CREDIT RISK IN AN ERA OF RISK PREMIUM NORMALIZATION

Ramifications for Emerging European Credits

Dr. Stefan Kolek, EEMEA Corporate Credits & Strategy

Moscow, May 2013

OUR FOOTPRINT

Local access – global reach

Leadership positions in Italy, Germany, Austria and CEE

Presence in over 50 countries around the globe

Local banks in 22 European countries

OUR CORE CLIENT OFFER

1. Corporate Banking and Transaction Services
2. Structured Finance, Capital Markets and Investment Products
3. Access to Western, Central and Eastern Europe

OUR MAIN ACHIEVEMENTS

#2 Lead Manager All EMEA Bonds in EUR*

#1 Bookrunner EMEA Corporate Loans in EUR*

#1 Cash Mgmt. House in CEE, **#2** in Italy and **#3** in Germany *(Euromoney Poll)*

#1 Trade Finance Bank in Italy, Austria and CEE *(Global Finance Magazine)*

Best FX Provider 2013 in Austria, Italy and Poland *(Global Finance Magazine)*

* This reflects FY 2012 league table positions by volume, source: Dealogic

AGENDA

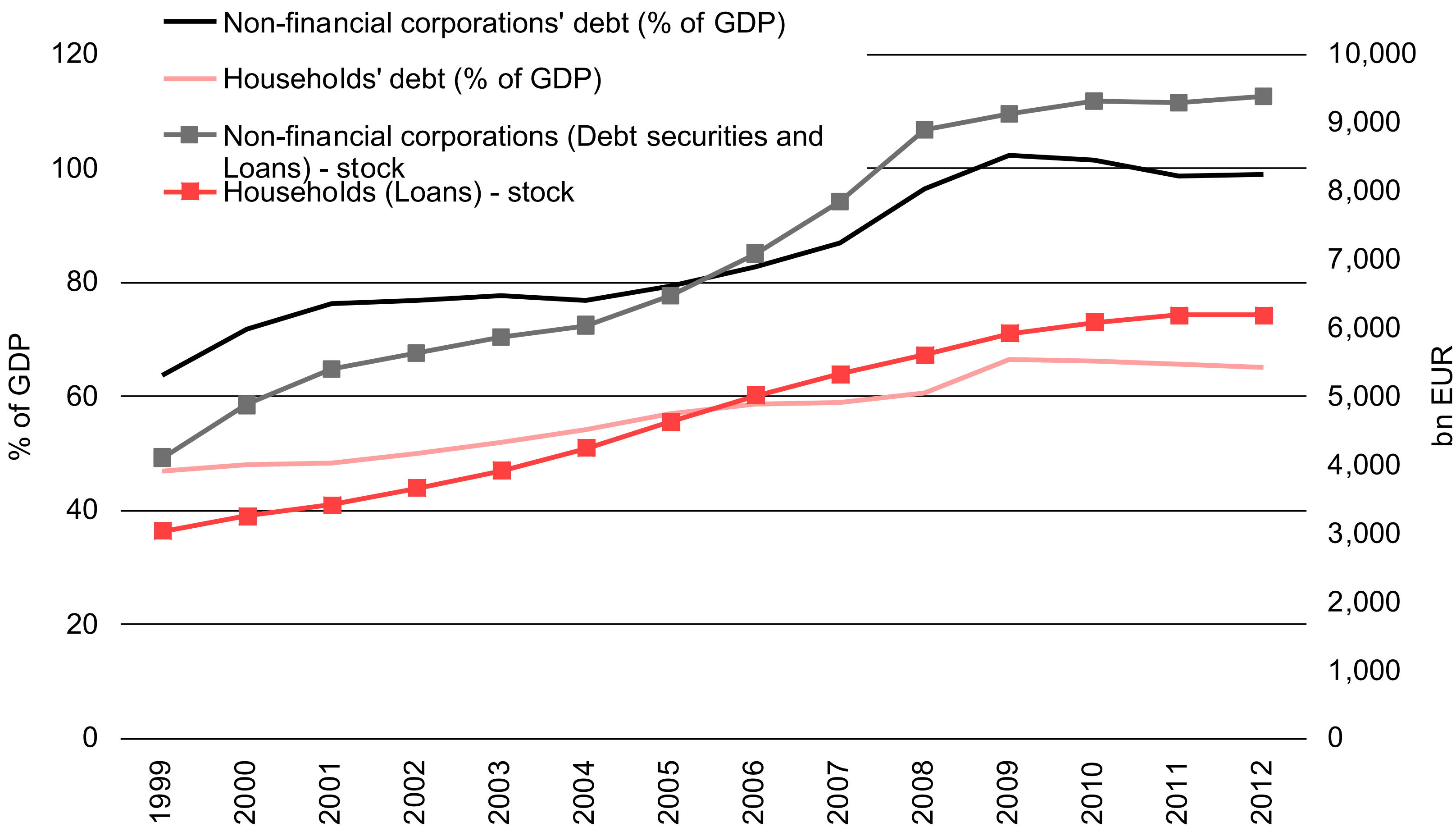
- "THE GREAT NORMALIZATION" AND ITS IMPACT ON CREDIT RISK PREMIA
- THE ROLE OF THE CORPORATE BOND MARKET AS A FUNDING SOURCE FOR CEE CORPORATES: WILL WE WITNESS A HIGHER DEGREE OF DISINTERMEDIATION?
- RAMIFICATIONS FOR EMERGING EUROPEAN CREDITS

AGENDA

- "THE GREAT NORMALIZATION" AND ITS IMPACT ON CREDIT RISK PREMIA
- THE ROLE OF THE CORPORATE BOND MARKET AS A FUNDING SOURCE FOR CEE CORPORATES: WILL WE WITNESS A HIGHER DEGREE OF DISINTERMEDIATION?
- RAMIFICATIONS FOR EMERGING EUROPEAN CREDITS

Deleveraging in the eurozone private sector has started, albeit ...

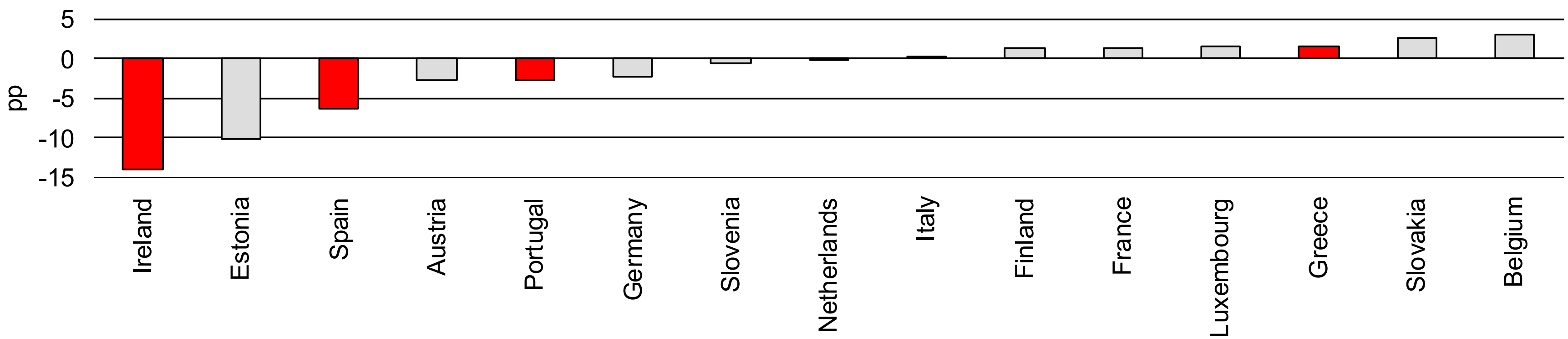
Eurozone private sector debt



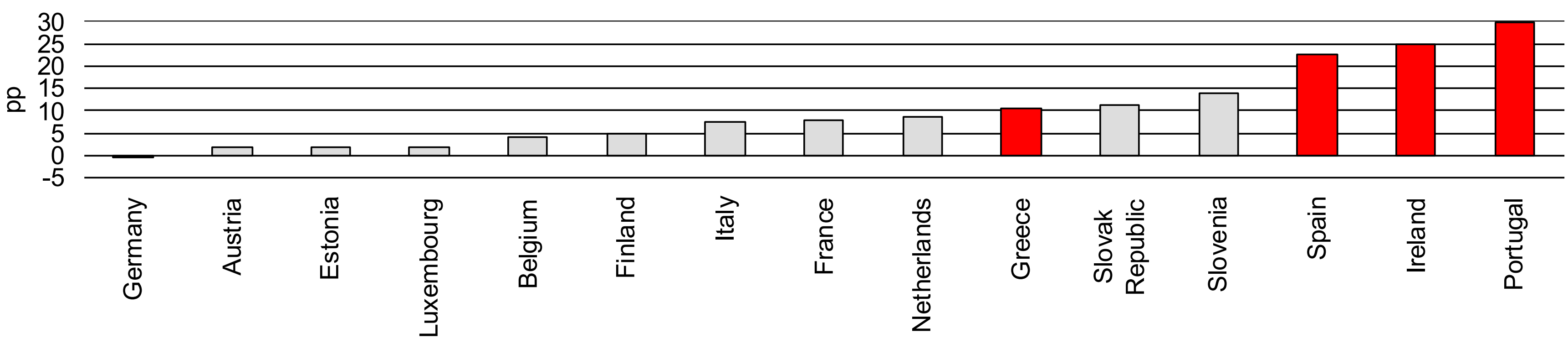
Source: Eurostat, ECB, UniCredit Research

... periphery governments' debt is increasing

Selected eurozone countries' private households debt-to-GDP change 2010 – 2012

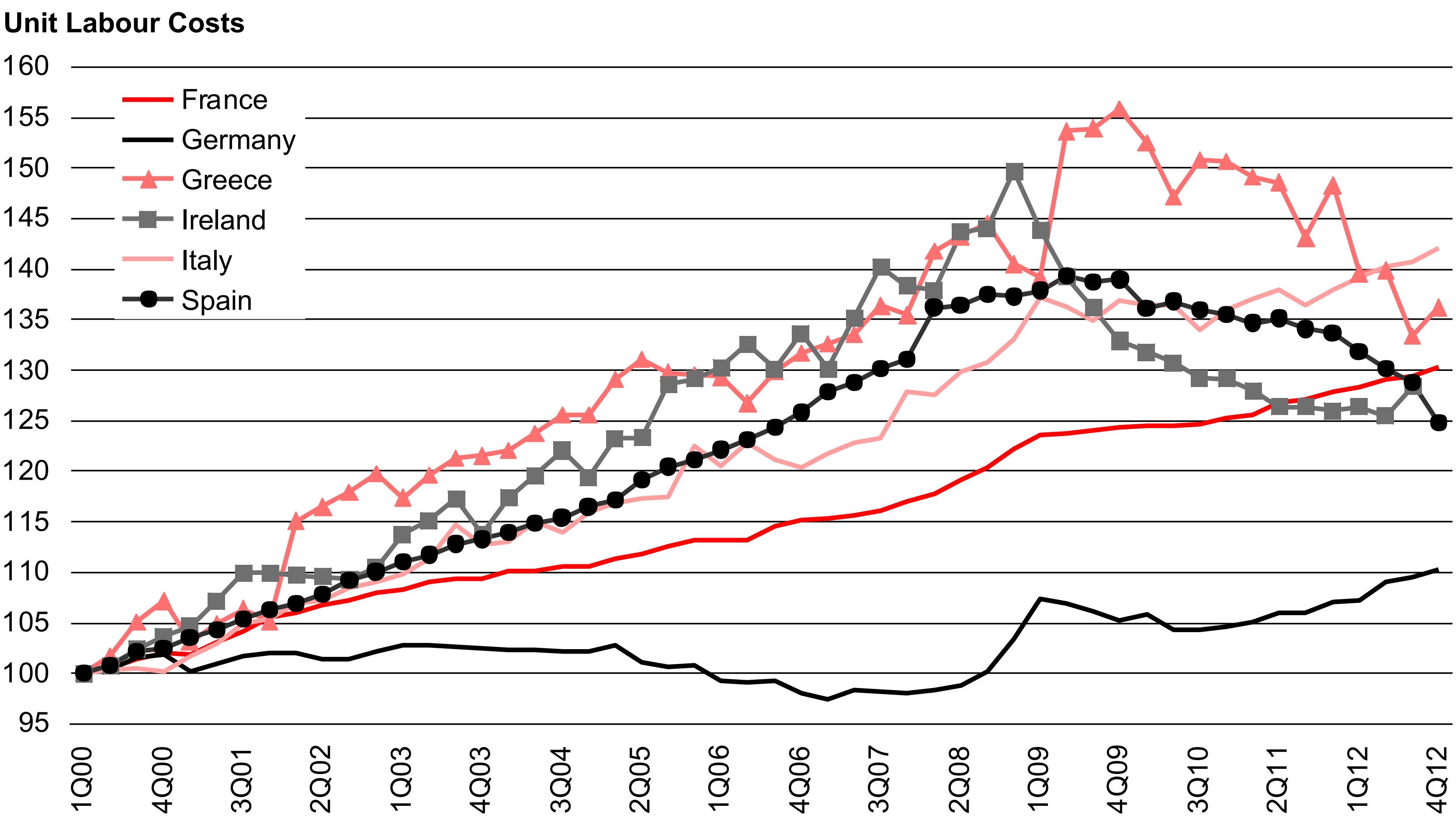


Selected eurozone countries' government debt-to-GDP change 2010 – 2012



Source: ECB, Eurostat, UniCredit Research

Eurozone periphery competitiveness has increased, helping ...

