

Fourth Supplement dated 13 June 2017

to the Debt Issuance Programme Prospectus dated 14 October 2016
relating to the EUR 25,000,000,000 Debt Issuance Programme

This document constitutes a supplement (the "Fourth Supplement") for the purpose of Art. 16 of the Directive 2003/71/EC of the European Parliament and the Council of 4 November 2003, as amended (the "Prospectus Directive") as well as Article 13 of Chapter 1 of Part II of the Luxembourg law dated 10 July 2005 on prospectuses for securities, as amended (Loi relative aux prospectus pour valeurs mobilières, the "Luxembourg Prospectus Law"), to the two base prospectuses for securities relating to the EUR 25,000,000,000 Debt Issuance Programme for the issue of Notes of Raiffeisen Bank International AG (the "Issuer" or "RBI"): (i) the base prospectus in respect of non-equity securities within the meaning of Art. 22 No. 6 (4) of the Commission Regulation (EC) No. 809/2004 of 29 April 2004, as amended ("Prospectus Regulation") and (ii) the base prospectus in respect of Covered Bank Bonds (non-equity securities within the meaning of Art. 22 No. 6(3) of the Prospectus Regulation) (the two base prospectuses together, the "Original Base Prospectus") (the Original Base Prospectus as supplemented by the First Supplement dated 05 December 2016, the Second Supplement dated 06 February 2017 and by the Third Supplement dated 28 March 2017, the "Supplemented Base Prospectus" and the Supplemented Base Prospectus together with this Fourth Supplement, the "Base Prospectus").



Raiffeisen Bank International

RAIFFEISEN BANK INTERNATIONAL AG

EUR 25,000,000,000 Debt Issuance Programme

for the issue of Notes

This Fourth Supplement is supplemental to, and should only be distributed and read together with, the Supplemented Base Prospectus. Terms defined in the Supplemented Base Prospectus have the same meaning when used in this Fourth Supplement. To the extent that there is any inconsistency between (a) any statement in this Fourth Supplement and (b) any other statement prior to the date of this Fourth Supplement, the statements in (a) will prevail.

This Fourth Supplement has been approved by the *Commission de Surveillance du Secteur Financier* (the "CSSF") and will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu) and on the website of Raiffeisen Bank International AG (www.rbinternational.com).

Raiffeisen Bank International AG has requested the CSSF in its capacity as competent authority under the Luxembourg Prospectus Law to approve this Fourth Supplement and to provide the competent authorities in Germany, Austria, the Czech Republic, Slovakia, Poland, Hungary and Romania with a certificate of approval (a "Notification") attesting that this Fourth Supplement has been drawn up in accordance with the Luxembourg Prospectus Law which implements the Prospectus Directive into Luxembourg law. The Issuer may request the CSSF to provide competent authorities in additional Member States within the European Economic Area with a Notification.

By approving this Fourth Supplement, the CSSF shall give no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer in line with the provisions of article 7 (7) of the Luxembourg Prospectus Law.

The Issuer is solely responsible for the information given in this Fourth Supplement. The Issuer hereby declares, having taken all reasonable care to ensure that such is the case, that to the best of its knowledge, the information contained in this Fourth Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

No person has been authorised to give any information or to make any representation other than those contained in the Supplemented Base Prospectus or this Fourth Supplement in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer, the Dealers or any of them.

This Fourth Supplement does not constitute an offer of, or an invitation by or on behalf of the Issuer or the Dealers to subscribe for, or purchase, any Notes.

IN ACCORDANCE WITH ARTICLE 16 PARAGRAPH 2 OF THE PROSPECTUS DIRECTIVE AND WITH ARTICLE 13 PARAGRAPH 2 OF THE LUXEMBOURG PROSPECTUS LAW, WHERE THE PROSPECTUS RELATES TO AN OFFER OF SECURITIES TO THE PUBLIC, INVESTORS WHO HAVE ALREADY AGREED TO PURCHASE OR SUBSCRIBE FOR ANY NOTES BEFORE THIS FOURTH SUPPLEMENT IS PUBLISHED HAVE THE RIGHT, EXERCISABLE WITHIN TWO WORKING DAYS AFTER THE PUBLICATION OF THIS FOURTH SUPPLEMENT, I.E. UNTIL 15 JUNE 2017, TO WITHDRAW THEIR ACCEPTANCES, PROVIDED THAT THE NEW FACTOR, MISTAKE OR INACCURACY AROSE BEFORE THE FINAL CLOSING OF THE OFFER TO THE PUBLIC AND THE DELIVERY OF THE NOTES.

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SUPPLEMENTAL INFORMATION

Part A – Amendments to the sections IMPORTANT NOTICE and GLOSSARY AND LIST OF ABBREVIATIONS

- 1) On page 2 of the Supplemented Base Prospectus under the headline “IMPORTANT NOTICE”, the following sentence shall be inserted as last sentence:

“All references to RBI’s website relating to “Investor Relations” in the English sections of this Base Prospectus shall be read as reference to “Investors” and all references to RBI’s website relating to “Investor Relations” in the German sections of this Base Prospectus shall be read as reference to “Investoren.”

- 2) On page 10 of the Supplemented Base Prospectus, the definition of “RBI” shall be deleted and fully replaced by the following definition:

“RBI means the Issuer. For the avoidance of doubt, all references in this Prospectus to "RBI" and the "Issuer" relating to periods prior to 18 March 2017 are references to Raiffeisen Bank International AG prior to the merger of Raiffeisen Bank International AG with Raiffeisen Zentralbank Österreich Aktiengesellschaft in March 2017 (the "**Merger 2017**")”

- 3) On page 10 of the Supplemented Base Prospectus, the definition of “RBI Group” shall be deleted and fully replaced by the following definition:

“RBI Group means the Issuer and its fully consolidated subsidiaries taken as a whole. For the avoidance of doubt, all references in this Prospectus to "RBI Group" relating to periods prior to 18 March 2017 are references to Raiffeisen Bank International AG and its fully consolidated subsidiaries taken as a whole prior to the merger of Raiffeisen Bank International AG with Raiffeisen Zentralbank Österreich Aktiengesellschaft in March 2017 (the "**Merger 2017**")”

Part B – Amendments to the section SUMMARY

- 4) On pages 16 to 18 of the Supplemented Base Prospectus, in the section "**Selected historical key information regarding the issuer, for each financial year and any subsequent interim financial period (accompanied by comparative data)**" in the "**SUMMARY**", "**Section B**", **Element "B.12"**, the following tables shall be added at the end below the existing tables, just below the last line "Source: Annual Report 2016 (Audited consolidated financial statements of RBI for the fiscal year 2016)":

| "Income Statement in EUR million | 1-3/2017 (unaudited) | 1-3/2016 (unaudited) |
|---|--------------------------------|--------------------------------|
| Net interest income | 796 | 718 |
| Net provisioning for impairment losses | (80) | (106) |
| Net interest income after provisioning | 716 | 612 |
| Net fee and commission income | 409 | 347 |
| Net trading income | 64 | 28 |
| Net income from derivatives and liabilities | 8 | (27) |
| Net income from financial investments | (32) | 26 |
| General administrative expenses | (815) | (718) |
| Profit/loss before tax | 330 | 229 |
| Profit/loss after tax | 255 | 138 |
| Consolidated profit/loss | 220 | 114 |

| Balance Sheet in EUR million | 31/03/2017 (unaudited) | 31/12/2016 (audited) |
|-------------------------------------|----------------------------------|--------------------------------|
| Equity | 10,067 | 9,232 |
| Total assets | 138,489 | 111,864 |

| Selected Key Ratios | 31/03/2017 (unaudited) | 31/12/2016 (audited) |
|-----------------------------------|----------------------------------|--------------------------------|
| NPL Ratio ⁽¹⁾ | 8.3 per cent | 9.2 per cent |
| NPL Coverage Ratio ⁽¹⁾ | 74.0 per cent | 75.6 per cent |

| Bank Specific Information | 31/03/2017 (unaudited) | 31/12/2016 (audited) |
|---|----------------------------------|--------------------------------|
| Common equity tier 1 ratio (transitional) | 12.4 per cent | 13.9 per cent |
| Common equity tier 1 ratio (fully loaded) | 12.2 per cent | 13.6 per cent |
| Total capital ratio (transitional) | 17.0 per cent | 19.2 per cent |
| Total capital ratio (fully loaded) | 16.8 per cent | 18.9 per cent |

| Performance | 1-3/2017 (unaudited) | 1-3/2016 (unaudited) |
|--|--------------------------------|--------------------------------|
| Net interest margin (average interest-bearing assets) ⁽²⁾ | 2.49 per cent | 2.73 per cent |
| Return on equity before tax ⁽³⁾ | 13.4 per cent | 10.8 per cent |
| Cost/income ratio ⁽⁴⁾ | 62.8 per cent | 65.0 per cent |
| Earnings per share in EUR | 0.67 | 0.39 |

| Resources | 31/03/2017 (unaudited) | 31/12/2016 (audited) |
|--|----------------------------------|--------------------------------|
| Employees as at reporting date (full-time equivalents) | 50,094 | 48,556 |
| Business outlets | 2,500 | 2,506 |

This overview includes the following Alternative Performance Measures ("APM"):

- (1) NPL ratio and NPL coverage ratio "Total non-banks": NPL ratio: Non-performing loans in relation to total loans and advances to customers; NPL coverage ratio: impairment losses on loans and advances to customers in relation to non-performing loans to customers.
- (2) Net interest margin (average interest-bearing assets): Net interest income in relation to average interest-bearing assets.
- (3) Return on the total equity including non-controlling interests, i.e. profit after tax in relation to average equity on the statement of financial position. Average equity is calculated on month-end figures including non-controlling interests and does not include current year profit.
- (4) General administrative expenses in relation to operating income (less bank levies, impairments of goodwill, releases of negative goodwill and any non-recurring effects reported under sundry operating expenses).

