Third Supplement dated 28 March 2017
to the Debt Issuance Programme Prospectus dated 14 October 2016
relating to the EUR 25,000,000,000 Debt Issuance Programme

This document constitutes a supplement (the "Third Supplement") for the purpose of Art. 16 of the Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended (the "Prospectus Directive") as well as Article 13 of Chapter 1 of Part II of the Luxembourg law dated 10 July 2005 on prospectuses for securities, as amended (Loi relative aux prospectus pour valeurs mobilières, the "Luxembourg Prospectus Law"), to the two base prospectuses for securities relating to the EUR 25,000,000,000 Debt Issuance Programme for the issue of Notes of Raiffeisen Bank International AG (the "Issuer" or "RBI"): (i) the base prospectus in respect of non-equity securities within the meaning of Art. 22 No. 6 (4) of the Commission Regulation (EC) No. 809/2004 of 29 April 2004, as amended ("Prospectus Regulation") and (ii) the base prospectus in respect of Covered Bank Bonds (non-equity securities within the meaning of Art. 22 No. 6(3) of the Prospectus Regulation) (the two base prospectuses together, the "Original Base Prospectus") (the Original Base Prospectus as supplemented by the First Supplement dated 05 December 2016 and by the Second Supplement dated 06 February 2017, the "Supplemented Base Prospectus" and the Supplemented Base Prospectus together with this Third Supplement, the "Base Prospectus").

RAIFFEISEN BANK INTERNATIONAL AG

EUR 25,000,000,000 Debt Issuance Programme

for the issue of Notes

This Third Supplement is supplemental to, and should only be distributed and read together with, the Supplemented Base Prospectus. Terms defined in the Supplemented Base Prospectus have the same meaning when used in this Third Supplement. To the extent that there is any inconsistency between (a) any statement in this Third Supplement and (b) any other statement prior to the date of this Third Supplement, the statements in (a) will prevail.

This Third Supplement has been approved by the *Commission de Surveillance du Secteur Financier* (the "**CSSF**") and will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of Raiffeisen Bank International AG (www.rbinternational.com).

Raiffeisen Bank International AG has requested the CSSF in its capacity as competent authority under the Luxembourg Prospectus Law to approve this Third Supplement and to provide the competent authorities in Germany, Austria, the Czech Republic, Slovakia, Poland, Hungary and Romania with a certificate of approval (a "**Notification**") attesting that this Third Supplement has been drawn up in accordance with the Luxembourg Prospectus Law which implements the Prospectus Directive into Luxembourg law. The Issuer may request the CSSF to provide competent authorities in additional Member States within the European Economic Area with a Notification.

By approving this Third Supplement, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer in line with the provisions of article 7 (7) of the Luxembourg Prospectus Law.

The Issuer is solely responsible for the information given in this Third Supplement. The Issuer hereby declares, having taken all reasonable care to ensure that such is the case, that to the best of its knowledge, the information contained in this Third Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person has been authorised to give any information or to make any representation other than those contained in the Supplemented Base Prospectus or this Third Supplement in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer, the Dealers or any of them.

This Third Supplement does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.

IN ACCORDANCE WITH ARTICLE 16 PARAGRAPH 2 OF THE PROSPECTUS DIRECTIVE AND WITH ARTICLE 13 PARAGRAPH 2 OF THE LUXEMBOURG PROSPECTUS LAW, WHERE THE PROSPECTUS RELATES TO AN OFFER OF SECURITIES TO THE PUBLIC, INVESTORS WHO HAVE ALREADY AGREED TO PURCHASE OR SUBSCRIBE FOR ANY NOTES BEFORE THIS THIRD SUPPLEMENT IS PUBLISHED HAVE THE RIGHT, EXERCISABLE WITHIN TWO WORKING DAYS AFTER THE PUBLICATION OF THIS THIRD SUPPLEMENT, I.E. UNTIL 30 MARCH 2017, TO WITHDRAW THEIR ACCEPTANCES, PROVIDED THAT THE NEW FACTOR, MISTAKE OR INACCURACY AROSE BEFORE THE FINAL CLOSING OF THE OFFER TO THE PUBLIC AND THE DELIVERY OF THE NOTES.

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SUPPLEMENTAL INFORMATION

Part A – Amendments to the section GLOSSARY AND LIST OF ABBREVIATIONS

1) On page 9 of the Supplemented Base Prospectus, the following definition shall be inserted below the definition of "Merger 2010" and above the definition of "MiFID"

"Merger 2017" "means the merger of RBI with its parent company RZB in March 2017."

2) On page 10 of the Supplemented Base Prospectus, the definition of "Raiffeisen Landesbanken" shall be deleted and fully replaced by the following definition:

"Raiffeisen Landesbanken" "means the banks listed in in the section "Description of the Issuer" under "3.1 RBI is part of the Raiffeisen banking group Austria" holding approximately 58.8 per cent. of RBI's share capital."

3) On page 10 of the Supplemented Base Prospectus, the definition of "Raiffeisen Banks" shall be deleted and fully replaced by the following definition:

"Raiffeisen Banks" "means the Austrian Raiffeisen banks described in the section "Description of the Issuer" under "3.1 RBI is part of the Raiffeisen banking group Austria"."

Part B – Amendments to the section SUMMARY (English language version)

4) On page 16 of the Supplemented Base Prospectus, in the section "**Description of the group and the issuer's position within the group**" in the "**SUMMARY", "Section B", Element "B.5",** shall be deleted and fully replaced by the following paragraphs:

"RBI is the ultimate parent company of RBI Group and pursuant to § 30 Austrian Banking Act (Bankwesengesetz – "BWG") also the superordinated credit institution (übergeordnetes Kreditinstitut) of the RBI credit institution group (Kreditinstitutsgruppe), which comprises all credit institutions, financial institutions, securities companies and enterprises offering banking related support services in which RBI holds an indirect or direct majority interest or exerts a controlling influence. The BWG requires RBI in its function as superordinated credit institution for the RBI credit institution group to control among other things risk management, accounting and control processes as well as the risk strategy for the entire RBI Group.

Following the merger with its former parent company Raiffeisen Zentralbank Österreich Aktiengesellschaft ("RZB") in March 2017 (the "Merger 2017"), RBI became the central institution of the Raiffeisen Landesbanken and therefore holder of the liquidity reserve (according to BWG, in particular § 27a BWG) and acts as central liquidity clearing unit of the Raiffeisen banking group Austria. The Raiffeisen Landesbanken, which jointly own the majority of RBI's shares and, operate mainly at a regional level, render central services for the Raiffeisen banks within their region and also operate as universal credit institutions. The Raiffeisen Landesbanken are not part of RBI Group. "

5) On page 16 of the Supplemented Base Prospectus, in the section "**Qualifications in the audit report on the historical financial information**" in the "**SUMMARY", "Section B", Element "B.10",** the following paragraph shall be added at the end:

"KPMG has audited RBI's German language consolidated financial statements as of 31 December 2016 and has issued an unqualified auditor's report (Bestätigungsvermerk) for these consolidated financial statements."

6) On page 16 of the Supplemented Base Prospectus, in the section " **Selected historical key information regarding the issuer, for each financial year and any subsequent interim financial period (accompanied by comparative data)**" in the "**SUMMARY**", "**Section B**", **Element** "**B.12**", the following tables shall be added at the end:

"Key information from the audited consolidated financial statements of RBI for the fiscal year 2016:

Income Statement in EUR million	**1-12/2016** (audited)	**1-12/2015*** (audited)
Net interest income	2,935	3,327
Net provisioning for impairment losses	(754)	(1,264)
Net interest income after provisioning	2,181	2,063
Net fee and commission income	1,497	1,519
Net trading income	215	16
Net income from derivatives and liabilities	(189)	(4)
Net income from financial investments	153	68
General administrative expenses	(2,848)	(2,914)
Profit/loss before tax	886	711
Profit/loss after tax	574	435
Consolidated profit/loss	463	379

Balance Sheet in EUR million	**31/12/2016** (audited)	**31/12/2015** (audited)
Equity	9,232	8,501
Total assets	111,864	114,427

Selected Key Ratios	**31/12/2016** (audited)	**31/12/15** (audited)
NPL Ratio(1)	9.2 per cent.	11.9 per cent.
NPL Coverage Ratio(1)	75.6 per cent.	71.3 per cent.

Bank Specific Information	**31/12/2016** (audited)	**31/12/2015** (audited)
Common equity tier 1 ratio (transitional)	13.9 per cent.	12.1 per cent.
Common equity tier 1 ratio (fully loaded)	13.6 per cent.	11.5 per cent.
Total capital ratio (transitional)	19.2 per cent.	17.4 per cent.
Total capital ratio (fully loaded)	18.9 per cent.	16.8 per cent.

Performance	**1-12/2016** (audited)	**1-12/2015*** (audited)
Net interest margin (average interest-bearing assets)(2)	2.78 per cent.	3.00 per cent.
Return on equity before tax(3)	10.3 per cent.	8.5 per cent.
Cost/income ratio(4)	60.7 per cent.	59.1 per cent.
Earnings per share in EUR	1.58	1.30

Resources	**31/12/2016**	**31/12/2015**
	(audited)	(audited)
Employees as at reporting date (full-time equivalents)	48,556	51,492
Business outlets	2,506	2,705

This overview includes the following Alternative Performance Measures ("APM"):

(1) NPL ratio and NPL coverage ratio "Total non-banks"; NPL ratio: Non-performing loans in relation to total loans and advances to customers; NPL coverage ratio: impairment losses on loans and advances to customers in relation to non-performing loans to customers.

(2) Net interest margin (average interest-bearing assets): Net interest income in relation to average interest-bearing assets.

(3) Return on the total equity including non-controlling interests, i.e. profit after tax in relation to average equity on the statement of financial position. Average equity is calculated on month-end figures including non-controlling interests and does not include current year profit.

(4) General administrative expenses in relation to operating income (less bank levies, impairments of goodwill, releases of negative goodwill and any non-recurring effects reported under sundry operating expenses).

*) Figures restated in accordance with IAS 8.41

Source: Annual Report 2016 (Audited consolidated financial statements of RBI for the fiscal year 2016)"

7) On page 18 of the Supplemented Base Prospectus, in the section **"Statement that there has been no material adverse change in the prospects of the issuer since the date of its last published audited financial statements or a description of any material adverse change)**" in the "**SUMMARY**", "**Section B**", **Element** "**B.12**", the whole paragraph shall be deleted and replaced by the following sentence:

"There have been no material adverse changes in the prospects of RBI since 31 December 2016."

8) On page 18 of the Supplemented Base Prospectus, in the section **"Significant changes in the financial or trading position of the Issuer)**" in the "**SUMMARY**", "**Section B**", **Element** "**B.12**", the whole paragraph shall be deleted and replaced by the following sentence:

"The following significant changes occurred due to the Merger 2017:

RBI – as former subsidiary of RZB – assumed all rights and obligations of RZB. RBI became the universal successor of RZB and the parent institution of the former RZB Group. In addition, RBI succeeded RZB as central institution of the Raiffeisen banking group Austria and as a member of the Bundes-IPS.

Apart from the effects of the Merger 2017, no significant changes in the financial or trading position of the Issuer have occurred since 31 December 2016."

9) On page 18 of the Supplemented Base Prospectus, in the section **"Recent events particular to the issuer which are to a material extent relevant to the evaluation of the issuer's solvency)**" in the "**SUMMARY**", "**Section B**", **Element** "**B.13**", the whole paragraph shall be deleted and replaced by the following sentence:

"The Issuer is not aware of any recent adverse events particular to the Issuer (i.e. occurring after the most recent published audited consolidated financial statements of the Issuer (RBI) for the fiscal year ended 31 December 2016) in the context of its business activities that are to a material extent relevant for the evaluation of its solvency."

10) On page 18 of the Supplemented Base Prospectus, the section **"Dependence upon other entities within the group"** in the "**SUMMARY**", "**Section B**", **Element** "**B.14**", **s**hall be fully deleted and replaced by the following paragraphs:

"RBI is dependent on valuations of and dividends of its subsidiaries. RBI is further dependent on outsourced operations, in particular in the areas of back-office activities as well as IT."

11) On page 19 of the Supplemented Base Prospectus, the section **"The issuer's principal activities"** in the "**SUMMARY**", "**Section B**", **Element** "**B.15**", shall be fully deleted and replaced by the following paragraph:

"The RBI Group is a universal banking group offering banking and financial products as well as services to retail and corporate customers, financial institutions and public sector entities predominantly in or with a connection to Austria and Central and Eastern Europe including Southeastern Europe ("CEE"). In CEE, RBI operates through a network of majority-owned subsidiary credit institutions, leasing companies and numerous specialized financial service providers. RBI Group's products and services include loans, deposits, payment and account services, credit and debit cards, leasing and factoring, asset management, distribution of insurance products, export and project financing, cash management, foreign exchange and fixed income products as well as investment banking services. Further on, RBI's specialist institutions provide Raiffeisen Banks and Raiffeisen Landesbanken with retail products for distribution."

12) On page 19 of the Supplemented Base Prospectus, the section **"Shareholdings and control"** in the "**SUMMARY**", "**Section B**", **Element** "**B.16**", shall be fully deleted and replaced by the following paragraph:

"As of the date of the 3rd supplement to the Base Prospectus, the Raiffeisen Landesbanken acting in concert (§ 1 no. 6 Austrian Takeover Act) in relation to RBI, hold approximately 58.8 per cent. of the Issuer's issued shares. The remaining shares are held by the public (free float). The Raiffeisen Landesbanken are parties to a syndicate agreement regarding RBI, which includes a block voting agreement in relation to the agenda of the shareholders' meeting of RBI, nomination rights in relation to the Supervisory Board of RBI, preemption rights and a contractually restriction on sales of the RBI shares held by the Raiffeisen Landesbanken."

13) On page 20 of the Supplemented Base Prospectus, in the section "**Credit ratings assigned to the issuer or its debt securities**" in the "**SUMMARY**", "**Section B**", **Element** "[**B.17**", the existing table below the sentence "As at the date of the Base Prospectus such ratings are as follows: " and above " *) Moody's Deutschland GmbH,…" shall be deleted and replaced by the following table:

"

	Moody's[2]	**S&P**[3]
Rating for long term obligations (senior)	Baa1 / Outlook stable	BBB+ / Outlook negative
Rating for short term obligations (senior)	P-2	A-2

"

14) On page 52 of the Supplemented Base Prospectus, the section **"Key risks that are specific to the Issuer" / "A. Risks relating to the Issuer"** in the "**SUMMARY**", "**Section D**", **Element "D.2"**, parapraphs numbered **"16."** and **"21."** shall be fully deleted and replaced by the following paragraphs:

"16. RBI is exposed to risks due to its interconnectedness concerning the Institutional Protection Scheme ("Bundes-IPS")"

"21. RBI's ability to fulfil its obligations under the Notes depends in particular on its financial strength which in turn is influenced by its profitability. The following factors may adversely affect RBI's profitability: Consumer Protection, Project Risk, Group Cross Default Clauses, RBI's Capital Market Dependence, RBI Group's Customer Deposits Dependence, Collateral Eligibility Criteria, Deteriorating Assets Valuations and Impairment of Collateral, Competition, Operational Risk, M&A Risks, Litigation Risk, Risk Management, IT Systems, Conflicts of Interest, Participation Risk."

15) On page 52 of the Supplemented Base Prospectus, the section **"Key risks that are specific to the securities"/ "B. Risks relating to the Notes"** in the "**SUMMARY**", "**Section D**", **Element "D.3 / D.6."**, the paragraph **"The Notes may be subject to write-down or conversion to equity which may result in Holders losing some or all of their investment in the Notes (statutory loss absorption)."** shall be fully deleted and replaced by the following paragraph:

"The Notes may be subject to write-down or conversion powers exercised by a resolution authority resulting in (i) the amount outstanding to be reduced, including to zero, (ii) a conversion into ordinary shares or other instruments of ownership or (iii) the terms of the Notes being varied (statutory loss absorption)."

