

**Individual Financial Statements** of Raiffeisen  
Centrobank AG as at 31 December 2011  
according to the Austrian Banking Act

## Balance sheet as at 31 December 2011

Assets	31/12/2011 EUR	31/12/2011 EUR	31/12/2010 TEUR	31/12/2010 TEUR
1. Cash in hand and deposits with central banks		4,125,216.23		3,813
2. Loans and advances to credit institutions				
a) payable on demand	93,033,517.79		39,923	
b) other loans and advances	817,518,309.27	910,551,827.06	691,070	730,993
3. Loans and advances to customers		111,334,368.27		143,569
4. Bonds, notes and other fixed-interest securities				
a) issued by public bodies	14,847,239.07		6,021	
b) issued by other borrowers	500,574,632.52	515,421,871.59	333,899	339,920
5. Shares and other variable-yield securities		421,732,572.01		632,986
6. Equity participations		5,153,969.61		5,154
7. Shares in affiliated companies		10,367,552.64		10,368
8. Intangible fixed assets		311,052.00		121
9. Tangible fixed assets		16,763,871.64		17,739
thereof land and buildings used by the credit institution for own purposes: TEUR 12,804,949.92 previous year: TEUR 13,098				
10. Other assets		146,945,670.98		203,137
11. Prepayments and other deferrals		1,080,425.05		1,187
<b>Total Assets</b>		<b>2,143,788,397.08</b>		<b>2,088,987</b>
<b>Off-balance sheet item</b>				
1. Foreign assets		407,211,105.85		616,579

<b>Equity and liabilities</b>	<b>31/12/2011 EUR</b>	<b>31/12/2011 EUR</b>	<b>31/12/2010 TEUR</b>	<b>31/12/2010 TEUR</b>
1. Liabilities to credit institutions				
a) repayable on demand	10,210,575.40		53,546	
b) with agreed maturity dates or periods of notice	1,369,558.55	11,580,133.95	1,948	55,494
2. Liabilities to customers				
a) repayable on demand	104,009,690.09		103,470	
b) with agreed maturity dates or periods of notice	51,702,998.70	155,712,688.79	22,499	125,969
3. Securitised liabilities (other securitised liabilities)		772,332,851.60		822,770
4. Other liabilities		1,053,621,243.54		926,188
5. Accruals and deferred items		165,737.42		243
6. Provisions				
a) for severance payments	5,592,267.62		5,221	
b) for retirement benefits	2,011,134.16		1,760	
c) other provisions	12,747,495.40	20,350,897.18	14,643	21,624
7. Subordinated liabilities		20,481,250.00		20,412
8. Subscribed capital		47,598,850.00		47,599
9. Capital reserves (committed)		6,651,420.71		6,651
10. Retained earnings				
a) legal reserve	1,030,936.83		1,031	
b) other reserves	9,500,000.00	10,530,936.83	9,500	10,531
11. Liability reserve pursuant to Article 23 para 6 Austrian Banking Act		13,538,860.00		13,539
12. Net profit for the year		31,223,527.06		37,967
<b>Total equity and liabilities</b>		<b>2,143,788,397.08</b>		<b>2,088,987</b>
<b>Off-balance sheet items</b>				
1. Contingent liabilities arising from guarantees and assets pledged as collateral security		3,380,296.88		10,298
2. Credit risks		26,325,375.01		9,565
3. Commitments arising from fiduciary business transactions		7,091,124.47		7,091
4. Eligible own funds pursuant to Article 23 para 14 Austrian Banking Act		98,009,015.54		98,199
5. Own funds requirement pursuant to Article 22 para 1 Austrian Banking Act thereof: own funds requirement pursuant to Article 22 para 1 nos. 1, and 4 Austrian Banking Act: EUR 22,936,000.00; previous year: TEUR 25,587		51,187,000.00		55,191
6. Foreign equity and liabilities		228,571,652.16		202,299

## Income statement for the 2011 financial year

	2011 EUR	2011 EUR	2010 TEUR	2010 TEUR
1. Interest and interest-like income		21,063,688.23		17,077
thereof fixed-interest securities	6,182,379.91		10,034	
2. Interest and interest-like expenses		-17,095,825.75		-13,576
<b>I. Net interest income</b>		<b>3,967,862.48</b>		<b>3,501</b>
3. Income from securities and financial investments				
a) Income from shares, share rights and other variable-yield securities	12,892,852.87		6,904	
b) Income from shares in affiliated companies	4,956,818.18	17,849,671.05	2,636	9,540
4. Fee and commission income		19,024,646.24		19,580
5. Fee and commission expenses		-13,264,151.77		-9,265
6. Net profit on financial trading activities		33,681,455.75		39,185
7. Other operating income		1,619,056.00		1,754
a) Net profit on commercial trading activities	82,610.14		205	
b) Sundry operating income	1,536,445.86		1,550	
<b>II. Operating income</b>		<b>62,878,539.75</b>		<b>64,295</b>
8. General administrative expenses		-37,702,510.46		-37,977
a) staff expenses				
aa) wages and salaries	21,871,723.27		21,882	
bb) expenses for statutory social contributions and compulsory contributions related to wages and salaries	4,164,403.49		4,321	
cc) other social expenses	383,793.55		386	
dd) expenses for pensions and assistance	401,000.32		456	
ee) provisions for retirement benefits	251,303.43		467	
ff) expenses for severance payments and contributions to severance funds	860,557.31		1,077	
	<b>27,932,781.37</b>		<b>28,589</b>	
b) other administrative expenses	9,769,729.09		9,388	
9. Value adjustments on asset items 8 and 9		-1,871,234.95		-1,914
10. Other operating expenses		-279,850.71		-404
<b>III. Operating expenses</b>		<b>-39,853,596.12</b>		<b>-40,295</b>
<b>IV. Operating result</b>		<b>23,024,943.63</b>		<b>24,000</b>

