

7.25% AUSTRIA PLUS PROTECT REVERSE CONVERTIBLE BOND

INVESTMENT PRODUCT WITHOUT CAPITAL PROTECTION
REVERSE CONVERTIBLE BOND

- Underlyings: Erste Group Bank AG, OMV AG and voestalpine AG
- 7.25% fixed annual interest rate
- Redemption of the nominal value or physical delivery of shares
- Barrier at 60% of each share
- Observation only at the final valuation date
- Full market risk if barrier is violated, issuer risk
- Further information on opportunities/risks on the following pages
- Term of 2 years



Certificates by



**Raiffeisen
CENTROBANK**

ATTRACTIVE FIXED INTEREST RATE ABOVE MARKET LEVEL

In short:

The 7.25% Austria Plus Protect Reverse Convertible Bond provides for an attractive fixed interest rate: the interest amount is paid out annually, regardless of the performance of the three underlying shares (Erste Group Bank AG, OMV AG and voestalpine AG). At the end of the term, depending on the performance of the shares, either the nominal value is paid out or shares are delivered.

KEY FACTS

Issuer*	Raiffeisen Centrobank AG
Offer	continuous issuing
ISIN	AT0000A2B4Y3
Issue price	100%
Nominal value	EUR 1,000
Subscription period ¹	Nov 11, 2019 - Dec 2, 2019
Initial valuation date	Dec 3, 2019
Issue value date	Dec 4, 2019
Final valuation date	Dec 1, 2021
Maturity date	Dec 6, 2021
Strike	Closing price of each share at the initial valuation date
Barrier	60% of the respective strike
Barrier observation	only at the final valuation date
Fixed interest rate	7.25% annually
Interest rate payout dates	Dec 4, 2020; Dec 6, 2021
Amount of shares	= (nominal value/strike)
Redemption	If the closing prices of the three underlying shares Erste Group Bank AG, OMV AG and voestalpine AG quote above the respective barrier of 60% at the final valuation date, the certificate is redeemed at 100% of the nominal value. Otherwise, physical delivery of shares is effected according to the amount predefined. Redemption is dependent on the solvency of RCB*.
Listing	Vienna, Frankfurt, Stuttgart
Quotes	www.rcb.at

* Raiffeisen Centrobank AG is a 100% owned subsidiary of Raiffeisen Bank International AG – rating of RBI: www.rbiinternational.com/ir/ratings

¹ Early closing or extension of the subscription period is within the sole discretion of Raiffeisen Centrobank AG.

Attractive yields in a low interest rate environment, partial protection against price slumps and a short term are convincing arguments for many investors. The new **7.25% Austria Plus Protect Reverse Convertible Bond** combines all these features in one product. The investment product without capital protection provides for a fixed annual interest payment of 7.25% with a barrier of 60% of the starting value as safety mechanism. The barrier observation take place only at the final valuation date. The certificate has a term of two years. Further details regarding opportunities and risks are listed on the next page.

SHARE BASKET

The **share basket** of the Protect Reverse Convertible Bond consists of three European blue chips:

- **Erste Group Bank AG** is one of the largest financial services providers in Central- and Eastern Europe. The bank's main focus is on the private banking business.
- **OMV AG** is an integrated oil and gas company, active both in the up- and downstream businesses. OMV has a balanced international upstream portfolio while its downstream oil and gas business features a European footprint.
- In its business segments, **voestalpine AG** is a globally leading technology group with a unique combination of materials and processing expertise. voestalpine is also the world market leader in complete railway systems as well as in tool steel and special sections.

FUNCTIONALITY

Reverse Convertible Bonds have a predefined **maturity date**, a **fixed interest rate** and a **strike**, set at the initial valuation date. Moreover, **Plus Protect Reverse Convertible Bonds** are equipped with a **barrier only active at the end of the term**, set below the **strike**. These parameters remain unchanged during the term. The interest rate, which is above market level, provides investors with an attractive yield if the Plus Protect Reverse Convertible Bond is redeemed at 100% of the nominal value. In case of **physical delivery of the shares**, the interest amount mitigates or may even overcompensate the loss incurred from the delivery of shares.

At the initial valuation date, the closing prices of the three underlying shares are fixed as **strikes** and the number of shares for potential physical delivery is determined. Additionally, the **respective barriers** (60% of each respective strike) are set.

- **The fixed interest rate** of 7.25% is **paid out** annually regardless of the performance of the three underlying shares (equals two times EUR 72.5 per nominal value during the term) .
- **Redemption** of the nominal value at the end of the term depends on the performance of the three underlying shares. At the final valuation date, the closing prices of the shares are compared with their respective barrier.