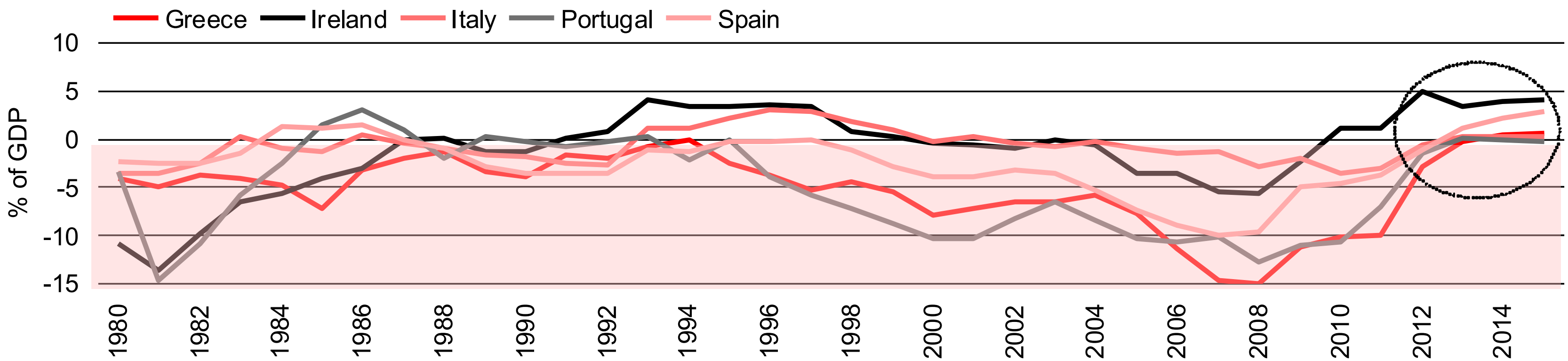


Source: Feri, UniCredit Research

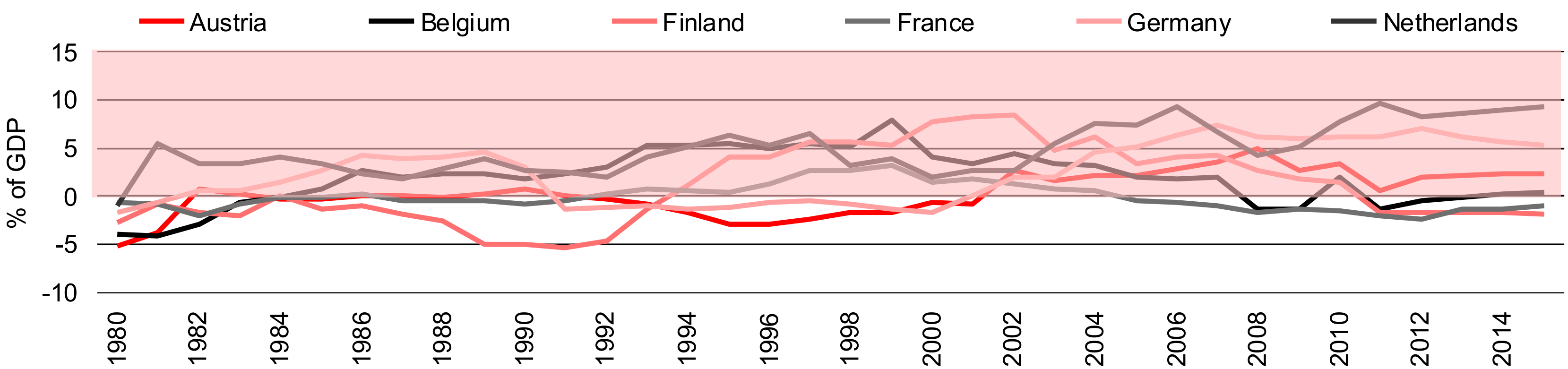
... to repair eurozone periphery external imbalances, with ...

Core and periphery countries current accounts in surplus works in a deflationary manner

Eurozone periphery current accounts



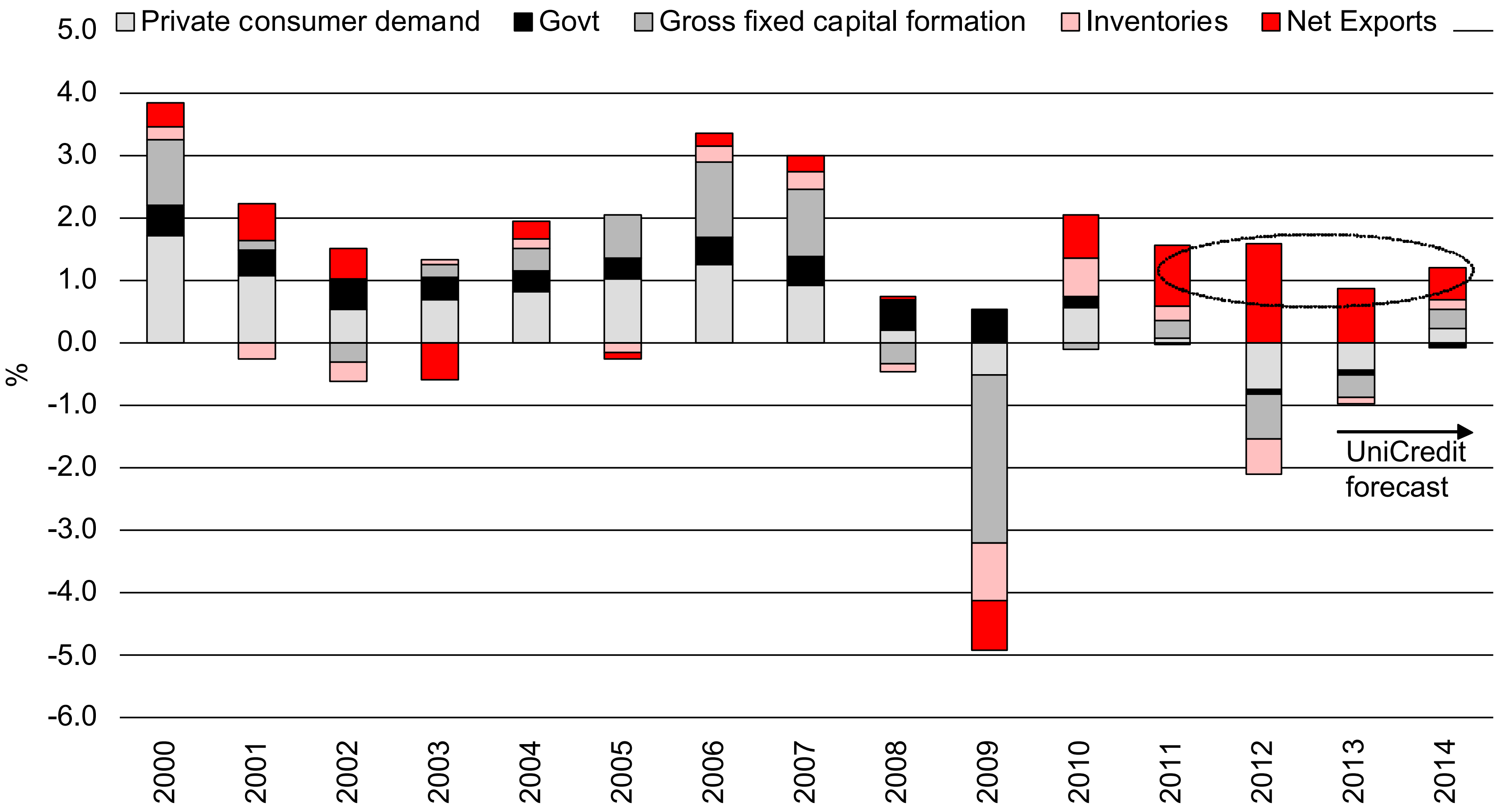
Eurozone core current accounts



Source: IMF, UniCredit Research

... external demand being the key driver for eurozone growth

Eurozone GDP growth

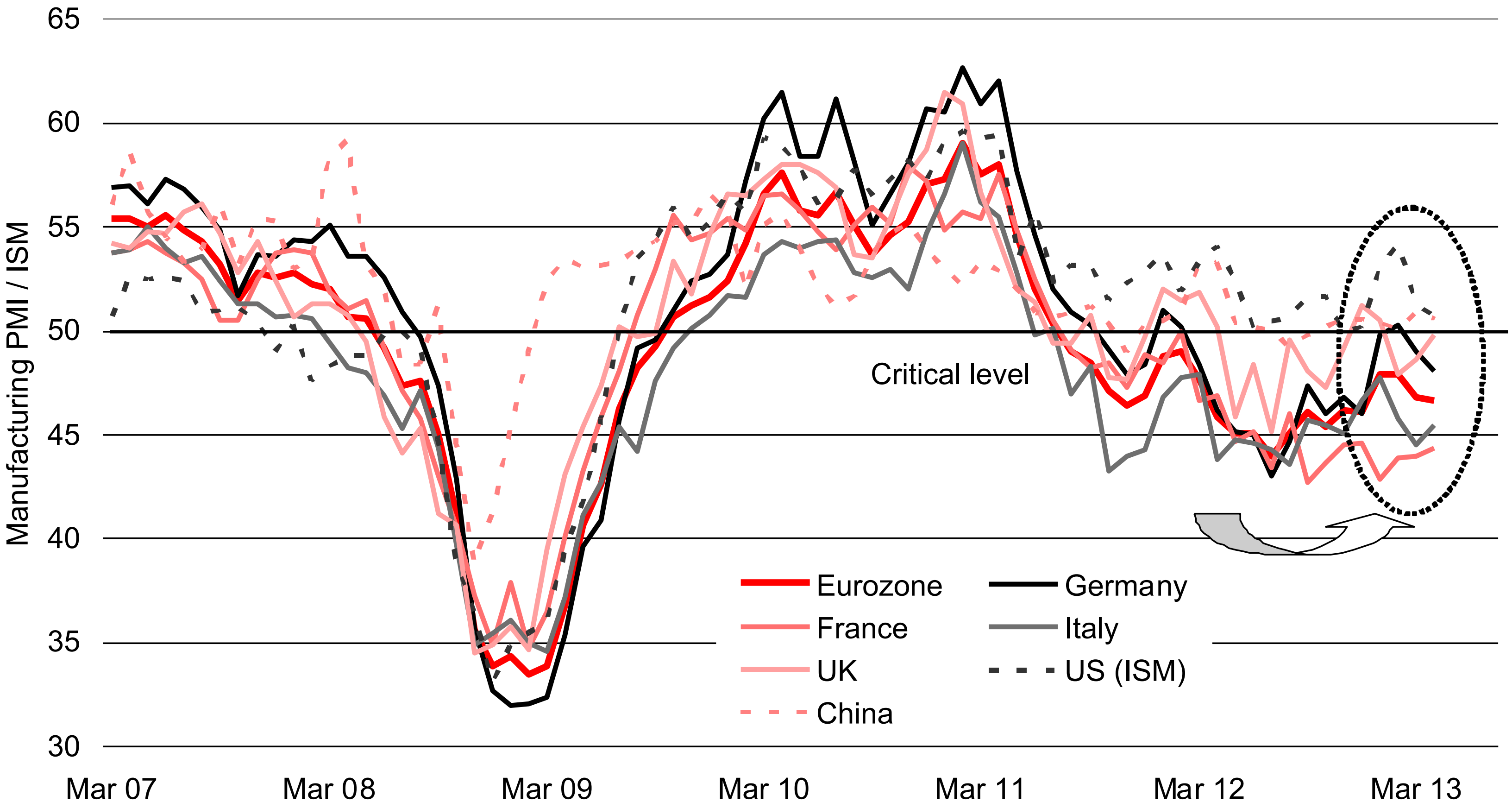


Source: Eurostat, UniCredit Research

Early indicators signal stabilization in the eurozone and ...

The trough of the cycle appears to have been reached also in the eurozone, albeit the recovery is gradual

Selected major economies manufacturing PMIs

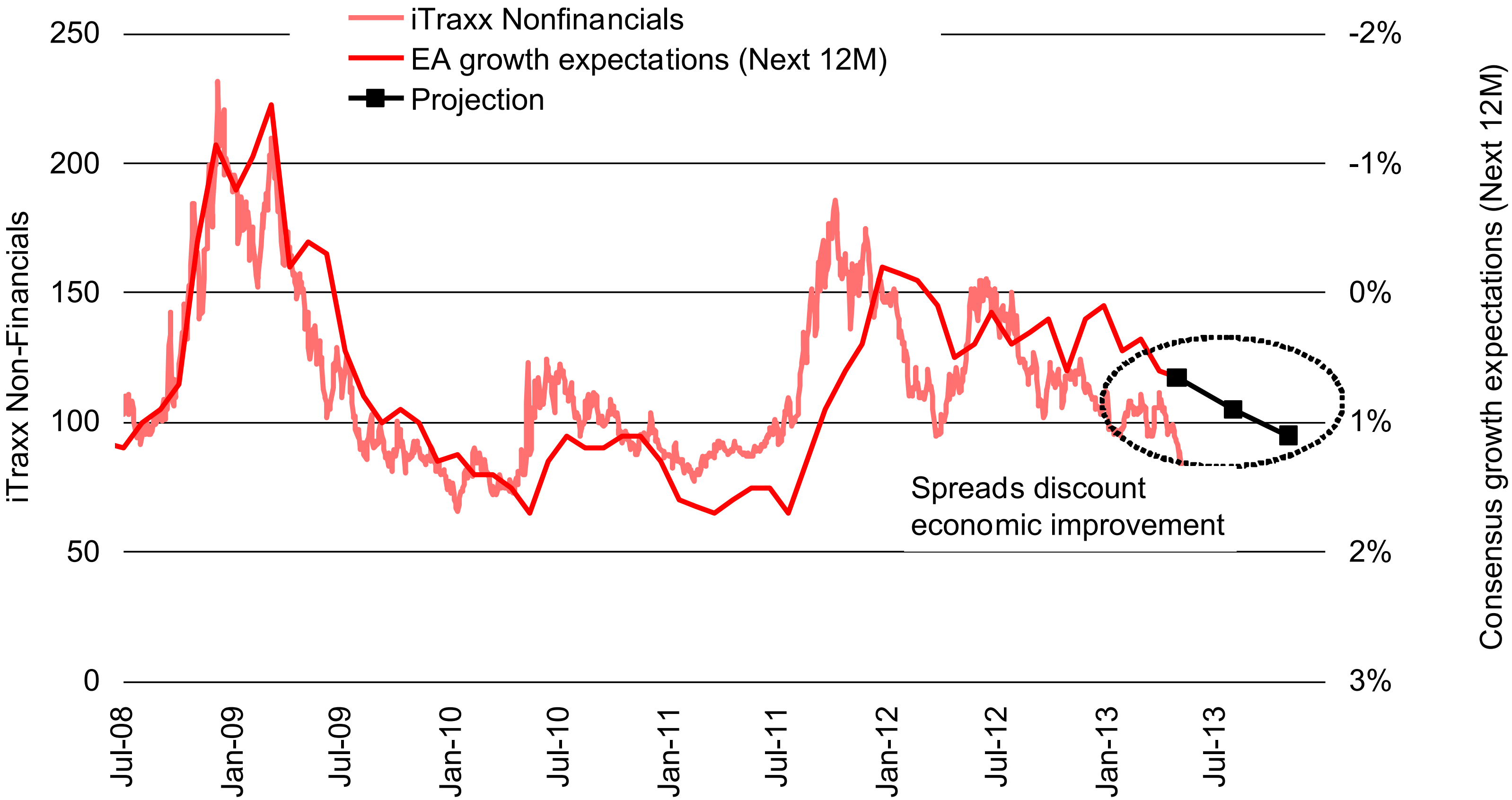


Source: Bloomberg, UniCredit Research

... consensus GDP expectations indicate positive growth

Our growth-credit model suggests that there is scope for further spread compression