2 Moody's appends long-term obligation ratings at the following levels: Aaa, Aa, A, Baa, Ba, B, Caa, Ca and C. To each generic rating category from Aa to Caa Moody's assigns the numerical modifiers "1", "2" and "3". The modifier "1" indicates that the bank is in the higher end of its letter-rating category, the modifier "2" indicates a mid-range ranking and the modifier "3" indicates that the bank is in the lower end of its letter-rating category. Moody's short-term ratings are opinions of the ability of issuers to honor short-term financial obligations and range from P-1, P-2, P-3 down to NP (Not Prime).

3 S&P assign long-term credit ratings on a scale from AAA (best quality, lowest risk of default), AA, A, BBB, BB, B, CCC, CC, C, SD to D (highest risk of default). The ratings from AA to CCC may be modified by the addition of a "+" or "-" to show the relative standing within the major rating categories. S&P may also offer guidance (termed a "credit watch") as to whether a rating is likely to be upgraded (positive), downgraded (negative) or uncertain (developing). S&P assigns short-term credit ratings for specific issues on a scale from A-1 (particularly high level of security), A-2, A-3, B, C, SD down to D (hightest risk of default).

Part C – Amendments to the section GERMAN TRANSLATION OF THE SUMMARY

16) On page 65 of the Supplemented Base Prospectus, in the section "**Ist die Emittentin Teil einer Gruppe, eine Beschreibung der Gruppe und der Stellung der Emittentin innerhalb dieser Gruppe**" in the **"GERMAN TRANSLATION OF THE SUMMARY", "Abschnitt B", Element "B.5",** shall be deleted and fully replaced by the following paragraphs:

"Die RBI ist Konzern-Muttergesellschaft des RBI Konzerns und entsprechend dem § 30 des österreichischen Bankwesengesetzes ("BWG") auch das übergeordnete Kreditinstitut der RBI-Kreditinstitutsgruppe, die alle Kreditinstitute, Finanzinstitute, Wertpapierfirmen und banknahe Dienstleister umfasst, an denen die RBI indirekt oder direkt mehrheitlich beteiligt ist oder auf welche sie maßgeblichen Einfluss hat. Das BWG verpflichtet die RBI in ihrer Funktion als übergeordnetes Kreditinstitut der RBI-Kreditinstitutsgruppe u.a. Risikomanagement, Rechnungswesen und Revision sowie die Risikostrategie für den gesamten RBI Konzern zu steuern.

Infolge der Verschmelzung mit ihrer früheren Muttergesellschaft Raiffeisen Zentralbank Österreich Aktiengesellschaft ("RZB") im März 2017 (der "Merger 2017") wurde die RBI Zentralinstitut der Raiffeisen Landesbanken, bei dem die Raiffeisen Landesbanken eine Liquiditätsreserve (gemäß BWG, insbesondere § 27a) zu halten haben. Die RBI agiert auch als zentrale Liquiditätsclearingeinheit der Raiffeisen Bankengruppe Österreich. Die Raiffeisen Landesbanken besitzen gemeinsam den Mehrheitsanteil an der RBI, agieren vorwiegend auf regionaler Ebene, erbringen zentrale Dienstleistungen für die Raiffeisen Banken in ihrer Region und sind darüber hinaus als Universalbanken tätig. Die Raiffeisen Landesbanken sind nicht Teil des RBI Konzerns."

17) On page 65 of the Supplemented Base Prospectus, in the section "**Art etwaiger Einschränkungen der Bestätigungsvermerke zu den historischen Finanzinformationen**" in the **"GERMAN TRANSLATION OF THE SUMMARY", "Abschnitt B", Element "B.10",** the following paragraphs shall be added:

"Die KPMG hat den in deutscher Sprache erstellten Konzernabschluss der RBI per 31. Dezember 2016 geprüft und einen uneingeschränkten Bestätigungsvermerk für diesen Konzernabschluss erteilt."

18) On page 65 of the Supplemented Base Prospectus, in the section "**Ausgewählte historische Finanzinformationen; für jedes Finanzjahr und alle folgenden Zwischenberichtsperioden (begleitet von Vergleichsdaten)**" in the **"GERMAN TRANSLATION OF THE SUMMARY", "Abschnitt B", Element "B.12",** the following tables shall be added at the end:

"Wesentliche Daten des geprüften RBI-Konzernabschlusses für das Geschäftsjahr 2016:

Erfolgsrechnung, in EUR Millionen	**1-12/2016** (geprüft)	**1-12/2015*** (geprüft)
Zinsüberschuss	2.935	3.327
Nettodotierungen zu Kreditrisikovorsorgen	-754	-1.264
Zinsüberschuss nach Kreditrisikovorsorgen	2.181	2.063
Provisionsüberschuss	1.497	1.519
Handelsergebnis	215	16
Ergebnis aus Derivaten und Verbindlichkeiten	-189	-4
Ergebnis aus Finanzinvestitionen	153	68
Verwaltungsaufwendungen	-2.848	-2.914
Ergebnis vor Steuern	886	711
Ergebnis nach Steuern	574	435
Konzernergebnis	463	379

Bilanz, in EUR Millionen	**31.12.2016** (geprüft)	**31.12.2015** (geprüft)
Eigenkapital	9.232	8.501
Bilanzsumme	111.864	114.427

Ausgewählte Kennzahlen	**31.12.2016** (geprüft)	**31.12.15** (geprüft)
NPL Ratio[(1)]	9,2 %	11,9 %
NPL Coverage Ratio[(1)]	75,6 %	71,3 %

Bankspezifische Kennzahlen	**31.12.2016** (geprüft)	**31.12.2015** (geprüft)
Common Equity Tier 1 Ratio (transitional)	13,9 %	12,1 %
Common Equity Tier 1 Ratio (fully loaded)	13,6 %	11,5 %
Eigenmittelquote (transitional)	19,2 %	17,4 %
Eigenmittelquote (fully loaded)	18,9 %	16,8 %

Leistungskennziffern	**1-12/2016** (geprüft)	**1-12/2015*** (geprüft)
Nettozinsmarge (auf durchschnittliche zinstragende Assets)[(2)]	2,78 %	3,00 %
Return on Equity vor Steuern[(3)]	10,3 %	8,5 %
Cost/Income Ratio[(4)]	60,7 %	59,1 %
Ergebnis je Aktie in EUR	1,58	1,30

Ressourcen	**31.12.2016**	**31.12.2015**
	(geprüft)	(geprüft)
Mitarbeiter zum Stichtag (Vollzeitäquivalente)	48,556	51,492
Geschäftsstellen	2,506	2,705

Dieser Überblick beinhaltet die folgenden Alternativen Leistungskennzahlen – Alternative Performance Measures ("APM"):

(1) NPL Ratio und NPL Coverage Ratio von Forderungen an Nichtbanken; NPL ratio: notleidende Kredite in Relation zu den gesamten Forderungen an Kunden; NPL Coverage Ratio: Risikovorsorgen für Forderungen an Kunden im Verhältnis zu den notleidenden Forderungen an Kunden.

(2) Nettozinsmarge (durchschnittliche verzinste Aktiva): Zinsüberschuss im Verhältnis zu durchschnittlichen zinstragenden Aktiva.

(3) Gewinn auf das gesamte Eigenkapital, einschließlich Minderheitsanteile, d.h. Gewinn nach Steuern in Bezug auf das durchschnittliche Eigenkapital in der Bilanz. Durchschnittliches Eigenkapital wird jeweils zum Monatsende berechnet, einschließlich Minderheitsanteile und umfasst nicht den Gewinn des laufenden Jahres.

(4) Allgemeine Verwaltungsausgaben in Bezug auf Betriebserträge (abzüglich Bankenabgaben, Wertminderungen von Firmenwerten, vereinnahmter passiver Unterschiedsbeträge und in den sonstigen betrieblichen Aufwendungen ausgewiesener Einmaleffekte).

*) Daten angepasst entsprechend IAS 8.41

Quelle:Geschäftsbericht 2016 (Geprüfter Konzernfinanzbericht der RBI für das Geschäftsjahr 2016)"

19) On page 68 of the Supplemented Base Prospectus, in the section **"Erklärung, dass sich die Aussichten der Emittentin seit dem Datum des letzten veröffentlichten geprüften Abschlusses nicht wesentlich verschlechtert haben, oder beschreiben Sie jede wesentliche Verschlechterung)**" in the **"GERMAN TRANSLATION OF THE SUMMARY", "Abschnitt B", Element** "**B.12**"**,** the whole paragraph shall be deleted and replaced by the following sentence:

"Es gab keine wesentlichen Verschlechterungen der Aussichten der RBI seit dem 31. Dezember 2016."

20) On page 68 of the Supplemented Base Prospectus, in the section **"Wesentliche Veränderungen der Finanzlage oder Handelsposition der Emittentin (die nach dem von den historischen Finanzinformationen abgedeckten Zeitraum eingetreten sind)** " in the **"GERMAN TRANSLATION OF THE SUMMARY", "Abschnitt B", Element** "**B.12**"**,** the whole paragraph shall be deleted and replaced by the following sentence:

" Die folgenden wesentlichen Veränderungen sind durch den Merger 2017 eingetreten:
Die RBI – als bisherige Tochtergesellschaft der RZB – übernahm alle Rechte und Pflichten der RZB. RBI wurde die Gesamtrechtsnachfolgerin der RZB und Muttergesellschaft des früheren RZB-Konzerns. Darüber hinaus folgte die RBI der RZB als Zentralinstitut der Raiffeisen Bankengruppe Österreich und als Mitglied des Bundes-IPS nach.

Mit Ausnahme der Auswirkungen des Merger 2017, gab es keine wesentlichen Veränderungen der Finanzlage oder Handelsposition der Emittentin seit dem 31. Dezember 2016."

21) On page 68 of the Supplemented Base Prospectus, in the section **"Beschreibung von Ereignissen aus der Tätigkeit der Emittentin aus jüngster Zeit, die für die Bewertung ihrer Zahlungsfähigkeit in hohem Maße relevant sind)**" in the **"GERMAN TRANSLATION OF THE SUMMARY", "Abschnitt B", Element** "**B.13**"**,** the whole paragraph shall be deleted and replaced by the following sentence:

„Der Emittentin sind keine jüngst eingetretenen nachteiligen Ereignisse, die sich speziell auf die Tätigkeit der Emittentin beziehen (die nach dem publizierten geprüften konsolidierten Konzernabschluss der Emittentin (RBI) für das am 31. Dezember 2016 endende Geschäftsjahr auftraten), bekannt, die für die Beurteilung ihrer Zahlungsfähigkeit in hohem Maße relevant sind."

22) On page 68 of the Supplemented Base Prospectus, the section **"Abhängigkeiten von anderen Einheiten innerhalb der Gruppe"** in the **"GERMAN TRANSLATION OF THE SUMMARY", "Abschnitt B", Element** "**B.14**"**, s**hall be fully deleted and replaced by the following paragraphs:

"Die RBI ist von Bewertungen und Dividenden ihrer Konzerngesellschaften abhängig. Die RBI ist weiter abhängig von ausgelagerten Tätigkeiten, insbesondere im Backoffice- und IT-Bereich."

23) On page 69 of the Supplemented Base Prospectus, the section **"Haupttätigkeiten der Emittentin"** in the "**"GERMAN TRANSLATION OF THE SUMMARY", "Abschnitt B", Element** "**B.15**"**,** shall be fully deleted and replaced by the following paragraphs:

"Der RBI Konzern ist eine Universalbankengruppe, die Bank- und Finanzprodukte sowie Dienstleistungen für Retail- und Unternehmenskunden, Finanzinstitutionen und Gebietskörperschaften samt deren Einheiten vornehmlich in oder in Verbindung mit Österreich sowie Zentral- und Osteuropa einschließlich Südosteuropa ("CEE") anbietet. In CEE agiert die RBI durch ein Netzwerk von mehrheitlich gehaltenen Tochterkreditinstituten, Leasingfirmen und zahlreichen spezialisierten Finanzdienstleistungsunternehmen. Die Produkte und Dienstleistungen des RBI Konzerns umfassen Kredite, Einlagen, Zahlungsverkehr und Kontoservices, Kredit- und Debitkarten, Leasing und Factoring, Vermögensverwaltung, Vertrieb von Versicherungsprodukten, Export- und Projektfinanzierungen, Cash Management, Devisen- und Valutengeschäft, Fixed-Income-Produkte sowie Investmentbanking-Dienstleistungen. Darüber hinaus versorgen österreichische RBI-Tochtergesellschaften Raiffeisenbanken und Raiffeisen Landesbanken mit Retail-Produkten für deren Vertrieb."

24) On page 69 of the Supplemented Base Prospectus, the section **"Beteiligungen oder Beherrschungsverhältnisse"** in the **"GERMAN TRANSLATION OF THE SUMMARY", "Abschnitt B", Element** "**B.16**"**,** shall be fully deleted and replaced by the following paragraphs:

"Am Tag des dritten Nachtrags zum Basisprospekts halten die Raiffeisen Landesbanken, die betreffend RBI als gemeinsam vorgehende Rechtsträger agieren (§ 1 Z 6 Übernahmegesetz), rund 58,8 % der begebenen Aktien der Emittentin. Die übrigen Aktien befinden sich im Streubesitz (Free float). Die Raiffeisen Landesbanken sind Vertragspartner eines Syndikatsvertrags betreffend die RBI, der u.a. eine Stimmbindung zu Tagesordnungspunkten der RBI-Hauptversammlung, Nominierungsrechte für den Aufsichtsrat der RBI, Vorkaufsrechte und eine vertragliche Einschränkung möglicher Verkäufe von durch die Raiffeisen Landesbanken gehaltenen RBI-Aktien."

25) On page 69 of the Supplemented Base Prospectus, in the section "**Kreditratings der Emittentin und ihrer Schuldtitel**" in the German translation of the Summary **"ZUSAMMENFASSUNG", "Abschnitt B", Element "[B.17",** the existing table below the sentence "Zum Datum des Basisprospekts sind diese Ratings wie folgt: " and above "*) Moody's Deutschland GmbH,…" shall be deleted and replaced by the following table:

"

	Moody's[2]	**S&P**[3]
Rating langfristige Verbindlichkeiten (senior)	Baa1 / Ausblick: stabil	BBB+ / Ausblick: negativ
Rating for kurzfristige Verbindlichkeiten (senior)	P-2	A-2

"

26) On page 105 of the Supplemented Base Prospectus, the section **"Zentrale Risiken, die der Emittentin eigen sind"** in the **"GERMAN TRANSLATION OF THE SUMMARY", "Abschnitt D", Element "D.2",** parapraphs numbered **"16."** and **"21."** shall be fully deleted and replaced by the following paragraphs:

"16. Die RBI ist aufgrund ihrer Verflechtung in Zusammenhang mit dem institutionellen Sicherungssystem („Bundes-IPS") Risiken ausgesetzt."

„21. Die Fähigkeit der RBI, ihre Verpflichtungen unter den Schuldverschreibungen zu erfüllen, hängt insbesondere von ihrer Finanzstärke ab, die wiederum von ihrer Profitabilität beeinflusst wird. Die folgenden Faktoren können RBI's Profitabilität nachteilig beeinflussen: Verbraucherschutz, Projektrisiko, Gruppen-Drittverzugsklauseln, RBI's Abhängigkeit vom Kapitalmarkt, Abhängigkeit der RBI Gruppe von Kundeneinlagen, Kriterien für die Anerkennung von Sicherheiten, Verschlechterung der Bewertung von Vermögenswerten und Beeinträchtigung von Sicherheiten, Wettbewerb, Operationelles Risiko, M&A Risiken, Prozessrisiko, Risikomanagement, IT Systeme, Interessenkonflikte, Beteiligungsrisiko."