UNDERLYINGS 7.25% AUSTRIA PLUS PROTECT REVERSE CONVERTIBLE BOND

Erste Group Bank AG

OMV AG

voestalpine AG

The 7.25% Austria Plus Protect Reverse Convertible Bond provides for **physical delivery** of shares. In the most unfavourable case, the investor gets the worst performing share in the amount predefined delivered.

Plus Protect Reverse Convertible Bond: with the 7.25% Austria Plus Protect Reverse Convertible Bond the barrier is only observed at the final valuation date.

SUITED MARKET EXPECTATION

declining

sideways

rising

YOUR INVESTMENT HORIZON

< 3 years

3 to 5 years

> 5 years

NOTE

The referenced opportunities and risks represent a selection of the most important facts regarding the product.

You are about to purchase a product that is not easy and difficult to understand.

For further information see the Base Prospectus (including possible amendments) – approved by the Austrian Financial Market Authority (FMA), deposited at the Oesterreichische Kontrollbank AG and published at www.rcb.at/en/securitiesprospectus (we recommend reading the prospectus before making an investment decision) – in the key information document and among „Customer Information and Regulatory Issues“ at www.rcb.at/en/customerinformation

At the final valuation date, **one of the following scenarios** will apply:

SCENARIO 1: The closing price of all three shares quoted ABOVE their barrier on the final valuation date

If the closing prices of Erste Group Bank AG, OMV AG AND voestalpine AG are always above their **barrier of 60%** of their respective strike at the final valuation date, **redemption** is effected **at 100% of the nominal value**. Provided that none of the three shares closes 40% or more below its respective strike on final valuation date, investors obtain the nominal amount of EUR 1,000 at the maturity date. This amount represents the maximum payout.

SCENARIO 2: Barrier was TOUCHED/UNDERCUT by at least one of the shares on the final valuation date

If the barrier of 60% of the respective strike is touched or undercut by the closing price of **one or more** of the underlying shares (Erste Group Bank AG, OMV AG, voestalpine AG) at the final valuation date, the investor receives the worst performing share (percentage change from strike to closing price at the final valuation date) in the **amount predefined at the initial valuation date**. The difference to the next whole number is paid out.

EXAMPLE – assumption: if the initial valuation date had been October 22, 2019

SHARE	STRIKE* 100%	BARRIER 60%	NUMBER OF SHARES (NOMINAL VALUE / STRIKE)
Erste Group Bank AG	EUR 31.61	EUR 18.9660	31.6356 shares
OMV AG	EUR 51.08	EUR 30.6480	19.5771 shares
voestalpine AG	EUR 22.57	EUR 13.5420	44.3066 shares

* ... exemplary strike in relation to the closing price of the respective share on October 22, 2019.

source: Reuters ERST.VI (ISIN: AT0000652011), OMV.VI (ISIN: AT0000743059), VOES.VI (ISIN: AT0000937503)

OPPORTUNITIES

▫ Attractive fixed interest rate:

The fixed annual interest amount (7.25% p.a.) is paid out regardless of the performance of the three underlying shares.

▫ Safety buffer:

Attractive yield in sideways moving and slightly decreasing markets due to the partial protection against falling prices down to the barrier of 60% (observation only at the final valuation date)

▫ Flexibility:

Tradability on the secondary market, no management fees

RISKS

▫ Barrier violation:

If the respective barrier is touched or undercut by the closing price of at least one of the three shares at the final valuation date, the investor is entirely subject to market risk, without any protective mechanism.

▫ Limited yield opportunity:

The opportunity for yields is in any case limited to the fixed interest rate (2 x 7.25% during the term). Investors do not participate in price increases of the underlyings beyond their respective strikes.

▫ Issuer risk / Bail-in:

Certificates are not covered by the Deposit Protection Scheme. Investors are exposed to the risk that Raiffeisen Centrobank AG might be unable to fulfil its payment obligations in respect of the described financial instrument such as in the event of insolvency (issuer risk) or an official directive (Bail-in). A total loss of the capital invested is possible.

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Past performance is no reliable indicator of future results. Please refer to the Base Prospectus for additional disclosures on risks as well as further information. The information presented does not constitute binding tax advice. Tax treatment of investments is dependent on the personal situation of the investor and may be subject to change. As regards tax treatment and impact on the investor's individual tax situation, the investor is advised to consult with a tax advisor. This report is based on the knowledge of the persons preparing the document have obtained up to the date of creation. Please note that the legal situation may change due to legislative amendments, tax directives, opinions of financial authorities, jurisdiction etc.

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