Bloomberg consensus expectations vs. (implied) iTraxx Non-Financials index

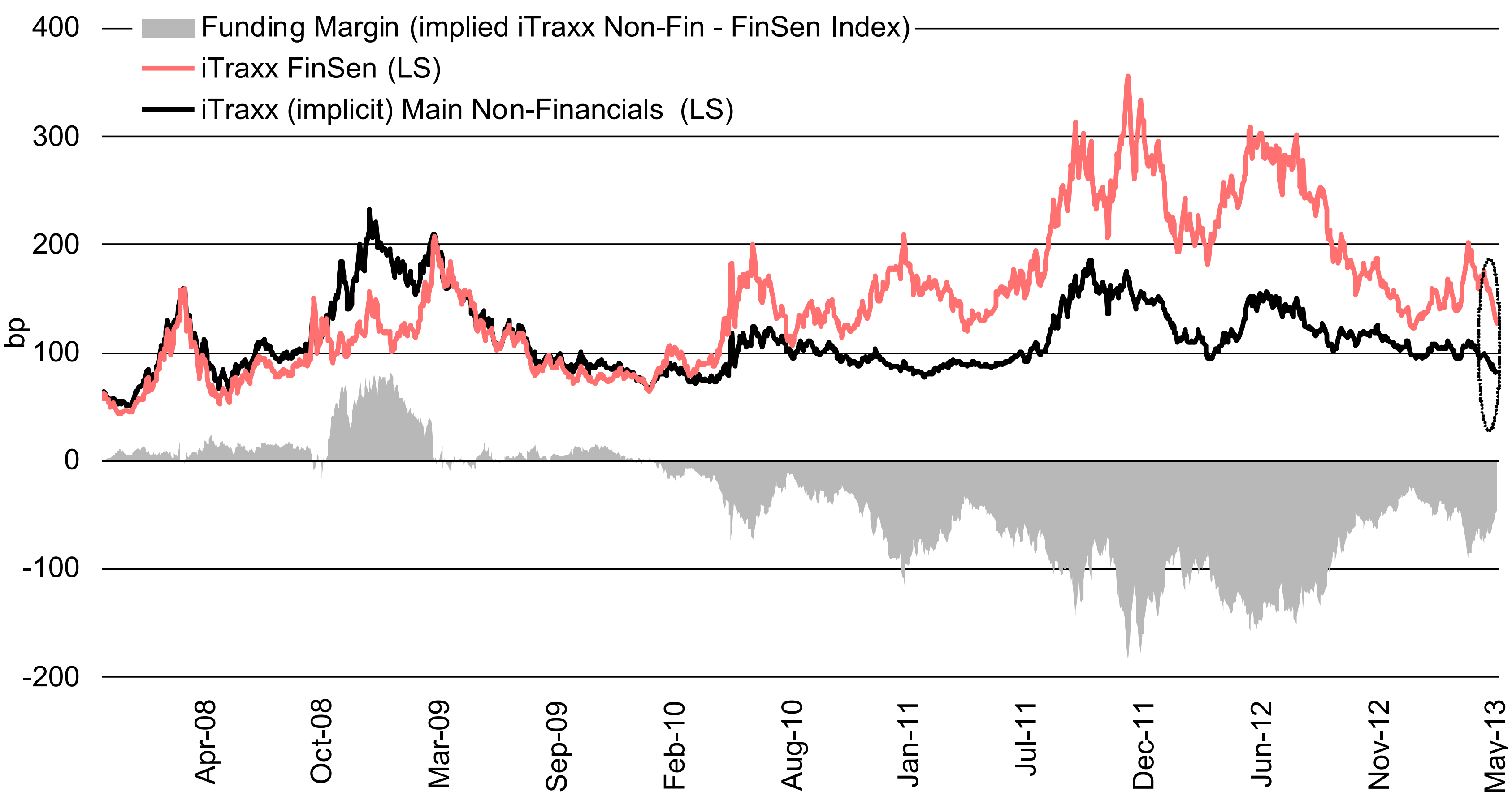


Source: Bloomberg, UniCredit Research

Normalization of dislocations in credit markets (I)

Reduction of Fin vs. Non-Fin credit risk premia is key for sustainability of the traditional European banking model

iTraxx Financials vs. (implied) Non-Financials credit risk premia

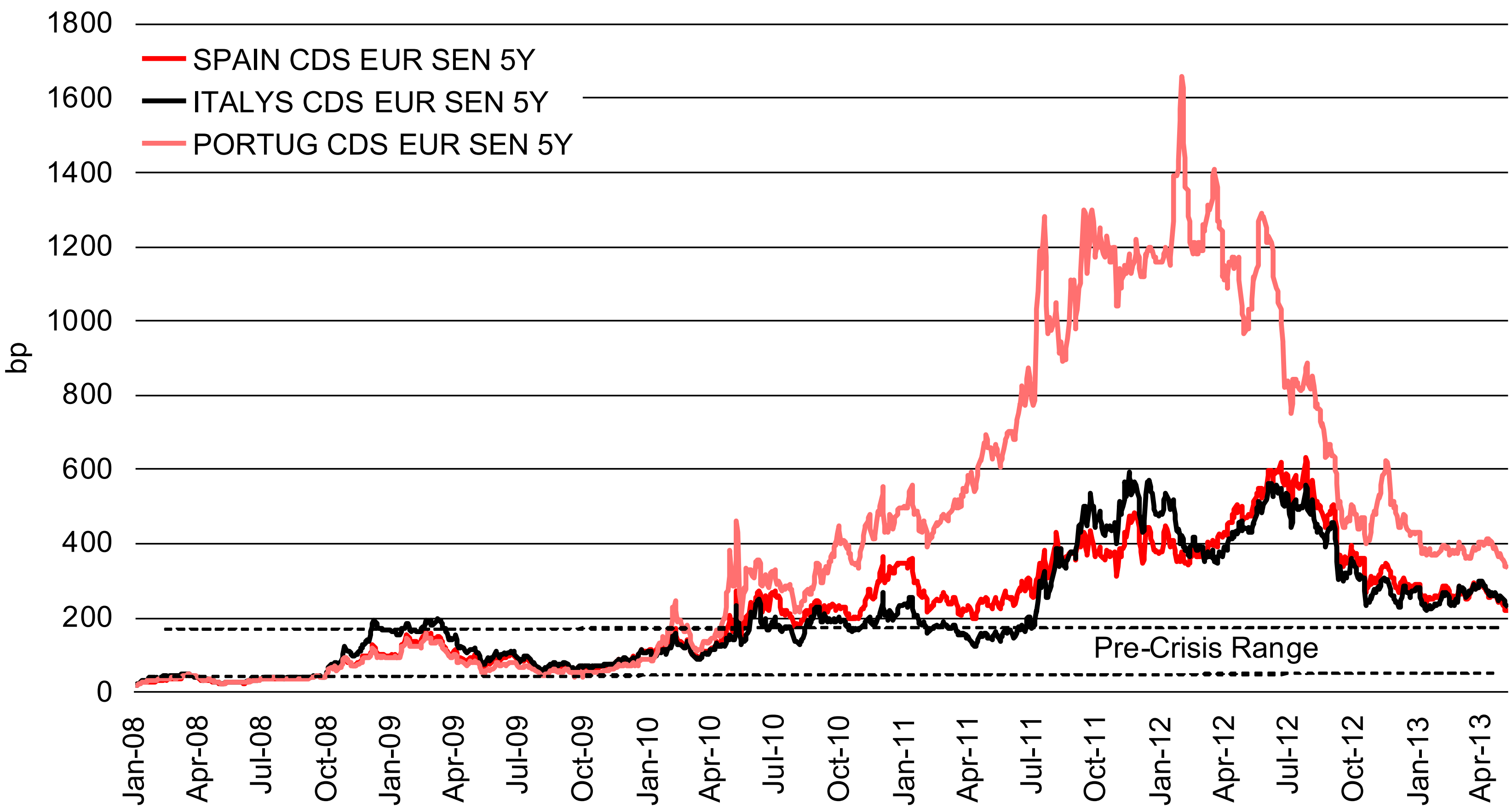


Source: Bloomberg, Markit, UniCredit Research

Normalization of dislocations in credit markets (II)

Sovereign credit risk premia suggest less credit risk and more of a safe haven in eurozone periphery sovereigns

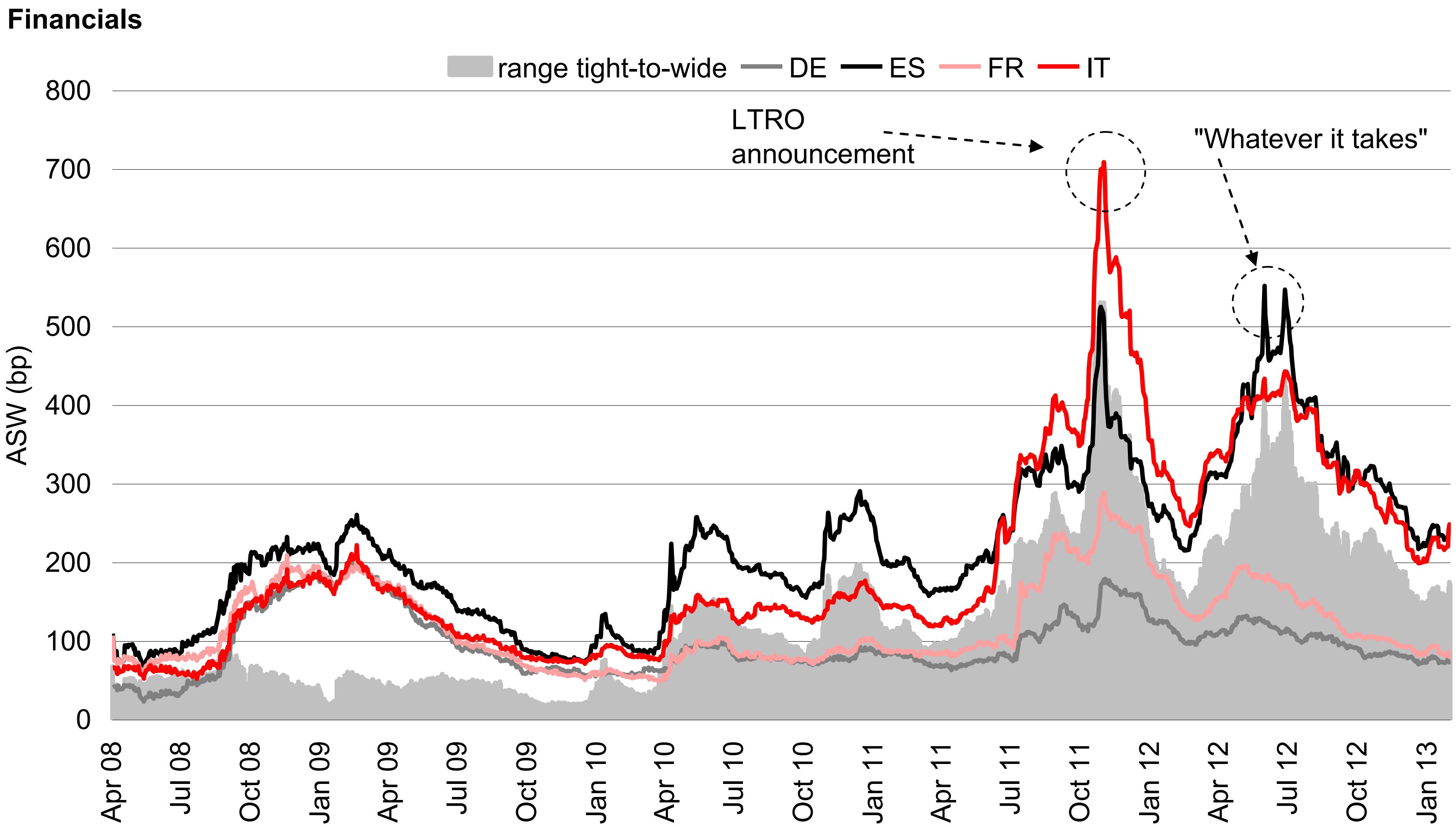
Eurozone periphery 5Y CDS risk premia



Source: Bloomberg, Markit, UniCredit Research

Normalization of dislocations in credit markets (III)