27) On page 106 of the Supplemented Base Prospectus, , the section "Zentrale Risiken, die den Wertpapieren eigen sind"/ "B. Risiken in Bezug auf die Schuldverschreibungen" in the **"GERMAN TRANSLATION OF THE SUMMARY", "Abschnitt B"**, Element **"D.3 / D.6."**, the paragraph "**Die Schuldverschreibungen können Gegenstand einer Herabschreibung oder einer Umwandlung in Aktienkapital sein, was dazu führen kann, dass die Schuldverscheibungsgläubiger ihr Investment ganz oder teilweise verlieren (gesetzliche Verlustabsorption)."** shall be fully deleted and replaced by the following paragraph:

„Die Schuldverschreibungen können Gegenstand einer Herabschreibung oder einer Umwandlung durch eine Abwicklungsbehörde sein, was zu (i) einer Herabschreibung des austehenden Nominiales auf bis zu Null, (ii) einer Umwandlung in Aktienkapital oder in andere Anteilspapiere oder (iii) einer Änderung der Anleihebedingungen führen kann (gesetzliche Verlustabsorption)."

2 Moody's vergibt langfristige Ratings anhand der folgenden Skala: Aaa, Aa, A, Baa, Ba, B, Caa, Ca und C. Jeder allgemeinen Ratingkategorie von Aa bis Caa weist Moody's die numerischen Modifikatoren "1", "2" und "3" zu. Der Modifikator "1" zeigt an, dass die Bank am oberen Ende ihrer Buchstaben-Ratingklasse steht, der Modifikator "2" steht für ein mittleres Ranking und der Modifikator "3" zeigt an, dass die Bank sich am unteren Ende ihrer Buchstaben-Ratingklasse befindet. Die kurzfristigen Ratings von Moody's stellen eine Einschätzung der Fähigkeit des Emittenten dar, kurzfristigen finanziellen Verpflichtungen nachzukommen, und reichen von P-l, P-2, P-3 bis hinunter zu NP (Not Prime).

3 S&P vergibt langfristige Bonitätsratings anhand der folgenden Skala: AAA (beste Qualität, geringstes Ausfallrisiko), AA, A, BBB, BB, B, CCC, CC, C, SD bis D (höchstes Ausfallrisiko). Die Ratings von AA bis CCC können durch ein "+" oder "-" modifiziert werden, um die relative Position innerhalb der Hauptratingklasse anzugeben. S&P kann darüber hinaus eine Einschätzung (genannt *Credit Watch*) abgeben, ob ein Rating in naher Zukunft voraussichtlich ein Upgrade (positiv) erhält, ein Downgrade (negativ) erhält oder ob die Tendenz ungewiss ist (developing). S&P weist spezifischen Emissionen kurzfristige Ratings auf einer Skala von A-1 (besonders hoher Grad an Sicherheit), A-2, A-3, B, C, SD bis hinab zu D (höchstes Ausfallrisiko) zu.

Part D – Amendments to the section RISK FACTORS

28) On page 125 of the Supplemented Base Prospectus, the section **"*16. RBI is exposed to risks due to its ownership structure and its interconnectedness concerning upstream consolidations (e.g. RZB Group, Bundes-IPS).*"** in the "**RISK FACTORS**"**,** Section **"A. RISKS RELATING TO THE ISSUER**"**, s**hall be fully deleted and replaced by the following paragraphs:

"*16. RBI is exposed to risks due to its interconnectedness concerning the Institutional Protection Scheme ("Bundes-IPS")*

RBI has entered into agreements for the establishment of an institutional protection scheme within the meaning of Article 113 (7) of the Capital Requirements Regulation (EU) No. 575/2013 ("**CRR**") (the "**Bundes-IPS**"). The Bundes-IPS must comply with the requirements of the CRR, particularly safeguard the existence and the liquidity and solvency of its members to prevent insolvency. Beside RBI, the Bundes-IPS consists of the following institutions:

- 8 Raiffeisen Landesbanken
- Raiffeisen-Holding Niederösterreich Wien
- Posojilnica Bank eGen
- Raiffeisen Wohnbaubank (RBI subsidiary)
- Raiffeisen Bausparkasse (RBI subsidiary)

The Bundes-IPS is subject to consolidated (or extended aggregated) minimum own funds requirements.

Due to the membership of RBI in the Bundes-IPS, RBI can be affected in case of material economic problems within the Bundes-IPS. In case of liquidity and/or capital needs of one or several Bundes-IPS members, RBI is obliged, among other Bundes-IPS members, to ensure regulatory requirements of Bundes-IPS and its members. The only RBI subsidiaries which are members of Bundes-IPS are Raiffeisen Bausparkassse and Raiffeisen Wohnbaubank. No other RBI subsidiary is part of this institutional protection scheme. However, the potential support of RBI for other Bundes-IPS members could affect RBI Group as a whole in terms of regulatory parameters.

Certain of the direct or indirect shareholders of RBI are commercial banks and their managers serve – among others – on RBI's Supervisory Board. Such activities in the same or similar areas may trigger differences of opinion between RBI and such shareholders, who effectively control RBI's annual general meeting, and consequently, may either delay or prevent necessary business decisions or result in additional own or external funds being withheld by shareholders. Such development could have a material negative impact on RBI's business, financial position and results of operations so that it may not or only to a limited extent be able to meet its obligations under the Notes."

29) On page 126 of the Supplemented Base Prospectus, the section **"*18. New governmental or regulatory requirements and changes in perceived levels of adequate capitalisation and leverage could lead to increased capital requirements and reduced profitability for RBI Group.*"** in the "**RISK FACTORS**"**,** Section **"A. RISKS RELATING TO THE ISSUER**"**, s**hall be fully deleted and replaced by the following paragraphs:

"*18. New governmental or regulatory requirements and changes in perceived levels of adequate capitalisation and leverage could lead to increased capital requirements and reduced profitability for RBI Group.*

In response to the global financial crisis and the European sovereign debt crisis, a number of initiatives relating to the regulatory requirements applicable to European credit institutions, including RBI Group, have been (and are currently being) implemented, adopted, or developed. These include the following:

- ***Pillar 2 Requirements.*** RBI Group is subject to the Pillar 2 requirements as regulated in Art. 104 CRD IV and determined in the yearly SREP (Supervisory Review and Evaluation Process) ruling issued by the ECB. Depending on the business model, governance and risk management, capital adequacy and the liquidity situation of the credit institution, each year the ECB sets individual own funds (especially CET1) add-on requirements for each credit institution. These add-ons also take into account results from the latest stress tests. On the other side, ECB has publicly announced that it will also factor in increasing buffer requirements and thus reduce Pillar 2 add-ons. Depending on the financial situation of the credit institution group, SREP requirements may vary annually. According to the SREP methodology communicated by the ECB in July 2016, the Pillar 2 requirement will be split into a hard Pillar 2 requirement located above the 4.5 per cent. CET1 Pillar 1 requirement, but below the combined buffer requirement (capital conservation buffer plus countercyclical buffer plus systemic/G-SIB buffer, see below), thus having an impact on the MDA maximum distributable amount) calculation, and a soft Pillar 2 guidance located above the combined buffer requirement. A breach of the Pillar 2 guidance will not have a negative impact on the MDA, but will result in non-public supervisory action to improve capitalization of the relevant credit institution. A continuing inability to comply with the Pillar 2 guidance may result in shifting requirement arising from the Pillar 2 guidance into the Pillar 2 requirement in the next SREP ruling. Increasing Pillar 2 requirements for RBI Group or its individual members could trigger additional pressure on the capitalization of RBI Group and/or its individual members requiring unplanned adaptions.

- ***Capital buffers.*** RBI Group as a whole is subject to various buffer requirements. RBI Group is required to accumulate a capital conservation buffer increasing from 0.625 per cent. CET1 in 2016 to 2.5 per cent. CET1 beginning of 2019 as regulated in the CRD IV and the BWG. Furthermore, RBI Group is required to fulfil an RBI specific systemic risk buffer in the amount of 0.25 per cent. CET1 in 2016 increasing to 2.00 per cent. CET1 beginning of 2019 as regulated in the Austrian Capital Buffer Regulation (*Kapitalpuffer-Verordnung*) of the FMA. In addition, the institution-specific countercyclical capital buffer rate shall consist of the weighted average of the countercyclical buffer rates that apply in the jurisdictions where the relevant credit exposures of the institution are located. The Czech Republic and Slovakia for example have set a countercyclical buffer rate which will however primarily affect Raiffeisenbank a.s. in the Czech Republic and Tatra banka, a.s. in Slovakia. Countercyclical buffers are under permanent review of national supervisory authorities in cooperation with their macroeconomic bodies as well as the ESRB (European Systemic Risk Board). They may be changed at relatively short notice and can range from 0.0 per cent. to 2.5 per cent. CET1. Increasing buffer requirements for RBI Group or its individual members could trigger additional pressure on the capitalization of RBI Group and/or its individual members requiring unplanned adaptions.

- ***Basel RWA Reviews.*** The Basel Committee of Banking Supervision ("**BCBS**") is currently working on the review of the standardised approaches of the capital requirement frameworks for credit risk and market risks as well as for operational risks. These reviews cover the standardised as well as the internal model approaches for all risk types. While standards for a revised market risk framework were finalised in January 2016, proposals for revisions to the credit and operational risk frameworks are still in a consultative phase. The BCBS has also issued a consultative document on the design of a capital floor framework based on the revised standardised approaches for all risk types. There is a high degree of uncertainty with regards to the BCBS' final calibration of the proposed new frameworks, and subsequently how and when this will be implemented in the EU. It is thus too early to draw firm conclusions regarding the impact of the potential future capital requirements, and consequently how this will affect the capital requirements. The final regulations as implemented in the EU could trigger additional pressure on the capitalization of RBI and/or RBI Group requiring unplanned adaptions.

- ***Bank Recovery and Resolution Legislation.*** The "Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (*Bank Recovery and Resolution Directive* - "**BRRD**") has been implemented in Austria into national law by the Austrian Recovery and Resolution Act (*Sanierungs- und Abwicklungsgesetz* – "**BaSAG**"). Amongst other requirements institutions have to meet, at all times, minimum requirement for own funds and eligible liabilities ("**MREL**") set by the resolution authority on a case-by-case basis. Measures undertaken under the BRRD/BaSAG may also have a negative impact on debt instruments (in particular subordinated notes, but under certain circumstances also senior notes ("**Senior Notes**")) by allowing resolution authorities to order the write-down of such instruments or convert them into Common Equity Tier 1 ("**CET 1**") instruments. Where no such resolution tools and powers as set out above are applied, RBI may be subject to national insolvency proceedings.

- ***Amendments of the BRRD and CRR with respect to resolution.*** Mid-November 2016 the EU-Commission issued proposals for amendments of the BRRD and the CRR thereby implementing Basel TLAC standards in EU legislation. These amendments introduce the concept of resolution groups and enties. Depending on the resolution strategy of the respective credit institution group, the risk situation for creditors may vary as resolution measures (especially bail-in of creditors) can be taken at group parent level (single point of entry resolution strategy with only one resolution group/entity in a banking group) or at local level (multiple point of entry resolution strategy more than one resolution group/entity within the same banking group). Although RBI Group has shown preference for a multiple point of entry strategy within RBI Group in the past the final decision on the resolution strategy depends on the Single Resolution Board (SRB) and FMA.

- ***MREL.*** The SRB together with each resolution authority is required to make a separate determination of the appropriate MREL requirement for each group or institution within its jurisdiction, depending on the resolvability, risk profile, systemic importance and other characteristics of each institution as well as the resolution strategy of the group. Items eligible for inclusion in MREL will include an institution's own funds (within the meaning of CRR), along with certain "eligible liabilities"[1]. Subordination - as required by the Basel TLAC standards - is only required for MREL of G-SII (Globally systemically important institutions) by law. However, subordination may be required by the relevant resolution authority on a case by case basis and it can thus not be excluded that MREL issued by RBI (or the respective resolution entities of RBI Group) in the future may have to be (partially) subordinated. Depending on the amount of MREL and the final specifics of relevant criteria for liabilities to be included thereto, RBI and/or RBI group members may have to increase relevant liabilities or decrease assets with potential negative effects on the profits and financial standing of RBI. There is a risk that RBI may not be able to meet these minimum requirements for own funds and eligible liabilities which could materially adversely affect RBI Group's business, financial condition or results of operations and thus, RBI's ability to fulfil its obligations under the Notes.

- ***MiFID II / MiFIR.*** One of the current regulatory initiatives relates to the EU regulatory framework set by the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (*Markets in Financial Instruments Directive II* ("**MiFID II**") and the Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012 (*Markets in Financial Instruments Regulation* ("**MiFIR**") which will lead to substantial regulatory changes affecting derivatives and other financial instruments. The implementation of and compliance with such changes will result in significantly increased costs or increased regulatory requirements.

- ***Stricter and Changing Accounting Standards.*** Due to new and/or amended accounting standards and rules, RBI and/or RBI Group may have to revise the accounting and regulatory treatment of certain positions or transactions. Any such changes will cause implementation costs, can negatively impact estimates in financial plans for the future, may require restating previously published financial statements and/or can significantly influence the way how business and financial results are

[1] i.e. liabilities which do not qualify as own funds and are not excluded from bail-in and which may comprise instruments which, *inter alia*, are issued and fully paid up, have a maturity of at least one year (or do not give the investor a right to repayment within one year) and do not arise from derivatives.

recorded. This could also impact RBI Group's capital needs. RBI Group expects that prospective changes in accounting standards due to International Financial Reporting Standards 9 ("**IFRS 9**") will have a significant effect on balance sheet items and measurement methods for financial instruments. On the one hand, in the area of classification and measurement, RBI Group identified a risk of increased volatility in the income statement for financial assets which have to be re-measured at fair value through profit or loss, due to the contractual cash flow characteristics which do not fulfil the criteria of mere payments of principal and interest. Furthermore, impacts will occur with regard to the measurement of financial liabilities. It is expected that overall, IFRS 9 will increase the level of risk provision. Complex accounting standards can increase the risk of errors, as can the use of inconsistent valuation standards, particularly in relation to RBI Group's principal financial instruments. A difficult business environment can also increase the risk of significant financial reporting errors. For the purpose of preparing the consolidated financial statements, estimates have to be made for asset and liability items for which no market value can be reliably determined. This is particularly relevant for credit business, social capital and the intrinsic value of securities, participations, trademark rights and goodwill.

Stricter and/or new regulatory requirements may be adopted in the future, and the existing regulatory environment in many markets in which RBI Group operates continues to develop, implement and change. The substance and scope of any new or amended laws and regulations as well as the manner in which they will be adopted, enforced or interpreted may increase RBI Group's financing costs and could have an adverse effect on RBI Group's business, financial condition, results of operations and prospects. In addition to complying with capital requirements on a consolidated basis, RBI itself is also subject to capital requirements on an unconsolidated basis. Furthermore, members of RBI Group which are subject to local supervision in their country of incorporation are, on an individual and on a (sub-)consolidated basis, also required to comply with applicable local regulatory capital requirements. It is therefore possible that individual entities within RBI Group or sub-groups require additional own funds, even though the own funds of RBI Group on a consolidated basis are sufficient. Legislative and/or regulatory changes in the current definitions of what is deemed to qualify as own funds could reduce RBI Group's eligible capital and/or require reducing the risk-weighted assets ("**RWA**") of RBI or RBI Group. There can be no assurance that, in the event of any further changes of the applicable rules, adequate grandfathering or transition periods will be implemented to allow RBI Group to repay or replace such derecognised own funds instruments in a timely fashion or on favourable terms. RBI Group may therefore need to obtain additional own funds in the future which may not be available on attractive terms or at all.

