

IMPORTANT NOTICE

NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES OR TO ANY U.S. PERSON (AS DEFINED BELOW) OR ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS DOCUMENT. FOR THE PURPOSES OF THIS NOTICE, THE "UNITED STATES" MEANS THE UNITED STATES OF AMERICA, ITS TERRITORIES AND POSSESSIONS (INCLUDING PUERTO RICO, THE U.S. VIRGIN ISLANDS, GUAM, AMERICAN SAMOA, WAKE ISLANDS AND THE NORTHERN MARIANA ISLANDS), ANY STATE OF THE UNITED STATES AND THE DISTRICT OF COLUMBIA.

IMPORTANT: You must read the following before continuing. The following disclaimer applies to the exchange offer memorandum following this page (the "**Memorandum**") and you are, therefore, required to read this disclaimer page carefully before reading or making any other use of the Memorandum. By accepting the email or other communication through which the Memorandum was made available to you and by accessing or reading the Memorandum, you agree (in addition to giving the representations below) to be bound by all of the following terms and conditions, including any modifications to them from time to time, each time you receive any information from Deutsche Bank AG, London Branch and/or Merrill Lynch International and/or Raiffeisen Bank International AG (the "**Joint Dealer Managers**") and/or Deutsche Bank AG, London Branch (the "**Exchange Agent**") and/or Raiffeisen Bank International AG (the "**Bank**") as a result of such acceptance and access.

THE ATTACHED MEMORANDUM MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. THE MEMORANDUM MAY ONLY BE DISTRIBUTED TO PERSONS TO WHOM IT IS LAWFUL TO SEND THE MEMORANDUM AND, IN PARTICULAR, SHOULD NOT BE FORWARDED TO ANY U.S. PERSON OR TO ANY U.S. ADDRESS. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORISED. FAILURE TO COMPLY WITH THIS DIRECTION MAY RESULT IN A VIOLATION OF APPLICABLE LAWS.

Confirmation of your representation: This Memorandum was sent at your request and, by accepting the e-mail or other communication through which the Memorandum was made available to you and accessing the Memorandum, you shall be deemed (in addition to the above) to have represented to the Bank, the Joint Dealer Managers and the Exchange Agent that:

- (a) you are a holder or a beneficial owner of Subordinated Supplementary Capital Fixed to Floating Rate Callable Notes (pursuant to Section 23, paragraph 7 of the Austrian Banking Act) due October 2015, ISIN XS0326967832 (the "**Existing Notes**"), issued by Raiffeisen Zentralbank Österreich Aktiengesellschaft on 29 October 2007 in an aggregate principal amount of EUR 600,000,000;
- (b) you are a person to whom it is lawful under applicable laws to send the Memorandum or for the Bank to make an invitation pursuant to the Exchange Offer (as defined in the Memorandum);
- (c) you are not, and you are not acting for the account or benefit of, a U.S. Person (as defined in Regulation S of the United States Securities Act of 1933, as amended);
- (d) you consent to delivery of the Memorandum to you by electronic transmission; and
- (e) the e-mail address you have given us and to which the attached Memorandum has been delivered is not located in the United States.

The Memorandum has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of the Bank, the Joint Dealer Managers, the Exchange Agent, or any person who controls, or any director, officer, employee, agent or affiliate of, any such person accepts any liability or responsibility whatsoever in respect of any

difference between the Memorandum distributed to you in electronic format and the hard copy version available to you on request from the Exchange Agent.

You are otherwise reminded that the Memorandum has been delivered to you on the basis that you are a person into whose possession the Memorandum may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and/or resident and you may not, nor are you authorised, to deliver the Memorandum to any other person. Any such delivery or any reproduction of this Memorandum in whole or in part is unauthorised. Failure to comply with this restriction may result in a violation of the applicable laws of certain jurisdictions.

Any materials relating to the Exchange Offer do not constitute, and may not be used in connection with, any form of offer or solicitation in any place where such offers or solicitations are not permitted by law. If a jurisdiction requires that the Exchange Offer be made by a licensed broker or dealer and any of the Joint Dealer Managers or their affiliates is such a licensed broker or dealer in that jurisdiction, the Exchange Offer shall be deemed to be made by such Joint Dealer Managers or affiliate on behalf of the Bank in such jurisdiction.

The communication of this Memorandum and any other documents or materials relating to the Exchange Offer is not being made and such documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom, and are only for circulation to persons outside the United Kingdom or to persons within the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or within Article 43(2) of the Order, or to other persons to whom it may lawfully be communicated in accordance with the Order (such persons together being the "**Relevant Persons**"). This document is only available to Relevant Persons and the transaction contemplated herein will be available only to, or engaged in only with, Relevant Persons, and this financial promotion must not be relied or acted upon by persons other than Relevant Persons.

Restrictions: Nothing in this electronic transmission constitutes an offer to buy or the solicitation of an offer to sell securities in the United States or any other jurisdiction in which such offer or solicitation would be unlawful.

The distribution of the Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession the Memorandum comes are required by the Bank, the Joint Dealer Managers and the Exchange Agent to inform themselves about, and to observe, any such restrictions.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN INVITATION TO PARTICIPATE IN THE EXCHANGE OFFER OR AN OFFER OF NEW NOTES (AS DEFINED IN THE ATTACHED MEMORANDUM) IN THE UNITED STATES OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE NEW NOTES HAVE NOT BEEN, AND WILL NOT BE, REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE NEW NOTES MAY NOT BE OFFERED, SOLD OR DELIVERED, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT).

NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES OR TO ANY U.S. PERSON OR ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES OF AMERICA OR ANY OTHER JURISDICTION WHERE IT IS UNLAWFUL TO DISTRIBUTE THIS DOCUMENT. FOR THE PURPOSES OF THIS NOTICE, THE "UNITED STATES" MEANS THE UNITED STATES OF AMERICA, ITS TERRITORIES AND POSSESSIONS (INCLUDING PUERTO RICO, THE U.S. VIRGIN ISLANDS, GUAM, AMERICAN SAMOA, WAKE ISLANDS AND THE NORTHERN MARIANA ISLANDS), ANY STAKE OF THE UNITED STATES OF AMERICA AND THE DISTRICT OF COLUMBIA.

THIS EXCHANGE OFFER DOES NOT CONSTITUTE AN OFFER TO BUY OR A SOLICITATION OF AN OFFER TO SELL SECURITIES IN ANY JURISDICTION IN WHICH, OR TO OR FROM ANY PERSON TO OR FROM WHOM, IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION UNDER APPLICABLE SECURITIES LAWS OR OTHERWISE. THE DISTRIBUTION OF THIS DOCUMENT IN CERTAIN JURISDICTIONS (IN PARTICULAR, THE UNITED STATES, THE UNITED KINGDOM, THE REPUBLIC OF ITALY, BELGIUM AND FRANCE) MAY BE RESTRICTED BY LAW. SEE "EXCHANGE OFFER AND DISTRIBUTION RESTRICTIONS" BELOW. PERSONS INTO WHOSE POSSESSION THIS DOCUMENT COMES ARE REQUIRED BY EACH OF THE JOINT DEALER MANAGERS, THE BANK AND THE EXCHANGE AGENT (EACH AS DEFINED BELOW) TO INFORM THEMSELVES ABOUT, AND TO OBSERVE, ANY SUCH RESTRICTIONS. NO ACTION THAT WOULD PERMIT A PUBLIC OFFER HAS BEEN OR WILL BE TAKEN IN ANY JURISDICTION BY THE BANK, THE JOINT DEALER MANAGERS OR THE EXCHANGE AGENT.

EXCHANGE OFFER MEMORANDUM DATED 10 OCTOBER 2012

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

This Exchange Offer Memorandum dated 10 October 2012 (the "**Memorandum**") contains important information which should be read carefully before any decision is made with respect to the Exchange Offer (as defined below). Before participating in the Exchange Offer, Noteholders (as defined herein) are recommended to seek their own financial advice from their stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Noteholders whose Existing Notes (as defined herein) are held on their behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if they wish to participate in the Exchange Offer.



Invitation by

Raiffeisen Bank International AG

a joint stock corporation (*Aktiengesellschaft*) under Austrian law (the "**Bank**")

to the holders of

Description of the Existing Notes	ISIN	Denomination	Exchange Ratio
EUR 600,000,000 Subordinated Supplementary Capital Fixed to Floating Rate Callable Notes (pursuant to Section 23, paragraph 7 of the Austrian Banking Act) due October 2015 issued by Raiffeisen Zentralbank Österreich Aktiengesellschaft	XS0326967832	EUR 50,000 and integral multiples of EUR 1,000 in excess thereof up and to and including EUR 99,000	1 : 1, subject to the Minimum Exchange Amount Condition

(the "Existing Notes")

to offer to exchange such Existing Notes for
EUR denominated Callable Subordinated Fixed Rate Reset Notes due 2023
Series: 18 Tranche 1
ISIN XS0843322750
to be issued pursuant to the EUR 25,000,000,000
Debt Issuance Programme for the issue of Notes
of
Raiffeisen Bank International AG
(the "New Notes")

The Bank is making an invitation to all holders of the Existing Notes (subject to the offer restrictions referred to in "*Exchange Offer and Distribution Restrictions*") who are holding Existing Notes in an aggregate principal amount equal to or exceeding the Minimum Exchange Amount (as defined below) to offer to the Bank to exchange any and all of their Existing Notes for New Notes all as more fully described herein (together, the "**Exchange Offer**"). The Exchange Offer is being made upon the terms and subject to the conditions contained in this Memorandum.

The New Notes will

- (a) be issued in the denomination of EUR 1,000 each;
- (b) be offered by the Bank to Noteholders offering Existing Notes to exchange pursuant to the Exchange Offer solely in compliance with Art 3(2)(e) of the Prospectus Directive (total minimum consideration per investor of at least EUR 100,000);
- (c) for interest periods ending prior to the Call Redemption Date (as defined in the form of New Notes Integrated Conditions), bear interest on their aggregate principal amount at the rate of 5.875 per cent. per annum, and for interest periods ending thereafter bear interest at a rate per annum equal to the margin of 4.84 per cent. per annum above the Reference Benchmark on the Reset Interest Determination Date (each as defined herein) (the "**New Notes Reset Coupon**"), which interest will be payable annually in arrear on an actual/actual ICMA (following unadjusted) basis;
- (d) be delivered for a minimum exchange amount of at least EUR 125,000 in principal amount of Existing Notes (the "**Minimum Exchange Amount**") per Exchange Instruction Offered to Exchange, with a separate Exchange Instruction completed by or on behalf of each beneficial owner (the "**Minimum Exchange Amount Condition**"); and
- (e) otherwise have the terms and conditions described in the Form of New Notes Final Terms (as defined herein) and the New Notes Integrated Conditions (as defined herein).

Subject to a Noteholder satisfying the Minimum Exchange Amount Condition, the principal amount of New Notes which each Noteholder whose Existing Notes are accepted by the Bank for exchange pursuant to the Exchange Offer will receive on the Settlement Date will equal the aggregate principal amount of such Existing Notes accepted by the Bank for exchange.

In addition the Bank will pay in cash any Accrued Interest (as defined herein), if any, on the Existing Notes accepted by the Bank for exchange pursuant to the Exchange Offer on the Settlement Date.

As soon as reasonably practicable after the Expiration Deadline (as defined below) the Bank will announce whether it will accept valid offers of Existing Notes to exchange pursuant to the Exchange Offer and, if so

accepted, the final aggregate principal amount of Existing Notes accepted for exchange and the aggregate principal amount of the New Notes to be issued.

The Exchange Offer begins on 10 October 2012 and will expire at 5.00 p.m. CET on 23 October 2012 (the "Expiration Deadline"), unless amended, extended, re-opened or terminated as provided in this Memorandum. The expected Settlement Date for the Exchange Offer is on 29 October 2012.

Noteholders wishing to offer to exchange their Existing Notes pursuant to the Exchange Offer should do so in accordance with the procedures described herein under the heading "*Procedures for Participating in the Exchange Offer*". In order to participate in, and be eligible to receive, New Notes pursuant to the Exchange Offer, Noteholders must validly offer their Existing Notes to exchange by delivering, or arranging to have delivered on their behalf, a valid Exchange Instruction that is received by the Exchange Agent by (and not validly revoked prior to) the Expiration Deadline.

The risks involved in a participation in the Exchange Offer are described herein under the heading "*Risk Factors and other considerations*".

The terms and conditions of the Existing Notes provide for a call right of the issuer on 29 October 2012 and thereafter. It is the intention of the consolidated group of the Bank and RZB that all decisions to exercise calls in respect of the Existing Notes that are not offered for exchange pursuant to the Exchange Offer will be made with reference to the prevailing regulatory, economic and market conditions at the time.

Subject to applicable law and as provided in this Memorandum, the Bank may, at its sole discretion, amend, extend, re-open or terminate the Exchange Offer or waive any condition thereof at any time. Details of any such extension, re-opening, amendment, termination or waiver will be announced as provided in this Memorandum as soon as reasonably practicable after the relevant decision is made.

Exchange Instructions submitted pursuant to the Exchange Offer and received by the Exchange Agent will be irrevocable except in the limited circumstances described in this Memorandum under the heading "*Procedures for Participating in the Exchange Offer – Revocation of Exchange Instructions*".

This Memorandum does not constitute a prospectus for the purposes of EU Directive 2003/71/EC (as amended, inter alia, by Directive 2010/73/EU) the "**Prospectus Directive**".

The New Notes are being offered by the Bank to Noteholders making Offers to Exchange pursuant to the Exchange Offer solely in compliance with Art 3(2)(e) of the Prospectus Directive (total minimum consideration per investor of at least EUR 100,000).

The definitive terms of the New Notes will be described in the Form of New Notes Final Terms and New Notes Integrated Conditions.

JOINT DEALER MANAGERS

BofA Merrill Lynch

Deutsche Bank

Raiffeisen Bank International AG

10 October 2012

GENERAL

This Memorandum and the Documents Incorporated by Reference (as defined herein) contains important information which should be read carefully before any decision is made with respect to the Exchange Offer. If any Noteholder is in any doubt as to the action it should take, it is recommended to seek its own tax, financial and/or legal advice, including as to any tax consequences, from its stockbroker, bank manager, solicitor, accountant or other independent financial adviser. Any individual or company whose Existing Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to Offer to Exchange such Existing Notes in the Exchange Offer.

No Exchange Offer is being made, and any instructions relating to the Exchange Offer will not be accepted from, or on behalf of, Noteholders in any jurisdiction in which the making of the Exchange Offer would not be in compliance with the laws or regulations of such jurisdictions. See "*Exchange Offer and Distribution Restrictions*".

None of Deutsche Bank AG, London Branch, Merrill Lynch International or Raiffeisen Bank International AG (together, the "**Joint Dealer Managers**" and each a "**Dealer Manager**"), Deutsche Bank, London Branch (the "**Exchange Agent**") or the Bank makes any recommendation whether Noteholders should Offer to Exchange Existing Notes and/or accept the New Notes in the Exchange Offer or expresses any opinion about the terms of the Exchange Offer.

None of the Joint Dealer Managers, the Exchange Agent or their respective directors, employees or affiliates assumes any responsibility for the accuracy or completeness of the information concerning the Exchange Offer or the Bank or any of its affiliates contained in this Memorandum or for any failure by the Bank to disclose events that may have occurred and may affect the significance or accuracy of the information in this Memorandum.

Each Noteholder is solely responsible for making its own independent appraisal of all matters as such Noteholder deems appropriate relating to the Exchange Offer and each Noteholder must make its own decision as to whether to exchange any or all of its Existing Notes for New Notes pursuant to such Exchange Offer. Accordingly, each person receiving this Memorandum acknowledges that it has not relied upon the Bank, the Joint Dealer Managers or the Exchange Agent in connection with its decision as to whether to participate in the Exchange Offer. If such person is in any doubt about any aspect of the Exchange Offer and/or the action it should take, including in respect of any tax consequences, it should consult its professional advisers.

Neither the delivery of this Memorandum nor any exchange of Existing Notes pursuant to the Exchange Offer shall, under any circumstances, create any implication that the information contained in this Memorandum is current as of any time subsequent to the date of this Memorandum or that there has been no change in the information set out in it or in the affairs of the Bank since the date of this Memorandum.

No person has been authorised in connection with the Exchange Offer to give any information or to make any representation other than as is consistent with this Memorandum and any such information or representation must not be relied upon as having been authorised by the Bank, the Joint Dealer Managers, the Exchange Agent, or any of their affiliates or respective agents.

Noteholders who do not participate in the Exchange Offer, or whose Existing Notes are not accepted for exchange by the Bank, will continue to hold their Existing Notes subject to their respective terms and conditions.

Questions and requests for assistance in connection with the Exchange Offer and the delivery of Exchange Instructions may be directed to the Exchange Agent, the contact details for which appear on the last page of this Memorandum.

The New Notes will be represented by a global note in bearer form (the "**Global Note**").

Noteholders must comply with all laws that apply to them in any place in which they possess this Memorandum. Noteholders must also obtain any consents or approvals that they need in order to offer their Existing Notes for exchange. None of the Bank, the Joint Dealer Managers or the Exchange Agent is responsible for Noteholders' compliance with these legal requirements. See "Exchange Offer and Distribution Restrictions." The applicable provisions of the Financial Services and Markets Act 2000 must be complied with in respect of anything done in relation to the Exchange Offer in, from or otherwise involving the United Kingdom.

Copies of this Memorandum and the Documents Incorporated by Reference are available on request, subject to applicable laws and the restrictions set out in "*Exchange Offer and Distribution Restrictions*", from the Exchange Agent.

References in this Memorandum to "EUR", "euro" or "€" refer to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty establishing the European Community, as amended.

DOCUMENTS INCORPORATED BY REFERENCE

The base prospectus for the EUR 25,000,000,000 Debt Issuance Programme of the Bank (the "**Programme**") dated 26 June 2012, as supplemented on 4 September 2012 and from time to time (the "**Prospectus**") (including all of the information and documents incorporated by reference therein) shall be incorporated in, and form part of, this Memorandum (the "**Documents Incorporated by Reference**").

Copies of the Prospectus and any information and documents incorporated by reference therein are available on request from any of the Exchange Agent, the Joint Dealer Managers and the Bank. Noteholders should assess each such document before deciding whether to accept the Exchange Offer. Noteholders should note that they will be deemed to have represented that they have reviewed and understood such documents in order to accept validly the Exchange Offer.

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EXCHANGE OFFER AND DISTRIBUTION RESTRICTIONS

General

This Memorandum does not constitute an invitation to participate in the Exchange Offer in any jurisdiction in which, or to any person to whom, it is unlawful under applicable laws to make such invitation or for there to be such participation.

The distribution of this Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this Memorandum comes are required by the Bank, the Joint Dealer Managers and the Exchange Agent to inform themselves about and to observe any such restrictions.

The Joint Dealer Managers and the Exchange Agent (and their respective directors, employees or affiliates) make no representations or recommendations whatsoever regarding this Memorandum or the Exchange Offer. The Exchange Agent is the agent of the Bank and owes no duty to any Noteholder. None of the Bank, the Joint Dealer Managers or the Exchange Agent makes any recommendation as to whether or not Noteholders should participate in the Exchange Offer.

The Exchange Offer does not constitute an offer to buy or the solicitation of an offer to sell the Existing Notes and/or the New Notes in any circumstances in which such offer or solicitation is unlawful. In those jurisdictions where the securities, blue sky or other laws require the Exchange Offer to be made by a licensed broker or dealer and either of the Joint Dealer Managers or any of their respective affiliates is such a licensed broker or dealer in such jurisdictions, the Exchange Offer shall be deemed to be made on behalf of the Bank by such Joint Dealer Manager or affiliate, as the case may be, and the Exchange Offer is not made in any such jurisdiction where either of the Joint Dealer Managers or any of their respective affiliates is not so licensed.

No action has been or will be taken in any jurisdiction by the Bank, the Joint Dealer Managers or the Exchange Agent that would permit a public offering of the New Notes.

In addition to the representations referred to below in respect of the United States, each Noteholder participating in the Exchange Offer will also be deemed to give certain other representations as set out in "*Procedures for Participating in the Exchange Offer*". Any offer of Existing Notes for exchange pursuant to the Exchange Offer from a Noteholder that is unable to make these representations will not be accepted. Each of the Bank, the Joint Dealer Managers and the Exchange Agent reserve the right, in their absolute discretion, to investigate, in relation to any offer of Existing Notes to exchange pursuant to the Exchange Offer, whether any such representation given by a Noteholder is correct and, if such investigation is undertaken and as a result the Bank determines (for any reason) that such representation is not correct, such offer shall not be accepted.

Finally, the Selling Restrictions set out in the section "*Subscription and Sale – Selling Restrictions*" on page 166 et. seq. of the Prospectus apply as if set out herein.

United States

The Exchange Offer is not being made, and will not be made, directly or indirectly, in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of or of any facilities of a national securities exchange of, the United States or to, or for the account or benefit of, U.S. persons as defined in Regulation S of the Securities Act of 1933, as amended (the "**Securities Act**") (each a "**U.S. person**"). This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. Accordingly, copies of this Memorandum and any other documents or materials relating to the Exchange Offer are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded (including without limitation, by custodians, nominees or trustees) in or into the United States or to any U.S. persons and the Existing Notes

cannot be Offered to Exchange by any such use, means, instruments or facilities or from within the United States or by U.S. persons. Any purported Offer to Exchange Notes resulting directly or indirectly from a violation of these restrictions will be invalid, and any purported Offer to Exchange made by a U.S. person, a person located in or resident in the United States or from within the United States or from any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States or for a U.S. person will be invalid and will not be accepted.

This Memorandum is not an offer of securities for sale in the United States or to U.S. persons. None of the Existing Notes and the New Notes have been, or will be, registered under the Securities Act or the securities laws of any state or jurisdiction of the United States, and may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of U.S. persons. The purpose of this Memorandum is limited to the Exchange Offer, and this Memorandum may not be sent or given to any person other than in an offshore transaction in accordance with Regulation S under the Securities Act.

Each Noteholder of Existing Notes participating in the Exchange Offer will represent that it is participating in the Exchange Offer in accordance with Regulation S under the Securities Act and that it is not participating in the Exchange Offer from within the United States nor is it a U.S. person or an agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States or for a U.S. person. For the purposes of this and the above paragraph, "**United States**" means United States of America, its territories and possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and the Northern Mariana Islands), any state of the United States of America and the District of Columbia.

United Kingdom

The communication of this Memorandum and any other documents or materials relating to the Exchange Offer is not being made and such documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000 ("**FSMA**"). Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, persons in the United Kingdom save in circumstances where section 21(1) of the FSMA does not apply. The communication of this Memorandum and any other documents or materials relating to the Exchange Offer is only being made to those persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**")) or to those persons who are existing members or creditors of the Bank or other persons within Article 43(2) of the Order, or to other persons to whom it may otherwise lawfully be communicated by virtue of an exemption to section 21(1) of the FSMA or otherwise in circumstances where it does not apply.

Belgium

Neither this Memorandum nor any other documents or materials relating to the Exchange Offer have been submitted to or will be submitted for approval or recognition to the Financial Services and Markets Authority (*Autorité des services et marchés financiers/Autoriteit financiële diensten en markten*) and, accordingly, the Exchange Offer may not be made in Belgium by way of a public offering, as defined in Articles 3 and 6 of the Belgian Law of 1 April 2007 on public takeover bids or as defined in Article 3 of the Belgian Law of 16 June 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets both as amended or replaced from time to time. Accordingly, the Exchange Offer may not be advertised and the Exchange Offer will not be extended, and neither this Memorandum nor any other documents or materials relating to the Exchange Offer (including any memorandum, information circular, brochure or any similar documents) has been or shall be distributed or made available, directly or indirectly, to any person in Belgium other than "qualified investors" in the sense of Article 10 of the Belgian Law of 16 June 2006 on the public offer of placement instruments and the admission to trading of placement instruments on regulated markets, acting on their own account. Insofar as

Belgium is concerned, this Memorandum has been issued only for the personal use of the above qualified investors and exclusively for the purpose of the Exchange Offer. Accordingly, the information contained in this Memorandum may not be used for any other purpose or disclosed to any other person in Belgium.

France

The Exchange Offer is not being made, directly or indirectly, to the public in the Republic of France. Neither this Memorandum nor any other documents or offering materials relating to the Exchange Offer have been or shall be distributed to the public in the Republic of France and only (i) providers of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*); and/or (ii) qualified investors (*investisseurs qualifiés*), as defined in and in accordance with Articles L.411-1, L.411-2 and D.411-2 to D.411-3 of the French *Code monétaire et financier*, are eligible to participate in the Exchange Offer. This Memorandum has not been and will not be submitted for clearance to nor approved by the *Autorité des marchés financiers* ("AMF").

