

Raiffeisen Bank International: Full Year Results 2014

- Net interest income of EUR 3,789 mn (up 1.6% y-o-y)
- Net trading income of minus EUR 30 mn (down EUR 351 mn y-o-y)
- General administrative expenses decreased to EUR 3,024 mn (down 9.5% y-o-y)
- Net provisioning for impairment losses increased to EUR 1,716 mn (up 49.3% y-o-y)
- Negative one-offs of EUR 753 mn consisting of goodwill impairments, deferred tax asset write-downs and new legislation in Hungary (Settlement Act)
- Profit before tax decreased to EUR 23 mn (down 97.3% y-o-y)
- Consolidated profit decreased to minus EUR 493 mn (down EUR 1,050 mn y-o-y)
- Common equity tier 1 ratio: CET1 (fully loaded) 10.0%; CET1 (transitional) 10.9%
- Leverage ratio (fully loaded) of 5.7%

Income Statement in EUR mn	2014	2013	Q4/2014	Q3/2014
Net interest income	3,789	3,729	895	940
Net provisioning for impairment losses	(1,716)	(1,149)	(633)	(515)
Net interest income after provisioning	2,073	2,580	262	425
Net fee and commission income	1,586	1,626	417	404
Net trading income	(30)	321	(68)	30
General administrative expenses	(3,024)	(3,340)	(728)	(776)
Net income from derivatives and liabilities	88	(257)	28	103
Net income from financial investments	62	58	(39)	23
Profit/loss before tax	23	835	(479)	(16)
Profit/loss after tax	(463)	603	(722)	(112)
Consolidated profit/loss	(493)	557	(718)	(119)
Balance Sheet in EUR mn	31/12/14	31/12/13		
Equity	8,302	10,364		
Total assets	121,624	130,640		
NPL ratio	11.3%	10.7%		
NPL coverage ratio	67.4%	63.1%		
Risk-weighted assets (total RWA)	68,721	79,897		
Ratios	31/12/14	31/12/13		
Common equity tier 1 ratio (transitional)	10.9%	10.7%		
Common equity tier 1 ratio (fully loaded)	10.0%	–		
Total capital ratio (transitional)	16.0%	15.9%		
Total capital ratio (fully loaded)	15.2%	–		
	2014	2013		
Net interest margin	3.24%	3.11%		
Return on equity before tax	0.2%	7.8%		
Cost/income ratio	56.5%	58.3%		
Earnings per share in EUR	(1.73)	1.83		
Resources	31/12/14	31/12/13		
Employees (full-time equivalents)	54,730	57,901		
Business outlets	2,866	3,025		

Outlook

We are planning an aggregate gross risk-weighted asset (total RWA) reduction of € 16 billion in selected markets by the end of 2017 (total RWA as at 31 December 2014: € 68.7 billion). We intend to partly offset the reduction with growth in other business areas.

After the implementation of the new strategic measures, the cost base should be 20 per cent below the level of 2014 (at constant prices and foreign exchange rates; general administrative expenses 2014: € 3,024 million). We target a cost/income ratio of between 50 and 55 per cent in the medium term.

We aim for a return on equity before tax of approximately 14 per cent and a consolidated return on equity of approximately 11 per cent in the medium term. The full year 2015 consolidated result may be negative as the majority of the restructuring costs (around € 550 million in total) are expected to be booked in 2015.

We expect net provisioning for impairment losses to remain elevated in 2015; however, we anticipate that the requirement will be below the level of the previous year (2014: € 1,716 million).

We target a CET1 ratio (fully loaded) of 12 per cent and a total capital ratio (fully loaded) of 16 per cent by the end of 2017.

For further information please contact:

Susanne E. Langer
Head of Group Investor Relations
Spokesperson
ir@rbinternational.com
phone +43-1-71 707-2089

Raiffeisen Bank International AG
Am Stadtpark 9
1030 Vienna, Austria
www.rbinternational.com