GERMAN DOCUMENT ("ÄUßERUNG") IS THE DOCUMENT OF REFERENCE

Response of the management board of Bank Austria Creditanstalt AG to the voluntary takeover bid (§ 22, para 11 Austrian Takeover Act) from UniCredito Italiano S.p.A.

I. Introductory remarks

On 26 August 2005, UniCredito Italiano S.p.A., registered in Via Dante 1, Genoa 16121, Italy and headquartered in Piazza Cordusio, 20121 Milan, Italy, with registration number 0348170101 in the commercial register of Genoa ("**UniCredit**" or the "**Offeror**"), published in accordance with § 22 para 11 of the Austrian Takeover Act ("**Austrian Takeover Act**") a voluntary public takeover bid (the "**Bid**" and the document addressed to BA-CA shareholders the "**Bid Document**") addressed to the shareholders of Bank Austria Creditanstalt AG, registered in Vienna with business address 1030 Wien, Vordere Zollamtsstraße 13 and commercial court registration number FN 150714p ("**BA-CA**" or the "**Target Company)** in order to acquire all of the no-par value bearer shares in BA-CA (ISIN-Code AT0000995006) as well as all of the no-par value registered shares in BA-CA (ISIN-Code AT0000995014) (when referring to the individual share, "**BA-CA Share**" and when referring to them together "**BA-CA Shares**").

§ 14 of the Austrian Takeover Act stipulates the requirement for the management board of the Target Company to publish a response to the Bid. Such response must contain, in particular, an assessment of whether the consideration offered and the other terms of the Bid take appropriate account of the interests of all shareholders and of the interests of employees and creditors and of the public interest. If the management board is unable to give a final recommendation, it must in any case outline the arguments for accepting or rejecting the Bid, highlighting the most relevant features.

II. Background

In a press release (the "**Press Release**") issued on 12 June 2005, UniCredit and Bayerische Hypo- und Vereinsbank Aktiengesellschaft ("**HVB**"), which holds a participation of 77,5% in BA-CA, announced that they had entered into a Business Combination Agreement (the "**BCA**"). The BCA contains the agreed fundamental terms of the envisaged combination of the two companies. The Press Release, which already includes the basic structure and strategic goals of the planned combination, can be reviewed on BA-CA's homepage (www.ba-ca.com) through a link to HVB's homepage (www.hvb.de).

On 26 August 2005 UniCredit published and submitted to the shareholders of HVB a public takeover bid in accordance with the German Securities Purchase and Takeover Act (″dWpÜG“) (the **″HVB-Bid“**). Should the HVB-Bid succeed, UniCredit will gain indirect control of BA-CA. According to § 22 para 1 and para 3 of the Austrian Takeover Act, should the HVB-Bid be successful it would trigger a mandatory bid in Austria which would have to be extended to BA-CA's shareholders.

UniCredit's current voluntary bid to the shareholders of BA-CA aims, in accordance with § 22 para 11 of the Austrian Takeover Act, to anticipate such a mandatory bid, which UniCredit would be obliged to extend to all BA-CA shareholders as a result of it gaining control of HVB. The Offeror will as a result not launch a subsequent mandatory bid to the shareholders of BA-CA upon the successful completion of the HVB-Bid.

The Bid to the shareholders of BA-CA is, therefore, a consequence of the HVB-Bid. It is not at the discretion of BA-CA's shareholders, either by accepting or rejecting the Bid, to decide whether UniCredit will (indirectly) become the new BA-CA controlling shareholder. The decision whether a takeover of HVB by UniCredit, and as a consequence of this an (indirect) takeover of BA-CA, takes place is at the sole discretion of HVB's shareholders. The (indirect) takeover of BA-CA depends upon the success of the HVB-Bid and is independent of the decision of BA-CA's shareholders. For the HVB-Bid to be successful, a minimum of 65% of HVB shares need to be tendered into the HVB-Bid and the remaining conditions of the HVB-Bid need to be satisfied (for further details of the conditions see section 3 of this response document and sub-sections 2.5.1. and 2.5.2. of the Bid Document).

The successful completion of the HVB-Bid will not cause any immediate changes in the ownership structure: HVB will maintain its ownership of 77,5% of BA-CA. Indirectly, UniCredit will acquire control of BA-CA.

The management board of BA-CA was not involved in the negotiations between UniCredit and HVB that led to the signing of the BCA.

In relation to the combination of UniCredit and HVB, BA-CA is not in possession of sufficient information for a complete assessment of the Bid. Furthermore, there remain some material questions as to the future structure, which have not yet been decided. As an overall consequence, BA-CA's ability to assess the accuracy and completeness of the information provided in the Bid Document is limited. It is, thus, up to all shareholders of BA-CA to make their individual assessment of the Bid.