Italy

Neither the Memorandum nor any other documents or materials relating to the Exchange Offer have been or will be submitted to the clearance procedure of the *Commissione Nazionale per le Società e la Borsa* ("CONSOB") pursuant to Italian laws and regulations.

The Exchange Offer is being carried out in the Republic of Italy ("**Italy**") as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended (the "**CONSOB Regulation**"). The Exchange Offer is also being carried out in compliance with article 35-bis, paragraph 7 of the CONSOB Regulation.

Noteholders located in Italy can offer the Existing Notes for exchange through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of September 1, 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Existing Notes or this Exchange Offer.

RISK FACTORS AND OTHER CONSIDERATIONS

Before making a decision whether to offer Existing Notes to exchange in the Exchange Offer, Noteholders should carefully consider all of the information in this Memorandum and, in particular, the following factors and the factors in the section headed "Risk Factors" in the Prospectus (as defined below).

Differences between the Existing Notes and the New Notes

There are significant differences between the terms and conditions of the Existing Notes and the New Notes. Noteholders should consider the differences closely.

The Form of New Notes Final Terms, including the Form of New Notes Integrated Conditions (both of which are subject to modification), is set out in the Annex hereto and should be read in connection with the Prospectus. In particular, attention is also drawn to the section headed "Risk Factors" in the Prospectus.

Uncertainty as to the trading market for Existing Notes not exchanged

To the extent any Existing Notes are offered by Noteholders, and accepted by the Bank, for exchange pursuant to the Exchange Offer, the trading markets for Existing Notes that remain outstanding may be significantly more limited. Such remaining Existing Notes may command a lower market price than would a comparable issue of debt securities with greater market liquidity. A reduced market value may also make the trading price of such Existing Notes more volatile. As a result, the market price for any Existing Notes that remain outstanding after completion of the Exchange Offer may be adversely affected by the Exchange Offer. None of the Bank, the Joint Dealer Managers or the Exchange Agent has any duty to make a market in the Existing Notes not exchanged in the Exchange Offer that remain outstanding.

Call Right for the Existing Notes

The terms and conditions of the Existing Notes provide for a call right of the issuer on 29 October 2012 and thereafter. It is the intention of the consolidated group of the Bank and RZB that all decisions to exercise calls in respect of the Existing Notes that are not offered for exchange pursuant to the Exchange Offer will be made with reference to the prevailing regulatory, economic, and market conditions at the time.

Uncertainty as to the trading market for New Notes

The Bank intends to make an application for (i) the listing of the New Notes on the Official List of the Luxembourg Stock Exchange and (ii) the admission to trading of the New Notes on the regulated market of the Luxembourg Stock Exchange. The Bank does not intend to make an application for a listing of the New Notes on any other market. The New Notes are securities for which there is currently no trading market and for which there can be no assurance of future liquidity.

Responsibility for complying with the procedures of the Exchange Offer

Noteholders are responsible for complying with all of the procedures for submitting Exchange Instructions and exchanging Existing Notes pursuant to the terms of this Memorandum. None of the Bank, the Joint Dealer Managers or the Exchange Agent assumes any responsibility for informing any Noteholder of irregularities with respect to any Exchange Instruction.

No Obligation to accept Offers to Exchange

The Bank is under no obligation to accept any Offers to Exchange. Subject to applicable laws, Offers to Exchange may be rejected at the sole discretion of the Bank for any reason and the Bank is not under any obligation to Noteholders to furnish any reason or justification for refusing to accept an Offer to Exchange. For example, Offers to Exchange may be rejected if the Minimum Exchange Amount Condition is not met, if the Exchange Offer does not comply with the relevant requirements of a particular jurisdiction or for any other reason.

No Assurance the Exchange Offer will be completed

Until the announcement by the Bank as to whether and to what extent it accepts offers of Existing Notes for exchange in the Exchange Offer, which it expects to make as soon as practicable after the Expiration Deadline, no assurance can be given that the Exchange Offer will be completed at all or that the Exchange Offer will be completed without any amendment, extension, re-opening, and/or termination.

Extension, re-opening, amendment, waiver or termination of the Exchange Offer

Subject to applicable law and as provided in this Memorandum, the Bank may, at its sole discretion, extend, re-open, amend, waive any condition of or terminate the Exchange Offer at any time. Details of any such extension, re-opening, amendment, waiver or termination will be announced as provided in this Memorandum as soon as reasonably practicable after the relevant decision is made.

Irrevocability of Exchange Instructions

Under the Exchange Offer, Exchange Instructions will be revocable until the Exchange Offer Revocation Deadline and will be irrevocable thereafter except in the limited circumstances described in "*Procedures for Participating in the Exchange Offer – Revocation of Exchange Instructions*".

Compliance with offer and distribution restrictions

Noteholders are referred to the offer and distribution restrictions as set out in "*Exchange Offer and Distribution Restrictions*" and the agreements, acknowledgements, representations, warranties and undertakings as set out in "*Procedures for participating in the Exchange Offer - Noteholders' Representations, Warranties and Undertakings*" which Noteholders will be deemed to make on submission of an Exchange Instruction. Non-compliance with these could result in, among other things, the unwinding of trades and/or heavy penalties.

Other purchases or redemption of Existing Notes and future actions in relation to the Existing Notes.

Whether or not the Exchange Offer is completed, the Bank, the Joint Dealer Managers or their affiliates may, to the extent permitted by applicable law, continue to acquire, from time to time during or after the Exchange Offer, Existing Notes other than pursuant to the Exchange Offer, including through open market purchases, privately negotiated transactions, tender offers, exchange offers or otherwise, upon such terms and at such prices as they may determine, which may be more or less than the prices to be paid pursuant to the Exchange Offer and could be for cash or other consideration or otherwise on terms more or less favourable than those contemplated in the Exchange Offer. The Bank reserves the right to take one or more future actions at any time in respect of the Existing Notes that remain outstanding during or after the settlement of the Exchange Offer. Although none is currently contemplated, the Bank may wish to undertake one or more transactions in the future that could require consent of the Noteholders under the terms and conditions of the Existing Notes to amend one or more provisions of the Existing Notes, and any such consent solicitation could be accompanied by an offer to purchase or invitation to make offers to sell Existing Notes. Any such future transactions by the Bank will depend on various factors existing at that time. There can be no assurance as to which, if any, of the aforementioned alternatives (or combinations thereof) the Bank will choose to pursue in the future and when such alternatives might be pursued.

Minimum Exchange Amount Condition

Noteholders should note that Exchange Instructions can only be considered for acceptance if Existing Notes in an aggregate principal amount equal or exceeding the Minimum Exchange Amount are validly Offered to Exchange per Exchange Instruction. For the avoidance of doubt, a separate Exchange Instruction must be completed by or on behalf of each beneficial owner.

Blocking of Existing Notes

When considering whether to participate in the Exchange Offer, Noteholders should take into account that restrictions on the transfer of the Existing Notes by Noteholders will apply from the time of submission of Exchange Instructions. A Noteholder will, on submitting an Exchange Instruction, agree that its Existing Notes will be blocked in the relevant account in the relevant Clearing System from the date the relevant Exchange Instruction is submitted until the earlier of (i) the time of settlement on the Settlement Date and (ii) the date of any termination of the Exchange Offer (including where such Existing Notes are not accepted for exchange pursuant to the Exchange Offer) or on which the Exchange Instruction is revoked, in the limited circumstances described in and only in accordance with the procedures set out in "*Procedures for Participating in the Exchange Offer – Revocation of Exchange Instructions*". Fees, if any, which may be charged by the relevant Clearing System to the Direct Participant in connection with the blocking of the relevant account or otherwise must be borne by the Direct Participant or as otherwise agreed between the Direct Participant and the Noteholder. For the avoidance of doubt, Noteholders shall have no recourse to the Bank, the Joint Dealer Managers or the Exchange Agent with respect to such costs.

Responsibility to consult advisers and for assessing the merits of the Exchange Offer

Each Noteholder is responsible for assessing the merits of the Exchange Offer. Noteholders should consult their own tax, accounting, financial and legal advisers regarding the suitability to themselves of the tax or accounting consequences of participating in the Exchange Offer. None of the Bank, the Joint Dealer Managers or the Exchange Agent, or any of their respective directors employees, officers, agents or affiliates has made or will make any assessment of the merits of the Exchange Offer or makes any recommendation as to whether a Noteholder should offer Existing Notes to exchange in the Exchange Offer.

Conflicts of Interest

The Joint Dealer Managers may have provided in the past, and may currently be providing, other investment and commercial banking, lending and financial advisory services to the Bank for which they have received customary compensation. From time to time in the future, the Joint Dealer Managers may provide services to the Bank and its affiliates. In the ordinary course of their respective businesses, the Joint Dealer Managers are entitled to hold positions in the Existing Notes either for their own account or for the account, directly or indirectly, of third parties. In the ordinary course of their respective businesses, they are entitled to continue to hold or dispose of, in any manner they may elect, subject to applicable law, any Existing Notes they may hold as at the date of this Memorandum. No such holding or disposal by the Joint Dealer Managers should be taken by any Noteholder or any other person as any recommendation or otherwise by the Joint Dealer Managers as to the merits of participating or not participating in the Offer. In addition, the Joint Dealer Managers may (i) submit Exchange Instructions for their account and (ii) submit Exchange Instructions (subject to the offer and distribution restrictions set out herein) on behalf of other Noteholders.

INDICATIVE EXCHANGE OFFER TIMETABLE

The following table sets out the expected dates and times of the key events relating to the Exchange Offer. This is an indicative timetable and is subject to change.

Date and time (all times are CET)	Event
10 October 2012	<i>Announcement / Commencement of the Exchange Offer</i> Exchange Offer announced and Memorandum available from the Exchange Agent (subject to offer and distribution restrictions)
At 5.00 p.m. on 23 October 2012	<i>Expiration Deadline</i> Deadline for receipt by the Exchange Agent of all Exchange Instructions
As soon as practicable after the Expiration Deadline	<i>Results Announcement</i> Announcement of the final aggregate principal amount of the Existing Notes accepted for exchange, if any, the aggregate principal amount of the New Notes to be issued, if any, and the amount of Accrued Interest to be paid in respect of the Existing Notes, if any.
Expected to be 29 October 2012	<i>Settlement Date</i> Settlement of the Exchange Offer, including (i) delivery of the New Notes, in exchange for the Existing Notes validly Offered to Exchange and accepted for exchange pursuant to the Exchange Offer, and (ii) payment of Accrued Interest, if any.

The above dates and times are subject, where applicable, to the right of the Bank to amend, extend, re-open and/or terminate the Exchange Offer.

The Bank is under no obligation to accept any Offers to Exchange.

Noteholders are advised to check with any Intermediary or Direct Participant (as applicable) through which they hold Existing Notes whether such entity would require to receive instructions to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Exchange Offer before the deadlines specified above. The deadlines set by Clearstream and/or Euroclear for the submission and withdrawal of Exchange Instructions may also be earlier than the relevant deadlines above. See "Procedures for Participating in the Exchange Offer".

Unless stated otherwise, announcements relating to the Exchange Offer will be made

- (i) by delivery to Clearstream and/or Euroclear for communication to Direct Participants; and
- (ii) on Bloomberg and/or Reuters.

Copies of all announcements and notices can also be obtained from the Exchange Agent, the contact details for which are on the last page of this Memorandum. Significant delays may be experienced in respect of

notices delivered to Clearstream and/or Euroclear and Noteholders are urged, therefore, to contact the Exchange Agent for the relevant announcements during the course of the Exchange Offer.

DEFINITIONS

Accrued Interest	means an amount in cash equal to interest accrued and unpaid on the Existing Notes, from (and including) the immediately preceding interest payment date in respect of the Existing Notes, to (but excluding) the Settlement Date, calculated in accordance with the terms and conditions of the Existing Notes; for the avoidance of doubt, the Settlement Date is expected to fall on the interest payment date of the Existing Notes, which is 29 October 2012. Therefore, Noteholders will receive the interest payment under the Existing Notes as stipulated by the terms and conditions of the Existing Notes on the Settlement Date. In case of any postponement of the Settlement Date, the Bank will on such Settlement Date pay or procure that there is paid to each Noteholder who has validly Offered to Exchange its Existing Notes pursuant to the Exchange Offer and which Existing Notes are accepted for exchange, any Accrued Interest;
Affected Notes	means the Existing Notes in respect of which Exchange Instructions pursuant to the Exchange Offer have been submitted before the announcement of an amendment to the Exchange Offer (including by way of publication of any supplement to the Prospectus) which, in the Bank's opinion (in consultation with the Joint Dealer Managers), is materially prejudicial to the Noteholders of Existing Notes;
Bank	means Raiffeisen Bank International AG, a joint stock corporation (<i>Aktiengesellschaft</i>) under Austrian law, Stadtpark 9, 1030 Vienna, Austria;
Business Day	means a day other than a Saturday or a Sunday on which commercial banks and foreign exchange markets are open for business in Frankfurt am Main and London and on which Clearstream Luxembourg and Euroclear are operating provided that this is a day on which the TARGET System is open for the settlement of payments in Euro;
CET	means Central European time
Clearing Systems	means Clearstream Luxembourg and Euroclear;
Clearing System Notice	means the notice to be sent to Direct Participants by the Clearing System informing Direct Participants, inter alia, of the procedures to be followed in order to participate in the Exchange Offer;
Clearstream Luxembourg	means Clearstream Banking, <i>société anonyme</i> ;
Direct Participant	means each person shown in the records of the Clearing Systems as a holder of the Existing Notes;
Documents Incorporated by Reference	Means the Prospectus (including all of the information and documents incorporated by reference therein) which shall be incorporated in, and form part of, this Memorandum;
Euroclear	means Euroclear Bank SA/NV;
Exchange Agent	means Deutsche Bank AG, London Branch;
Exchange Instructions	means the electronic exchange and blocking instructions in the form specified in the Clearing System Notice to be submitted by Noteholders

	wishing to participate in the Exchange Offer in accordance with the requirements of the Clearing System;
Exchange Offer	means the invitation by the Bank to all Noteholders of Existing Notes (subject to the offer restrictions set out in " <i>Exchange Offer and Distribution Restrictions</i> ") to offer to exchange Existing Notes for New Notes on the terms and subject to the conditions as set out in this Memorandum;
Exchange Ratio	is 1:1. Subject to a Noteholder satisfying the Minimum Exchange Amount Condition, the principal amount of New Notes which each Noteholder whose Existing Notes are accepted by the Bank for exchange pursuant to the Exchange Offer will receive on the Settlement Date will equal the aggregate principal amount of such Existing Notes accepted by the Bank for exchange;
Existing Notes	means the EUR 600,000,000 Subordinated Supplementary Capital Fixed to Floating Rate Callable Notes (pursuant to Section 23, paragraph 7 of the Austrian Banking Act) due October 2015, ISIN XS0326967832, issued by Raiffeisen Zentralbank Aktiengesellschaft;
Expiration Deadline	means 5.00 p.m. CET on 23 October 2012 (subject to the right of the Bank to amend, extend, re-open and/or terminate the Exchange Offer);
Intermediary	means any depositary bank or other custodian, broker, dealer, bank, trust company, nominee, fiduciary or other intermediary (including, where applicable, Clearstream Luxembourg and Euroclear) through which any Noteholder may hold its Existing Notes;
Joint Dealer Managers	means Merrill Lynch International, 2 King Edward Street, London EC1A 1HQ, United Kingdom; and Deutsche Bank AG, London Branch, Winchester House, Great Winchester Street, London EC2N 2DB, United Kingdom; and Raiffeisen Bank International AG, Am Stadtpark 9, 1030 Vienna, Austria, each a " Joint Dealer Manager ";
Minimum Exchange Amount	means at least EUR 125,000 in principal amount of Existing Notes;
Minimum Exchange Amount Condition	means that at least the Minimum Exchange Amount needs to be Offered to Exchange per Exchange Instruction, with a separate Exchange Instruction completed by or on behalf of each beneficial owner;
New Notes	means EUR denominated Callable Subordinated Fixed Rate Reset Notes due 2023, Series: 18, Tranche 1, ISIN XS0843322750, to be issued pursuant to the EUR 25,000,000,000 Debt Issuance Programme for the issue of Notes of Raiffeisen Bank International AG, into which Existing Notes validly offered to exchange and accepted for exchange pursuant to the Exchange Offer will be exchanged;
New Notes Final Terms	means the final terms relating to the New Notes, the forms of which are set out in " <i>Annex – Form of New Notes Final Terms and New Notes</i>

	Integrated Conditions" which should be read in conjunction with the Results Announcement;
New Notes Reset Coupon	means the interest rate payable on the New Notes for interest periods ending after the Call Redemption Date, which will be equal to the margin of 4.84 per cent per annum above the Reference Benchmark on the Reset Interest Determination Date;
New Notes Integrated Conditions	means the integrated terms and conditions of the New Notes, the form of which is set out in "Annex – Form of New Notes Final Terms and New Notes Integrated Conditions" which should be read in conjunction with the Results Announcement;
Noteholders	means holders of Existing Notes. Unless the context otherwise requires, references in this Memorandum to a Noteholder or Noteholders include: <ul style="list-style-type: none"> (a) each Direct Participant; (b) each Intermediary; and (c) each beneficial owner of the Existing Notes holding such Existing Notes, directly or indirectly, in accounts, or through the accounts of an Intermediary, in the name of a Direct Participant acting on the beneficial owner's behalf, <p>except that for the purposes of the exchange of any Existing Notes for New Notes and the payment of the Accrued Interest, if any, to the extent the beneficial owner of the relevant Existing Notes is not a Direct Participant, the relevant New Notes will only be delivered and such payment will only be made to the relevant Direct Participant and the delivery of such New Notes and making of such payment to such Clearing System will discharge the obligation of the Bank in respect of such Existing Notes;</p>
Offer to Exchange	means the making of an offer by a Noteholder to the Bank to exchange its Existing Notes for New Notes made pursuant to the Exchange Offer and "Offers to Exchange", "Offered to Exchange" and "Offering to Exchange" shall be construed accordingly;
Programme	means the EUR 25,000,000,000 Debt Issuance Programme of the Bank;
Prospectus	means the base prospectus for the Programme dated 26 June 2012 relating to the Programme, as supplemented on 4 September 2012 and as further supplemented from time to time;
Reference Benchmark	means the 5 year swap rate which is the mid-swap rate as displayed on Reuters screen "ISDAFIX2" as at 11:00 a.m. (CET) on the second Business Day (as defined in the New Notes Integrated Conditions) prior to the Call Redemption Date;
Reset Interest Determination Date	means at or around 11:00 am CET on the second Business Day (as defined in the New Notes Integrated Conditions) prior to the Call Redemption Date;
Results Announcement	means the announcement of the final aggregate principal amount of the Existing Notes accepted for exchange, if any, and the aggregate principal amount of the New Notes to be issued, if any, in respect of the Existing

Notes and the amount of Accrued Interest to be paid in respect of the Existing Notes, if any;

Settlement Date

Expected to be 29 October 2012 (subject to the right of the Bank (at its sole discretion) to amend, extend, re-open and/or terminate the Exchange Offer);

"TARGET System"

means the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET) payment system which utilises a single shared platform and which was launched on 19 November 2007 (TARGET2) or any successor thereto.

THE EXCHANGE OFFER

Exchange Offer

The Bank invites Noteholders of the Existing Notes (subject to offer restrictions - see "*Exchange Offer and Distribution Restrictions*", and upon the terms and subject to the conditions contained in this Memorandum) to Offer to Exchange the Existing Notes for New Notes.

The Exchange Offer begins on 10 October 2012 and will expire at the Expiration Deadline, unless the period for the Exchange Offer is amended, extended, re-opened or terminated, in each case, as provided in this Memorandum.

Subject to a Noteholder satisfying the Minimum Exchange Amount Condition, the principal amount of New Notes which each Noteholder whose Existing Notes are accepted by the Bank for exchange pursuant to the Exchange Offer will receive on the Settlement Date will equal the aggregate principal amount of such Existing Notes accepted by the Bank for exchange.

The Settlement Date is expected to fall on the interest payment date of the Existing Notes, which is 29 October 2012. Therefore, Noteholders will receive the interest payment under the Existing Notes as stipulated by the terms and conditions of the Existing Notes on the Settlement Date. In case of any postponement of the Settlement Date, the Bank will on such Settlement Date pay or procure that there is paid to each Noteholder who has validly Offered to Exchange its Existing Notes pursuant to the Exchange Offer and which Existing Notes are accepted for exchange, any Accrued Interest.

Provided that the New Notes and the relevant funds for the payment of Accrued Interest have been deposited with the Clearing Systems on or before the Settlement Date, no additional interest or other amount will be payable for the period of any delay in respect of the receipt by the Noteholder of the New Notes or any Accrued Interest.

Introduction to and Rationale for the Exchange Offer

The purpose of the Exchange Offer is to optimise the Bank's capital structure. If completed, the Exchange Offer would generate additional tier two capital for the group and for the Bank. The Exchange Offer also provides investors with an opportunity to exchange their investments into the New Notes with a longer maturity.

It is the intention of the consolidated group of the Bank and RZB that all decisions to exercise calls in respect of the Existing Notes that are not offered for exchange pursuant to the Exchange Offer will be made with reference to the prevailing regulatory, economic and market conditions at the time.

Acceptance of Offers to Exchange

The Bank is under no obligation to accept Offers to Exchange. The Bank intends to announce, *inter alia*, whether Offers to Exchange are accepted for exchange pursuant to the Exchange Offer as soon as reasonably practicable after the Expiration Deadline.

Noteholders whose Existing Notes Offered to Exchange are not accepted, or who do not participate in the Exchange Offer, will not be eligible to receive New Notes in exchange for such Existing Notes and shall continue to hold such Existing Notes subject to their terms and conditions.

The Bank will have the discretion at any time to accept for exchange any Existing Notes Offered to Exchange, in respect of which the Offers to Exchange which would otherwise be invalid or, in the sole opinion of the Bank may otherwise be invalid.

The Bank may reject any Offer to Exchange it considers at its sole discretion not to have been validly submitted in the Exchange Offer and the Bank is not under any obligation to any relevant Noteholder to furnish any reason or justification for refusing to accept such Offers to Exchange. For example, Exchange

Instructions may be rejected and not accepted and may be treated as not having been validly submitted in the Exchange Offer if any such Exchange Instructions does not comply with the requirements of a particular jurisdiction.

Any Existing Notes that are not successfully offered to exchange pursuant to the Exchange Offer will remain outstanding.

Settlement

On the Settlement Date, subject to the satisfaction or waiver of the conditions to the Exchange Offer, the Bank will procure that New Notes will be delivered to the Noteholders of Existing Notes in respect of Existing Notes of such Noteholders validly Offered to Exchange and accepted for exchange pursuant to the Exchange Offer. In addition, on the Settlement Date, the Bank will pay, or procure that there is paid, to Noteholders in respect of the Existing Notes of such Noteholders validly Offered to Exchange and accepted for exchange pursuant to the Exchange Offer the relevant Accrued Interest.

The New Notes will be delivered to the Clearing System accounts in which the relevant Existing Notes are held. The delivery of such New Notes and payment of the relevant Accrued Interest to the Clearing Systems will discharge the obligation of the Bank to all such Noteholders in respect of the delivery of the New Notes and payment of the Accrued Interest.

New Notes

The New Notes will be Euro denominated subordinated notes in accordance with section 23 para. 8 of the Austrian Banking Act (*Bankwesengesetz* – "BWG") and as further specified in the Form of New Notes Final Terms and New Notes Integrated Conditions. Application will be made for the New Notes to be admitted to listing on the Official List of the Luxembourg Stock Exchange and to trading on regulated market of the Luxembourg Stock Exchange pursuant to the Programme.

Differences between the Existing Notes Conditions and the New Notes Integrated Conditions

Due to the significant differences between the terms and conditions of the Existing Notes and the New Notes Integrated Conditions, Noteholders must review the New Notes Integrated Conditions in their entirety before making a decision whether to offer their Existing Notes for exchange.

General Conditions of the Exchange Offer

The Bank expressly reserves the right, in its sole discretion, to delay acceptance of Offers to Exchange in the Exchange Offer in order to comply with applicable laws. In all cases, Offers to Exchange pursuant to the Exchange Offer will only be made after the submission of a valid Exchange Instruction in accordance with the procedures described in "*Procedures for Participating in the Exchange Offer*" including the blocking of the Existing Notes Offered to Exchange in the relevant accounts at the relevant Clearing System until the earlier of (i) the time of settlement on the Settlement Date and (ii) the date of any termination of the Exchange Offer (including where such Existing Notes are not accepted for exchange pursuant to the Exchange Offer) or on which the Exchange Instruction is revoked, in the limited circumstances described in and only in accordance with the procedures set out in "*Procedures for Participating in the Exchange Offer – Revocation of Exchange Instructions*".

