

FITCH REVISES ROMANIA'S UNICREDIT BANK S.A.'S OUTLOOK TO NEGATIVE; AFFIRMS RATINGS

Fitch Ratings-London/Warsaw/Barcelona-01 April 2016: Fitch Ratings has revised Romania-based UniCredit Bank S.A.'s (UCBRO) Outlook to Negative from Stable, while affirming the Long-term Issuer Default Rating (IDR) at 'BBB'. A full list of rating actions is detailed at the end of this commentary.

The Outlook change follows a similar action taken on UCBRO's ultimate parent UniCredit S.p.A.(UniCredit, BBB+/Negative/bbb+) on 26 March 2016 (for more details see 'Fitch Revises UniCredit's Outlook to Negative; Affirms at 'BBB+' at www.fitchratings.com).

KEY RATING DRIVERS - IDRS AND SUPPORT RATING

The IDRs and Support Rating of UCBRO reflect the high likelihood of support from its ultimate owner, UniCredit.

The Long-term IDR of UCBRO is notched down once from UniCredit's Long-term IDR, reflecting Fitch's view that the Romanian subsidiary and the wider CEE region are strategically important for the parent bank. The importance is evidenced by the track record of support from UniCredit to date (in terms of funding and emergency liquidity support lines) and by UCBRO's deep operational and management integration within the group. In addition, the potential cost of support is manageable, given the small size of the Romanian subsidiary relative to group assets.

RATING SENSITIVITIES - IDRS AND SUPPORT RATING

UCBRO's IDRs and Support rating are sensitive to changes in UniCredit's ratings, or to Fitch's view of UniCredit's commitment to UCBRO, or to the wider CEE region.

The rating actions are as follows:

UniCredit Bank S.A.

Long-term IDR: affirmed at 'BBB'; Outlook revised to Negative from Stable

Short-term IDR: affirmed at 'F2'

Support Rating: affirmed at '2'

Viability Rating: 'bb-', unaffected

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Additional information is available on www.fitchratings.com

Applicable Criteria

Global Bank Rating Criteria (pub. 20 Mar 2015)

https://www.fitchratings.com/creditdesk/reports/report_frame.cfm?rpt_id=863501

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