission, and with the relevant interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC);
- we supervised the general layout given to the foregoing and their conformity with the law in relation to their formation and structure;
- we verified compliance with the legal provisions inherent to the preparation of the Report on Operations;
- we verified the correspondence of the Reports and Accounts to the events and information we became aware of during the implementation of our duties;
- we have acknowledged the activities carried out by the company appointed to execute the legal audit - DELOITTE & TOUCHE S.p.A., aimed at ascertaining the proper formation of the Financial Statements for the fiscal year, according to the stipulations of the law and on the basis of the analyses of the operations implemented during the period. During the performance of the supervisory activities, illustrated here above, no events were found to warrant mention in this report.

Further information

- No indictments ex art. 2408 C.C. nor third party complaints were received.
- We periodically obtained information regarding the activities performed by the Company's Supervisory Body and received information concerning the organizational and procedural activities implemented pursuant to D.Lgs. 231/2001.

We have been made aware that from the verification conducted by the Company's Supervisory Body no behaviour profiles emerged which were not in line or in conformity with the principles and provisions indicated in the foregoing Model;

We furthermore inform you that the supervisory activity illustrated here above was performed during **13** meetings of the Board of Auditors and with participation in **16** meetings of the Board of Directors;

In view of all the foregoing and having acknowledged that the mentioned Independent Auditing Company has released the obligatory auditing report, pursuant to art. 14 of Legislative Decree 39/2010, without significant comments, on the basis of our expertise we express no objections regarding the approval of the Reports and Accounts for the period closed at December 31, 2014 and the allocation of the profits earned, as proposed by the Board of Directors.

Milan, April 08, 2015

THE BOARD OF AUDITORS
(avv. Vincenzo Nicastro)
(rag. Roberto Bianco)
(dott.ssa Federica Bonato)

Independent Auditors’ Report

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AUDITORS' REPORT
PURSUANT TO ARTT. 14 AND 16 OF LEGISLATIVE DECREE No. 39 OF JANUARY 27, 2010

To the Shareholder of
UNICREDIT FACTORING S.p.A.

1. We have audited the financial statements of UniCredit Factoring S.p.A., which comprise the statement of financial position as of December 31, 2014, and the income statement, statement of comprehensive income, statement of changes in equity and cash flow statement for the year then ended, and the related explanatory notes. These financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n. 38/2005 are the responsibility of the Company's Directors. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with the Auditing Standards recommended by CONSOB, the Italian Commission for listed Companies and the Stock Exchange. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

   For the opinion on the prior year's financial statements, whose data are prepared for comparative purposes, reference should be made to our auditors' report issued on March 31, 2014.

3. In our opinion, the financial statements give a true and fair view of the financial position of UniCredit Factoring S.p.A. as of December 31, 2014, and of the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of national regulations issued pursuant to art. 9 of Italian Legislative Decree n. 38/2005.

Sede Legale: Via Tortona, 25 – 20144 Milano - Capitale Sociale: Euro 10.328.220,00 i.v.
Codice Fiscale/Registro delle Imprese Milano n. 03049560166 – R.E.A. Milano n. 1720239
Partita IVA: IT 03049560166

Member of Deloitte Touche Tohmatsu Limited

4. Pursuant to article 2497-bis, first paragraph, of the Italian civil code, UniCredit Factoring S.p.A. has indicated to be subject to the management and coordination of UniCredit S.p.A., and therefore, has included in the explanatory notes the latest significant financial data approved of this company. Our opinion to the financial statements of UniCredit Factoring S.p.A. does not extend to such data.

5. The Directors of UniCredit Factoring S.p.A. are responsible for the preparation of the Directors' report on operations in accordance with the applicable laws and regulations. Our responsibility is to express an opinion on the consistency of the Directors' report on operations with the financial statements, as required by law. For this purpose, we have performed the procedures required under Auditing Standard 001 issued by the Italian Accounting Profession (CNDCEC) and recommended by CONSOB. In our opinion, the Directors' report on operations is consistent with the financial statements of UniCredit Factoring S.p.A. as of December 31, 2014.

DELOITTE & TOUCHE S.p.A.

Signed by
Michele Masini
Partner

Milan, Italy
March 27, 2015

This report has been translated into the English language solely for convenience of international readers.