The failure of any person to receive a copy of this Memorandum or any announcement made or notice issued by the Bank in connection with the Exchange Offer, shall not invalidate any aspect of the Exchange Offer. No acknowledgement of receipt of any Exchange Instructions and/or other documents will be given by the Bank or the Exchange Agent.

Announcements

Unless stated otherwise, announcements relating to the Exchange Offer will be made

- (i) by delivery to Clearstream and/or Euroclear for communication to Direct Participants; and

(ii) on Bloomberg and/or Reuters.

Copies of all announcements and notices can also be obtained from the Exchange Agent. Significant delays may be experienced in respect of notices delivered to Clearstream Luxembourg and/or Euroclear and Noteholders are urged, therefore, to contact the Exchange Agent for the relevant announcements during the course of the Exchange Offer.

Governing Law and Jurisdiction

The Exchange Offer, any notices, any Exchange Instructions, any exchange of Existing Notes pursuant to the Exchange Offer and any non-contractual obligation arising out of or in connection with them shall be governed by and construed in accordance with German law. To the extent possible, submission by or on behalf of a Noteholder of an Exchange Instruction constitutes its submission in relation to all matters arising out of or in connection with the Exchange Offer and all contracts resulting therefrom, as well as any non-contractual matters arising out of or in connection with the Exchange Offer, to the non-exclusive jurisdiction of the courts of Frankfurt am Main.

PROCEDURES FOR PARTICIPATING IN THE EXCHANGE OFFER

Noteholders who need assistance with respect to the procedures for participating in the Exchange Offer should contact the Exchange Agent.

Summary of Action to be Taken

Offers to Exchange will only be accepted pursuant to the Exchange Offer by way of the submission of valid Exchange Instructions in accordance with the procedures set out in this section "*Procedures for Participating in the Exchange Offer*".

To participate in the Exchange Offer, a Noteholder should deliver, or arrange to have delivered on its behalf, via the relevant Clearing System and in accordance with the requirements of such Clearing System, a valid Exchange Instruction which must be received in each case by the Exchange Agent by the Expiration Deadline. A separate Exchange Instruction must be completed by or on behalf of each beneficial owner.

*Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Existing Notes whether such intermediary would require to receive instructions to participate in, or revoke their instruction to participate in, the Exchange Offer before the deadlines specified in this Memorandum. **The deadlines set by each Clearing System for the submission and revocation of Exchange Instructions will also be earlier than the relevant deadlines specified in this Memorandum.***

Procedures for Offering to Exchange Existing Notes

General

In order to participate in the Exchange Offer, Noteholders or the custodial entity, Intermediary or Direct Participant (as the case may be) through which Noteholders hold their Existing Notes must submit, or arrange to have submitted on their behalf, by the Expiration Deadline, Exchange Instructions in the manner described below.

Each Noteholder should note that any Exchange Instruction can only be considered for acceptance if the Minimum Exchange Amount Condition is met.

By submitting an Exchange Instruction with respect to Existing Notes, Noteholders are deemed to make certain acknowledgments, representations, warranties and undertakings to the Bank, the Joint Dealer Managers and the Exchange Agent, as set forth under "*Noteholders' Representations, Warranties and Undertakings*" below.

It is the responsibility of Noteholders wishing to participate in the Exchange Offer to validly submit Exchange Instructions in respect of their Existing Notes. Only the Bank has the right to waive any defects of such instructions submitted by Noteholders. However, the Bank is not required to waive such defects and is not required to notify a Noteholder of defects in their Exchange Instructions.

An Exchange Instruction may only be validly revoked by a Noteholder, or the relevant Direct Participant on its behalf, in the limited circumstances described under "*Procedures for Participating in the Exchange Offer – Revocation of Exchange Instructions*" below.

Any questions with respect to Offers to Exchange Existing Notes should be directed to the Exchange Agent.

Procedures for Offering to Exchange Existing Notes held through Clearstream Luxembourg and Euroclear

Any Noteholder who holds Existing Notes through Clearstream Luxembourg or Euroclear must arrange for a Direct Participant in Clearstream Luxembourg or Euroclear to deliver the Noteholder's Exchange Instructions (as described below) to the relevant Clearing System prior to the Expiration Deadline. **Only a**

Direct Participant in Clearstream Luxembourg or Euroclear may submit Exchange Instructions in respect of Existing Notes to Clearstream Luxembourg or Euroclear.

Separate Exchange Instructions must be submitted on behalf of each beneficial owner of the Existing Notes.

Exchange Instructions in relation to Existing Notes held through Clearstream Luxembourg and Euroclear comprise:

- (a) irrevocable instructions to:
 - (i) block any attempt to transfer the Noteholder's Existing Notes on or prior to the Settlement Date; and
 - (ii) debit the Noteholder's account on the Settlement Date in respect of all of the Existing Notes that such Noteholder has Offered to Exchange, or in respect of such lesser portion of such Existing Notes as are accepted pursuant to the Exchange Offer, upon receipt of an instruction from the Exchange Agent,subject in each case to the automatic withdrawal of the irrevocable instructions in the event that the Exchange Offer is terminated by the Bank prior to the Expiration Deadline, as notified to Clearstream Luxembourg or Euroclear by the Exchange Agent; and
- (b) authorisation to disclose the name of the Direct Participant and information about the foregoing instructions to the Exchange Agent.

By participating in the Exchange Offer in this manner, Noteholders will be deemed to have acknowledged that they have received this Memorandum and agree to be bound by the terms of the Exchange Offer and that the Bank may enforce the terms of the Exchange Offer against such Noteholders.

The Exchange Instructions must be delivered and received by Clearstream Luxembourg or Euroclear in accordance with the procedures, and on or prior to the deadlines, established by it. Noteholders are responsible for informing themselves of those deadlines and for arranging the due and timely delivery of Exchange Instructions to Clearstream Luxembourg or Euroclear.

Determination of Validity

All questions as to the validity, form, eligibility (including time of receipt) and acceptance for exchange of any Exchange Instructions pursuant to any of the procedures described above, and the form and validity (including time of receipt of notices of withdrawal) of all documents in relation to the Exchange Offer, will be determined by the Bank at its sole discretion, which determination will be final and binding.

The Bank reserves the absolute right to:

- (a) reject any and all Exchange Instructions or revocation instructions not in proper form or in respect of which, in the opinion of its legal advisers, the acceptance may be unlawful;
- (b) waive any defects, irregularities or delay in the submission of any and all Exchange Instructions or revocation instructions; and/or
- (c) waive any such defects, irregularity or delay of any Exchange Instruction in respect of particular Existing Notes whether or not the Bank elects to waive similar defects, irregularities or delay of any Exchange Instruction in respect of other Existing Notes.

Any defect, irregularity or delay must be cured within such time as the Bank determines, unless waived by it. Exchange Instructions will be deemed not to have been made until such defects, irregularities or delays have been cured or waived. None of the Bank, the Joint Dealer Managers or the Exchange Agent shall be under any duty to give notice to a Noteholder of any defects, irregularities or delays in any Exchange Instructions or revocation instructions nor shall any of them incur any liability for failure to give such notice.

Noteholders must send all materials relating to their Offers to Exchange to the Exchange Agent and not to the Bank or a Joint Dealer Manager.

Revocation of Exchange Instructions

Revocation Rights

The submission of a valid Exchange Instruction in accordance with the procedures set out in this Memorandum will be irrevocable, except if the Bank amends the Exchange Offer in any way (including by way of publication of any supplement to the Prospectus) which, in the Bank's opinion (in consultation with the Joint Dealer Managers), is materially prejudicial to the Noteholders of Existing Notes (the "**Affected Notes**") who have already submitted Exchange Instructions in respect of their Existing Notes pursuant to the Exchange Offer before the announcement of such amendment (which announcement shall include a statement whether in the Bank's opinion such amendment is materially prejudicial to such Noteholders), in which case such Exchange Instructions in respect of the Affected Notes may be revoked at any time from the date and time of such announcement until 5.00 p.m. (CET) on the Business Day following such announcement (subject to the earlier deadlines required by the Clearing Systems and any Intermediary (the "**Revocation Deadline**")). The Bank will ensure that the Expiration Deadline falls no earlier than any such Revocation Deadline and will, if necessary, extend the Expiration Deadline to fall at the same time as the Revocation Deadline. For the avoidance of doubt, and without prejudice to the generality of the foregoing, any decision by the Bank to amend the Expiration Deadline, the Settlement Date, or not to accept any or all Offers to Exchange in respect of the Existing Notes received by the Exchange Agent prior to the Expiration Deadline, shall not entitle Noteholders to revoke any Exchange Instructions.

Noteholders wishing to exercise any right of revocation should do so in accordance with the procedures set out below. Beneficial owners of Existing Notes that are held through an intermediary are advised to check with such entity when it would require to receive instructions to revoke an Exchange Instruction submitted pursuant to the Exchange Offer in order to meet the Revocation Deadline. For the avoidance of doubt, any Noteholder who does not exercise any such right of revocation in the circumstances and in the manner specified above and as set out in "*Revocation Procedures*" below, shall be deemed to have waived such right of revocation and its original Exchange Instruction will remain effective.

Revocation Procedures

The following procedures should only be used to revoke Exchange Instructions in the limited circumstances described above.

Noteholders wishing to exercise any such right of revocation should do so by submitting an electronic withdrawal notice in accordance with the procedures of the relevant Clearing System. Beneficial owners of Existing Notes that are held through an Intermediary are advised to check with such entity when it would require to receive instructions to revoke an Exchange Instruction in order to meet the Revocation Deadline. For the avoidance of doubt, any Noteholder who does not exercise any such right of revocation in the circumstances and in the manner specified above shall be deemed to have waived such right of revocation and its original Exchange Instruction will remain effective.

If a Noteholder has validly revoked an Exchange Instruction submitted to a Clearing System in accordance with the procedures set out in this section, it will have the right to make another Exchange Instruction in respect of the Existing Notes to which such original Exchange Instruction related prior to the Expiration Deadline in accordance with the procedures described in this Memorandum for Offering to Exchange Existing Notes.

Noteholders' Representations, Warranties and Undertakings

By submitting a valid Exchange Instruction to the relevant Clearing System in accordance with the standard procedures of such Clearing System, Noteholders and any Direct Participant submitting such Exchange

Instructions on such Noteholder's behalf shall be deemed to agree with, and acknowledge, represent, warrant and undertake to the Bank, the Joint Dealer Managers and the Exchange Agent in relation to the Exchange Offer on each of the Expiration Deadline and the Settlement Date (and if the Noteholder of such Existing Notes or the Direct Participant is unable to give these acknowledgements, agreements, representations, warranties and undertakings, such Noteholder or Direct Participant should contact the Exchange Agent immediately):

- (a) it has received, reviewed and accepts the terms, conditions, risk factors and other considerations of the Exchange Offer and the offer and distribution restrictions, all as described in this Memorandum (and has had access to, reviewed and understood the Documents Incorporated by Reference), all without reliance on the Bank, the Joint Dealer Managers or the Exchange Agent;
- (b) upon the terms and subject to the conditions of the Exchange Offer, it Offers to Exchange the principal amount of Existing Notes specified in the Exchange Instructions validly submitted and blocked in the relevant Clearing System and, subject to and effective on the acceptance for exchange by the Bank in respect of such Existing Notes pursuant to the Exchange Offer, it transfers all right, title and interest in and to all such Existing Notes accepted for exchange pursuant to the Exchange Offer and waives and releases any rights or claims it may have against the Bank, with respect to any such Existing Notes or the Exchange Offer;
- (c) it has full power and authority to Offer to Exchange the Existing Notes subject to the Exchange Instructions which it has submitted pursuant to the Exchange Offer and, if such Existing Notes are accepted for exchange pursuant to the Exchange Offer, such Existing Notes will be transferred to, or for the account of, the Bank with full title free from all liens, charges and encumbrances, not subject to any adverse claim and together with all rights attached thereto, and it will, upon request, execute and deliver any additional documents and/or do such other things deemed by the Bank to be necessary or desirable to complete the transfer and/or cancellation of such Existing Notes or to evidence such power and authority;
- (d) it holds and will hold, until the time of settlement on the Settlement Date, the relevant Existing Notes blocked in the relevant Clearing System and, in accordance with the requirements of such Clearing System and by the deadline required by such Clearing System, it has submitted, or has caused to be submitted, the Exchange Instruction to such Clearing System to authorise the blocking of the Notes Offered to Exchange with effect on and from the date of such submission so that, at any time pending the transfer of such Existing Notes on the Settlement Date to the Bank or to its agent on its behalf, no transfers of such Existing Notes may be effected;
- (e) all authority conferred or agreed to be conferred pursuant to its Exchange Instructions, its acknowledgements, agreements, representations, warranties and undertakings, and all of its obligations shall be binding upon its successors, assigns, heirs, executors, trustees in bankruptcy and legal representatives, and shall not be affected by, and shall survive, its death or incapacity;
- (f) it understands that acceptance for exchange of Existing Notes validly Offered to Exchange by it pursuant to the Exchange Offer will constitute a binding agreement between it and the Bank in accordance with and subject to the terms and conditions of the Exchange Offer;
- (g) it understands that the Bank may, at its sole discretion, amend, extend, re-open, and/or terminate the Exchange Offer or waive any condition thereof at any time, and that in the event of a termination of the Exchange Offer, the Exchange Instructions with respect to the Existing Notes will be released (and the relevant Existing Notes returned to the Noteholder);
- (h) none of the Bank, the Joint Dealer Managers or the Exchange Agent, or any of their respective directors or employees, has given it any information with respect to the Exchange Offer save as

expressly set out in this Memorandum (including any announcements and notices referred to herein), the Prospectus and the Form of New Notes Final Terms (including the form of New Notes Integrated Conditions annexed thereto) attached to this Memorandum nor has any of them made any recommendation to it as to whether it should offer Existing Notes to exchange in the Exchange Offer and it has made its own decision with regard to offering Existing Notes to exchange in the Exchange Offer based on any legal, tax or financial advice it has deemed necessary to seek;

- (i) it agrees to ratify and confirm each and every act or thing that may be done or effected by the Bank, any of its directors or any person nominated by the Bank in the proper exercise of his or her powers and/or authority hereunder;
- (j) it agrees to do all such acts and things as shall be necessary and execute and deliver any additional documents deemed by the Bank to be necessary or desirable, in each case to complete the transfer of the Existing Notes to the Bank or its nominee against delivery of New Notes and/or to perfect any of the authorities expressed to be given hereunder;
- (k) it has observed the laws of all relevant jurisdictions, obtained all requisite governmental, exchange control or other required consents, complied with all requisite formalities, paid any issue, transfer or other taxes or requisite payments due from it in each respect in connection with any offer or acceptance in any jurisdiction and that it has not taken or omitted to take any action in breach of the terms of the Exchange Offer or which will or may result in the Bank or any of its subsidiaries, the Joint Dealer Managers, the Exchange Agent or any other person acting in breach of the legal or regulatory requirements of any such jurisdiction in connection with the Exchange Offer;
- (l) in relation to those Existing Notes it is Offering to Exchange pursuant to the Exchange Offer:
 - (i) it will ensure that such Existing Notes are, and will continue to be until the time of settlement on the Settlement Date, held by it in Clearstream Luxembourg or Euroclear (as applicable);
 - (ii) it has delivered, or has arranged to be delivered, Exchange Instructions with respect to those Existing Notes to Clearstream Luxembourg or Euroclear, as appropriate, by the Expiration Deadline or such earlier date as required by the relevant Clearing System;
 - (iii) it has irrevocably authorised Clearstream Luxembourg or Euroclear, as appropriate, in accordance with their procedures and deadlines, to block any attempt to transfer such Existing Notes with effect on and from the date of the delivery of the Exchange Instructions so that, at any time pending the transfer of such Existing Notes on the relevant Settlement Date to the Bank or to its agent on its behalf, no transfers of such Existing Notes may be effected;
 - (iv) it understands that the deadline for receipt of any Exchange Instructions by the Exchange Agent is the Expiration Deadline, and that any Exchange Instructions must be submitted in time for them to be received by the Exchange Agent by the Expiration Deadline; and
 - (v) by blocking its Existing Notes in its account with Clearstream Luxembourg or Euroclear, as appropriate, it is deemed to consent, in the case of a Direct Participant, to have Clearstream Luxembourg or Euroclear provide details concerning its identity to the Exchange Agent (and for the Exchange Agent to provide such details to the Bank and the Joint Dealer Managers);
- (m) solely for purposes of the settlement of the Exchange Offer following the acceptance by the Bank of the Existing Notes validly Offered to Exchange to it pursuant to the Exchange Offer, it irrevocably appoints the Exchange Agent as its true and lawful agent and attorney-in-fact (with full knowledge

that the Exchange Agent also acts as agent of the Bank) with respect to the Existing Notes Offered to Exchange pursuant to the Exchange Offer, with full powers of substitution (such power of attorney being deemed to be an irrevocable power of attorney coupled with an interest) to: (i) transfer ownership of such Existing Notes on the accounts maintained by Clearstream Luxembourg or Euroclear (as the case may be), together with all accompanying evidences of transfer and authenticity, to or to the order of the Bank; and (ii) receive all benefits and otherwise exercise all rights of beneficial ownership of such Existing Notes (except that the Exchange Agent will have no rights to or control over, the funds of the Bank except as agent of the Bank for the offer consideration for any Existing Notes Offered to Exchange and accepted to exchange pursuant to the Exchange Offer), all in accordance with the terms and conditions of the Exchange Offer as described in this Memorandum;

- (n) it will, upon request, execute and deliver any additional documents deemed by the Exchange Agent or the Bank to be necessary or desirable to complete the sale, assignment and transfer of the Existing Notes Offered to Exchange pursuant to the Exchange Offer;
- (o) no information has been provided to it by the Bank, the Joint Dealer Managers or the Exchange Agent, or any of their respective directors or employees, with regard to the tax consequences for holders of Existing Notes arising from any Existing Notes Offered to Exchange pursuant to the Exchange Offer and the receipt of the New Notes and Accrued Interest and it acknowledges that it is solely liable for any taxes and similar or related payments imposed on it under the laws of any applicable jurisdiction as a result of its participation in the Exchange Offer or in relation to the New Notes and agrees that it will not and does not have any right of recourse (whether by way of reimbursement, indemnity or otherwise) against the Bank, the Joint Dealer Managers or the Exchange Agent, or any of their respective directors or employees, or any other person in respect of such taxes and payments;
- (p) it has had access to such financial and other information concerning the Existing Notes and the New Notes, and has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers, as it deems necessary or appropriate in order to make an informed decision with respect to its offering of Existing Notes for exchange in the Exchange Offer; it is not relying on any communication (written or oral) made by any party involved in the Exchange Offer or any such party's affiliates as constituting a recommendation to Offer to Exchange Existing Notes in the Exchange Offer; and it is able to bear the economic risks of participating in the Exchange Offer;
- (q) it is assuming all the risks inherent in participating in the Exchange Offer and has undertaken all the appropriate analysis of the implications of the Exchange Offer without reliance on the Bank, the Joint Dealer Managers or the Exchange Agent;
- (r) it is not a person to whom it is unlawful to make an invitation pursuant to the Exchange Offer under applicable securities laws, it has not distributed or forwarded this Memorandum or any other documents or materials relating to the Exchange Offer to any such person and it has (before submitting, or arranging for the submission on its behalf, as the case may be, of the Exchange Instruction in respect of the Existing Notes it is Offering to Exchange) complied with all laws and regulations applicable to it for the purposes of its participation in the Exchange Offer;
- (s) it is not located or resident in the United Kingdom or, if it is located or resident in the United Kingdom, it is a person falling within the definition of investment professionals (as defined in Article 19(5) of the Order) or within Article 43(2) of the Order or to whom the Memorandum or any other documents or materials relating to the Exchange Offer may otherwise lawfully be communicated in accordance with the Order;

- (t) the New Notes are not being offered and/or sold in transactions involving a public offering in the United States within the meaning of the Securities Act, and the New Notes have not been and will not be registered under the Securities Act or any other applicable U.S. State securities laws and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (terms used in this and the following paragraph that are defined in Regulation S under the Securities Act are used as defined in Regulation S);
- (u) either (a) (i) it is the beneficial owner of the Existing Notes it offers to exchange and (ii) it is not a U.S. person, it is located and resident outside the United States and is participating in the Exchange Offer from outside the United States or (b) (i) it is acting on behalf of the beneficial owner of the Existing Notes it offers to exchange pursuant to the Exchange Offer on a non-discretionary basis and has been duly authorised to so act and (ii) such beneficial owner has confirmed to it that it is not a U.S. person, it is located and resident outside the United States and is participating in the Exchange Offer from outside the United States;
- (v) It is not located or resident in Italy or if it is located or resident in Italy, it is an authorised person or is offering the Existing Notes for exchange in the Exchange Offer through an authorised person (such as an investment firm, bank or financial intermediary permitted to conduct such activities in Italy in accordance with the Legislative Decree No. 58 of 24 February 1998, as amended, CONSOB Regulation No. 16190 of 29 October 2007, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority;;
- (w) it is located outside Belgium or, if it is in Belgium:
 - (a) it is a qualifying investor, within the meaning of Article 10 of the law of 16 June 2006 on public offerings of investment instruments and the admission of investment instruments to trading on regulated markets, or acting on its own account;
 - (b) it has not been informed about the Exchange Offer through information published in Belgian media or through documentation sent (whether on paper or electronically) or telephone calls made to it, in each case by or for the account of the Bank or the Joint Dealer Managers, and it is not aware, and has no reason to believe, that the Exchange Offer would have a public nature within the meaning of Article 6 of the law of 1 April 2007 on public takeover bids;
- (x) it is not located or resident in France or, if it is located or resident in France, it is a (i) provider of investment services relating to portfolio management for the account of third parties (*personnes fournissant le service d'investissement de gestion de portefeuille pour compte de tiers*) and/or (ii) qualified investor (*investisseur qualifié*), other than an individual, acting for its own account, (all as defined in, and in accordance with, Articles L.411-1, L.411-2 and D.411-1 to D.411-3 of the French *Code Monétaire et Financier*);
- (y) it shall indemnify the Bank, the Joint Dealer Managers and the Exchange Agent against any and all losses, costs, claims, liabilities, expenses, charges, actions and/or demands which any of them may incur or which may be made against any of them as a result of any breach of any of the terms of, or any of the acknowledgments, representations, warranties and/or undertakings given pursuant to the Exchange Offer by it;
- (z) the terms and conditions of the Exchange Offer shall be deemed to be incorporated in, and form a part of, the Exchange Instruction which shall be read and construed accordingly, and the information given by such Noteholder in the Exchange Instruction is true, accurate and not misleading and will be true, accurate and not misleading in all respects at the time of the exchange of the Existing Notes on the Settlement Date;

- (aa) Existing Notes validly Offered to Sell (or defectively offered Existing Notes with respect to which the Bank has waived, or has caused to be waived, such defect) will be deemed to have been accepted by the Bank if, as and when the Bank gives oral or written notice thereof to the Exchange Agent;
- (bb) it acknowledges that, should its Existing Notes be accepted for exchange pursuant to the Exchange Offer, the New Notes will be delivered and payments of the Accrued Interest will be made to the Clearing System accounts in which the relevant Existing Notes are held and the delivery of such New Notes and payment of such Accrued Interest to the Clearing Systems will discharge the obligation of the Bank to all such Noteholders in respect of the delivery of the New Notes and payment of such Accrued Interest; and
- (cc) it accepts the Bank is under no obligation to accept Existing Notes Offered to Exchange, and accordingly such Offer to Exchange may be accepted or rejected by the Bank in its sole discretion and for any reason (such reason shall not have to be accounted for by the Bank to the Direct Participant); and
- (dd) it acknowledges that the Bank, the Joint Dealer Managers and the Exchange Agent will rely upon the truth and accuracy of the foregoing acknowledgments, agreements, representations, warranties and undertakings.

The receipt of an Exchange Instruction by the relevant Clearing System will constitute instructions to debit the securities account of the relevant Direct Participant on the Settlement Date in respect of all of the Existing Notes the relevant Noteholder has validly Offered to Exchange in the Exchange Offer, where such Existing Notes are accepted for exchange pursuant to the Exchange Offer, upon receipt by such Clearing System of an instruction from the Exchange Agent to receive such Existing Notes for the account of the Bank and against credit of the New Notes and payment by, or on behalf of the Bank of any Accrued Interest, subject to the automatic revocation of those instructions on the date of any termination of the Exchange Offer (including where such Existing Notes are not accepted for exchange pursuant to the Exchange Offer) or the valid revocation of such Exchange Instructions in the limited circumstances described in "*Procedures for Participating in the Exchange Offer – Revocation of Exchange Instructions*".

