

**Individual Financial Statements** of Raiffeisen  
Centrobank AG as at December 31, 2010  
according to the Austrian Banking Act

## Balance sheet as at December 31, 2010

Assets	31/12/2010 EUR	31/12/2010 EUR	31/12/2009 TEUR	31/12/2009 TEUR
1. Cash in hand and deposits with central banks		3,813,237.71		2,461
2. Loans and advances to credit institutions				
a) payable on demand	39,922,724.04		76,639	
b) other loans and advances	691,070,562.46	730,993,286.50	545,812	622,451
3. Loans and advances to customers		143,569,060.53		68,376
4. Bonds, notes and other fixed-interest securities				
a) issued by public bodies	6,021,322.09		8,714	
b) issued by other borrowers	333,898,904.96	339,920,227.05	277,835	286,549
5. Shares and other variable-yield securities		632,986,332.15		717,676
6. Equity participations		5,153,970.61		5,154
7. Shares in affiliated companies		10,367,552.00		10,367
8. Intangible fixed assets		121,055.00		181
9. Tangible fixed assets		17,738,942.22		18,712
thereof land and buildings used by the credit institution for own purposes: EUR 13,098,040.92 previous year: TEUR 13,391				
10. Other assets		203,136,630.73		230,129
11. Prepayments and other deferrals		1,187,193.26		1,055
<b>Total assets</b>		<b>2,088,987,488.40</b>		<b>1,963,111</b>
<b>Off-balance sheet items</b>				
1. Foreign assets		616,579,347.59		558,129

<b>Equity and liabilities</b>	<b>31/12/2010 EUR</b>	<b>31/12/2010 EUR</b>	<b>31/12/2009 TEUR</b>	<b>31/12/2009 TEUR</b>
1. Liabilities to credit institutions				
a) repayable on demand	53,545,788.02		49,993	
b) with agreed maturity dates or periods of notice	1,947,747.60	55,493,535.62	90,302	140,295
2. Liabilities to customers				
a) repayable on demand	103,469,689.36		97,167	
b) with agreed maturity dates or periods of notice	22,499,546.98	125,969,236.34	27,491	124,658
3. Securitised liabilities (other securitised liabilities)		822,769,501.41		858,875
4. Other liabilities		926,188,412.04		689,171
5. Accruals and deferred items		242,631.69		784
6. Provisions				
a) for severance payments	5,221,145.88		4,342	
b) for retirement benefits	1,759,830.73		1,293	
c) for taxes	0.00		400	
d) other provisions	14,643,309.42	21,624,286.03	14,251	20,286
7. Subordinated liabilities		20,412,500.00		20,619
8. Subscribed capital		47,598,850.00		47,599
9. Capital reserves (committed)		6,651,420.71		6,651
10. Retained earnings				
a) legal reserve	1,030,936.83		1,031	
b) other reserves	9,500,000.00	10,530,936.83	9,500	10,531
11. Liability reserve pursuant to Article 23 para 6 Austrian Banking Act		13,538,860.00		13,539
12. Net profit for the year		37,967,317.73		30,103
<b>Total equity and liabilities</b>		<b>2,088,987,488.40</b>		<b>1,963,111</b>
<b>Off-balance sheet items</b>				
1. Contingent liabilities arising from guarantees and assets pledged as collateral security		10,297,558.47		1,322
2. Credit risks		9,564,513.68		14,702
3. Commitments arising from fiduciary business transactions		7,091,124.47		7,091
4. Eligible own funds pursuant to Article 23 para 14 Austrian Banking Act thereof: own funds pursuant to Article 23 para 14 no 7 Austrian Banking Act: EUR 0.00; previous year: TEUR 0		98,199,012.54		98,139
5. Own funds requirement pursuant to Article 22 para 1 Austrian Banking Act thereof: own funds requirement pursuant to Article 22 para 1 nos. 1, 4 and 5 Austrian Banking Act: EUR 16,494,000.00 previous year: TEUR 11,838		55,191,000.00		49,314
6. Foreign equity and liabilities		202,298,650.24		235,479