Further, any such regulatory development may expose RBI Group to additional costs and liabilities which may require RBI Group to change its business strategy or otherwise have a negative impact on its business, the offered products and services as well as the value of its assets. There can be no assurance that RBI Group would be able to increase its eligible capital (respectively its capital ratios) sufficiently or on time. If RBI Group is unable to increase its capital ratios sufficiently, its credit ratings may drop and its cost of funding may increase, the occurrence of which could have a material adverse effect on its business, financial condition and results of operations and could limit its ability to fulfil its obligations under the Notes."

30) On page 130 of the Supplemented Base Prospectus, the section **"*21. RBI's ability to fulfil its obligations under the Notes depends in particular on its financial strength which in turn is influenced by its profitability. The following describes factors which may adversely affect RBI's profitability.",*** in the "**RISK FACTORS**", Section **"A. RISKS RELATING TO THE ISSUER", s**hall be fully deleted and replaced by the following paragraphs:

"21. RBI's ability to fulfil its obligations under the Notes depends in particular on its financial strength which in turn is influenced by its profitability. The following describes factors which may adversely affect RBI's profitability.

- ***Consumer Protection.*** Changes in consumer protection laws and their application and interpretation as well as the more aggressive enforcement of such laws by consumers, regulatory authorities and consumer protection agencies can adversely affect the pricing terms of RBI Group's loans and other products and services and may allow consumers to reclaim fees, interest and principal payments previously paid.

- ***Project Risk.*** RBI carries out complex projects *inter alia* in the context of regulatory/legal requirements and business development bearing the risk of not fully achieving the projected targets in terms of effectiveness and efficiency but also with regards to strategic and business ambition. This might potentially increase costs of implementation and operations on one hand and missed profitability targets on the other hand. Regulatory or legal non-compliance due to materialized project risk might additionally result in severe penalties.

- ***Group Cross Default Clauses.*** A failure of one or more members of RBI Group to service their respective payment obligations under certain financing agreements could trigger group cross default clauses and thus, unforeseen short-term liquidity needs for RBI.

- ***RBI's Capital Market Dependence.*** RBI itself is not a retail bank and does not have a broad and diversified base of customer deposits. Accordingly, RBI's funding is dependent on the conditions of the international capital markets. Reduced access to capital market funding and increased capital market funding rates may have a stronger effect on RBI's profitability and liquidity position compared to other Austrian credit institutions with a more diversified deposit base.

- ***RBI Group's Customer Deposits Dependence.*** On RBI Group level, one of the principal sources of funding for RBI Group are customer deposits, with the remaining funding provided through debt issuances and interbank loans. The ongoing availability of deposits to fund RBI Group's loan portfolio is subject to potential changes in factors outside RBI Group's control, such as, *inter alia*, increased competition from other credit institutions for deposits, depositors' concerns regarding either the economy in general, the financial services industry or RBI Group, rating downgrades and the availability and extent of deposit guarantees.

- ***Collateral Eligibility Criteria.*** More restrictive collateral eligibility criteria for tender operations with the ECB, the Austrian National Bank (OeNB) and/or local central banks could increase RBI Group's funding costs and impair its liquidity situation.

- ***Deteriorating Asset Valuations and Impairments of Collateral.*** RBI Group is exposed to the risk of deteriorating asset valuations resulting from poor market conditions and impairments of collateral securing business and real estate loans.

- ***Competition.*** Rising levels of competition in the countries in which RBI Group operates may result in narrowing net interest margins and lower profitability. The consolidation of the worldwide financial services sector creates competitors with extensive product and service portfolios, which may have better access to liquidity or the ability to provide services at lower prices than RBI Group. Large competitors may expand or further expand their presence in the CEE region. Due to their greater international presence and their ability to provide banking services beyond the CEE markets, these competitors might appear more attractive to certain customer groups, e.g. multinational clients, than RBI Group.

- ***Operational Risk.*** RBI Group may suffer significant losses as a result of operational risk, i.e. the risk of loss due to inadequate or failed internal (e.g. unauthorised actions, theft or fraud by employees, clerical and record keeping errors, business interruption and information systems malfunctions or manipulations) processes, or due to external (e.g. earthquakes, riots or terrorist attacks, bank robberies, fraud by outsiders and equipment failures) events, whether deliberate, accidental or natural occurrences.

- ***M&A Risks.*** In connection with mergers, acquisitions and investments, RBI is exposed to previously unidentified risks and to the risk that expenses may arise (e.g. unexpectedly high or unforeseen costs of integration measures).

- ***Litigation.*** RBI Group operates in an increasingly litigious environment, potentially exposing it to liability and other costs, the amounts of which cannot be estimated and may adversely influence the results of operations.

- ***Risk Management.*** RBI Group's risk management strategies and its implementation may not be effective in identifying and assessing all risks and reducing the potential for significant losses in each market environment.

- ***IT-Systems.*** RBI Group is dependent on complex information technology systems and RBI relies heavily on such systems to conduct its business. Risks include inter alia the proper functioning and proper setup of the systems as well as correct data entries and result interpretation.

- ***Conflicts of Interest.*** RBI is exposed to risks in connection with potential conflicts of interest due to various business relationships.

- ***Participation Risk.*** RBI has equity participations in legal entities that are held for operations or out of a strategic long-term nature. It is exposed to the risk that the value of those equity participations decreases."

31) On page 134 of the Supplemented Base Prospectus, the section **"*4. The Notes may be subject to write-down or conversion to equity which may result in Holders losing some or all of their investment in the Notes (statutory loss absorption).*"** in the "**RISK FACTORS**", Section **"B. RISKS RELATING TO THE NOTES"**, **s**hall be fully deleted and replaced by the following paragraph:

"4. The Notes may be subject to write-down or conversion powers exercised by a resolution authority resulting in (i) the amount outstanding to be reduced, including to zero; (ii) a conversion into ordinary shares or other instruments of ownership or (iii) the terms of the Notes being varied (statutory loss absorption).

On 12 June 2014, the BRRD was published. The stated aim of the BRRD is to provide relevant resolution authorities with common tools and powers to address banking crises pre-emptively in order to safeguard financial stability and minimize taxpayers' exposure to losses. The BaSAG implementing BRRD entered into force on 1 January 2015.

The powers provided to such resolution authorities (in Austria, the FMA) include write-down and conversion powers which may be used prior to or on entry into resolution to ensure that, *inter alia*, relevant capital instruments fully absorb losses of the issuing institution and/or the group ("power of write-down or conversion of relevant capital instruments"). Accordingly, resolution authorities will be required to order the write-down of such relevant capital instruments on a permanent basis, or convert them into CET 1 items (such as ordinary shares or other instruments of ownership), once the conditions for resolution or the conditions for exercising the power of write-down or conversion of relevant capital instruments (both as described below) are met, and before any resolution tool (other than the bail-in tool) is made use of (statutory loss absorption). Resolution authorities shall exercise the write-down or conversion in relation to statutory loss absorption in a way that results in: (i) CET 1 items being reduced first in proportion to the relevant losses; and (ii) thereafter, if CET 1 is not sufficient to cover the relevant losses, the principal amount of Additional Tier 1 instruments ("**AT 1**") being reduced or converted to cover the relevant losses and recapitalise the entity; and (iii) thereafter, if CET 1 and AT 1 are not sufficient, the principal amount of Tier 2 instruments ("**Tier 2**") (such as the Subordinated Notes issued under this Prospectus according to Option II of the Terms and Conditions, the "**Subordinated Notes**") being reduced or converted.

The relevant resolution authorities may also apply, if the conditions to resolution are met, the bail-in tool with the objective of restoring the capital of the failing institution to enable it to continue to operate as a going concern. In such case, the resolution authority is entitled to write-down or convert CET 1, AT 1 and Tier 2 in the manner and order set out above, plus if CET 1, AT 1 and Tier 2 are not sufficient to cover the relevant losses and recapitalise the entity, other subordinated debt (in accordance with the hierarchy of claims in the normal insolvency proceedings) and if still insufficient, the rest of eligible liabilities including certain senior debt (such as the Senior Notes) (in accordance with the hierarchy of claims in the normal insolvency proceedings) being reduced down to zero on a permanent basis or converted.

As a safeguard, no creditor shall by use of the bail-in tool be in a worse position than it would be in ordinary insolvency proceedings (the "no creditor worse off principle").

For the purpose of the bail-in tool, the conditions to resolution are:

1. the competent authority or the resolution authority determines that the institution is failing or likely to fail; and
2. having regard to timing and other relevant circumstances, there is no reasonable prospect that any alternative private sector measures, including measures by an institutional protection scheme, or supervisory action, including early intervention measures or the write-down or conversion of relevant capital instruments taken in respect of the institution, would prevent the failure of the institution within a reasonable timeframe; and
3. a resolution action is necessary in the public interest.

The conditions to exercise the power of write-down or conversion of relevant capital instruments are the same as listed in No 1 and 2 above as conditions to resolution, provided that a group shall be deemed to be failing or likely to fail where the group infringes, or there are objective elements to support a determination that the group, in the near future, will infringe, its consolidated prudential requirements in a way that would justify action by the competent authority including but not limited to because the group has incurred or is likely to incur losses that will deplete all or a significant amount of its own funds. It should be noted that the power of write-down or conversion of relevant capital instruments may be applied before and independent from the bail-in tool, and that therefore holders of Subordinated Notes may be subject to statutory loss absorption while the claims of holders of Senior Notes remain unaffected.

Any write-down or conversion of all or part of the principal amount of any instrument, including accrued but unpaid interest in respect thereof, in accordance with the bail-in tool or the write-down and conversion powers would not constitute an event of default under the terms of the relevant instruments. Consequently, any amounts so written down or converted would be irrevocably lost and the holders of such instruments would cease to have any claims thereunder, regardless whether or not the institution's financial position is restored.

Hence, the Notes may be subject to write-down or conversion into CET 1 which may result in Holders losing some or all of their investment in the Notes. The exercise of any such power is highly unpredictable and any suggestion or anticipation of such exercise could materially adversely affect the market price of the Notes.

Investors should be aware that if write-down or conversion powers are exercised by a resolution authority (i) the amount outstanding of the Notes may be reduced, including to zero; (ii) the Notes may be converted into ordinary shares or other instruments of ownership; (iii) the terms of the Notes may be varied (e.g. the variation of maturity of a debt instrument).

Where no such resolution tools and powers as set out above are applied, RBI may be subject to national insolvency proceedings."

32) On page 146 of the Supplemented Base Prospectus, the section **"*32.2. To an increased extent, the rights of Holders of Subordinated Notes may be adversely affected by resolution measures, the Single Resolution Mechanism and other measures to implement the BRRD*"** in the "**RISK FACTORS**", Section **"B. RISKS RELATING TO THE NOTES**", **s**hall be fully deleted and replaced by the following paragraphs:

"32.2. To an increased extent, the rights of Holders of Subordinated Notes may be adversely affected by resolution measures, the Single Resolution Mechanism and other measures to implement the BRRD

Subordinated Notes are mainly governed by provisions stipulated in the CRR and in the CRD IV. Some of these provisions of the Terms and Conditions of Subordinated Notes depend on the final interpretation and implementation of the CRR and the CRD IV (including any amendments of old new regulations promulgated thereunder). CRR/CRD IV is a set of rules and regulations that imposes a series of new requirements, many of which will be phased in over a number of years. The manner in which many of the new concepts and requirements under CRR/CRD IV will be applied to the Issuer remains uncertain as the resolution authorities may apply a high level of discretion on a case by case basis.

Holders of Subordinated Notes are, due to their ranking in normal insolvency proceedings, exposed to risks in relation to resolution measures, the Single Resolution Mechanism and other measures to implement the BRRD.

Potential investors in Subordinated Notes should take into consideration that, in the event of a crisis of the Issuer, already prior to any liquidation or insolvency or such procedures being instigated, they may be exposed to a risk of default and that, in such a scenario, it is likely that they may suffer a partial or full loss of their invested capital, or that the Subordinated Notes or other debt will be subject to a conversion into one or more equity instruments (e.g. capital stock) of the Issuer. Investors in the subordinated instruments (i.e., the Subordinated Notes) should note that such are issued with the aim of being recognised as Tier 2 capital (*Ergänzungskapital*) pursuant to CRR as well as the BRRD and the related bail-in tool and investors in subordinated instruments in particular should take into consideration that they may be significantly affected by such aforementioned procedures and measures (which may lead to the loss of the entire investment).

In particular with respect to Subordinated Notes it must be noted that, since 1 August 2013, the European Commission applies revised state aid rules for assessing public support to financial institutions during the crisis (the "**Revised State Aid Guidelines**"). The Revised State Aid Guidelines provide for strengthened burden-sharing requirements, which require credit institutions with capital needs to obtain shareholders' and subordinated instrument holders' contribution before resorting to public recapitalisations or asset protection measures. In these guidelines, the European Commission has made it clear that any burden sharing imposed on subordinated instrument holders will be made in line with principles and rules set out in the BRRD. To improve a crisis-ridden credit institution's recovery prospects and foster general economic stability, bail-in tools may apply at least until 8 per cent. of its total assets have been fully absorbed. This may mean that shareholders and many creditors of an affected credit institution (such as the Holders of Subordinated Notes and also of other Notes) may have already completely lost their invested capital and related rights as a result of application of resolution measures such as the bail-in tool.

In this context, in particular the hierarchy of claims of the Issuers' creditors in normal insolvency proceedings and the liability cascade provided for by the BRRD must be taken into account which generally provides that following a reduction of Common Equity Tier 1 Instruments, resolution authorities would be required to apply the bail-in tool to Additional Tier 1 Instruments before making Tier 2 capital instruments subject to bail-in (however before other eligible liabilities may absorb losses).

The Holders of Subordinated Notes may become subject to resolution measures, such as in connection with the bail-in tool in the event the Issuer becomes, or is deemed by the competent authority to have become "non-viable" or "endangered in its existence"."

Part E – Amendments to the section DESCRIPTION OF THE ISSUER

33) The chapter **"DESCRIPTION OF THE ISSUER"**, pages 156-182 of the Supplemented Base Prospectus, shall be fully deleted and replaced as follows:

"1. INFORMATION ABOUT THE ISSUER

1.1. Corporate history and development of the Issuer

Raiffeisen Bank International AG ("**RBI**") was established in 1991 under the name of DOIRE Handels- und Beteiligungsgesellschaft mbH by Raiffeisen Zentralbank Österreich Aktiengesellschaft, which was founded 1927 under the name "Girozentrale der österreichischen Genossenschaften" and had been renamed several times thereafter ("**RZB**") as a holding company for bundling investments and interests in CEE. It was renamed several times and operated under the name of "Raiffeisen International Bank-Holding AG" ("**RI**") from 2003 until 2010. RBI's initial public offering and stock exchange listing on the Vienna Stock Exchange occurred in 2005, secondary public offerings took place in 2007 and 2014.

In 2010, major parts of RZB's banking business were spun-off and merged with RI (the "**Merger 2010**"). As a consequence of the Merger 2010 the commercial banking business and associated equity participations of RZB were transferred to RI. With effective date of the Merger 2010, RI changed its name to Raiffeisen Bank International AG and took over RZB's Austrian credit institution license pursuant to the Austrian Banking Act (*Bankwesengesetz*, the "**BWG**").

In March 2017 RBI merged with its parent company RZB (the "**Merger 2017**"). RBI was the incorporating institution and therefore legal successor of RZB. Following the Merger 2017, RBI became the central institution of the Raiffeisen Landesbanken and therefore holder of the liquidity reserve (according to BWG, in particular § 27a BWG) and acts as central liquidity clearing unit of the Raiffeisen Landesbanken.

RBI's shares continue to be listed on the Vienna Stock Exchange after the Merger 2017.

1.1.1 *General information about the Issuer*

RBI's legal name is "Raiffeisen Bank International AG". RBI uses the commercial names "Raiffeisen Bank International" and "RBI". RBI is a stock corporation formed and operated under Austrian law with unlimited duration with its registered seat in Vienna, Austria. RBI is incorporated in Austria and registered with the company register of the Commercial Court of Vienna (*Handelsgericht Wien*) under FN 122119m since 9 July 1991. RBI's head office and principle place of business is located at: Am Stadtpark 9, A-1030 Vienna, Austria. RBI's general telephone number is +43 (1) 717 07 0.