Source: First Quarter Report 2017 (Unaudited consolidated financial statements of RBI for the first three months ended 31 March 2017) and Annual Report 2016 (Audited consolidated financial statements of RBI for the fiscal year 2016)."

- 5) On page 18 of the Supplemented Base Prospectus, in the section "**Significant changes in the financial or trading position of the Issuer**" in the "**SUMMARY**", "**Section B**", **Element "B.12"**, the existing text shall be deleted and replaced by the following wording:

"No significant changes in the financial or trading position of the Issuer have occurred since 31 March 2017."

- 6) On page 18 of the Supplemented Base Prospectus, in the section **“Recent events particular to the issuer which are to a material extent relevant to the evaluation of the issuer’s solvency”** in the **“SUMMARY”, “Section B”, Element “B.13”**, the existing text shall be deleted and replaced by the following wording:

“The Issuer is not aware of any recent events particular to the Issuer (i.e. occurring after the most recent published unaudited interim consolidated financial statements of the Issuer (RBI) as of 31 March 2017) in the context of its business activities that are to a material extent relevant for the evaluation of its solvency.”

- 7) On page 20 of the Supplemented Base Prospectus, in the section **“Credit ratings assigned to the issuer or its debt securities”** in the **“SUMMARY”, “Section B”, Element “[B.17”**, the existing table below the sentence “As at the date of the Base Prospectus such ratings are as follows: “ and above “*) Moody’s Deutschland GmbH,…” shall be deleted and replaced by the following table:

“

| | Moody’s² | S&P³ |
|---|----------------------------|----------------------------|
| Rating for long term obligations (senior) | Baa1 / Outlook stable | BBB+ / Outlook positive |
| Rating for short term obligations (senior) | P-2 | A-2 |

”

- 8) On pages 51 to 52 of the Supplemented Base Prospectus, the section **“Key risks that are specific to the Issuer” / “A. Risks relating to the Issuer”** in the **“SUMMARY”, “Section D”, Element “D.2”**, paragraphs numbered **“15.”, “19.”** and **“21.”** shall be fully deleted and replaced by the following paragraphs:

“15. The Issuer is obliged to contribute amounts to the Single Resolution Fund and to ex ante financed funds of the deposit guarantee schemes; this results in additional financial burdens for the Issuer and thus, adversely affects the financial position of the Issuer and the results of its business, financial condition and results of operations.”

“19. Adjustments to the business profile of RBI or RBI Group may lead to changes in its profitability.”

“21. RBI’s ability to fulfil its obligations under the Notes depends in particular on its financial strength which in turn is influenced by its profitability. The following factors may adversely affect RBI’s profitability: Consumer Protection, Project Risk, Group Cross Default Clauses, RBI’s Capital Market Dependence, RBI Group’s Customer Deposits Dependence, Collateral Eligibility Criteria, Deteriorating Assets Valuations and Impairment of Collateral, Competition, Operational Risk, M&A Risks, Litigation, Risk Management, IT Systems, Conflicts of Interest, Participation Risk, Capital Risk.”

² Moody’s appends long-term obligation ratings at the following levels: Aaa, Aa, A, Baa, Ba, B, Caa, Ca and C. To each generic rating category from Aa to Caa Moody’s assigns the numerical modifiers “1”, “2” and “3”. The modifier “1” indicates that the bank is in the higher end of its letter-rating category, the modifier “2” indicates a mid-range ranking and the modifier “3” indicates that the bank is in the lower end of its letter-rating category. Moody’s short-term ratings are opinions of the ability of issuers to honor short-term financial obligations and range from P-1, P-2, P-3 down to NP (Not Prime).

³ S&P assign long-term credit ratings on a scale from AAA (best quality, lowest risk of default), AA, A, BBB, BB, B, CCC, CC, C, SD to D (highest risk of default). The ratings from AA to CCC may be modified by the addition of a “+” or “-” to show the relative standing within the major rating categories. S&P may also offer guidance (termed a “credit watch”) as to whether a rating is likely to be upgraded (positive), downgraded (negative) or uncertain (developing). S&P assigns short-term credit ratings for specific issues on a scale from A-1 (particularly high level of security), A-2, A-3, B, C, SD down to D (highest risk of default).

Part C – Amendments to the section GERMAN TRANSLATION OF THE SUMMARY

- 9) On pages 65 to 67 of the Supplemented Base Prospectus, in the section "**Ausgewählte historische Finanzinformationen; für jedes Finanzjahr und alle folgenden Zwischenberichtsperioden (begleitet von Vergleichsdaten)**" in the "**GERMAN TRANSLATION OF THE SUMMARY**", "**Abschnitt B**", **Element "B.12"**, the following tables shall be added at the end below the existing tables, just below the last line "Quelle: Geschäftsbericht 2016 (Geprüfter Konzernfinanzbericht der RBI für das Geschäftsjahr 2016)":

| "Erfolgsrechnung, in EUR Millionen | 1-3/2017 | 1-3/2016 |
|---|-------------------|-------------------|
| | (ungeprüft) | (ungeprüft) |
| Zinsüberschuss | 796 | 718 |
| Nettodotierungen zu Kreditrisikovorsorgen | (80) | -106 |
| Zinsüberschuss nach Kreditrisikovorsorgen | 716 | 612 |
| Provisionsüberschuss | 409 | 347 |
| Handelsergebnis | 64 | 28 |
| Ergebnis aus Derivaten und Verbindlichkeiten | 8 | -27 |
| Ergebnis aus Finanzinvestitionen | -32 | 26 |
| Verwaltungsaufwendungen | -815 | -718 |
| Ergebnis vor Steuern | 330 | 229 |
| Ergebnis nach Steuern | 255 | 138 |
| Konzernergebnis | 220 | 114 |
| Bilanz, in EUR Millionen | 31.03.2017 | 31.12.2016 |
| | (ungeprüft) | (geprüft) |
| Eigenkapital | 10.067 | 9.232 |
| Bilanzsumme | 138.489 | 111.864 |
| Ausgewählte Kennzahlen | 31.03.2017 | 31.12.2016 |
| | (ungeprüft) | (geprüft) |
| NPL Ratio ⁽¹⁾ | 8,3 % | 9,2 % |
| NPL Coverage Ratio ⁽¹⁾ | 74,0 % | 75,6 % |
| Bankspezifische Kennzahlen | 31.03.2017 | 31.12.2016 |
| | (ungeprüft) | (geprüft) |
| Common Equity Tier 1 Ratio (transitional) | 12,4 % | 13,9 % |
| Common Equity Tier 1 Ratio (fully loaded) | 12,2 % | 13,6 % |
| Eigenmittelquote (transitional) | 17,0 % | 19,2 % |
| Eigenmittelquote (fully loaded) | 16,8 % | 18,9 % |
| Leistungskennziffern | 1-3/2017 | 1-3/2016 |
| | (ungeprüft) | (ungeprüft) |
| Nettozinsmarge (auf durchschnittliche zinstragende Assets) ⁽²⁾ | 2,49 % | 2,73 % |
| Return on Equity vor Steuern ⁽³⁾ | 13,4 % | 10,8 % |
| Cost/Income Ratio ⁽⁴⁾ | 62,8 % | 65,0 % |
| Ergebnis je Aktie in EUR | 0,67 | 0,39 |
| Ressourcen | 31.03.2017 | 31.12.2016 |
| | (ungeprüft) | (geprüft) |
| Mitarbeiter zum Stichtag (Vollzeitäquivalente) | 50.094 | 48.556 |
| Geschäftsstellen | 2.500 | 2.506 |

Dieser Überblick beinhaltet die folgenden Alternativen Leistungskennzahlen – Alternative Performance Measures ("APM"):

- (1) NPL Ratio und NPL Coverage Ratio von Forderungen an Nichtbanken; NPL ratio: notleidende Kredite in Relation zu den gesamten Forderungen an Kunden; NPL Coverage Ratio: Risikovorsorgen für Forderungen an Kunden im Verhältnis zu den notleidenden Forderungen an Kunden.
- (2) Nettozinsmarge (durchschnittliche verzinste Aktiva): Zinsüberschuss im Verhältnis zu durchschnittlichen zinstragenden Aktiva.
- (3) Gewinn auf das gesamte Eigenkapital, einschließlich Minderheitsanteile, d.h. Gewinn nach Steuern in Bezug auf das durchschnittliche Eigenkapital in der Bilanz. Durchschnittliches Eigenkapital wird jeweils zum Monatsende berechnet, einschließlich Minderheitsanteile und umfasst nicht den Gewinn des laufenden Jahres.
- (4) Allgemeine Verwaltungsausgaben in Bezug auf Betriebserträge (abzüglich Bankenabgaben, Wertminderungen von Firmenwerten, vereinnahmter passiver Unterschiedsbeträge und in den sonstigen betrieblichen Aufwendungen ausgewiesener Einmaleffekte).

Quellen: 1. Quartalsbericht 2017 (Ungeprüfter Konzernzwischenabschluss der RBI zum 31. März 2017) und Geschäftsbericht 2016 (Geprüfter Konzernfinanzbericht der RBI für das Geschäftsjahr 2016)."