The road to banking union will lead financials lower

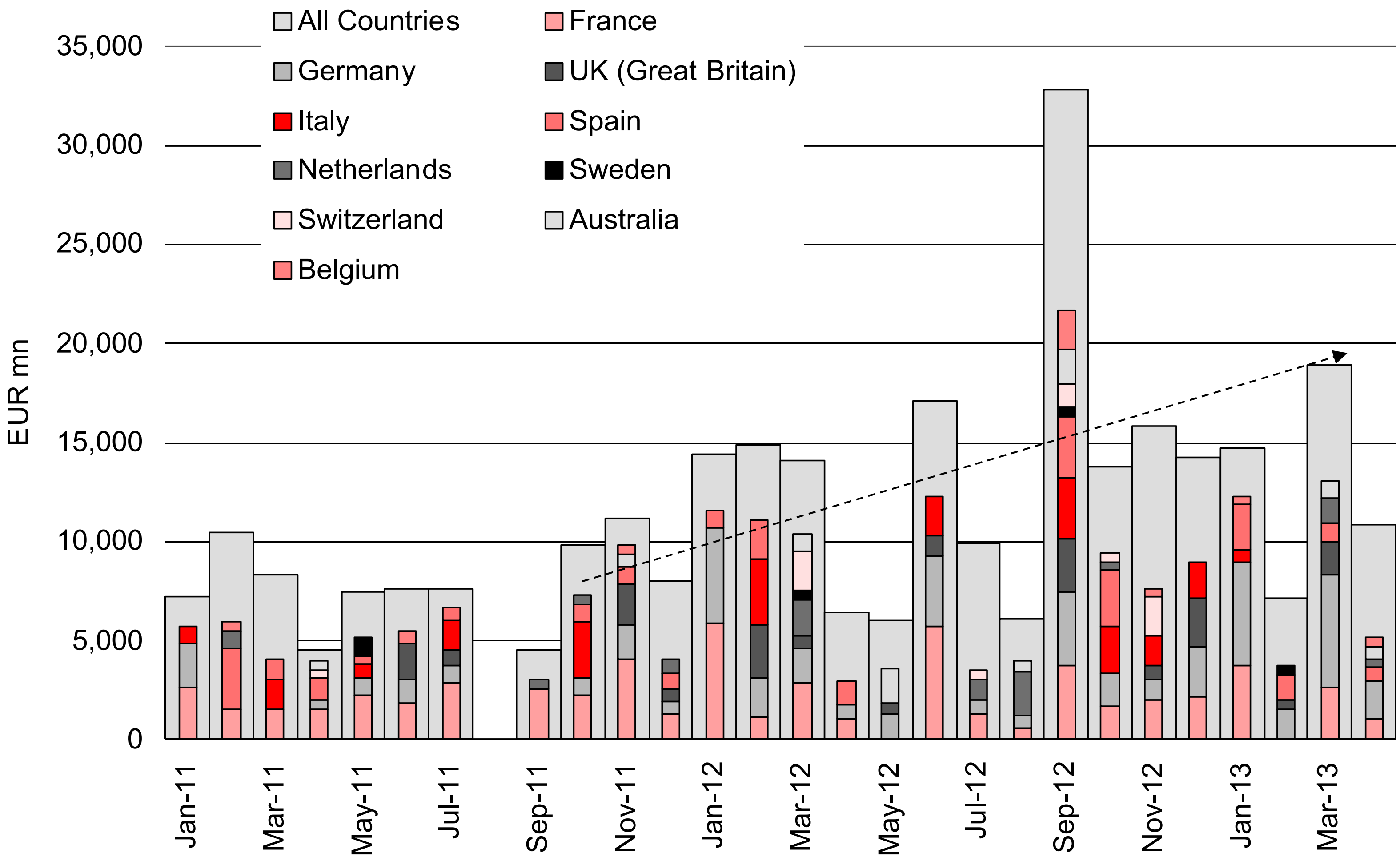


Source: iBoxx, UniCredit Research

Normalization of dislocations in credit markets (IV)

Primary markets are open for issuers in the eurozone periphery

Non-Financials issuance from eurozone periphery



Source: iBoxx, UniCredit Research

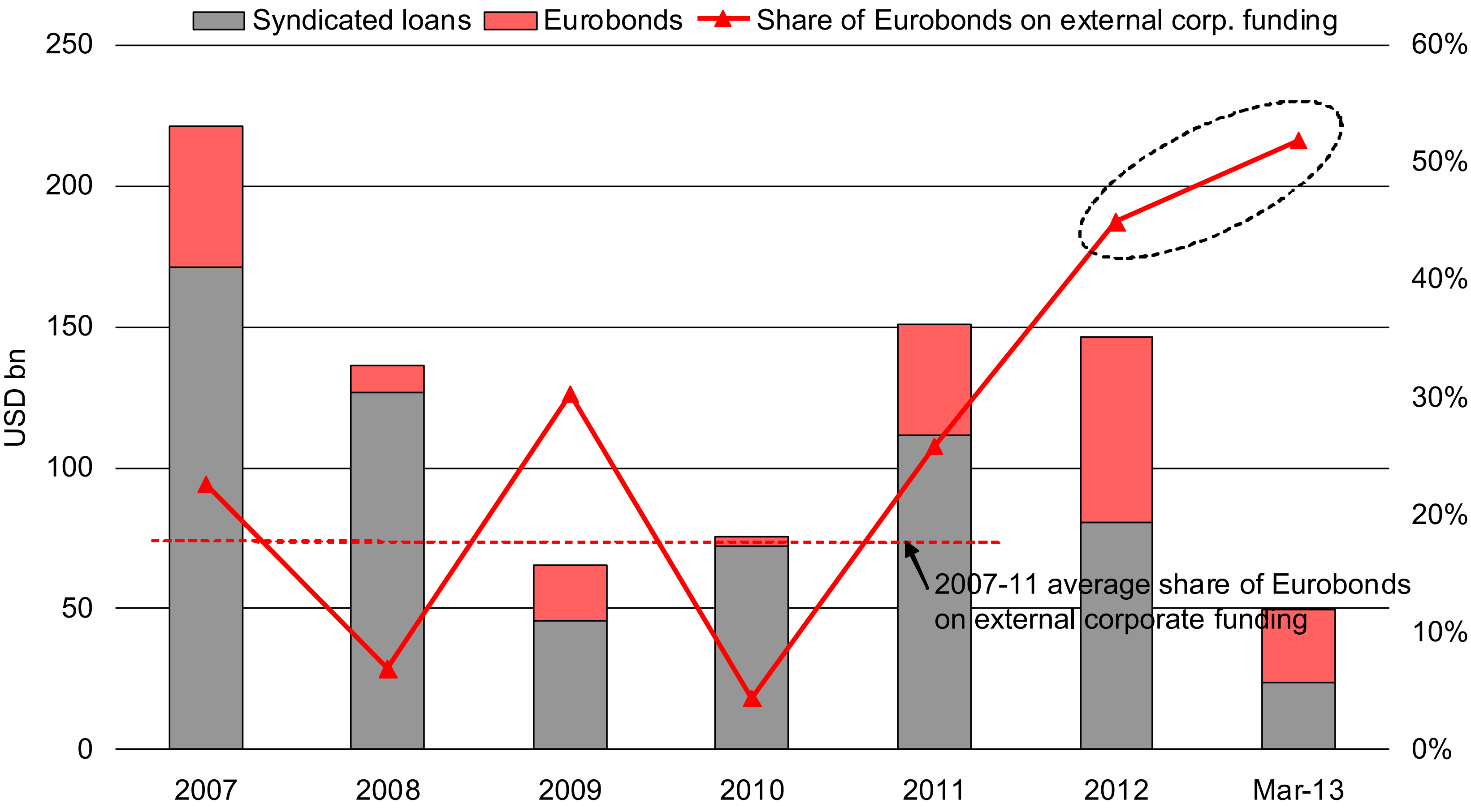
AGENDA

- “THE GREAT NORMALIZATION” AND ITS IMPACT ON CREDIT RISK PREMIA: RAMIFICATIONS FOR CEE CREDITS
- THE ROLE OF THE CORPORATE BOND MARKET AS A FUNDING SOURCE FOR CEE CORPORATES: WILL WE WITNESS A HIGHER DEGREE OF DISINTERMEDIATION?
- RAMIFICATIONS FOR EMERGING EUROPEAN CREDITS

Corporate bonds gain in importance as a funding source in CEE …

While the share of Eurobond issuance in external funding of CEE corporates averaged less than 20% between 2007 and 2011, it surged since 2012, and exceeded 50% in 1Q13

Emerging European Eurobonds vs. Syndicated Loans

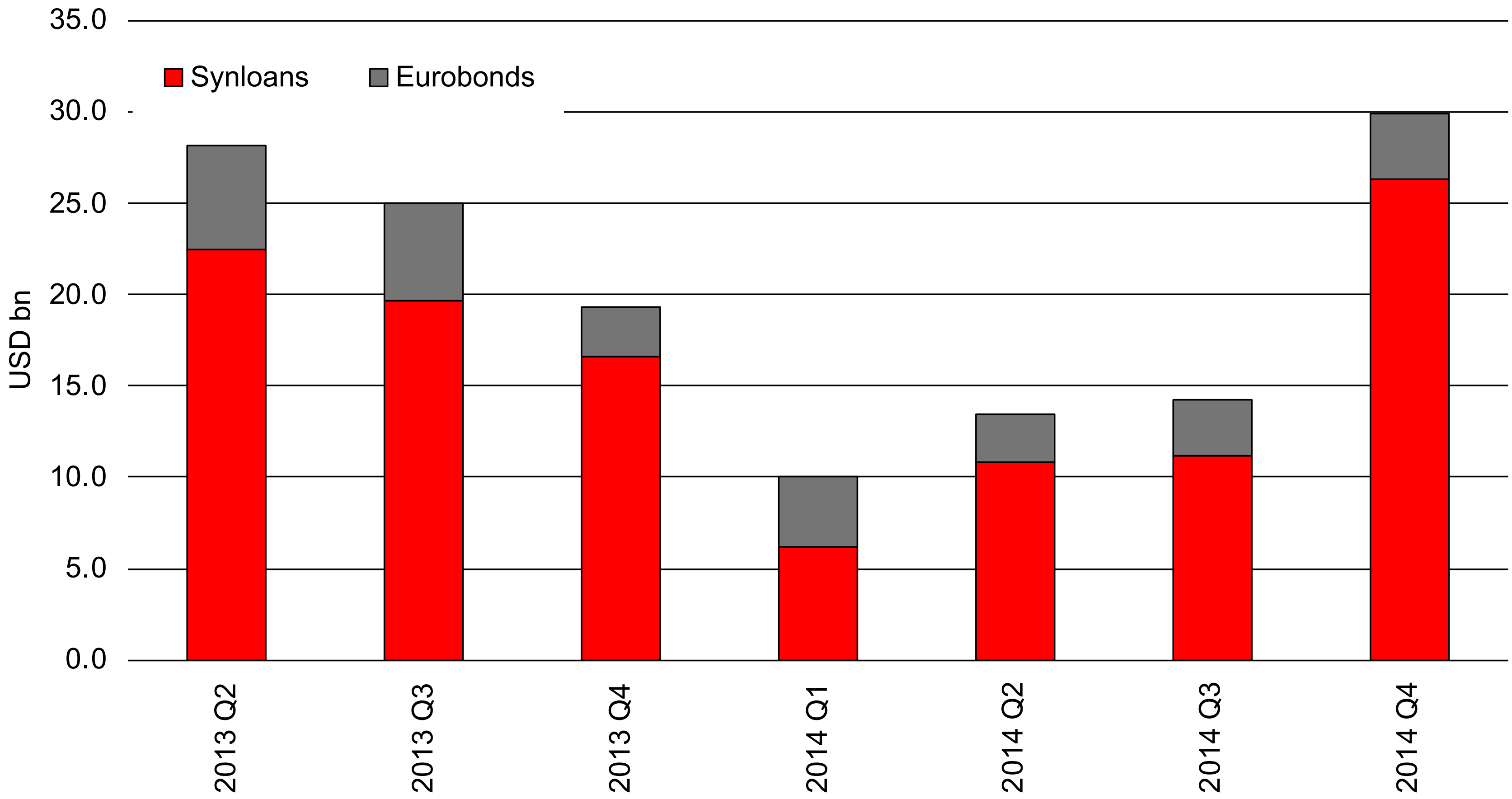


Source: Bond Radar, Dealogic, UniCredit Research

* Emerging Europe refers to the Czech Republic, Hungary, Poland, Slovakia, the Baltic states, Croatia, Bosnia-Herzegovina, Bulgaria, Romania, Serbia, Turkey, Russia, Ukraine, Kazakhstan, Georgia and Azerbaijan

... as syndicated loans refinancing needs are high, creating ...