## Income statement for the 2010 financial year

	2010 EUR	2010 EUR	2009 TEUR	2009 TEUR
1. Interest and interest-like income		17,076,776.82		22,534
thereof fixed-interest securities	10,034,322.55		6,304	
2. Interest and interest-like expenses		-13,576,207.79		-11,450
<b>I. Net interest income</b>		<b>3,500,569.03</b>		<b>11,084</b>
3. Income from securities and financial investments				
a) Income from shares, share rights and other variable-yield securities	6,903,536.45		7,077	
b) Income from shares in affiliated companies	2,636,142.91	9,539,679.36	5,604	12,681
4. Fee and commission income		19,580,468.26		15,405
5. Fee and commission expenses		-9,265,177.25		-9,098
6. Net profit on financial trading activities		39,185,025.00		34,307
7. Other operating income		1,754,089.26		1,476
a) Net profit on commercial trading activities	204,567.46		362	
b) Sundry operating income	1,549,521.80		1,113	
<b>II. Operating income</b>		<b>64,294,653.66</b>		<b>65,855</b>
8. General administrative expenses		-37,976,849.54		-35,735
a) staff expenses				
aa) wages and salaries	21,881,855.25		20,344	
bb) expenses for statutory social contributions and compulsory contributions related to wages and salaries	4,321,387.43		3,970	
cc) other social expenses	386,277.69		432	
dd) expenses for pensions and assistance	455,555.68		528	
ee) provisions for retirement benefits	466,981.08		517	
ff) expenses for severance payments and contributions to severance funds	1,076,698.40		493	
	<b>28,588,755.53</b>		<b>26,284</b>	
b) other administrative expenses	9,388,094.01		9,451.00	
9. Value adjustments on asset items 8 and 9		-1,913,952.90		-2,131
10. Other operating expenses		-403,569.00		-246
<b>III. Operating expenses</b>		<b>-40,294,371.60</b>		<b>-38,112</b>
<b>IV. Operating result</b>		<b>24,000,282.06</b>		<b>27,743</b>

	2010 EUR	2010 EUR	2009 TEUR	2009 TEUR
<b>IV. Operating result (= amount carried forward)</b>		<b>24,000,282.06</b>		<b>27,743</b>
11. Loan loss provisions and expenditures arising from the valuation of loans and advances and disposal of securities held as other current assets		-11,933.76		-113
12. Income arising from the valuation of loans and advances and disposal of securities held as other current assets		197,829.26		422
13. Expenditures arising from the valuation of interests and shares in affiliated companies held as financial investments		0.00		-14
<b>V. Result on ordinary activities</b>		<b>24,186,177.56</b>		<b>28,038</b>
14. Income taxes (thereof passed on from parent company: EUR 3,056,709.00 (previous year: TEUR 2,451))		3,940,851.96		-4,039
15. Other taxes unless included in item 14		-1,267,988.50		-135
<b>VI. Net income for the year</b>		<b>26,859,041.02</b>		<b>23,864</b>
16. Profit carried forward		11,108,276.71		6,239
<b>VII. Net profit for the year</b>		<b>37,967,317.73</b>		<b>30,103</b>

## Development of Fixed Assets in the 2010 Financial Year

Amounts in Euros	Cost of acquisition Balance as at 1/1/2010	Cost of acquisition Additions	Cost of acquisition Disposals
<b>I. Intangible fixed assets</b>			
Software licenses	3,038,653.01	77,600.14	17,940.26
<b>II. Tangible fixed assets</b>			
1. Land and buildings used by the credit institution for own purposes thereof value of property: EUR 3,066,200.92; previous year: TEUR 3,066	14,789,785.11	0.00	0.00
2. Office furniture and equipment	21,014,652.18	747,779.76	109,914.95
3. Prepayments	0.00	73,151.58	0.00
	<b>35,804,437.29</b>	<b>820,931.34</b>	<b>109,914.95</b>
<b>III. Financial investments</b>			
1. Shares in affiliated companies thereof in credit institutions: EUR 0.00	13,216,512.84	0.00	0.00
2. Equity participations thereof credit institutions: EUR 0.00	5,168,286.12	0.00	0.00
	<b>18,384,798.96</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>57,227,889.26</b>	<b>898,531.48</b>	<b>127,855.21</b>