- 10) On page 68 of the Supplemented Base Prospectus, in the section “**Wesentliche Veränderungen der Finanzlage oder Handelsposition der Emittentin (die nach dem von den historischen Finanzinformationen abgedeckten Zeitraum eingetreten sind)**” in the “**GERMAN TRANSLATION OF THE SUMMARY**”, “**Abschnitt B**”, Element “**B.12**”, the existing text shall be deleted and replaced by the following wording:

“Es gab es keine wesentlichen Veränderungen der Finanzlage oder Handelsposition der Emittentin seit dem 31. März 2017.“

- 11) On page 68 of the Supplemented Base Prospectus, in the section “**Beschreibung von Ereignissen aus der Tätigkeit der Emittentin aus jüngster Zeit, die für die Bewertung ihrer Zahlungsfähigkeit in hohem Maße relevant sind**” in the “**GERMAN TRANSLATION OF THE SUMMARY**”, “**Abschnitt B**”, Element “**B.13**”, the existing text shall be deleted and replaced by the following wording:

“Der Emittentin sind keine jüngst eingetretenen Ereignisse, die sich speziell auf die Tätigkeit der Emittentin beziehen (die nach dem publizierten ungeprüften konsolidierten Konzernzwischenabschluss der Emittentin (RBI) zum 31. März 2017 auftraten) bekannt, die für die Beurteilung ihrer Zahlungsfähigkeit in hohem Maße relevant sind.“

- 12) On page 69 of the Supplemented Base Prospectus, in the section “**Kreditratings der Emittentin und ihrer Schuldtitel**” in the German translation of the Summary “**ZUSAMMENFASSUNG**”, “**Abschnitt B**”, Element “[**B.17**”, the existing table below the sentence “Zum Datum des Basisprospekts sind diese Ratings wie folgt: “ and above “*) Moody’s Deutschland GmbH,…” shall be deleted and replaced by the following table:

“

| | Moody’s ² | S&P ³ |
|--|-------------------------|--------------------------|
| Rating langfristige Verbindlichkeiten (senior) | Baa1 / Ausblick: stabil | BBB+ / Ausblick: positiv |
| Rating for kurzfristige Verbindlichkeiten (senior) | P-2 | A-2 |

”

- 13) On pages 104 to 105 of the Supplemented Base Prospectus, the section “**Zentrale Risiken, die der Emittentin eigen sind**” in the “**GERMAN TRANSLATION OF THE SUMMARY**”, “**Abschnitt D**”, Element “**D.2**”, paragraphs numbered “**15.**”, “**19.**” and “**21.**” shall be fully deleted and replaced by the following paragraphs:

„15. Die RBI ist verpflichtet, Beiträge zum Einheitlichen Abwicklungsfonds und zu ex-ante finanzierten Fonds der Einlagensicherungssysteme zu leisten, die zu zusätzlichen finanziellen Belastungen für die RBI führen und folglich die finanzielle Position der Emittentin sowie die Vermögens-, die Finanz- und Ertragslage negativ beeinflussen können.“

„19. Anpassungen des Geschäftsprofils der RBI oder des RBI Konzerns könnte zu Änderungen in ihrer Profitabilität führen.“

„21. Die Fähigkeit der RBI, ihre Verpflichtungen unter den Schuldverschreibungen zu erfüllen, hängt insbesondere von ihrer Finanzstärke ab, die wiederum von ihrer Profitabilität beeinflusst wird. Die folgenden Faktoren können RBI’s Profitabilität nachteilig beeinflussen: Verbraucherschutz, Projektrisiko, Konzern-Drittverzugsklauseln, RBI’s Abhängigkeit vom Kapitalmarkt, Abhängigkeit des RBI Konzerns von Kundeneinlagen, Kriterien für die Anerkennung von Sicherheiten, Verschlechterung der Bewertung von Vermögenswerten und Beeinträchtigung von Sicherheiten, Wettbewerb, Operationelles Risiko, M&A Risiken, Prozessrisiko, Risikomanagement, IT Systeme, Interessenkonflikte, Beteiligungsrisiko, Kapitalrisiko.“

² Moody’s vergibt langfristige Ratings anhand der folgenden Skala: Aaa, Aa, A, Baa, Ba, B, Caa, Ca und C. Jeder allgemeinen Ratingkategorie von Aa bis Caa weist Moody’s die numerischen Modifikatoren “1”, “2” und “3” zu. Der Modifikator “1” zeigt an, dass die Bank am oberen Ende ihrer Buchstaben-Ratingklasse steht, der Modifikator “2” steht für ein mittleres Ranking und der Modifikator “3” zeigt an, dass die Bank sich am unteren Ende ihrer Buchstaben-Ratingklasse befindet. Die kurzfristigen Ratings von Moody’s stellen eine Einschätzung der Fähigkeit des Emittenten dar, kurzfristigen finanziellen Verpflichtungen nachzukommen, und reichen von P-1, P-2, P-3 bis hinunter zu NP (Not Prime).

³ S&P vergibt langfristige Bonitätsratings anhand der folgenden Skala: AAA (beste Qualität, geringstes Ausfallrisiko), AA, A, BBB, BB, B, CCC, CC, C, SD bis D (höchstes Ausfallrisiko). Die Ratings von AA bis CCC können durch ein “+” oder “-” modifiziert werden, um die relative Position innerhalb der Hauptratingklasse anzugeben. S&P kann darüber hinaus eine Einschätzung (genannt *Credit Watch*) abgeben, ob ein Rating in naher Zukunft voraussichtlich ein Upgrade (positiv) erhält, ein Downgrade (negativ) erhält oder ob die Tendenz ungewiss ist (developing). S&P weist spezifischen Emissionen kurzfristige Ratings auf einer Skala von A-1 (besonders hoher Grad an Sicherheit), A-2, A-3, B, C, SD bis hinab zu D (höchstes Ausfallrisiko) zu.

Part D – Amendments to the section RISK FACTORS

- 14) On page 118 of the Supplemented Base Prospectus, the section **“3. Any further appreciation of the value of any currency in which foreign-currency loans are denominated against CEE currencies or even a continuing high value of such a currency would deteriorate the quality of foreign currency loans which RBI Group has granted to customers in CEE and also raises the risk of new legislation as well as regulatory and/or tax measures detrimental to RBI Group.”** in the **“RISK FACTORS”**, Section **“A. RISKS RELATING TO THE ISSUER”**, shall be fully deleted and replaced by the following paragraphs:

***“3. Any further appreciation of the value of any currency in which foreign-currency loans are denominated against CEE currencies or even a continuing high value of such a currency would deteriorate the quality of foreign currency loans which RBI Group has granted to customers in CEE and also raises the risk of new legislation as well as regulatory and/or tax measures detrimental to RBI Group.*”**

In several Central and Eastern Europe including Southeastern Europe (“CEE”) countries, RBI Group has granted loans to households and companies denominated in a foreign currency (e.g. Swiss francs, US Dollar and Euro). An appreciation of such a currency makes the debt more burdensome for local borrowers in CEE without income streams in the relevant currency, which not only deteriorates loan quality but also raises the risk of new legislation as well as regulatory and/or tax measures detrimental to the banking sector. RBI Group has experienced such development already in Hungary, Croatia and Romania. Similar developments cannot be ruled out for other markets RBI Group is operating in.

In Poland, potential measures in favor of borrowers who have taken out foreign currency-mortgage loans (the majority of which are denominated in Swiss francs), are currently being discussed. In the beginning of August 2016, the Polish President’s Administration Office announced the enactment of new foreign currency (“FX”) rules. The draft regulation provides for the reimbursement of exchange rate differences arising from the credit institutions applying exchange rates which differ by more than 0.5 per cent. from the relevant central bank bid/offer exchange rates plus interest according to statutory interest rate. The rules are intended to apply to all FX denominated and FX indexed mortgage loans up to the equivalent of PLN 350,000 per borrower (private individual or micro companies under the condition that they did not amortize or counted costs for the company financials) whether outstanding or already repaid, and shall become effective for loans entered into between 01 July 2000 until 26 August 2011. The estimated costs for the banking sector are about 10 billion PLN based on Central Bank and Regulator estimations. Moreover, additional laws and a set of regulatory actions could be introduced which could force banks to convert FX mortgage loans into PLN. Any of these measures, if decided and implemented, could have a material negative impact on Raiffeisen Bank Polska S.A. and, thus, on the Issuer.”

- 15) On page 122 of the Supplemented Base Prospectus, the section **“10. Decreasing interest rate margins may have a material adverse effect on RBI Group”** in the **“RISK FACTORS”**, Section **“A. RISKS RELATING TO THE ISSUER”**, shall be fully deleted and replaced by the following paragraphs:

***“10. Decreasing interest rate margins may have a material adverse effect on RBI Group.*”**

The majority of RBI Group’s operating income is derived from net interest income. As of 31 December 2016, EUR 2,935 million or 61 per cent. of RBI Group’s operating income was derived from net interest income (Source: RBI’s audited consolidated annual financial statements as per 31 December 2016). The members of RBI Group earn interest from loans and other assets, and pay interest to their depositors and other creditors.

Interest rates are highly sensitive to many factors beyond RBI Group’s control, including inflation, monetary policies and domestic and international economic and political conditions. Decreasing interest rates result in decreasing margins and consequently in decreasing net interest income unless compensated by an increase in customer loan volumes. The effects of changes in interest rates on RBI Group’s net interest income depend on the relative amounts of assets and liabilities that are affected by the change in interest rates. Reductions in interest rates and margins may not affect RBI Group’s refinancing costs to the same extent as they affect interest rates and margins on loans granted by RBI Group, because a credit institution’s ability to make a corresponding reduction in the interest rate and margin it pays to its lenders is limited, in particular when interest rates on deposits are already very low. Additionally, legal provisions may lead to restrictions on charging negative interest rates on deposit accounts and credit customers may be motivated due to low or negative interest rates to do a full repayment of their debts (e.g. loans with fixed interest rates) without any cost chargings.