	2011 EUR	2011 EUR	2010 TEUR	2010 TEUR
<b>IV. Operating result (= amount carried forward)</b>		<b>23,024,943.63</b>		<b>24,000</b>
11. Loans loss provisions and expenditures arising from the valuation of loans and advances and disposal of securities held as other current assets		-227,934.10		-12
12. Income arising from the valuation of loans and advances and disposal of securities held as other current assets		33,237.98		198
13. Expenditures arising from the valuation of interests and shares in affiliated companies held as financial investments		-1.00		0
<b>V. Result on ordinary activities</b>		<b>22,830,246,51</b>		<b>24,186</b>
14. Income taxes (thereof passed on from parent company: EUR -1,819,487.13 (previous year: TEUR 3,057)		-2,343,626.72		3,941
15. Other taxes unless included in item 14		-2,340,410.46		-1,268
<b>VI. Net income for the year</b>		<b>18,146,209.33</b>		<b>26,859</b>
16. Profit carried forward		13,077,317.73		11,108
<b>VII. Net profit for the year</b>		<b>31,223,527.06</b>		<b>37,967</b>

## Development of fixed assets in the 2011 financial year

Amounts in Euros	Cost of acquisition Balance as at 1/1/2011	Cost of acquisition Additions	Cost of acquisition Transfer	Cost of acquisition Disposal
<b>I. Intangible fixed assets</b>				
Software licenses	3,098,312.89	342,312.52	31,470.78	0.00
<b>II. Tangible fixed assets</b>				
1. Land and buildings used by the credit institution for own purposes thereof value of property: EUR 3,066,200.92; previous year: TEUR 3,066	14,789,785.11	0.00	0.00	0.00
2. Office furniture and equipment	21,652,516.99	766,750.85	41,680.80	685,910.36
3. Prepayments	73,151.58	0.00	-73,151.58	0.00
	<b>36,515,453.68</b>	<b>766,750.85</b>	<b>-31,470.78</b>	<b>685,910.36</b>
<b>III. Financial investments</b>				
1. Shares in affiliated companies thereof in credit institutions: EUR 0.00	13,216,512.84	0.00	0.00	0.00
2. Equity participations thereof credit institutions: EUR 0.00	5,168,286.12	0.00	0.00	13,880.51
	<b>18,384,798.96</b>	<b>0.00</b>	<b>0.00</b>	<b>13,880.51</b>
<b>Total</b>	<b>57,998,565.53</b>	<b>1,109,063.37</b>	<b>0.00</b>	<b>699,790.87</b>

Cost of acquisition Balance as at 31/12/2011	Accumulated depreciation	Carrying amount 31/12/2011	Carrying amount 31/12/2010	Depreciation in the 2011 financial year
3,472,096.19	3,161,044.19	311,052.00	121,055.00	183,786.30
14,789,785.11	1,984,835.19	12,804,949.92	13,098,040.92	293,091.00
21,775,038.28	17,816,116.56	3,958,921.72	4,567,749.72	1,394,357.65
0.00		0.00	73,151.58	0.00
<b>36,564,823.39</b>	<b>19,800,951.75</b>	<b>16,763,871.64</b>	<b>17,738,942.22</b>	<b>1,687,448.65</b>
13,216,512.84	2,848,960.20	10,367,552.64	10,367,552.64	0.00
5,154,405.61	436.00	5,153,969.61	5,153,970.61	0.00
<b>18,370,918.45</b>	<b>2,849,396.20</b>	<b>15,521,522.25</b>	<b>15,521,523.25</b>	<b>0.00</b>
<b>58,407,838.03</b>	<b>25,811,392.14</b>	<b>32,596,445.89</b>	<b>33,381,520.47</b>	<b>1,871,234.95</b>

## Financial Statements as at 31 December 2011

### Notes

#### A. Accounting Policies

##### General principles

The financial statements of Raiffeisen Centrobank for the 2011 financial year have been prepared in accordance with the general accounting principles stipulated in the Austrian Commercial Code and the specific sectoral regulations as specified by the Austrian Banking Act. The balance sheet as well as the income statement have been structured according to Appendix 2 of the forms contained in Article 43 Austrian Banking Act. The structure of the income statement in regards to ensuring an adequate representation of the commodity trading activities of Raiffeisen Centrobank have been expanded to include a sub-item entitled "Net profit on commercial trading activities".

Changes in the accounting and valuation methods have not been made compared to the 2010 financial statements.

##### Foreign currency translation

Assets and liabilities denominated in foreign currencies are reported at the middle rates of exchanges fixed by the European Central Bank on the balance sheet date. Amounts denominated in currencies for which the European Central Bank published no rates are converted at the middle rates of exchange published by Raiffeisen Bank International AG on the balance sheet date.

Currency futures and options transactions in foreign currencies are capitalised at the forward exchange rates. Any differences in rates resulting from currency conversion are reported as a profit or loss in the income statement.

##### Trading portfolio – valuation of securities, futures and options

A daily market price system is applied for the valuation of securities held for trading purposes or as other current assets. In terms of securities held for trading purposes or as other current

assets, the company's portfolio of shares in publicly-listed companies as well as fixed-interest securities is reported at the share price prevailing on the balance sheet date.

If no quotes or share prices are available the value is determined by means of valuation models.

Certificates acquired based on a share price-related or index-related performance are valued with the share prices prevailing on the balance sheet date, and if no share prices are available, with the assistance of valuation models to illustrate stochastic development processes.