AMENDMENT AND TERMINATION OF THE EXCHANGE OFFER

Notwithstanding any other provision of the Exchange Offer, the Bank may, subject to applicable laws but at its option and discretion, at any time before the Bank announces whether Offers to Exchange are accepted pursuant to the Exchange Offer which it expects to do as soon as reasonably practicable after the Expiration Deadline:

- (a) extend (also more than once) the Expiration Deadline (in which case all references in this Memorandum to "Expiration Deadline" shall, unless the context requires otherwise, be to the latest time and date to which the Expiration Deadline has been so extended);
- (b) amend, extend (also more than once) or re-open the Exchange Offer in any respect (including, but not limited to, any extension, re-opening or amendment, as applicable, in relation to the Expiration Deadline and/or the Settlement Date, or any increase in the relevant Exchange Ratio); or
- (c) delay acceptance of, subject to applicable law, Exchange Instructions submitted pursuant to the Exchange Offer until satisfaction or waiver of the conditions to the Exchange Offer, even if the Exchange Offer has expired; or
- (d) terminate the Exchange Offer, including with respect to Offers to Exchange submitted before the time of such termination.

The Bank also reserves the right at any time to waive any or all of the conditions of the Exchange Offer as set out in this Memorandum. The Bank will ensure Noteholders are notified of any such amendment, extension, re-opening or waiver as soon as is reasonably practicable after the relevant decision as set out under the section "*The Exchange Offer - Announcements*".

Offers to Exchange submitted prior to an amendment to the terms of the Exchange Offer which is either not materially prejudicial to Noteholders that have already submitted Offers to Exchange or in relation to which Noteholders have not exercised any available revocation rights, will continue to be valid and binding following any amendment to the Exchange Offer (and any such Offer to Exchange shall be deemed to have been made on the terms of the Exchange Offer as so amended, and any exchange in respect of Existing Notes which are the subject of such Offers to Exchange shall be deemed to have been entered into on the terms of the amended Exchange Offer).

TAX CONSEQUENCES

In view of the number of different jurisdictions where tax laws may apply to a Noteholder, this Memorandum does not discuss the tax consequences for Noteholders arising from the exchange of the Existing Notes for the New Notes in the Exchange Offer, or in relation to the New Notes. Each Noteholder is urged to consult its own professional advisers regarding these possible tax consequences under the laws of the jurisdictions that apply to it or to the exchange of its Existing Notes and the receipt of the New Notes and the Accrued Interest pursuant to the Exchange Offer. Each Noteholder is liable for its own taxes and has no recourse to the Bank, the Joint Dealer Managers or the Exchange Agent with respect to taxes arising in connection with the Exchange Offer.

JOINT DEALER MANAGERS AND EXCHANGE AGENT

The Bank has retained Deutsche Bank AG, London Branch, Merrill Lynch International and Raiffeisen Bank International AG to act as Joint Dealer Managers, and Deutsche Bank AG, London Branch to act as Exchange Agent. The Joint Dealer Managers and their affiliates may contact Noteholders regarding the Exchange Offer and may request brokerage houses, custodians, nominees, fiduciaries and others to contact Noteholders. The Bank has entered into a Joint Dealer Manager Agreement with the Joint Dealer Managers, which contains certain provisions regarding payment for fees, expense reimbursement and indemnity arrangements. The Joint Dealer Managers and their affiliates have provided and continue to provide certain investment banking services to the Bank for which they have received and will receive compensation that is customary for services of such nature.

In the ordinary course of their respective businesses, the Joint Dealer Managers are entitled to hold positions in the Existing Notes either for their own account or for the account, directly or indirectly, of third parties. In the ordinary course of their respective businesses, they are entitled to continue to hold or dispose of, in any manner they may elect, subject to applicable law, any Existing Notes they may hold as at the date of this Memorandum. No such holding or disposal by the Joint Dealer Managers should be taken by any Noteholder or any other person as any recommendation or otherwise by the Joint Dealer Managers as to the merits of participating or not participating in the Exchange Offer.

None of the Joint Dealer Managers, the Exchange Agent and their respective directors, employees or affiliates assumes any responsibility for the accuracy or completeness of the information concerning the Exchange Offer or the Bank or any of its affiliates contained in this Memorandum or for any failure by the Bank to disclose events that may have occurred and may affect the significance or accuracy of the information in this Memorandum.

Each of the Joint Dealer Managers may (i) submit Exchange Instructions for its account and (ii) submit Exchange Instructions (subject to the offer restrictions set out in "*Exchange Offer and Distribution Restrictions*") on behalf of other Noteholders.

None of the Joint Dealer Managers, the Exchange Agent and their respective directors, employees or affiliates makes any representation or recommendation whatsoever regarding the Exchange Offer, or any recommendation as to whether Noteholders should Offer to Exchange Existing Notes in the Exchange Offer.

None of the Bank, the Joint Dealer Managers, the Exchange Agent, or any director, officer, employee, agent or affiliate of any such person, is acting for any Noteholder, or will be responsible to any Noteholder for providing any protections which would be afforded to its clients or for providing advice in relation to the Exchange Offer, and accordingly none of the Bank, the Joint Dealer Managers, the Exchange Agent, or any of their respective directors, officers, employees, agents or affiliates make any representation or recommendation whatsoever regarding the Exchange Offer, or any recommendation as to whether Noteholders should Offer to Exchange Existing Notes in the Exchange Offer.

The Exchange Agent is the agent of the Bank and owes no duty to any Noteholder of Existing Notes except in the limited circumstances described in this Memorandum.

**ANNEX – FORM OF NEW NOTES FINAL TERMS AND NEW NOTES
INTEGRATED CONDITIONS**

In the case of Subordinated Notes listed on the official list of the Luxembourg Stock Exchange or publicly offered in the Grand Duchy of Luxembourg, the Final Terms will be displayed on the website of the Luxembourg Stock Exchange (www.bourse.lu).

[•] **October 2012**
[•]. *Oktober 2012*

Final Terms
Endgültige Bedingungen

EUR [•] Callable Subordinated Fixed Rate Reset Notes due 2023 (the "Subordinated Notes")
EUR [•] Kündbare Nachrangige Festverzinsliche Schuldverschreibungen mit Zinsanpassung fällig 2023 (*die "Nachrangigen Schuldverschreibungen"*)

Series: 18, Tranche 1
Serie: 18, Tranche 1

ISIN XS0843322750

issued pursuant to the
begeben aufgrund des

EUR 25,000,000,000
Debt Issuance Programme
for the issue of Notes

of
der

Raiffeisen Bank International AG

Issue Price: 100 per cent.
Ausgabepreis: 100 %

Issue Date: 29 October 2012
Tag der Begebung: 29. Oktober 2012

These are the Final Terms of an issue of Subordinated Notes under the EUR 25,000,000,000 Debt Issuance Programme of Raiffeisen Bank International AG (the "Programme"). Full information on Raiffeisen Bank International AG and the offer of the Subordinated Notes is only available on the basis of the combination of, these Final Terms, the Debt Issuance Programme Prospectus pertaining to the Programme dated 26 June 2012 as supplemented on 4 September 2012 (the "Prospectus") and the Integrated Conditions. The Prospectus (and any supplement thereto) is available for viewing in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and copies may be obtained from Raiffeisen Bank International AG, Am Stadtpark 9, A-1030 Vienna, Austria.

Dies sind die Endgültigen Bedingungen einer Emission von Nachrangigen Schuldverschreibungen unter dem EUR 25.000.000.000 Debt Issuance Programme der Raiffeisen Bank International AG (das "Programm"). Vollständige Informationen über die Raiffeisen Bank International AG und das Angebot der Nachrangigen Schuldverschreibungen sind nur verfügbar, wenn diese Endgültigen Bedingungen und der Debt Issuance Programme Prospectus vom 26. Juni 2012 über das Programm, in der durch Nachtrag vom 4. September 2012 ergänzten Fassung (der "Prospekt") sowie die konsolidierten Bedingungen zusammengekommen werden. Der Prospekt (sowie jeder Nachtrag zum Prospekt) kann in elektronischer Form auf der Internetseite der Luxemburger Börse (www.bourse.lu) eingesehen werden. Kopien sind erhältlich bei der Raiffeisen Bank International AG, Am Stadtpark 9, A-1030 Wien, Österreich.

Part I: Terms and Conditions
Teil I.: Anleihebedingungen

The Integrated Conditions applicable to the Subordinated Notes (the "Conditions") and the English language translation thereof are attached hereto and replace in full the terms and conditions of the Subordinated Notes (the "Terms and Conditions") as set out in the Prospectus and take precedence over any conflicting provisions in part I. of these Final Terms.

Die für die Nachrangigen Schuldverschreibungen geltenden konsolidierten Bedingungen (die "Bedingungen") sowie eine englischsprachige Übersetzung sind beigelegt. Die Bedingungen ersetzen zur Gänze die im Prospekt abgedruckten Anleihebedingungen für Nachrangige Schuldverschreibungen (die "Anleihebedingungen") und gehen etwaigen abweichenden Bestimmungen in Teil I. dieser Endgültigen Bedingungen vor.

All references in this part of the Final Terms to numbered sections and subparagraphs are to sections and subparagraphs of the Terms and Conditions.

Bezugnahmen in diesem Abschnitt der Endgültigen Bedingungen auf Paragraphen und Absätze beziehen sich auf die Paragraphen und Absätze der Anleihebedingungen.

Capitalised terms not otherwise defined herein shall have the meanings specified in the Terms and Conditions.

Begriffe, die in den Anleihebedingungen definiert sind, haben, falls diese Endgültigen Bedingungen nicht etwas anderes bestimmen, die gleiche Bedeutung, wenn sie in diesen Endgültigen Bedingungen verwendet werden.

Form of Conditions
Form der Bedingungen

- Long-Form Conditions
Nicht-Konsolidierte Bedingungen
- Integrated Conditions
Konsolidierte Bedingungen

Language of Conditions
Sprache der Bedingungen

- German only
Ausschließlich Deutsch
- English only
Ausschließlich Englisch
- English and German (English controlling)
Englisch und Deutsch (englischer Text maßgeblich)
- German and English (German controlling)
Deutsch und Englisch (deutscher Text maßgeblich)

Issuer
Emittentin

Raiffeisen Bank International AG
Raiffeisen Bank International AG

Type of Notes
Art der Schuldverschreibungen

- Senior (Unsubordinated) Notes
Nicht-Nachrangige Schuldverschreibungen
- Short-Term Subordinated Notes
Kurzfristige Nachrangige Schuldverschreibungen
- Subordinated Notes
Nachrangige Schuldverschreibungen Subordinated in accordance with section 23 para. 8 of the BWG,
Nachrangig im Sinne von § 23 Abs. 8 BWG
- Supplementary Capital Notes
Ergänzungskapital Schuldverschreibungen
- New Style Tier 2 Notes
New Style Tier 2 Schuldverschreibungen
- Covered Bank Bonds
Fundierte Bankschuldverschreibungen

CURRENCY, DENOMINATION, FORM, DEFINITIONS (§ 1)
WÄHRUNG, STÜCKELUNG, VERBRIEFUNG, DEFINITIONEN (§ 1)

Currency and Denomination
Währung und Stückelung

Specified Currency
Festgelegte Währung Euro ("EUR")
Euro ("EUR")

Aggregate Principal Amount
Gesamtnennbetrag EUR [•]

Specified Denomination
Festgelegte Stückelung EUR 1,000
EUR 1.000

Other (specify)
Sonstige (angeben) Not applicable
Nicht anwendbar

- TEFRA C**
TEFRA C
Permanent Global Note
Dauerglobalurkunde

TEFRA D
TEFRA D

Temporary Global Note exchangeable for Permanent Global Note
Vorläufige Globalurkunde austauschbar gegen Dauerglobalurkunde

Neither TEFRA D nor TEFRA C
Weder TEFRA D noch TEFRA C

ECB-eligible Security
EZB-fähige Sicherheit

No
Nein

NGN
NGN

No
Nein

Certain Definitions
Definitionen

Clearing System
Clearingsystem

Clearstream Banking, société anonyme, Luxembourg ("CBL")
42 Avenue JF Kennedy, L-1855 Luxembourg

Euroclear Bank SA/NV, as Operator of the Euroclear System ("Euroclear")
Euroclear Bank SA/NV, als Betreiberin des Euroclear System ("Euroclear")
1 Boulevard du Roi Albert II, B-1210 Brussels

Oesterreichische Kontrollbank Aktiengesellschaft ("OeKB")
Am Hof 4, 1010 Vienna, Austria

Other (specify)
Sonstige (angeben)

Business Day
Geschäftstag

TARGET

Other (specify all relevant financial centres)
Sonstige (sämtliche relevante Finanzzentren angeben)

STATUS (§ 2)
STATUS (§ 2)

- Senior (Unsubordinated)
Nicht nachrangig
- Short-Term Subordinated
Kurzfristig Nachrangig

X Subordinated Subordinated in accordance with section 23 para. 8 of the BWG

The following shall replace §2 of the Terms and Conditions:

<Note to the Holders: The Subordinated Notes are meant to constitute subordinated capital (nachrangiges Kapital) of the Issuer pursuant to § 23 subparagraph 8 in conjunction with § 45 subparagraph 4 BWG and, upon the CRD IV (as defined in § 5(8)) and/or the CRR (as defined in § 5(8)) becoming part of the applicable Austrian supervisory regulations, Tier 2 capital (howsoever described in the course of the implementation of CRD IV) of the Issuer pursuant to the CRR.

Reference is made to the risk of a statutory loss absorption as more fully described in the risk factors entitled "Risks in connection with the adoption of a future resolution regime and "bail-in rules" for credit institutions" and "Change of law" in the Prospectus as supplemented on 4 September 2012.>

The Subordinated Notes shall constitute subordinated claims pursuant to § 23 subparagraph 8 in conjunction with § 45 subparagraph 4 BWG. Pursuant to § 23 subparagraph 8 in conjunction with § 45 subparagraph 4 BWG, subordinated claims (nachrangige Forderungen) are those that, in the event of the Issuer's liquidation or insolvency, will be satisfied only after the claims of all other unsubordinated creditors, and that otherwise fulfil the requirements of § 23 subparagraph 8 BWG.

Accordingly, the Subordinated Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer ranking pari passu among each other and ranking wholly subordinated to all unsubordinated obligations of the Issuer. In the event of the Issuer's liquidation or insolvency, any claims under the Subordinated Notes will be wholly subordinated to the claims of the Issuer's unsubordinated creditors.

The claims under the Subordinated Notes shall, however, rank senior to all subordinated claims against the Issuer that pursuant to their terms and conditions rank, or are expressed to rank, subordinated to the claims under the Subordinated Notes and rank senior to the claims of shareholders and holders of participation capital of the Issuer.

The Subordinated Notes are not secured and are not guaranteed by any entity, including the Raiffeisen-Kundengarantiegemeinschaft. Therefore, no deficiency guarantee (Ausfallsgarantie) by Raiffeisen-Kundengarantiegemeinschaft or any other third party exists.

Offsetting the repayment claim against the Issuer's claim shall be excluded. No contractual security is and shall be created for the Subordinated Notes by the Issuer or by third parties.

Nachrangig

Nachrangig im Sinne von § 23 Abs. 8 BWG

§ 2 der Anleihebedingungen soll durch folgende Formulierung ersetzt werden:

<Hinweis an die Gläubiger: Die Nachrangigen Schuldverschreibungen sollen nachrangiges Kapital der Emittentin gemäß § 23 Abs. 8 i.V.m. § 45 Abs. 4 BWG und, ab dem Zeitpunkt, in dem die CRD IV (wie in § 5(8) definiert) und/oder die CRR (wie in § 5(8) definiert) Bestandteil des geltenden österreichischen Aufsichtsrechts geworden sind, Tier 2 Kapital (unabhängig von der im Rahmen der Umsetzung der CRD IV gewählten Bezeichnung) der Emittentin gemäß der CRR darstellen.

Verwiesen wird auf das Risiko einer gesetzlichen Verlustabsorption, wie sie näher beschrieben wird in den Risikofaktoren des Prospekts in der durch den Nachtrag vom 4. September 2012 ergänzten Fassung unter "Risks in connection with the adoption of a future resolution regime and bail-in rules for credit institutions" und "Change of law".>

Die Nachrangigen Schuldverschreibungen stellen nachrangige Forderungen gemäß § 23 Abs. 8 i.V.m. § 45 BWG dar. Gemäß § 23 Abs. 8 i.V.m. § 45 Abs. 4 BWG sind nachrangige Forderungen solche, die im Falle der Liquidation oder der Insolvenz der Emittentin erst nach den Forderungen der anderen nicht nachrangigen Gläubiger befriedigt werden und ansonsten die Bedingungen von § 23 Abs. 8 BWG erfüllen.

Die Nachrangigen Schuldverschreibungen begründen unmittelbare, unbedingte, nachrangige und nicht besicherte Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind, und die vollständig allen nicht

nachrangigen Verbindlichkeiten der Emittentin im Rang nachstehen. Im Fall der Liquidation oder der Insolvenz der Emittentin gehen die Forderungen aus den Nachrangigen Schuldverschreibungen den Forderungen von nicht nachrangigen Gläubigern der Emittentin vollständig im Rang nach.

Die Forderungen aus den Nachrangigen Schuldverschreibungen sind jedoch vorrangig zu all jenen nachrangigen Forderungen gegen die Emittentin, die gemäß ihren Bedingungen gegenüber den Forderungen aus den Nachrangigen Schuldverschreibungen nachrangig sind oder ausdrücklich im Rang zurücktreten, und vorrangig zu den Forderungen der Aktionäre und den Forderungen der Gläubiger von Partizipationsscheinen der Emittentin.

Die Nachrangigen Schulverschreibungen sind nicht besichert und werden von keiner Gesellschaft garantiert, auch nicht von der Raiffeisen-Kundengarantiegemeinschaft. Es besteht daher keine Ausfallgarantie der Raiffeisen-Kundengarantiegemeinschaft oder sonstiger dritter Personen.

Die Aufrechnung des Rückerstattungsanspruches gegen Forderungen der Emittentin ist ausgeschlossen. Für die Nachrangigen Schuldverschreibungen sind und dürfen keine vertraglichen Sicherheiten durch die Emittentin oder durch Dritte gestellt werden.

- Supplementary Capital
Ergänzungskapital
- New Style Tier 2 Notes
New Style Tier 2 Schuldverschreibungen
- Covered Bank Bonds
Fundierte Bankschuldverschreibungen

INTEREST (§ 3)
ZINSEN (§ 3)

X Fixed Rate Notes with reset
Festverzinsliche Schuldverschreibungen mit Zinsanpassung

Rate of Interest and Interest Payment Dates
Zinssatz und Zinszahlungstage

Rate of Interest: The following shall be inserted as § 3 Subparagraph 1 of the Terms and Conditions:
The Subordinated Notes shall bear interest on their aggregate principal amount at the rate of 5.875 per cent. per annum (the "Initial Interest Rate") from (and including) 29 October 2012 (the "Interest Commencement Date") to (but excluding) the Call Redemption Date (as defined below) and at the rate equal to the 5 year Swap Rate plus a margin of 4.84 per cent. per annum (the "Reset Interest Rate") from (and including) the Call Redemption Date to (but excluding) the Maturity Date (as defined in § 5(1)), all as determined by the Calculation Agent (as defined in § 6).
Note to Holders: The margin to be used for determining the Reset Interest Rate is equal to the margin derived from the Initial Interest Rate.
"5 year Swap Rate" means the mid-swap rate as displayed on Reuters screen "ISDAFIX2" as at 11:00 a.m. (Central European time) (the "Reset Screen Page") on the second Business Day (as defined in §1(5)) prior to the Call Redemption Date (the "Reset Interest Determination Date").
In the event that the 5 year Swap Rate does not appear on the Reset Screen Page on the Reset Interest Determination Date, the 5 year Swap Rate will be the Reset Reference Bank Rate on such Reset Interest Determination Date.
"Reset Reference Bank Rate" means the percentage rate determined by the Calculation Agent on the basis of the 5 year Swap Rate Quotations provided by five leading swap dealers in the interbank market (the "Reset Reference Banks") to the Calculation Agent at approximately 11:00 a.m. (Central European time), on the Reset Interest Determination Date. If at least three quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).
The "5 year Swap Rate Quotation" means the arithmetic mean of the bid and offered rates for the fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating Euro interest rate swap which (i) has a term of 5 years commencing on the Call

Redemption Date, (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledgement dealer of good credit in the swap market and (iii) has a floating leg based on the 6-month EURIBOR rate (calculated on an Actual/360 day count basis).

The Calculation Agent shall as soon as practicable after the Reset Interest Determination Date but in no event later than two Business Days prior to the Call Redemption Date notify the Reset Interest Rate as established by it to the Issuer, any Paying Agent and, if required by the rules of any stock exchange on which the Subordinated Notes are from time to time listed, to such stock exchange and to the Holders in accordance with § 13 hereof.

Zinssatz:

Das Folgende soll als § 3 Absatz 1 der Anleihebedingungen eingefügt werden:

Die Nachrangigen Schuldverschreibungen werden bezogen auf ihren Nennbetrag vom 29. Oktober 2012 (der "Verzinsungsbeginn") (einschließlich) bis zum Wahlrückzahlungstag (wie unten definiert) (ausschließlich) mit einem Zinssatz von 5,875 % p.a. (der "Ursprungszinssatz") sowie vom Wahlrückzahlungstag (einschließlich) bis zum Rückzahlungstag (wie in § 5 Absatz 1 definiert) (ausschließlich) mit einem Zinssatz, der dem 5 Jahres Swap Satz plus einer Marge von 4,84 % p.a. entspricht (der "Zinsanpassungszinssatz"), verzinst, wobei alle Festlegungen durch die Berechnungsstelle (wie in § 6 definiert) erfolgen.

Hinweis an die Gläubiger: die Marge für die Bestimmung des Zinsanpassungssatzes entspricht der Marge, wie sie sich aus dem Ursprungszinssatz ergibt.

"5-Jahres Swap Satz" bedeutet den Durchschnitts-Swap Satz, welcher am zweiten Geschäftstag (wie in §1(5) definiert) vor dem Wahlrückzahlungstag (der "Zinsanpassungs-Bestimmungstag") auf der Reuters Seite "ISDAFIX2" um 11:00 Uhr (mitteleuropäische Zeit) (die "Zinsanpassungs-Homepage") angezeigt wird.

Sollte am Zinsanpassungs-Bestimmungstag der 5-Jahres Swap Satz nicht auf der Zinsanpassungs-Homepage angezeigt werden, so ist der 5-Jahres Swap Satz der Zinsanpassungs-Referenzbanksatz an diesem Zinsanpassungs-Bestimmungstag.

"Zinsanpassungs-Referenzbanksatz" ist der von der Berechnungsstelle festgestellte Prozentsatz, der auf Grundlage der 5-Jahres Swap Satz Angebotssätze, die von fünf führenden Swap Dealern im Interbankenmarkt (die "Zinsanpassungs Referenzbanken") am Zinsanpassungs-Bestimmungstag gegen 11:00 Uhr (mitteleuropäische Zeit) der Berechnungsstelle gemeldet werden, festgelegt wird. Soweit mindestens drei Sätze mitgeteilt wurden, wird der Zinsanpassungs-Referenzbanksatz auf den arithmetischen Mittelwert der Angebotssätze festgelegt, indem der höchste Angebotssatz (oder, im Falle von gleicher Höhe, einer der höchsten Angebotssätze) und der niedrigste Angebotssatz (oder, im Falle von gleicher Höhe, einer der niedrigsten) nicht berücksichtigt werden.

"5-Jahres Swap Satz Angebotssatz" bedeutet den arithmetische Mittelwert von Kauf- und Verkaufssätzen für den Festzinssatz (auf Basis eines 30/360 Zinstagequotienten berechnet) für einen Fixed-for-Floating Euro Zinsswap, der (i) eine fünfjährige Laufzeit hat, beginnend mit dem Wahlrückzahlungstag, (ii) ein Betrag ist, der ein repräsentativer Wert für eine einzelne Transaktion im relevanten Markt zum jeweiligen Zeitpunkt mit einem anerkannten Dealer mit guter Bonität auf dem Swapmarkt ist und (iii) einen variablen Zinssatz auf Basis des 6-Monats-EURIBOR Satzes (auf Basis eines Actual/360 Zinstagequotienten berechnet) hat.

Die Berechnungsstelle wird der Emittentin, jeder Zahlstelle und jeder Börse, an der die Nachrangigen Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an diese Börse verlangen, sowie den Gläubigern gemäß § 13 sobald nach dem Zinsanpassungsbestimmungstag wie möglich, in jedem Fall nicht später als am zweiten Geschäftstag vor dem Wahlrückzahlungstag, den von ihr festgestellten Zinsanpassungszinssatz mitteilen.