In addition, UniCredit also refers to the securities prospectus (the "**Prospectus**") which thereby forms part of the Bid Document (please also refer to sub-section 2.2 of the Bid Document), approved by the Italian takeover and securities commission (″**CONSOB**“). BA-CA has not verified whether the Prospectus and the Bid comply with domestic and foreign capital market provisions. BA-CA points out that this response document addresses the Bid without repeating in full the terms of the Bid itself. Therefore, UniCredit's Bid Document (including all ancillary documents) and the Prospectus are the relevant sources for information on the contents and the completion of the Bid.

As to any forecasts made and to the future development scenarios discussed in this response document, BA-CA shareholders should be aware when assessing the Bid that such predictions are subject to a high degree of uncertainty.

III. Assessment of the Bid

1.) The object of the Bid

The Bid is directed at the acquisition of all no-par value bearer shares of BA-CA (ISIN AT0000995006), admitted to trading on the Official Market of the Vienna and Warsaw stock-exchanges and trading on the unofficial markets of the securities exchanges of Berlin, Bremen, Frankfurt, Munich and Stuttgart, as well as at all the outstanding no-par value registered shares of BA-CA (ISIN AT0000995014). In consequence, the Bid is directed at all the securities of BA-CA within the meaning of § 1 para 4 of the Austrian Takeover Act.

According to sub-section 1.1. of the Bid Document, HVB has undertaken not to tender its BA-CA Shares into the Bid under the BCA concluded with UniCredit.

2.) Bid alternatives: cash offer, share exchange offer, holding of BA-CA Shares

The Bid entitles BA-CA's shareholders to choose between a cash offer and a share exchange offer. Shareholders can also accept a mix of the cash offer and the share exchange offer.

Furthermore, each BA-CA shareholder has the right to keep either part or all of its shares in BA-CA.

2.1. Cash offer purchase price

According to the provisions of the Austrian Takeover Act, UniCredit is obliged to submit a cash offer to BA-CA shareholders.

The cash purchase price offered is EUR 79,60 for each BA-CA Share (the "**Cash Offer Purchase Price**").

The minimum cash offer purchase price (the "**Minimum Cash Price**") must be determined in accordance with § 26 para 3 in conjunction with § 26 para 1 of the Austrian Takeover Act. To BA-CA's knowledge, the Takeover Commission has had extensive discussions with UniCredit regarding the interpretation of these provisions and has in this specific instance issued a statement on the calculation of the Minimum Cash Price according to § 26 para 3 of the Austrian Takeover Act, according to which the Minimum Cash Price needs to be deduced, inter alia, from the HVB-Bid. UniCredit has calculated the Minimum Cash Price in accordance with the Takeover Commission's statement. BA-CA was not involved in the discussions between the Takeover Commission and UniCredit as to the actual determination of the Minimum Cash Price. As a result, BA-CA is not aware as to how exactly the Cash Offer Purchase Price, in particular the allocation and weighting of the discounts, has been derived from the share exchange offer extended to the HVB shareholders.

Applying § 26 para 1 of the Austrian Takeover Act, the volume-weighted average share price on the basis of individual transactions in BA-CA Shares during the six months prior to 12 June 2005 (i.e. the day prior to the communication of UniCredit's intention to submit a takeover bid to BA-CA's shareholders) is EUR 72,38; the Cash Offer Purchase Price exceeds this minimum price level. The non-weighted average share price (determined on the basis of the respective trading day's closing price) of the BA-CA Shares over the six months period prior to 12 June 2005 is EUR 71,34 per BA-CA Share. The volume-weighted average prices of BA-CA Shares, as well as the bid premia compared to such average share prices, each as set forth in sub-section 2.2.2 and 2.2.3. of the Bid Document, are calculated accurately.

BA-CA is not aware of UniCredit, or another party acting in concert with UniCredit, having acquired any BA-CA Shares at a price higher than EUR 79,60 per share during the twelve months preceding 12 June 2005.

Having taken into account (i) the share exchange offer value to the HVB shareholders under the HVB-Bid (exchange ratio between HVB shares and UniCredit shares and share price of UniCredit as of 10 June 2005); (ii) the Takeover Commission's calculation model to establish the minimum cash offer price; and (iii) the lump-sum discount discussed between UniCredit and the Takeover Commission taking into account reduced liquidity, transaction costs, the share price risk of the UniCredit ordinary shares, as well as other factors which are related to the different types of consideration, BA-CA believes that the offered Cash Offer Purchase Price complies with the statutory minimum cash price requirement according to § 26 para 1 in conjunction with para 3 of the Austrian Takeover Act.

