



2003



— Annual Report



Raiffeisen
CENTROBANK

Key Figures 2003

	2003	2002
BALANCE SHEET (in TEUR)		
Total Assets	603,905	521,125
Subscribed Capital	47,599	47,599
Reserves	18,003	18,003
Capital (tier 1) before deductions	65,602	65,602
Total net capital resources	64,654	64,675
Required capital resources under Sec. 22 subsec. 1 Austrian Banking Act	42,744	24,605
Solvency Ratio	18.6%	23.2%
PROFIT AND LOSS ACCOUNT (in TEUR)		
Operating Income	28,457	33,168
Operating Expenses	-22,138	-22,337
Operating Result	6,319	10,831
Expenditures arising from the valuation of current assets and from provisions for risks	-3,948	-10,270
Result of Ordinary Activities	2,371	561
Taxes	-359	-483
Annual Surplus	2,012	78
Adjustment of Reserves	0	0
Profit for the Year	2,012	78
Profit brought forward	649	571
Net Profit	2,661	649
EMPLOYEES		
Employees	139	136



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Bodies of the Company

Executive Board

Chairman:

Gerhard VOGT

Members:

Christian SPERK (up to Dec. 31, 2003)

Eva MARCHART

Alfred Michael SPISS

Gerhard GRUND

Supervisory Board

Chairman:

Walter ROTHENSTEINER, Chairman of the Managing Board Raiffeisen Zentralbank Österreich AG, Vienna (as of June 3, 2004)

Karl STOSS, Member of the Managing Board Raiffeisen Zentralbank Österreich AG, Vienna (up to June 3, 2004)

From left to right:

Alfred Michael Spiss

Gerhard Vogt

Gerhard Grund

Eva Marchart

Christian Sperk

Deputy Chairmen:

Walter ROTHENSTEINER, Chairman of the Managing Board Raiffeisen Zentralbank Österreich AG, Vienna (up to June 3, 2004)

Karl STOSS, Member of the Managing Board Raiffeisen Zentralbank Österreich AG, Vienna (as of June 3, 2004) – First Deputy Chairman

Herbert STEPIC, Vice Chairman Raiffeisen Zentralbank Österreich AG, Vienna – Second Deputy Chairman

Members:

Karl SEVELDA, Member of the Managing Board Raiffeisen Zentralbank Österreich AG, Vienna