Interest Commencement Date	29 October 2012
Verzinsungsbeginn	29. Oktober 2012
Interest Payment Date(s)	27 April in each year
Zinszahlungstag(e)	27. April in jedem Jahr
First Interest Payment Date	27 April 2013 (short first coupon)

Erster Zinszahlungstag

27. April 2013 (erster kurzer Kupon)

Adjustment of Interest Payment Date(s) and Interest Periods No
Anpassung der Zinszahlungstage und Zinsperioden Nein

Deemed Interest Commencement Date [•] (for the purpose of calculating the first short coupon)
Fiktiver Verzinsungsbeginn [•] (zum Zwecke der Berechnung des ersten kurzen Kupons)

Deemed Interest Payment Date(s) Not applicable
Fiktive(r) Zinszahlungstag(e) Nicht anwendbar

Initial Broken Amount (for the specified Denomination) EUR 28.97
Anfänglicher Bruchteilzinsbetrag (für die festgelegte Stückelung) EUR 28,97

Interest Payment Date preceding the Maturity Date Not applicable
Zinszahlungstag, der dem Rückzahlungstag vorangeht Nicht anwendbar

Final Broken Amount (for the specified Denomination) Not applicable
Abschließender Bruchteilzinsbetrag (für die festgelegte Stückelung) Nicht anwendbar

Floating Rate Notes Not applicable
Variabel verzinsliche Schuldverschreibungen Nicht anwendbar

Zero Coupon Notes Not applicable
Nullkupon-Schuldverschreibungen Nicht anwendbar

Other structured Notes including Not applicable
Andere strukturierte Schuldverschreibungen Nicht anwendbar

Day Count Fraction

Zinstagequotient

Actual/Actual (ICMA Rule 251)

Actual/Actual (ISDA)

Actual/365 (Fixed)

Actual/360

30/360 (Bond Basis)

30E/360 (Eurobond Basis)

360/360

Other Day Count Fraction
Sonstiger Zinstagequotient

PAYMENTS (§ 4)

ZAHLUNGEN (§ 4)

Business Day Convention

Geschäftstagskonvention

Modified Following Business Day Convention
Modifizierte folgende Geschäftstagskonvention

FRN Convention (specify period(s))
FRN Konvention (Zeitraum angeben)

Following Business Day Convention
Folgende Geschäftstagskonvention

Preceding Business Day Convention
Vorangegangene Geschäftstagskonvention

Adjustment No adjustment of Interest Periods, adjustment of Payment Business Days in accordance with Business Day Convention above.

Anpassung Keine Anpassung der Zinsperioden, Anpassung der Zahltage gemäß der o.a. Geschäftstageskonvention

Payment Business Day**Zahntag**

- Business Day (as defined in § 1(5))
Geschäftstag (wie in § 1 Absatz 5 definiert)
- TARGET
- Other (specify all relevant financial centres)
Sonstige (sämtliche relevanten Finanzzentren angeben)

REDEMPTION (§ 5)
RÜCKZAHLUNG (§ 5)

Redemption at Maturity
Rückzahlung bei Endfälligkeit

- Maturity Date 27 April 2023
Rückzahlungstag *27. April 2023*
- Redemption Month
Rückzahlungsmonat

Final Redemption Amount
Rückzahlungsbetrag

- Principal amount
Nennbetrag
- Final Redemption Amount Principal amount
Rückzahlungsbetrag *Festgelegter Nennbetrag*

Early Redemption
Vorzeitige Rückzahlung

Early Redemption at the Option of the Issuer Yes
Vorzeitige Rückzahlung nach Wahl der Emittentin *Ja*

Minimum Redemption Amount Not applicable
Mindestrückzahlungsbetrag *Nicht anwendbar*

Higher Redemption Amount Not applicable
Erhöhter Rückzahlungsbetrag *Nicht anwendbar*

Call Redemption Date 27 April 2018
Wahlrückzahlungstag *27. April 2018*

Call Redemption Amount Principal amount
Wahlrückzahlungsbetrag *Festgelegter Nennbetrag*

Minimum Notice 30
Mindestkündigungsfrist *30*

Maximum Notice 60
Höchstkündigungsfrist *60*

- days
Tage
- Business Days
Geschäftstage
- (as defined in § 1(5))
(wie in § 1 Absatz 5 definiert)
- TARGET
- Other (specify all relevant financial centres)
Sonstige (sämtliche relevanten Finanzzentren angeben)

Early Redemption at the Option of a Holder
Vorzeitige Rückzahlung nach Wahl des Gläubigers

No
Nein

Early Redemption Amount
Vorzeitiger Rückzahlungsbetrag

Not applicable
Nicht anwendbar

The following shall replace § 5 of the Terms and Conditions:

(1) Redemption at Maturity. Unless previously redeemed in whole or in part or purchased and cancelled, the Subordinated Notes shall be redeemed at their final redemption amount on 27 April 2023 (the "Maturity Date"). The final redemption amount in respect of each Subordinated Note shall be its principal amount (the "Redemption Amount").

(2) Early Redemption for Reasons of Taxation. The Issuer may, subject to § 23 subparagraph 8 BWG, call the Subordinated Notes for redemption, in whole but not in part, upon giving not more than 60 days' nor less than 30 days' prior notice in accordance with § 5(6), and redeem the Subordinated Notes at their Redemption Amount, together with interest (if any) accrued to (but excluding) the date fixed for redemption on the date fixed for redemption

(a) if as a result of any change in the taxation (i.e. any change, or amendment to, the laws or regulations of the Republic of Austria or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations), which amendment or change is effective on or after the date on which the last tranche of this series of Subordinated Notes was issued, the Issuer is required to pay Additional Amounts (as defined in § 7 herein) on the next succeeding Interest Payment Date (as defined in § 3(2)); and

(b) if the Regulatory Conditions (as defined in § 5(5)) are fulfilled; and

(c) in the event the Issuer wishes to redeem the Subordinated Notes early for reasons of taxation pursuant to § 5(2) from the date on which the CRD IV and/or the CRR becomes part of the applicable Austrian supervisory regulations and before five years after the date of issue of the Subordinated Notes, i.e. prior to 29 October 2017: if there is a material change in the applicable tax treatment of the Subordinated Notes and this change was not reasonably foreseeable at the time of the issue of the Subordinated Notes.

(3) Early Redemption at the Option of the Issuer.

(a) The Issuer may, subject to § 23 subparagraph 8 BWG, call the Subordinated Notes for redemption, in whole but not in part, upon giving not more than 60 days' nor less than 30 days' notice in accordance with § 5(6) effective as of 27 April 2018 (the "Call Redemption Date"), and redeem the Subordinated Notes at the Redemption Amount together with interest accrued to (but excluding) the Call Redemption Date on the Call Redemption Date.

(b) The Issuer may call the Subordinated Notes for redemption only subject to the Regulatory Conditions (as defined in § 5(5)) being fulfilled.

(4) Early Redemption for Regulatory Reasons. The Issuer may, subject to § 23 subparagraph 8 BWG, call the Subordinated Notes for redemption, in whole but not in part, upon giving not more than 60 days' nor less than 30 days' prior notice in accordance with § 5(6), and redeem the Subordinated Notes at their Redemption Amount, together with interest (if any) accrued to but excluding the date fixed for redemption on the date fixed for redemption, if

(a) if a change has occurred in the regulatory recognition of the Subordinated Notes as own funds of the Issuer or the group of credit institutions the Issuer is a member of, which would lead to a regulatory derecognition in full of the Subordinated Notes as own funds and this change was not foreseeable at the time of the issue of the Subordinated Notes; and

(b) in the event the Issuer wishes to redeem the Subordinated Notes pursuant to § 5(4) from the date on which the CRD IV and/or the CRR becomes part of the applicable Austrian supervisory regulations and before five years after the date of issue of the Notes, i.e. prior to 29 October 2017: if the Subordinated Notes, as a result of a change in the supervisory regulations applicable at such time which change was not reasonably foreseeable at the time of the issue of the Subordinated Notes, are not or are no longer eligible in full to qualify as Tier 2 capital (howsoever described in the course of the implementation of CRD IV) pursuant to the CRR or the transitional provisions contained in the CRR; and

(c) if the Regulatory Conditions (as defined in § 5(5)) are fulfilled.

(5) Regulatory Conditions to Early Redemption.

The "Regulatory Conditions" are fulfilled on any day with respect to a scheduled redemption of the Subordinated Notes, if

(a) the Issuer (provided that it is required to do so under the then applicable Austrian supervisory regulations) has raised capital in at least the same amount and of at least equivalent own funds quality. Pursuant to § 23 subparagraph 8 BWG, the Issuer may, in case of a redemption by 31 December 2012 or such later date as provided by applicable law, with consent of the Competent Supervisory Authority, subsequently raise replacement capital, which has to be documented. There is no requirement to raise replacement capital if the Issuer proves to the Competent Supervisory Authority that it and the group of credit institutions it is a member of have own funds sufficient for an adequate risk coverage; and

(b) in the event the Issuer wishes to redeem the Subordinated Notes pursuant to § 5 (4) from the date on which the CRD IV and/or the CRR becomes part of the applicable Austrian supervisory regulations and before five years after the date of issue of the Notes, i.e. prior to 29 October 2017, provided the Subordinated Notes qualify as Tier 2 capital (howsoever described in the course of the implementation of CRD IV) pursuant to the CRR or the transitional provisions contained in the CRR: if the Competent Supervisory Authority has given, and not withdrawn by such day, its prior consent to the redemption of the Subordinated Notes (provided that under the then applicable Austrian supervisory regulations such consent is required at the time).

(6) Notice of Redemption.

Any notice of redemption of the Subordinated Notes pursuant to § 5(2) through (4) shall be given by the Issuer to the Fiscal Agent and, in accordance with § 13 to the Holders. Such notice shall be irrevocable and shall specify:

(i) the Series of Subordinated Notes subject to redemption;

(ii) that such Series is to be redeemed in whole but not in part;

(iii) the date of redemption or Call Redemption Date, as applicable;

(iv) the Redemption Amount at which such Subordinated Notes are to be redeemed; and

(v) in the case of a redemption pursuant to § 5(2) or § 5(4), a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.

(7) Purchase.

Upon the CRD IV and/or the CRR becoming part of the applicable Austrian supervisory regulations, the Issuer may, subject to any applicable regulatory requirements being fulfilled and applicable laws, at any time purchase Subordinated Notes in the open market or otherwise and at any price and may resell those Subordinated Notes.

(8) Definitions.

"Competent Supervisory Authority" means the Finanzmarktaufsicht ("FMA") or any authority which becomes its successor in such capacity.

"CRD IV" means the measures promulgated or to be promulgated by the European Union implementing Basel III into European Union law, as amended from time to time (including any implementing measures of the Austrian legislator).

"CRR" means the Regulation of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms the most recent proposal for which was published by the EU Council on 21 May 2012.

§ 5 der Anleihebedingungen soll durch folgende Formulierung ersetzt werden:

1) *Rückzahlung bei Endfälligkeit.* Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Nachrangigen Schuldverschreibungen zu ihrem Rückzahlungsbetrag am 27. April 2023 (der "Rückzahlungstag") zurückgezahlt. Der Rückzahlungsbetrag in Bezug auf jede Nachrangige Schuldverschreibung entspricht ihrem festgelegten Nennbetrag (der "Rückzahlungsbetrag").

(2) *Vorzeitige Rückzahlung aus steuerlichen Gründen.* Die Emittentin ist berechtigt, unter Anwendung des § 23 Absatz 8 BWG die Nachrangigen Schuldverschreibungen insgesamt, jedoch nicht teilweise, mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen durch eine Erklärung gemäß § 5(6) vorzeitig zu kündigen und an dem für die Rückzahlung festgesetzten Tag zu ihrem Rückzahlungsbetrag zuzüglich etwaiger bis zu dem für die Rückzahlung festgesetzten Tag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen,

(a) falls die Emittentin als Folge einer Änderung der Besteuerung (d.h. einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften der Republik Österreich oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften), vorausgesetzt diese Änderung oder Ergänzung wird am oder nach dem Tag, an dem die letzte Tranche dieser Serie von Nachrangigen Schuldverschreibungen begeben wird, wirksam, am nächstfolgenden Zinszahlungstag (wie in § 3 Absatz 2 definiert) zur Zahlung von zusätzlichen Beträgen (wie in § 7 dieser

Bedingungen definiert) verpflichtet sein wird; und

(b) falls die Aufsichtsrechtlichen Bedingungen (wie in § 5(5) definiert) erfüllt sind; und

(c) wenn die Emittentin die Nachrangigen Schuldverschreibungen aus steuerlichen Gründen gemäß § 5(2) ab dem Zeitpunkt, in dem die CRD IV und/oder die CRR Bestandteil des geltenden österreichischen Aufsichtsrechts geworden ist, und vor fünf Jahren nach dem Zeitpunkt der Begebung der Nachrangigen Schuldverschreibungen, d.h. vor dem 29. Oktober 2017 kündigen möchte: falls, bezogen auf die Nachrangigen Schuldverschreibungen, eine wesentliche Änderung in der geltenden anwendbaren steuerlichen Behandlung eingetreten ist und diese Änderung zum Zeitpunkt der Emission der Nachrangigen Schuldverschreibungen billigerweise nicht erwartet werden konnte

(3) *Vorzeitige Rückzahlung nach Wahl der Emittentin.*

(a) Die Emittentin ist berechtigt, unter Anwendung des § 23 Absatz 8 BWG die Nachrangigen Schuldverschreibungen insgesamt, jedoch nicht teilweise, durch eine Erklärung gemäß § 5(6) mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen vorzeitig mit Wirkung zum 27. April 2018 (der "Wahl-Rückzahlungstag") zu kündigen und die Nachrangigen Schuldverschreibungen am Wahl-Rückzahlungstag zum Rückzahlungsbetrag zuzüglich bis zum Wahl-Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen.

(b) Die Emittentin ist nur dann berechtigt, die Nachrangigen Schuldverschreibungen zu kündigen, wenn die Aufsichtsrechtlichen Bedingungen (wie in § 5(5) definiert) erfüllt sind.

(4) *Vorzeitige Rückzahlung aus aufsichtsrechtlichen Gründen.* Die Emittentin ist berechtigt, unter Anwendung des § 23 Absatz 8 BWG die Nachrangigen Schuldverschreibungen insgesamt, jedoch nicht teilweise, mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen durch eine Erklärung gemäß § 5(6) vorzeitig zu kündigen und an dem für die Rückzahlung festgesetzten Tag zu ihrem Rückzahlungsbetrag zuzüglich etwaiger bis zu dem für die Rückzahlung festgesetzten Tag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen

(a) falls sich die gesetzliche Anrechenbarkeit der Nachrangigen Schuldverschreibungen als Eigenmittel der Emittentin oder der Kreditinstitutsgruppe, der die Emittentin angehört, ändert, und diese Änderung der aufsichtsrechtlichen Einstufung zu einem gänzlichen Ausschluss der Nachrangigen Schuldverschreibungen aus den Eigenmitteln führen würde und diese Änderung in einer zum Zeitpunkt der Emission der Nachrangigen Schuldverschreibungen nicht absehbaren Art erfolgt; und

(b) wenn die Emittentin die Nachrangigen Schuldverschreibungen gemäß § 5(4) ab dem Zeitpunkt, in dem die CRD IV und/oder die CRR Bestandteil des geltenden österreichischen Aufsichtsrechts geworden ist, und vor fünf Jahren nach dem Zeitpunkt der Begebung der Schuldverschreibungen, d.h. vor dem 29. Oktober 2017, kündigen möchte: falls die Nachrangigen Schuldverschreibungen aufgrund einer Änderung des in diesem Zeitpunkt geltenden Aufsichtsrechts, wobei diese Änderung zum Zeitpunkt der Emission der Nachrangigen Schuldverschreibungen billigerweise nicht vorhersehbar war, zur Gänze nicht oder nicht mehr die Anforderungen für Tier 2 Kapital (unabhängig von der im Rahmen der Umsetzung der CRD IV gewählten Bezeichnung) gemäß der CRR oder nach den darin enthaltenen Übergangsvorschriften erfüllen; und

(c) wenn die Aufsichtsrechtlichen Bedingungen (wie in § 5(5) definiert) erfüllt sind.

(5) *Aufsichtsrechtliche Bedingungen für die vorzeitige Rückzahlung.*

Die "Aufsichtsrechtlichen Bedingungen" sind an einem Tag in Bezug auf eine vorgesehene Rückzahlung der Nachrangigen Schuldverschreibungen erfüllt, wenn

(a) die Emittentin zuvor Kapital in gleicher Höhe und zumindest gleicher Eigenmittelqualität beschafft hat (falls sie dazu nach im Zeitpunkt der Kündigung geltendem österreichischen Aufsichtsrecht verpflichtet ist). Gemäß § 23 Absatz 8 BWG kann die Emittentin bei einer Kündigung bis 31. Dezember 2012 oder bis zu einem späteren sich aus dem anwendbaren Recht ergebenden Tag mit Genehmigung der Zuständigen Aufsichtsbehörde eine nachträgliche Ersatzbeschaffung vornehmen, die zu dokumentieren ist. Die Bedingung der Ersatzbeschaffung entfällt, wenn die Emittentin der Zuständigen Aufsichtsbehörde nachweist, dass sie und die Kreditinstitutsgruppe, der sie angehört, auch nach Kündigung der Nachrangigen Schuldverschreibungen über zur adäquaten Risikoabdeckung ausreichende Eigenmittel verfügen; und

(b) wenn die Emittentin die Nachrangigen Schuldverschreibungen gemäß § 5(4) ab dem Zeitpunkt, in dem die CRD IV und/oder die CRR Bestandteil des geltenden österreichischen Aufsichtsrechts geworden ist, und vor fünf Jahren nach dem Zeitpunkt der Begebung der Schuldverschreibungen, d.h. vor dem 29. Oktober 2017, kündigen möchte, vorausgesetzt, die Nachrangigen Schuldverschreibungen werden als Tier 2 Kapital (unabhängig von der im Rahmen der Umsetzung der CRD IV gewählten Bezeichnung) gemäß der CRR oder nach den darin enthaltenen Übergangsvorschriften angerechnet: falls die Zuständige Aufsichtsbehörde ihre Zustimmung zur Rückzahlung der Nachrangigen Schuldverschreibungen erteilt und bis zu diesem Tag nicht widerrufen hat (sofern nach in diesem

Zeitpunkt geltendem österreichischen Aufsichtsrecht eine solche Zustimmung zum betreffenden Zeitpunkt erforderlich ist).

(6) *Kündigungserklärung.*

Eine Kündigung der Nachrangigen Schuldverschreibungen gemäß § 5(2) bis (4) ist durch die Emittentin gegenüber der Emissionsstelle und gegenüber den Gläubigern gemäß § 13 bekannt zu geben. Sie ist unwiderruflich und beinhaltet die folgenden Angaben:

- (i) die zurückzuzahlende Serie von Nachrangigen Schuldverschreibungen;
- (ii) eine Erklärung, dass diese Serie insgesamt und nicht nur teilweise zurückgezahlt wird;
- (iii) Tag der Rückzahlung bzw. den Wahl-Rückzahlungstag (Call);
- (iv) den Rückzahlungsbetrag, zu dem die Nachrangigen Schuldverschreibungen zurückgezahlt werden; und
- (v) im Falle einer Kündigung gemäß § 5(2) oder § 5(4) eine zusammenfassende Erklärung, welche die das Rückzahlungsrecht der Emittentin begründenden Umstände darlegt.

(7) *Rückkauf.*

Ab dem Zeitpunkt, in dem die CRD IV und/oder die CRR Bestandteil des geltenden österreichischen Aufsichtsrechts geworden ist, ist die Emittentin berechtigt, vorbehaltlich der Erfüllung der aufsichtsrechtlichen Anforderungen und geltenden Rechts, die Nachrangigen Schuldverschreibungen jederzeit ganz oder teilweise auf dem freien Markt oder anderweitig sowie zu jedem beliebigen Preis zu kaufen und wieder zu veräußern.

(8) *Definitionen.*

"Zuständige Aufsichtsbehörde" ist die Finanzmarktaufsicht ("FMA") bzw. jede Behörde, die ihr Funktionsnachfolger wird.

"CRD IV" bezeichnet die von der Europäischen Union zur Umsetzung von Basel III in europäisches Recht erlassenen oder zu erlassenden Rechtsakte in ihrer jeweils geltenden Fassung (einschließlich etwaiger Umsetzungsmaßnahmen des österreichischen Gesetzgebers).

"CRR" bezeichnet die Verordnung des Europäischen Parlaments und des Rates über Aufsichtsanforderungen an Kreditinstitute und Wertpapierfirmen; der jüngste Vorschlag für die CRR wurde vom EU Rat am 21. Mai 2012 veröffentlicht.

AGENTS (§ 6)

BEAUFTRAGTE STELLEN (§ 6)

Fiscal Agent	Deutsche Bank Aktiengesellschaft
<i>Emissionsstelle</i>	<i>Deutsche Bank Aktiengesellschaft</i>
X Calculation Agent	Deutsche Bank Aktiengesellschaft
<i>Berechnungsstelle</i>	<i>Deutsche Bank Aktiengesellschaft</i>
X Paying Agents	Deutsche Bank Aktiengesellschaft as Fiscal Agent
<i>Zahlstellen</i>	<i>Deutsche Bank Aktiengesellschaft als Emissionsstelle</i>
<input type="checkbox"/> Additional Paying Agent(s)/specified office(s)	
<i>Weitere Zahlstelle(n)/bezeichnete Geschäftsstelle(n)</i>	

SUBSTITUTION (§ 10)

ERSETZUNG (§ 10)

Applicable
Anwendbar

AMENDMENT OF THE CONDITIONS; HOLDERS' REPRESENTATIVE (§ 11)

ÄNDERUNG DER BEDINGUNGEN, GEMEINSAMER VERTRETER (§ 11)

- Applicable
Anwendbar

Appointment of Holders' Representative

Bestellung eines Gemeinsamen Vertreters der Gläubiger

- by resolution passed by Holders
durch Beschluss der Gläubiger
- In the Conditions
In den Bedingungen

Name and address of the Holders' Representative (specify details)
Name und Anschrift des Gemeinsamen Vertreters (Einzelheiten einfügen)

X Not applicable
Nicht anwendbar

NOTICES (§ 13)
MITTEILUNGEN (§ 13)

Place and medium of publication
Ort und Medium der Bekanntmachung

X Clearing System
Clearingsystem

X Rules of listing authority /stock exchange
Regeln einer Notierungsbehörde / Börse

Luxembourg

Luxemburg

Newspaper (specify)
Tageszeitung (angeben)

Other (specify)
Sonstige (angeben)

X Notice period
Mitteilungsfrist

3 days

3 Tage

Part II.: OTHER INFORMATION
Teil II.: ZUSÄTZLICHE INFORMATIONEN

Interests of natural and legal persons involved in the issue/offer

Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind

- Save as discussed in the Prospectus under "Interests of Natural and Legal Persons involved in the Issue/Offer", so far as the Issuer is aware, no person involved in the offer of the Subordinated Notes has an interest material to the offer.
Mit Ausnahme der im Prospekt unter "Interests of Natural and Legal Persons involved in the Issue/Offer" ("Interessen von Seiten natürlicher und juristischer Personen, die an der Emission/dem Angebot beteiligt sind") angesprochenen Interessen besteht bei den an der Emission beteiligten Personen nach Kenntnis der Emittentin kein wesentliches Interesse an dem Angebot.
- Other interests (specify)
Andere Interessen (angeben)

Reasons for the offer The Subordinated Notes are being issued in the context of the Issuer's offer to the holders of the EUR 600,000,000 Subordinated Supplementary Capital Fixed to Floating Rate Callable Notes due October 2015 (ISIN XS0326967832) to exchange these existing notes for the Subordinated Notes as further set out in an Exchange Offer Memorandum dated 10 October 2012.

Gründe für das Angebot Die Nachrangigen Schuldverschreibungen sollen emittiert werden, um im Zusammenhang mit dem Angebot der Emittentin an die Gläubiger der EUR 600.000.000 Nachrangigen Ergänzungskapital Fest zu Variabel verzinslichen Schuldverschreibungen fällig Oktober 2015 (ISIN XS0326967832), diese Schuldverschreibungen gegen die Nachrangigen Schuldverschreibungen einzutauschen benutzt zu werden, wie im Exchange Offer Memorandum vom 10. Oktober 2012 näher beschrieben.

Estimated net proceeds <i>Geschätzter Nettoerlös</i>	Not applicable <i>Nicht anwendbar</i>
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Estimated total expenses of the issue <i>Geschätzte Gesamtkosten der Emission</i>	
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Securities Identification Numbers

Wertpapierkennnummern

ISIN <i>ISIN</i>	XS0843322750
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Common Code <i>Common Code</i>	084332275
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German Securities Code <i>Wertpapierkennnummer (WKN)</i>	A1HBAM
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Any other securities number <i>Sonstige Wertpapiernummer</i>	Not applicable <i>Nicht anwendbar</i>
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Yield

Rendite

Yield 5.875 per cent. per annum until the Call Redemption Date, reset on the Call Redemption Date to the 5 year Swap Rate plus the margin.

