

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

**EXTRAORDINARY GENERAL MEETING
of
RAIFFEISEN BANK INTERNATIONAL AG
on 24 January 2017**

**PROPOSALS FROM THE MANAGEMENT BOARD AND THE SUPERVISORY
BOARD
PURSUANT TO SECTION 108 OF THE STOCK CORPORATION ACT**

Agenda Item 1

The Management Board and the Supervisory Board propose that the General Meeting pass the following resolution:

RESOLUTION

- "a) The General Meeting hereby resolves to merge, through absorption, pursuant to secs. 219 et seq. of the Stock Corporation Act (*Aktiengesetz - AktG*) and Article I of the Reorganization Tax Act (*Umgründungssteuergesetz, UmgrStG*), Raiffeisen Zentralbank Österreich Aktiengesellschaft, FN 58882 t, as the Transferring Company, by transferring the assets in their entirety, waiving liquidation, as of the effective date of 30 June 2016 at midnight, by way of universal succession, to Raiffeisen Bank International AG, FN 122119m, as the Acquiring Company, with a capital increase for the Acquiring Company, and paying out the 177,847,115 shares held by Raiffeisen Zentralbank Österreich Aktiengesellschaft to the shareholders of Raiffeisen Zentralbank Österreich Aktiengesellschaft pursuant to sec. 224 para. 3 of the Stock Corporation Act, and furthermore consents to the Merger Agreement drawn up in draft form on 14 December 2016, including all annexes thereto, including, the reorganization plan pursuant to sec. 39 of the Reorganization Tax Act which is based on (i) the audited interim financial statements as of 30 June 2016 bearing an unqualified auditor's opinion, serving as the closing balance sheet and notes of Raiffeisen Zentralbank Österreich Aktiengesellschaft, and (ii) an exchange ratio of approx. 31.55 shares in Raiffeisen Bank International AG for 1 (one) share in Raiffeisen Zentralbank Österreich Aktiengesellschaft, thereby requiring a total of 213,807,698 shares in Raiffeisen Bank International AG to be granted in exchange for the 6,776,750 shares in Raiffeisen Zentralbank Österreich Aktiengesellschaft.

- b) The share capital of Raiffeisen Bank International AG shall be increased by EUR 109,679,778.15 from EUR 893,586,065.90 to EUR 1,003,265,844.05 by issuing 35,960,583 new no-par-value bearer shares (ordinary shares) to implement the Merger with Raiffeisen Zentralbank Österreich Aktiengesellschaft for the purpose of granting shares to the shareholders of Raiffeisen Zentralbank Österreich Aktiengesellschaft as consideration to compensate for the corporate assets of Raiffeisen Zentralbank Österreich Aktiengesellschaft that will be transferred to Raiffeisen Bank International AG as a result of the Merger, excluding the 177,847,115 shares held by Raiffeisen Zentralbank Österreich Aktiengesellschaft in Raiffeisen Bank International AG that will be paid out to the shareholders of Raiffeisen Zentralbank Österreich Aktiengesellschaft. The new no-par-value bearer shares (ordinary shares) shall be issued at their pro-rata amount of the share capital, amounting to EUR 3.05, without any premium. The Merger Agreement shall determine the profit entitlement conferred by the new shares. Pursuant to sec. 223 para. 1 of the Stock Corporation Act, the remaining shareholders of Raiffeisen Bank International AG shall have no subscription rights with regard to the new shares issued in the course of the capital increase.
- c) The Articles of Association of Raiffeisen Bank International AG shall be amended in accordance with the attached wording of the Articles of Association, with an attached comparison of the Articles of Association showing the proposed amendments to secs. 2 "Purpose of the Company", 4 "Capital and shares", 9 "Supervisory Board" and 12 "Responsibilities of the Supervisory Board". The amendments to the Articles of Association are contingent on the registration of the Merger (and the capital increase) with the commercial register. The attached comparison of the Articles of Association is an integral part of this resolution."

EXPLANATION

Raiffeisen Zentralbank Österreich Aktiengesellschaft and Raiffeisen Bank International AG are planning a Merger.