Furthermore, a low or negative interest rate environment results in increased costs of maintaining the regulatory and prudential liquidity buffers held in cash and low yield liquid assets.

As a result of the above, interest rate fluctuations and, in particular, decreasing interest rate margins could negatively affect RBI Group’s net interest income and have a material adverse effect on RBI’s ability to fulfil its obligations under the Notes.”

- 16) On page 125 of the Supplemented Base Prospectus, the section **“15. RBI is obliged to contribute amounts to the Single Resolution Fund and to ex-ante financed funds of the deposit guarantee schemes which results in additional financial burdens for RBI.”** in the **“RISK FACTORS”**, Section **“A. RISKS RELATING TO THE ISSUER”**, shall be fully deleted and replaced by the following paragraphs:

***“15. The Issuer is obliged to contribute amounts to the Single Resolution Fund and to ex ante financed funds of the deposit guarantee schemes; this results in additional financial burdens for the Issuer and thus, adversely affects the financial position of the Issuer and the results of its business, financial condition and results of operations.*”**

The Single Resolution Mechanism (“SRM”) includes a Single Resolution Fund (“SRF”) to which credit institutions and certain investment firms in the participating Member States have to contribute.

Furthermore, the “Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes” (Directive on Deposit Guarantee Schemes – “DGSD”) stipulates financing requirements for the Deposit Guarantee Schemes (“DGS”). In principle, the target level of ex ante financed funds for DGS is 0.8 per cent. of covered deposits to be

collected from credit institutions until 3 July 2024. According to the Austrian Deposit Guarantee and Investor Protection Act (Einlagensicherungs- und Anlegerentschädigungsgesetz – "ESAEG"), which implements the DGSD in Austria, the deposit guarantee fund must therefore be established until 3 July 2024.

In the past, the Austrian mandatory DGS did not require ex ante funding, but merely has obliged the respective DGS-members (ex post) to contribute after deposits of any member have become unavailable (protection event). Therefore, the implementation of the DGSD into Austrian law which stipulates ex ante contributions triggers an additional financial burdens for the Issuer.

In addition to ex ante contributions, if necessary, credit institutions have to pay certain additional (ex post) contributions.

The obligation to contribute amounts for the establishment of the SRF and the ex ante funds to the DGS results in additional financial burdens for the Issuer and thus, adversely affects the financial position of the Issuer and the results of its business, financial condition and results of operations."

- 17) On page 126 of the Supplemental Base Prospectus, the section "**18. New governmental or regulatory requirements and changes in perceived levels of adequate capitalisation and leverage could lead to increased capital requirements and reduced profitability for RBI Group.**" in the "RISK FACTORS", Section "**A. RISKS RELATING TO THE ISSUER**", shall be fully deleted and replaced by the following paragraphs:

“18. New governmental or regulatory requirements and changes in perceived levels of adequate capitalisation and leverage could lead to increased capital requirements and reduced profitability for RBI Group.

In response to the global financial crisis and the European sovereign debt crisis, a number of initiatives relating to the regulatory requirements applicable to European credit institutions, including RBI Group, have been (and are currently being) implemented, adopted, or developed. These include the following:

- **Pillar 2 Requirements.** RBI Group is subject to the Pillar 2 requirements stipulated in § 70 (4a) and (4b) in connection with § 77c of the Austrian Banking Act (Bankwesengesetz – "BWG") which implements the Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms (Capital Requirements Directive IV – "CRD IV") and determined in the yearly Supervisory Review and Evaluation Process ("SREP") ruling issued by the ECB. Depending on the business model, governance and risk management, capital adequacy and the liquidity situation of the credit institution, the ECB sets individual own funds (especially CET 1) add-on requirements for each credit institution in each year. These add-ons also take into account results from the latest stress tests. Depending on the financial situation of the credit institution group, SREP requirements may vary annually. According to the SREP methodology communicated by the ECB in July 2016, the Pillar 2 requirement will be split into a hard Pillar 2 requirement located above the 4.5 per cent. CET 1 Pillar 1 requirement, but below the combined buffer requirement (capital conservation buffer plus countercyclical buffer plus systemic/G-SIB buffer, see below), thus having an impact on the maximum distributable amount ("MDA") calculation, and a soft Pillar 2 guidance located above the combined buffer requirement. A breach of the Pillar 2 guidance will not have a negative impact on the MDA, but will result in non-public supervisory action to improve capitalization of the relevant credit institution. A continuing inability to comply with the Pillar 2 guidance may result in shifting requirement arising from the Pillar 2 guidance into the Pillar 2 requirement in the next SREP ruling. Increasing Pillar 2 requirements for RBI Group or its individual members could trigger additional pressure on the capitalization of RBI Group and/or its individual entities requiring unplanned adaptations.
- **Capital buffers requirements.** §§ 23 to 23d BWG which implement Articles 128 to 140 CRD IV into national law in Austria require institutions to maintain in addition to the CET 1 capital maintained to meet the own funds requirements imposed by the CRR and potentially any Pillar 2 additional own funds requirements specific capital buffers of CET 1 capital. The Austrian Capital Buffers Regulation (Kapitalpuffer-Verordnung – "KP-V") of the FMA further stipulates the calculation, determination and recognition of the countercyclical buffer rate pursuant to § 23a(3) BWG, the determination of the capital buffer rate for systemic vulnerability and for systemic concentration risk (= systemic risk buffer) pursuant to § 23d(3) BWG and of the capital buffer for other systemically important institutions ("O-SIIs") pursuant to § 23c(5) BWG (both to be determined on a consolidated level), and the more precise elaboration of the calculation basis pursuant to § 24(2) BWG concerning the calculation of the Maximum Distributable Amount. These buffer requirements are gradually being phased in from 1 January 2016 until 1 January 2019.
 - (i) § 23(1) BWG requires credit institutions to maintain a **capital conservation buffer** equal to 2.5% of their total risk exposure amount calculated in accordance with Article 92(3) and the respective phasing-in rules of the CRR.
 - (ii) § 23a (1) BWG requires credit institutions to also maintain a **countercyclical capital buffer**. Pursuant to the KP-V, the countercyclical buffer rate is currently set at 0.00 per cent. for significant credit exposures located in Austria. In addition, national countercyclical buffers determined by the designated authorities of other Member States and third countries for significant credit exposures located in their respective territories apply. The KP-V specifies that the institution specific countercyclical capital buffer rate is a weighted average of all applicable national countercyclical capital buffers based on the respective total risk exposure. In this regard, the following countercyclical capital buffers above 0.00 per cent. apply to RBI Group on the total risk exposure in the respective jurisdictions for the cut-off date 31 March 2017: a 0.50 per cent. countercyclical capital buffer in the Czech Republic, a 1.25 per cent. countercyclical capital buffer in Hong Kong SAR, a 2.00 per cent. countercyclical capital buffer in Sweden, a 1.50 per cent. countercyclical capital buffer in Norway and a 1.00 per cent. countercyclical capital buffer in Iceland.
 - (iii) For RBI (which qualifies as an O-SII), the KP-V stipulates a **systemic risk buffer as well as an O-SII buffer**, both, to be calculated on the basis of its consolidated situation each totaling 0.50 per cent. (as of 1 January 2017), 1.00 per cent. (as of 1 January 2018) and 2.00 per cent. (as of 1 January 2019). According to the BWG (and therefore in the case of RBI), in general, the higher of such capital buffer rates at any given time applies.

As a result, the combined buffer requirement for RBI is the total CET 1 capital required to meet the capital conservation buffer (individual and consolidated basis) extended by an institution-specific countercyclical buffer (individual and consolidated basis), an O-SII buffer (consolidated basis) and a systemic buffer (consolidated basis).

Compliance with existing or increasing capital buffer requirements for RBI, RBI Group and/or individual subsidiaries could trigger additional pressure on their capitalization requiring unplanned actions.