Cost of acquisition Balance as at 31/12/2010	Accumulated depreciation	Carrying amount 31/12/2010	Carrying amount 31/12/2009	Depreciation in the 2010 financial year
3,098,312.89	2,977,257.89	121,055.00	181,507.00	132,073.14
14,789,785.11	1,691,744.19	13,098,040.92	13,391,131.92	293,091.00
21,652,516.99	17,084,767.27	4,567,749.72	5,321,103.72	1,488,788.76
73,151.58	0.00	73,151.58	0.00	0.00
<b>36,515,453.68</b>	<b>18,776,511.46</b>	<b>17,738,942.22</b>	<b>18,712,235.64</b>	<b>1,781,879.76</b>
13,216,512.84	2,848,960.20	10,367,552.64	10,367,552.64	0.00
5,168,286.12	14,315.51	5,153,970.61	5,153,970.61	0.00
<b>18,384,798.96</b>	<b>2,863,275.71</b>	<b>15,521,523.25</b>	<b>15,521,523.25</b>	<b>0.00</b>
<b>57,998,565.53</b>	<b>24,617,045.06</b>	<b>33,381,520.47</b>	<b>34,415,265.89</b>	<b>1,913,952.90</b>

## Financial statements as at December 31, 2010

### Notes

#### A. Accounting policies

##### General principles

The financial statements of Raiffeisen Centrobank for the 2010 financial year have been prepared in accordance with the general accounting principles stipulated in the Austrian Commercial Code and the specific sectoral regulations as specified by the Austrian Banking Act. The balance sheet as well as the income statement have been structured according to Appendix 2 of the forms contained in Article 43 Austrian Banking Act. The structure of the income statement in regards to ensuring an adequate representation of the commodity trading (counter-trade) activities of Raiffeisen Centrobank have been expanded to include a sub-item entitled "Net profit on commercial trading activities".

Changes in the accounting and valuation methods have not been made compared to the 2009 financial statements.

##### Foreign currency translation

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

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

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

A daily market price system is applied for the valuation of securities held for trading purposes or as other current assets. In terms of securities held for trading purposes or as other current assets, the company's portfolio of shares in publicly-listed companies as well as fixed-interest securities is reported at the share price prevailing on the balance sheet date. If no quotes or share prices are available the value is determined by means of valuation models.

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

Bonds issued by borrowers from Eastern European markets as well as shares issued by Eastern European companies held by the company for trading purposes are valued at the market rates announced by other credit institutions and brokers, or as quoted by Reuters, or valuation models, provided that share prices for these securities are not available or do not provide sufficient information. If no such market rates are available, prices for primary financial instruments are calculated on the basis of the net present value method. In order to determine the value of unlisted bank bonds depreciation or parameter adjustments are considered to reflect market liquidity risks within these evaluation methods.

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

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



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

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

#### Equity participations and shares in affiliated companies

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

#### Intangible and tangible fixed assets

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

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

#### Liabilities to credit institutions and customers

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

#### Securitised liabilities

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

#### Provisions for severance payments

The provisions for severance payments are designed to fulfil legal demands, as well as those arising from individual or collective contractual agreements. Provisions are calculated in accordance with the guidelines specified by IAS 19, applying the Projected Unit Credit Method and assuming a calculatory interest rate of 4.25% (previous year: 4.75 %), as well as an unchanged annual salary increase amounting to 3.0%.

The AVÖ (Austrian actuaries' association) 2008-P-basis for calculating retirement pension insurances – Pagler & Pagler for salaried employees was taken as biometric basis for calculation. The underlying presumption is a decreasing fluctuation rate in connection with the earliest possible retirement date, at the age of 60 for women and 65 for men, taking into account the changes to Austria's General Social Security Law in accordance to the Budgetary Amendment 2003. The premium reserve amounts to 72.84% of the statistical termination benefit obligations on the balance sheet date.