The principal rationale behind the Merger is to optimize the capital situation and increase transparency by reducing complexity and ensuring simple, clear governance. The Merger of Raiffeisen Zentralbank Österreich Aktiengesellschaft with Raiffeisen Bank International AG eliminates the need of minority deductions from capital resources and immediately improves the Group's core tier 1 ratio. Eliminating the minority deduction will make it easier to raise regulatory capital in the future, either by retaining profits or by issuing capital.

The Merger will simplify the corporate structure, thereby increasing efficiency when calculating regulatory capital. For example, capital planning and approval processes can be consolidated at one level, and reciprocal consultations will no longer be needed.

After the Merger, Raiffeisen Bank International AG will have a simple, clear governance structure, increasing transparency and responsiveness. In many cases, decisions at the level of Raiffeisen Bank International AG require additional approval from the Management Board and Supervisory Board of Raiffeisen Zentralbank Österreich Aktiengesellschaft. Once the Merger has been



implemented, decisions can be made at the level of Raiffeisen Bank International AG directly within its decision-making bodies. In addition, the new structure facilitates supervision by the authorities since the supervisory authorities have until now mainly concerned themselves with Raiffeisen Zentralbank Österreich Aktiengesellschaft as the top-level institute, and less so with Raiffeisen Bank International AG.

Raiffeisen Bank International AG should remain a leading universal bank in Austria and CEE, well positioned to exploit structural potential for growth in Eastern and Central Europe and to benefit from stable revenues and a strong market position in Austria. This should be strengthened by a balanced capital and liquidity position as a basis for future growth. This strategy should be backed by a streamlined organizational structure.

Based on a reorganization plan pursuant to sec. 39 of the Reorganization Tax Act, therefore, in a first step Raiffeisen International Beteiligungs GmbH, as the transferring company, is to be merged, by transferring the assets in their entirety, as of the effective date of 30 June 2016 at midnight, by way of universal succession, to Raiffeisen Zentralbank Österreich Aktiengesellschaft, as the acquiring company, taking advantage of the tax benefits provided by Article I of the Reorganization Tax Act (hereinafter referred to as the "**Preceding Merger**").

Once the assets transferred to Raiffeisen Zentralbank Österreich Aktiengesellschaft in the course of the Preceding Merger have been acquired, Raiffeisen Zentralbank Österreich Aktiengesellschaft is, in a second step, as the Transferring Company, to be merged, by transferring the assets in their entirety as of the effective date of 30 June 2016 midnight, by way of universal succession, to Raiffeisen Bank International AG, as the Acquiring Company, with a capital increase for the Acquiring Company, taking advantage of the tax benefits provided by Article I of the Reorganization Tax Act. The Preceding Merger is thus a preliminary step for the subsequent merger of Raiffeisen Zentralbank Österreich Aktiengesellschaft with Raiffeisen Bank International AG.

Given the close connection between the Preceding Merger and the merger between Raiffeisen Zentralbank Österreich Aktiengesellschaft and Raiffeisen Bank International AG, the Merger Agreement is subject to the condition precedent that, among other things, the Preceding Merger must first be registered with the commercial register. The merger between Raiffeisen Zentralbank Österreich Aktiengesellschaft and Raiffeisen Bank International AG should therefore not be registered with the commercial register until the Preceding Merger – which is intended to be the first step in this process – has been implemented by registering it with the commercial register.

Raiffeisen Zentralbank Österreich Aktiengesellschaft will directly hold 177,847,115 no-par-value bearer shares in Raiffeisen Bank International AG once the Preceding Merger has been implemented. This is equal to around 60.7 % of the equity. As compensation for transferring the corporate assets of Raiffeisen Zentralbank Österreich Aktiengesellschaft to Raiffeisen Bank International AG through the Merger, the shareholders of Raiffeisen Zentralbank Österreich Aktiengesellschaft will receive the shares held by Raiffeisen Zentralbank Österreich Aktiengesellschaft in Raiffeisen Bank International AG following the implementation of the Preceding Merger as well as new shares issued in connection with a capital increase by Raiffeisen Bank International AG.