The key financial and operating data of BA-CA, as set out in sub-sections 2.2.4. and 2.2.5. of the Bid Document, is accurate.

The following tables contain analysts' current views on the share price target for BA-CA Shares:

Analysts' current share price targets for BA-CA Shares (after 12 June 2005, the day of the announcement of the intention to launch a bid)

Investment Bank	Date	Share performance target/FV
CSFB	02.08.2005	€ 87,00
Société Générale	28.07.2005	€ 93,00
Sal. Oppenheim	19.07.2005	€ 88,00
Fox-Pitt, Kelton	16.06.2005	€ 76,00
Deutsche Bank	15.06.2005	€ 88,00
Keefe, Bruyette & Woods	14.06.2005	€ 102,00
UBS	13.06.2005	€ 82,00
Median		**€ 88,00**
Average		**€ 88,00**

Source: Analyst Reports, Reuters Global Estimates

Analysts' current share price targets for BA-CA Shares (between 27 May 2005, the day preceding the confirmation of talks between UniCredit and HVB and 12 June 2005, the day of the announcement of the intention to launch a bid)

Investment Bank	Date	Share performance target/FV
KBC Securities	10.06.2005	€ 79,90
Morgan Stanley	01.06.2005	€ 71,60
UBS	01.06.2005	€ 72,00
Citigroup	27.05.2005	€ 86,50
CSFB	27.05.2005	€ 71,00
Median		**€ 72,00**
Average		**€ 76,20**

Source: Analyst Reports, Reuters Global Estimates

Analysts' current share price targets for BA-CA Shares (prior to 27 May 2005, the day preceding the confirmation of talks between UniCredit and HVB)

Investment Bank	Date	Share performance target/FV
Dresdner Kleinwort Wasserstein	20.05.2005	€ 60,00
Erste Bank	13.05.2005	€ 81,00
Fox-Pitt, Kelton	12.05.2005	€ 70,00
Merrill Lynch	10.05.2005	€ 79,00
Goldman Sachs	09.05.2005	€ 76,40
JP Morgan	06.05.2005	€ 92,00
Morgan Stanley	06.05.2005	€ 71,60
UBM	06.05.2005	€ 83,00
Société Générale	05.05.2005	€ 80,00
UBS	05.05.2005	€ 72,00
Keefe, Bruyette & Woods	04.05.2005	€ 75,00
Citigroup	01.04.2005	€ 86,50
Commerzbank	01.04.2005	€ 75,00
Raiffeisen Centrobank	01.04.2005	€ 75,00
Lehman Brothers	03.03.2005	€ 77,00

Sal. Oppenheim	25.02.2005	€ 75,00
CSFB	24.02.2005	€ 67,00
Deutsche Bank	24.02.2005	€ 73,10
ING	24.02.2005	€ 80,90
Median		**€ 75,00**
Average		**€ 76,29**

Source: Analyst Reports, Reuters Global Estimates

BA-CA has no influence on the share price targets for BA-CA Shares, which are computed and published by analysts of investment banks.

The Cash Offer Purchase Price is significantly lower than the current share price, which is EUR 92.28 (as of 5 September 2005). The current share price is higher than the averages of both the share price targets stated by the analysts prior to the announcement of UniCredit's intention to launch a takeover bid on 12 June 2005 and the share price targets stated prior to 27 May 2005 as the last trading day preceding the confirmation of talks between UniCredit's and HVB on 30 May 2005. It can therefore be argued that the share price development of BA-CA Shares is favourably influenced by the Bid and its announcement.

2.2. Share Exchange Offer

As an alternative to the cash offer, the Offeror gives BA-CA's shareholders the option to exchange every one BA-CA Share for 19.92 new UniCredit shares, to be issued through a capital increase of UniCredit against contribution in kind of BA-CA Shares, resolved on 29 July 2005. Any fractional share entitlements will be settled in cash (the "Share Exchange Offer").

According to the Bid Document, the new UniCredit shares will enjoy a full dividend entitlement from 1st January 2005, payable in 2006. However, if the shareholders' meeting of UniCredit should resolve on the dividend payments for 2005 before the effective issuance of the new UniCredit shares as a consequence of the Bid not having completed by that date, no entitlement to receive such dividends will exist (as to the conditions of the Bid, see section 3. and sub-sections 2.5.1. and 2.5.2. of the Bid Document). BA-CA assumes that UniCredit will schedule its shareholders' meeting so as to avoid the scenario described, ensuring that BA-CA shareholders accepting the Share Exchange Offer receive the UniCredit dividend for the financial year 2005 but not the dividend relating to the BA-CA Shares for the financial year 2005.