#### Provisions for retirement benefits

Provisions for retirement benefits are calculated in accordance with the guidelines specified by IAS 19, applying the Projected Unit Credit Method and assuming a calculatory interest rate of 4.25% (previous year: 4.75%), an unchanged 2% increase in the probable profit sharing rate, and a retirement age of 60 years. The AVÖ (Austrian actuaries' association) 2008-P-basis for calculating retirement pension insurances – Pagler & Pagler for salaried employees was taken as biometric basis for calculation. In 2005, pension commitments were allocated to a specified group of eligible employees. The cash value of the pension plan reinsurance concluded for future beneficiaries is reported as other assets.

#### Other provisions

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

## B. Notes to the Financial Statement

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

The balance sheet item A 1, which encompasses cash in hand and deposits with the Austrian National Bank, is reported as TEUR 3,813 (31/12/2009: TEUR 2,461). Prevailing regulations pertaining to liquidity and minimum reserves were observed.

### II. Loans and advances

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

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

#### Comparative figures as at 31/12/2009

31/12/2009	0 – 3 months	3 – 12 months	1 – 5 years	> 5 years	Total
Amounts in thousand Euros					
Loans and advances to credit institutions	97,015	297,576	124,317	26,905	545,813
Loans and advances to customers	815	1,833	14,326	5,665	22,639
Bonds, notes and other fixed-interest securities	54,111	6,295	162,221	63,921	286,548
	<b>151,941</b>	<b>305,704</b>	<b>300,864</b>	<b>96,491</b>	<b>855,000</b>

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

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

## Comparative figures as at 31/12/2009

31/12/2009 Amounts in thousand Euros	Loans and advances to affiliated companies (direct/indirect > 50 %)	Loans and advances to equity participations (in which Raiffeisen Centrobank has a direct shareholding)
Loans and advances to credit institutions	424,549	0
Loans and advances to customers	26,750	514
Bonds, notes and other fixed-interest securities	230,554	0
Shares and other variable-yield securities	289,396	0
Other assets	89,001	11
	<b>1,060,250</b>	<b>525</b>

## III. Securities

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

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

## Comparative figures as at 31/12/2009

31/12/2009 Amounts in thousand Euros	OTC products	Products traded on stock exchange	Total	Valued at market price
Bonds, notes and other fixed-interest securities, A4	0	286,548	286,548	287,050
Shares and other variable-yield securities, A5	348,557	369,119	717,676	717,676
Equity participations, A6	5,154	0	5,154	x
Shares in affiliated companies, A7	10,368	0	10,368	x

The fair value of securities held as other current assets exceeded the purchase price by TEUR 1,014 (31/12/2009: TEUR 973) as at December 31, 2010.

As at December 31, 2010 balance sheet item A 4 includes fixed-interest securities amounting to TEUR 339,920 (31/12/2009 balance sheet item A 4: TEUR 286,548) of which TEUR 50,225 (31/12/2009: TEUR 60,406) will fall due in the forthcoming year.

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

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

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

##### Figures as at 31/12/2010

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

\*) unaudited figures

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

##### Comparative figures as at 31/12/2009

Amounts in thousand Euros			
Name Domicile	Shareholding held by Raiffeisen Centrobank in %	Subscribed capital	Annual results 2009
1 Centrottrade Holding AG Vienna	100	4,600	925
2 Centrottrade Investment AG Vienna	100	7,314	2,555
3 Raiffeisen Investment AG Vienna	100	8,174	2,970
4 Centro Asset Management Ltd Jersey	100	1,071	82
5 Centrottrade Malaysia Sdn Bhd Petaling Jaya	30	42 *)	0 *)
6 Syrena Immobilien Holding AG Spittal/Drau	21	29,130	73

\*) Annual results for 2004. The company is being liquidated.