Rendite 5,875 % per annum bis zum Wahlrückzahlungstag, Rücksetzung am Wahlrückzahlungstag auf die 5-Jahres-Swap-Rate zuzüglich einer Marge.

Method of calculating the yield

Berechnungsmethode der Rendite

- ICMA method: The ICMA method determines the effective interest rate of notes taking into account accrued interest on a daily basis.
- ICMA Methode: Die ICMA Methode ermittelt die Effektivverzinsung von Schuldverschreibungen unter Berücksichtigung der täglichen Stückzinsen.*

- Other methods (specify)
Andere Methoden (angeben)

Selling Restrictions
Verkaufsbeschränkungen

The Selling Restrictions set out in the Prospectus shall apply.
Es gelten die im Prospekt wiedergegebenen Verkaufsbeschränkungen.

- TEFRA C
TEFRA C
- TEFRA D
TEFRA D
- Neither TEFRA C nor TEFRA D
Weder TEFRA C noch TEFRA D

Additional Selling Restrictions (specify)
Zusätzliche Verkaufsbeschränkungen (angeben)

None
Keine

Restrictions on the free transferability of the Subordinated Notes
Beschränkungen der freien Übertragbarkeit der Wertpapiere

Not applicable
Nicht anwendbar

Consent to use the Prospectus pursuant to Article 3(2) of the Prospectus Directive

None

Zustimmung zur Nutzung des Prospekts gemäß Artikel 3(2) der Prospekttrichtlinie

Keine

Additional Information for Public Offers
Zusätzliche Informationen für öffentliche Angebote

Not Applicable
Nicht anwendbar

Method of distribution
Vertriebsmethode

Not applicable
Nicht anwendbar

Stabilising Dealer/Manager
Kursstabilisierender Dealer/Manager

None
Keiner

Admission(s) to Trading and Listing(s)
Börsenzulassung(en) und –notierung(en)

Yes
Ja

Luxembourg Stock Exchange: Admission: Regulated Market / Listing: Official List
Luxemburger Wertpapierbörse: Börsenzulassung: Regulierter Markt / Notierung: Official List

WBAG Vienna Stock Exchange: Second Tier of Regulated Market
WBAG Wiener Wertpapierbörse: Geregelter Freiverkehr

Other (insert details)
Sonstige (Einzelheiten einfügen)

Expected date of admission
Erwarteter Termin der Zulassung

29 October 2012
29. Oktober 2012

Estimate of the total expenses related to admission to trading
Geschätzte Gesamtkosten für die Zulassung zum Handel

[]

Rating
Rating

The Subordinated Notes are expected to be rated:
Die Nachrangigen Schuldverschreibungen werden voraussichtlich geratet:

Standard & Poor's: [BBB]

Moody's: [Baa3]

These ratings are expected to be issued by:

Diese Ratings werden voraussichtlich abgegeben von:

Standard & Poor's Credit Market Services Europe Limited (Niederlassung Deutschland), a division of The MacGraw-Hill Companies, Inc, Neue Mainzer Straße 52, 60311 Frankfurt

Moody's Investors Service Limited One Canada Square, Canary Wharf, London, United Kingdom E14 5FA.

The above mentioned credit rating agencies are registered (pursuant to the list of registered and certified credit rating agencies published on the website of the European Securities and Markets Authority (www.esma.europa.eu), most recently updated on 30 July 2012) under Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies.

Oben genannte Rating-Agenturen sind (gemäß der Liste der registrierten und zertifizierten Kreditratingagenturen, veröffentlicht auf der Internetseite der European Securities and Markets Authority (www.esma.europa.eu), zuletzt aktualisiert am 30. Juli 2012) gemäß der Verordnung (EG) Nr. 1060/2009 über Ratingagenturen registriert.

A rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal by the assigning rating agency at any time. In particular the rating for the Subordinated Notes may be significantly lower than the rating of the Issuer's senior debt.

Ein Rating ist keine Empfehlung zum Kauf, Verkauf oder Halten von Wertpapieren und kann durch die vergebende Rating-Agentur jederzeit revidiert, suspendiert oder zurückgezogen werden. Insbesondere kann das Rating der Nachrangigen Schuldverschreibungen wesentlich niedriger sein, als das Rating der nicht nachrangigen Verbindlichkeiten der Emittentin.

Other relevant terms and conditions (specify)

Andere relevante Bestimmungen (einfügen)

Listing:

Börsenzulassung:

The above Final Terms comprise the details required to list this issue of Subordinated Notes (expected as from 29 October 2012) under the EUR 25,000,000,000 Debt Issuance Programme of Raiffeisen Bank International AG.

Die vorstehenden Endgültigen Bedingungen enthalten die Angaben, die für die Zulassung dieser Emission von Nachrangigen Schuldverschreibungen (erwartet ab dem 29. Oktober 2012) unter dem EUR 25.000.000.000 Debt Issuance Programme der Raiffeisen Bank International AG erforderlich sind.

Responsibility:**Verantwortlichkeit:**

The Issuer accepts responsibility for the information contained in these Final Terms as set out in the Responsibility Statement on page 2 of the Prospectus, provided that, with respect to any information included herein and specified to be sourced from a third party (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof. *Die Emittentin übernimmt die Verantwortung für die in diesen Endgültigen Bedingungen enthaltenen Informationen, wie im Responsibility Statement auf Seite 2 des Prospekts bestimmt. Hinsichtlich der hierin enthaltenen und als solche gekennzeichneten Informationen von Seiten Dritter gilt Folgendes: (i) Die Emittentin bestätigt, dass diese Informationen zutreffend wiedergegeben worden sind und – soweit es der Emittentin bekannt ist und sie aus den von diesen Dritten zur Verfügung gestellten Informationen ableiten konnte – keine Fakten verschwiegen wurden, die die reproduzierten Informationen unzutreffend oder irreführend gestalten würden; (ii) die Emittentin hat diese Informationen nicht selbständig überprüft und übernimmt keine Verantwortung für ihre Richtigkeit.*

Raiffeisen Bank International AG

[Name & title of signatories]

[Name und Titel der Unterzeichnenden]

§ 1
CURRENCY, DENOMINATION, FORM,
DEFINITIONS

(1) *Currency; Denomination.* This Series of Subordinated Notes (the "Subordinated Notes") of Raiffeisen Bank International AG (the "Issuer") is being issued in Euro (the "Specified Currency") in the aggregate principal amount of EUR [•] (in words: Euro [•]) in the denomination of EUR 1,000 (the "specified Denomination").

(2) *Form.* The Subordinated Notes are being issued in bearer form.

(a) *Temporary Global Note – Exchange.*

The Subordinated Notes are initially represented by a temporary global note (the "Temporary Global Note") without coupons. The Temporary Global Note will be exchangeable for Subordinated Notes in the specified Denomination represented by a permanent global note (the "Permanent Global Note" and, together with the Temporary Global Note, the "Global Notes" and each a "Global Note") without coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by authorised signatories of the Issuer and shall each be authenticated by or on behalf of the Fiscal Agent. Definitive Notes and interest coupons will not be issued.

(b) The Temporary Global Note shall be exchanged for the Permanent Global Note on a date (the "Exchange Date") not later than 180 days after the date of issue of the Temporary Global Note. The Exchange Date for such exchange will not be earlier than 40 days after the date of issue of the Temporary Global Note. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Subordinated Notes represented by the Temporary Global Note is not a U. S. person (other than certain financial institutions or certain persons holding Subordinated Notes through such financial institutions). Payment of interest on Subordinated Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to subparagraph (b) of this § 1(2). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States. For purposes of this subparagraph, "United States" means the United States of America

§ 1
WÄHRUNG, STÜCKELUNG, VERBRIEFUNG,
DEFINITIONEN

(1) *Währung; Stückelung.* Diese Serie von Nachrangigen Schuldverschreibungen (die "Nachrangigen Schuldverschreibungen") der Raiffeisen Bank International AG (die "Emittentin") wird in Euro (die "festgelegte Währung") im Gesamtnennbetrag von EUR [•] (in Worten: Euro [•]) in der Stückelung von EUR 1.000 (die "festgelegte Stückelung") begeben.

(2) *Verbriefung.* Die Nachrangigen Schuldverschreibungen lauten auf den Inhaber.

(a) *Vorläufige Globalurkunde – Austausch.*

Die Nachrangigen Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die "Vorläufige Globalurkunde") ohne Zinsscheine verbrieft. Die Vorläufige Globalurkunde wird gegen Nachrangige Schuldverschreibungen in der festgelegten Stückelung, die durch eine Dauerglobalurkunde (die "Dauerglobalurkunde", und zusammen mit der vorläufigen Globalurkunde, die "Globalurkunden" und jeweils eine "Globalurkunde") ohne Zinsscheine verbrieft sind, ausgetauscht. Die Vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und sind jeweils von der Emmissionsstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine werden nicht ausgegeben.

(b) Die Vorläufige Globalurkunde wird an einem Tag (der "Austauschtag") gegen die Dauerglobalurkunde ausgetauscht, der nicht mehr als 180 Tage nach dem Tag der Ausgabe der Vorläufigen Globalurkunde liegt. Der Austauschtag für einen solchen Austausch soll nicht weniger als 40 Tage nach dem Tag der Ausgabe der Vorläufigen Globalurkunde liegen. Ein solcher Austausch soll nur nach Vorlage von Bescheinigungen erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch die Vorläufige Globalurkunde verbrieften Nachrangigen Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Nachrangige Schuldverschreibungen über solche Finanzinstitute halten). Zinszahlungen auf durch eine Vorläufige Globalurkunde verbrieften Nachrangige Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der vorläufigen Globalurkunde eingeht, wird als ein Ersuchen behandelt werden, diese Vorläufige Globalurkunde gemäß Absatz (b) dieses § 1 Absatz 2 auszutauschen. Wertpapiere, die im Austausch für die Vorläufige Globalurkunde

(including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U. S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

- (c) *Clearing System.* The Permanent Global Note will be kept in custody by or on behalf of the Clearing System until all obligations of the Issuer under the Subordinated Notes have been satisfied. "Clearing System" means each of the following: Clearstream Banking, société anonyme, Luxembourg, ("CBL") and Euroclear Bank SA/NV, as operator of the Euroclear System ("Euroclear").

The Subordinated Notes are issued in classical global note ("CGN") form and are kept in custody by a common depository on behalf of both CBL and Euroclear.

- (3) *Conditions.* "Conditions" means these Terms and Conditions of the Subordinated Notes.

- (4) *Holder of Subordinated Notes.* "Holder" means any holder of a proportionate co-ownership or other beneficial interest or right in the Subordinated Notes.

- (5) *Business Day.* "Business Day" means any day (other than a Saturday or a Sunday) on which the Clearing System as well as the Trans European Automated Realtime Gross settlement Express Transfer System (TARGET2) ("TARGET") are operational.

§ 2 STATUS

Note to the Holders: The Subordinated Notes are meant to constitute subordinated capital (nachrangiges Kapital) of the Issuer pursuant to § 23 subparagraph 8 in conjunction with § 45 subparagraph 4 BWG and, upon the CRD IV (as defined in § 5(8)) and/or the CRR (as defined in § 5(8)) becoming part of the applicable Austrian supervisory regulations, Tier 2 capital (howsoever described in the course of the implementation of CRD IV) of the Issuer pursuant to the CRR.

Reference is made to the risk of a statutory loss absorption as more fully described in the risk factors entitled "Risks in connection with the adoption of a future resolution regime and "bail-in rules" for credit institutions" and "Change of law" in the prospectus as supplemented on 4 September 2012.

The Subordinated Notes shall constitute subordinated claims pursuant to § 23 subparagraph 8 in conjunction with § 45 subparagraph 4 BWG. Pursuant to § 23 subparagraph 8 in conjunction with § 45 subparagraph 4

geliefert werden, sind nur außerhalb der Vereinigten Staaten zu liefern. Für die Zwecke dieses Absatzes bezeichnet "Vereinigte Staaten" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Ricos, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

- (c) *Clearingsystem.* Die Globalurkunde wird solange von einem oder im Namen eines Clearing Systems verwahrt, bis sämtliche Verbindlichkeiten der Emittentin aus den Nachrangigen Schuldverschreibungen erfüllt sind. "Clearing System" bedeutet jeweils folgendes: Clearstream Banking, société anonyme, Luxemburg, ("CBL") und Euroclear Bank SA/NV, als Betreiberin des Euroclear Systems ("Euroclear").

Die Nachrangigen Schuldverschreibungen werden in Form einer Classical Global Note ("CGN") ausgegeben und von einer gemeinsamen Verwahrstelle im Namen von CBL und Euroclear verwahrt.

- (3) *Bedingungen.* "Bedingungen" bedeutet diese Anleihebedingungen der Nachrangigen Schuldverschreibungen.

- (4) *Gläubiger von Nachrangigen Schuldverschreibungen.* "Gläubiger" bedeutet jeder Inhaber eines Miteigentumsanteils oder anderen Rechts an den Nachrangigen Schuldverschreibungen.

- (5) *Geschäftstag.* "Geschäftstag" bezeichnet einen Tag (außer einem Samstag oder Sonntag), an dem das Clearingsystem sowie das Trans-European Automated Real-time Gross settlement Express Transfer System (TARGET2) ("TARGET") betriebsbereit sind.

§ 2 STATUS

Hinweis an die Gläubiger: Die Nachrangigen Schuldverschreibungen sollen nachrangiges Kapital der Emittentin gemäß § 23 Abs. 8 i.V.m. § 45 Abs. 4 BWG und, ab dem Zeitpunkt, in dem die CRD IV (wie in § 5(8) definiert) und/oder die CRR (wie in § 5(8) definiert) Bestandteil des geltenden österreichischen Aufsichtsrechts geworden sind, Tier 2 Kapital (unabhängig von der im Rahmen der Umsetzung der CRD IV gewählten Bezeichnung) der Emittentin gemäß der CRR darstellen.

Verwiesen wird auf das Risiko einer gesetzlichen Verlustabsorption, wie sie näher beschrieben wird in den Risikofaktoren des Prospekts in der durch den Nachtrag vom 4. September 2012 ergänzten Fassung unter "Risks in connection with the adoption of a future resolution regime and bail-in rules for credit institutions" und "Change of law".

Die Nachrangigen Schuldverschreibungen stellen nachrangige Forderungen gemäß § 23 Abs. 8 i.V.m. § 45 BWG dar. Gemäß § 23 Abs. 8 i.V.m. § 45 Abs. 4 BWG sind nachrangige Forderungen solche, die im Falle der

BWG, subordinated claims (*nachrangige Forderungen*) are those that, in the event of the Issuer's liquidation or insolvency, will be satisfied only after the claims of all other unsubordinated creditors, and that otherwise fulfil the requirements of § 23 subparagraph 8 BWG.

Accordingly, the Subordinated Notes constitute direct, unconditional, unsecured and subordinated obligations of the Issuer ranking *pari passu* among each other and ranking wholly subordinated to all unsubordinated obligations of the Issuer. In the event of the Issuer's liquidation or insolvency, any claims under the Subordinated Notes will be wholly subordinated to the claims of the Issuer's unsubordinated creditors.

The claims under the Subordinated Notes shall, however, rank senior to all subordinated claims against the Issuer that pursuant to their terms and conditions rank, or are expressed to rank, subordinated to the claims under the Subordinated Notes and rank senior to the claims of shareholders and holders of participation capital of the Issuer.

The Subordinated Notes are not secured and are not guaranteed by any entity, including the *Raiffeisen-Kundengarantiegemeinschaft*. Therefore, no deficiency guarantee (*Ausfallsgarantie*) by *Raiffeisen-Kundengarantiegemeinschaft* or any other third party exists.

Offsetting the repayment claim against the Issuer's claim shall be excluded. No contractual security is and shall be created for the Subordinated Notes by the Issuer or by third parties.

§ 3 INTEREST

(1) *Rate of Interest.* The Subordinated Notes shall bear interest on their aggregate principal amount at the rate of 5.875 per cent. *per annum* (the "Initial Interest Rate") from (and including) 29 October 2012 (the "Interest Commencement Date") to (but excluding) the Call Redemption Date (as defined below) and at the rate equal to the 5 year Swap Rate plus a margin of 4.84 per cent. *per annum* (the "Reset Interest Rate") from (and including) the Call Redemption Date to (but excluding) the Maturity Date (as defined in § 5(1)), all as determined by the Calculation Agent (as defined in § 6).

Note to Holders: The margin to be used for determining the Reset Interest Rate is equal to the margin derived from the Initial Interest Rate.

"5 year Swap Rate" means the mid-swap rate as displayed on Reuters screen "ISDAFIX2" as at 11:00 a.m. (Central European time) (the "Reset Screen Page")

Liquidation oder der Insolvenz der Emittentin erst nach den Forderungen der anderen nicht nachrangigen Gläubiger befriedigt werden und ansonsten die Bedingungen von § 23 Abs. 8 BWG erfüllen.

Die Nachrangigen Schuldverschreibungen begründen unmittelbare, unbedingte, nachrangige und nicht besicherte Verbindlichkeiten der Emittentin, die untereinander gleichrangig sind, und die vollständig allen nicht nachrangigen Verbindlichkeiten der Emittentin im Rang nachstehen. Im Fall der Liquidation oder der Insolvenz der Emittentin gehen die Forderungen aus den Nachrangigen Schuldverschreibungen den Forderungen von nicht nachrangigen Gläubigern der Emittentin vollständig im Rang nach.

Die Forderungen aus den Nachrangigen Schuldverschreibungen sind jedoch vorrangig zu all jenen nachrangigen Forderungen gegen die Emittentin, die gemäß ihren Bedingungen gegenüber den Forderungen aus den Nachrangigen Schuldverschreibungen nachrangig sind oder ausdrücklich im Rang zurücktreten, und vorrangig zu den Forderungen der Aktionäre und den Forderungen der Gläubiger von Partizipationsscheinen der Emittentin.

Die Nachrangigen Schulverschreibungen sind nicht besichert und werden von keiner Gesellschaft garantiert, auch nicht von der *Raiffeisen-Kundengarantiegemeinschaft*. Es besteht daher keine Ausfallsgarantie der *Raiffeisen-Kundengarantiegemeinschaft* oder sonstiger dritter Personen.

Die Aufrechnung des Rückerstattungsanspruches gegen Forderungen der Emittentin ist ausgeschlossen. Für die Nachrangigen Schuldverschreibungen sind und dürfen keine vertraglichen Sicherheiten durch die Emittentin oder durch Dritte gestellt werden.

§ 3 ZINSEN

(1) *Zinssatz.* Die Nachrangigen Schuldverschreibungen werden bezogen auf ihren Nennbetrag vom 29. Oktober 2012 (der "Verzinsungsbeginn") (einschließlich) bis zum Währückzahlungstag (wie unten definiert) (ausschließlich) mit einem Zinssatz von 5,875 % p.a. (der "Ursprungszinssatz") sowie vom Währückzahlungstag (einschließlich) bis zum Rückzahlungstag (wie in § 5 Absatz 1 definiert) (ausschließlich) mit einem Zinssatz, der dem 5 Jahres Swap Satz plus einer Marge von 4,84% p.a. entspricht (der "Zinsanpassungszinssatz"), verzinst, wobei alle Festlegungen durch die Berechnungsstelle (wie in § 6 definiert) erfolgen.

Hinweis an die Gläubiger: die Marge für die Bestimmung des Zinsanpassungssatzes entspricht der Marge, wie sie sich aus dem Ursprungszinssatz ergibt.

"5-Jahres Swap Satz" bedeutet den Durchschnitts-Swap Satz, welcher am zweiten Geschäftstag (wie in §1(5) definiert) vor dem Währückzahlungstag (der

on the second Business Day (as defined in §1(5)) prior to the Call Redemption Date (the "Reset Interest Determination Date").

In the event that the 5 year Swap Rate does not appear on the Reset Screen Page on the Reset Interest Determination Date, the 5 year Swap Rate will be the Reset Reference Bank Rate on such Reset Interest Determination Date.

"Reset Reference Bank Rate" means the percentage rate determined by the Calculation Agent on the basis of the 5 year Swap Rate Quotations provided by five leading swap dealers in the interbank market (the "Reset Reference Banks") to the Calculation Agent at approximately 11:00 a.m. (Central European time), on the Reset Interest Determination Date. If at least three quotations are provided, the Reset Reference Bank Rate will be the arithmetic mean of the quotations, eliminating the highest quotation (or, in the event of equality one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest).

The "5 year Swap Rate Quotation" means the arithmetic mean of the bid and offered rates for the fixed leg (calculated on a 30/360 day count basis) of a fixed-for-floating Euro interest rate swap which (i) has a term of 5 years commencing on the Call Redemption Date, (ii) is in an amount that is representative of a single transaction in the relevant market at the relevant time with an acknowledgement dealer of good credit in the swap market and (iii) has a floating leg based on the 6-month EURIBOR rate (calculated on an Actual/360 day count basis).

The Calculation Agent shall as soon as practicable after the Reset Interest Determination Date but in no event later than two Business Days prior to the Call Redemption Date notify the Reset Interest Rate as established by it to the Issuer, any Paying Agent and, if required by the rules of any stock exchange on which the Subordinated Notes are from time to time listed, to such stock exchange and to the Holders in accordance with § 13 hereof .

(2) *Interest Payment Dates.* Interest shall be payable in arrear on 27 April in each year (each such date, an "Interest Payment Date"). The first payment of interest shall be made on 27 April 2013 and will amount to EUR 28.97 for each Note.

(3) *Adjustment of Interest Payment Dates.* If any Interest Payment Date would fall on a day which is not a Business Day, the Interest Payment Dates remain unadjusted.

(4) *Calculation of Interest for Partial Periods.* If interest is required to be calculated for a period of less than a full year, such interest shall be calculated on the

"Zinsanpassungs-Bestimmungstag") auf der Reuters Seite "ISDAFIX2" um 11:00 Uhr (mitteleuropäische Zeit) (die "Zinsanpassungs-Homepage") angezeigt wird.

Sollte am Zinsanpassungs-Bestimmungstag der 5-Jahres Swap Satz nicht auf der Zinsanpassungs-Homepage angezeigt werden, so ist der 5-Jahres Swap Satz der Zinsanpassungs-Referenzbanksatz an diesem Zinsanpassungs-Bestimmungstag.

"Zinsanpassungs-Referenzbanksatz" ist der von der Berechnungsstelle festgestellte Prozentsatz, der auf Grundlage der 5-Jahres Swap Satz Angebotssätze, die von fünf führenden Swap Dealern im Interbankenmarkt (die "Zinsanpassungs Referenzbanken") am Zinsanpassungs-Bestimmungstag gegen 11:00 Uhr (mitteleuropäische Zeit) der Berechnungsstelle gemeldet werden, festgelegt wird. Soweit mindestens drei Sätze mitgeteilt wurden, wird der Zinsanpassungs-Referenzbanksatz auf den arithmetischen Mittelwert der Angebotssätze festgelegt, indem der höchste Angebotssatz (oder, im Falle von gleicher Höhe, einer der höchsten Angebotssätze) und der niedrigste Angebotssatz (oder, im Falle von gleicher Höhe, einer der niedrigsten) nicht berücksichtigt werden.

"5-Jahres Swap Satz Angebotssatz" bedeutet den arithmetische Mittelwert von Kauf- und Verkaufssätzen für den Festzinssatz (auf Basis eines 30/360 Zinstagequotienten berechnet) für einen Fixed-for-Floating Euro Zinsswap, der (i) eine fünfjährige Laufzeit hat, beginnend mit dem Währückzahlungstag, (ii) ein Betrag ist, der ein repräsentativer Wert für eine einzelne Transaktion im relevanten Markt zum jeweiligen Zeitpunkt mit einem anerkannten Dealer mit guter Bonität auf dem Swapmarkt ist und (iii) einen variablen Zinssatz auf Basis des 6-Monats-EURIBOR Satzes (auf Basis eines Actual/360 Zinstagequotienten berechnet) hat.

Die Berechnungsstelle wird der Emittentin, jeder Zahlstelle und jeder Börse, an der die Nachrangigen Schuldverschreibungen zu diesem Zeitpunkt notiert sind und deren Regeln eine Mitteilung an diese Börse verlangen, sowie den Gläubigern gemäß § 13 sobald nach dem Zinsanpassungsbestimmungstag wie möglich, in jedem Fall nicht später als am zweiten Geschäftstag vor dem Währückzahlungstag, den von ihr festgestellten Zinsanpassungszinssatz mitteilen.

(2) *Zinszahlungstage.* Die Zinsen sind nachträglich am 27. April eines jeden Jahres zahlbar (jeweils ein "Zinszahlungstag"). Die erste Zinszahlung erfolgt am 27. April 2013 und beläuft sich auf EUR 28,97 je Schuldverschreibung.