There are no legal provisions or guidelines as to the value of the Share Exchange Offer. Accordingly, the value of the Share Exchange Offer is not subject to a material review by the Takeover Commission.

On the basis of the three months average closing prices and the six months average closing prices of BA-CA Shares and UniCredit shares, the Offeror has calculated that the Bid contains a significant premium to the historical share prices of BA-CA Shares, and that the premium corresponds to the premium offered to the shareholders of HVB. BA-CA believes that the data and figures contained in sub-section 2.3.2 of the Bid Document are accurate.

As of 5 September 2005 the share price of the UniCredit shares was EUR 4.6550 and the share price of the BA-CA Shares was EUR 92.28. Applying this share price of UniCredit to the exchange ratio of 19.92 results in an amount of EUR 92.7276.

UniCredit proposes to list its shares on the stock exchanges of Frankfurt and Warsaw, but not on the Vienna Stock Exchange, in addition to UniCredit's existing listing on the Milan stock exchange (see sub-section 5.3. of the Bid Document).

For more detailed information on the UniCredit Group and the UniCredit shares, BA-CA refers to the securities prospectus (the „**Prospectus**"), which is part of the Bid Document and which has been approved by the Italian securities commission (CONSOB), and specifically to the risk factors set out in the Prospectus. The Prospectus can be obtained at BA-CA, being the Austrian paying agent of the Bid, and is also available on and can be downloaded from CONSOB's homepage (www.consob.it). In addition to the risk factors defined in the Prospectus, following finalisation of the Bid Document, UniCredit has announced in a press statement on the day of publication of the Bid (26 August 2005) that the estate administrator of the Parmalat-Group has filed a further claim for damages in the amount of EUR 1,86 billion against a company of the UniCredit-Group and against two other intermediaries. BA-CA does not have any information other than the statement of the management board of HVB in response to the HVB-Bid. According to that statement, UniCredit does not believe the claim to be substantiated. The management board of HVB does not have any other information indicating that the assessment of UniCredit is incorrect. The management board of BA-CA is not able, in line with the board of HVB, to form a final opinion.

A shareholder accepting the Share Exchange Offer will participate in the business development of the new UniCredit Group in its entirety (and not only of BA-CA). As a consequence, such shareholder will participate in all opportunities and risks of the new UniCredit Group, especially those related to the economic development in Germany and Italy.

The assessment of the Share Exchange Offer depends on the future development of the whole UniCredit Group. The relevant financial business plans for such assessment are not published and hence unknown to BA-CA.

For these reasons, BA-CA is unable to come to an independent and conclusive assessment regarding the future development of the share price of UniCredit shares (please refer to section 13. of this response document).

3.) Conditions of the Bid

3.1. Purchase of a controlling shareholding in HVB

According to sub-section 2.5.1. (i) of the Bid Document, both the cash offer and the Share Exchange Offer are subject to the condition that the Offeror will acquire a controlling shareholding in HVB as a result of the completion of the HVB-Bid.

The HVB-Bid is subject to the following conditions as summarized:

a) a minimum acceptance threshold of 65 % of the HVB shares;

b) antitrust clearance or waiver of the requirement for clearance by the competent antitrust authorities of the European Union, Bosnia-Herzegowina, Bulgaria, Croatia, Romania, Russia, Ukraine and of the United States of America no later than 30 April 2006;

c) clearance or waiver of the requirement for clearance by the competent regulatory banking authorities of Argentina, Bulgaria, Croatia, the Czech Republic, Hungary, Ireland, Latvia, Poland, Romania, Switzerland and the United Kingdom no later than 30 April 2006;

d) within two weeks from either the satisfaction or the waiver of the conditions as set out under lit a) – c), the issuance of a confirmation by an independent external expert that, according to § 2343 of the Italian Civil Code (Codice Civile), the value of the deposited HVB shares corresponds to the value determined in the expert's opinion submitted to the shareholders' meeting in order to resolve the capital increase.

The Share Exchange Offer to BA-CA shareholders will not be completed if these conditions are not satisfied by 15 May 2006 at the latest or UniCredit has not waived the conditions lit a) – c) of the HVB-Bid by one working day prior to the expiry of the acceptance period of the HVB-Bid (it is not possible to waive the condition as under lit d) of the HVB-Bid).