**V. Fixed assets**

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

**VI. Other assets**

Balance sheet item A 10 "Other assets" amounting to TEUR 203,137 (31/12/2009: TEUR 230,129) primarily refers to purchase contracts from trading in derivative financial instruments reported at fair value as at 31/12/2010 in the amount of TEUR 197,818 (31/12/2009: TEUR 223,566) as well as loans and advances to tax authorities of TEUR 236 (31,12,2009: TEUR 647).

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

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

**Comparative figures as at 31/12/2009**

<b>31/12/2009</b>	<b>0 – 3 months</b>	<b>3 – 12 months</b>	<b>1 – 5 years</b>	<b>&gt; 5 years</b>	<b>Total</b>
Amounts in thousand Euros					
Liabilities to credit institutions	90,302	0	0	0	90,302
Liabilities to customers	20,001	7,490	0	0	27,491
Securitised liabilities	79,336	53,629	557,363	168,547	858,875
	<b>189,639</b>	<b>61,119</b>	<b>557,363</b>	<b>168,547</b>	<b>976,668</b>

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

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

## Comparative figures as at 31/12/2009

31/12/2009 Amounts in thousand Euros	Liabilities to affiliated (direct/indirect >50 %)	Liabilities to equity participations
Liabilities to credit institutions	32,821	0
Liabilities to customers	6,173	9
Other liabilities	43,447	1
	<b>82,441</b>	<b>10</b>

**VII.3. Securitised liabilities**

The balance sheet item P 3 contains own issues totalling TEUR 141,278 (31/12/2009: TEUR 132,965), which will fall due in the course of 2011.

**VII.4. Other liabilities**

The balance sheet item P 4 "Other liabilities" amounting to TEUR 926,188 (31/12/2009: TEUR 689,171) primarily refers to liabilities reported at fair value as well as premiums received from trading in securities and derivative financial instruments of TEUR 919,401 (31/12/2009: TEUR 678,967).

**VII.5. Subordinated liabilities**

Subordinated liabilities refer to a subordinated bond amounting to TEUR 20,000 issued in 2008 to strengthen the own funds of Raiffeisen Centrobank pursuant to Supervisory Board requirements. The balance sheet item relates to this subordinated bond including all interest accrued as at 31/12/2010 amounting to TEUR 20,413. The bond has an indefinite term, and may not be called by the issuer before 31 January 2013. The interest rate equals EURIBOR + 100 bp.

**VIII. Share capital**

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

The shares in Raiffeisen Centrobank are owned by the companies:

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

## IX. Provisions

### Other provisions

The balance sheet item P6 d) "Other provisions" amounting to TEUR 14,643 (2008: TEUR 14,251) includes the following:

Amounts in thousand Euros	31/12/2010	31/12/2009
Salaries and bonuses	7,305	6,547
Litigation risks	3,248	3,248
Overdue vacation	1,942	1,846
Legal, auditing and consulting expenses	559	430
Provisions for recourse claims	284	426
Provisions for the Securities Trading & Sales Department	473	848
Management fees	144	319
RBI/RZB Group services	387	333
Others	301	254
<b>Total</b>	<b>14,643</b>	<b>14,251</b>

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

The rental and leasing expenses during the period under review amounted to TEUR 582 (2009: TEUR 568), thereof TEUR 220 (2009: TEUR 216) to affiliated companies. For the 2011 financial year, rental costs are expected to total TEUR 642 and TEUR 3,212 for the 2011-2015 financial years, of which the rental costs to affiliated companies will total TEUR 212 and TEUR 1,060, respectively.

## XI. Supplementary data

### Assets and liabilities in foreign currencies

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

Current value in thousand Euros	31/12/2010	31/12/2009
Assets	335,243	268,926
Liabilities	139,040	105,442

### Unsettled futures and options contracts according to the VERA scheme

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

Amounts in thousand Euros	31/12/2010	31/12/2009
<b>Purchase contracts</b>		
Interest rate futures	1,000	0
Currency and interest rate swaps in a single currency <sup>1</sup>	38,643	715,496
Options on interest-rate instruments	500	0
Forward exchange contracts/gold contracts	88,058	28,464
Index future contracts	440,369	341,294
Options on asset values and equity index options	909,795	1,077,772
Precious metals and commodity future contracts	28,611	24,510
Commodity options	32,486	6,236
<b>Sales contracts</b>		
Interest rate futures	38,500	17,675
Currency and interest rate swaps in a single currency	38,643	10,667
Forward exchange contracts/gold contracts	86,367	27,511
Index future contracts	51,735	39,076
Options on asset values and equity index options <sup>1</sup>	1,219,406	1,602,376
Commodity options	62,922	45,007

<sup>1</sup> Due to a change in allocation, previous year figures are not comparative.



