

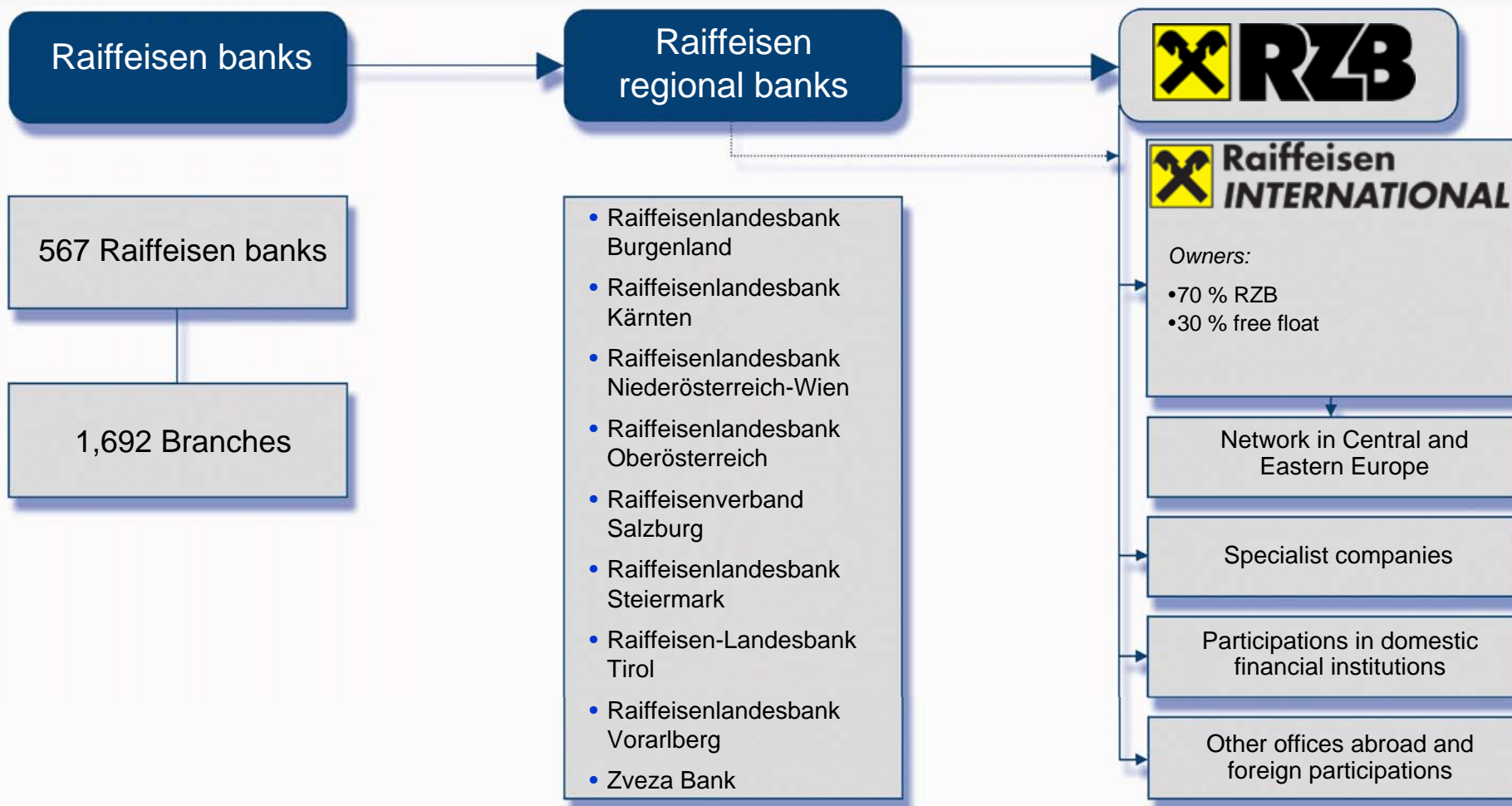
Banking system and financial markets in Central Eastern Europe