Resolutions of the Ordinary Shareholders' Meeting

Resolutions of the Ordinary Shareholders' Meeting

Resolutions of the Ordinary General Shareholders' Meeting of UCF held on 04.27.2015.

The Meeting, having acknowledged the Reports of the Board of Auditors and the Independent Auditing Company, pursuant to the favourable vote expressed by the sole partner UniCredit S.p.A., resolved to:

- approve the Financial Statements for the period closed at 12.31.2014 according to the terms envisaged;
- approve the allocation of the profits earned during the 2014 period, amounting to 103,794,957 euros, as follows:
  - 5,189,748 Euros to the legal reserve;
  - 25,933,709 Euros to other reserves;
  - 72,671,500 Euros to shareholders in the amount of 0,905 Euros per share;

- to establish at 9 the number of members of the Board of Directors;
- to nominate as members Signor Avv. Aldo Bulgarelli and Signor Avv. Giuseppe Cristiani, who will remain in office, together with those already nominated by the Ordinary General Meeting of 04.18.2013, up to the Meeting for the approval of the reports and accounts at 31st December 2015;
- to authorize, pursuant to art. 2390 of the Civil code, the performance, by the Directors thus nominated, of potential competitive activities;
- to re-determine the remuneration to be paid to the Board of Directors, for the activities performed therein and potentially also linked to the setting up of intra-Board committees, as follows;
  - 115,000 Euros as gross annual fee to be paid to the Board of Directors;
  - 5,000 Euros as gross annual fee to be paid to the Chairman of the Supervisory Body ex D. Lgs, 231/2001;
  - 15,000 and 10,000 Euros as gross annual fees to be paid, respectively, to the Chairman and to each member of the Audit Committee, whenever set up;
- to determine at 200,00 Euros gross, the attendance token to be pay to each Director for each and every sitting of the Board.

Our products

Our products

Domestic Non-Recourse Factoring

UniCredit Factoring provides for the definition and granting of a revolving Credit-line (plafond) for each and every debtor proposed by the assignor company, with **possible hedging up to a maximum 100%** of the assigned receivables.
The granting of the credit-line takes place following the assessment of the **credit-worthiness** of the assigned Companies on the basis of which the **non-recourse guarantee** percent is established.
UniCredit Factoring receives from the assignor the transfer of the receivables claimed from the agreed debtors, manages them at administrative level through of notification and takes care of collection. In case of debtor's insolvency in law or in fact (de jure or de facto) **payment under guarantee** is performed after a specific number of days as from the maturity of the receivable, usually at 180/210 Days.

With-Recourse Domestic Factoring

This product is addressed to Companies **registering an upturn in their trade receivables,** needing to lighten their administrative load and **also to receive advance payments of the receivables** combined with the relevant management, thus improving collection times and reducing internal management costs.
UniCredit Factoring receives from the Assignor company the transfer of the receivables claimed from its customers (previously assessed and assigned), manages them and takes care of collection. The assignable receivables derive from supplies of goods and services with maturities between 1 and 18 months; an indispensable condition is that the receivables may not be untransferable. The **Assignor guarantees the existence of the assigned** receivables and, should the debtors fail to pay, must refund to the Factor the amounts advanced as consideration for the assigned receivables, in addition to previously agreed interest, expenses and fees.

Maturity Factoring

The Maturity service consists in the accreditation to the supplier/assignor of the **consideration assigned at a pre-established and certain date**, usually at the maturity of the mentioned assigned receivable, potentially extended by a few days. The transaction may be perfected on a with-recourse and/or a non-recourse basis. Whenever requested, UniCredit Factoring may grant to the assigned Customer/Debtor, an **extension regarding the agreed payment terms** during the business negotiations with the Supplier. Extended payment terms is a service which permits the supplier/assignor to grant to its customers/debtors and further extension without having to sustain the relevant financial costs.