3.2. Confirmation of the value of the BA-CA Shares by an expert

According to sub-section 2.5.1. (ii) of the Bid Document, an additional condition of the Share Exchange Offer is the issuance of a confirmation by an independent external expert that as of the date of confirmation the value of the deposited BA-CA Shares essentially corresponds to the valuation submitted to UniCredit's shareholders' meeting on 29 July 2005 as a basis for resolving the capital increase. According to UniCredit, this confirmation is mandatory under Italian law and can be issued only at the time of issuance of the new ordinary UniCredit shares.

Such condition must be satisfied no later than 15 May 2006, failing which the Share Exchange Offer will not be completed (see sub-section 2.5.2 of the Bid Document). In this case, the owners of BA-CA Shares who have accepted the Share Exchange Offer are entitled to accept the cash offer within 5 trading days of the date of the relevant publication by UniCredit in the Wiener Zeitung.

3.3. Timeframe for the satisfaction of the conditions on 15 May 2006

According to sub-section 2.5.2. of the Bid Document, the conditions of the Bid need to be satisfied at the latest by 15 May 2006. Accordingly, the date of satisfaction of the conditions could be substantially later in time than the end of the acceptance period. Those shareholders accepting either the cash offer or the Share Exchange Offer are bound by their acceptance declaration potentially until 15 May 2006 and will thus have no possibility to dispose of either the BA-CA Shares or the UniCredit shares, unless either the satisfaction of all conditions or the breach of a condition or the waiver of the conditions lit a) to c) of the HVB-Bid has occurred.

It is BA-CA's understanding of 2.8.2 of the Bid Document that the voting rights shall be retained by the selling or exchanging BA-CA shareholders until completion of the Bid in case a shareholders' meeting of BA-CA takes place prior to the satisfaction of all the conditions.

Should the Bid be completed prior to the ordinary shareholders' meeting of BA-CA that resolves the dividend for 2005, then the dividend rights relating to BA-CA Shares which have been assented to the Bid will accrue to UniCredit. In all likelihood, a completion of the Bid would occur prior to the ordinary shareholders meeting of BA-CA in 2006.

BA-CA is unable to assess the likelihood and timing for the conditions included in the Bid and in the HVB-Bid to be satisfied.

3.4. Waiver of the conditions by UniCredit

BA-CA points out that UniCredit can waive certain conditions set out in the HVB-Bid. In particular, UniCredit may waive the minimum acceptance threshold set at 65 % of the HVB shares. This means that despite gaining a smaller shareholding in HVB, UniCredit will still gain indirect control of BA-CA. It is also possible to waive approvals required under antitrust or supervisory regulations, notwithstanding the legal consequences foreseen for such cases. A waiver by UniCredit of conditions in the HVB-Bid does not entitle a BA-CA shareholder to withdraw his or her acceptance.

A waiver could be substantially detrimental to BA-CA, as for example in the case of UniCredit indirectly gaining control over BA-CA's subsidiary Bank BPH Spółka

Akcyjna (**"BPH"**) without having obtained the necessary supervisory authorities' approvals as required under Polish Law.

3.5. Withdrawal

If a shareholder has already accepted either the Share Exchange Offer or the cash offer, he may

a) not withdraw his acceptance declaration (except in case of a competing bid); and

b) not switch his acceptance declaration to another alternative of the Bid (except where the Share Exchange Offer cannot be implemented because the condition set out in 2.5.2. of the Bid is not met).

If a competing bid is made during the acceptance period (including the statutory extension period according to § 19 para 3 Austrian Takeover Act) of the Bid, the shareholders are entitled, as stated under § 17 Austrian Takeover Act, to withdraw from their previous declarations of acceptance at any time up to the last day of the statutory extension period.

BA-CA shareholders may exercise this right of withdrawal only if a competing bid is made for BA-CA Shares, but not if such a competing bid is made for HVB shares only.

4.) Future Business Policy

According to UniCredit, the aim of the merger is to create a new force in European banking with leading positions in multiple home markets, leadership in Central and Eastern Europe („**CEE**") as well as a balanced business portfolio and enhanced growth prospects. The key strategic goals of the new banking group are:

- to strengthen its competitive position in its markets of presence
- to maintain and leverage its leading market positions in key CEE markets
- to optimise and consolidate the local entities and operations in CEE markets
- to exploit complementary strengths and critical mass in scale-driven business areas
- to focus on growth in selected regions and business areas
- to maximise revenue and cost synergies by sharing best practices
- to optimise brand portfolios and production capabilities
- to rationalise overlapping and duplicated functions
- to implement a fully divisionalised business model

Sub-section 4.1 of the Bid Document describes how these goals are to be achieved in relation to BA-CA. BA-CA also refers to the description as set out in the Press Release.

