*Ad-hoc Release*

Raiffeisen Bank International

**Please find below the recently published release of our majority shareholder RZB:**

## EBA analysis addresses capital needs for RZB Group on the basis of a dramatically raised capital ratio target

- **RZB welcomes in principle decisions that aim to ensure greater stability in the eurozone.**
- **More than doubled Core Tier 1 ratio target of 9 per cent results, according to EBA, in an additional calculatory capital requirement of € 1.9 billion for the RZB Group. RZB considers this amount to be excessive. For example, € 1 billion in participation capital subscribed by private investors was not taken into account.**
- **RZB's sub-group RBI was not addressed in the EBA analysis, but would have a lower additional calculatory capital requirement.**
- **RZB will take all necessary measures to comply with the new requirements. From today's perspective, the RZB Group will not need state support to do so.**

Vienna, 27th October 2011.Raiffeisen Zentralbank Österreich AG (RZB) in principle welcomes decisions that aim to guarantee more stability in the eurozone. However, the additional capital requirement as determined by the European Banking Authority (EBA) appears to be excessive, also in comparison with banks in such strongly impacted countries as Germany or France. Austrian banks are seen having a calculatory capital gap of € 2.9 billion, while the respective figures for France and Germany are € 8.8 billion and € 5.2 billion.

The RZB Group has no sovereign exposure in either Greece or Ireland and only a low volume of sovereign exposure in Italy, Spain and Portugal. Moreover, the EBA did not take into consideration € 1 billion of participation capital that the RZB Group had placed with private investors.

The RZB Managing Board will undertake all measures necessary to ensure compliance with the new requirements. From today's perspective, the RZB Group will not need state support to do so.

Due to the sovereign debt crisis in Europe, the EBA conducted a survey among 70 systemic banks in the EU to establish how these would be impacted by a mark-to-market valuation of their sovereign exposure. In doing so, the EBA applied a Core Tier 1 capital target of 9 per cent, more than twice as high as previous targets, as the baseline for establishing the banks' additional capital requirements. This new capital target ratio is to be achieved by 30 June 2012. On the basis of these assumptions, the EBA calculated that the analysed banks collectively had an additional capital requirement of € 106 billion, with € 1,907 million attributed to the RZB Group. These results reflect not only the drastic rise in the core capital target from its current level of 4 per cent (or 4.5 per cent according to Basel III) to 9 per cent, but also the specific methodology and assumptions applied by the EBA. The results of the EBA's analysis were based on the RZB Group's half-year 2011 figures and will be updated to reflect the Group's results as per 30 September 2011.

In its analysis, the EBA did not address the RZB Group's sub-group Raiffeisen Bank International AG (RBI); however, had it done so, RBI would have evidenced a lower additional capital requirement on the basis of the applied assumptions and methodology. The EBA stress test results published in July 2011 established that RBI was well-capitalised, with a Core Tier 1 ratio (according to the EBA's definition) of 7.8 per cent in the adverse scenario applied in the stress test.

As per the end of June 2011, the RZB Group's own funds volume stood at € 12,538 million, while its Core Tier 1 capital amounted to € 9,290 million. The RZB Group's own funds ratio was 12.4 per cent, its Tier 1 ratio (credit risk) stood at 11.4 per cent, while its Tier 1 ratio including market and operational risk was 9.1 per cent. The corresponding ratios for RBI were 13.0 per cent, 11.8 per cent, and 9.4 per cent. RBI will be issuing its results for the first three quarters of 2011 on 24 November 2011.

Susanne Langer
Head of Group Investor Relations
ir@rbinternational.com
phone +43-1-71707-2089

Raiffeisen Bank International AG
Am Stadtpark 9
A-1030 Vienna
http://www.rbinternational.com