Emerging European Syndicated Loans and Eurobonds Redemptions

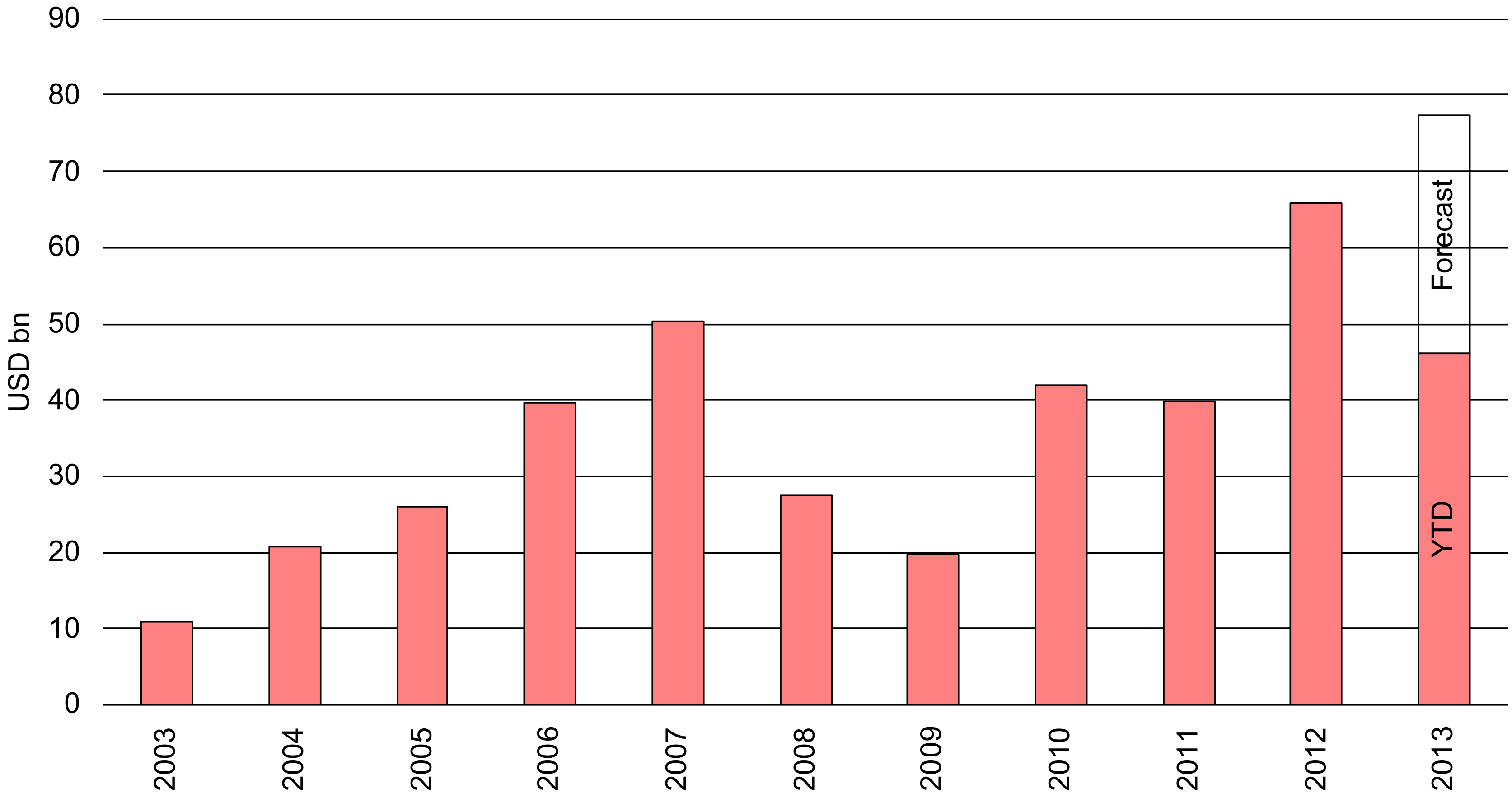


Source: Bloomberg, Dealogic, UniCredit Research

...upside risks in Emerging European corporate Eurobond issuance

We forecast USD 77bn in new issuance from Emerging European corporates in 2013, with risks skewed to the upside

Emerging European corporate bond issuance

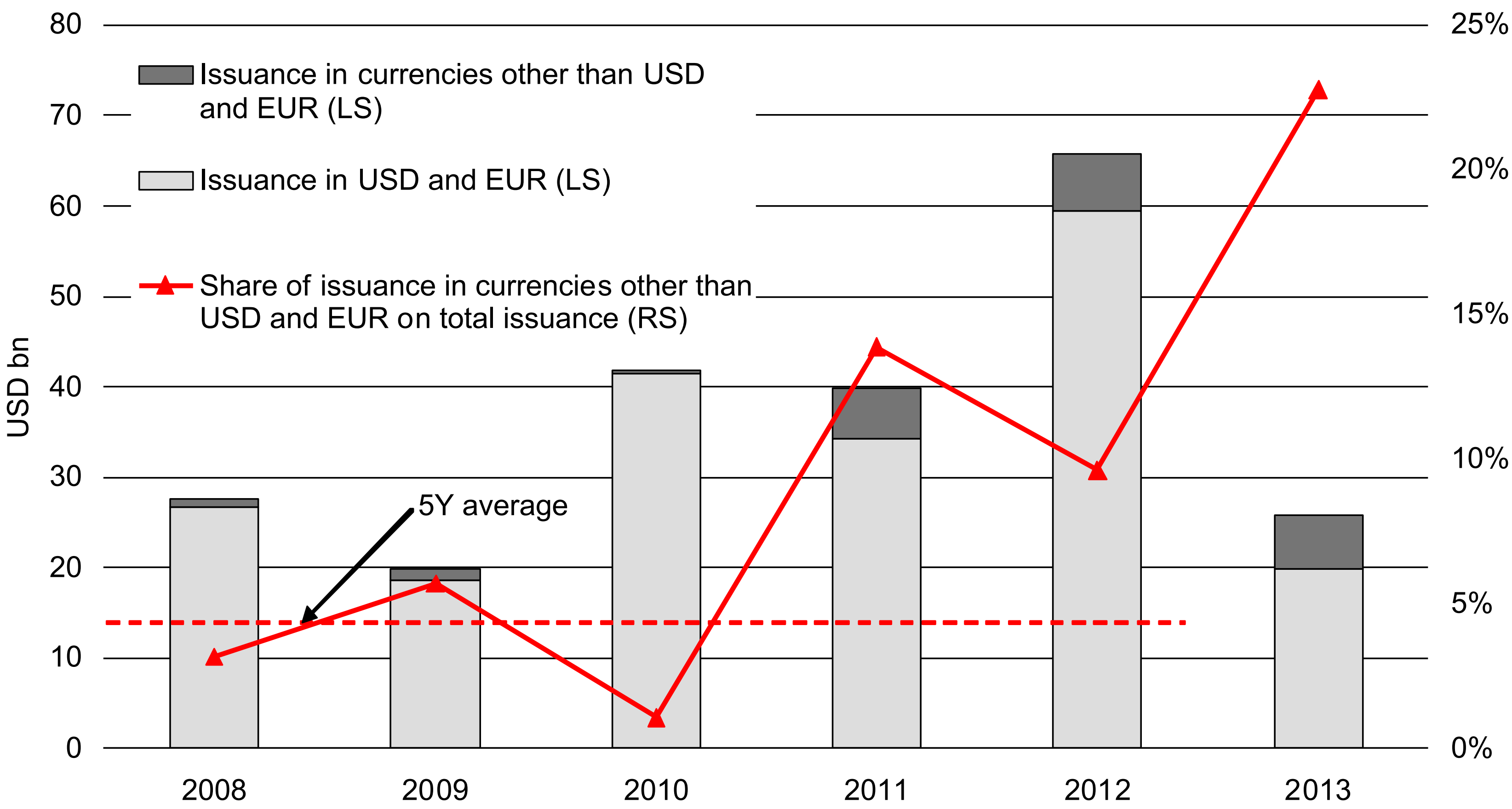


Source: Bond Radar, UniCredit Research

Currencies other than USD or EUR are gaining in importance

... which is a technical supportive factor for existing EUR or USD-denominated issues

EUR/USD vs. other FX-denominated Eurobonds



Source: Bond Radar, UniCredit Research

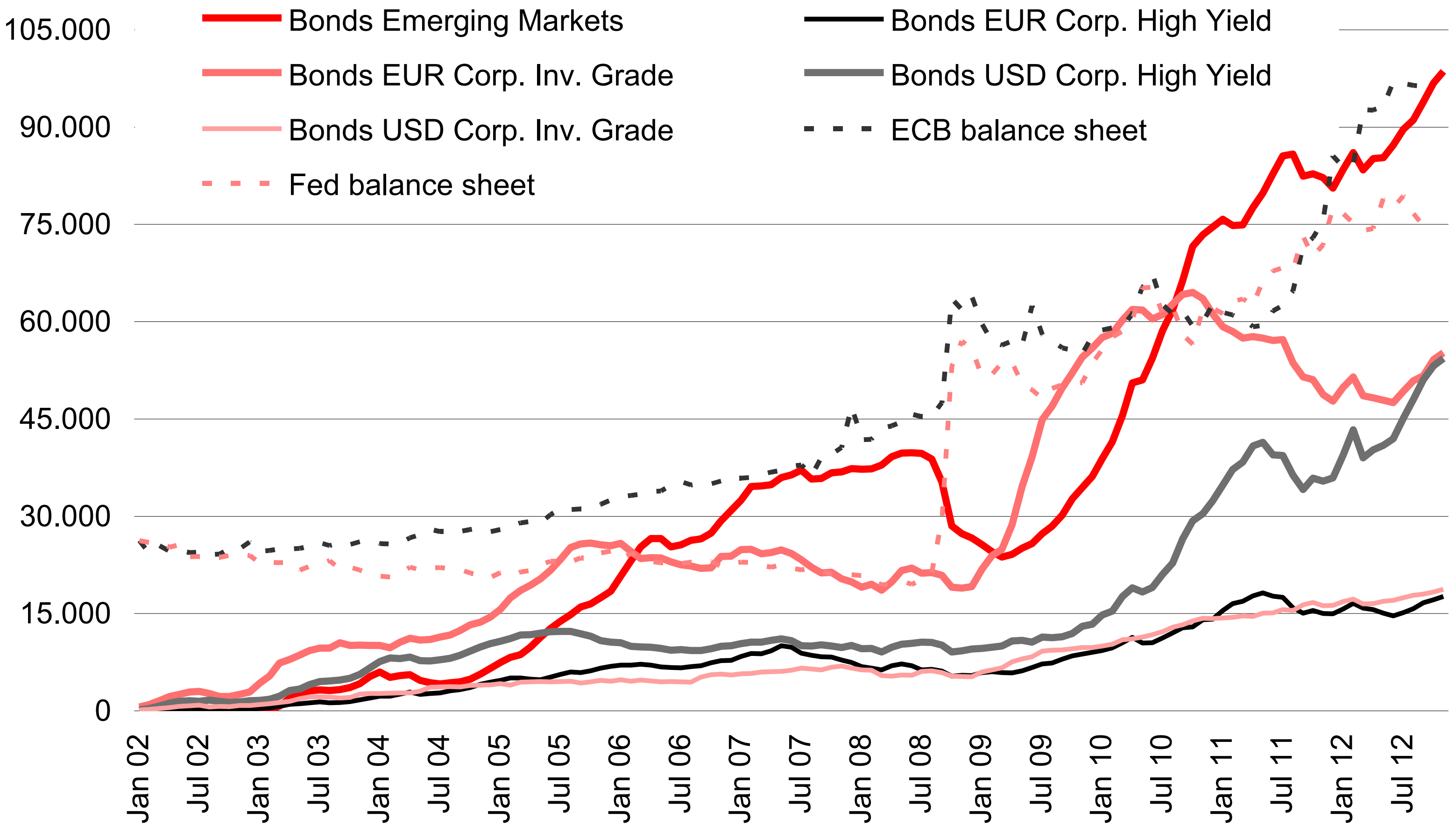
AGENDA

- “THE GREAT NORMALIZATION” AND ITS IMPACT ON CREDIT RISK PREMIA: RAMIFICATIONS FOR CEE CREDITS
- THE ROLE OF THE CORPORATE BOND MARKET AS A FUNDING SOURCE FOR CEE CORPORATES: WILL WE WITNESS A HIGHER DEGREE OF DISINTERMEDIATION?
- RAMIFICATIONS FOR EMERGING EUROPEAN CREDITS

The name of the game: Hunt for yield

Ultra-low yields in advanced economies and the need to diversify portfolios is feeding EM risk appetite – EM funds are the main beneficiary of the balance-sheet expansion of G2 central banks

Cumulative EM bond funds flows

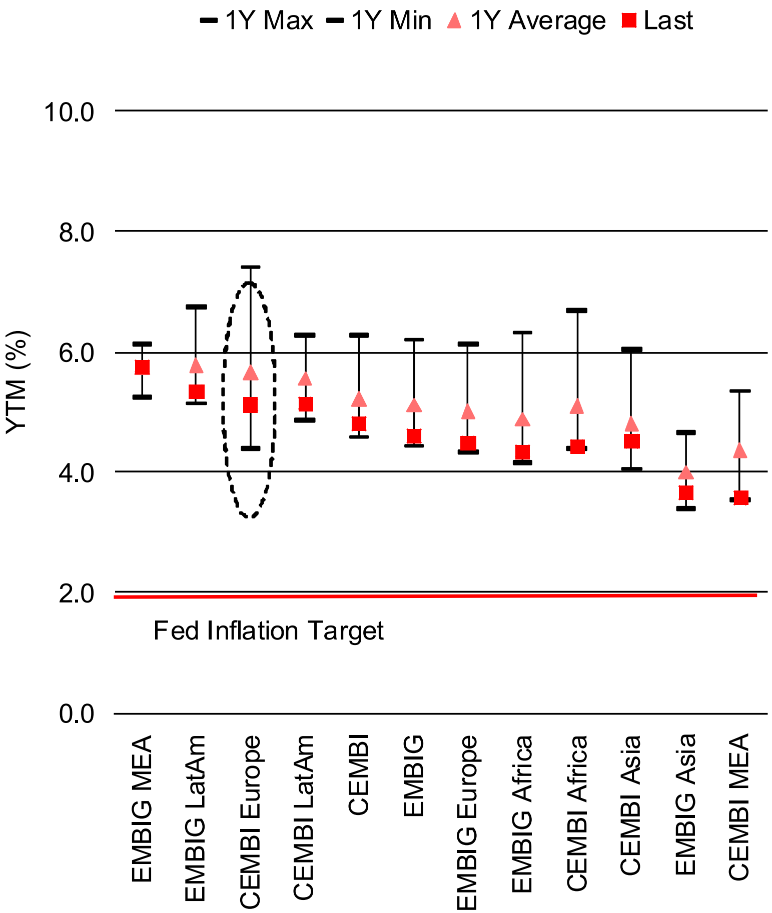


Source: Lipper, UniCredit Research

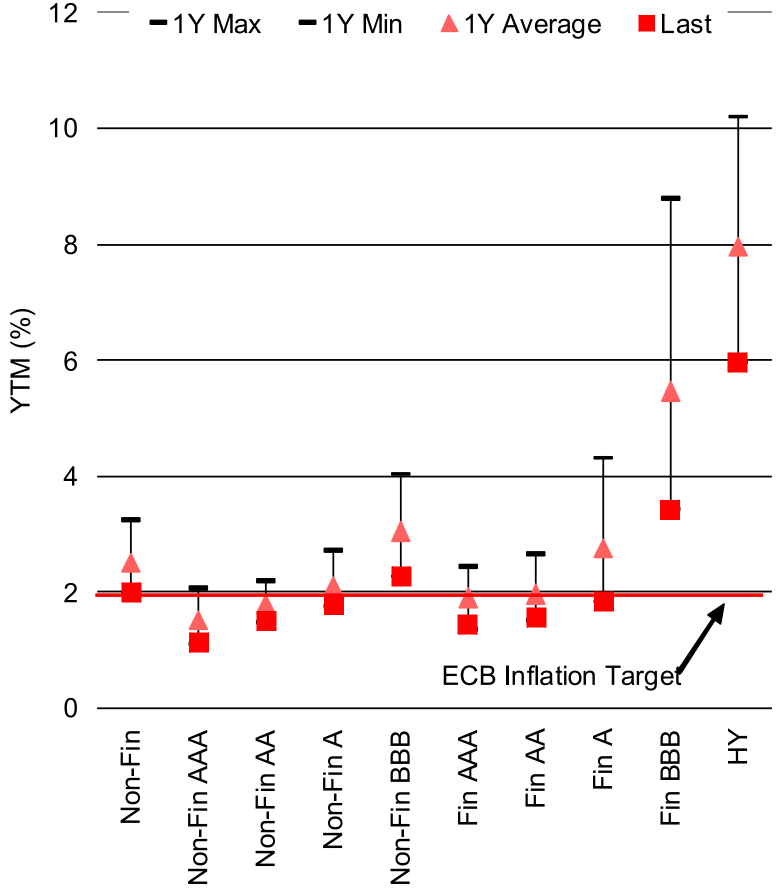
The case for investing in CEE credits (I)