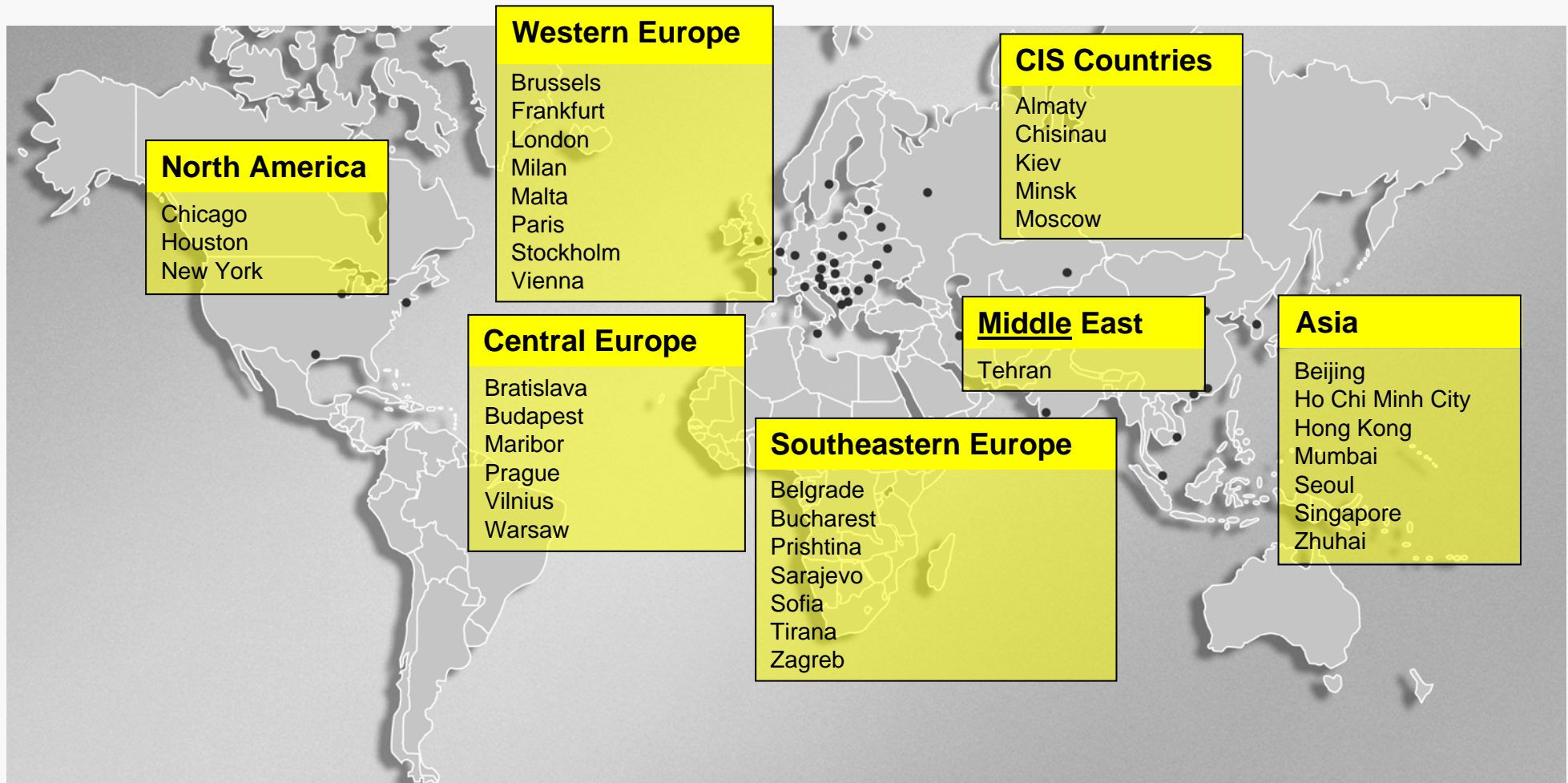
RZB Group

Raiffeisen Banking Group

The Domestic Three-Tier Structure



The RZB Group around the World



A Major Force in Austria



Estimated RZB 2007 outlook in mn Euros

Key Figures

Balance sheet total	137.000
Consolidated Profit	1,400
Return on Equity (%)	22,2
Cost/Income Ratio (%)	56,2
Number of banking outlets	approx. 3,054
Number of Staff - RBG	approx. 63,000