Bonds issued by borrowers from Eastern European markets as well as shares issued by Eastern European companies held by the company for trading purposes are valued at the market rates announced by other credit institutions and brokers, or as quoted by Reuters, or valuation models, provided that share prices for these securities are not available or do not provide sufficient information. If no such market rates are available, prices for primary financial instruments are calculated on the basis of the net present value method. This method is based on an interest rate curve which comprises money market, futures and swap rates without spreads. In order to determine the value of unlisted bank bonds depreciation or parameter adjustments are considered to reflect market liquidity risks within these evaluation methods.

Options on securities of publicly-listed companies and options on security indices (i.e. sold and bought calls and puts, primarily OeTOB and EUREX options) as well as futures held for trading purposes are valued according to the market prices prevailing on the balance sheet date.

Various models are used for the valuation of OTC options, depending on the type of option. For plain-vanilla options (American and European style), the Black-Scholes model and the binomial pricing model according to Cox-Ross-Rubinstein are applied. The Curran approximation is applied to Asian options, whereas barrier options use Heynen-Kat and spread options rely on the Kirk model.



#### Loans and advances to credit institutions and customers

Loans and advances to credit institutions and customers are shown at their nominal value. Individual loan loss provisions are made in the case of an identifiable recognisable risk of default on the part of borrowers.

#### Equity participations and shares in affiliated companies

Equity participations and shares in affiliated companies are principally capitalised according to the principle of “going concern” (the ability to continue functioning as a business entity) at their cost of acquisition. Depreciation is carried out when, in all probability, permanent impairment has taken place.

#### Intangible and tangible fixed assets

The valuation of intangible fixed assets as well as tangible fixed assets (i.e. land and buildings, office furniture and equipment as well as other tangible fixed assets) is carried out at the cost of acquisition less their scheduled, linear depreciation.

Depreciation rates applied are 33.3% and 14.3% p.a. for intangible fixed assets, 2.5% and 10.0% p.a. for immovable fixed assets, and 10% - 33% for movable fixed assets. A full year's depreciation is taken in the case of additions made during the first half of the financial year, whereas half-year depreciation applies to additions in the second half of the financial year. Assets with an extremely low value (cost of acquisition per item less than TEUR 0.4) are fully depreciated in the year of acquisition.

#### Liabilities to credit institutions and customers

Liabilities to credit institutions and customers are reported at the amount of repayment, taking into consideration the principle of financial prudence.

#### Securitised liabilities

Securitised liabilities (the majority of which are structured capital guaranteed bonds, whose rate of interest depends on the share price or share price index performance) are valued according to the present value method, or according to common option value methods for the option component.

#### Provisions for severance payments

The provisions for severance payments are designed to fulfil legal demands, as well as those arising from individual or collective contractual agreements. Provisions are calculated in accordance with the guidelines specified by IAS 19, applying the Projected Unit Credit Method and assuming a calculatory interest rate of 4.50% (previous year: 4.25%), as well as an unchanged annual salary increase amounting to 3.0%.

The AVÖ (Austrian actuaries' association) 2008-P-basis for calculating retirement pension insurances – Pagler & Pagler for salaried employees was taken as biometric basis for calculation. The underlying presumption is a decreasing fluctuation rate in connection with the earliest possible retirement date, at the age of 60 for women and 65 for men, taking into account the changes to Austria's General Social Security Law in accordance to the Budgetary Amendment 2003. The premium reserve amounts to 73.39% of the statistical termination benefit obligations on the balance sheet date.

#### Provisions for retirement benefits

Provisions for retirement benefits are calculated in accordance with the guidelines specified by IAS 19, applying the Projected Unit Credit Method and assuming a calculatory interest rate of 4.50% (previous year: 4.25%), an unchanged 2% increase in the probable profit sharing rate, and a retirement age of 60 years. The AVÖ (Austrian actuaries' association) 2008-P-basis for calculating retirement pension insurances – Pagler & Pagler for salaried employees was taken as biometric basis for calculation. In 2005, pension commitments were allocated to a specified group of eligible employees. The cash value of the pension plan reinsurance concluded for future beneficiaries is reported as other assets.

#### Other provisions

Other provisions have been made according to expected demands. They comprise identifiable risks and liabilities, the extent of which has not yet been determined.

## B. Notes to the Financial Statements

### I. Cash in hand and deposits with central banks

The balance sheet item A 1, which encompasses cash in hand and deposits with the Austrian National Bank, is reported as TEUR 4,125 (31/12/2010: TEUR 3,813). Prevailing regulations pertaining to liquidity and minimum reserves were observed.

### II. Loans and advances

#### II.1. Classification of loans and advances other than those payable on demand according to their term to maturity

31/12/2011 Amounts in thousand Euros	0 - 3 months	3 - 12 months	1 - 5 years	> 5 years	Total
Loans and advances to credit institutions	282,612	299,325	183,417	52,164	817,518
Loans and advances to customers	8,997	2,561	13,045	4,253	28,856
Bonds, notes and other fixed-interest securities	0	65,251	439,400	10,771	515,422
	<b>291,609</b>	<b>367,137</b>	<b>635,862</b>	<b>67,188</b>	<b>1,361,796</b>

#### Comparative figures as at 31/12/2010

31/12/2010 Amounts in thousand Euros	0 - 3 months	3 - 12 months	1 - 5 years	> 5 years	Total
Loans and advances to credit institutions	318,197	22,071	304,994	45,808	691,070
Loans and advances to customers	16,118	11,444	6,230	4,038	37,830
Bonds, notes and other fixed-interest securities	0	50,225	279,820	9,875	339,920
	<b>334,315</b>	<b>83,740</b>	<b>591,044</b>	<b>59,721</b>	<b>1,068,820</b>