- **BCBS' Reviews of Banking Regulatory Framework.** As part of its continuous effort to enhance the banking regulatory framework, the Basel Committee of Banking Supervision ("BCBS") is reviewing the standardised approaches of the capital requirement frameworks for credit and operational risk, inter alia, in a view to reduce mechanistic reliance on external ratings. In addition, the role of internal models is under review in the aim to reduce the complexity of the regulatory framework, improve comparability and address excessive variability in the capital requirements for credit risk. The BCBS is also working on the design of a capital floor framework based on the revised standardised approaches for all risk types. This framework will replace the current capital floor for credit institutions using internal models, which is based on the Basel I standard. The BCBS will consider the calibration of the floor alongside its other work on revising the risk-based capital framework. Moreover, the BCBS has conducted a review of trading book capital standards, resulting in new minimum capital requirements for market risk. The BCBS had intended to finalise all revisions to the Basel III framework at or around the end of 2016. However, on 3 January 2017, the Basel Committee announced that it had postponed finalisation until "the near future". Whereas the BCBS' final calibration of the proposed new frameworks and subsequently, how and when these will be implemented in the European Union are still uncertain, the European Commission published a proposal on certain aspects of on-going reform such as the revised market risk framework as part of its draft banking reform package of 23 November 2016. On this basis, currently no firm conclusions regarding the impact on the potential future capital requirements, and consequently how this will affect the capital requirements for RBI Group, can be made.
- **Bank Recovery and Resolution Legislation.** The "Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms" (Bank Recovery and Resolution Directive - "BRRD") has been implemented in Austria into national law by the Austrian Recovery and Resolution Act (Sanierungs- und Abwicklungsgesetz – "BaSAG"). Amongst other requirements institutions have to meet, at all times, minimum requirement for own funds and eligible liabilities ("MREL") set by the resolution authority on a case-by-case basis. Measures undertaken under the BRRD/BaSAG may also have a negative impact on debt instruments (in particular subordinated notes, but under certain circumstances also senior notes ("Senior Notes")) by allowing resolution authorities to order the write-down of such instruments or convert them into Common Equity Tier 1 ("CET 1") instruments. Where no such resolution tools and powers as set out above are applied, RBI may be subject to national insolvency proceedings.
- **Single Resolution Mechanism for European Banks.** The SRM which started operationally in January 2016 is one of the components of the Banking Union, alongside the Single Supervisory Mechanism ("SSM") and a common deposit guarantee scheme. It is set to centralise key competences and resources for managing the failure of a credit institution in the participating Member States of the Banking Union. Under the SRM, the Single Resolution Board ("SRB") is, in particular, responsible for adopting resolution decisions in close cooperation with the ECB, the European Commission and the national resolution authorities in case of a failing (or likely failing) of a significant entity subject to direct supervision of the ECB, such as the Issuer (see also the risk factor "The Notes may be subject to write-down or conversion powers exercised by a resolution authority resulting in (i) the amount outstanding to be reduced, including to zero, (ii) a conversion into ordinary shares or other instruments of ownership or (iii) the terms of the Notes being varied (statutory loss absorption)."). The SRM complements the SSM and aims to ensure that if a credit institution subject to the SSM faces serious difficulties, its resolution can be managed efficiently with minimal costs to taxpayers and the real economy.

The SRM is governed by: (i) the "Regulation (EU) No 806/2014 of the European Parliament and of the Council of 15 July 2014 establishing uniform rules and a uniform procedure for the resolution of credit institutions and certain investment firms in the framework of a Single Resolution Mechanism and a Single Resolution Fund and amending Regulation (EU) No 1093/2010" (Single Resolution Mechanism Regulation – "SRM Regulation") covering the main aspects of the mechanism and broadly replicating the BRRD rules on the recovery and resolution of credit institutions; and (ii) an intergovernmental agreement related to some specific aspects of the SRF.

The SRF shall be composed of contributions from credit institutions and certain investment firms in the participating Member States. The SRF shall be gradually built up during the first eight years (2016 - 2023) and shall reach the target level of at least 1 per cent. of the amount of covered deposits of all credit institutions within the Banking Union by 31 December 2023.

- **EU Banking Reform Package of the European Commission.** On 23 November 2016, the European Commission published consultation drafts for the revision of the CRD IV and the CRR as well as of the BRRD and the SRM Regulation. The proposal builds on existing EU banking rules and aims to complete the post-crisis regulatory agenda of the European Commission. The consultation drafts, which have been submitted to the European Parliament and to the Council for their consideration and adoption, include the following key elements: (i) more risk-sensitive capital requirements, in particular in the area of market risk, counterparty credit risk, and for exposures to central counterparties; (ii) a binding leverage ratio to prevent institutions from excessive leverage; (iii) a binding net stable funding ratio to address the excessive reliance on short-term wholesale funding and to reduce long-term funding risk; and (iv) the total loss absorbing capacity ("TLAC") requirement for G-SIIs which will be integrated into the MREL logic applicable to all credit institutions. It also proposes a harmonised national insolvency ranking of unsecured debt instruments to facilitate credit institutions' issuance of such loss absorbing debt instruments.

Currently, no firm conclusions regarding the impact on the potential future capital requirements and consequently how this will affect the capital requirements for RBI Group can be made.

- **MREL.** The SRB together with each resolution authority is required to make a separate determination of the appropriate MREL requirement for each group or institution within its jurisdiction, depending on the resolvability, risk profile,

systemic importance and other characteristics of each institution as well as the resolution strategy of the group. Items eligible for inclusion in MREL will include an institution's own funds (within the meaning of CRR), along with certain so-called "eligible liabilities"¹. Subordination - as required by the Basel TLAC standards - is only required for MREL of Globally systemically important institutions ("G-SIIs") by law. However, subordination may be required by the relevant resolution authority on a case by case basis and it can thus not be excluded that eligible liabilities issued by RBI (or the respective resolution entities of RBI Group) in the future may have to be (partially) subordinated. Depending on the amount of MREL and the final specifics of relevant criteria for liabilities to be included thereto, RBI and/or entities of the RBI Group may have to increase relevant liabilities or decrease assets with potential negative effects on the profits and financial standing of RBI. There is a risk that RBI may not be able to meet these minimum requirements for own funds and eligible liabilities which could materially adversely affect RBI Group's business, financial condition or results of operations and thus, RBI's ability to fulfil its obligations under the Notes.

- MiFID II / MiFIR.** The current regulatory framework for investment services and regulated markets set by the Directive 2004/39/EC will be updated by the "Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU" (Markets in Financial Instruments Directive II - "**MiFID II**") and the "Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Regulation (EU) No 648/2012" (Markets in Financial Instruments Regulation - "MiFIR"). Due to a postponement, the (new) date of the application will be 3 January 2018 and the transposition of MiFID II into national laws will be required by 3 July 2017. As MiFID II and MiFIR will effect regulatory changes affecting derivatives, other financial instruments and related procedures, there will be increased costs and/or increased regulatory requirements. On 7 June 2017, the respective government bill (*Regierungsvorlage*) for the Austrian Securities Supervision Act 2018 (Wertpapieraufsichtsgesetz 2018 – WAG 2018) for the implementation of MiFID II in Austria was published. As such changes are still in the process of being implemented, the full impact of MiFID II and MiFIR remains to be clarified.
- Stricter and Changing Accounting Standards.** Due to new and/or amended accounting standards and rules, RBI and/or RBI Group may have to revise the accounting and regulatory treatment of certain positions or transactions. Any such changes will cause implementation costs, can negatively impact estimates in financial plans for the future, may require restating previously published financial statements and/or can significantly influence the way how business and financial results are recorded. This could also impact RBI Group's capital needs. RBI Group expects that prospective changes in accounting standards due to International Financial Reporting Standards 9 ("**IFRS 9**") may have an impact on balance sheet items and measurement methods for financial instruments. On the one hand, in the area of classification and measurement, RBI Group identified a risk of increased volatility in the income statement for financial assets which have to be re-measured at fair value through profit or loss, due to the contractual cash flow characteristics which do not fulfil the criteria of mere payments of principal and interest. Furthermore, impacts will occur with regard to the measurement of financial liabilities. It is expected that overall, IFRS 9 will increase the level of risk provision. Complex accounting standards can increase the risk of errors, as can the use of inconsistent valuation standards, particularly in relation to RBI Group's principal financial instruments. A difficult business environment can also increase the risk of significant financial reporting errors. For the purpose of preparing the consolidated financial statements, estimates have to be made for asset and liability items for which no market value can be reliably determined. This is particularly relevant for credit business, social capital and the intrinsic value of securities, participations, trademark rights and goodwill.

Stricter and/or new regulatory requirements may be adopted in the future, and the existing regulatory environment in many markets in which RBI Group operates continues to develop, implement and change. The substance and scope of any new or amended laws and regulations as well as the manner in which they will be adopted, enforced or interpreted may increase RBI Group's financing costs and could have an adverse effect on RBI Group's business, financial condition, results of operations and prospects. In addition to complying with capital requirements on a consolidated basis, RBI itself is also subject to capital requirements on an unconsolidated basis. Furthermore, entities of RBI Group which are subject to local supervision in their country of incorporation may be, on an individual and/or on a (sub-)consolidated basis, also required to comply with applicable local regulatory capital requirements. It is therefore possible that individual entities within RBI Group or sub-groups require additional own funds, even though the own funds of RBI Group on a consolidated basis are sufficient. Legislative and/or regulatory changes in the current definitions of what is deemed to qualify as own funds could reduce RBI Group's eligible capital and/or require reducing the risk-weighted assets ("**RWA**") of RBI and/or RBI Group. There can be no assurance that, in the event of any further changes of the applicable rules, adequate grandfathering or transitional provisions will be implemented to allow RBI Group to repay or replace such derecognised own funds instruments in a timely fashion or on favourable terms. RBI Group may therefore need to obtain additional own funds in the future which may not be available on attractive terms or at all.

Further, any such regulatory development may expose RBI Group to additional costs and liabilities which may require RBI Group to change its business strategy or otherwise have a negative impact on its business, the offered products and services as well as the value of its assets. There can be no assurance that RBI Group would be able to increase its eligible capital (respectively its capital ratios) sufficiently or on time. If RBI Group is unable to increase its capital ratios sufficiently, its credit ratings may drop and its cost of funding may increase, the occurrence of which could have a material adverse effect on its business, financial condition and results of operations and could limit its ability to fulfil its obligations under the Notes."

- 18) On page 129 of the Supplemental Base Prospectus, the section "**19. Restructuring and adjustments to the business profile of RBI or RBI Group may lead to changes in its profitability.**" in the "**RISK FACTORS**", Section "**A. RISKS RELATING TO THE ISSUER**", shall be fully deleted and replaced by the following paragraphs:

"19. Adjustments to the business profile of RBI or RBI Group may lead to changes in its profitability.

