

Third Supplement dated 29 November 2013
to the Registration Document dated 20 August 2013

This document (the "Third Supplement") is a 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, and should be read in conjunction with, the Registration Document dated 20 August 2013 (the "Original Registration Document") of Raiffeisen Bank International AG as supplemented on 30 August 2013 (First Supplement) and on 23 September 2013 (Second Supplement) (the First Supplement and Second Supplement together with the Original Registration Document, the "Supplemented Registration Document") (the Third Supplement together with the Supplemented Registration Document the "Registration Document").



RAIFFEISEN BANK INTERNATIONAL AG

This Third Supplement is supplemental to, and should only be distributed and read in conjunction with, the Supplemented Registration Document of Raiffeisen Bank International AG (the "Issuer" or "RBI"). Terms defined in the Supplemented Registration Document have the same meaning when used in this Third Supplement. To the extent that there is any inconsistency between (a) any statement in this Third Supplement or any statement incorporated by reference into the Supplemented Registration Document by this Third Supplement and (b) any other statement in or incorporated by reference in the Supplemented Registration Document prior to the date of this Third Supplement, the statements in (a) will prevail.

This Third 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 (www.rbinternational.com). The same publication arrangements apply to any document incorporated by reference into the Registration Document.

By approving this Third Supplement, the CSSF gives no undertaking as to the economic or financial soundness of the transactions under a prospectus or base prospectus of which the Registration Document becomes part of 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 Third 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 Third 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 Registration Document or this Third Supplement in connection with the issue or sale of any Securities made under a prospectus or base prospectus of which this Registration Document becomes part of and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer.

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

SUPPLEMENTAL INFORMATION

- 1) On page 28 of the Supplemented Registration Document in 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 first paragraph shall be deleted and replaced by the following paragraph:

"The Issuer is not aware of any recent adverse events (i.e. occurring after the most recent published interim financial information of the Issuer as of 30 September 2013) in the context of its business activities that are to a material extent relevant for the evaluation of its solvency."

- 2) On page 37 of the Supplemented Registration Document, in Chapter "**4.1. Material adverse changes in the prospects of the Issuer since the date of the last published audited financial statements**" under the heading "Negative impacts with regard to the Issuer include the following:" the following paragraph shall be inserted as first paragraph:

"Business results as reported in the unaudited interim consolidated financial statements of RBI as of and for the nine months ended 30 September 2013, as incorporated by reference herein."

- 3) On page 37 of the Supplemented Registration Document, in Chapter "**4.1. Material adverse changes in the prospects of the Issuer since the date of the last published audited financial statements**" under the heading "*Recent Developments in Hungary*" all paragraphs shall be deleted and replaced by the following paragraphs:

"The market environment in Hungary continues to be difficult and is currently under special review. Restructuring of Raiffeisen Bank in Hungary (*Raiffeisen Bank Zrt.*) is in progress, involving selective portfolio reductions, a strong focus on collection and work-out and a further reduction in staff and branches. Even a withdrawal from this market cannot be excluded.

In December 2011, the National Debt Management Agency (Államadósság Kezelo Központ - "**AKK**") took over the financing and cash management of the county municipalities. Starting in 2012, the municipalities of towns and villages were gradually included in the debt takeover by the central government as well. The last tranche of Raiffeisen Bank Zrt.'s total exposure of EUR 635 million municipal debt, about 70 per cent. of which were denominated in CHF and EUR, is expected to be taken over by the state under the aforementioned initiative by the end of February 2014. The claims under municipal debt will be exchanged for long-term loans to the Hungarian state, thus increasing RBI's sovereign exposure to Hungary accordingly.