The shares held by Raiffeisen Zentralbank Österreich Aktiengesellschaft in Raiffeisen Bank International AG after the Preceding Merger will be paid out by way of passing-through of shares (*Anteilsdurchschleusung*) for the purpose of offering partial compensation to the shareholders of Raiffeisen Zentralbank Österreich Aktiengesellschaft pursuant to sec. 224 para. 3 of the Stock Corporation Act and will be transferred directly to the shareholders *ex lege*; to this extent, no new shares will be granted in connection with the capital increase.

The companies involved in the Merger have laid down the following exchange ratio: approx. 31.55 no-par-value bearer shares in Raiffeisen Bank International AG will be granted for 1 (one) no-par-value bearer share in Raiffeisen Zentralbank Österreich Aktiengesellschaft. To achieve this exchange ratio, in addition to the passing-through of shares as described above, the share capital of Raiffeisen Bank International AG will also have to be increased for the purpose of implementing the Merger. The capital increase will be performed as consideration to compensate for the corporate assets of Raiffeisen Zentralbank Österreich Aktiengesellschaft that are transferred to Raiffeisen Bank International AG as a result of the Merger wherever compensation is not already provided by the aforementioned passing-through of shares.

Pursuant to sec. 223 para. 1 of the Stock Corporation Act, subscription rights are not granted *ex lege* since the new shares are only granted to the shareholders of the Transferring Company, Raiffeisen Zentralbank Österreich Aktiengesellschaft, in the course of the Merger.

The Merger Agreement has been audited by a court-appointed joint merger auditor pursuant to sec. 220b of the Stock Corporation Act. This report and all the other merger documentation is available at the registered office of the companies involved in the Merger and, pursuant to sec. 221a para. 2 of the Stock Corporation Act, is available on the Raiffeisen Bank International AG website at www.rbinternational.com (Investor Relations/Events/Extraordinary General Meeting 2017).

The Merger requires a special approval from the Austrian Financial Market Authority pursuant to sec. 21 para. 1 sub-para. 1 of the Austrian Banking Act (*Bankwesengesetz - BWG*).

Due to the Merger and the associated capital increase, certain aspects of the Articles of Association have to be modified, especially the purpose of the company and its share capital; these amendments are contingent on the Merger (and capital increase) being registered with the commercial register.

The amendments necessitated by the Merger are identified in the enclosed comparison of the Articles of Association.

**COMPARISON OF CHANGES IN THE ARTICLE OF ASSOCIATION
for the extraordinary General Meeting
of Raiffeisen Bank International AG on 24 January 2017**

Current Version as of 17 June 2015

Proposed resolution
for the eo General Meeting on 24 January 2017

**§ 2
PURPOSE OF THE COMPANY**

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- (2) In addition, the Company is authorized to engage in all activities that become incumbent on it as the central institution of the Austrian Raiffeisen Banking Group (RBG), which shall include in particular:
- a) Managing and investing the liquid funds made available to the Company, including in particular the liquidity reserves of the RBG;
 - b) Promoting the financial and business transactions of enterprises of the RBG, irrespective of their legal form, among each other and with third parties, and granting loans and liquidity assistance to such enterprises; and
 - c) Ensuring uniform advertising and organization, and the training of the employees of such enterprises.

- (2) Further purposes of the Company are:
- a) Consultancy and management services of any kind for the business enterprises in which the Company holds a participation or which are otherwise affiliated with the Company;
- 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 of the Banking Act, the performance of management consulting services, including company organisation services and services in the field of automatic data processing and information technology.
- (3) For the financing of its corporate purpose the Company 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.
- (4) The Company 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 Company shall be
- ~~(2)~~(3) Further purposes of the Company are:
- a) Consultancy and management services of any kind for the business enterprises in which the Company holds a participation or which are otherwise affiliated with the Company;
- 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 of the Banking Act, the performance of management consulting services, including company organisation services and services in the field of automatic data processing and information technology.
- ~~(3)~~(4) For the financing of its corporate purpose the Company 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.
- ~~(4)~~(5) The Company shall be authorised to acquire real estate, to establish branches and subsidiaries in Austria and elsewhere, and to acquire shareholdings in other companies.



entitled to engage in any and all transactions and to take all measures which are deemed necessary or expedient for the fulfilment of the Company's purposes, including without limitation in areas that are similar or related to such purposes.