#### II.2. Loans and advances to affiliated companies and equity participations

31/12/2011 Amounts in thousand Euros	Loans and advances to affiliated companies (direct/indirect > 50 %)	Loans and advances to equity participations (in which Raiffeisen Centrobank has a direct shareholding)
Loans and advances to credit institutions	780,651	0
Loans and advances to customers	50,523	514
Bonds, notes and other fixed-interest securities	423,915	0
Shares and other variable-yield securities	240,670	0
Other assets	65,869	17
	<b>1,561,628</b>	<b>531</b>

## Comparative figures as at 31/12/2010

31/12/2010 Amounts in thousand Euros	Loans and advances to affiliated companies (direct/indirect > 50 %)	Loans and advances to equity participations (in which Raiffeisen Centrobank has a direct shareholding)
Loans and advances to credit institutions	554,057	0
Loans and advances to customers	68,726	514
Bonds, notes and other fixed-interest securities	201,462	0
Shares and other variable-yield securities	284,024	0
Other assets	102,429	11
	<b>1,210,698</b>	<b>525</b>

## III. Securities

## Figures supplied pursuant to Article 64 para 1 no 10 and 11 Austrian Banking Act

31/12/2011 Amounts in thousand Euros	OTC products	Products traded on stock exchange	Total	Valued at market price
Bonds, notes and other fixed-interest securities, A4	0	515,422	515,422	515,422
Shares and other variable-yield securities, A5	219,835	201,897	421,732	421,732
Equity participations, A6	5,154	0	5,154	x
Shares in affiliated companies, A7	10,368	0	10,368	x

## Comparative figures as at 31/12/2010

31/12/2010 Amounts in thousand Euros	Unlisted	Listed	Total	Valued at market price
Bonds, notes and other fixed-interest securities, A4	0	339,920	339,920	339,920
Shares and other variable-yield securities, A5	282,269	350,717	632,986	632,986
Equity participations, A6	5,154	0	5,154	x
Shares in affiliated companies, A7	10,368	0	10,368	x

The fair value of securities held as other current assets exceeded the purchase price by TEUR 69 as at December 31, 2011 (31/12/2010: TEUR 1,014).

As at December 31, 2011 balance sheet item A 4 includes fixed-interest securities amounting to TEUR 515,422 (31/12/2010 balance sheet item A 4: TEUR 339,920 ) of which TEUR 65,251 (31/12/2010: TEUR 50,225 ) will fall due in the forthcoming year.

Balance sheet items A 6 and A 7 were valued according to the moderate lower of cost or market principle.

#### IV. Equity participations and shares in affiliated companies

The following list contains information on companies in which the bank directly held a minimum 20% shareholding on the balance sheet date.

##### Figures as at 31/12/2011

Amounts in thousand Euros			
Name Domicile	Shareholding held by Raiffeisen Centrobank in %	Subscribed capital	Annual results 2011
1 Centrote Holding AG Vienna	100	3,436 *)	-86 *)
2 Centrote Investment AG Zug	100	6,239	-3
3 Raiffeisen Investment AG Vienna	100	2,625	-2,601
4 Centro Asset Management Ltd Jersey	100	1,967 *)	627 *)
5 Syrena Immobilien Holding AG Spittal/Drau	21	29,335 *)	93 *)

\*) unaudited figures

##### Comparative figures as at 31/12/2010

Amounts in thousand Euros			
Name Domicile	Shareholding held by Raiffeisen Centrobank in %	Subscribed capital	Annual results 2010
1 Centrote Holding AG Vienna	100	3,523 *)	3 *)
2 Centrote Investment AG Zug	100	8,623 *)	2,946 *)
3 Raiffeisen Investment AG Vienna	100	7,627	-547
4 Centro Asset Management Ltd Jersey	100	1,371 *)	303 *)
5 Centrote Malaysia Sdn Bhd Petaling Jaya	30	42 **)	0 **)
6 Syrena Immobilien Holding AG Spittal/Drau	21	29,232 *)	102 *)

\*) unaudited figures

\*\*) Annual results for 2004. The company is being liquidated. The liquidation proceedings were completed in January 2011.

**V. Fixed assets**

The composition and development of fixed assets is contained in the table outlining the development of fixed assets.

**VI. Other assets**

Balance sheet item A 10 "Other assets" amounting to TEUR 146,946 (31/12/2010: TEUR 203,137 ) primarily refers to purchase contracts from trading in derivative financial instruments reported at fair value as at 31/12/2011 in the amount of TEUR 139,534 (31/12/2010: TEUR 197,818) as well as loans and advances on tax authorities of TEUR 324 (31,12,2010: TEUR 236 ).

**VII. Liabilities****VII.1. Classification of liabilities other than those repayable on demand according to their time to maturity**

<b>31/12/2011</b> Amounts in thousand Euros	<b>0 - 3 months</b>	<b>3 - 12 months</b>	<b>1 - 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
Liabilities to credit institutions	1,111	250	0	9	1,370
Liabilities to customers	28,742	22,961	0	0	51,703
Securitised liabilities	30,733	46,491	616,183	78,926	772,333
	<b>60,586</b>	<b>69,702</b>	<b>616,183</b>	<b>78,935</b>	<b>825,406</b>

**Comparative figures as at 31/12/2010**

<b>31/12/2010</b> Amounts in thousand Euros	<b>0 - 3 months</b>	<b>3 - 12 months</b>	<b>1 - 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
Liabilities to credit institutions	1,948	0	0	0	1,948
Liabilities to customers	14,298	8,202	0	0	22,500
Securitised liabilities	35,552	105,727	570,802	110,689	822,770
	<b>51,798</b>	<b>113,929</b>	<b>570,802</b>	<b>110,689</b>	<b>847,218</b>