CEE corporate credits offer one of the highest real yields in credit markets; European HG are losing appeal

Current EM yields in a historical context



Current iBoxx yields in a historical context

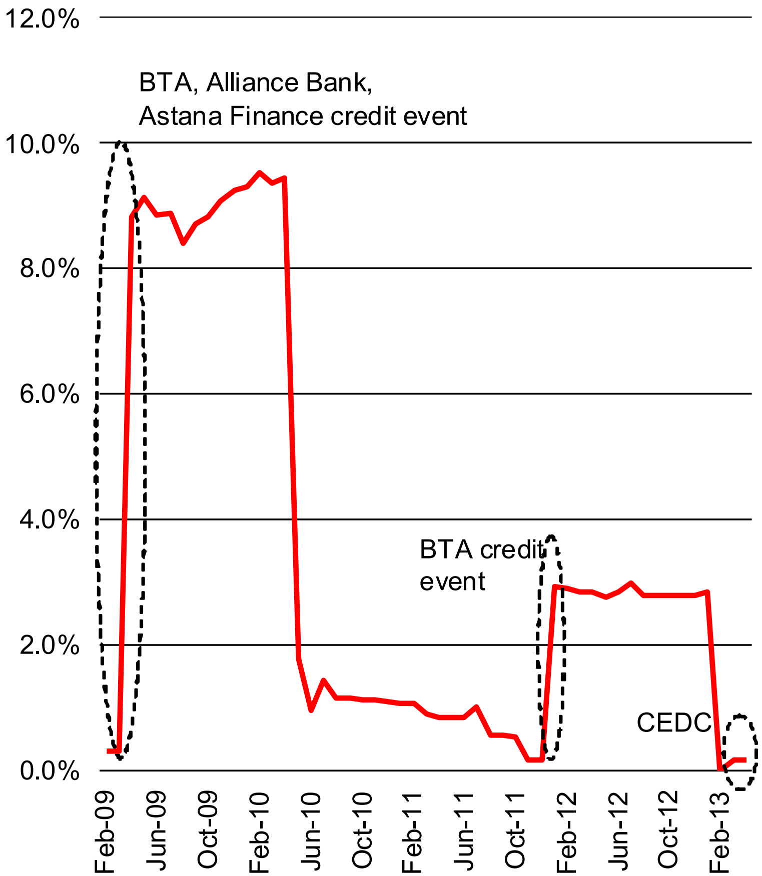


Source: iBoxx, JPM, UniCredit Research

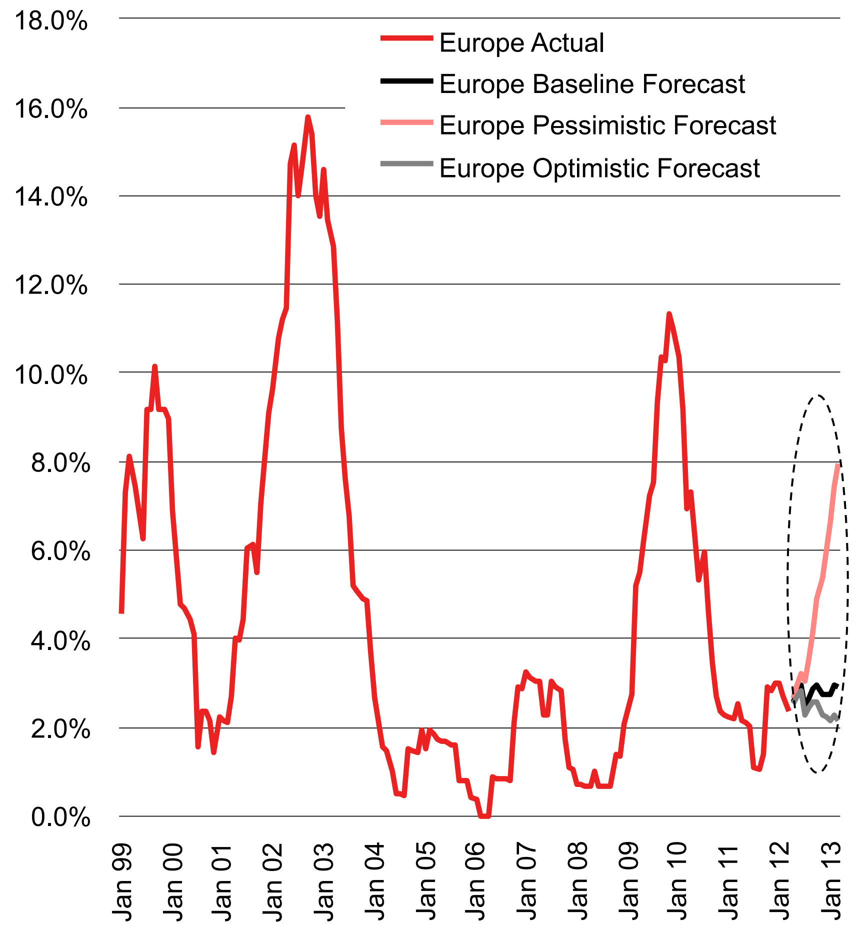
The case for investing in CEE credits (II)

Default rates in CEE are at an all-time low, European speculative-grade default rates are close to historical lows; but the disproportional asymmetry between a pessimistic and an optimistic scenario reflects a high degree of uncertainty

Emerging European Corporate Default Rate



Moody's European Speculative-Grade Default Rates

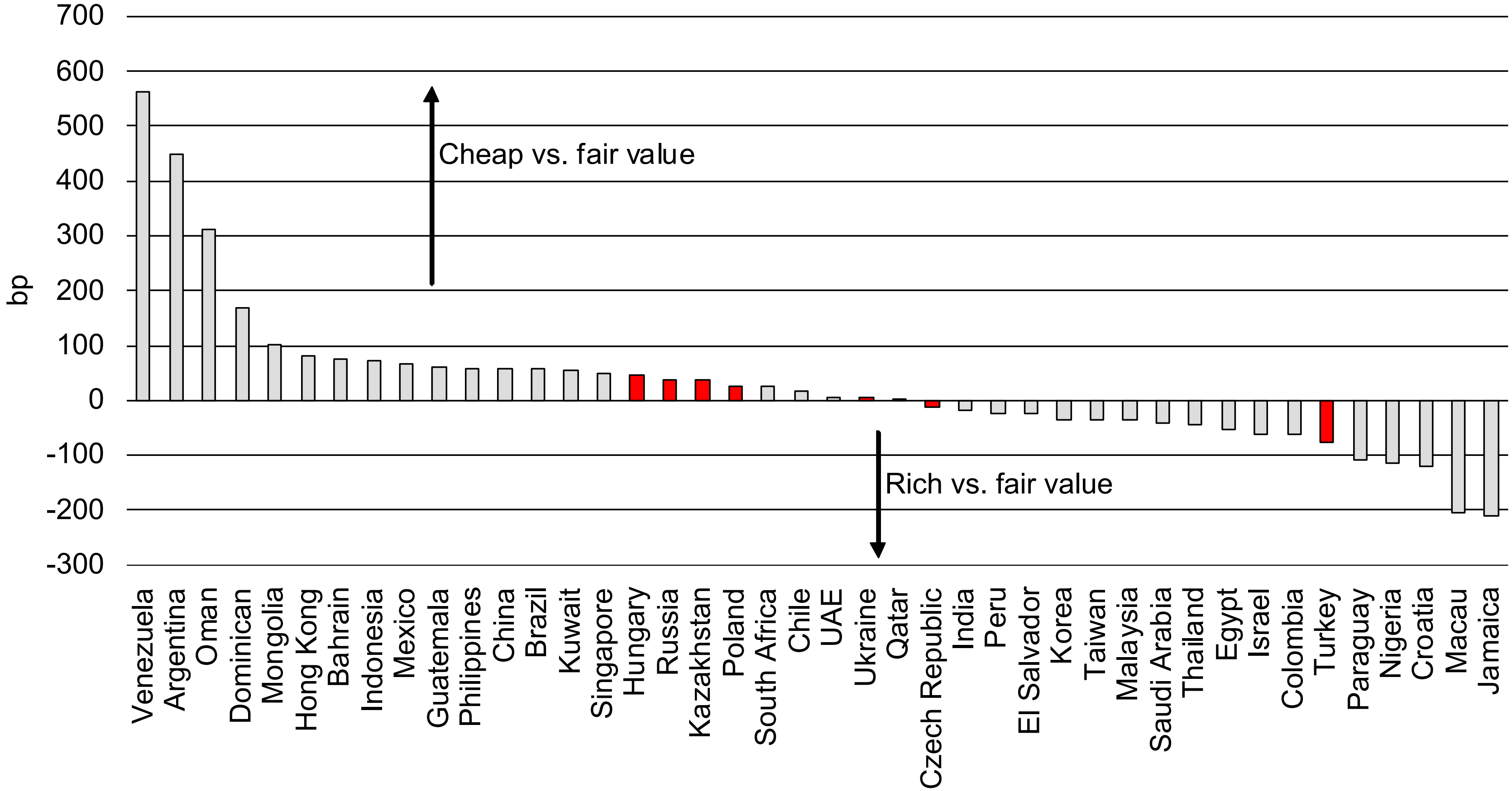


Source: Bloomberg, Moody's, UniCredit Research

The case for investing in CEE credits (III)

Emerging European credits are on balance cheap-to-fair valued

JPM CEMBI spreads index components deviation from fair value (vs. credit rating)

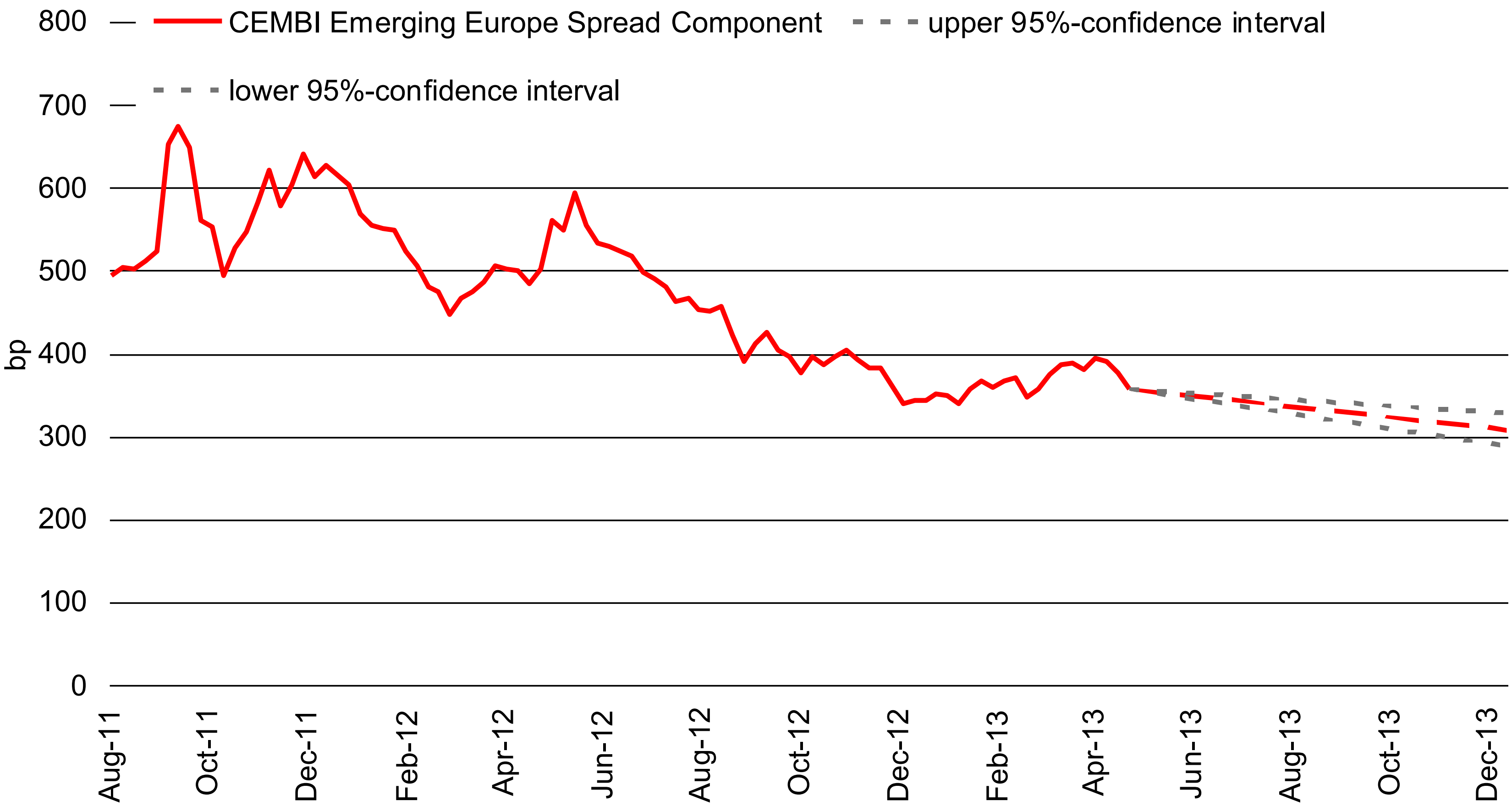


Source: JPM, Bloomberg, UniCredit Research

The case for investing in CEE credits (IV)