1.1.2. *Statutory purpose of the Issuer*

The purpose of the Issuer according to its articles of association is to enter into banking transactions of the kind set out in sec. 1 para. 1 BWG and into related transactions in connection therewith, with certain exceptions including without limitation the investment fund business, the building society business and the issuance of mortgage bonds and municipal bonds.

Further purposes of the Issuer are: (a) consultancy and management services of any kind for the business enterprises in which the Issuer holds a participation or which are otherwise affiliated with the Issuer; and (b) activities and services of any kind which are directly or indirectly connected with the banking business, including in particular the activities set out in sec. 1 paras. 2 and 3 BWG, the performance of management consulting services, including company organisation services and services in the field of automatic data processing and information technology.

For the financing of its corporate purpose the Issuer shall be authorised in compliance with applicable law to raise own funds as defined in Regulation (EU) 575/2013 or subordinated and non-subordinated debt capital represented by securities or otherwise.

The Issuer shall be authorised to acquire real estate, to establish branches and subsidiaries in Austria and elsewhere, and to acquire shareholdings in other companies. Moreover, the Issuer shall be entitled to engage in any and all transactions and to take all measures which are deemed necessary or expedient for the fulfilment of the Issuer's purposes, including without limitation in areas that are similar or related to such purposes.

1.1.3. *Statutory auditors*

RBI's auditor is KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, 1090 Vienna, Porzellangasse 51 ("**KPMG**"), a member of the Austrian Chamber of Auditors (*Kammer der Wirtschaftstreuhänder*). KPMG audited RBI's German language consolidated financial statements for the years ending 31 December 2014, 2015 and 2016 in accordance with Austrian generally accepted auditing standards, which require KPMG to comply with the international standards on auditing as published by the international federation of accountants and issued its audit opinions 9 March 2015, 2 March 2016 and 28 February 2017, respectively. KPMG also reviewed RBI's German language interim consolidated financial statements for the first half year 2016 ending 30 June 2016 in accordance with KFS/PG 11 "principles of engagements to review financial statements" and with the international standard on review engagements (ISRE) 2410 "review of interim financial information performed by the independent auditor of the entity and issued its review report dated 10 August 2016. The review of interim consolidated financials has been prepared on the basis of IFRS for interim reporting.

For information purposes only: KPMG has also audited the German language consolidated financial statements of RZB (which has been merged in the meantime with the Issuer as of 18 March 2017) as of 31 December 2016 and has issued unqualified auditor's reports (*Bestätigungsvermerke*) for these consolidated financial statements.

1.1.4. Any recent events particular to the Issuer that are to a material extent relevant for the evaluation of its solvency

The Issuer is not aware of any recent events particular to RBI (i.e. occurring after the most recent published audited financial information of the Issuer as of 31 December 2016) that are to a material extent relevant to the evaluation of its solvency.

2. BUSINESS OVERVIEW

2.1. Principle areas of activity

The RBI Group is a universal banking group offering banking and financial products as well as services to retail and corporate customers, financial institutions and public sector entities predominantly in or with a connection to Austria and CEE. In CEE, RBI operates through its Network Banks, leasing companies and numerous specialized financial service providers. RBI Group's products and services include loans, deposits, payment and account services, credit and debit cards, leasing and factoring, asset management, distribution of insurance products, export and project financing, cash management, foreign exchange and fixed income products as well as investment banking services. RBI's specialist institutions provide Raiffeisen Banks and Raiffeisen Landesbanken with retail products for distribution.

2.2. Strategy

RBI's business activities comprise the corporate customer business, financial services for retail customers in CEE and business with banks and other institutional clients. Ongoing changes and challenges in the business environment in which financial institutions operate – particularly tighter regulatory requirements, bank-specific taxes and politically motivated market interventions, the persistently low interest rate environment, new technological challenges and competitors – demands flexibility in adjusting structures and business models. RBI responded to these developments with two key strategic measures: on the one hand, with the transformation program, which was launched in February 2015, and on the other hand, through the Merger 2017.

February 2015 saw the implementation of a transformation program designed to strengthen the capital base – it targeted a CET1 ratio (fully loaded) of at least 12 per cent. by 2017 – and reduce risk-weighted assets. With a CET1 ratio (fully loaded) of 13.6 per cent. at 31 December 2016, RBI achieved its target ahead of schedule.

The focus for RBI continues to be on the CEE region, which offers structurally higher growth rates than Western Europe and which as a result of higher levels of net interest rates offers a more attractive potential for income generation. The Merger 2017 also enlarged RBI's business portfolio by the addition of leading specialist institutions in Austria – notably a building society, an asset management company and a pension fund management company. Additionally, RBI can draw benefits from the comparably more stable development of the Austrian business areas, which further have been strengthened by the Merger 2017.

RBI's business model is based on the following core competencies:

- RBI maintains and develops a strong and reliable brand that serves as the basis for its business model.
- RBI provides all retail customer segments with comprehensive financial services through the customers' respective preferred sales and communication channel.
- RBI is a reliable business partner for corporate and institutional clients that have a link to the target region, and offers financial services of an international standard.
- RBI distinguishes itself through its strong local presence, customer focus and long-term business relationships.
- RBI utilizes the strengths of country-specific business strategies combined with central business management standards.

This is used as a basis by RBI in the provision of services to some 17 million retail and private banking customers as well as small enterprises, roughly 90,000 corporate clients (medium-sized businesses, major local companies and international corporations) and approximately 8,000 institutional clients (banks, insurance companies, asset managers, sovereigns and public-sector organizations). RBI aims to provide its customers comprehensive financial services to meet their needs and in this way build long-term business partnerships. RBI implements this strategy through the provision of advisory services and innovative solutions.

For corporate and institutional clients, key emphasis is placed on group-wide sales and management tools with a focus on capital- and liquidity-efficient products (particularly trade finance, capital market products and hedging of currency, interest rate and credit risks, as well as payment transfer business). At the same time, group-wide product competence centres not only enhance efficiency through the pooling of know-how, but also facilitate customer access to complex financing products (e.g. in the areas of project, real estate and export financing).

2.3. Significant new products and services

Currently no significant new products and services are being introduced.

2.4. Principle markets and business segments

Segment reporting at RBI Group is based on the current organizational structure pursuant to IFRS 8. A cash generating unit within RBI Group is either a country or a business activity. Markets in CEE are thereby grouped into regional segments comprising countries with comparable economic profiles and similar long-term economic growth expectations. Business activities outside the CEE region are divided according to business areas. This results in the following segments:

- ***Central Europe***
  (Czech Republic, Hungary, Slovakia)

  RBI's segment Central Europe comprises the Czech Republic, Hungary and Slovakia. These are countries in which RBI Group has been operating the longest. In each of these countries, RBI is represented by a credit institution, leasing companies and other specialised financial institutions.

- ***Southeastern Europe***
  (Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Romania, Serbia)

  The segment Southeastern Europe includes Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Romania and Serbia. Within these countries, RBI is represented by credit institutions, leasing companies, as well as, in some markets, by separate capital management and asset management companies and pension funds. In addition, Moldova, where RBI only owns a leasing company is managed out of the Romanian subsidiary and, consequently, is reported as part of Romania, due to their close economic ties.

- ***Eastern Europe***
  (Belarus, Kazakhstan, Russia and the Ukraine)

  The Eastern Europe segment comprises Belarus, Kazakhstan, Russia and the Ukraine. The Network Bank in Russia is one of the largest foreign credit institutions in Russia. RBI also offers leasing products to its Russian clients through a leasing company. In Belarus and the Ukraine RBI Group is represented by credit institutions, leasing companies and other financial service companies whereas in Kazakhstan, RBI Group's presence with only a leasing company is more limited.

- ***Group Corporates***
  (business with large Austrian and multinational corporate customers managed from Vienna)

  The Group Corporates segment covers commercial and investment banking business carried out by RBI's operations in its Vienna headquarter with Austrian and international – notably Western European - corporate customers. These customers include Austria's largest companies and multinational customers. The segment also comprises corporate business with major CEE customers, including multinationals with CEE business. Moreover, the corporate customer business conducted at RBI's branches in Germany and London is included in this segment. The Group Corporates segment's product range includes global corporate banking products such as investment and export financing, acquisition financing and project and structured finance and cash management. The Group Corporates segment has a distribution emphasis on funding and capital-light products (including without limitation trade finance and custody).

- ***Group Markets***
  (customer and proprietary capital markets related business managed from Vienna)

  RBI's Group Markets segment primarily covers capital markets and investment banking activities as well as securities trading business and business with institutional and sovereign customers of RBI and such business conducted at RBI's branches in Germany and London as well as by Raiffeisen Centrobank AG ("**RCB**"). Markets and investment banking business of the Network Banks is shown in the respective geographic segments. Under its capital markets operations, RBI Group generates income from currency and securities trading and interest-based transactions executed for its customers, from investment banking services that are partly provided by RCB and from proprietary securities trading carried out at RBI's headquarters in Vienna and at its London branch. This segment also includes net income from customer business, sales of all banking products and business relationships with credit institutions, institutional customers, governments and local authorities. The strategic focus here is on capital-light products, equity and debt capital market products as well as mergers and acquisitions (M&A) advisory activities. Furthermore, the focus is on credit exposure on customer related and trade finance business. The Group Markets segment also includes private banking, carried out through Kathrein Privatbank Aktiengesellschaft, which advises on wealth and asset management for private banking clients and provides advisory services for foundations.

- ***Corporate Center***
  (central management functions at Group head office and other Group units)

  The Corporate Center segment encompasses all the services as well as the oversight function provided by RBI Group headquarters in Vienna in various divisions to implement the overall strategy and that are allocated to this segment to ensure comparability. This segment also includes liquidity management and balance sheet structure management linked to securities trading, as well as net income from the equity investment portfolio. In addition, the Corporate Center segment covers net income from intra-group financing carried out by RBI Group headquarters and from Austrian transaction services business, which comprises processing and other services for financial service providers. Net income from holding companies and other companies not directly allocated to any other segment, as well as interest expenses linked to refinancing using hybrid instruments, are also included in this segment, as well as net income from treasury and balance sheet structure management controlling.

- ***Non-Core***
  (business areas that are being discontinued or reduced: Asia, Poland, Slovenia, USA, and direct bank ZUNO BANK AG)

  The Non-Core segment includes countries, units and business activities that are in the process of being rescaled and/or where an exit from certain markets is planned. This segment comprises also Poland, Slovenia (the subsidiary bank was sold, but the leasing business continues), ZUNO BANK AG (integration into RBI Group units is intended), Asia and the USA.

Following the Merger 2017 RBI bundled the business managed from Vienna in the new segment "***Group Corporates & Markets***". This segment replaces both "Group Corporates" and "Group Markets" and will also comprise of the business formerly conducted in RZB and RZB's specialist institutions. Non-Core segment will no longer be reported separately; business previously reported in this segment like Poland will be allocated to the relevant segments.

2.5. Competitive position

RBI considers itself a leading corporate bank in Austria and a leading universal credit institution in CEE.

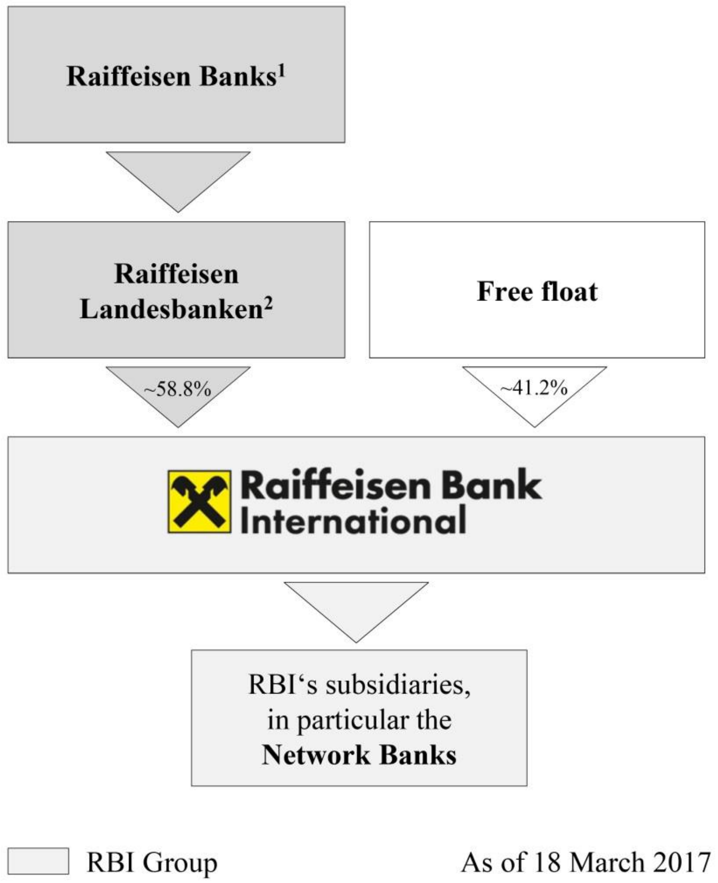
3. ORGANISATIONAL STRUCTURE

3.1. RBI is part of the Raiffeisen banking group Austria

RBI's majority shareholders are jointly the Raiffeisen Landesbanken, which directly and/or indirectly hold approximately 58.8 per cent. of RBI's shares as at 18 March 2017. Each of the Raiffeisen Landesbanken is in turn directly and/or indirectly held by the locally operating Raiffeisen Banks in its respective federal province. On the other hand RBI is the central institution of the Raiffeisen Landesbanken (according to BWG, in particular § 27a BWG), functioning *inter alia* as the central liquidity clearing unit of the Raiffeisen Landesbanken, whereas each of the Raiffeisen Landesbanken is the central institution of the Raiffeisen Banks located in its respective federal province. RBI, Raiffeisen Landesbanken and Raiffeisen Banks, as well as most of their subsidiaries are jointly often referred to and commonly known as Raiffeisen banking group Austria (*Raiffeisen Bankengruppe Österreich*).

This group does not constitute a group of companies (*Konzern*) pursuant to § 15 of the Austrian Stock Corporation Act (*Aktiengesetz*) nor a credit institution group (*Kreditinstitutsgruppe*) pursuant to § 30 BWG nor a credit institution association (*Kreditinstitute-Verbund*) pursuant to § 30a BWG.

Simplified scheme of RBI's direct and indirect owners



1) The Raiffeisen Banks are located in each of Austria's federal provinces, are mainly organised as co-operatives, act in their local environment as so-called universal credit institutions (*Universalkreditinstitute*). Each of the Raiffeisen Landesbanken is collectively owned by the Raiffeisen Banks in the respective federal province.

2) The Raiffeisen Landesbanken are RAIFFEISEN LANDESBANK NIEDERÖSTERREICH-WIEN AG, Raiffeisen-Landesbank Steiermark AG, Raiffeisen Landesbank Oberösterreich Aktiengesellschaft, Raiffeisen Landesbank Tirol AG, Raiffeisenverband Salzburg eGen, Raiffeisenlandesbank Kärnten - Rechenzentrum und Revisionsverband regGenmbH, Raiffeisenlandesbank Burgenland und Revisionsverband regGenmbH, and Raiffeisenlandesbank Vorarlberg Waren- und Revisionsverband regGenmbH. They operate mainly at a regional level, render central services for the Raiffeisen Banks within their region and also operate as universal credit institutions. The Raiffeisen Banks and the Raiffeisen Landesbanken are not part of RBI Group.

As a part of the Raiffeisen banking group Austria and being the central institution of the Raiffeisen Landesbanks, RBI is a member of several joint institutions of the Raiffeisen banking group Austria, such as a statutory deposit guarantee scheme, a voluntary customer guarantee scheme and an institutional protection scheme ("**IPS**").