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§ 4

CAPITAL AND SHARES

- (1) The share capital of the Company amounts to EUR 893,586,065.90. It is divided into 292,979,038 ordinary bearer shares with voting rights.

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- (1) The share capital of the Company amounts to EUR 1,003,265,844.05 ~~893,586,065.90~~. It is divided into 328,939,621 ~~292,979,038~~ ordinary bearer shares with voting rights.

§ 9

SUPERVISORY BOARD

- (1) The Company shall have a Supervisory Board consisting of a minimum of three and of a maximum of fifteen members who shall be elected by the General Meeting of Shareholders or appointed by the shareholders pursuant to sec. 9 para. 2.
- (2) The shareholder Raiffeisen Zentralbank Österreich Aktiengesellschaft shall have the right to appoint up to one third of the members of the Supervisory Board which shall be elected by the General Meeting of Shareholders. In addition, further persons nominated by Raiffeisen

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- Zentralbank Österreich Aktiengesellschaft may be elected as members of the supervisory board by the General Meeting of Shareholders.
- ~~addition, further persons nominated by Raiffeisen Zentralbank Österreich Aktiengesellschaft may be elected as members of the supervisory board by the General Meeting of Shareholders.~~
- (3) No term of office of any member of the Supervisory Board shall continue beyond the end of the General Meeting of Shareholders at which such member is released from liability in respect of the fourth business year following such member's election not counting the year in which the election took place. Re-election is permitted.
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- (4) Members who have reached the age of 75 years shall not be appointed members of the Supervisory Board or re-elected for a further term.
- ~~(4)~~ (3) Members who have reached the age of 75 years shall not be appointed members of the Supervisory Board or re-elected for a further term.
- (5) Persons holding 8 or more offices as Supervisory Board members in companies listed on a stock exchange shall not be elected members of the Supervisory Board. The office of Chairman of the Supervisory Board of a company listed on a stock exchange shall count twice. The General Meeting of Shareholders may waive this restriction by a simple majority of votes to the extent permitted by law. Each nominated person holding a higher number of offices as Supervisory Board members or as Chairman of a Supervisory Board of companies listed on a stock exchange shall disclose this fact to the General Meeting of Shareholders.
- ~~(5)~~ (4) Persons holding 8 or more offices as Supervisory Board members in companies listed on a stock exchange shall not be elected members of the Supervisory Board. The office of Chairman of the Supervisory Board of a company listed on a stock exchange shall count twice. The General Meeting of Shareholders may waive this restriction by a simple majority of votes to the extent permitted by law. Each nominated person holding a higher number of offices as Supervisory Board members or



(6) A person shall cease to be a member of the Supervisory Board in case of death, revocation of the appointment or resignation by the member giving notice in writing. The notice shall be submitted to the Chairman of the Supervisory Board, and in case he is prevented, to the deputy ranking first among the deputies in the order in which they were elected and who is not prevented.

(7) If any Supervisory Board member retires prior to the expiration of his term of office, a replacement member shall be elected as soon as possible but not later than at the next ordinary General Meeting of Shareholders, if this is required in order to comply with legal provision or appropriate for the due fulfilment of the supervisory board's responsibilities.

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§ 12 RESPONSIBILITIES OF THE SUPERVISORY BOARD

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(2) The Supervisory Board may establish advisory councils that serve a consultative function and whose



members do not need to belong to the Supervisory Board. It may issue rules of procedure for such advisory councils. Advisory council members may receive compensation for their work commensurate with their responsibilities and the Company's situation. Such compensation shall be established by the General Meeting. The powers or responsibilities of the Management Board or Supervisory Board of the Company shall not be curtailed by the establishment of advisory councils.

(2) The Supervisory Board is authorised to adopt resolutions regarding changes of the wording, but not the contents, of these articles of association. This responsibility may be delegated to the Committees.

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