Adjustments of the business profile to meet increasing capital requirements may include the attempt to sell assets including existing subsidiaries. No assurance can be given that suitable opportunities for disposals will be identified in the future, or that RBI Group

¹ In this regard, eligible liabilities mean liabilities which do not qualify as own funds and are not excluded from bail-in and which may comprise instruments which, inter alia, are issued and fully paid up, have a maturity of at least one year (or do not give the investor a right to repayment within one year) and do not arise from derivatives.

will be able to complete such disposals on favourable terms or at all. Such disposals may prove difficult in the market environment as many of RBI Group's competitors may also seek to dispose of assets. It may also be difficult for RBI Group to adapt its cost structure to the smaller size of certain of its businesses or to otherwise increase the potential to retain earnings in order to build up capital internally. This may have a material adverse effect on RBI's ability to meet its obligations under the Notes.

Furthermore, strategic initiatives and efficiency programmes (including the Rightsizing Programme as defined in section "2.2 Strategy" in "DESCRIPTION OF THE ISSUER" and any restructuring activities and cost savings plans) might influence the legal form of business being pursued. In case business currently performed in a separate legal entity is merged into RBI, this could increase the economic risk of RBI versus the current structure. Moreover, RBI Group is exposed to the risk that the benefits from such initiatives and programmes, in particular any expected synergy effects and cost savings, cannot be fully achieved. In case of an initial public offering of a subsidiary of RBI, such as the intended initial public offering of Raiffeisen Bank Polska S.A. (as further set out in section "2.2 Strategy" in "DESCRIPTION OF THE ISSUER"), RBI is exposed to the risk that the sale of shares in the initial public offering may result in a loss due to unfavourable pricing or demand."

- 19) On pages 130 to 132 of the Supplemented Base Prospectus, in the section "21. *RBI's ability to fulfil its obligations under the Notes depends in particular on its financial strength which in turn is influenced by its profitability. The following describes factors which may adversely affect RBI's profitability.*" in the "RISK FACTORS", Section "A. RISKS RELATING TO THE ISSUER", the following changes should be made:

the section under bullet point "Operational Risk" shall be deleted and replaced by the following wording:

“

- **Operational Risk.** Although RBI Group is analysing operational risks on a frequent basis, it may suffer significant losses as a result of operational risk, i.e. the risk of loss due to inadequate or failed internal processes or due to external events. Inadequate or failed internal processes include without limitation unauthorised actions, theft or fraud by employees, clerical and record keeping errors, business interruption and information systems malfunctions or manipulations or model risks (e.g. valuation of assets/liabilities, in terms of liquidity or market risks). External events include without limitation earthquakes, riots or terrorist attacks, bank robberies, fraud by outsiders and equipment failures, whether deliberate, accidental or natural occurrences.”

and an additional paragraph shall be added at the end:

“

- **Capital Risk:** Capital must be held for internal and regulatory capital adequacy purposes. As more advanced risk quantification models are used for quantifying the minimum required amount of risk capital, capital requirements typically also become more volatile. Furthermore, the composition of capital incorporates certain risks, reflecting eligibility rules. In particular, some types of capital might become ineligible or could not be eligible due to applicable regulatory rules. Therefore, capital risk can influence RBI Group's ability to achieve its business targets. If no additional own funds could be raised when needed, a reduction of the overall risk position would be a main option in case of a capital shortage. This can limit the growth of RBI Group, and reduce earnings of RBI Group in the future.”

- 20) On pages 149 to 152 of the Supplemented Base Prospectus, in the section "33. *Specific risks for Notes denominated in Renminbi*" in the "RISK FACTORS", the whole section shall be fully deleted and replaced by the following paragraphs:

"33. Specific risks for Notes denominated in Renminbi

33.1 Renminbi is not freely convertible; there are significant restrictions on the remittance of the Renminbi into and outside the People's Republic of China (the "PRC") ("Renminbi Notes")

Renminbi (the "RMB" or "CNY") is not freely convertible at present. This may adversely affect the liquidity of the Notes. The availability of RMB funds for servicing the Notes may be subject to future limitations imposed by the PRC government.

The PRC government continues to regulate conversion between RMB and foreign currencies, including the Euro, despite the significant reduction over the years by the PRC government of control over routine foreign exchange transactions under current accounts. Currently participating banks in offshore RMB settlement centres (including Singapore, Hong Kong, Macau, Taiwan, Paris, Luxembourg, Doha, Sydney, Toronto, Kuala Lumpur, Bangkok, Seoul, London, Frankfurt, Santiago, Budapest, Johannesburg, Buenos Aires and Lusaka, together the "RMB Settlement Centres") have been permitted to engage in the settlement of RMB trade transactions under certain pilot schemes. This represents a current account activity.

On 7 April 2011, the State Administration of Foreign Exchange of the PRC (the “SAFE”) promulgated the Circular on Issues Concerning the Capital Account Items in connection with Cross-Border RMB (the “SAFE Circular”), which became effective on 1 May 2011. According to the SAFE Circular, in the event that foreign investors intend to use cross-border RMB (including offshore RMB and onshore RMB held in the accounts of non-PRC residents) to make contribution to an onshore enterprise or make payment for the transfer of equity interest of an onshore enterprise by a PRC resident, such onshore enterprise shall be required to submit the relevant prior written consent from the Ministry of Commerce of the PRC (the “MOFCOM”) to the relevant local branches of the SAFE of such onshore enterprise and register for a foreign invested enterprise status. Further, the SAFE Circular clarifies that the foreign debts borrowed, and the external guarantee provided, by an onshore entity (including a financial institution) in RMB shall, in principle, be regulated under the current PRC foreign debt and external guarantee regime.

On 13 October 2011, the People's Bank of China, the central bank of the PRC (the “PBOC”) issued the Measures on Administration of the RMB Settlement in relation to Foreign Direct Investment (the “PBOC RMB FDI Measures”), as part of implementation of the PBOC's detailed RMB foreign direct investment (“RMB FDI”) accounts administration system, which covers almost all aspects of RMB FDI, including capital injection, payment of purchase price in the acquisition of PRC domestic enterprises, repatriation of dividends and other distributions, as well as RMB denominated cross-border loans. Under the PBOC RMB FDI Measures, special approval for RMB FDI and shareholder loans from the PBOC, which was previously required, is no longer necessary. In some cases however, post-event filing with the PBOC is still necessary.

On 14 June 2012, PBOC further promulgated the Notice on Clarifying the Detailed Operating Rules for RMB Settlement of Foreign Direct Investment (“PBOC RMB FDI Notice”) to provide further guidelines for implementing the previous PBOC RMB FDI Measures. This PBOC RMB FDI Notice details the rules for opening and operating the relevant accounts and reiterates the restrictions upon the use of the funds within different RMB accounts.

On 5 July 2013, PBOC promulgated the Circular on Policies related to Simplifying and Improving Cross-border RMB Business Procedures (Yin Fa (2013) No. 168) (the “2013 PBOC Circular”), which, among other things, provides more flexibility for fund transfers between the RMB accounts held by offshore participating banks at PRC onshore banks and offshore clearing banks respectively. Various relaxations have been introduced under this circular but the regulatory position is not entirely clear and practical uncertainties exist.

On 3 December 2013, the MOFCOM promulgated the Circular on Issues in relation to Cross-border RMB Foreign Direct Investment (the “MOFCOM Circular”), which became effective on 1 January 2014, to further facilitate RMB FDI by simplifying and streamlining the applicable regulatory framework. The MOFCOM Circular replaced the Notice on Issues in relation to Cross-border RMB Foreign Direct Investment promulgated by MOFCOM on 12 October 2011 (the “2011 MOFCOM Notice”). Pursuant to the MOFCOM Circular, written approval from the appropriate office of MOFCOM and/or its local counterparts specifying “Renminbi Foreign Direct Investment” and the amount of capital contribution is required for each RMB FDI. Compared with the 2011 MOFCOM Notice, the MOFCOM Circular no longer contains the requirements for central level MOFCOM approvals for investments of RMB 300 million or above, or in certain industries, such as financial guarantee, financial leasing, micro-credit, auction, foreign invested investment companies, venture capital and equity investment vehicles, cement, iron and steel, electrolyse aluminium, ship building and other industries under the state macro-regulation. Unlike the 2011 MOFCOM Notice, the MOFCOM Circular has also removed the approval requirement for foreign investors who intend to change the currency of their existing capital contribution from a foreign currency to RMB. In addition, the MOFCOM Circular still prohibits RMB FDI funds from being used for any investments in securities and financial derivatives (except for strategic investments in PRC listed companies) or for entrustment loans in the PRC.

On 13 February 2015, the SAFE promulgated the Notice on Further Simplifying and Improving Foreign Exchange Administration Policy of Direct Investment (Hui Fa (2015) No. 13) (the “2015 SAFE Notice”), which became effective on and from 1 June 2015. Under the 2015 SAFE Notice, SAFE delegates the authority of approval/registration for direct investment (inbound and outbound) related matters to commercial banks. However, this 2015 SAFE Notice only applies to direct investment activities in foreign currency, and whether and how it would affect the RMB direct investment regime is currently unknown.

On 26 January 2017, the SAFE issued the Notice on Further Promoting Foreign Exchange Management Reform by Improving Real Compliance Audit (the “2017 SAFE Notice”) which seeks to further regulate the foreign exchange management in relation to trading. Domestic institutions should handle their currency conversion trade finance businesses and process export earnings timely in accordance with the principle of who exports, who receives payment, who imports and who makes payment. The 2017 SAFE Notice is also part of the PRC foreign debt, outbound loan and cross-border security regimes applicable to foreign currencies. For instance, the 2017 SAFE Notice states that in order for a domestic institution to carry out cross-border lending, the aggregate of the balance of domestic currency loans and foreign currency denominated loans shall not exceed 30 per cent. of the owner's equity as set out in the previous years' audited financial statements. However, there remain potential inconsistencies between these provisions and the existing PBOC rules, and it is currently unclear as to how regulators may address such inconsistencies in practice.