3.1.1. *Österreichischer Raiffeisenverband (Austrian Raiffeisen Association) and trademarks*

By virtue of RBI's membership in the Austrian Raiffeisen Association (*Österreichischer Raiffeisenverband* - "**ÖRV**"), RBI is entitled to use the name "Raiffeisen" and a logo element of the Raiffeisen organization, the so called Gable Cross (*Giebelkreuz*). These are registered trademarks of the ÖRV. However, the "Raiffeisen Bank International" name and logo is a registered combined trademark of RBI in Austria, and the protection of the name and logo "Raiffeisen Bank International" has been expanded to all relevant countries where relevant units of RBI Group presently operate.

3.1.2. *Österreichische Raiffeisen-Einlagensicherung eGen (statutory deposit guarantee scheme)*

Pursuant to ESAEG (Einlagensicherungs- und Anlegerentschädigungsgesetz), any credit institution which receives deposits or provides securities services requiring protection under applicable Austrian law must join the deposit guarantee and investor compensation scheme of its sector within the banking system. RBI is a member of *Österreichische Raiffeisen-Einlagensicherung eGen* ("**ÖRE**"), the statutory deposit guarantor and investor compensator of the Raiffeisen banking group Austria. The amount of protected deposits with RBI is small and accordingly RBI's contributions to ÖRE are not substantial.

3.1.3. *Raiffeisen-Kundengarantiegemeinschaft Österreich (voluntary customer guarantee scheme)*

In addition to the statutory deposit guarantee scheme, the nationwide voluntary Raiffeisen customer guarantee scheme (Raiffeisen-Kundengarantiegemeinschaft Österreich, "**RKÖ**") shall provide supplementary protection in the event of bankruptcy of a member institution. RKÖ consists of the provincial Raiffeisen customer guarantee associations open to each of the Austrian Raiffeisen Banks and Raiffeisen Landesbanken as well as RBI. Approximately 83 per cent. of all Raiffeisen Banks are currently members of a customer guarantee association. RBI is also a member of RKÖ.

3.1.4. *Federal Institutional Protection Scheme ("Bundes-IPS")*

RBI became a member of the Bundes-IPS and assumed from RZB all rights and obligations under the Bundes-IPS agreements of RZB in the course of the Merger 2017.

Hence, the Bundes-IPS consists of RBI, all Raiffeisen Landesbanken, Posojilnica Bank eGen, Raiffeisen Wohnbaubank Aktiengesellschaft and Raiffeisen Bausparkasse Gesellschaft m.b.H.

Pursuant to Article 113 para 7 CRR an Institutional Protection Scheme is required to ensure the solvency and liquidity of its members. Along with the Bundes-IPS, within the Raiffeisen banking group Austria there are six regional institutional protection schemes ("**Regional IPS**") formed by the respective Raiffeisen Landesbank and its local Raiffeisen Banks as members. There are no Regional IPS in Salzburg and Carinthia. The Raiffeisen Landesbanken and Raiffeisen Banks situated in these federal provinces operate regional voluntary solidarity schemes instead. A Raiffeisen Landesbank shall be supported in the first instance, by the Regional IPS or solidarity scheme, as the case may be ; if there is insufficient capacity on regional level, Bundes-IPS steps in.

All IPS of the Raiffeisen banking group Austria are based on and are constituted under civil law agreements. Each member of the Bundes-IPS may terminate its membership of the Bundes-IPS with two years' notice by the end of a calendar quarter. However, for a period of three years from the Merger 2017, the Issuer has waived its right to give notice of termination.

The Bundes-IPS is required by the regulator to set up an *ex-ante* fund by contributions of its members. The Bundes-IPS fund's current target volume is EUR 827 mn, to be reached by end-2022; it is based on the results of an annual stress test and confirmed by the regulator. The current fund size is EUR 187 mn as of 31 December 2016. In 2016, RZB Group's contribution was approximately EUR 75 million.

Under the Bundes-IPS agreements, ÖRE is mandated to invest the resources of the Bundes-IPS fund as a trustee and to operate the Bundes-IPS' security schemes.

Financial support to members may take various forms including guarantees, liquidity support, loans and or equity subscriptions. Financial resources for such support are primarily taken from the *ex-ante* fund. If necessary, additional resources will be provided by *ex-post* contributions going up to 50% of the average operating income of a member of the last three business years, however limited by the preservation of the respective minimum regulatory capital requirements plus a 10 per cent. buffer. Additional contributions may be requested from members up to 25 per cent. of their remaining capital in excess of its minimum regulatory capital requirement (plus 10 per cent. buffer), if any. Further contributions may be made on a voluntary basis or if required by the regulator.

3.2. Dependencies from other entities within RBI Group

RBI is dependent from valuations of and dividends of its subsidiaries. RBI is further dependent from outsourced operations, in particular in the areas of back-office activities as well as IT.

4. TREND INFORMATION

4.1. Material adverse changes in the prospects of the Issuer since the date of its last published audited financial statements

There have been no material adverse changes in the prospects of RBI since 31 December 2016.

4.2. Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year

RBI has identified the following trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on its prospects for at least the current financial year:

- ***Continuing increase in governmental and regulatory requirements.*** Under the SSM, the ECB is given specific tasks related to financial stability and banking supervision, among others empowering the ECB to directly supervise significant banks including RBI. The ECB is *inter alia* empowered to require significant credit institutions to comply with additional individual own funds and liquidity adequacy requirements in particular as part of the supervisory review and evaluation process "SREP" (which may exceed regular regulatory requirements) or take early correction measures to address potential problems. The new supervisory regime and the SSM's supervisory new procedures and practices are not yet fully established and/or disclosed and it is expected that these will be subject to constant scrutiny, change and development. A further pillar of the EU Banking Union is the SRM which is meant to establish a uniform procedure for the resolution of credit institutions that are subject to the EU banking supervisory mechanism SSM. As a result of a resolution measure under the SRM, a creditor of RBI may already be exposed to the risk of losing part or all of the invested capital prior to the occurrence of insolvency or a liquidation of RBI. These developments may result in negative consequences and charges for RBI Group and could have a material adverse effect on RBI Group's prospects. Furthermore, full implementation of the capital and liquidity requirements introduced by Basel III, as well as any stress tests that the ECB may conduct in its capacity as the European banking supervisor, could lead to even more stringent requirements being imposed on RBI and the RBI Group with regard to capital adequacy and liquidity planning and this in turn may restrict RBI´s margin and potential for growth. The implementation of multifaceted regulatory requirements will also put pressure on RBI in the years to come. (See risk factor "*New governmental or regulatory requirements and changes in perceived levels of adequate capitalisation and leverage could lead to increased capital requirements and reduced profitability for RBI Group.*")

- ***General trends regarding the financial industry.*** The trends and uncertainties affecting the financial sector in general and consequently also RBI Group continue to include the macroeconomic environment. The general economic situation in the euro zone continues to remain cautious. Political and economic uncertainties are suppressing economic activity. The financial sector as a whole, but in particular also RBI Group, is affected not only by the weak growth in the real economy but also by the related instability of and increased volatility on the financial markets. RBI Group will not be able to escape the effects of corporate insolvencies, deteriorations in the creditworthiness of borrowers and valuation uncertainties due to the volatile securities market. Likewise, the extraordinarily low interest rate level could affect the behaviour of investors and clients alike, which may lead to weaker provisioning and/or pressure on the interest rate spread. In 2017, RBI Group therefore faces a difficult economic environment once again.

4.3. Profit Forecasts or Estimates

Not applicable. This Prospectus does not contain profit forecasts or estimates.

5. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

5.1. Members of the administrative, management and supervisory bodies of RBI

The members of the Management Board and Supervisory Board may be contacted at RBI's business address at Am Stadtpark 9, A-1030 Vienna, Austria.

The current members of the Management Board and the Supervisory Board listed below have extensive experience in the Austrian banking market and the Raiffeisen banking group Austria and hold the following additional supervisory board mandates or similar functions in various companies as of the date of this Base Prospectus supplement. With the Merger 2017's closing, Karl Sevelda stepped down as Member of RBI's Management Board, his successor as RBI's CEO is Johann Strobl. Johann Strobl's successor as Deputy Chairman of RBI's Management Board is Klemens Breuer. Johann Strobl's successor as CRO is Hannes Mösenbacher. Furthermore, also Johannes Schuster and Michael Höllerer stepped down as Members of RBI's Supervisory Board with the Merger 2017's closing.

Body (members)	**Major functions outside RBI** (functions within RBI Group are marked with *)
	Members of RBI's Management Board
Johann Strobl (Chairman)	***Supervisory Board*** – Raiffeisen Bank Zrt., Budapest, Hungary (*chairman*)* – DAV Holding Kft, Budapest, Hungary (*chairman*)* – Raiffeisen Bank Polska S.A., Poland (*chairman*)* – Raiffeisenbank a.s., Prague, Czech Republic* – AO Raiffeisenbank, Moscow, Russia* – Tatra banka, a.s., Bratislava, Slovakia* – Raiffeisen Bank S.A., Bucharest, Romania*
Klemens Breuer (Deputy Chairman)	***Supervisory Board*** – Raiffeisen (Beijing) Investment Management Co., Ltd., Beijing, China *(chairman)** – Raiffeisen Centrobank AG *(chairman)** – Raiffeisen Kapitalanlage-Gesellschaft mit beschränkter Haftung (*chairman*)* – Kathrein Privatbank Aktiengesellschaft* – Raiffeisen Bank Polska S.A, Warsaw, Poland* – Raiffeisen Bank S.A., Bucharest, Romania* – AO Raiffeisenbank, Moscow, Russia* – Raiffeisenbank a.s., Prague, Czech Republic* – Tatra banka a.s., Bratislava, Slovakia*
Martin Grüll	***Supervisory Board*** – ZUNO BANK AG *(chairman)** – AO Raiffeisenbank, Moscow, Russia*

	– Raiffeisenbank Polska S.A., Warsaw, Poland* – Raiffeisenbank a.s., Prague, Czech Republic* – Raiffeisen Bank S.A., Bucharest, Romania* – Tatra banka, a.s., Bratislava, Slovakia* ***Advisory Board*** – Raiffeisen Property Holding International GmbH (*First Vice Chairman*)* ***Managing Director*** – Raiffeisen CEE Region Holding GmbH* – Raiffeisen CIS Region Holding GmbH* – Raiffeisen RS Beteiligungs GmbH* – Raiffeisen SEE Region Holding GmbH*
Andreas Gschwenter	***Supervisory Board*** – AO Raiffeisenbank, Moscow, Russia* – Raiffeisenbank a.s., Prague, Czech Republic* – Raiffeisen Bank Zrt., Budapest, Hungary* – Raiffeisen Bank Polska S.A., Poland* – Tatra banka, a.s., Bratislava, Slovakia* – RSC Raiffeisen Service Center GmbH*
Peter Lennkh	***Supervisory Board*** – RB International Finance (USA) LLC, New York, USA (*chairman)** – Raiffeisen Bank Aval JSC, Kiev, Ukraine* – AO Raiffeisenbank, Moscow, Russia* – Raiffeisen Bank d.d. Bosna i Hercegovina, Sarajevo, Bosnia and Herzegovina* – Raiffeisenbank Austria d.d., Zagreb, Croatia* – Raiffeisen banka a.d., Belgrad, Serbia* – Raiffeisenbank a.s., Prague, Czech Republic* – Raiffeisen Bank Polska S.A., Poland* – Raiffeisen Bank S.A., Bucharest, Romania* – Tatra banka a.s., Bratislava, Slovakia* ***Advisory Board*** – RBI LGG Holding GmbH *(chairman)**
Hannes Mösenbacher	***Supervisory Board*** – Raiffeisen Centrobank AG* – Raiffeisen Bank Polska S.A., Warsaw, Poland*
Members of RBI's Supervisory Board	
Walter Rothensteiner (Chairman)	***Supervisory Board*** – Casinos Austria Aktiengesellschaft (*chairman*) – Österreichische Lotterien Gesellschaft m.b.H. (*chairman*) – Kathrein Privatbank Aktiengesellschaft (*chairman*)* – KURIER Redaktionsgesellschaft m.b.H. – KURIER Zeitungsverlag und Druckerei Gesellschaft m.b.H. – LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft – Oesterreichische Kontrollbank Aktiengesellschaft – UNIQA Insurance Group AG ***Other*** – Austrian National Bank *(member of the General Council)*

Erwin Hameseder (First Deputy Chairman)	***Management Board*** – RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung (*chairman*) ***Supervisory Board*** – AGRANA Beteiligungs-Aktiengesellschaft (*chairman*) – AGRANA Zucker, Stärke und Frucht Holding AG – Flughafen Wien Aktiengesellschaft – LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft – Mediaprint Zeitungs- und Zeitschriftenverlag Gesellschaft m.b.H. (*chairman*) – RAIFFEISEN LANDESBANK NIEDERÖSTERREICH-WIEN AG (*chairman*) – RWA Raiffeisen Ware Austria Aktiengesellschaft – Südzucker AG, Mannheim, Deutschland – STRABAG SE – UNIQA Insurance Group AG – Z&S Zucker und Stärke Holding AG (*chairman*) ***Managing Director*** – Medicur - Holding Gesellschaft m.b.H. – Printmedien Beteiligungsgesellschaft m.b.H.
Heinrich Schaller (Second Deputy Chairman)	***Management Board*** – Raiffeisenlandesbank Oberösterreich Aktiengesellschaft (*chairman*) ***Supervisory Board*** – OÖ Wohnbau Gesellschaft für den Wohnungsbau, gemeinnützige GmbH *(chairman)* – OÖ Wohnbau gemeinnützige Wohnbau- und Beteiligung GmbH *(chairman)* – SALZBURGER LANDESHYPOTHEKENBANK AKTIENGESELLSCHAFT *(chairman)* – AMAG Austria Metall AG – Energie AG Oberösterreich – Oberösterreichische Landesbank Aktiengesellschaft – Raiffeisen Software GmbH – Salinen Austria Aktiengesellschaft – Österreichische Salinen Aktiengesellschaft – voestalpine AG – VIVATIS Holding AG ***Managing Director*** – RLB Holding reg. Gen.m.b.H OÖ – RBG OÖ Verbund eGen
Martin Schaller (Third Deputy Chairman)	***Management Board*** – Raiffeisen-Landesbank Steiermark AG (*chairman*) ***Supervisory Board*** – Landes-Hypothekenbank Steiermark Aktiengesellschaft (*chairman*) – GRAWE-Vermögensverwaltung – Grazer Wechselseitige Versicherung Aktiengesellschaft – ÖWGES Gemeinnützige Wohnbaugesellschaft m.b.H – Comm-Unity EDV GmbH – Raiffeisen Informatik Center Steiermark GmbH – Raiffeisen Software GmbH

	Managing Director – RLB-Stmk Verbund eGen – RLB-Stmk Verwaltung eGen – RLB-Stmk Holding eGen
Kurt Geiger	***Supervisory Board*** – Demir Bank KG – Raiffeisen Bank Aval JSC, Kiev, Ukraine* ***Member of the Advisory Board*** – Alpha Associates AG, Zurich, Switzerland (*chairman*)
Klaus Buchleitner	***Management Board*** – RAIFFEISEN LANDESBANK NIEDERÖSTERREICH-WIEN AG (*chairman*) ***Supervisory Board*** – NÖM AG (*chairman*) – Raiffeisen Software GmbH *(chairman)* – BayWa Aktiengesellschaft, München, Deutschland – LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft – Niederösterreichische Versicherung AG – Saint Louis Sucre S.A., Paris, France – Süddeutsche Zuckerrübenverwertungs-Genossenschaft e.G., Ochsenfurt, Deutschland AGRANA Beteiligungs-Aktiengesellschaft ***Corporate Management*** – RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung
Bettina Selden	–
Günther Reibersdorfer	***Management Board*** – Raiffeisenverband Salzburg eGen ***Supervisory Board*** – GEISLINGER GmbH – Porsche Bank Aktiengesellschaft ***Managing Director*** – Agroconsult Austria Gesellschaft m.b.H. – Raiffeisen Salzburg Karrierecenter eGen
Members of the Supervisory Board delegated by the Staff Council:	
Rudolf Kortenhof (*Chairman of the Staff Council*)	–
Peter Anzeletti-Reikl (*1st Deputy to the Chairman of the Staff Council*)	–
Susanne Unger (*2nd Deputy to the Chairman of the Staff Council*)	–
Natalie Egger Grunicke	–
Helge Rechberger	–

Source: Internal data, as of 18 March 2017.