Christian TEUFL, Director Raiffeisen Zentralbank Österreich AG, Vienna

Helfried MAREK

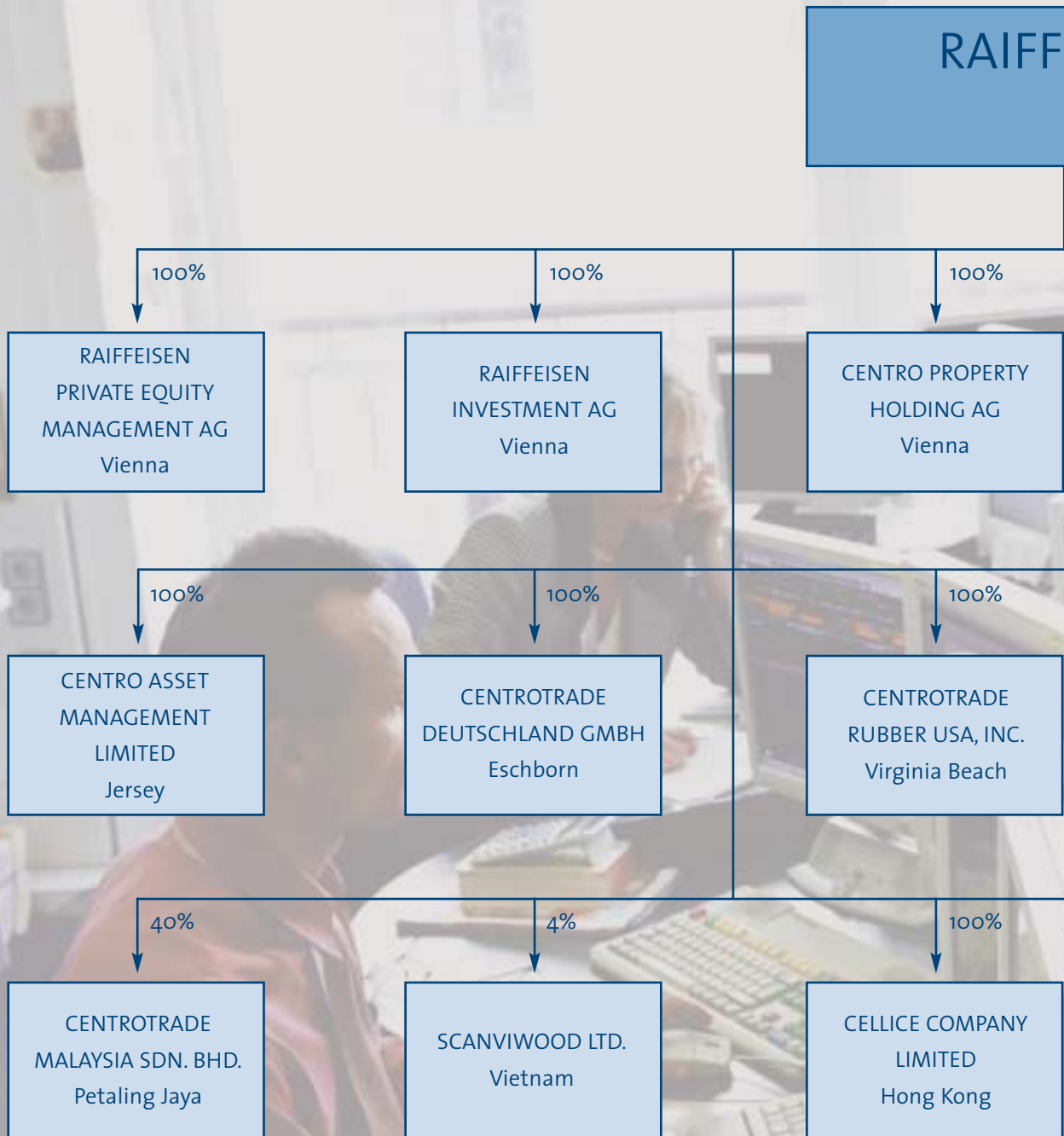
State Commissioners

Peter BRAUMÜLLER

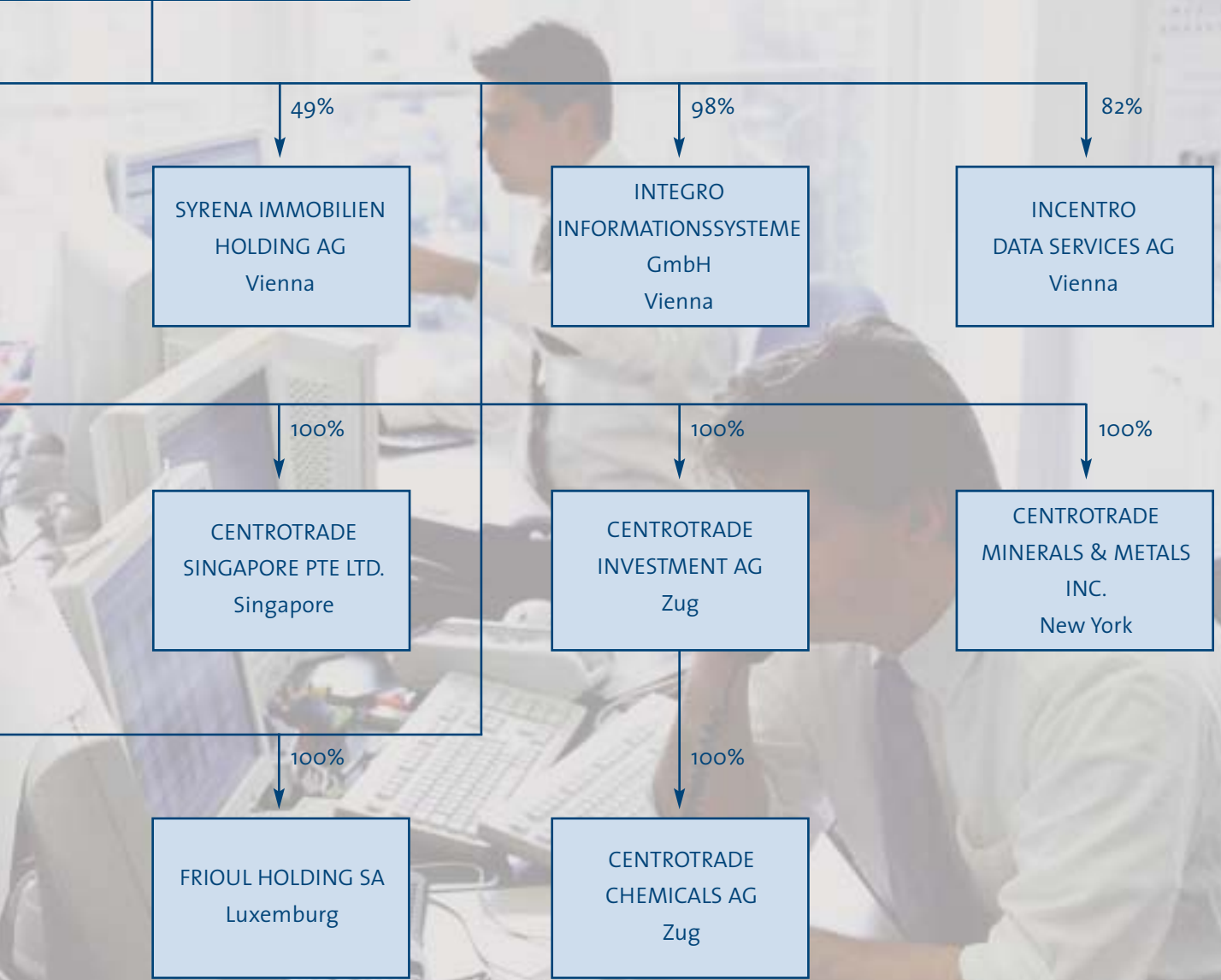
Otto PLÜCKHAHN

Raiffeisen Centrobank Group

Status: May 2004



CENTROBANK enna



RZB Group

Status: May 2004







"The innovations of Raiffeisen Centrobank offer an important new range of financial products which have expanded the spectrum of services provided by Raiffeisen Banking Group."

Foreword from the Chairman of the Supervisory Board

Ladies and Gentlemen:

In 2003, Raiffeisen Centrobank, the equity house of Raiffeisen Banking Group, succeeded in even more effectively fulfilling the rapidly changing needs of its customers than it was able to in the past. This is the basis for the extremely positive development of Raiffeisen Centrobank's business results.

The equity business is one of the core competencies of Raiffeisen Centrobank. For this reason, the bank resolutely pursued its strategy last year of internationalising its stock market operations. In the future, the expansion of this core competence will remain the main focus of Raiffeisen Centrobank's business activities.

Furthermore, Raiffeisen Centrobank continued to successfully consolidate its position as a leading local investment bank, as mapped out in the year 2002. This is not only underlined by the fact that Raiffeisen Centrobank maintained the highest share of trading on the Vienna Stock Exchange, but that it is by far the largest market maker on the Vienna market.