As the PBOC RMB FDI Measures, PBOC RMB FDI Notice, 2013 PBOC Circular, the MOFCOM Circular, the 2015 SAFE Notice and the 2017 SAFE Notice are relatively new regulations, they will be subject to interpretation and application by the relevant PRC authorities. The reforms which are being introduced and will be introduced in the Shanghai FTZ (as defined in “PRC Currency Controls”) aim to upgrade cross-border trade, liberalise foreign exchange control, improve convenient cross-border use of RMB and promote the internationalisation of RMB. However, given the infancy stage of the Shanghai FTZ, how the reforms will be implemented and whether (and if so when) the reforms will be rolled out throughout China remain uncertain.

Although since 1 October 2016 RMB has been included in the basket of currencies that make up the Special Drawing Rights (SDR) created by the International Monetary Fund (IMF), there is no assurance that the PRC government will continue to gradually liberalise a control over cross-border RMB remittances in the future, that the schemes for RMB cross-border utilization will not be discontinued or that new PRC regulations will not be promulgated in the future which have the effect of restricting or eliminating the remittance of RMB into or out of the PRC. In the event that funds cannot be repatriated out of the PRC in RMB, this may affect the overall availability of RMB outside the PRC and the ability of the Issuer to source RMB to perform its obligations under Notes denominated in RMB.

33.2 There is only limited availability of Renminbi outside the PRC, which may affect the liquidity of the Notes and the Issuer's ability to source Renminbi outside the PRC to service the Notes

As a result of the restrictions by the PRC government on cross-border RMB fund flows, the availability of RMB outside of the PRC is limited. Currently, licensed banks in Singapore and Hong Kong may offer limited RMB -denominated banking services to Singapore residents, Hong Kong residents and specified business customers. The PBOC has entered into agreements on the clearing of RMB business with financial institutions in a number of financial centers and cities (each a “**RMB Clearing Bank**”), which will act as the RMB clearing bank in the applicable RMB Settlement Centre, and is in the process of establishing RMB clearing and settlement mechanisms in several other jurisdictions (the “**Settlement Arrangements**”).

However, the current size of RMB -denominated financial assets outside the PRC is limited. There are restrictions imposed by the PBOC on RMB business participating banks in respect of cross-border RMB settlement, such as those relating to direct transactions with PRC enterprises. Furthermore, RMB business participating banks do not have direct RMB liquidity support from the PBOC. They are only allowed to square their open positions with the relevant RMB Clearing Bank after consolidating the RMB trade position of banks outside the RMB Settlement Centres that are in the same bank group of the participating bank concerned with their own trade position and the relevant RMB Clearing Bank only has access to onshore liquidity support from the PBOC for the purposes of squaring open positions of participating banks for limited types of transactions, including open positions resulting from conversion services for corporations relating to cross-border trade settlement. The relevant RMB Clearing Bank is not obliged to square for participating banks any open positions resulting from other foreign exchange transactions or conversion services. In such cases, the participating banks will need to source RMB from the offshore market to square such open positions.

Although it is expected that the offshore RMB market will continue to grow in depth and size, its growth is subject to many constraints as a result of PRC laws and regulations on foreign exchange. There is no assurance that new PRC regulations will not be promulgated or the Settlement Arrangements will not be terminated or amended in the future which will have the effect of restricting availability of RMB offshore. The limited availability of RMB outside the PRC may affect the liquidity of the Issuer's RMB Notes. To the extent the Issuer is required to source RMB in the offshore market to service its RMB Notes, there is no assurance that the Issuer will be able to source such RMB on satisfactory terms, if at all.

If the Issuer cannot obtain RMB to satisfy its obligation to pay interest and principal on its RMB Notes as a result of Inconvertibility, Non-transferability or Illiquidity (each, as further set out in the Terms and Conditions of the Notes), the Issuer shall be entitled to settle such payment (in whole or in part) in U.S. Dollars at the USD Equivalent (each, as further set out in the Terms and Conditions of the Notes).

33.3 Investment in the Renminbi Notes is subject to the risk to receive payments in USD (U.S. Dollar Equivalent)

If the Issuer is not able, or it is impracticable for it, to satisfy its obligation to pay interest and principal on the RMB Notes when due, in whole or in part, in RMB in the relevant RMB Settlement Centre as a result of Inconvertibility, Non transferability or Illiquidity (each, as further set out in the Terms and Conditions of the Notes), the Issuer shall be entitled, to settle any such payment, in whole or in part, in U.S. Dollars on the due date at the USD Equivalent (as provided for in more detail in the Terms and Conditions of the Notes) of any such interest or principal amount otherwise payable in RMB, as the case may be.

33.4 Investment in Renminbi Notes is subject to exchange rate risks

The value of the RMB against the Euro and other foreign currencies fluctuates from time to time and is affected by changes in the PRC and international political and economic conditions and by many other factors. Recently, the PBOC implemented changes to the way it calculates the RMB's daily mid-point against the U.S. Dollar to take into account market-maker quotes before announcing such daily mid-point. This change, and others that may be implemented, may increase the volatility in the value of the RMB against foreign currencies. Except in the limited circumstances as described in the Terms and Conditions of the Notes, the Issuer will make all payments of interest and principal with respect to the RMB Notes in RMB. As a result, the value of these RMB payments in Euro or other applicable foreign currency terms may vary with the prevailing exchange rates in the marketplace. If the value of RMB depreciates against the Euro or any other applicable foreign currency, the value of a Noteholder's investment in Euro or such other applicable foreign currency terms will decline.

33.5 Investment in Renminbi Notes is subject to interest rate risks

The PRC government has gradually liberalised the regulation of interest rates in recent years. Further liberalisation may increase interest rate volatility. If the Notes carry a fixed interest rate, the market price of the Notes may vary with the fluctuations in the RMB interest rates. If an investor sells the Notes before their maturity, it may receive an offer that is less than the original amount invested.

33.6 Payments in respect of the Notes will only be made to investors in the manner specified in the Notes

All payments to Holders of interests in respect of the Notes will be made solely by (i) when the Notes are represented by the Global Note, transfer to a RMB bank account maintained in Hong Kong, in accordance with prevailing rules and procedures of the relevant Clearing System, or (ii) when the Notes are in definitive registered form, transfer to a RMB bank account maintained in Hong Kong in accordance with prevailing rules and regulations. Neither the Issuer nor the Fiscal Agent, nor the Paying Agent can be required to make payment by any other means (including in bank notes, by cheque or draft, or by transfer to a bank account in the PRC).”

Part E – Amendments to the section DESCRIPTION OF THE ISSUER

- 21) On page 157 of the Supplemented Base Prospectus, in the Chapter "**1.1.4. Any recent events particular to the Issuer that are to a material extent relevant for the evaluation of its solvency**", the existing text shall be deleted and replaced by the following wording:

"The Issuer is not aware of any recent events particular to RBI (i.e. occurring after the most recent published unaudited interim consolidated financial statements of the Issuer as of 31 March 2017) that are to a material extent relevant to the evaluation of its solvency."

- 22) On page 158 of the Supplemented Base Prospectus, in the Chapter "**2.2. Strategy**", the following paragraphs shall be added at the end, just above the next heading "**2.3. Significant new products and services**":

" Polish Rightsizing Programme

In respect of Poland a rightsizing programme commenced in April 2017 ("**Rightsizing Programme**"), which includes the restructuring and redesign of its branch footprint, FTE reduction, the migration of a part of its operating processes, efficient and integrated IT systems and improvements in expense management.

Initial public offering of Raiffeisen Bank Polska S.A.

Raiffeisen Bank Polska S.A. is currently preparing for an initial public offering ("**IPO**") with a free float of 15 per cent. of its shares to be listed on the Warsaw Stock Exchange. This was a commitment to the Polish regulator when Polbank was acquired by RBI. It is currently intended to execute the IPO by the end of June 2017, however, certain circumstances might still lead to a postponement of the offering."