Other / state commissioners (*Staatskommissäre*) and government commissioners (*Regierungskommissäre*)
Unless otherwise provided for by law, a state commissioner (*Staatskommissär*) and a deputy must be appointed for a term of office of no more than five years by the Austrian Federal Minister of Finance with respect to credit institutions whose balance sheet total exceeds EUR 1 billion. Re-appointments are permissible. The roles are currently filled by **Alfred Lejsek** as state commissioner and **Anton Matzinger** as deputy state commissioner. A government commissioner (*Regierungskommissar*) and a deputy are appointed by the Federal Ministry of Finance for a period of no more than five years. Re-appointments are permissible. It is their task to audit cover pools according to the *Gesetz vom 27. Dezember 1905, betreffend fundierte Bankschuldverschreibungen (FBSchVG)*. The roles are currently filled by **Dietmar Schuster** as government commissioner and **Josef Dorfinger** as deputy government commissioner.

5.2. Administrative, Management and Supervisory bodies' Potential Conflicts of Interest

RBI is not aware of any undisclosed respectively unmanaged conflicts of interest between the obligations of the Supervisory Board members and/or the Management Board members and their private or other interests.

In addition, the Issuer has internal guidelines pursuant to the (Austrian) Securities Supervision Act (*Wertpapieraufsichtsgesetz* – "**WAG**") 2007 as well as compliance rules in place regulating the management of conflicts of interest and the ongoing application of such guidelines and rules. Their objective is to prevent conflicts of interests which may adversely affect the interests of customers or of the Issuer. If any conflicts of interest are identified with respect to the members of the Management Board, Supervisory Board or the upper management level, procedures will be in place or measures will be taken in order to cope with and in particular to disclose such conflicts of interest:

The guidelines and rules relate to potential or actual conflicts which may affect RBI Group, the employees themselves (including management), their spouses/partners, dependent children or other family members living in the same household for at least one year to the extent that these persons have a close relationship with customers or other contractual partners (in particular suppliers) or issuers of financial instruments.

Such close relationship may arise from a contractual relationship exceeding the scope of everyday transactions or from a direct or indirect shareholding in excess of 5 per cent. of the share capital (on an accumulated basis in case of an indirect holding), membership of any managing or supervisory body (Managing Director, Management Board or Supervisory Board member, etc.), any other opportunity, as determined by the relevant person, to exert a material influence on management or under a general commercial power of attorney (*Prokura*).

Each member of the Management Board must - according to the Austrian Code of Corporate Governance - immediately disclose any conflict of interest to the Supervisory Board and inform the other members of the Management Board of the conflict. Management Board members may hold offices, including supervisory board positions in unrelated companies, subject only to the approval of the Working Committee (*Arbeitsausschuss*) of the Supervisory Board.

The various functions held by the members of the Supervisory Board might cause a potential conflict of interest in specific circumstances. However, the members of the Supervisory Board are required to disclose immediately any conflict of interest to the Chairman of the Supervisory Board, especially if such conflicts may arise as a result of consultancy services or by holding a board position with a business partner. In the event that the Chairman himself should encounter a conflict of interest, he must report this immediately to the Deputy Chairman.

No family ties between the members of the Management Board or Supervisory Board or any senior managers of the Issuer exist, except for Heinrich Schaller and Martin Schaller who are brothers.

No potential conflict of interests exists in respect of any member of the Management Board or Supervisory Board between his duties to the Issuer and his private or other duties. Members of the Management Board or Supervisory Board may enter into business transactions with RBI Group in the ordinary course of business on an arm's length basis.

Individual members of the Management and the Supervisory Board own capital stock of the Issuer or of its subsidiaries.

Members of the Management Board of RBI serving on the management boards or supervisory boards of or performing any similar functions in other companies/foundations (see section 5.1. *Members of the administrative, management and supervisory bodies of RBI* above) may in individual cases be confronted with conflicts of interest arising in the context of RBI Group's banking operations if the Issuer maintains active business relations with such other companies.

The Supervisory Board of RBI is exclusively composed of qualified banking experts (see section 5.1. *Members of the administrative, management and supervisory bodies of RBI* above). Conflicts of interest may arise if Supervisory Board members are members of the supervisory boards of companies competing with RBI.

Generally, members of the Issuer´s executive bodies serving on management or supervisory boards outside RBI Group, including customers of and investors in RBI Group as well as companies of the Raiffeisen banking group Austria not related on a group level with RBI Group, may, in individual cases, be confronted with potential conflicts of interest if the Issuer maintains active business relations with said companies.

To the extent that members of executive bodies simultaneously serve on the management or supervisory boards of companies outside RBI Group, such companies (including customers of and investors in RBI Group as well as companies of the Raiffeisen banking group Austria not related on a group level with RBI Group) may also compete with RBI.

6. MAJOR SHAREHOLDERS

6.1. Shareholders of RBI

As at the date of the Merger 2017, RBI is majority-owned by the Raiffeisen Landesbanken which jointly hold approximately 58.8 per cent. of RBI's issued shares as of 18 March 2017. The free float of 41.2 per cent. of RBI's issued shares includes the shares held by former shareholders of RZB, which are not Raiffeisen Landesbanken as of 18 March 2017.

RBI's nominal share capital consists of 328,939,621 shares, all of which are outstanding with equal voting rights. The following table sets forth the number of shares and the percentage of outstanding shares beneficially owned by RBI's principal shareholders, the Raiffeisen Landesbanken. To RBI's knowledge, no other shareholder beneficially owns more than 4 per cent. of RBI's shares. Raiffeisen Landesbanken do not have voting rights that differ from other shareholders.

Shareholders of RBI (ordinary shares held directly and/or indirectly)	**Percentage of share capital**
RAIFFEISEN LANDESBANK NIEDERÖSTERREICH-WIEN AG ………..	22.6 per cent.
Raiffeisen-Landesbank Steiermark AG	10.0 per cent.
Raiffeisen Landesbank Oberösterreich Aktiengesellschaft	9.5 per cent.
Raiffeisen Landesbank Tirol AG	3.7 per cent.
Raiffeisenverband Salzburg eGen..	3.6 per cent.
Raiffeisenlandesbank Kärnten - Rechenzentrum und Revisionsverband regGenmbH	3.5 per cent.
Raiffeisenlandesbank Burgenland und Revisionsverband regGenmbH	3.0 per cent.
Raiffeisenlandesbank Vorarlberg Waren- und Revisionsverband regGenmbH..................................	2.9 per cent.
Sub-total Raiffeisen Landesbanken..	**58.8 per cent.**
Sub-total free float	**41.2 per cent.**
Total..	**100 per cent.**

Source: Internal data, as of 18 March 2017

6.2. Arrangements, known to RBI, the operation of which may at a subsequent date result in a change in control of RBI

At the date of this Base Prospectus, there are no arrangements, known to RBI, the operation of which may at a subsequent date result in a change in control of RBI.

7. FINANCIAL INFORMATION AND DOCUMENTS INCORPORATED BY REFERENCE

The specified pages of the following documents which have been previously published or are simultaneously published with this Base Prospectus and which have been filed with the CSSF are incorporated by reference into and form part of this Base Prospectus:

1. Translations of the audited consolidated financial statements of RBI for the fiscal year 2016 and of the auditor's report
Extracted from RBI's Annual Report 2016

– Statement of Comprehensive Income	– pages 86 – 88
– Statement of Financial Position	– page 89
– Statement of Changes in Equity	– page 90
– Statement of Cash Flows	– pages 91f
– Segment Reporting	– pages 93 – 99
– Notes	– pages 100 – 231
– Auditor's Report	– pages 233 – 238

The Annual Report 2016 of RBI containing the audited consolidated financial statements of RBI for the fiscal year 2016 is made available on the website of the Issuer under

http://ar2016.rbinternational.com (in English) and
http://gb2016.rbinternational.com (German).

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2. Translations of the unaudited interim consolidated financial statements of RBI for the nine months ended 30 September 2016
Extracted from RBI's Third Quarter Report as of 30 September 2016

– Statement of Comprehensive Income	– pages 38 – 40
– Statement of Financial Position	– page 41
– Statement of Changes in Equity	– page 42
– Statement of Cash Flows	– page 42
– Segment Reporting	– pages 43 – 47
– Notes	– pages 48 – 94

The Third Quarter Report as of 30 September 2016 of RBI containing the unaudited interim consolidated financial statements of RBI for the three months ended 30 September 2016 is made available on the website of the Issuer under

http://qr032016.rbinternational.com (in English) and
http://zb032016.rbinternational.com (in German).

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3. Translations of the reviewed interim consolidated financial statements of RBI for the six months ended 30 June 2016 and of the report on the review
Extracted from RBI's Semi-Annual Financial Report as of 30 June 2016

– Statement of Comprehensive Income	– pages 38 – 40
– Statement of Financial Position	– page 41
– Statement of Changes in Equity	– page 42
– Statement of Cash Flows	– page 42
– Segment Reporting	– pages 43 – 47
– Notes	– pages 48 – 92
– Report on the Review of the condensed Interim Consolidated Financial Statements	– pages 93 – 94

The Semi-Annual Financial Report as of 30 June 2016 of RBI containing the reviewed interim consolidated financial statements of RBI for the six months ended 30 June 2016 is made available on the website of the Issuer under

http://qr022016.rbinternational.com (in English) and
http://zb022016.rbinternational.com (German).

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4. Translations of the audited consolidated financial statements of RBI for the fiscal year 2015 and of the auditor´s report
Extracted from RBI's Annual Report 2015

– Statement of Comprehensive Income	– pages 78 – 80
– Statement of Financial Position	– page 81
– Statement of Changes in Equity	– page 82
– Statement of Cash Flows	– pages 83 – 84
– Segment Reporting	– pages 85 – 91
– Notes	– pages 92 – 223
– Auditor´s report	– pages 224 – 225

The Annual Report 2015 of RBI containing the audited consolidated financial statements of RBI for the fiscal year 2015 is made available on the website of the Issuer under

http://ar2015.rbinternational.com (in English) and
http://gb2015.rbinternational.com (German).

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5. **Translations of the audited consolidated financial statements of RBI for the fiscal year 2014 and of the auditor´s report**
Extracted from RBI's Annual Report 2014

The Annual Report 2014 of RBI containing the audited consolidated financial statements of RBI for the fiscal year 2014 is made available on the website of the Issuer under

http://ar2014.rbinternational.com (in English) and
http://gb2014.rbinternational.com (German).

The auditor's reports dated 9 March 2015, 2 March 2016 and 28 February 2017, respectively, regarding the German language annual consolidated financial statements of RBI for the fiscal years 2014, 2015 and 2016 do not contain any qualifications. RBI is responsible for the non-binding English language convenience translation of its audited annual consolidated financial statements for the financial years ended 31 December 2014, 2015 and 2016 and the related audit opinions, the reviewed interim consolidated financial statement for the six months period ended 30 June 2016 and the related report on the review dated 10 August 2016 as well as the unaudited interim consolidated financial statements for the nine months ended 30 September 2016.

As on 31 December 2016, RBI Group was still a sub-group of RZB Group. However, RZB merged into RBI as of 18 March 2016, therefore this supplement also incorporates by reference the specified pages of RZB's Annual Report 2016 – which have been published prior to this 3rd supplement of the Base Prospectus and which have simultaneously with this 3rd supplement of the Base Prospectus been filed with the CSSF – into this Base Prospectus and form part of it:

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6. **Translations of the audited consolidated financial statements of RZB for the fiscal year 2016 and of the auditor's report**
Extracted from RZB's Annual Report 2016

The Annual Report 2016 of RZB containing the audited consolidated financial statements of RZB for the fiscal year 2016 is made available on the website of the Issuer under
rzbgb2016.rbinternational.com (German) and
rzbar2016.rbinternational.com (English)

The documents incorporated by reference include the following Alternative Performance Measures ("**APM**"):

Return on Equity provides a profitability measure for both management and investors by expressing the net profit for the period as presented in the income statement as a percentage of the respective underlying (either equity related or asset related). Return on equity demonstrates the profitability of the bank on the capital invested by its shareholders and thus the success of their investment. Return on Equity is a useful measure to easily compare the profitability of a bank with other financial institutions.

ROE (before/after tax); Return on equity – Return on the total equity including non-controlling interests, i.e. profit before tax respectively after tax in relation to average equity on the statement of financial position. Average equity is calculated on month-end figures including non-controlling interests and does not include current year profit.

Consolidated Return on Equity – consolidated profit in relation to average consolidated equity, i.e. the equity attributable to the shareholders of RBI. Average equity is based on month-end figures excluding non-controlling interests and does not include current year profit.

Cost/income ratio is an economic metric and shows the company's costs in relation to its income. The ratio gives a clear view of operational efficiency. Banks use the Cost/income ratio as an efficiency measure for steering the bank and for easily comparing its efficiency with other financial institutions

Cost/income ratio – General administrative expenses in relation to operating income (less bank levies, impairments of goodwill, releases of negative goodwill and any non-recurring effects reported under sundry operating expenses).

The **loan/deposit ratio** indicates a bank's ability to refinance its loans by deposits rather than wholesale funding.

Loan/deposit ratio (net) – Loans and advances to customers less impairment losses, in relation to deposits from customers (in each case less claims and obligations from (reverse) repurchase agreements and securities lending).

Loan to local stable funding ratio (LLSFR) – This ratio includes a wider range of refinancing considering further stable funding. LLSFR is used as a measure for the prudence of a bank indicating the local refinancing structure of subsidiary banks. The sum of total loans and advances to customers less impairment losses on loans and advances to customers, divided by the sum of deposits from non-banks, funding from supranational institutions, capital from third parties and the total outstanding bonds (with an original maturity of at least one year issued by a subsidiary bank to investors outside the bank`s consolidated group).

Net interest margin is used for external comparison with other banks as well as an internal profitability measurement of products and segments.

Net interest margin (average interest-bearing assets) – Net interest income in relation to average interest-bearing assets.

Interest-bearing assets – Total assets less trading assets and derivatives (as interest income disclosed under net trading income), intangible fixed assets, tangible fixed assets, and other assets.

NPL ratio is an economic ratio to demonstrate the proportion of loans that have been classified as non-performing in relation to the entire loan portfolio. The definition of non-performing has been adopted from regulatory standards and guidelines and comprises in general those customers where repayment is doubtful, a realization of collaterals is expected and which thus have been moved to a defaulted customer rating segment. The ratio reflects the quality of the loan portfolio of the bank and provides an indicator for the performance of the bank's credit risk management.

NPL – Non-performing loans. A loan is classified as **non-performing** when it is expected that a specific debtor is unlikely to pay its credit obligations to the bank in full, or the debtor is overdue by 90 days or more on any material credit obligation to the bank (RBI has defined twelve default indicators).

NPL ratio – Non-performing loans in relation to total loans and advances to customers.

NPL coverage ratio describes to which extent non-performing loans have been covered by impairments thus expressing also the ability of a bank to absorb losses from its NPL.

NPL coverage ratio – Impairment losses on loans and advances to customers in relation to non-performing loans to customers.

Operating result is used to describe the operative performance of a bank for the reporting period.

Operating result – Consists of operating income less general administrative expenses.

Operating income – Comprises net interest income, net fee and commission income, net trading income and other net operating income (less bank levies, impairments of goodwill, releases of negative goodwill and any non-recurring effects reported under sundry operating expenses).