Following the "Home Protection Law"-scheme in 2011, which had resulted in significant losses for the RBI Group, a new programme in favour of foreign exchange mortgage debtors was prepared and will be continued in a recently amended form. The exchange rate protection scheme so far was open to performing foreign exchange debtors only whereas according to an amendment to the respective legislation, which entered into force in November 2013, also non-performing foreign exchange debtors overdue more than 90 days may participate in the programme. The only prerequisite still in place for joining the programme foresees that there should not be any enforcement procedure against the residential property, whereas all other prerequisites have been cancelled. For all debtors who opted or opt for this scheme, the amount of the monthly instalment (principal and interest) will be fixed at 250 EUR/HUF and 180 CHF/HUF. The portion of the monthly instalments above the fixed exchange rate will go to a buffer account. The principal part on the buffer account still needs to be paid by the customer. The interest on the buffer account will be split equally between the government and the banks. If exchange rates go above 340 EUR/HUF and 270 CHF/HUF, the government will pay 100% of the capital and interest for the portion of the monthly instalments that exceeds the mentioned exchange rates. The expected negative impact on the Issuer amounts to a total of approximately EUR 6.2 million for the years 2014 and 2015 but cannot yet be evaluated for the whole period until expiration of this programme in 2018.

Due to the current political and economic developments in Hungary, the RBI Group considers the risk that additional legislative measures, which adversely affect the banking sector as a whole and foreign banks in particular, are taken by the Hungarian government to be significant."

- 4) On page 38 of the Supplemented Registration Document, in Chapter "**4.1. Material adverse changes in the prospects of the Issuer since the date of the last published audited financial statements**" under the heading "*Developments in Slovenia*" the paragraph shall be deleted and replaced by the following paragraph:

"RBI Group is re-scaling its activities in Slovenia to focus on those segments where it can generate value, such as multi-national customers and high net worth individuals, accompanied by a substantial reduction of assets and employees. The Slovenian market is currently under special review and a withdrawal from this market cannot be excluded. At present, an asset quality review and stress tests are conducted by the Bank of Slovenia. Raiffeisen Banka d.d., Slovenia, is also subject to such exercise, the result of which will strongly influence the future strategic decision."

- 5) On page 38 of the Supplemented Registration Document, in Chapter "**4.1. Material adverse changes in the prospects of the Issuer since the date of the last published audited financial statements**" the following paragraphs shall be inserted below the paragraph "*Developments in Slovenia*":

"Markets under review

Apart from Hungary and Slovenia, the Ukrainian market is currently under special review. A withdrawal from these markets cannot be excluded."

Recent developments in Croatia

In November 2013, amendments to the Consumer Loans Act (the "Amendments Act") were approved by the Croatian parliament but have not been published yet. It is envisaged that the Amendments Act should be applied as from 1 January 2014.

The Amendments Act will have an impact on future lending business as well as on existing loans. It authorizes the Ministry of Finance to determine the fees which may be charged by the banks in connection with consumer loans, defines the criteria for the setting of interest rates and imposes maximum interest rates as well as additional information requirements on banks.

As regards existing floating interest rate consumer loans except FX-linked housing loans, interest rates will have to be restated in a way that the currently charged gross interest rates will be split into two components – a variable component chosen from a number of authorized parameters (e.g. a reference interest rate like EURIBOR) and a fixed margin. The chosen "parameter" will be deducted from the currently charged gross interest rate. The remainder will represent the fixed margin. From then onwards, the total interest rate may increase or decrease reflecting increases or decreases of the applicable parameter but the fixed margin may not change without prior consent of the borrower. The aforementioned reformulating of floating interest rates as well as caps on consumer loans apply both to new and existing consumer loans.

In case of FX-linked consumer housing loans, the Amendments Act specifies the method of calculation of a maximum fixed interest rate which may be charged in case the foreign currency appreciates by more than 20% from the day of the loan disbursement. This currently applies to Swiss franc-linked mortgage loans ("CHF loans") and the relevant maximum interest rate so fixed would amount to 3.23 per cent on CHF loans. Should the difference between the current foreign currency/Croatian Kuna exchange rate and the exchange rate from the day the foreign exchange loan agreement was entered into fall below 20%, a conversion of the foreign exchange-loan into Croatian Kuna or into a EUR-linked loan shall be offered to the consumers at then prevailing market conditions. Currently, 75,000 loans in Swiss francs totaling 28 billion Croatian Kuna are estimated to be outstanding in Croatia. The Amendments Act is expected to affect the Issuer's net interest margin on loans. For 2014 the estimated negative impact amounts to EUR 3.2 million and up to EUR 36 million over the whole duration of the CHF-loan portfolio (until 2048)."