Agreements with Groups of Debtors (Reverse Factoring)

This product is addressed to **high standing Companies** intending to optimize their business relations with suppliers, by guaranteeing complete administrative assistance regarding supply payables, and dynamically upgrading outflow management efficiency, with specific reference to the recent, new legislation governing payment terms (ex. Art. 62 and D.L. 192/2012).
With Reverse Factoring, the **Company adhering to this Agreement** has the possibility of negotiating and extending payment terms regarding purchases by offering to its Suppliers, through UniCredit Factoring, a **specialized management of the receivable** and the opportunity to access the foregoing service at competitive conditions.
Such companies can make use of a **dedicated credit-line**, with-recourse and/or non-recourse, to an extent permitting - in a "captive logic" - current activities as part of a service presented as a characteristic feature of the business relations between supplier and customer. Pre-payments can be made up to 100% (VAT included) of the receivables contemplated in the assignment.

Maturity Payment Service

This is adapted to transactions foreseeing a **sole-solution payment at maturity of the receivables**, as in the case of Companies operating in the agricultural/foodstuffs sector which are subject to the provisions of art. 62 D.L. 1/2012.
The product is characterizd by the sole-solution payment implemented by the Factor in favour of the assignor, at the maturity of the receivable, **thus releasing the Supplier from the existing risk** which is shifted onto the assigned Debtor. The product, up to maturity, can be set up on either a **Non-Recourse or a With-Recourse** basis, with notification of the assignment of the receivable and, in case of ongoing assignment, notification of the LIR (Letter of Inception of Relations), together with possible prepayment of the assigned receivables. It is particularly effective if set up in the context of Reverse Factoring transactions, with the perfecting of a previous agreement with the assigned Debtor, which will report the names of suppliers to be acquired.

Management and Divestment of Receivables from State Organisations

UniCredit Factoring offers an **assessment service** for the non-recourse/with-recourse purchase of receivables claimed by companies from State Administration Organizations regarding agreements relating to the supplies of goods or services.
The service foresees, concerning Public Agencies, as the assigned debtor: the transfer formalized by "public deed"; adherence to **"outline agreements"** as well as an advisory service for the Debtor for the stipulation of agreement aimed at standardizing funding conditions between suppliers and sector associations; funding products using also the granting of a **payment extension** through **interest rate facilitations**.

Assignment of annual VAT receivables

The assignment of a receivable may be either **with-recourse or non-recourse**, in which case UniCredit Factoring can provide for the definition and granting of a revolving Credit-limit (Plafond) with hedging up to 100% of the assigned receivables. The assignment of receivables must be formalized by **notarial deed** and/or private deed authenticated by a Notary and notified to the Agenzia delle Entrate (Tax Bureau) by Court Bailiff, including, through the assignor, the express acceptance of the **assignment of the receivable** by the debtor administration, with explicit reference to the non-existence of default situations pertaining to the assignor. UniCredit Factoring may also advance the consideration for the assigned receivables, whose allocation is always subject to reception of the **notification report** regarding the assignment and to Equitalia's declaration of the non-existence of default situations pertaining to the assignor.

Outright purchase of receivables

The product is addressed to **high standing** companies, whose Financial Statements are **subject to IAS accounting standards**, companies wishing to **optimize the management of their treasury** and **improve their budgetary indicators**:
The assignments of receivables are mainly notified and refer to receivables with maximum durations of 150/180 days.
UniCredit Factoring purchases the assigned receivables at 100%, net of fees, interest and potential accessory costs, on the basis of a contractual plan permitting the Assignor **the substantial transfer of the risks** (credit, liquidity, interest-rate, exchange-rate based, etc) and benefits to UniCredit Factoring. Consequently, the **Assignor**, according to **accounting standard IAS 39** can divert from its Financial Statements the financial assets assigned (**derecognition**).

Export/Import Factoring

This product is addressed to Companies which **import/export goods and/or services** with consolidated business relations towards foreign entities with well-known standings; they intend to secure themselves from the **insolvency risk** pertaining to their customers (export) or to offer different guarantee forms to their suppliers (import); they are entering **new markets**, which already use forms of credit insurance and are sensitive to the improvement of company ratios.
The activity performed is carried out within the framework of the chain of correspondents belonging to **Factor Chain International** (FCI) in over 80 Countries or developed in EEC markets in collaboration with the Factors belonging to UniCredit Group, operational in the mentioned countries. The data transmission processes are managed through an integrated system permitting a real-time informative flow.

Creative concept and sorter pages: Milk adv

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UniCredit
Factoring