### Securities trading book

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

Amounts in thousand Euros	31/12/2010	31/12/2009
Shares/ mutual funds	-191,705	-83,581
Listed options	1,369	647
Futures	418,498	327,928
Warrants/ certificates	-372,446	-262,450
OTC options	222,932	160,189
Purchased bonds	1,240,086	862,075
Issued guarantee bonds	-824,190	-768,797
<b>Total</b>	<b>494,544</b>	<b>236,011</b>

### Data on transactions with derivative financial instruments

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

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

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

31/12/2010 Amounts in thousand Euros	Nominal amount		Positive market value		Negative market value	
	Banking book	Trading book	Banking book	Trading book	Banking book	Trading book
<b>1. Interest rate contracts</b>	<b>18,786</b>	<b>98,500</b>	<b>-335</b>	<b>2,233</b>	<b>338</b>	<b>42,323</b>
<b>1.1. OTC products</b>	<b>18,786</b>	<b>59,000</b>	<b>-335</b>	<b>1,045</b>	<b>338</b>	<b>-1,045</b>
Interest rate swaps	18,286	59,000	-338	1,045	338	-1,045
Options on interest-rate instruments	500	0	3	0	0	0
<b>1.2. Products traded on stock exchange</b>	<b>0</b>	<b>39,500</b>	<b>0</b>	<b>1,188</b>	<b>0</b>	<b>43,368</b>
Interest rate futures	0	39,500	0	1,188	0	43,368
<b>2. Foreign exchange contracts</b>	<b>110,243</b>	<b>64,182</b>	<b>355</b>	<b>30,825</b>	<b>-341</b>	<b>24,022</b>
<b>2.1. OTC products</b>	<b>110,243</b>	<b>0</b>	<b>355</b>	<b>0</b>	<b>-341</b>	<b>0</b>
Forward exchange contracts	110,243	0	355	0	-341	0
<b>2.2. Products traded on stock exchange</b>	<b>0</b>	<b>64,182</b>	<b>0</b>	<b>30,825</b>	<b>0</b>	<b>24,022</b>
Currency futures	0	64,182	0	30,825	0	24,022
<b>3. Equity contracts</b>	<b>0</b>	<b>2,745,324</b>	<b>0</b>	<b>640,674</b>	<b>0</b>	<b>579,394</b>
<b>3.1. OTC products</b>	<b>0</b>	<b>1,099,234</b>	<b>0</b>	<b>140,780</b>	<b>0</b>	<b>57,648</b>
Equity-based options - purchased	0	660,543	0	140,780	0	0
Equity-based options - sold	0	438,691	0	0	0	57,648
<b>3.2. Products traded on stock exchange</b>	<b>0</b>	<b>1,646,090</b>	<b>0</b>	<b>499,894</b>	<b>0</b>	<b>521,746</b>
Share and other equity/ index options and future contracts	0	1,486,624	0	452,972	0	435,205
Commodities / precious metals	0	124,019	0	46,922	0	51,010
Certificates (Reverse Convertibles))	0	35,447	0	0	0	35,532
<b>Total OTC products</b>	<b>0</b>	<b>1,099,234</b>	<b>0</b>	<b>140,780</b>	<b>0</b>	<b>57,648</b>
<b>Total listed products</b>	<b>0</b>	<b>1,646,090</b>	<b>0</b>	<b>499,894</b>	<b>0</b>	<b>521,746</b>
<b>Total</b>	<b>129,029</b>	<b>2,908,006</b>	<b>20</b>	<b>673,732</b>	<b>-3</b>	<b>645,739</b>

Due to the separation of the interest and the derivatives components in certificates (equity and liabilities) and the non-inclusion of structured products (assets) the nominal values and the market values were adjusted in the above table compared to the previous year.