Other results – Consists of net income from derivatives and liabilities, net income from financial investments, expenses for bank levies, impairment of goodwill, releases of negative goodwill, net income from disposal of Group assets and any non-recurring effects reported under sundry operating expenses.

Any information not listed in the cross reference list above but contained in one of the documents mentioned as source documents in such cross reference list is pursuant to Article 28 (4) of the Prospectus Regulation not incorporated by reference as it is either not relevant for the investor or covered in another part of this Base Prospectus.

Documents incorporated by reference have been published on RBI's website www.rbinternational.com. Copies of any or all of the documents which are incorporated herein by reference will be available free of charge at the office of RBI at Am Stadtpark 9, 1030 Wien, Austria. The latest audited financial information covers the business year ending on 31 December 2016.

8. LEGAL AND ARBITRATION PROCEEDINGS

From time to time, the Issuer and members of the RBI Group are party to certain legal, governmental or arbitration proceedings before various courts and governmental agencies arising in the ordinary course of business involving contractual, labour and other matters. There is also a tendency, in particular in the aftermaths of the financial market and economic crisis, towards a more aggressive behaviour on the part of competitors in the context of legal or other disputes. This also applies to credit institutions with whom an agreement could be reached in the past as well as to credit institutions with whom RBI Group maintains business relationships in connection with syndicated loan facilities where it acts *inter alia* as co-manager or agent.

The following is a description of the most significant proceedings in which RBI Group is currently involved:

8.1. Following the insolvency of Alpine Holding GmbH ("**Alpine**") in 2013, a number of lawsuits were filed by retail investors in Austria against RBI and another credit institution in connection with a bond which had been issued by Alpine in 2012 in an aggregate principal amount of EUR 100 million. The claims against RBI, filed either directly or by investors represented by a "class action association", amount to approximately EUR 10 million. Among others, it is claimed that the banks acted as joint lead managers of the bond issue and were or at least should have been aware of the financial problems of Alpine at the time of the issue. Thus, they should have known that Alpine was not in a position to redeem the bonds as set forth in the terms and conditions of the bonds. It is alleged that the capital market prospectus in relation to the bond issue was misleading and incomplete and that the joint lead managers including RBI, which were also involved in the preparation of the prospectus, were aware of that fact.

8.2. Particularly in connection with its lending activities, RBI Group is from time to time subject to claims from insolvency administrators or similar persons or authorities, seeking to recover assets of insolvent borrowers. In February 2012, a claim was submitted to RZB and RBI in which it was asserted that a repayment under a syndicated loan agreement was made to RZB and/or RBI prior to its agreed maturity date by a borrower who afterwards was declared insolvent. A court action was instigated by the insolvency administrator. The first instance court issued a judgment upholding the claim, but RBI filed an appeal. The judgment of the appeal court is to be expected by the end of 2017. As at the beginning of 2017, the total amount in dispute including accrued interest amounted to approximately EUR 45 million.

8.3 In September 2014, the administration of an insolvent counterparty instigated litigation proceedings against RBI in England. The counterparty's administration asserted a claim of approximately EUR 16 million plus interest resulting from incorrect calculation of the termination value of repurchase and securities lending transactions. The judgment issued in March 2017 rejected the asserted claim. The plaintiff may still appeal against such judgment.

8.4. In December 2016, a French company filed a law suit at the Commercial Court in Paris against Raiffeisen Bank Polska S.A. ("**RBPL**") and RBI. The French company claims damages from both banks in the aggregate amount of EUR 15.3 million alleging that RBPL failed to comply with duties of care when opening an account for a certain customer and executing money transfers through this account, and that RBI acted as a correspondent bank in this context and failed to comply with duties of care when doing so.

8.5. In June 2012, a client (the "**Slovak Claimant**") of the Issuer’s subsidiary in Slovakia, Tatra banka, a.s. ("**Tatra banka**") filed a petition for compensation of damage and lost profits in the amount of approximately EUR 71 million. The lawsuit is connected with certain credit facilities agreements entered into between Tatra banka and the Slovak Claimant. The Slovak Claimant claims that Tatra banka breached its contractual obligations by refusing to execute payment orders from the Slovak Claimant´s accounts without cause and by not extending the maturity of facilities despite a previous promise to do so, which led to non-payment of the Slovak Claimant’s obligations towards its business partners and the termination of the Slovak Claimant´s business activities. In February 2016, the Slovak Claimant filed a petition for increasing the claimed amount by EUR 50 million but the court refused this petition. However, a constitutional appeal is filed regarding this court’s decision. The constitutional court refused this appeal.

Furthermore, a Cypriot company (the "**Cypriot Claimant**") filed a separate action for damages in the amount of approximately EUR 43.1 million. In January 2016, the Cypriot Claimant filed a petition for increasing the claimed amount by EUR 84 million and the court approved this petition. It means that the total claimed amount in this lawsuit is approximately EUR 127 million. This lawsuit is connected with the proceeding of the Slovak Claimant above because the Cypriot Claimant having filed the action had acquired the claim from a shareholder of the holding company of the Slovak Claimant. Subject matter of the claim is the same as in the proceeding above. According to the Cypriot Claimant, this had caused damage to the Slovak Claimant and, thus, also to the shareholder of the holding company in the form of a loss of value of its shares. Subsequently, said shareholder assigned his claim to the Cypriot Claimant. The Cypriot Claimant claims that Tatra banka acted contrary to the good morals as well as contrary to fair business conduct and requires Tatra banka to pay part of its claims corresponding to the loss in value of the holding company’s shares.

8.6. Following an assignment of Tatra banka’s receivable (approximately EUR 3.5 million) against a corporate customer to an assignee, two lawsuits in the total amount of approximately EUR 18.6 million were filed by the original shareholders of the corporate customer against Tatra banka. Their shares in the corporate customer had been pledged as security for a financing provided by Tatra banka to the corporate customer. The claims are claims for compensation of damages which were incurred by the original shareholders as a consequence of an alleged late notification of the assignment to the original shareholders, the fact that the assignee had realized the pledge over the shares and, thus, the original shareholders ceased to be the shareholders of the corporate customer as well as the fact that the assignee had realized a mortgage over real estates of the corporate customer (which had also been created as a security for the financing provided by Tatra banka to the corporate customer). The original shareholders claimed that the value of the corporate customer was EUR 18.6 million and that this amount would represent the damage incurred by them due to the assignment of Tatra banka´s claim against the corporate customer.

Subsequently, the original shareholders assigned their claims under the lawsuits mentioned above to a Panamanian company which is now the plaintiff. The plaintiff claims that Tatra banka had acted in contradiction of good faith principles and that it had breached an obligation arising from the Slovak Civil Code.

8.7. In 2011, a client of Raiffeisenbank Austria, d.d., Croatia ("**RBHR**") launched a claim for damages in the amount of approximately EUR 19.2 million and alleged that damages have been caused by an unjustified termination of the loan. In February 2014, the Zagreb Commercial Court issued a judgment by which the claim was declined. The plaintiff launched an appeal against this judgment which is not finally decided.

8.8. In 2015, a former client of RBHR launched a claim for damages in the amount of approximately EUR 24 million based on the allegation that RBHR had acted fraudulently by terminating loans, which had been granted for the financing of the client's hotel business, without justification. In previous court proceedings in respect of the termination of the loans as well as the enforcement over the real estate, all final judgments were in favor of RBHR. Based on that fact RBHR's attorneys are of the opinion that the claim is unfounded.

8.9. In 2014, a group of former clients of RBHR launched several claims for damages in the amount of approximately EUR 17 million based on the allegation that RBHR had acted fraudulently by terminating and collecting loans. In some of the court proceedings the court issued a judgment by which the claims were declined. The plaintiffs launched an appeal against the judgments which are not finally decided. In all these cases RBHR's attorneys are of the opinion that the claims are unfounded.

8.10. In 2015, various plaintiffs launched two lawsuits against the Issuer's Romanian Network Bank Raiffeisen Bank S.A., Bucharest, claiming damages in the amount of RON 45 million and RON 35 million, respectively, based on the allegation that unfair terms in credit agreements had been used. According to the defendant's assessment, the RON 45 million claim was filed outside legal deadlines. In late 2015, the RON 45 million claim was split into over 180 separate litigations and the RON 35 million claim was also split into over 160 individual cases. Most of the individual litigations were won by Raiffeisen Bank S.A. on the merits meanwhile, part of them are already finally closed.

8.11. In 2015, a former client of the Issuer's Network Bank in the Czech Republic, Raiffeisenbank a.s. ("**RBCZ**"), launched a lawsuit against RBCZ claiming damages in the amount of approximately CZK 371 million based on the allegation that RBCZ caused damage to him by refusing to provide further financing to him. Owing to the non-payment of court fees by the claimant, a court ruling on dismissal of the lawsuit was issued but has been appealed by the claimant.

Save as disclosed in this section "8. Legal and Arbitration Proceedings" and based on the Issuer´s and RBI Group's current assessment of the facts and legal implication, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) during the 12 months prior to the date of this Base Prospectus, which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuer or RBI Group.

9. SIGNIFICANT CHANGE IN THE FINANCIAL POSITION OF THE ISSUER

The following significant changes occurred due to the Merger 2017:

RBI – as former subsidiary of RZB – assumed all rights and obligations of RZB. RBI became parent institution of the former RZB Group while the distinction between RZB and RBI Group (as a former part of it) disappeared. As outlined in the Merger 2017 agreement, RBI – as a result of the down-stream merger – became the universal successor of RZB, with respect to all of RZB's rights (including assets and liabilities). This includes that RBI succeeded RZB as central institution of the Raiffeisen banking group Austria and as a member of the Bundes-IPS. Effectively, this not only made RBI the coordinator of the minimum and statutory liquidity reserve, it also put in place the same regulatory advantages concerning zero risk weighting to support holding of excess liquidity on RBI level as valid for RZB before.

10. MATERIAL CONTRACTS

The Raiffeisen Landesbanken and direct and indirect subsidiaries of the Raiffeisen Landesbanken are parties to a syndicate agreement regarding RBI. As a result of the syndicate agreement, the voting rights in relation to 193,449,778 shares in RBI (corresponding to approximately 58.8 per cent. of the issued shares) are mutually attributable to the Raiffeisen Landesbanken and their subsidiaries as acting in concert (§ 1 no. 6 Austrian Takeover Act) pursuant to §§ 91, 92 no. 7 of the Austrian Stock Exchange Act. A corresponding attribution to the controlling shareholders of individual Raiffeisen Landesbanken pursuant to §§ 91, 92 no. 4 of the Austrian Stock Exchange Act is made.

The terms of the syndicate agreement include a block voting agreement in relation to the agenda of the shareholders' meeting of RBI, preemption rights and a contractually restriction on sales of the RBI shares held by the Raiffeisen Landesbanken (with a few exceptions) for a period of three years from the effective date of the Merger 2017 between RZB and RBI if the sale would directly and/or indirectly reduce the Raiffeisen Landesbanken's aggregate shareholding in RBI to less than 50 per cent. of the share capital plus one share (after expiry of the three-year period, to be reduced to 40 per cent. of RBI's share capital). Further, the Raiffeisen Landesbanken are entitled to nominate nine members of the RBI Supervisory Board.

RBI is a member of an instititutional protection scheme ("**IPS**"), the Bundes-IPS, which besides RBI comprises of the Raiffeisen Landesbanken, Posojilnica Bank eGen as well as RBI's subsidiaries Raiffeisen Wohnbaubank Aktiengesellschaft and Raiffeisen Bausparkasse Gesellschaft m.b.H. Pursuant to Article 113 para 7 and Article 49 para 3 of the CRR an IPS is required to ensure the solvency and liquidity of its members. For further details of the Bundes-IPS reference is made to the section 3.1.4. "*Federal Institutional Protection Scheme ("Bundes-IPS")*" of this Base Prospectus.

With respect to the RBI's membership in the RKÖ and ÖRE, reference is made to the sections 3.1.2. "*Österreichische Raiffeisen-Einlagensicherung eGen (statutory guarantee scheme)*" and 3.1.3. "*Raiffeisen-Kundengarantiegemeinschaft Österreich (voluntary guarantee scheme)*".

In 2004 and 2006, RZB had issued hybrid capital via special purpose vehicles incorporated in Jersey. The issue proceeds were on-lent in the form of supplementary capital (*Ergänzungskapital*) by the Jersey special purpose vehicles originally to RZB, which - as the superordinated credit institution (*übergeordnetes Kreditinstitut*) of the RZB credit institution group - was entitled to show the hybrid capital in its consolidated accounts. In connection with the Merger 2010, the supplementary capital subscribed by the Jersey special purpose vehicles was transferred to RBI. In connection with the Merger 2017, RBI as RZB's universal successor and new superordinated credit institution (*übergeordnetes Kreditinstitut*) assumed all of RZB's rights and liabilities under the hybrid capital, including RZB's obligations under the support agreements entered into between RZB and the Jersey special purpose vehicles for the benefit of the holders of the hybrid capital notes. As at the date of the Merger 2017, the outstanding aggregate principal amount of the hybrid capital was approximately EUR 400 million.

In the ordinary course of its business, members of RBI Group enter into a variety of contracts with various other entities. Other than set forth above, the RBI has not entered into any material contracts outside the ordinary course of its business which could result in any group member being under an obligation or entitlement that has a material adverse impact on RBI's ability to meet its obligations under the Notes.

11. THIRD PARTY INFORMATION

If and to the extent information contained in this Base Prospectus, as supplemented from time to time, has been sourced from a third party, RBI confirms that to the best of its knowledge this information has been accurately reproduced and that, so far as RBI is aware and able to ascertain from information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

12. DOCUMENTS ON DISPLAY

This Base Prospectus, any supplements hereto and the documents incorporated herein by reference are available on RBI's website (www.rbinternational.com) and on the website of the Luxembourg Stock Exchange (www.bourse.lu). The day of such first publication is deemed to be the valid day of publication.

This Base Prospectus is valid for a period of twelve months from the date of its approval. For the period of validity of this Base Prospectus all documents mentioned above and RBI's Articles of Association (*Satzung*) are available free of charge at RBI's registered office."

Part F – Amendments to the section GENERAL INFORMATION

34) On page 540 of the Supplemented Base Prospectus, in the chapter "**GENERAL INFORMATION**", in the section **"Credit Ratings",** the the existing table below the sentence "As at the date of the Base Prospectus such ratings are as follows: " and above "*) Moody's Deutschland GmbH,…" shall be deleted and replaced by the following table:

"

	Moody's[47]	**S&P**[48]
Rating for long term obligations (senior)	Baa1 / Outlook stable	BBB+ / Outlook negative
Rating for short term obligations (senior)	P-2	A-2

"

47 Moody's appends long-term obligation ratings at the following levels: Aaa, Aa, A, Baa, Ba, B, Caa, Ca and C. To each generic rating category from Aa to Caa Moody's assigns the numerical modifiers "1", "2" and "3". The modifier "1" indicates that the bank is in the higher end of its letter-rating category, the modifier "2" indicates a mid-range ranking and the modifier "3" indicates that the bank is in the lower end of its letter-rating category. Moody's short-term ratings are opinions of the ability of issuers to honor short-term financial obligations and range from P-1, P-2, P-3 down to NP (Not Prime).

48 S&P assign long-term credit ratings on a scale from AAA (best quality, lowest risk of default), AA, A, BBB, BB, B, CCC, CC, C, SD to D (highest risk of default). The ratings from AA to CCC may be modified by the addition of a "+" or "-" to show the relative standing within the major rating categories. S&P may also offer guidance (termed a "credit watch") as to whether a rating is likely to be upgraded (positive), downgraded (negative) or uncertain (developing). S&P assigns short-term credit ratings for specific issues on a scale from A-1 (particularly high level of security), A-2, A-3, B, C, SD down to D (hightest risk of default).