- 23) On page 158 of the Supplemented Base Prospectus, in the Chapter "**2.4. Principle markets and business segments**", the existing text shall be deleted and replaced by the following wording:

"2.4. Principle markets and business segments

Segment reporting at RBI Group is based on the current organizational structure pursuant to IFRS 8. A cash generating unit within RBI Group is either a country or a business activity. Markets in CEE are thereby grouped into regional segments comprising countries with comparable economic profiles and similar long-term economic growth expectations. This results in the following segments:

- **Central Europe**
(Czech Republic, Hungary, Poland, Slovakia and Slovenia)

RBI's segment Central Europe comprises the Czech Republic, Hungary, Poland, Slovakia and Slovenia. In each of these countries, RBI is represented by a credit institution (except Slovenia), leasing companies (except Poland) and other specialised financial institutions.
- **Southeastern Europe**
(Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Romania, Serbia)

The segment Southeastern Europe includes Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Kosovo, Romania and Serbia. Within these countries, RBI is represented by credit institutions, leasing companies, as well as, in some markets, by separate capital management and asset management companies and pension funds. Moldova, where RBI only owns a leasing company, is managed out of the Romanian subsidiary. Consequently and due to its close economic ties to Romania, Moldova is reported as part thereof.
- **Eastern Europe**
(Belarus, Russia and the Ukraine)

The Eastern Europe segment comprises Belarus, Russia and the Ukraine. The Network Bank in Russia is one of the largest foreign credit institutions in Russia. RBI also offers leasing products to its Russian clients through a leasing company. In Belarus and the Ukraine RBI Group is represented by credit institutions, leasing companies and other financial service companies.
- **Group Corporates & Markets**
(business with large Austrian and multinational corporate customers as well as financial institutions and sovereigns managed from Vienna; customer and proprietary capital markets related business managed from Vienna; Raiffeisen banking group Austria; business of Austrian subsidiaries which are financial institutions and specialised companies)

The Group Corporates & Markets segment has been introduced for operative business booked in Austria. This primarily comprises financing business with Austrian and international corporate customers serviced from Vienna, Group Markets, Financial Institutions & Sovereigns, and business with entities of the Raiffeisen banking group Austria. Also included in the segment are financial service providers and specialized companies such as Raiffeisen Centrobank AG ("**RCB**"), Kathrein Privatbank Aktiengesellschaft, Raiffeisen Bausparkasse Gesellschaft m.b.H., Raiffeisen-Leasing Ges.m.b.H., Raiffeisen Factor Bank AG and Raiffeisen Kapitalanlage-Gesellschaft mit beschränkter Haftung.
- **Corporate Center**
(central management functions at RBI Group head office and other RBI Group units)

The Corporate Center segment encompasses all the services as well as the oversight function provided by RBI Group headquarters in Vienna in various divisions to implement the overall strategy and that are allocated to this segment to ensure comparability. This segment also includes liquidity management, as well as RBI's equity participation management

(including holdings) and minority interests (e.g. UNIQA Insurance Group AG, Leipnik-Lundenburger Invest Beteiligungs AG.)"

- 24) On page 160 of the Supplemented Base Prospectus, a new Chapter "**2.5. Capital position and requirements**" with the below wording shall be inserted before Chapter "**2.5. Competitive position**":

"2.5. Capital position and requirements

Based on the ECB's Supervisory Review and Evaluation Process ("**SREP**") in 2016, RBI Group received a Pillar 2 requirement of 2.25 per cent that needs to be fulfilled by Common Equity Tier 1 ("**CET1**") from 1 January 2017. Consequently, RBI Group's consolidated minimum CET1 ratio (transitional) requirement amounts to 8.55 per cent for 31 March 2017. This is the sum of 4.5 per cent Pillar 1 requirement plus 2.25 per cent Pillar 2 requirement and 1.80 per cent combined buffer requirement (including the variable countercyclical buffer of 0.05 per cent as of 31 March 2017) on a transitional basis. The combined buffer requirement of 1.80 per cent is the sum of 1.25 per cent capital conservation buffer plus 0.50 per cent systemic risk buffer and 0.05 per cent countercyclical buffer (derived from requirements in the various countries). By 2019 the combined buffer requirement will rise to 4.55 per cent CET1 (assuming all currently implemented buffers to be constant). A breach of the combined buffer requirement would induce constraints, for example in relation to dividend distributions and coupon payments on certain capital instruments. As at 31 March 2017 RBI Group's CET1 ratio (transitional) was 12.4 per cent.

All figures relating to 31 March 2017 or to first quarter interim results 2017 in the above paragraph of section 2.5 are taken from the unaudited interim consolidated financial statements of RBI for the three months ended 31 March 2017."

- 25) On page 160 of the Supplemented Base Prospectus, the numbering of Chapter "**2.5. Competitive position**" shall be subsequently changed to:

"**2.6. Competitive position**"

- 26) On page 177 of the Supplemented Base Prospectus, in the chapter "**7. FINANCIAL INFORMATION AND DOCUMENTS INCORPORATED BY REFERENCE**", the following wording shall be inserted below the last paragraph of the table "**6. Translations of the audited consolidated financial statements of RZB for the fiscal year 2016 and of the auditor's report**" and just above the line "The documents incorporated by reference include the following Alternative Performance Measures ("**APM**"):

"

7. Translations of the unaudited interim consolidated financial statements of RBI for the three months ended 31 March 2017

Extracted from RBI's First Quarter Report as of 31 March 2017

| | |
|-------------------------------------|---------------|
| – Statement of Comprehensive Income | pages 33 – 35 |
| – Statement of Financial Position | page 36 |
| – Statement of Changes in Equity | page 37 |
| – Statement of Cash Flows | page 38 |
| – Segment Reporting | pages 39 – 43 |
| – Notes | pages 44 – 94 |

The First Quarter Report as of 31 March 2017 of RBI containing the unaudited interim consolidated financial statements of RBI for the three months ended 31 March 2017 is made available on the website of the Issuer under

<http://qr012017.rbinternational.com> (in English) and
<http://zb012017.rbinternational.com> (in German).

RBI is responsible for the non-binding English language convenience translation of its unaudited interim consolidated financial statements for the three months ended 31 March 2017."

- 27) On page 180 of the Supplemented Base Prospectus, in the chapter "**8. LEGAL AND ARBITRATION PROCEEDINGS**" the following paragraphs shall be added before the last paragraph starting with "*Save as disclosed in this section "8. Legal and Arbitration Proceedings ..."*"

8.12 RBI was served with a lawsuit by the Romanian Ministry of Finance against RBI and Banca de Export Import a Romaniei Eximbank SA ("**EximBank**") regarding payment of EUR 10 million in May 2017. According to the lawsuit, in the year 2013, RBI issued a letter of credit in the amount of EUR 10 million for the benefit of the Romanian Ministry of Traffic, at the request of a Romanian customer of RBI's Romanian Network Bank Raiffeisen Bank S.A., Bucharest. EximBank acted as advising bank of RBI in Romania. The Romanian Ministry of Traffic had sent a payment request under the mentioned letter of credit in March 2014 which had been denied by RBI as having been received after termination date thereof.

8.13 In May 2017, a subsidiary holding company of RBI has been sued for an amount of approximately EUR 12 million in Austria for breach of warranties under a share purchase agreement relating to a real estate company. The claimant, i.e. the purchaser under the share purchase agreement, alleges the breach of a warranty, more precisely it alleges the defendant warranted that the company sold under the share purchase agreement had not waived potential rental payment increases to which it may have been entitled.

8.14 In March 2017, the liquidation manager in a bankruptcy case in Russia filed a claim for approximately RUB 1.5 billion with the Arbitration court of Moscow against the Issuer's Network Bank in Russia, AO Raiffeisenbank. The claim is based on the liquidation manager's opinion that the transfer of funds by AO Raiffeisenbank as repayment of a loan had been unlawful.

According to practice, bankruptcy managers dispute debtors' transactions in order to return the funds to the debtor and thus increase the size of the bankruptcy estate. The disputed transaction in this case was made over one year before bankruptcy and with no signs of insolvency of the client."

- 28) On page 181 of the Supplemented Base Prospectus, in the chapter "**9. Significant change in the financial position of the Issuer**", the existing paragraph shall be deleted and replaced by the following paragraph:

"No significant change in the financial position of RBI Group has occurred since 31 March 2017."

Part F – Amendments to the section GENERAL INFORMATION

- 29) On page 540 of the Supplemented Base Prospectus, in the chapter "**GENERAL INFORMATION**", in the section "**Credit Ratings**", the the existing table below the sentence "As at the date of the Base Prospectus such ratings are as follows: " and above "(*) Moody's Deutschland GmbH,..." shall be deleted and replaced by the following table:

"

| | Moody's⁴⁷ | S&P⁴⁸ |
|---|-----------------------------|-----------------------------|
| Rating for long term obligations (senior) | Baa1 / Outlook stable | BBB+ / Outlook positive |
| Rating for short term obligations (senior) | P-2 | A-2 |

"

- 30) On pages 540 and 541 of the Supplemented Base Prospectus, in the chapter "**GENERAL INFORMATION**" the last paragraph under the heading "**Authorisation**" shall be deleted and replaced by the following paragraph:

"The issuance of Notes thereunder is covered by the Issuer's Board of Management's and Supervisory Board's approval of an annual funding plan determining the total annual issuance volume. The issuance of Notes thereunder for the business year 2016/2017 have been covered by approvals dated 16 November 2015 (decision of Board of Management) and 11 December 2015 (approval of Supervisory Board) and 21 November 2016 (decision of Board of Management) and 07 December 2016 (approval of Supervisory Board). The latest approvals are dated 22 May 2017 (decision of Board of Management) and 1 June 2017 (approval of Supervisory Board) for the business year 2017. "

⁴⁷ Moody's appends long-term obligation ratings at the following levels: Aaa, Aa, A, Baa, Ba, B, Caa, Ca and C. To each generic rating category from Aa to Caa Moody's assigns the numerical modifiers "1", "2" and "3". The modifier "1" indicates that the bank is in the higher end of its letter-rating category, the modifier "2" indicates a mid-range ranking and the modifier "3" indicates that the bank is in the lower end of its letter-rating category. Moody's short-term ratings are opinions of the ability of issuers to honor short-term financial obligations and range from P-1, P-2, P-3 down to NP (Not Prime).

⁴⁸ S&P assign long-term credit ratings on a scale from AAA (best quality, lowest risk of default), AA, A, BBB, BB, B, CCC, CC, C, SD to D (highest risk of default). The ratings from AA to CCC may be modified by the addition of a "+" or "-" to show the relative standing within the major rating categories. S&P may also offer guidance (termed a "credit watch") as to whether a rating is likely to be upgraded (positive), downgraded (negative) or uncertain (developing). S&P assigns short-term credit ratings for specific issues on a scale from A-1 (particularly high level of security), A-2, A-3, B, C, SD down to D (highest risk of default).