We still expect some 50bp spread tightening in Emerging European credits by the end of 2013

JPM CEMBI spreads index forecast



Source: JPM, Bloomberg, UniCredit Research

Your Contacts

Corporate & Investment Banking
UniCredit Bank AG

Dr. Philip Gisdakis
Managing Director
Head of Credit Strategy & Structured Credit Research
Tel. +49 89 378-13228 – Fax +49 89 378-3313228
Mobile +49 172 8891298
philip.gisdakis@unicreditgroup.de

Dr. Tim Brunne
Quantitative Credit Strategy
Tel. +49 89 378-13521 – Fax +49 89 378-3313521
tim.brunne@unicreditgroup.de

Markus Ernst
Credit Strategy & Structured Credit
Tel. +49 89 378-14213 – Fax +49 89 378-3314213
markus.ernst1@unicreditgroup.de

Dr. Stefan Kolek
EMEA Corporate Credits & Strategy
Tel. +49 89 378-12495 – Fax +49 89 378-3312495
stefan.kolek@unicreditgroup.de

Dr. Christian Weber, CFA
Credit Strategy
Tel. +49 89 378-12250 – Fax +49 89 378-3312250
Mobile +49 160 5883672
christian.weber@unicreditgroup.de

Imprint

Corporate & Investment Banking
UniCredit Bank AG
UniCredit Research
Arabellastrasse 12
D-81925 Munich

Disclaimer Credit Research

Our recommendations are based on information obtained from, or are based upon public information sources that we consider to be reliable but for the completeness and accuracy of which we assume no liability. All estimates and opinions included in the report represent the independent judgment of the analysts as of the date of the issue. We reserve the right to modify the views expressed herein at any time without notice. Moreover, we reserve the right not to update this information or to discontinue it altogether without notice.

This analysis is for information purposes only and (i) does not constitute or form part of any offer for sale or subscription of or solicitation of any offer to buy or subscribe for any financial, money market or investment instrument or any security, (ii) is neither intended as such an offer for sale or subscription of or solicitation of an offer to buy or subscribe for any financial, money market or investment instrument or any security nor (iii) as an advertisement thereof. The investment possibilities discussed in this report may not be suitable for certain investors depending on their specific investment objectives and time horizon or in the context of their overall financial situation. The investments discussed may fluctuate in price or value. Investors may get back less than they invested. Changes in rates of exchange may have an adverse effect on the value of investments. Furthermore, past performance is not necessarily indicative of future results. In particular, the risks associated with an investment in the financial, money market or investment instrument or security under discussion are not explained in their entirety.

This information is given without any warranty on an "as is" basis and should not be regarded as a substitute for obtaining individual advice. Investors must make their own determination of the appropriateness of an investment in any instruments referred to herein based on the merits and risks involved, their own investment strategy and their legal, fiscal and financial position. As this document does not qualify as an investment recommendation or as a direct investment recommendation, neither this document nor any part of it shall form the basis of, or be relied on in connection with or act as an inducement to enter into, any contract or commitment whatsoever. Investors are urged to contact their bank's investment advisor for individual explanations and advice.

Neither UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit CAIB AG, UniCredit Bank AG Milan Branch, UniCredit CAIB Securities UK Ltd., UniCredit Securities, UniCredit Menkul Degerler A.S., Zagrebacka banka, UniCredit Bulbank nor any of their respective directors, officers or employees nor any other person accepts any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this document or its contents or otherwise arising in connection therewith.

This analysis is being distributed by electronic and ordinary mail to professional investors, who are expected to make their own investment decisions without undue reliance on this publication, and may not be redistributed, reproduced or published in whole or in part for any purpose.

Responsibility for the content of this publication lies with:

a) UniCredit Bank AG, Am Tucherpark 16, 80538 Munich, Germany, (also responsible for the distribution pursuant to Paragraph 34b WpHG). The company belongs to UCI Group.

Regulatory authority: "BaFin" - Bundesanstalt für Finanzdienstleistungsaufsicht, Lurgiallee 12, 60439 Frankfurt, Germany.

b) UniCredit Bank AG London Branch, Moor House, 120 London Wall, London EC2Y 5ET, United Kingdom.
Regulatory authority: "BaFin" - Bundesanstalt für Finanzdienstleistungsaufsicht, Lurgiallee 12, 60439 Frankfurt, Germany and subject to limited regulation by the Financial Services Authority (FSA), 25 The North Colonnade, Canary Wharf, London E14 5HS, United Kingdom. Details about the extent of our regulation by the Financial Services Authority are available from us on request.

c) UniCredit Bank AG Milan Branch, Via Tommaso Grossi, 10, 20121 Milan, Italy, duly authorized by the Bank of Italy to provide investment services.

Regulatory authority: "Bank of Italy", Via Nazionale 91, 00184 Roma, Italy and Bundesanstalt für Finanzdienstleistungsaufsicht, Lurgiallee 12, 60439 Frankfurt, Germany.
The UniCredit CAIB Group, consisting of

d) UniCredit CAIB AG, Julius-Tandler-Platz 3, 1090 Vienna, Austria

Regulatory authority: Finanzmarktaufsichtsbehörde (FMA), Praterstrasse 23, 1020 Vienna, Austria
e) UniCredit CAIB Securities UK Ltd., Moor House, 120 London Wall, London EC2Y 5ET, United Kingdom

Regulatory authority: Financial Services Authority (FSA), 25 The North Colonnade, Canary Wharf, London E14 5HS, United Kingdom

f) UniCredit Securities, Boulevard Ring Office Building, 17/1 Chistoprudni Boulevard, Moscow 101000, Russia
Regulatory authority: Federal Service on Financial Markets, 9 Leninsky prospekt, Moscow 119991, Russia

g) UniCredit Menkul Degerler A.S., Büyükdere Cad. No. 195, Büyükdere Plaza Kat. 5, 34394 Levent, Istanbul, Turkey
Regulatory authority: Sermaye Piyasasi Kurulu - Capital Markets Board of Turkey, Eskisehir Yolu 8.Km No:156, 06530 Ankara, Turkey

h) Zagrebacka banka, Paromlinska 2, HR-10000 Zagreb, Croatia

Regulatory authority: Croatian Agency for Supervision of Financial Services, Miramarska 24B, 10000 Zagreb, Croatia
i) UniCredit Bulbank, Sveta Nedelya Sq. 7, BG-1000 Sofia, Bulgaria

Regulatory authority: Financial Supervision Commission (FSC), 33 Shar Planina str.,1303 Sofia, Bulgaria

This report may contain excerpts sourced from UniCredit Bank Russia, UniCredit Tiriac Bank, Bank Pekao or Yapi Kredi all members of the UniCredit group. If so, the pieces and the contents have not been materially altered.

POTENTIAL CONFLICTS OF INTERESTS

Company Key
Key 1a: UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit CAIB AG, UniCredit Bank AG Milan Branch, UniCredit CAIB Securities UK Ltd., UniCredit Securities, UniCredit Menkul Degerler A.S., Zagrebacka banka and UniCredit Bulbank and/or a company affiliated with it (pursuant to relevant domestic law) owns at least 2% of the capital stock of the company.

Disclaimer Credit Research (continued)

Key 1b: The analyzed company owns at least 2% of the capital stock of UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit CAIB AG, UniCredit Bank AG Milan Branch, UniCredit CAIB Securities UK Ltd., UniCredit Securities, UniCredit Menkul Degerler A.S., Zagrebacka banka and UniCredit Bulbank and/or a company affiliated with it (pursuant to relevant domestic law).

Key 2: UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit CAIB AG, UniCredit Bank AG Milan Branch and UniCredit CAIB Securities UK Ltd., UniCredit Securities, UniCredit Menkul Degerler A.S., Zagrebacka banka and UniCredit Bulbank and/or a company affiliated with it (pursuant to relevant domestic law) belonged to a syndicate that has acquired securities or any related derivatives of the analyzed company within the twelve months preceding publication, in connection with any publicly disclosed offer of securities of the analyzed company, or in any related derivatives.

Key 3: UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit CAIB AG, UniCredit Bank AG Milan Branch and UniCredit CAIB Securities UK Ltd., UniCredit Securities, UniCredit Menkul Degerler A.S., Zagrebacka banka and UniCredit Bulbank and/or a company affiliated (pursuant to relevant domestic law) administers the securities issued by the analyzed company on the stock exchange or on the market by quoting bid and ask prices (i.e. acts as a market maker or liquidity provider in the securities of the analyzed company or in any related derivatives)

Key 4: The analyzed company and UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit CAIB AG, UniCredit Bank AG Milan Branch and UniCredit CAIB Securities UK Ltd., UniCredit Securities, UniCredit Menkul Degerler A.S., Zagrebacka banka and UniCredit Bulbank and/or a company affiliated (pursuant to relevant domestic law) concluded an agreement on services in connection with investment banking transactions in the last 12 months, in return for which the Bank received a consideration or promise of consideration.

Key 5: The analyzed company and UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit CAIB AG, UniCredit Bank AG Milan Branch and UniCredit CAIB Securities UK Ltd., UniCredit Securities, UniCredit Menkul Degerler A.S., Zagrebacka banka and UniCredit Bulbank and/or a company affiliated (pursuant to relevant domestic law) have concluded an agreement on the preparation of analyses.

Key 6a: Employees of UniCredit Bank AG Milan Branch and/or members of the Board of Directors of UniCredit (pursuant to relevant domestic law) are members of the Board of Directors of the Issuer. Members of the Board of Directors of the Issuer hold office in the Board of Directors of UniCredit (pursuant to relevant domestic law).

Key 6b: The analyst is on the supervisory/management board of the company they cover.

Key 7: UniCredit Bank AG Milan Branch and/or other Italian banks belonging to the UniCredit Group (pursuant to relevant domestic law) extended significant amounts of credit facilities to the Issuer.

Overview of our ratings

You will find the history of rating regarding recommendation changes as well as an overview of the breakdown in absolute and relative terms of our investment ratings on our websites www.research.unicreditgroup.eu and http://www.cib-unicredit.com/research-disclaimer under the heading "Disclaimer."

Note on the bases of evaluation for interest-bearing securities:

Our investment ratings are in principle judgments relative to an index as a benchmark.

Issuer level:

Marketweight: We recommend having the same portfolio exposure in the name as the respective reference index (the iBoxx index universe for high-grade names and the ML EUR HY index for sub-investment grade names).

Overweight: We recommend having a higher portfolio exposure in the name as the respective reference index (the iBoxx index universe for high-grade names and the ML EUR HY index for sub-investment grade names).

Underweight: We recommend having a lower portfolio exposure in the name as the respective reference index (the iBoxx index universe for high-grade names and the ML EUR HY index for sub-investment grade names).

Instrument level:

Core hold: We recommend holding the respective instrument for investors who already have exposure.

Sell: We recommend selling the respective instrument for investors who already have exposure.

Buy: We recommend buying the respective instrument for investors who already have exposure.

Trading recommendations for fixed-interest securities mostly focus on the credit spread (yield difference between the fixed-interest security and the relevant government bond or swap rate) and on the rating views and methodologies of recognized agencies (S&P, Moody's, Fitch). Depending on the type of investor, investment ratings may refer to a short period or to a 6 to 9-month horizon.

The prices used in the analysis are the closing prices of the appropriate local trading system or the closing prices on the relevant local stock exchanges. In the case of unlisted stocks, the average market prices based on various major broker sources (OTC market) are used.

Coverage Policy

A list of the companies covered by UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit CAIB AG, UniCredit CAIB Securities UK Ltd., UniCredit Bank AG Milan Branch, UniCredit Securities, UniCredit Menkul Degerler A.S., Zagrebacka banka and UniCredit Bulbank is available upon request.

Frequency of reports and updates

It is intended that each of these companies be covered at least once a year, in the event of key operations and/or changes in the recommendation. Companies for which UniCredit Bank AG Milan Branch acts as Sponsor or Specialist must be covered in accordance with the regulations of the competent market authority.

SIGNIFICANT FINANCIAL INTEREST:

UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit CAIB AG, UniCredit Bank AG Milan Branch, UniCredit CAIB Securities UK Ltd., UniCredit Securities, UniCredit Menkul Degerler A.S., Zagrebacka banka and UniCredit Bulbank and/or a company affiliated (pursuant to relevant national German, Italian, Austrian, UK and Russian law) with them regularly trade shares of the analyzed company. UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit CAIB AG, UniCredit Bank AG Milan Branch, UniCredit CAIB Securities UK Ltd, UniCredit Securities, UniCredit Menkul Degerler A.S., Zagrebacka banka and UniCredit Bulbank may hold significant open derivative positions on the stocks of the company which are not delta-neutral.