**VII.2. Liabilities to affiliated companies and equity participations**

<b>31/12/2011</b> Amounts in thousand Euros	<b>Liabilities to affiliated companies (direct/indirect &gt;50%)</b>	<b>Liabilities to equity participations</b>
Liabilities to credit institutions	636	0
Liabilities to customers	47,012	19
Other liabilities	24,308	0
	<b>71,956</b>	<b>19</b>

## Comparative figures as at 31/12/2010

31/12/2010 Amounts in thousand Euros	Liabilities to affiliated (direct/indirect >50 %)	Liabilities to equity participations
Liabilities to credit institutions	1,357	0
Liabilities to customers	23,199	9
Other liabilities	39,593	1
	<b>64,149</b>	<b>10</b>

**VII.3. Securitised liabilities**

The balance sheet item P 3 contains own issues totalling TEUR 77,224 (31/12/2010: TEUR 141,278), which will fall due in the course of 2012.

**VII.4. Other liabilities**

The balance sheet item P 4 "Other liabilities" amounting to TEUR 1,053,621 (31/12/2010: TEUR 926,188) primarily refers to liabilities reported at fair value as well as premiums received from trading in securities and derivative financial instruments of TEUR 1,048,295 (31/12/2010: TEUR 919,401).

**VII.5. Subordinated liabilities**

Subordinated liabilities refer to a subordinated bond amounting to TEUR 20,000 issued in 2008 to strengthen the own funds of Raiffeisen Centrobank pursuant to Supervisory Board requirements. The balance sheet item relates to this subordinated bond including all interest accrued as at 31/12/2011 amounting to TEUR 20,481. The bond has an indefinite term, and may not be called by the issuer before 31 January 2013. The interest rate equals EURIBOR + 100 bp.

**VIII. Share capital**

The share capital is comprised of 655,000 no-par-value shares.

The shares in Raiffeisen Centrobank are owned by the companies:

	%	Shares
RZB IB Beteiligungs GmbH, Vienna	100.00	654,999
Lexxus Services Holding GmbH, Vienna	0.00	1
	<b>100.00</b>	<b>655,000</b>

## IX. Provisions

### Other provisions

The balance sheet item P6 d) "Other provisions" amounting to TEUR 12,748 (31/12/2010: TEUR 14,643) includes the following:

Amounts in thousand Euros	31/12/2011	31/12/2010
Salaries and bonuses	6,470	7,305
Litigation risks	3,247	3,248
Overdue vacation	1,951	1,942
Legal, auditing and consulting expenses	292	559
Provisions for recourse claims	0	284
Provisions for the Securities Trading & Sales Department	175	473
Management fees	183	144
RBI/RZB Group services	176	387
Others	254	301
<b>Total</b>	<b>12,748</b>	<b>14,643</b>

## X. Obligations arising from the use of tangible fixed assets not recognised in the balance sheet

The rental and leasing expenses during the period under review amounted to TEUR 577 (2010: TEUR 582), thereof TEUR 207 (2010: TEUR 220) to affiliated companies. For the 2012 financial year, rental costs are expected to total TEUR 655 and TEUR 3,273 for the 2012-2016 financial years, of which the rental costs to affiliated companies will total TEUR 211 and TEUR 1,054, respectively.

## XI. Supplementary data

### Assets and liabilities in foreign currencies

The following amounts are contained in the balance sheet in foreign currencies:

Current value in thousand Euros	31/12/2011	31/12/2010
Assets	282,020	335,243
Liabilities	135,172	139,040

### Unsettled futures and options contracts according to the VERA scheme<sup>1</sup>

At the balance sheet date, the following futures and options transactions (banking and trading book) had not yet been settled:

Amounts in thousand Euros	31/12/2011	31/12/2010
<b>Purchase contracts</b>		
Interest rate futures	25,500	1,000
Currency and interest rate swaps in a single currency	21,591	38,643
Options on interest-rate instruments	500	500
Forward exchange contracts/gold contracts	84,943	88,058
Index future contracts	553,875	440,369
Options on asset values and equity index options	834,667	909,795
Precious metals and commodity future contracts	22,476	28,611
Commodity options	56,240	32,486
<b>Sales contracts</b>		
Interest rate futures	2,000	38,500
Currency and interest rate swaps in a single currency	21,591	38,643
Forward exchange contracts/gold contracts	92,122	86,367
Index future contracts	43,162	51,735
Options on asset values and equity index options	1,546,297	1,219,406
Commodity futures	571	0
Commodity options	121,101	62,922

<sup>1</sup> The chart is in line with the reporting guidelines VERA of the Austrian National Bank (Part A 1a unconsolidated statement of assets).



### Securities trading book

A securities trading book is maintained pursuant to Article 22 o of the Austrian Banking Act. On the balance sheet date the trading volume at fair values (derivatives on shares, commodities, precious metals and gold with delta values) amounts to:

Amounts in thousand Euros	31/12/2011	31/12/2010
Shares/ mutual funds	-363,764	-191,705
Listed options	19,152	1,369
Futures	587,489	418,498
Warrants/ certificates	-229,781	-372,446
OTC options	242,146	222,932
Purchased bonds	1,487,889	1,240,086
Issued guarantee bonds	-769,483	-824,190
<b>Total</b>	<b>973,648</b>	<b>494,544</b>

### Data on transactions with derivative financial instruments

Stock market trading in derivative financial instruments focuses on shares and equity/index futures and options. The financial instruments issued by Raiffeisen Centrobank can be classified as warrants, certificates mainly on shares and share indices (Turbo, Discount, Bonus and Open-End Certificates), and guarantee bonds with a payment structure related to equity or equity indices.

