

RBI: Full year results 2017

- Consolidated profit of EUR 1,116 million more than doubled compared to last year (2016 pro forma: EUR 520 million)
- Common equity tier 1 (CET1) ratio (fully loaded) of 12.7% (2016 pro forma: 12.4%); IFRS 9 estimated impact around 15 bps on 1 January 2018
- Exceptionally low risk costs driven by positive market environment
- NPL ratio actively managed down to 5.7% (2016 pro forma: 8.7%) through NPL sales and write-offs
- Increase of customer loans of around 2% despite NPL sales and NPL write-offs
- Net interest margin stable at 2.48%
- Proposed dividend of EUR 0.62 per share

| Income Statement in EUR million | 1-12/2017 | 1-12/2016 pro forma due to merger | 1-12/2016 published before merger | Q4/2017 |
|--|------------------|--|--|----------------|
| Net interest income | 3,208 | 3,197 | 2,935 | 816 |
| Net provisioning for impairment losses | (287) | (758) | (754) | (127) |
| Net fee and commission income | 1,719 | 1,599 | 1,497 | 448 |
| Net trading income | 244 | 220 | 215 | 62 |
| General administrative expenses | (3,104) | (3,141) | (2,848) | (813) |
| Other results | (224) | (267) | (204) | (88) |
| Profit before tax | 1,612 | 946 | 886 | 311 |
| Profit after tax | 1,246 | 636 | 574 | 234 |
| Consolidated profit | 1,116 | 520 | 463 | 206 |

| Balance Sheet in EUR million | 31/12/2017 | 31/12/2016 pro forma due to merger | 31/12/2016 published before merger |
|-------------------------------------|-------------------|---|---|
| Loans and advances to customers | 81,232 | 79,769 | 70,514 |
| Deposits from customers | 84,831 | 80,325 | 71,538 |
| Total assets | 135,146 | 134,804 | 111,864 |
| Risk-weighted assets (total) | 71,902 | 67,911 | 60,061 |

| Key ratios | 31/12/2017 | 31/12/2016 pro forma due to merger | 31/12/2016 published before merger |
|------------------------------------|-------------------|---|---|
| NPL ratio | 5.7% | 8.7% | 9.2% |
| NPL coverage ratio | 67.0% | 75.2% | 75.6% |
| CET1 ratio (fully loaded) | 12.7% | 12.4% | 13.6% |
| CET1 ratio (transitional) | 12.9% | 12.7% | 13.9% |
| Total capital ratio (fully loaded) | 17.8% | 17.1% | 18.9% |
| Total capital ratio (transitional) | 17.9% | 17.4% | 19.2% |

| Key ratios | 1-12/2017 | 1-12/2016 pro forma due to merger | 1-12/2016 published before merger | Q4/2017 |
|-------------------------------|------------------|--|--|----------------|
| Net interest margin | 2.48% | 2.48% | 2.78% | 2.50% |
| Consolidated return on equity | 12.2% | 6.2% | 5.8% | 8.9% |
| Cost/income ratio | 59.4% | 61.5% | 60.7% | 60.7% |
| Earnings per share in EUR | 3.34 | 1.58 | 1.58 | 0.60 |
| Dividend per share in EUR | 0.62 | - | - | n.a. |

As of January 2017, RZB contributed business is fully included. Current RBI figures refer to the Combined Bank; unless specified otherwise, the historical pro forma data is based on the Combined Bank (consideration of the merger).

Outlook

We will pursue loan growth with an average yearly percentage increase in the mid-single digit area. Following very low risk costs in 2017 (EUR 287 million), we expect impairment losses on financial assets in 2018 to be above the 2017 level.

We anticipate that the NPL ratio will further reduce in the medium term.

We aim to achieve a cost/income ratio of below 55 per cent in the medium term.

We target a consolidated return on equity of approximately 11 per cent in the medium term.

We target a CET1 ratio (fully loaded) of around 13 per cent post dividend in the medium term.

Based on this target, we intend to distribute between 20 and 50 per cent (dividend payout ratio) of the consolidated profit.

The targets in this outlook include the impact from IFRS 9 and FINREP.

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