(3) *Anpassung von Zinszahlungstagen.* Fällt ein Zinszahlungstag auf einen Tag, der kein Geschäftstag ist, bleiben die Zinszahlungstage unangepasst.

(4) *Berechnung der Zinsen für Teile von Zeiträumen.* Sofern Zinsen für einen Zeitraum von weniger als einem Jahr zu berechnen sind, erfolgt die Berechnung auf der

basis of the Day Count Fraction (as defined below).

(5) *Accrual of Interest and Default Interest.* If the Issuer shall fail to redeem the Subordinated Notes when due, interest shall accrue on the principal amount of the Subordinated Notes from (and including) the due date to (but excluding) the date of actual redemption of the Subordinated Notes at the default rate of interest established by law¹.

(6) *Day Count Fraction.* "Day Count Fraction" means, in respect of the calculation of an amount of interest on any Subordinated Note for any period of time (the "Calculation Period"):

the number of days in the Calculation Period divided by the number of days in the Reference Period in which the Calculation Period falls. (Actual/Actual (ICMA Rule 251))

"Reference Period" means the period from (and including) the Interest Commencement Date to (but excluding) the first Interest Payment Date or from (and including) each Interest Payment Date to (but excluding) the next Interest Payment Date. For the purposes of determining the first Reference Period only, [•] shall be deemed to be an Interest Commencement Date.

§ 4 PAYMENTS

(1) (a) *Payment of Principal.* Payment of principal and any additional amounts in respect of the Subordinated Notes shall be made, subject to subparagraph (2) below, to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System upon presentation and (except in the case of partial payment) surrender of the Global Note representing the Subordinated Notes at the time of payment at the specified office of the Fiscal Agent.

(b) *Payment of Interest.* Payment of interest on the Subordinated Notes and any additional amounts shall be made, subject to subparagraph (2), to the Clearing System or to its order for credit to the relevant account holders of the Clearing System.

Payment of interest on Subordinated Notes represented by the Temporary Global Note shall be made, subject to subparagraph (2), to the Clearing System or to its order for credit to the relevant account holders of the Clearing

Grundlage des Zinstagequotienten (wie nachstehend definiert).

(5) *Zinslauf und Verzugszinsen.* Falls die Emittentin die Nachrangigen Schuldverschreibungen bei Fälligkeit nicht einlöst, sind die Nachrangigen Schuldverschreibungen bezogen auf ihren Nennbetrag vom Tag der Fälligkeit an (einschließlich) bis zum Tag der tatsächlichen Rückzahlung der Nachrangigen Schuldverschreibungen (ausschließlich) in Höhe des gesetzlich festgelegten Zinssatzes für Verzugszinsen² zu verzinsen.

(6) *Zinstagequotient.* "Zinstagequotient" bezeichnet im Hinblick auf die Berechnung eines Zinsbetrages auf eine Nachrangige Schuldverschreibung für einen beliebigen Zeitraum (der "Zinsberechnungszeitraum"):

die Anzahl von Tagen in dem Zinsberechnungszeitraum, geteilt durch die Anzahl der Tage in der Bezugsperiode, in die der Zinsberechnungszeitraum fällt. (Actual/Actual (ICMA Regelung 251))

"Bezugsperiode" bezeichnet den Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zum ersten Zinszahlungstag (ausschließlich) oder von jedem Zinszahlungstag (einschließlich) bis zum nächsten Zinszahlungstag (ausschließlich). Allein zum Zwecke der Bestimmung der ersten Bezugsperiode gilt der [•] als fiktiver Verzinsungsbeginn.

§ 4 ZAHLUNGEN

(1) (a) *Zahlungen von Kapital.* Die Zahlung von Kapital und etwaiger zusätzlicher Beträge in Bezug auf die Nachrangigen Schuldverschreibungen erfolgen nach Maßgabe des nachstehenden Absatzes 2 an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems gegen Vorlage und (außer im Fall von Teilzahlungen) Einreichung der die Nachrangigen Schuldverschreibungen zum Zeitpunkt der Zahlung verbriefenden Globalurkunde bei der bezeichneten Geschäftsstelle der Emissionsstelle.

(b) *Zahlung von Zinsen.* Die Zahlung von Zinsen und etwaiger zusätzlicher Beträge auf Nachrangige Schuldverschreibungen erfolgt nach Maßgabe von Absatz 2 an das Clearingsystem oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems.

Die Zahlung von Zinsen auf Nachrangige Schuldverschreibungen, die durch die Vorläufige Globalurkunde verbrieft sind, erfolgt nach Maßgabe von Absatz 2 an das Clearingsystem oder dessen Order zur

¹ According to sections 288(1) and 247 of the German Civil Code (BGB), the default rate of interest established by law is five percentage points above the basic rate of interest published by *Deutsche Bundesbank* semi-annually.

² Der gesetzliche Verzugszinssatz beträgt gemäß §§ 288 Absatz 1, 247 BGB für das Jahr fünf Prozentpunkte über dem von der Deutsche Bundesbank halbjährlich veröffentlichten Basiszinssatz.

System, upon due certification as provided in § 1(2) (c).

(2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Subordinated Notes shall be made in the freely negotiable and convertible currency which on the respective due date is the legal currency of the Republic of Austria.

(3) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.

(4) *Payment Business Day.* If the date for payment of any amount in respect of any Subordinated Note is not a Business Day, then the Holder shall not be entitled to payment until the next such day in the relevant place and shall not be entitled to further interest or other payment in respect of such delay.

§ 5 REDEMPTION

(1) *Redemption at Maturity.* Unless previously redeemed in whole or in part or purchased and cancelled, the Subordinated Notes shall be redeemed at their final redemption amount on 27 April 2023 (the "Maturity Date"). The final redemption amount in respect of each Subordinated Note shall be its principal amount (the "Redemption Amount").

(2) *Early Redemption for Reasons of Taxation.* The Issuer may, subject to § 23 subparagraph 8 BWG, call the Subordinated Notes for redemption, in whole but not in part, upon giving not more than 60 days' nor less than 30 days' prior notice in accordance with § 5(6), and redeem the Subordinated Notes at their Redemption Amount, together with interest (if any) accrued to (but excluding) the date fixed for redemption on the date fixed for redemption

(a) if as a result of any change in the taxation (i.e. any change, or amendment to, the laws or regulations of the Republic of Austria or any political subdivision or taxing authority thereto or therein affecting taxation or the obligation to pay duties of any kind, or any change in, or amendment to, an official interpretation or application of such laws or regulations), which amendment or change is effective on or after the date on which the last tranche of this series of Subordinated Notes was issued, the Issuer is required to pay Additional Amounts (as defined in § 7 herein) on the next succeeding Interest Payment Date (as defined in § 3(2)); and

Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 1 Absatz 2 (c).

(2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Nachrangigen Schuldverschreibungen in der frei handelbaren und konvertierbaren Währung, die am entsprechenden Fälligkeitstag die gesetzliche Währung der Republik Österreich ist.

(3) *Erfüllung.* Die Emittentin wird durch Leistung der Zahlung an das Clearingsystem oder dessen Order von ihrer Zahlungspflicht befreit.

(4) *Zahltag.* Fällt der Tag der Fälligkeit einer Zahlung in Bezug auf eine Nachrangige Schuldverschreibung auf einen Tag, der kein Geschäftstag ist, dann hat der Gläubiger keinen Anspruch auf Zahlung vor dem nächsten Geschäftstag am jeweiligen Geschäftsort. Der Gläubiger ist nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.

§ 5 RÜCKZAHLUNG

(1) *Rückzahlung bei Endfälligkeit.* Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Nachrangigen Schuldverschreibungen zu ihrem Rückzahlungsbetrag am 27. April 2023 (der "Rückzahlungstag") zurückgezahlt. Der Rückzahlungsbetrag in Bezug auf jede Nachrangige Schuldverschreibung entspricht ihrem festgelegten Nennbetrag (der "Rückzahlungsbetrag").

(2) *Vorzeitige Rückzahlung aus steuerlichen Gründen.* Die Emittentin ist berechtigt, unter Anwendung des § 23 Absatz 8 BWG die Nachrangigen Schuldverschreibungen insgesamt, jedoch nicht teilweise, mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen durch eine Erklärung gemäß § 5(6) vorzeitig zu kündigen und an dem für die Rückzahlung festgesetzten Tag zu ihrem Rückzahlungsbetrag zuzüglich etwaiger bis zu dem für die Rückzahlung festgesetzten Tag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen,

(a) falls die Emittentin als Folge einer Änderung der Besteuerung (d.h. einer Änderung oder Ergänzung der Steuer- oder Abgabengesetze und -vorschriften der Republik Österreich oder deren politischen Untergliederungen oder Steuerbehörden oder als Folge einer Änderung oder Ergänzung der Anwendung oder der offiziellen Auslegung dieser Gesetze und Vorschriften), vorausgesetzt diese Änderung oder Ergänzung wird am oder nach dem Tag, an dem die letzte Tranche dieser Serie von Nachrangigen Schuldverschreibungen begeben wird, wirksam, am nächstfolgenden Zinszahlungstag (wie in § 3 Absatz 2 definiert) zur Zahlung von zusätzlichen Beträgen (wie in § 7 dieser Bedingungen definiert) verpflichtet sein wird; und

- (b) if the Regulatory Conditions (as defined in § 5(5)) are fulfilled; and
- (c) in the event the Issuer wishes to redeem the Subordinated Notes early for reasons of taxation pursuant to § 5(2) from the date on which the CRD IV and/or the CRR becomes part of the applicable Austrian supervisory regulations and before five years after the date of issue of the Subordinated Notes, i.e. prior to 29 October 2017: if there is a material change in the applicable tax treatment of the Subordinated Notes and this change was reasonably not foreseeable at the time of the issue of the Subordinated Notes.
- (3) *Early Redemption at the Option of the Issuer.*
- (a) The Issuer may, subject to § 23 subparagraph 8 BWG, call the Subordinated Notes for redemption, in whole but not in part, upon giving not more than 60 days' nor less than 30 days' notice in accordance with § 5(6) effective as of 27 April 2018 (the "Call Redemption Date"), and redeem the Subordinated Notes at the Redemption Amount together with interest accrued to (but excluding) the Call Redemption Date on the Call Redemption Date.
- (b) The Issuer may call the Subordinated Notes for redemption only subject to the Regulatory Conditions (as defined in § 5(5)) being fulfilled.
- (4) *Early Redemption for Regulatory Reasons.* The Issuer may, subject to § 23 subparagraph 8 BWG, call the Subordinated Notes for redemption, in whole but not in part, upon giving not more than 60 days' nor less than 30 days' prior notice in accordance with § 5(6), and redeem the Subordinated Notes at their Redemption Amount, together with interest (if any) accrued to but excluding the date fixed for redemption on the date fixed for redemption, if
- (a) if a change has occurred in the regulatory recognition of the Subordinated Notes as own funds of the Issuer or the group of credit institutions the Issuer is a member of, which would lead to a regulatory derecognition in full of the Subordinated Notes as own funds and this change was not foreseeable at the time of the issue of the Subordinated Notes; and
- (b) falls die Aufsichtsrechtlichen Bedingungen (wie in § 5(5) definiert) erfüllt sind; und
- (c) wenn die Emittentin die Nachrangigen Schuldverschreibungen aus steuerlichen Gründen gemäß § 5(2) ab dem Zeitpunkt, in dem die CRD IV und/oder die CRR Bestandteil des geltenden österreichischen Aufsichtsrechts geworden ist, und vor fünf Jahren nach dem Zeitpunkt der Begebung der Nachrangigen Schuldverschreibungen, d.h. vor dem 29. Oktober 2017 kündigen möchte: falls, bezogen auf die Nachrangigen Schuldverschreibungen, eine wesentliche Änderung in der geltenden anwendbaren steuerlichen Behandlung eingetreten ist und diese Änderung zum Zeitpunkt der Emission der Nachrangigen Schuldverschreibungen billigerweise nicht erwartet werden konnte.
- (3) *Vorzeitige Rückzahlung nach Wahl der Emittentin.*
- (a) Die Emittentin ist berechtigt, unter Anwendung des § 23 Absatz 8 BWG die Nachrangigen Schuldverschreibungen insgesamt, jedoch nicht teilweise, durch eine Erklärung gemäß § 5(6) mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen vorzeitig mit Wirkung zum 27. April 2018 (der "Wahl-Rückzahlungstag") zu kündigen und die Nachrangigen Schuldverschreibungen am Wahl-Rückzahlungstag zum Rückzahlungsbetrag zuzüglich bis zum Wahl-Rückzahlungstag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen.
- (b) Die Emittentin ist nur dann berechtigt, die Nachrangigen Schuldverschreibungen zu kündigen, wenn die Aufsichtsrechtlichen Bedingungen (wie in § 5(5) definiert) erfüllt sind.
- (4) *Vorzeitige Rückzahlung aus aufsichtsrechtlichen Gründen.* Die Emittentin ist berechtigt, unter Anwendung des § 23 Absatz 8 BWG die Nachrangigen Schuldverschreibungen insgesamt, jedoch nicht teilweise, mit einer Kündigungsfrist von nicht weniger als 30 und nicht mehr als 60 Tagen durch eine Erklärung gemäß § 5(6) vorzeitig zu kündigen und an dem für die Rückzahlung festgesetzten Tag zu ihrem Rückzahlungsbetrag zuzüglich etwaiger bis zu dem für die Rückzahlung festgesetzten Tag (ausschließlich) aufgelaufener Zinsen zurückzuzahlen,
- (a) falls sich die gesetzliche Anrechenbarkeit der Nachrangigen Schuldverschreibungen als Eigenmittel der Emittentin oder der Kreditinstitutsgruppe, der die Emittentin angehört, ändert, und diese Änderung der aufsichtsrechtlichen Einstufung zu einem gänzlichen Ausschluss der Nachrangigen Schuldverschreibungen aus den Eigenmitteln führen würde und diese Änderung in einer zum Zeitpunkt der Emission der Nachrangigen Schuldverschreibungen nicht absehbaren Art erfolgt; und

(b) in the event the Issuer wishes to redeem the Subordinated Notes pursuant to § 5(4) from the date on which the CRD IV and/or the CRR becomes part of the applicable Austrian supervisory regulations and before five years after the date of issue of the Notes, i.e. prior to 29 October 2017: if the Subordinated Notes, as a result of a change in the supervisory regulations applicable at such time which change was reasonably not foreseeable at the time of the issue of the Subordinated Notes, are not or are no longer eligible in full to qualify as Tier 2 capital (howsoever described in the course of the implementation of CRD IV) pursuant to the CRR or the transitional provisions contained in the CRR; and

(c) if the Regulatory Conditions (as defined in § 5(5)) are fulfilled.

(5) *Regulatory Conditions to Early Redemption.*

The "Regulatory Conditions" are fulfilled on any day with respect to a scheduled redemption of the Subordinated Notes, if

(a) the Issuer (provided that it is required to do so under the then applicable Austrian supervisory regulations) has raised capital in at least the same amount and of at least equivalent own funds quality. Pursuant to § 23 subparagraph 8 BWG, the Issuer may, in case of a redemption by 31 December 2012 or such later date as provided by applicable law, with consent of the Competent Supervisory Authority, subsequently raise replacement capital, which has to be documented. There is no requirement to raise replacement capital if the Issuer proves to the Competent Supervisory Authority that it and the group of credit institutions it is a member of have own funds sufficient for an adequate risk coverage; and

(b) in the event the Issuer wishes to redeem the Subordinated Notes pursuant to § 5 (4) from the date on which the CRD IV and/or the CRR becomes part of the applicable Austrian supervisory regulations and before five years after the date of issue of the Notes, i.e. prior to 29 October 2017, provided the Subordinated Notes qualify as Tier 2 capital (howsoever described in the course of the implementation of CRD IV) pursuant to the CRR or the transitional provisions contained in the CRR: if the Competent Supervisory Authority has given, and not withdrawn by such day, its prior consent to the redemption of the Subordinated Notes (provided

(b) wenn die Emittentin die Nachrangigen Schuldverschreibungen gemäß § 5(4) ab dem Zeitpunkt, in dem die CRD IV und/oder die CRR Bestandteil des geltenden österreichischen Aufsichtsrechts geworden ist, und vor fünf Jahren nach dem Zeitpunkt der Begebung der Schuldverschreibungen, d.h. vor dem 29. Oktober 2017, kündigen möchte: falls die Nachrangigen Schuldverschreibungen aufgrund einer Änderung des in diesem Zeitpunkt geltenden Aufsichtsrechts, wobei diese Änderung zum Zeitpunkt der Emission der Nachrangigen Schuldverschreibungen billigerweise nicht vorhersehbar war, zur Gänze nicht oder nicht mehr die Anforderungen für Tier 2 Kapital (unabhängig von der im Rahmen der Umsetzung der CRD IV gewählten Bezeichnung) gemäß der CRR oder nach den darin enthaltenen Übergangsvorschriften erfüllen; und

(c) wenn die Aufsichtsrechtlichen Bedingungen (wie in § 5(5) definiert) erfüllt sind.

(5) *Aufsichtsrechtliche Bedingungen für die vorzeitige Rückzahlung.*

Die "Aufsichtsrechtlichen Bedingungen" sind an einem Tag in Bezug auf eine vorgesehene Rückzahlung der Nachrangigen Schuldverschreibungen erfüllt, wenn

(a) die Emittentin zuvor Kapital in gleicher Höhe und zumindest gleicher Eigenmittelqualität beschafft hat (falls sie dazu nach im Zeitpunkt der Kündigung geltendem österreichischen Aufsichtsrecht verpflichtet ist). Gemäß § 23 Absatz 8 BWG kann die Emittentin bei einer Kündigung bis 31. Dezember 2012 oder bis zu einem späteren sich aus dem anwendbaren Recht ergebenden Tag mit Genehmigung der Zuständigen Aufsichtsbehörde eine nachträgliche Ersatzbeschaffung vornehmen, die zu dokumentieren ist. Die Bedingung der Ersatzbeschaffung entfällt, wenn die Emittentin der Zuständigen Aufsichtsbehörde nachweist, dass sie und die Kreditinstitutsgruppe, der sie angehört, auch nach Kündigung der Nachrangigen Schuldverschreibungen über zur adäquaten Risikoabdeckung ausreichende Eigenmittel verfügen; und

(b) wenn die Emittentin die Nachrangigen Schuldverschreibungen gemäß § 5(4) ab dem Zeitpunkt, in dem die CRD IV und/oder die CRR Bestandteil des geltenden österreichischen Aufsichtsrechts geworden ist, und vor fünf Jahren nach dem Zeitpunkt der Begebung der Schuldverschreibungen, d.h. vor dem 29. Oktober 2017, kündigen möchte, vorausgesetzt, die Nachrangigen Schuldverschreibungen werden als Tier 2 Kapital (unabhängig von der im Rahmen der Umsetzung der CRD IV gewählten Bezeichnung) gemäß der CRR oder nach den darin enthaltenen Übergangsvorschriften angerechnet: falls die Zuständige Aufsichtsbehörde ihre Zustimmung zur

that under the then applicable Austrian supervisory regulations such consent is required at the time).

(6) Notice of Redemption.

Any notice of redemption of the Subordinated Notes pursuant to § 5(2) through (4) shall be given by the Issuer to the Fiscal Agent and, in accordance with § 13 to the Holders. Such notice shall be irrevocable and shall specify:

- (i) the Series of Subordinated Notes subject to redemption;
- (ii) that such Series is to be redeemed in whole but not in part;
- (iii) the date of redemption or Call Redemption Date, as applicable;
- (iv) the Redemption Amount at which such Subordinated Notes are to be redeemed; and
- (v) in the case of a redemption pursuant to § 5(2) or § 5(4), a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem.

(7) Purchase.

Upon the CRD IV and/or the CRR becoming part of the applicable Austrian supervisory regulations, the Issuer may, subject to any applicable regulatory requirements being fulfilled and applicable laws, at any time purchase Subordinated Notes in the open market or otherwise and at any price and may resell those Subordinated Notes.

(8) Definitions.

"Competent Supervisory Authority" means the Finanzmarktaufsicht ("FMA") or any authority which becomes its successor in such capacity.

"CRD IV" means the measures promulgated or to be promulgated by the European Union implementing Basel III into European Union law, as amended from time to time (including any implementing measures of the Austrian legislator).

"CRR" means the Regulation of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms the most recent proposal for which was published by the EU Council on 21 May 2012.

**§ 6
AGENTS**

Rückzahlung der Nachrangigen Schuldverschreibungen erteilt und bis zu diesem Tag nicht widerrufen hat (sofern nach in diesem Zeitpunkt geltendem österreichischen Aufsichtsrecht eine solche Zustimmung zum betreffenden Zeitpunkt erforderlich ist).

(6) Kündigungserklärung.

Eine Kündigung der Nachrangigen Schuldverschreibungen gemäß § 5(2) bis (4) ist durch die Emittentin gegenüber der Emissionsstelle und gegenüber den Gläubigern gemäß § 13 bekannt zu geben. Sie ist unwiderruflich und beinhaltet die folgenden Angaben:

- (i) die zurückzuzahlende Serie von Nachrangigen Schuldverschreibungen;
- (ii) eine Erklärung, dass diese Serie insgesamt und nicht nur teilweise zurückgezahlt wird;
- (iii) Tag der Rückzahlung bzw. den Wahl-Rückzahlungstag (Call);
- (iv) den Rückzahlungsbetrag, zu dem die Nachrangigen Schuldverschreibungen zurückgezahlt werden; und
- (v) im Falle einer Kündigung gemäß § 5(2) oder § 5(4) eine zusammenfassende Erklärung, welche die das Rückzahlungsrecht der Emittentin begründenden Umstände darlegt.

(7) Rückkauf.

Ab dem Zeitpunkt, in dem die CRD IV und/oder die CRR Bestandteil des geltenden österreichischen Aufsichtsrechts geworden ist, ist die Emittentin berechtigt, vorbehaltlich der Erfüllung der aufsichtsrechtlichen Anforderungen und geltenden Rechts, die Nachrangigen Schuldverschreibungen jederzeit ganz oder teilweise auf dem freien Markt oder anderweitig sowie zu jedem beliebigen Preis zu kaufen und wieder zu veräußern.

(8) Definitionen.

"Zuständige Aufsichtsbehörde" ist die Finanzmarktaufsicht ("FMA") bzw. jede Behörde, die ihr Funktionsnachfolger wird.

"CRD IV" bezeichnet die von der Europäischen Union zur Umsetzung von Basel III in europäisches Recht erlassenen oder zu erlassenden Rechtsakte in ihrer jeweils geltenden Fassung (einschließlich etwaiger Umsetzungsmaßnahmen des österreichischen Gesetzgebers).

"CRR" bezeichnet die Verordnung des Europäischen Parlaments und des Rates über Aufsichtsanforderungen an Kreditinstitute und Wertpapierfirmen; der jüngste Vorschlag für die CRR wurde vom EU Rat am 21. Mai 2012 veröffentlicht.

**§ 6
BEAUFTRAGTE STELLEN**

(1) *Appointment; Specified Offices.* The initial agents (each an "Agent") and their respective specified offices are:

Fiscal Agent:

Deutsche Bank Aktiengesellschaft
Grosse Gallusstrasse 10 – 14
60272 Frankfurt am Main
Germany

The Fiscal Agent shall also act as Calculation Agent and Paying Agent.

Any Agent named above reserves the right at any time to change its respective specified office to some other location.

(2) *Variation or Termination of Appointment.* The Issuer reserves the right at any time to vary or terminate the appointment of any Agent named above and to appoint another Fiscal Agent or additional or other Agents in accordance with all applicable regulations. Any variation, termination, appointment or change shall only take effect (other than in the case of insolvency, when it shall be of immediate effect) after 10 days' prior notice thereof shall have been given to the Holders in accordance with § 13.

(3) *Agents of the Issuer.* Any Agent named above acts solely as agent of the Issuer and does not have any obligations towards or relationship of agency or trust to any Holder.

(4) *Determinations Binding.* All determinations, calculations, quotations and decisions given, expressed, made or obtained under these Conditions by any Agent shall (in the absence of manifest error) be binding on the Issuer and all other Agents and the Holders.

§ 7 TAXATION

All amounts payable in respect of the Subordinated Notes will be made by the Issuer free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature ("Taxes") imposed, levied, collected, withheld or assessed by the Republic of Austria or any political subdivision or any authority thereof or therein having power to tax, unless such withholding or deduction is required by law. If such withholding or deduction is required by law, the Issuer will pay such additional amounts as shall be necessary in order that the net amounts received by the Holders after such withholding or deduction shall equal the respective amounts which

(1) *Bestellung; bezeichnete Geschäftsstelle.* Die anfänglich bestellten Erfüllungsgehilfen (die "Erfüllungsgehilfen") und deren jeweilige bezeichnete Geschäftsstelle lauten wie folgt:

Emissionsstelle:

Deutsche Bank Aktiengesellschaft
Grosse Gallusstraße 10 – 14
60272 Frankfurt am Main
Deutschland

Die Emissionsstelle handelt auch als Berechnungsstelle und Zahlstelle.