Listed derivatives are reported in the balance sheet at the listed market price. Unlisted derivatives are reported in the balance sheet with synthetic market prices. In both cases, adjustments in value are recognised through profit or loss in the income statement. The synthetic market prices are determined according to the bank's own evaluation methods, which are examined and approved by the risk management teams and which are based on recognised option-theoretical models.

For plain vanilla options (American and European style), the Black-Scholes model and the binomial pricing model according to Cox-Ross-Rubinstein are applied. The Curran approximation is applied to Asian options, whereas barrier options use Heynen-Kat and spread options rely on the Kirk model.

The volume of derivative financial instruments in the banking book relates to an OTC product to hedge interest rate risks and to FX forwards to hedge currency risks. FX forward transactions are primarily concluded to hedge currency risks of the commodity trading subsidiaries. The transactions are valued at fair value applying observable market parameter. Currency derivatives as at 31 December 2011 come up to a fair value of TEUR 154 (31/12/2010: TEUR 355).

The underlying transaction in an interest rate derivative are loans and advances to customers and liabilities to credit institutions. The derivative is recognised in the balance sheet as valuation unit with the hedged item at acquisition costs. The interest rate hedge has been concluded until the underlying transaction matures in 2016. The effectiveness of the hedge relations is determined according to the "critical term match". No provision for losses was made, neither on 31 December 2011 nor on 31 December 2010, due to the effectiveness of the hedge relation. The fair value as at 31 December 2011 came up to TEUR -383 (31/12/2010: -338).

Volumes of derivative financial transactions according to the VERA scheme<sup>1</sup> are as follows:

31/12/2011 Amounts in thousand Euros	Nominal amount		Positive market value		Negative market value	
	Banking book	Trading book	Banking book	Trading book	Banking book	Trading book
<b>1. Interest rate contracts</b>	<b>15,738</b>	<b>55,444</b>	<b>-383</b>	<b>31,187</b>	<b>383</b>	<b>1,995</b>
<b>1.1. OTC products</b>	<b>15,738</b>	<b>27,944</b>	<b>-383</b>	<b>783</b>	<b>383</b>	<b>-783</b>
Interest rate swaps	15,238	27,944	-383	783	383	-783
Options on interest-rate instruments	500	0	0	0	0	0
<b>1.2. Products traded on stock exchange</b>	<b>0</b>	<b>27,500</b>	<b>0</b>	<b>30,404</b>	<b>0</b>	<b>2,778</b>
Interest rate futures	0	27,500	0	30,404	0	2,778
<b>2. Foreign exchange contracts</b>	<b>112,831</b>	<b>64,237</b>	<b>-154</b>	<b>26,532</b>	<b>154</b>	<b>25,154</b>
<b>2.1. OTC products</b>	<b>112,831</b>	<b>0</b>	<b>-154</b>	<b>0</b>	<b>154</b>	<b>0</b>
Forward exchange contracts	112,831	0	-154	0	154	0
<b>2.2. Products traded on stock exchange</b>	<b>0</b>	<b>64,237</b>	<b>0</b>	<b>26,532</b>	<b>0</b>	<b>25,154</b>
Currency futures	0	64,237	0	26,532	0	25,154
<b>3. Equity contracts</b>	<b>0</b>	<b>3,178,389</b>	<b>0</b>	<b>683,958</b>	<b>0</b>	<b>585,768</b>
<b>3.1. OTC products</b>	<b>0</b>	<b>1,459,077</b>	<b>0</b>	<b>75,608</b>	<b>0</b>	<b>92,845</b>
Equity-based options- purchased	0	683,869	0	75,608	0	0
Equity-based options- sold	0	775,208	0	0	0	92,845
<b>3.2. Products traded on stock exchange</b>	<b>0</b>	<b>1,719,312</b>	<b>0</b>	<b>608,349</b>	<b>0</b>	<b>492,923</b>
Share and other equity/ index options and future contracts	0	1,481,495	0	575,697	0	401,340
Commodities/ precious metals	0	200,388	0	32,652	0	65,536
Certificates (Reverse Convertibles)	0	37,429	0	0	0	26,048
<b>Total OTC products</b>	<b>0</b>	<b>1,459,077</b>	<b>0</b>	<b>75,608</b>	<b>0</b>	<b>92,845</b>
<b>Total listed products</b>	<b>0</b>	<b>1,719,312</b>	<b>0</b>	<b>608,349</b>	<b>0</b>	<b>492,923</b>
<b>Total</b>	<b>128,569</b>	<b>3,298,070</b>	<b>-537</b>	<b>741,676</b>	<b>537</b>	<b>612,918</b>

<sup>1</sup> The chart is in line with the reporting guidelines VERA of the Austrian National Bank (Part A 1a unconsolidated statement of assets).

## C. Notes to the Income Statement

### I. Interest and similar income

Amounts in thousand Euros	2011	2010
for liabilities to credit institutions	3,942	4,297
for liabilities to customers	4,418	2,745
for securitised liabilities	12,704	10,035
	<b>21,064</b>	<b>17,077</b>

### II. Interest and similar expenses

Amounts in thousand Euros	2011	2010
for liabilities to credit institutions	-1,965	-1,415
for liabilities to customers	-868	-489
for securitised liabilities	-14,263	-11,672
	<b>-17,096</b>	<b>-13,576</b>

### III. Fee and commission income

Amounts in thousand Euros	2011	2010
from securities business	13,306	12,445
from ECM transactions	4,103	6,185
from credit business	154	31
from payment transactions	247	240
from other banking services	1,215	680
	<b>19,025</b>	<b>19,581</b>

### IV. Fee and commission expenses

Amounts in thousand Euros	2011	2010
from securities business	-12,820	-8,997
from credit business	0	-9
from payment transactions	-155	-125
from other banking services	-289	-133
	<b>-13,264</b>	<b>-9,265</b>

## V. Net profit on financial trading activities

Amounts in thousand Euros	2011	2010
from the valuation and sale of certificates and stocks	138,230	37,190
from the valuation and sale of OTC options and warrants	38,667	-62,300
from the valuation and sale of other options and futures	-143,594	54,545
from the valuation of spot and futures positions	379	9,750
	<b>33,682</b>	<b>39,185</b>

## VI. Other operating income

The item includes income from the release of provisions in the amount of TEUR 902 as well as income from charging-ons and non-banking transactions. Income in the amount of TEUR 83 (2010: TEUR 205) from commodity trading stems from the fulfilment of off-set obligations.