- 6) On page 39 of the Supplemented Registration Document, in Chapter **"4.2. Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the Issuer's prospects for at least the current financial year"** the following paragraph shall be inserted as first paragraph:

"ECB – Asset Quality Review and stress tests

The European Central Bank ("ECB") announced in October 2013 that it would commence a comprehensive assessment, including stress tests and an asset quality review, of certain large European banks, including the Issuer. The findings from this assessment, expected to be published in November 2014, may result in recommendations for additional supervisory measures and corrective actions affecting the Issuer and the banking environment generally. It is not yet possible to assess the impact of such measures, if any, on the Issuer or on the treatment of its capital instruments. The disclosure of the ECB's findings or the implementation of additional supervisory measures that are viewed by the market as unfavorable to the Issuer or its Notes could adversely affect the trading price of its Notes."

- 7) On page 52 of the Supplemented Registration Document, in the Chapter **7.1. Financial Information and Documents incorporated by reference"** the following table shall be inserted as last table:

"5. Unaudited consolidated interim financial statements of RBI for the nine months ended 30 September 2013	Extracted from the Third Quarter Report as of 30 September 2013 of RBI
– Statement of Comprehensive Income	– pages 48 - 50
– Statement of Financial Position	– page 51
– Statement of Changes in Equity	– page 52
– Statement of Cash Flows	– page 53
– Segment Reporting	– pages 53 - 57
– Notes	– pages 58 - 88

- 8) On page 54 of the Supplemented Registration Document, in Chapter **"7.2. Legal and Arbitration Proceedings"** the paragraph starting with "In 2011, the Hungarian Competition Office ("HCO")....." shall be fully replaced by the following paragraph:

"In 2011, the Hungarian Competition Office ("HCO") launched a competition supervision proceeding against various financial institutions, including the Raiffeisen Bank in Hungary (Raiffeisen Bank Zrt). The HCO assumed that the banks were offering HUF loan products with higher interest rates and were limiting access to lower interest rate products in connection with the early repayment of foreign currency loans. In November 2013 the HCO issued its final decision and levied a fine on Raiffeisen Bank Zrt. in the amount of HUF 583 million (which equals approximately EUR 2 million). The decision of the HCO may be contested at the Metropolitan Court of Hungary."

- 9) On page 54 of the Supplemented Registration Document, in Chapter **"7.2. Legal and Arbitration Proceedings"** the paragraph starting with "There is a tendency in CEE countries towards" shall be fully replaced by the following paragraph:

"There is a tendency in CEE countries towards a more aggressive behavior on the part of customers and consumer protection associations in the context of legal disputes in relation to consumer protection. For instance, on July 4, 2013 based on a claim brought by a consumer rights protection association, the Zagreb Commercial Court issued a judgment against several Croatian banking subsidiaries of European banks, including RBI's Network Bank in Croatia, Raiffeisenbank Austria d.d., finding that the banks violated Croatian consumer protection laws and the Croatian civil code in connection with Swiss franc-linked loans to retail customers between 2004 and 2008. According to the judgment, the banks used dishonest and unfair business practices and illegal contractual clauses in linking the loans' principal amounts to Swiss francs and by providing for variable interest rates that