Furthermore, BA-CA specifically refers to sub-section 4.2. of the Bid Document, which states that UniCredit currently does not intend to de-list BA-CA Shares from the Vienna Stock Exchange. In accordance with current legislation (§ 66 para 1 subpara 8 of the Austrian Stock Exchange Act) such company delisting would presuppose the minimum free float requirement no longer being met. Under current practice, this is only possible through a squeeze-out of the remaining minority shareholders by way of an up-stream merging transformation under the Austrian Transformation Act or via a disproportionate demerger as set out in the Austrian Demerger Act. BA-CA therefore assumes that the listing of the BA-CA Shares will be upheld, also since BA-CA's articles of association may prevent a squeeze-out.

According to the Bid, a divisional structure for BA-CA is envisaged with the exception of its CEE operations. It is currently not possible to make an assessment of the actual impact of UniCredit's envisaged full divisionalisation strategy on BA-CA's Austrian business.

Such a divisional structure will have to comply with the applicable regulatory frameworks of applicable banking and stock corporation law, according to which the ultimate authority to decide and control rests with the entity actually undertaking the banking business. Given this requirement and the relevant existing agreements with HVB, BA-CA does not assume that the introduction of a divisional structure would negatively impact its business development.

The CEE business of BA-CA and UniCredit is to be consolidated under an intermediate holding company domiciled in Vienna (a definitive decision on this issue is still pending). In this context, special importance should be attached to the Framework Agreement (the "**Framework Agreement**") and to the Bank of the Regions Agreement (the "**Bank of the Regions Agreement**") of 22 July 2000 and its further development within the framework of the new structure, both forming the basis of the merger with HVB. Amongst others, these agreements define BA-CA as a universal bank and as the lead holding company of the BA-CA Group for CEE.

As BPH is an essential element of the CEE activities and strategy of the BA-CA Group, BA-CA will not sell BPH and therefore – in accordance with the intentions underlying the BCA - will not tender its shares in BPH into the announced mandatory bid of UniCredit regarding the BPH shares. BA-CA has already confirmed this intention vis-à-vis UniCredit.

Given the particular importance of the Framework Agreement and the Bank of the Regions Agreement for the future position of the BA-CA Group, BA-CA, in addition and for specification of the Prospectus (especially sub-section 18.8), refers to its

Austrian IPO prospectus of June 2003, particularly the section "Relationships and Transactions with Existing Shareholders and Certain Other Parties" (page 168 et seq., which can be accessed on http://ir.ba-ca.com) setting out in detail the Framework Agreement, the Bank of the Regions Agreement and the rights of registered shareholders.

5.) Employees, creditors and public interest

5.1.Employees:

Except for changes necessary for the realisation of synergies (including attainment of an adequate level of personnel in the combined group) according to UniCredit no material changes are planned with regard to BA-CA employees.

The position of BA-CA employees under applicable labour legislation and statutory frameworks applicable to BA-CA employees is not impacted as a result of a change of control.

Insofar as UniCredit states as a goal not to have more employees than required for the successful operation of its business, BA-CA acts on the assumption that these considerations correspond to its target employment figures as communicated also to HVB.

The combination of the CEE units of the combined group in Vienna will have an impact on employment status.

5.2. Creditors:

BA-CA does not foresee any direct impact of the Bid on the position of its creditors.

BA-CA assumes that in the course of any corporate reorganisations care will be taken not to infringe on or limit the deficiency (subsidiary) guarantees given by both the Municipality of Vienna for certain contingent liabilities and the Privatstiftung zur Verwaltung von Anteilsrechten (the "**AVZ**").

5.3. Public interest:

It is in the interest of the Austrian capital markets to keep BA-CA listed on the Vienna Stock Exchange as a public company. This is particularly relevant as, according to the Bid Document, UniCredit is not seeking admission of UniCredit shares to the Vienna Stock Exchange.

The public interest to preserve BA-CA as an Austrian universal bank and as a holding company for the CEE entities of the HVB Group, also considering the deficiency (subsidiary) guarantees of the Municipality of Vienna, is documented through the contractual partnership with AVZ under the Framework Agreement and the principles and provisions contained therein concerning the merger with HVB, AVZ's rights as registered shareholder as well as through the shareholders' agreement entered into by AVZ and HVB. BA-CA and the other contracting parties will have to take adequate account of the public interest in case of potential amendments to these contracts.

6.) The interests of BA-CA’s board members

There are no monetary benefits arising for the members of BA-CA’s management and supervisory boards as a consequence of the acceptance of the Bid or of its alternatives. No member of the board of management holds any board position at the Offeror or at another company acting in concert with the Offeror.