## VII. General administrative expenses

Amounts in thousand Euros	2011	2010
Office space expenses (maintenance, operation, administration, insurance)	-802	-864
Office supplies, printed matter, literature	-177	-190
IT costs	-2,019	-1,681
Communication costs	-887	-795
Information services	-2,132	-1,999
Car expenses and travelling expenses	-725	-637
Advertising and promotional expenses	-1,418	-1,227
Legal, advisory and consultancy services	-679	-802
Contributions to associations	-324	-282
Sundry	-607	-911
	<b>9,770</b>	<b>9,388</b>

**VIII. Other operating expenses**

“Other operating expenses“ amounting to TEUR 280 (2010: TEUR 404) primarily relates to fees and charging-on expenses for non-banking transactions.

**IX. Income taxes**

Income taxes are comprised of the following:

Amounts in thousand Euros	2011	2010
Passed on from the parent company for the business year	1,819	3,057
Adjustment of Group taxation- previous years	0	-7,367
arising from the termination of a tax audit		-453
arising from amendment of the AbgÄG 2009 (Austrian Tax Amendment Act) which entered into force retroactively		-6,914
Corporate income tax-previous years		43
arising from the termination of a tax audit		43
Not recognised as foreign withholding tax	525	326
	<b>2,344</b>	<b>-3,941</b>

**X. Deferred tax**

The bank did not exercise its right to capitalise deferred tax. The capitalisable amount of about TEUR 649 was calculated on the basis of non tax-deductible expenses for the 2011 financial year and previous years.

**XI. Subordinated capital**

Expenses related to subordinated capital amounted to TEUR 519 (2010: TEUR 469) for the period under review.

**XII. Expenses for auditing the financial statements**

Expenses for auditing the financial statements split into expenses for auditing and for tax consultancy services are contained in the consolidated financial statements.

## D. Other Disclosures

### Contingent liabilities

The breakdown of contingent liabilities arising from guarantees and assets pledged as security totalling TEUR 3,380 (31/12/2010: TEUR 10,298) consists of the following:

Amounts in thousand Euros	31/12/2011	31/12/2010
Letters of credit	2,785	9,728
Guarantees	595	570
	<b>3,380</b>	<b>10,298</b>
thereof for affiliated companies	2,785	1,431

In accordance with Article 93 Austrian Banking Act, the bank is legally obliged to provide for a proportionate deposit insurance as part of its membership in a professional association. Raiffeisen Centrobank AG is a member of the Fachverband der Raiffeisenbanken (professional association of the Raiffeisen Banking Group). This also entails an affiliation with Österreichischen Raiffeisen Einlagensicherung reg. GenmbH., Vienna (the deposit insurance arm of the Raiffeisen Banking Group, registered as a limited liability company). In the financial year the theoretical claim on this insurance is limited to a rate of 1.5% of the assessment basis in accordance with Article 22 para 2 Austrian Banking Act at the balance sheet date, plus the weighted items of the securities trading book, also in accordance with Article 22 Austrian Banking Act. These contingent liabilities are reported at a market value of Euro 0.07.

### Commitments shown under the balance sheet

Commitments shown under the balance sheet amounting to TEUR 26,325 (31/12/2010: TEUR 9,565) refer exclusively to irrevocable credit lines and standby facilities.

### Other contractual bank guarantee obligations

The following assets were pledged as security for obligations as of December 31, 2011:

#### Item A 2 Loans and advances to credit institutions

TEUR 99,602 (31/12/2010: TEUR 40,881)  
Collateral deposited with banks and stock exchanges for the securities and options business

#### Item A 4 Fixed-interest securities

TEUR 110,107 (31/12/2010: TEUR 141,107)  
Collateral deposited with banks and stock exchanges for the securities and options business

#### Posten A 5 Shares and other variable-yield securities

TEUR 18,442 (31/12/2010: TEUR 36,402)  
Collateral deposited with banks and stock exchanges for the securities and options business

### Letters of comfort

As at the balance sheet date a non-binding letter of comfort towards an associated company was in existence. No circumstances were known which would have involved a provision for contingent losses.

**Trustee transactions**

Trustee transactions not included in the balance sheet refer to one equity participation held in trust.

**Own funds**

The own funds of Raiffeisen Centrobank pursuant to Article 23 Austrian Banking Act (Tier 1) are comprised of the following:

Amounts in thousand Euros	31/12/2011	31/12/2010
Subscribed capital	47,599	47,599
Capital reserve	6,651	6,651
Legal reserve	1,031	1,031
Reserve pursuant to Austrian Banking Act	13,539	13,539
Other reserves	9,500	9,500
	<b>78,320</b>	<b>78,320</b>

**Number of staff**

	31/12/2011	Annual average	31/12/2010	Annual average
Salaried employees (including Executive Board)	197	200	208	202
thereof part-time	19	15	15	14
Wage employees	10	10	11	9
thereof part-time	3	3	2	1
<b>Total</b>	<b>207</b>	<b>210</b>	<b>219</b>	<b>210</b>

**Advances and loans to members of the Executive Board and Supervisory Board**

At the balance sheet date no advances and loans had been granted to members of the Executive Board. No advances, loans or guarantees were granted to members of the Supervisory Board.