## C. Notes to the Income Statement

### I. Other operating income

The income reported in "Other operating income" from commercial trading activities amounting to TEUR 205 (2009: TEUR 363) primarily refers to fulfilling offset transactions. Furthermore, this item also includes income from charging-ons and non-banking income.

### II. Other operating expenses

"Other operating expenses" amounting to TEUR 404 (2008: TEUR 246) primarily relates to fees and charging-on expenses for non-banking transactions.

### III. Income taxes

Income taxes are comprised of the following:

Amounts in thousand Euros	31/12/2010	31/12/2009
Passed on from the parent company for the business year	3,057	2,451
Adjustment of Group taxation- previous years	-7,367	1,207
arising from the termination of a tax audit	-453	0
arising from amendment of the AbgÄG 2009 (Austrian Tax Amendment Act) which entered into force retroactively	-6,914	1,207
Corporate income tax-previous years	43	0
arising from the termination of a tax audit	43	0
Not recognised as foreign withholding tax	326	381
	<b>-3.941</b>	<b>4.039</b>

### IV. Deferred tax

The bank did not exercise its right to capitalise deferred tax. The capitalisable amount of about TEUR 500 was calculated on the basis of non tax-deductible expenses for the 2010 financial year and previous years.

### V. Subordinated capital

Expenses related to subordinated capital amounted to TEUR 469 (2009: TEUR 708) for the period under review.

### VI. Expenses for auditing the financial statements

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

## D. Other disclosures

### Contingent liabilities

The breakdown of contingent liabilities arising from guarantees and assets pledged as security totalling TEUR 10,298 (31/12/2009: TEUR 1,322) consists of the following:

Amounts in thousand Euros	31/12/2010	31/12/2009
Letters of credit	9,728	332
Guarantees	570	990
	<b>10,298</b>	<b>1,322</b>
thereof for affiliated companies	1,431	493

In accordance with Article 93 Austrian Banking Act, the bank is legally obliged to provide for a proportionate deposit insurance as part of its membership in a professional association. Raiffeisen Centrobank AG is a member of the Fachverband der Raiffeisenbanken (professional association of the Raiffeisen Banking Group). This also entails an affiliation with Österreichischen Raiffeisen Einlagensicherung reg, GenmbH., Vienna (the deposit insurance arm of the Raiffeisen Banking Group, registered as a limited liability company). In the 2009 financial year the theoretical claim on this insurance is limited to a rate of 1.5% of the assessment basis in accordance with Article 22 para 2 Austrian Banking Act at the balance sheet date, plus the weighted items of the securities trading book, also in accordance with Article 22 Austrian Banking Act. These contingent liabilities are reported at a market value of Euro 0.07).

### Commitments shown under the balance sheet

Commitments shown under the balance sheet amounting to TEUR 9,565 (31/12/2009: TEUR 14,702) refer exclusively to irrevocable credit lines and standby facilities.

### Other contractual bank guarantee obligations

The following assets were pledged as security for obligations as of December 31, 2010:

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

TEUR 40,881 (31/12/2009: TEUR 78,249)  
Collateral deposited with banks and stock exchanges for the securities and options business

#### Item A 4 Fixed-interest securities

TEUR 141,107 (31/12/2009: TEUR 71,448)  
Collateral deposited with banks and stock exchanges for the securities and options business

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

TEUR 36,402 (31/12/2009: TEUR 49,550)  
Collateral deposited with banks and stock exchanges for the securities and options business

**Trustee transactions**

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

**Own funds**

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

Amounts in thousand Euros	31/12/2010	31/12/2009
Subscribed capital	47,599	47,599
Capital reserve	6,651	6,651
Legal reserve	1,031	1,031
Reserve pursuant to Austrian Banking Act	13,539	13,539
Other reserves	9,500	9,500
	<b>78,320</b>	<b>78,320</b>