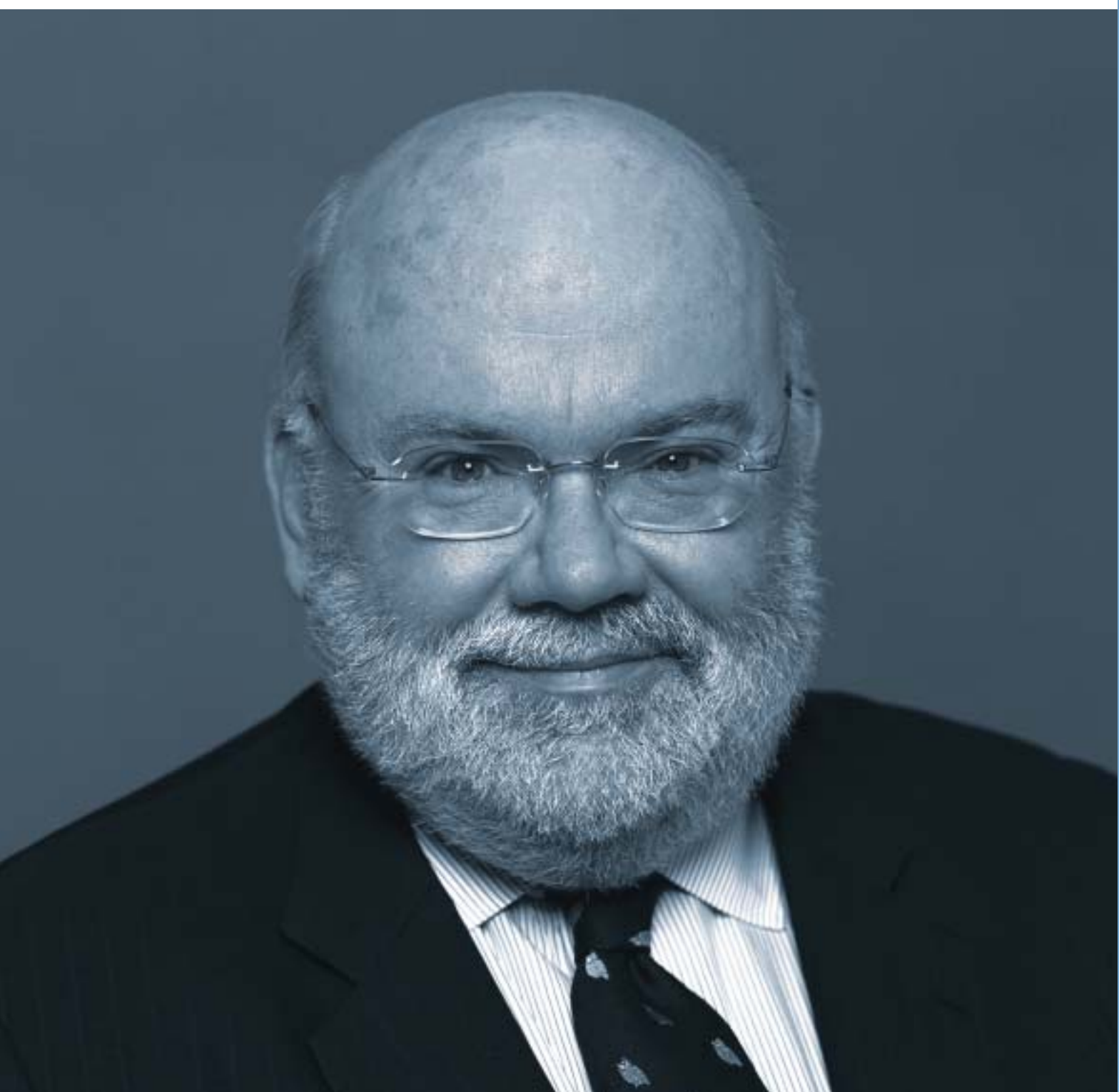
The top priority of all business activities carried out by Raiffeisen Centrobank is always to fulfill the interests and needs of its customers. This not only

applies to those business units which have direct contact to customers, but also to product development and staff work. Raiffeisen Centrobank continually strives to orient its business operations to the market and to each individual customer. The bank has two invaluable competitive advantages: on the one hand, its manageable size, enabling an appropriate level of autonomy and clout in the financial world; on the other hand, its integration in the Raiffeisen Banking Group, resulting in numerous synergies and business opportunities.

Time and again, the employees of Raiffeisen Centrobank have demonstrated the capability to exploit this potential in an outstanding manner, working on behalf of their customers. Therefore, the Supervisory Board would like to sincerely extend its praise, appreciation and thanks to all employees of Raiffeisen Centrobank for their work in the year under review.



Karl Stoss
Chairman of the Supervisory Board



“Last year, we succeeded once again in further expanding our market leadership in Austria as well as in Central and Eastern Europe, effectively performing our role as an investment bank within the Raiffeisen Banking Group.”