**Expenses for severance payments and retirement benefits**

Expenses for severance payments and retirement benefits (including contributions to pension funds and staff retirement benefit plans, as well as provisions for severance payments) amounted to TEUR 342 (2010: TEUR 679) for members of the Executive Board and to TEUR 1,171 (2010: TEUR 1,320) for other employees.

The payment made to staff retirement benefit plans totalled TEUR 166 (2010: TEUR 143).

Premium paid for reinsurance for retirement benefits amounted to TEUR 270 (2010: TEUR 270). In the reporting year the income resulting from the increase in the surrender value of the insurance came up to TEUR 322 (2010: TEUR 377).

**Remuneration for members of the Executive Board and Supervisory Board**

In the 2011 financial year remuneration for three Executive Board members totalled TEUR 2,457 (2010: TEUR 2,435). Unchanged to the previous year in 2011 attending fees in the amount of TEUR 110 were paid to members of the Supervisory Board.

### Group relations

The company is an affiliated company of Raiffeisen-Landesbanken-Holding GmbH, Vienna, and is intergrated in its consolidated financial statements, as well as in the consolidated financial statements of Raiffeisen Bank International AG, Vienna which provides the consolidated financial statements for the least number of companies required.

Raiffeisen Centrobank itself is considered to be a parent company pursuant to Article 30 para 1 Austrian Banking Act. Provisions pertaining to the exempting consolidated financial statements pursuant to Article 245 para 5 Austrian Commercial Code are not applicable, due to the fact that securities issued by the company are traded on an organised stock exchange as stipulated in Article 2 (37) Austrian Banking Act. For this reason, the company draws up its own consolidated financial statements for its subgroup in accordance with International Financial Reporting Standards. These consolidated financial statements are available at the relevant parent company as well as at the Commercial Court of Vienna.

Since December 17, 2008, the company has been a member of the corporate group Raiffeisen Zentralbank Österreich Aktiengesellschaft (RZB) pursuant to Article 9 Austrian Corporation Tax Act. The application submitted by the company to become a group member of the corporate group RZB as of the business year 2008 pursuant to Article 9 Austrian Corporation Tax Act was notified to the financial authorities on December 19, 2008 and was approved by notice on April 22, 2009.

The taxable results of the members of the group are attributed to the parent company. Any tax adjustments between the parent company and the individual members of the corporate group are regulated in the form of a tax allocation agreement.



## Members of the Executive Board, the Supervisory Board and State Commissioners

### Executive Board

#### **Eva Marchart**

*Chief Executive Officer*

#### **Alfred Michael Spiss**

*Deputy Chief Executive Officer*

#### **Gerhard Grund**

*Member of the Executive Board*

### Supervisory Board

#### **Walter Rothensteiner**

*Chairman*

Chief Executive Officer of Raiffeisen Zentralbank  
Österreich Aktiengesellschaft, Vienna

#### **Patrick Butler**

*First Deputy Chairman*

Member of the Board of Raiffeisen Bank  
International AG, Vienna

#### **Herbert Stepic**

*Second Deputy Chairman*

Chief Executive Officer of Raiffeisen Bank  
International AG, Vienna

### Members

#### **Karl Sevelda**

Deputy Chief Executive Officer of Raiffeisen Bank  
International AG, Vienna

#### **Johann Strobl**

Member of the Board of Raiffeisen Bank  
International AG and Raiffeisen Zentralbank  
Österreich Aktiengesellschaft, Vienna

#### **Werner Kaltenbrunner**

Executive Director of Raiffeisen Bank  
International AG, Vienna

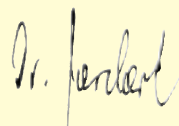
### State Commissioners

#### **Alfred Hacker**

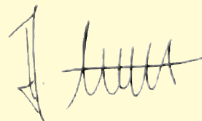
#### **Tamara Els**

*Head of Department*

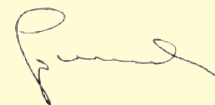
Vienna, 10 April 2012  
The Executive Board



**Eva Marchart**  
Chief Executive Officer



**Alfred Michael Spiss**  
Deputy Chief Executive Officer



**Gerhard Grund**  
Member of the Executive Board

## Auditor's Report

### Report on the Consolidated Financial Statements

We have audited the accompanying financial statements, including the accounting system, of

#### **Raiffeisen Centrobank AG, Vienna,**

for the fiscal year from 1 January 2011 to 31 December 2011. These financial statements comprise the balance sheet as of 31 December 2011, the income statement for the fiscal year ended 31 December 2011, and the notes.

#### **Management's Responsibility for the Financial Statements and for the Accounting System**

The Company's management is responsible for the accounting system and for the preparation and fair presentation of these financial statements in accordance with Austrian Generally Accepted Accounting Principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### Auditor's Responsibility and Description of Type and Scope of the Statutory Audit

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and Austrian Standards on Auditing. Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as of 31 December 2011 and of its financial performance for the year from 1 January to 31 December 2011 in accordance with Austrian Generally Accepted Accounting Principles.

Vienna, 10 April 2012  
KPMG Austria AG  
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

**Bernhard Mechtler**  
Austrian Chartered Accountant

**Wolfgang Höller**  
Austrian Chartered Accountant

**Report on Other Legal Requirements (Management Report)**

Pursuant to statutory provisions, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the other disclosures are not misleading with respect to the Company's position. The auditor's report also has to contain a statement as to whether the management report is consistent with the financial statements and whether the disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

In our opinion, the management report is consistent with the financial statements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

## Publisher's details

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