Die oben genannten Erfüllungsgehilfen behalten sich das Recht vor, jederzeit ihre jeweilige bezeichnete Geschäftsstelle durch eine andere bezeichnete Geschäftsstelle zu ersetzen.

(2) *Änderung der Bestellung oder Abberufung.* Die Emittentin behält sich das Recht vor, jederzeit die Bestellung eines der oben genannten Erfüllungsgehilfen zu ändern oder zu beenden und eine andere Emissionsstelle oder zusätzliche oder andere Erfüllungsgehilfen im Einklang mit allen anwendbaren Vorschriften zu bestellen. Eine Änderung, Abberufung, Bestellung oder ein sonstiger Wechsel wird nur wirksam (außer im Insolvenzfall, in dem eine solche Änderung sofort wirksam wird), sofern die Gläubiger hierüber gemäß § 13 vorab unter Einhaltung einer Frist von 10 Tagen informiert wurden.

(3) *Beauftragte der Emittentin.* Die oben genannten Erfüllungsgehilfen handeln ausschließlich als Beauftragte der Emittentin und übernehmen keinerlei Verpflichtungen gegenüber den Gläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihnen und den Gläubigern begründet.

(4) *Verbindlichkeit der Festsetzungen.* Alle Festsetzungen, Berechnungen, Quotierungen und Entscheidungen, die von einem Erfüllungsgehilfen für die Zwecke dieser Bedingungen gemacht, abgegeben, getroffen oder eingeholt werden, sind (sofern nicht ein offensichtlicher Irrtum vorliegt) für die Emittentin und alle sonstigen Stellen und die Gläubiger bindend.

§ 7 STEUERN

Sämtliche auf die Nachrangigen Schuldverschreibungen zu zahlenden Beträge werden von der Emittentin ohne Einbehalt oder Abzug von Steuern, Abgaben, Festsetzungen oder behördlichen Gebühren jedweder Art ("Steuern") geleistet, die von der Republik Österreich oder einer ihrer Gebietskörperschaften oder Behörden mit der Befugnis zur Erhebung von Steuern auferlegt, erhoben, eingezogen, einbehalten oder festgesetzt werden, es sei denn, ein solcher Einbehalt oder Abzug ist gesetzlich vorgeschrieben. Ist ein solcher Einbehalt oder Abzug gesetzlich vorgeschrieben, wird die Emittentin zusätzliche Beträge in der Höhe leisten, die notwendig ist, um zu gewährleisten, dass die von den

would otherwise have been receivable in respect of the Subordinated Notes in the absence of such withholding or deduction (the "Additional Amounts"). However, no such Additional Amounts shall be payable on account of any Taxes which:

(1) (a) are payable by any person acting as custodian bank or collecting agent on behalf of a Holder, or otherwise in any manner which does not constitute a withholding or deduction by the Issuer from payments of principal or interest made by it; or

(b) are payable by reason of the Holder having, or having had, some personal or business connection with the Republic of Austria; or

(c) are withheld or deducted pursuant to (i) any European Union Directive concerning the taxation of interest income or (ii) any international treaty or understanding relating to such taxation and to which the Republic of Austria or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, treaty or understanding; or

(d) are withheld or deducted by a Paying Agent from a payment if the payment could have been made by another Paying Agent without such withholding or deduction; or

(e) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is published in accordance with § 13, whichever occurs later; or

(f) would not be payable if the Holder is able to avoid such a withholding or deduction providing a certificate of residence, certificate of exemption or any other similar documents.

(2) The Issuer shall be permitted to withhold or deduct any amounts required by the rules of U.S. Internal Revenue Code Sections 1471 through 1474 (or any amended or successor provisions), pursuant to any inter-governmental agreement, or implementing legislation adopted by another jurisdiction in connection with these provisions, or pursuant to any agreement with the U.S. Internal Revenue Service ("FATCA Withholding") as a result of a holder, beneficial owner or an intermediary that is not an agent of the Issuer not being entitled to receive payments free of FATCA withholding. The Issuer will have no obligation to pay additional amounts or otherwise indemnify an investor for any such FATCA Withholding deducted or withheld by the Issuer, the paying agent or any other party.

Gläubigern unter Berücksichtigung eines solchen Einbehalts oder Abzugs erhaltenen Beträge den Beträgen entsprechen, die die Gläubiger ohne einen solchen Einbehalt oder Abzug erhalten hätten (die "Zusätzlichen Beträge"). Die Verpflichtung zur Zahlung solcher Zusätzlichen Beträge besteht jedoch nicht für solche Steuern, die:

(1) (a) von einer als Depotbank oder Inkassobeauftragter des Gläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Einbehalt oder Abzug vornimmt; oder

(b) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des Gläubigers zur Republik Österreich zu zahlen sind; oder

(c) aufgrund (i) einer Richtlinie der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der die Republik Österreich oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die eine solche Richtlinie oder Vereinbarung umsetzt oder befolgt, einzubehalten oder abzuziehen sind; oder

(d) von einer Zahlstelle einbehalten oder abgezogen werden, wenn die Zahlung von einer anderen Zahlstelle ohne den Einbehalt oder Abzug hätte vorgenommen werden können; oder

(e) wegen einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung oder, wenn dies später erfolgt, nach ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 13 wirksam wird; oder

(f) nicht zu entrichten wären, wenn der Gläubiger den Einbehalt oder Abzug durch Vorlage einer Ansässigkeitsbescheinigung, Freistellungsbescheinigung oder ähnlicher Dokumente vermeiden könnte.

(2) Die Emittentin ist zum Einbehalt oder Abzug der Beträge berechtigt, die gemäß Sections 1471 bis 1474 des U.S. Internal Revenue Code (in der jeweils geltenden Fassung oder gemäß Nachfolgebestimmungen), gemäß zwischenstaatlicher Abkommen, gemäß den in einer anderen Rechtsordnung in Zusammenhang mit diesen Bestimmungen erlassenen Durchführungsvorschriften oder gemäß mit dem Internal Revenue Service geschlossenen Verträgen deshalb erforderlich sind ("FATCA-Steuerabzug"), weil ein Inhaber, wirtschaftlicher Eigentümer oder Finanzintermediär (*intermediary*), der nicht Beauftragter der Emittentin ist, nicht zum Empfang von Zahlungen ohne FATCA-Steuerabzug berechtigt ist. Die Emittentin ist nicht verpflichtet, zusätzliche Zahlungen zu leisten oder Anleger in Bezug auf einen FATCA-Steuerabzug schadlos zu halten, die von der Emittentin, der Zahlstelle oder einem anderen Beteiligten abgezogen oder einbehalten wurden.

§ 8

PRESENTATION PERIOD

The presentation period provided in § 801 subparagraph 1, sentence 1 BGB (German Civil Code) is reduced (i) to ten years in respect of principal and (ii) to five years in respect of interest under the Subordinated Notes.

§ 9

EVENTS OF DEFAULT

The Holders do not have a right to demand the early redemption of the Subordinated Notes.

§ 10

SUBSTITUTION

The provisions in this § 10 do not apply in any case of succession by operation of law.

(1) *Substitution.* The Issuer may, irrespective of § 9, without the consent of the Holders, if no payment of principal of or interest on any of the Subordinated Notes is in default, at any time substitute for the Issuer any company as principal debtor in respect of all obligations arising from or in connection with this Series of Subordinated Notes (the "Substitute Debtor") provided that:

(a) the Substitute Debtor assumes all obligations of the Issuer in respect of the relevant Subordinated Notes;

(b) the Issuer and the Substitute Debtor have obtained all necessary authorisations and the Substitute Debtor may transfer to the Fiscal Agent in the currency required hereunder and without being obligated to deduct or withhold any taxes or other duties of whatever nature levied by the country in which the Substitute Debtor has its domicile or tax residence, all amounts required for the fulfilment of the payment obligations arising under the Subordinated Notes;

(c) the Substitute Debtor has agreed to indemnify and hold harmless each Holder against any tax, duty, assessment or governmental charge imposed on such Holder in respect of such substitution;

(d) the obligations assumed by the Substitute Debtor in respect of the Subordinated Notes are subordinated on terms identical to the terms of the Subordinated Notes and (i) the Substitute Debtor is an Affiliate of the Issuer, (ii) the Issuer provides an expert opinion by a recognised auditor to the effect that the probability of the payment of redemption and interest amounts on the Subordinated Notes has not decreased as a result of the substitution;

§ 8

VORLEGUNGSFRIST

Die in § 801 Absatz 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Nachrangigen Schuldverschreibungen (i) im Hinblick auf das Kapital auf zehn Jahre (ii) und im Hinblick auf die Zinsen auf fünf Jahre verkürzt.

§ 9

KÜNDIGUNG

Die Gläubiger haben kein Recht, die Nachrangigen Schuldverschreibungen vorzeitig zu kündigen.

§ 10

ERSETZUNG

Die Bestimmungen dieses § 10 finden keine Anwendung auf Fälle der gesetzlichen Rechtsnachfolge.

(1) *Ersetzung.* Die Emittentin ist – unbeschadet des § 9 – jederzeit berechtigt, sofern sie sich nicht mit einer Zahlung von Kapital oder Zinsen auf die Nachrangigen Schuldverschreibungen in Verzug befindet, ohne Zustimmung der Gläubiger ein Unternehmen an ihrer Stelle als Hauptschuldnerin (die "Nachfolgeschuldnerin") für alle Verpflichtungen aus und im Zusammenhang mit dieser Serie von Nachrangigen Schuldverschreibungen einzusetzen, vorausgesetzt, dass:

(a) die Nachfolgeschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die jeweiligen Nachrangigen Schuldverschreibungen übernimmt;

(b) die Emittentin und die Nachfolgeschuldnerin alle erforderlichen Genehmigungen erlangt haben und die Nachfolgeschuldnerin berechtigt ist, an die Emissionsstelle die zur Erfüllung der Zahlungsverpflichtungen aus den Nachrangigen Schuldverschreibungen zahlbaren Beträge in der hierin festgelegten Währung zu zahlen, ohne verpflichtet zu sein, jeweils in dem Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat, erhobene Steuern oder andere Abgaben jeder Art abzuziehen oder einzubehalten;

(c) die Nachfolgeschuldnerin sich verpflichtet hat, jeden Gläubiger hinsichtlich solcher Steuern, Abgaben oder behördlichen Lasten freizustellen, die einem Gläubiger bezüglich der Ersetzung auferlegt werden;

(d) hinsichtlich der von der Nachfolgeschuldnerin bezüglich der Nachrangigen Schuldverschreibungen übernommenen Verpflichtungen der Nachrang zu mit den Bedingungen der Nachrangigen Schuldverschreibungen übereinstimmenden Bedingungen begründet wird und (i) die Nachfolgeschuldnerin ein verbundenes Unternehmen der Emittentin ist, (ii) die Emittentin ein Gutachten eines anerkannten Wirtschaftsprüfers vorlegt, wonach die Wahrscheinlichkeit der Zahlung von Tilgungs- und Zinsbeträgen auf die Nachrangigen

Schuldverschreibungen sich durch die Ersetzung nicht verringert hat;

(e) there shall have been delivered to the Fiscal Agent one opinion for each of the Issuer's and the Substitute Debtor's jurisdiction of lawyers of recognised standing to the effect that subparagraphs (a), (b), (c) and (d) above have been satisfied, provided that an opinion with regard to subparagraph (c) shall not be delivered if the Substitute Debtor has contractually committed to pay any tax, duty, assessment or governmental charge imposed on a Holder in respect of the substitution.

(e) der Emissionsstelle jeweils eine Bestätigung bezüglich der Rechtsordnungen der Emittentin und der Nachfolgeschuldnerin von anerkannten Rechtsanwälten vorgelegt wird, dass die Bestimmungen in den vorstehenden Unterabsätzen (a), (b), (c) und (d) erfüllt wurden, wobei eine Bestätigung der Voraussetzungen nach Unterabsatz (c) dann nicht zu erbringen ist, wenn die Nachfolgeschuldnerin sich vertraglich zur Zahlung ggf. anfallender Steuern, Abgaben oder behördlicher Lasten, die einem Gläubiger bezüglich der Ersetzung auferlegt werden, verpflichtet hat.

(2) *Notice.* Notice of any such substitution shall be published in accordance with § 13.

(2) *Bekanntmachung.* Jede Ersetzung ist gemäß § 13 mitzuteilen.

(3) *Change of References.* In the event of any such substitution, any reference in these Conditions to the Issuer shall from then on be deemed to refer to the Substitute Debtor and any reference to the country in which the Issuer is domiciled or resident for taxation purposes shall from then on be deemed to refer to the country of domicile or residence for taxation purposes of the Substitute Debtor.

(3) *Änderung von Bezugnahmen.* Im Fall einer Ersetzung gilt jede Bezugnahme in diesen Bedingungen auf die Emittentin ab dem Zeitpunkt der Ersetzung als Bezugnahme auf die Nachfolgeschuldnerin und jede Bezugnahme auf das Land, in dem die Emittentin ihren Sitz oder Steuersitz hat, gilt ab diesem Zeitpunkt als Bezugnahme auf das Land, in dem die Nachfolgeschuldnerin ihren Sitz oder Steuersitz hat.

(4) In the event of any such substitution, the Substitute Debtor shall succeed to, and be substituted for, and may exercise every right and power of, the Issuer under the Subordinated Notes with the same effect as if the Substitute Debtor had been named as the Issuer herein, and the Issuer (or any corporation which shall have previously assumed the obligations of the Issuer) shall be released from its liability as obligor under the Subordinated Notes.

(4) Im Fall einer Ersetzung folgt die Nachfolgeschuldnerin der Emittentin als Rechtsnachfolgerin nach, ersetzt diese und darf alle Rechte und Befugnisse der Emittentin aus den Nachrangigen Schuldverschreibungen mit der gleichen Wirkung geltend machen, als wenn die Nachfolgeschuldnerin in diesen Bedingungen als Emittentin genannt worden wäre, und die Emittentin (bzw. die Gesellschaft, die zuvor die Verpflichtungen der Emittentin übernommen hat) wird von ihren Verpflichtungen als Schuldnerin aus den Nachrangigen Schuldverschreibungen befreit.

(5) After a substitution pursuant to this § 10, the Substitute Debtor may, without the consent of Holders, effect a further substitution. All the provisions specified in § 10 shall apply mutatis mutandis. References in these Conditions of Issue to the Issuer shall, where the context so requires, be deemed to be or include references to any such further Substituted Debtor.

(5) Nach einer Ersetzung gemäß diesem § 10 kann die Nachfolgeschuldnerin ohne Zustimmung der Gläubiger eine weitere Ersetzung durchführen. Die in § 10 genannten Bestimmungen finden entsprechende Anwendung. Bezugnahmen in diesen Bedingungen auf die Emittentin gelten, wo der Zusammenhang dies erfordert, als Bezugnahmen auf eine derartige weitere Neue Nachfolgeschuldnerin.

"Affiliate" shall mean any affiliated company (verbundenes Unternehmen) within the meaning of § 228 Austrian Entrepreneur Act (*Unternehmensgesetzbuch*).

"Verbundenes Unternehmen" bezeichnet ein verbundenes Unternehmen im Sinne von § 228 österreichisches UGB (*Unternehmensgesetzbuch*).

**§ 11
AMENDMENTS OF THE CONDITIONS,
HOLDERS'REPRESENTATIVE**

(not applicable)

**§ 12
FURTHER ISSUES, PURCHASES AND
CANCELLATION**

**§ 11
ÄNDERUNG DER BEDINGUNGEN,
GEMEINSAMER VERTRETER**

(nicht anwendbar)

**§ 12
BEGEBUNG WEITERER
SCHULDVERSCHREIBUNGEN, ANKAUF UND
ENTWERTUNG**

(1) *Further Issues.* The Issuer may until 27 April 2013, subject to compliance with regulatory and other legal requirements, and without consent of the Holders issue further Subordinated Notes that form a single Series with this tranche of Series 18.

(2) *Purchases.* The Issuer may within the limits established under § 23 subparagraph 16 BWG and § 5 of these Conditions and subject to other statutory and regulatory restrictions at any time purchase Subordinated Notes in any market or otherwise and at any price. Subordinated Notes purchased by the Issuer may, at the option of the Issuer, be held, resold or, subject to compliance with statutory prerequisites, surrendered to the Fiscal Agent for cancellation.

§ 13 NOTICES

(1) The Issuer shall deliver all notices concerning the Subordinated Notes to the Clearing System for communication by the Clearing System to the Holders. Any such notice shall be deemed to have been given to the Holders on the third day after the day on which said notice was given to the Clearing System.

(2) In the case of Subordinated Notes which are admitted to listing, trading and/or quotation by any listing authority, stock exchange and/or quotation system, notices shall be published in accordance with the rules and regulations of such listing authority, stock exchange and/or quotation system.

Any such notice shall be deemed to have been validly given to the Holders on the day of such publication.

(3) *Form of Notice of Holders.* Notices to be given by any Holder shall be made to the Fiscal Agent through the Clearing System in such manner as the Fiscal Agent and the Clearing System may approve for such purpose.

§ 14 FINAL PROVISIONS

(1) *Applicable Law.* The Subordinated Notes, as to form and content, and all rights and obligations of the Holders and the Issuer, shall be governed by German law except for § 2 and conditions relating to the subordination as well as § 9 which will be governed by Austrian law.

(2) *Jurisdiction.* The District Court (*Landgericht*) in Frankfurt am Main, Germany, shall have non-exclusive

(1) *Begebung weitere Schuldverschreibungen.* Die Emittentin ist berechtigt, bis zum 27. April 2013 vorbehaltlich der Einhaltung aufsichtsrechtlicher und sonstiger gesetzlicher Vorschriften und ohne die Zustimmung der Gläubiger weiterer Nachrangige Schuldverschreibungen in der Weise zu begeben, dass sie mit dieser Tranche der Serie 18 eine einheitliche Serie bilden.

(2) *Ankauf.* Die Emittentin ist im Rahmen der von § 23 Abs. 16 BWG sowie § 5 dieser Bedingungen festgelegten Grenzen und vorbehaltlich der Einhaltung sonstiger gesetzlicher oder aufsichtsrechtlicher Einschränkungen berechtigt, Nachrangige Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis zu kaufen. Die von der Emittentin erworbenen Nachrangigen Schuldverschreibungen können nach Wahl der Emittentin von ihr gehalten, weiterverkauft oder vorbehaltlich der Erfüllung gesetzlicher Voraussetzungen bei der Emissionsstelle zwecks Entwertung eingereicht werden.

§ 13 MITTEILUNGEN

(1) Die Emittentin wird alle die Nachrangigen Schuldverschreibungen betreffenden Mitteilungen an das Clearingsystem zur Weiterleitung durch das Clearingsystem an die Gläubiger übermitteln. Jede derartige Mitteilung gilt am dritten Tag nach dem Tag der Mitteilung an das Clearingsystem als den Gläubigern mitgeteilt.

(2) Im Falle von Nachrangigen Schuldverschreibungen, die durch eine Notierungsbehörde, Börse und/oder durch ein Kursnotierungssystem zugelassen und/oder einbezogen sind und/oder deren Kurse durch sie bzw. es notiert werden, werden Mitteilungen im Einklang mit den Regeln und Bestimmungen einer solchen Notierungsbehörde, Börse und/oder eines solchen Kursnotierungssystems veröffentlicht werden.

Jede derartige Mitteilung gilt am Tag der Veröffentlichung als wirksam erfolgt.

(3) *Form der Mitteilung der Gläubiger.* Mitteilungen, die von einem Gläubiger gemacht werden, müssen an die Emissionsstelle über das Clearingsystem in der von der Emissionsstelle und dem Clearingsystem dafür vorgesehenen Weise erfolgen.

§ 14 SCHLUSSBESTIMMUNGEN

(1) *Anwendbares Recht.* Form und Inhalt der Nachrangigen Schuldverschreibungen sowie die Rechte und Pflichten der Gläubiger und der Emittentin bestimmen sich nach deutschem Recht, bis auf § 2 und die Regelungen im Hinblick auf die Nachrangigkeit sowie § 9, die österreichischem Recht unterliegen.

(2) *Gerichtsstand.* Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Nachrangigen

jurisdiction for any action or other legal proceedings ("Proceedings") arising out of or in connection with the Subordinated Notes. Any claims raised by or against Austrian consumers shall be subject to the statutory jurisdiction set forth by the Austrian Consumer Protection Act and the Jurisdiction Act (*Jurisdiktionsnorm*).

(3) *Enforcement*. Any Holder of Subordinated Notes may in any Proceedings against the Issuer, or to which such Holder and the Issuer are parties, protect and enforce in its own name its rights arising under such Subordinated Notes on the basis of (i) a statement issued by the Custodian (as defined below) with whom such Holder maintains a securities account in respect of the Subordinated Notes (a) stating the full name and address of the Holder, (b) specifying the aggregate principal amount of Subordinated Notes credited to such securities account on the date of such statement and (c) confirming that the Custodian has given written notice to the Clearing System containing the information pursuant to (a) and (b) and (ii) a copy of the Global Note representing the Subordinated Notes in global form certified as being a true copy by a duly authorised officer of the Clearing System or a depository of the Clearing System, without the need for production in such proceedings of the actual records or the Global Note representing the Subordinated Notes. For purposes of the foregoing, "Custodian" means any bank or other financial institution of recognised standing authorised to engage in securities custody business with which the Holder maintains a securities account in respect of the Subordinated Notes and includes the Clearing System. Each Holder may, without prejudice to the foregoing, protect and enforce its rights under the Subordinated Notes also in any other way which is admitted in the country of the proceedings.

(4) *Service of Process*. For any legal disputes or other proceedings before German courts, the Issuer appoints Raiffeisen Bank International AG, Representative Office Frankfurt am Main, Mainzer Landstrasse 51, 60329 Frankfurt am Main, Germany, as authorised agent for accepting service of process.

(5) *Language*.

These Conditions are written in the German language and provided with an English language translation. The German text shall be controlling and binding. The English language translation is non-binding.

Schuldverschreibungen entstehenden Klagen oder sonstige Verfahren ("Rechtsstreitigkeiten") ist das Landgericht Frankfurt am Main, Deutschland. Für Klagen von und gegen österreichische Konsumenten sind die im österreichischen Konsumentenschutzgesetz und in der Jurisdiktionsnorm zwingend vorgesehenen Gerichtsstände maßgeblich.

(3) *Gerichtliche Geltendmachung*. Jeder Gläubiger von Nachrangigen Schuldverschreibungen ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Gläubiger und die Emittentin Partei sind, seine Rechte aus diesen Nachrangigen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen: (i) indem er eine Bescheinigung der Depotbank (wie nachfolgend definiert) beibringt, bei der er für die Nachrangigen Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des Gläubigers enthält, (b) den Gesamtnennbetrag der Nachrangigen Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearingsystem eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und (ii) indem er eine Kopie der die betreffenden Nachrangigen Schuldverschreibungen verbriefenden Globalurkunde vorlegt, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearingsystems oder des Verwahrers des Clearingsystems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Nachrangigen Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre. Für die Zwecke des Vorstehenden bezeichnet "Depotbank" jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Gläubiger ein Wertpapierdepot für die Nachrangigen Schuldverschreibungen unterhält, einschließlich des Clearingsystems. Unbeschadet des Vorstehenden kann jeder Gläubiger seine Rechte aus den Nachrangigen Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land des Rechtsstreits prozessual zulässig ist.

(4) *Zustellungsbevollmächtigter*. Für etwaige Rechtsstreitigkeiten oder sonstige Verfahren vor deutschen Gerichten bestellt die Emittentin Raiffeisen Bank International AG, Repräsentanz Frankfurt am Main, Mainzer Landstraße 51, 60329 Frankfurt am Main, Bundesrepublik Deutschland, zum Zustellungsbevollmächtigten.

(5) *Sprache*.

Diese Bedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigelegt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.

THE BANK

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Requests for information in relation to the terms of the Exchange Offer should be directed to:

THE JOINT DEALER MANAGERS

Deutsche Bank AG, London Branch Winchester House 1 Great Winchester Street London EC2N 2DB United Kingdom	Merrill Lynch International 2 King Edward Street London EC1A 1HQ United Kingdom	Raiffeisen Bank International AG Am Stadtpark 9 1030 Vienna Republic of Austria
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Attention: Liability Management Group	Attention: Liability Management - John Cavanagh / Tommaso Gros- Pietro	Attention: Debt Syndication Thomas Schopper
email: liability.management@db.com	email: john.m.cavanagh@baml.com / tommaso.gros-pietro@baml.com	email: syndication@rbinternational.com

Requests for information in relation to the procedures for Offering to Exchange Existing Notes in, and for any documents or materials relating to, the Exchange Offer should be directed to:

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