Erich Hampel, CEO of BA-CA, has been proposed as Division Head of the CEE division by UniCredit and HVB and would become a member of the to-be-created Management Committee of UniCredit S.p.A. on taking up this appointment.

The following members of the supervisory board of BA-CA are also members of the management board of HVB:

Michael Mendel, Dr. Wolfgang Sprißler, Dr. Michael Kemmer, Dr. Stefan Jentzsch

7.) Settlement

Sub-section 2.8. of the Bid Document contains details of the offer acceptance procedures and settlement. No shareholder is obliged to accept the Bid.

It is recommended that shareholders consult their custodian bank on the mechanics and settlement of the Bid and seek advice on any taxation implications from qualified experts.

8.) Equal treatment

The UniCredit offer of either EUR 79,60 in cash or 19,92 UniCredit shares for each BA-CA Share is the same for all BA-CA shareholders. Attention should be paid to the additional payment commitment of sub-section 2.11.2. of the Bid document.

9.) Information

For further information please contact the investor relations department of BA-CA: Mr Gerhard Smoley, Telephone +43 (0) 50505-58803, Fax +43 (0) 50505-48808, e-mail: ir@ba-ca.com.

10.) Advisors

The legal advisors to BA-CA are Grohs Hofer Rechtsanwälte GmbH, with seat in Vienna and business address at Helferstorfer Straße 4, 1010 Vienna.

The financial advisors to BA-CA are UBS Limited ("UBS Investment Bank"), headquartered in London with business address at 1 Finsbury Avenue, London EC2M 2PP.

The legal advisors to UBS Investment Bank are Cerha Hempel Spiegelfeld Hlawati, Partnerschaft von Rechtsanwälten, with seat in Vienna and business address at Parkring 2, 1010 Vienna.

11.) Experts

BA-CA has appointed PKF Centurion Wirtschaftsprüfungsgesellschaft m.b.H. with seat in Vienna and business address at Hegelgasse 8, 1010 Vienna, registered under FN 78655w in the commercial register of the commercial court of Vienna, as its independent expert according to § 13 of the Austrian Takeover Act to advise BA-CA throughout the entire proceedings and to review the response document made to the Bid by its administrative bodies.

12.) Response of the supervisory board

The supervisory board has taken note of the response of the management board of BA-CA. The Chairman of the supervisory board of BA-CA has informed the management board that the supervisory board has decided not to render its own response to the Bid (cf. § 14 of the Austrian Takeover Act).

13.) Pros and Contras

For the assessment of the Bid BA-CA has analysed the financial terms of the Bid. A valuation on a stand-alone basis of the Target Company is not appropriate as the BA-CA shareholder is not in a position to impact the outcome of the HVB-Bid and therefore has no influence on the change of control in BA-CA.

The shareholders' decisions will depend on how the BA-CA–share price will perform relative to the UniCredit share price, and also how the BA-CA share price, following the indirect takeover through UniCredit, will perform on its own.

An analysis of the future potential and the possible share price development and valuations for both UniCredit and BA-CA shares following the indirect takeover through UniCredit would require detailed assumptions about the future structure, business policy and implications of the integration. UniCredit will complete its decisions on these matters, partly together with BA-CA, only upon the successful takeover. These decisions will also impact the timetable for the planned integration of BA-CA into the UniCredit group. In relation to the future UniCredit group, BA-CA is not in possession of the information required for a conclusive financial assessment of the Bid. As mentioned above, BA-CA is of the opinion that some important determinations remain open. BA-CA is therefore not in a position to make a conclusive financial assessment of the Bid.

The Bid is in compliance with Austrian Takeover Law; given the abovementioned reasons BA-CA refrains from giving a final recommendation to accept or reject the Bid.

In reaching their decision on the Bid, shareholders should in any event consider the following matters:

Share Exchange Offer:

Pros:

- Upon successful completion of the Bid, UniCredit will be one of the largest European banks, with an extensively illustrated Investment Case. Its shares are expected to be highly liquid.

- According to UniCredit's plans, the combination of UniCredit, HVB, BA-CA, and their subsidiaries will result in the creation of cost and revenue synergies which, in the medium term, could benefit shareholders who have accepted the Bid.

- BA-CA shareholders will be switching from a minority shareholding position alongside a major shareholder (HVB's shareholding in BA-CA amounts to 77.5%) to a position as a shareholder in UniCredit, which is characterised by a widely spread shareholder structure.

- The Share Exchange Offer is currently valued above the Cash Offer Purchase Price (underlying valuation: UniCredit's share price of 5 September 2005 multiplied with the exchange ratio of 19.92).