Foreword from the Chairman of the Executive Board

Ladies and Gentlemen:

In the year 2003, Raiffeisen Centrobank served as the equity house of the Raiffeisen Banking Group as well as an investment bank in Austria and Central and Eastern Europe. Raiffeisen Centrobank not only managed to consolidate its position, but played a leading role in the emerging, high-growth capital markets despite international competition.

This can be demonstrated by Raiffeisen Centrobank's 25% market share of total trading, both on the Vienna Stock Exchange and on OeTOB, the Austrian Futures and Options Exchange. The bank even accounts for 30% of total trading on OeTOB when it comes to East European derivative products.

In the past year, the focus was on acquiring new customers and providing advisory and support services to a continually expanding clientele. The timely, up-to-date publications put out by Raiffeisen Centrobank play a special role, as they supply investors with information about Austrian and CEE companies and also about those particular topics and issues which have aroused the interest of investors.

Presentations were given on many companies within the framework of a series of separate events held in international capital market hubs. These road shows not only documented the close ties Raiffeisen

Centrobank maintains with the companies listed on the Vienna Stock Exchange, but also demonstrated the bank's sales and trading clout well beyond Austria's borders.

The activities of Raiffeisen Centrobank in the securities trading and sales segment concentrated on more than just issuing certificates incorporating numerous new features designed to balance the spread risks. Effectively raising awareness of the bank's own financial products and strengthening its sales network will continue to ensure the future success of securities placements, also in connection with initial public offerings.

Our experience has demonstrated – and this will be borne out by the future development of the business segments we operate in – that a flexible, aggressive financial institution of our size, embedded in an organization such as Raiffeisen, has the best chance to successfully do business in the capital markets of the future.



Gerhard Vogt
Chairman of the Executive Board

Raiffeisen Centrobank AG

Raiffeisen Centrobank AG based in Vienna, Austria, a 100% owned subsidiary of Raiffeisen Zentralbank Österreich AG, manages the entire equity business of Raiffeisen Banking Group.

As a specialist for equity and derivative products, Raiffeisen Centrobank is market leader in Austria. Together with its subsidiary Raiffeisen Investment AG (RIAG), it ranks among the leading Western investment banks in Central and Eastern Europe.

The key clients of Raiffeisen Centrobank are institutional investors and securities traders in Austria and abroad, as well as the Raiffeisen Landesbanken (regional banks) and wealthy private investors.

The high level of acceptance of Raiffeisen Centrobank's financial products and services by Austrian and international investors can be demonstrated by the following achievements:

- approx. 25% of total trading on the Vienna Stock Exchange, the highest of any financial institution
- by far the main specialist* in the financial center of Vienna
- ranked first once again among all market participants for CEE derivatives traded on OeTOB (The Austrian Futures and Options Exchange), with a 30% market share
- consolidation of its second place ranking in stock market trading of Austrian derivatives on OeTOB, with a 25% market share

*Specialists are market makers who are committed to trading at the narrowest possible spread and highest volume. For each listed security, the Vienna Stock Exchange nominates only one such "specialist".

Raiffeisen Centrobank has direct access to the German stock exchanges EUREX und XETRA, where it serves as Designated Sponsor for several shares. Today, Raiffeisen Centrobank is the only Austrian financial institution which is a member of EUWAX in Stuttgart, Europe's largest options exchange. It is also a member of the Zurich, London and Milan stock exchanges.

Successful Core Services

In addition to the typical services of an equity house – trading and sales of shares and derivatives as well as share analysis – Raiffeisen Centrobank also specialises in providing privatisation advisory, private equity, venture capital financing, and mergers & acquisitions services. Furthermore, Raiffeisen Centrobank also offers international financing, currency trading, correspondent banking and countertrade services to its clients.

In the private banking segment, Raiffeisen Centrobank personally and individually offers a comprehensive range of structured financial products tailored to fulfilling cross-border requirements.

Innovative Financial Products for Diverse Investor Needs

Raiffeisen Centrobank is the leading equities specialist in Austria, offering 800 of its own internally-managed securities. It is also an important niche player in the international equities business. As a developer of innovative financial products, it offers tailor-made investment instruments suitable for every risk profile and every market approach.

For more product details, services and information, please access Raiffeisen Centrobank's Website, listed at www.rcb.at.



Expertise and commitment make our success