Analyses may refer to one or several companies and to the securities issued by them. In some cases, the analyzed issuers have actively supplied information for this analysis.

Disclaimer Credit Research (continued)

ANALYST DECLARATION

The author's remuneration has not been, and will not be, geared to the recommendations or views expressed in this study, neither directly nor indirectly.

ORGANIZATIONAL AND ADMINISTRATIVE ARRANGEMENTS TO AVOID AND PREVENT CONFLICTS OF INTEREST

To prevent or remedy conflicts of interest, UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit CAIB AG, UniCredit CAIB Securities UK Ltd., UniCredit Bank AG Milan Branch, UniCredit Securities, UniCredit Menkul Degerler A.S., Zagrebacka banka and UniCredit Bulbank have established the organizational arrangements required from a legal and supervisory aspect, adherence to which is monitored by its compliance department. Conflicts of interest arising are managed by legal and physical and non-physical barriers (collectively referred to as "Chinese Walls") designed to restrict the flow of information between one area/department of UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit CAIB AG, UniCredit CAIB Securities UK Ltd., UniCredit Bank AG Milan Branch, UniCredit Securities, UniCredit Menkul Degerler A.S., Zagrebacka banka and UniCredit Bulbank and another. In particular, Investment Banking units, including corporate finance, capital market activities, financial advisory and other capital raising activities, are segregated by physical and non-physical boundaries from Markets Units, as well as the research department. In the case of equities execution by UniCredit Bank AG Milan Branch, other than as a matter of client facilitation or delta hedging of OTC and listed derivative positions, there is no proprietary trading. Disclosure of publicly available conflicts of interest and other material interests is made in the research. Analysts are supervised and managed on a day-to-day basis by line managers who do not have responsibility for Investment Banking activities, including corporate finance activities, or other activities other than the sale of securities to clients.

ADDITIONAL REQUIRED DISCLOSURES UNDER THE LAWS AND REGULATIONS OF JURISDICTIONS INDICATED

Notice to Austrian investors

This document does not constitute or form part of any offer for sale or subscription of or solicitation of any offer to buy or subscribe for any securities and neither this document nor any part of it shall form the basis of, or be relied on in connection with or act as an inducement to enter into, any contract or commitment whatsoever.

This document is confidential and is being supplied to you solely for your information and may not be reproduced, redistributed or passed on to any other person or published, in whole or part, for any purpose.

Notice to Czech investors

This report is intended for clients of UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit CAIB AG, UniCredit CAIB Securities UK Ltd., UniCredit Bank AG Milan Branch, UniCredit Securities, UniCredit Menkul Degerler A.S., Zagrebacka banka or UniCredit Bulbank in the Czech Republic and may not be used or relied upon by any other person for any purpose.

Notice to Italian investors

This document is not for distribution to retail clients as defined in article 26, paragraph 1(e) of Regulation n. 16190 approved by CONSOB on October 29, 2007.

In the case of a short note, we invite the investors to read the related company report that can be found on UniCredit Research website www.research.unicreditgroup.eu.

Notice to Russian investors

As far as we are aware, not all of the financial instruments referred to in this analysis have been registered under the federal law of the Russian Federation "On the Securities Market" dated April 22, 1996, as amended, and are not being offered, sold, delivered or advertised in the Russian Federation.

Notice to Turkish investors

Investment information, comments and recommendations stated herein are not within the scope of investment advisory activities. Investment advisory services are provided in accordance with a contract of engagement on investment advisory services concluded with brokerage houses, portfolio management companies, non-deposit banks and the clients. Comments and recommendations stated herein rely on the individual opinions of the ones providing these comments and recommendations. These opinions may not suit your financial status, risk and return preferences. For this reason, to make an investment decision by relying solely on the information stated here may not result in consequences that meet your expectations.

Notice to Investors in Japan

This document does not constitute or form part of any offer for sale or subscription for or solicitation of any offer to buy or subscribe for any securities and neither this document nor any part of it shall form the basis of, or be relied on in connection with or act as an inducement to enter into, any contract or commitment whatsoever.

Notice to UK investors

This communication is directed only at clients of UniCredit Bank AG, UniCredit Bank AG London Branch, UniCredit CAIB AG, UniCredit CAIB Securities UK Ltd., UniCredit Bank AG Milan Branch, UniCredit Securities, UniCredit Menkul Degerler A.S., Zagrebacka banka and UniCredit Bulbank who (i) have professional experience in matters relating to investments or (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations, etc.") of the United Kingdom Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or (iii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). This communication must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons.

Disclaimer Credit Research (continued)

Notice to U.S. investors

This report is being furnished to U.S. recipients in reliance on Rule 15a-6 ("Rule 15a-6") under the U.S. Securities Exchange Act of 1934, as amended. Each U.S. recipient of this report represents and agrees, by virtue of its acceptance thereof, that it is such a "major U.S. institutional investor" (as such term is defined in Rule 15a-6) and that it understands the risks involved in executing transactions in such securities. Any U.S. recipient of this report that wishes to discuss or receive additional information regarding any security or issuer mentioned herein, or engage in any transaction to purchase or sell or solicit or offer the purchase or sale of such securities, should contact a registered representative of UniCredit Capital Markets, Inc. ("UCI Capital Markets").

Any transaction by U.S. persons (other than a registered U.S. broker-dealer or bank acting in a broker-dealer capacity) must be effected with or through UCI Capital Markets.

The securities referred to in this report may not be registered under the U.S. Securities Act of 1933, as amended, and the issuer of such securities may not be subject to U.S. reporting and/or other requirements. Available information regarding the issuers of such securities may be limited, and such issuers may not be subject to the same auditing and reporting standards as U.S. issuers.

The information contained in this report is intended solely for certain "major U.S. institutional investors" and may not be used or relied upon by any other person for any purpose. Such information is provided for informational purposes only and does not constitute a solicitation to buy or an offer to sell any securities under the Securities Act of 1933, as amended, or under any other U.S. federal or state securities laws, rules or regulations. The investment opportunities discussed in this report may be unsuitable for certain investors depending on their specific investment objectives, risk tolerance and financial position. In jurisdictions where UCI Capital Markets is not registered or licensed to trade in securities, commodities or other financial products, transactions may be executed only in accordance with applicable law and legislation, which may vary from jurisdiction to jurisdiction and which may require that a transaction be made in accordance with applicable exemptions from registration or licensing requirements.

The information in this publication is based on carefully selected sources believed to be reliable, but UCI Capital Markets does not make any representation with respect to its completeness or accuracy. All opinions expressed herein reflect the author's judgment at the original time of publication, without regard to the date on which you may receive such information, and are subject to change without notice.

UCI Capital Markets may have issued other reports that are inconsistent with, and reach different conclusions from, the information presented in this report. These publications reflect the different assumptions, views and analytical methods of the analysts who prepared them. Past performance should not be taken as an indication or guarantee of future performance, and no representation or warranty, express or implied, is provided in relation to future performance.

UCI Capital Markets and any company affiliated with it may, with respect to any securities discussed herein: (a) take a long or short position and buy or sell such securities; (b) act as investment and/or commercial bankers for issuers of such securities; (c) act as market makers for such securities; (d) serve on the board of any issuer of such securities; and (e) act as paid consultant or advisor to any issuer.

The information contained herein may include forward-looking statements within the meaning of U.S. federal securities laws that are subject to risks and uncertainties. Factors that could cause a company's actual results and financial condition to differ from expectations include, without limitation: political uncertainty, changes in general economic conditions that adversely affect the level of demand for the company's products or services, changes in foreign exchange markets, changes in international and domestic financial markets and in the competitive environment, and other factors relating to the foregoing. All forward-looking statements contained in this report are qualified in their entirety by this cautionary statement

This document may not be distributed in Canada or Australia.

Disclaimer

This publication is presented to you by:
UniCredit Corporate & Investment Banking
UniCredit Bank AG
Arabellastrasse 11
D-81925 Munich

The information in this publication is based on carefully selected sources believed to be reliable. However we do not make any representation as to its accuracy or completeness. Any opinions herein reflect our judgement at the date hereof and are subject to change without notice. Any investments presented in this report may be unsuitable for the investor depending on his or her specific investment objectives and financial position. Any reports provided herein are provided for general information purposes only and cannot substitute the obtaining of independent financial advice. Private investors should obtain the advice of their banker/broker about any investments concerned prior to making them. Nothing in this publication is intended to create contractual obligations. UniCredit Corporate & Investment Banking consists of UniCredit Bank AG, Munich, UniCredit Bank Austria AG, Vienna, UniCredit CAIB Securities UK Ltd. London, UniCredit S.p.A., Rome and other members of the UniCredit Group. UniCredit Bank AG is regulated by the German Financial Supervisory Authority (BaFin), UniCredit Bank Austria AG is regulated by the Austrian Financial Market Authority (FMA), UniCredit CAIB Securtities UK Ltd. is regulated by the Financial Services Authority (FSA) and UniCredit S.p.A. is regulated by both the Banca d'Italia and the Commissione Nazionale per le Società e la Borsa (CONSOB).

Note to UK Residents:

In the United Kingdom, this publication is being communicated on a confidential basis only to clients of UniCredit Corporate & Investment Banking Division (acting through UniCredit Bank AG, London Branch ("HVB London") and/or UniCredit CAIB Securities UK Ltd. who (i) have professional experience in matters relating to investments being investment professionals as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 ("FPO"); and/or (ii) are falling within Article 49(2) (a) – (d) ("high net worth companies, unincorporated associations etc.") of the FPO (or, to the extent that this publication relates to an unregulated collective scheme, to professional investors as defined in Article 14(5) of the Financial Services and Markets Act 2000 (Promotion of Collective Investment Schemes) (Exemptions) Order 2001 and/or (iii) to whom it may be lawful to communicate it, other than private investors (all such persons being referred to as "Relevant Persons"). This publication is only directed at Relevant Persons and any investment or investment activity to which this publication relates is only available to Relevant Persons or will be engaged in only with Relevant Persons. Solicitations resulting from this publication will only be responded to if the person concerned is a Relevant Person. Other persons should not rely or act upon this publication or any of its contents.

The information provided herein (including any report set out herein) does not constitute a solicitation to buy or an offer to sell any securities. The information in this publication is based on carefully selected sources believed to be reliable but we do not make any representation as to its accuracy or completeness. Any opinions herein reflect our judgement at the date hereof and are subject to change without notice.

We and/or any other entity of UniCredit Corporate & Investment Banking may from time to time with respect to securities mentioned in this publication (i) take a long or short position and buy or sell such securities; (ii) act as investment bankers and/or commercial bankers for issuers of such securities; (iii) be represented on the board of any issuers of such securities; (iv) engage in "market making" of such securities; (v) have a consulting relationship with any issuer. Any investments discussed or recommended in any report provided herein may be unsuitable for investors depending on their specific investment objectives and financial position. Any information provided herein is provided for general information purposes only and cannot substitute the obtaining of independent financial advice.

HVB London is regulated by the Financial Services Authority for the conduct of business in the UK as well as by BaFIN, Germany. UniCredit CAIB Securities UK Ltd., London, a subsidiary of UniCredit Bank Austria AG, is authorised and regulated by the Financial Services Authority.

Notwithstanding the above, if this publication relates to securities subject to the Prospectus Directive (2005) it is sent to you on the basis that you are a Qualified Investor for the purposes of the directive or any relevant implementing legislation of a European Economic Area ("EEA") Member State which has implemented the Prospectus Directive and it must not be given to any person who is not a Qualified Investor. By being in receipt of this publication you undertake that you will only offer or sell the securities described in this publication in circumstances which do not require the production of a prospectus under Article 3 of the Prospectus Directive or any relevant implementing legislation of an EEA Member State which has implemented the Prospectus Directive.

Note to US Residents:

The information provided herein or contained in any report provided herein is intended solely for institutional clients of UniCredit Corporate & Investment Banking acting through UniCredit Bank AG, New York Branch and UniCredit Capital Markets, Inc. (together "HVB") in the United States, and may not be used or relied upon by any other person for any purpose. It does not constitute a solicitation to buy or an offer to sell any securities under the Securities Act of 1933, as amended, or under any other US federal or state securities laws, rules or regulations. Investments in securities discussed herein may be unsuitable for investors, depending on their specific investment objectives, risk tolerance and financial position.

In jurisdictions where HVB is not registered or licensed to trade in securities, commodities or other financial products, any transaction may be effected only in accordance with applicable laws and legislation, which may vary from jurisdiction to jurisdiction and may require that a transaction be made in accordance with applicable exemptions from registration or licensing requirements.

All information contained herein is based on carefully selected sources believed to be reliable, but HVB makes no representations as to its accuracy or completeness. Any opinions contained herein reflect HVB's judgement as of the original date of publication, without regard to the date on which you may receive such information, and are subject to change without notice.

HVB may have issued other reports that are inconsistent with, and reach different conclusions from, the information presented in any report provided herein. Those reports reflect the different assumptions, views and analytical methods of the analysts who prepared them. Past performance should not be taken as an indication or guarantee of further performance, and no representation or warranty, express or implied, is made regarding future performance.

HVB and/or any other entity of UniCredit Corporate & Investment Banking may from time to time, with respect to any securities discussed herein: (i) take a long or short position and buy or sell such securities; (ii) act as investment and/or commercial bankers for issuers of such securities; (iii) be represented on the board of such issuers; (iv) engage in "market-making" of such securities; and (v) act as a paid consultant or adviser to any issuer.

The information contained in any report provided herein may include forward-looking statements within the meaning of US federal securities laws that are subject to risks and uncertainties. Factors that could cause a company's actual results and financial condition to differ from its expectations include, without limitation: Political uncertainty, changes in economic conditions that adversely affect the level of demand for the company's products or services, changes in foreign exchange markets, changes in international and domestic financial markets, competitive environments and other factors relating to the foregoing. All forward-looking statements contained in this report are qualified in their entirety by this cautionary statement.

UniCredit Corporate & Investment Banking
UniCredit Bank AG, Munich
as of Май 17, 2013