**Number of staff**

	31/12/2010	Annual average	31/12/2009	Annual average
Salaried employees (including Executive Board)	208	201	209	208
thereof part-time	15	14	13	14
Wage employees	11	9	8	8
thereof part-time	2	1	0	0
<b>Total</b>	<b>219</b>	<b>210</b>	<b>217</b>	<b>216</b>

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

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

**Expenses for severance payments and retirement benefits**

Expenses for severance payments and retirement benefits (including contributions to pension funds and staff retirement benefit plans, as well as provisions for severance payments) amounted to TEUR 679 (2009: TEUR 658) for members of the Executive Board and to TEUR 1,320 (2009: TEUR 880) for other employees. The payment made to staff retirement benefit plans totalled TEUR 143 (2009: TEUR 125).

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

In the 2010 financial year remuneration for three Executive Board members totalled TEUR 2,435 (2009: TEUR 2,514). In 2010 attending fees in the amount of TEUR 110 were paid to members of the Supervisory Board.

### Group relations

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

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

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

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

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

### Executive Board

#### **Eva Marchart**

*Chief Executive Officer*

#### **Alfred Michael Spiss**

*Deputy Chief Executive Officer*

#### **Gerhard Grund**

*Member of the Executive Board*

### Supervisory Board

#### **Walter Rothensteiner**

*Chairman*

Chief Executive Officer of Raiffeisen Zentralbank  
Österreich Aktiengesellschaft, Vienna

#### **Patrick Butler**

*First Deputy Chairman*

Member of the Board of Raiffeisen Bank  
International AG, Vienna

#### **Herbert Stepic**

*Second Deputy Chairman*

Chief Executive Officer of Raiffeisen Bank  
International AG, Vienna

### Members

#### **Karl Sevelda**

Deputy Chief Executive Officer of Raiffeisen Bank  
International AG, Vienna

#### **Johann Strobl**

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

#### **Christian Teufl (to October 31, 2010)**

Director of Raiffeisen Zentralbank  
Österreich Aktiengesellschaft, Vienna

#### **Werner Kaltenbrunner (from November 3, 2010)**

Executive Director of Raiffeisen Bank  
International AG, Vienna

### State Commissioners

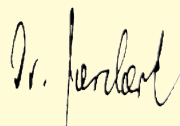
#### **Peter Braumüller (to October 31, 2010)**

*Divisional Director*

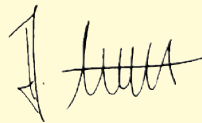
#### **Tamara Els**

*Head of Department*

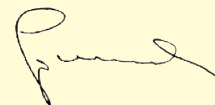
Vienna, April 4, 2011  
The Executive Board



**Eva Marchart**  
Chief Executive Officer



**Alfred Michael Spiss**  
Deputy Chief Executive Officer



**Gerhard Grund**  
Member of the Executive Board

## Auditor's Report

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Raiffeisen Centrobank AG, Vienna, for the year from 1 January 2010 to 31 December 2010. These consolidated financial statements comprise the consolidated balance sheet as of 31 December 2010, the consolidated statement of comprehensive income, the consolidated cash flow statement and the consolidated statement of changes in equity for the year ended 31 December 2010 and a summary of significant accounting policies and other explanatory notes.

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

The Company's management is responsible for the Group accounting system and for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

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

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with laws and regulations applicable in Austria and in accordance with International Standards on Auditing, issued by the International Auditing and Assurance Standards Board (IAASB) of the International Federation of Accountants (IFAC). Those standards require that we comply with professional guidelines and that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

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

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



**Opinion**

Our audit did not give rise to any objections. In our opinion, which is based on the results of our audit, the consolidated financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as of 31 December 2010 and of its financial performance and its cash flows for the year from 1 January to 31 December 2010 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU.

**Report on the Management Report for the Group**

Pursuant to statutory provisions, the management report is to

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

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

Vienna, April 4, 2011  
KPMG Austria GmbH  
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

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Austrian chartered accountants

**Josef Kirchknopf**  
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