may be unilaterally reset by the respective banks without sufficiently informing customers of all parameters. The judgment requires Raiffeisenbank Austria d.d. to offer affected customers to amend their loan agreements to adjust the principal amount of the respective loan linked to Swiss franc to the Croatian kuna at the exchange rate applicable of the respective disbursement date and to reset the respective interest rate on the loans to the rate in effect at the time the loan was extended, which interest rate shall prevail until new transparent interest rate reset mechanisms are in place. Raiffeisenbank Austria d.d. and various other defendants have appealed the court decision on procedural and substantive grounds. The court ruling against Raiffeisenbank Austria d.d. may affect the current outstanding loans as well as loans redeemed in the period of five years preceding the date of the ruling. If the judgment were to be upheld in full or in part, the potential negative financial impact on Raiffeisenbank Austria d.d., and therefore on the Issuer, could be significant: As of June 30, 2013, approximately EUR 311 million in principal amount of loans covered by the judgment were outstanding. Raiffeisenbank Austria d.d. estimates that, if it were to offer borrowers under these loans to amend their loan agreements as mandated by the Commercial Court's judgment (and assuming all offers were accepted), this may result in loan losses in the mid to upper two digit million-euro-range, and adversely impact net interest income in the mid single digit million-euro-range annually (with the adverse impact decreasing over time, as affected loans are being repaid). In addition, if the Commercial Court's judgment were upheld on appeal, borrowers who had previously made payments on loans covered by the judgment could sue for repayment of overpaid principal and interest (and default interest), subject to a five year statute of limitations. Loans repaid during the five-year period preceding the date of the judgment amounted to approximately EUR 882 million. Raiffeisenbank Austria d.d. estimates that, if all borrowers under these loans were to reclaim successfully overpaid amounts in application of the terms of the judgment, the maximum financial impact on Raiffeisenbank Austria d.d. would be in the mid to upper EUR 100 million range. Furthermore, the ruling as such may not be binding for subsequent claims, however it may have an indicative effect on other business relationships. There is also a risk that, on the basis of the Commercial Court's judgment, other customers of Raiffeisenbank Austria d.d. may seek to invalidate variable interest rate clauses in loan agreements not covered by the judgment.

At this point of time it is not possible to predict the outcome of the appellate proceedings. Raiffeisenbank Austria d.d. believes that the judgment is unlikely to be upheld in full on appeal, in particular in the part dealing with the Swiss franc/Croatian kuna conversion rates. If the judgment were to be upheld in full or in part, the potential negative financial impact on Raiffeisenbank Austria d.d., and therefore on the Issuer, would finally depend on the actual number of claims to be launched by customers based on such final ruling."

- 10) On page 54 of the Supplemented Registration Document, in Chapter "**7.2. Legal and Arbitration Proceedings**" the following paragraph shall be inserted as last bullet point:

"The Antimonopoly Office of Slovakia carried out an inspection at the premises of Tatra banka, a.s. and certain other banks in Slovakia in relation to the suspicion of exchange of sensitive information and coordination of behaviour in the setting of charges for private individuals which would constitute a breach of national as well as European competition law. A decision on whether any proceeding against Tatra banka, a.s. will be opened or not has not yet been taken by the Antimonopoly Office of Slovakia. The maximum possible fine may reach 10% of the turnover of Tatra banka, a.s., which - based on the figures for 2012 - would amount to approximately EUR 72 million."

- 11) On page 54 of the Supplemented Registration Document, in Chapter "**7.2. Legal and Arbitration Proceedings**" the paragraph under the heading "*Procedures launched against board members of RBI by the Austrian Financial Market Authority (FMA)*" shall be fully replaced by the following paragraph:

"In the course of the administrative penal procedure, the FMA imposed a fine of EUR 120,000 against all members of the former board of management of RBI's predecessor RI, three of which are currently members of the management board of RBI, which was confirmed by the appeal decision of the independent administrative panel (UVS, Unabhängiger Verwaltungssenat) in October 2012. The FMA accused the board members that preparations pertaining to the Merger of RZB and RI had not been made public in time via an ad-hoc release and the FMA as well as the Vienna Stock Exchange had not been informed in time prior to this ad-hoc release. The affected board members have lodged a complaint at the Austrian Higher Administrative Court (Verwaltungsgerichtshof) as a court of last instance in December 2012."

- 12) On page 55 of the Supplemented Registration Document, in the Chapter "**7.3. Significant Change in the Financial Position of the Issuer**", the existing paragraph shall be replaced by the following:

"Apart from the effects stated in Chapter 4.1. (Material adverse changes in the prospects of the Issuer since the date of the last published audited financial statements) there has occurred no significant change in the financial position of RBI Group since 30 September 2013."