

TRANSLATION FROM GERMAN ORIGINAL; ONLY THE GERMAN ORIGINAL IS BINDING AND VALID

Report of the Management Board pursuant to sec. 65 para. 1b of the (Austrian) Stock Corporation Act (AktG) in conjunction with sec. 153 para. 4 of the Stock Corporation Act for resolving on item 8 of the agenda of the Annual General Meeting to be held on 21 June 2018 (authorisation to exclude the shareholders' subscription right in case of the alienation of own shares acquired in accordance with sec. 65 of the Stock Corporation Act)

1. Authorisation of the Management Board to acquire own shares

At the Annual General Meeting of Raiffeisen Bank International AG ("RBI") to be held on 21 June 2018, in item 8 of the agenda, the Management Board of RBI shall be granted the authority to acquire or, as the case may be, redeem own shares of the company in accordance with sec. 65 para. 1 sub-para. 8 as well as para. 1a and para. 1b of the Stock Corporation Act.

The portion of own shares to be acquired and already acquired may not exceed 10% of the then-current share capital of the company.

As the lowest consideration for the acquisition of own shares, EUR 1.- per share is proposed, and as the highest consideration to be paid upon repurchase, a value is proposed which may not be higher than 10% above the average unweighted stock exchange closing price of the 10 trading days preceding the exercise of this authorisation.

This authorisation shall be valid for 30 months as from the date of adopting the resolution at the General Meeting, thus until 20 December 2020, and shall replace the authorisation issued in this respect at the General Meeting of 16 June 2016 to repurchase and/or use own shares, which is limited in its validity to a term of 30 months as from the date of this General Meeting.

The acquisition of own shares shall only be permissible if the company is capable of forming the reserve for own shares as prescribed by sec. 229 para. 1a of the Austrian Code of Enterprises (*Unternehmensgesetzbuch*) without the net assets falling short of the share capital and any tied reserve required by law or the Articles of Association. The issue price of any and all shares issued has been paid up in full.

2. Authorisation of the Management Board to alienate own shares in accordance with sec. 65 para. 1b of the Stock Corporation Act in a way other than by sale via the stock exchange or by public offer

The Management Board of RBI shall furthermore be authorised to resolve on a way of alienating the own shares other than by sale via the stock exchange or by public offer, while

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partially or entirely excluding the subscription right of the shareholders, subject to the consent of the Supervisory Board.

For this reason, the Management Board in correspondence with the statutory provisions set out in sec. 65 para. 1b of the Stock Corporation Act in conjunction with sec. 153 para. 4 of the Stock Corporation Act renders the following report on the possible exclusion of the subscription right of the shareholders in connection with a possible alienation of any own shares permittedly acquired pursuant to sec. 65 of the Stock Corporation Act.

Alienation of own shares as consideration for a contribution in kind, in case of the acquisition of enterprises, businesses, business units or shares in one or more companies in Austria or abroad

Expansion in Central and Eastern Europe has played an important part in the company's current strategy. Also, depending on the market conditions and the development of the markets, future acquisitions cannot be ruled out. This includes the acquisition of existing enterprises, businesses, business units or of shares in companies in Austria or abroad preparatory to entering the market or in order to consolidate an existing market position so as to allow establishing a presence on the respective market more quickly, by being able to build on an existing customer base and to take over staff that is familiar with the local conditions.

In case of the acquisition of enterprises, businesses, business units or shares in companies, it can be necessary or expedient to use own shares as consideration or issue own shares as consideration in order to either compensate shareholders of the respective target companies or – if the seller prefers – receive shares of RBI instead of cash.

Depending on the situation, it is therefore conceivable that by granting own shares transactions of strategic importance will either be made possible in the first place or a more favourable purchase price will be achieved as compared to cash payment. Furthermore, the liquidity requirements of such an acquisition would at any rate be reduced and the implementation of the transaction would be speeded up as existing shares could be used and new capital would not have to be obtained by means of a capital increase first of all.

Another possibility is that owners of a target company bring their stake into RBI as a contribution in kind and, as consideration for such contribution, can be compensated by means of existing own shares.

Especially the making of contributions in kind as a rule presupposes the exclusion of the shareholders' subscription rights as the assets to be contributed are in most cases unique in their composition (e.g. shares in an enterprise which is of strategic importance to the company) and cannot be contributed by all shareholders.

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As part of the terms and conditions for acquiring a participation, the alienation of own shares as well as the fixing of the terms and conditions of alienation could, based on the Stock Corporation Act, the Articles of Association and the By-Laws for the Supervisory Board and the Management Board, only be made with the consent of the Supervisory Board in these cases.

Summary:

Subject to the conditions described in this report being met, the exclusion of subscription rights affected indirectly by the alienation of own shares is necessary, justified and commensurate in the opinion of the Management Board.

For the reasons set forth above, the Management Board shall therefore be authorised by the General Meeting in accordance with sec. 65 para. 1b of the Stock Corporation Act to alienate own shares in a way other than by sale via the stock exchange or by public offer or otherwise dispose of such own shares of the company in the way shown in this report.

Vienna, May 2018

The Management Board
of
Raiffeisen Bank International AG