Cons:

- ♦ Until satisfaction of all offer conditions, which could occur as late as 15 May 2006, BA-CA shareholders opting for the Share Exchange Offer will not be in possession of the new UniCredit shares; this means that even in case of a negative price development of UniCredit shares such BA-CA shareholders will not be able sell their UniCredit shares until the conditions are satisfied.

- ♦ As a result of the exchange into UniCredit shares, BA-CA shareholders will be invested in bank and country specific risks of HVB and UniCredit, which had to date not been part of their portfolios. BA-CA has had no opportunity to carry out due diligence on these companies. Therefore, BA-CA cannot assess the completeness of the risk factors as illustrated in the Prospectus or on the possible consequences of these risk factors.

- ♦ According to the Prospectus, UniCredit is considering a significant restructuring of the new banking group in order to obtain synergy benefits; such restructuring plans are likely to entail considerable complexity during implementation; there are no guarantees that the envisaged restructuring initiatives will be completed successfully or that the related synergies will actually materialise.

- ♦ Regulatory authorities in various jurisdictions could potentially take decisions that would impede or delay the implementation of the integration; this could jeopardise the achievements of synergy benefits and possibly also have a detrimental impact on the share price of UniCredit.

- ♦ Upon completion of the transaction, UniCredit's share price could come under pressure, at least temporarily, if a significant part of the former shareholders of HVB, BA-CA or BPH seek to sell their newly obtained UniCredit shares.

Shareholders should refer to Section 2 (risk factors) of the Prospectus for further information on the risk factors, including those highlighted above, and further risk factors included in the Prospectus. All of the risk factors described in the Prospectus could have a detrimental effect on the development of UniCredit's share price.

Cash offer:

Pros:

- ♦ Realisation of the investment in BA-CA at a share price (EUR 79.60 for each BA-CA Share) that is above the highest price attained by the BA-CA Share until immediately prior to the confirmation of ongoing talks between UniCredit and HVB on 30 May 2005.

- No exposure to possible bank or country specific risks stemming from the portfolios of UniCredit or HVB.

Cons:

- The price of the BA-CA Share is currently higher than the Cash Offer Purchase Price of EUR 79.60 for each BA-CA Share. The Share Exchange Offer is also currently more highly valued than the Cash Offer Purchase Price (UniCredit's share price of 5 September 2005 multiplied with the exchange ratio of 19.92).

- BA-CA shareholders accepting the cash offer will not participate in potential value increases of the UniCredit or the BA-CA shares which could occur, for example, upon the realisation of the announced synergy potentials.

- BA-CA Shareholders accepting the cash offer will not receive the cash compensation for the tendering of their shares until the satisfaction of all conditions, which could occur as late as 15 May 2006.

- If, as expected, the Bid is completed before the general shareholders' meeting of BA-CA in 2006, BA-CA shareholders having accepted the cash offer would not be entitled to the BA-CA dividend for the financial year 2005.

Keeping the BA-CA Shares:

Pros:

- Remain as shareholder in one of the most successful European banks of the last years, as evidenced, for example, by the development of the share price since the IPO.

- Direct participation in the BA-CA group with exposure to the growth markets in the CEE region (possibly including the integration of UniCredit's activities in the CEE region), and strategic focus of BA-CA on Austria and the growth region CEE, which is currently contractually secured with regard to the existing business activities of the BA-CA group in CEE.

- No direct exposure to bank or country specific risks of UniCredit or HVB.

- Indirect protection against certain re-organisation measures due to the specific rights of the registered shareholders; the interests of the registered shareholders may not correspond to the interests of the remaining BA-CA shareholders.

- No restrictions on the disposal of BA-CA Shares until completion of the Bid.

Cons:

- UniCredit is considering restructuring measures. Even if such restructuring measures may only be taken at terms and conditions not discriminating against minority shareholders, the investment case of BA-CA could change.

- By reducing the free-float shareholding of BA-CA (through any partial acceptance of the Bid by other BA-CA shareholders) the liquidity of the BA-CA Shares could be reduced and the performance of its share price could be negatively affected.

- UniCredit is considering a significant restructuring in order to realise synergy benefits within the new banking group; such restructuring plans are likely to entail considerable complexity during implementation; there are no guarantees that the envisaged restructuring will be completed successfully or that the related synergies at the BA-CA group level will actually materialise.

The management board of BA-CA is of the opinion that upon the successful completion of the transaction BA-CA will become a significant part of one of the strongest European banking groups. As a result, taking into account the described risks and uncertainties, the transaction offers BA-CA, from today's perspective, interesting development opportunities.

Vienna, 6 September 2005

The Management Board of Bank Austria Creditanstalt AG