Ratings

Moody's Rating

Long-term	Aa2
Subordinated	Aa3
Financial strength	C
Short-term	P-1
Financial strength	C
Outlook	stable

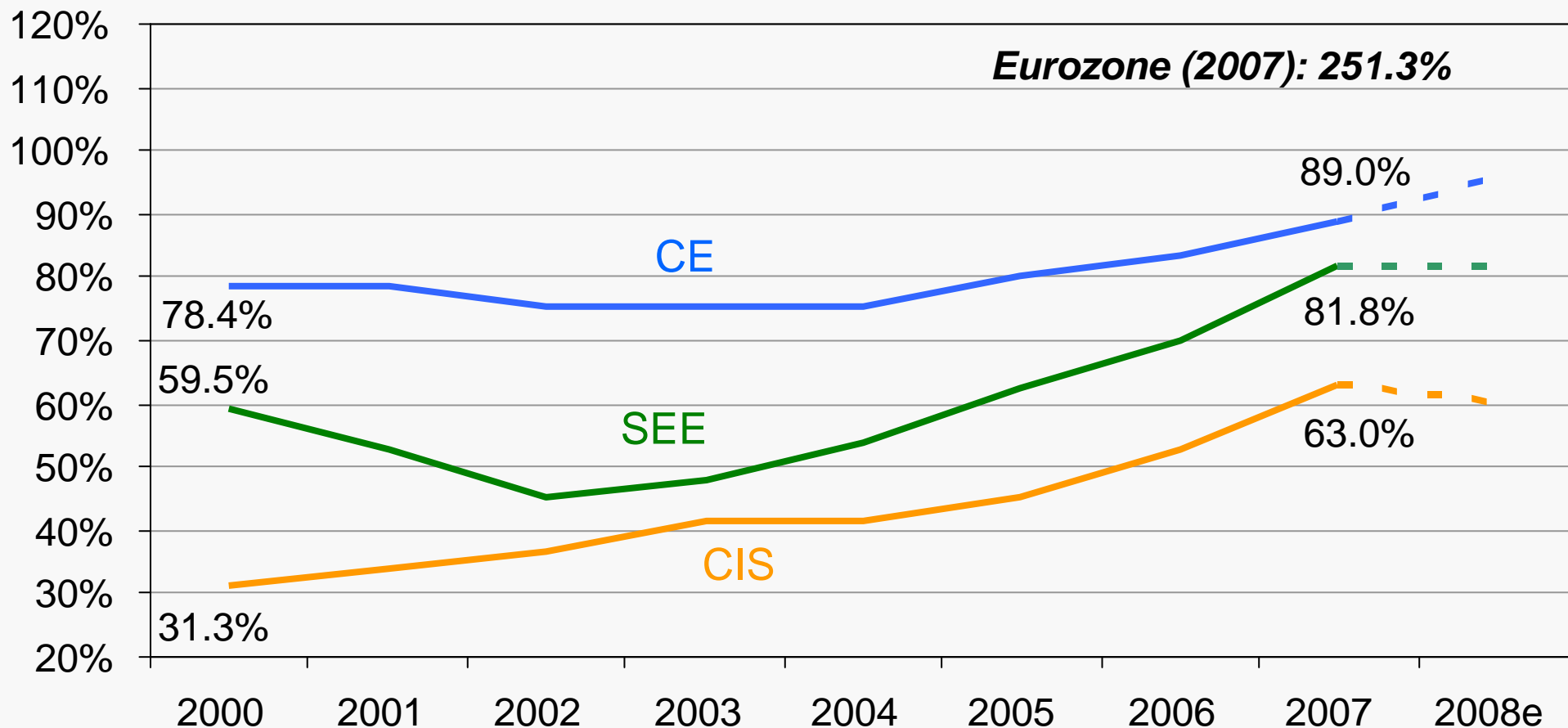
Standard & Poor's Rating

Long-term	A+
Subordinated	A
Short-term	A1
Outlook	stable

Banking system and financial markets in Central Eastern Europe

TOTAL BANKING ASSETS

Global financial crisis leaves mark

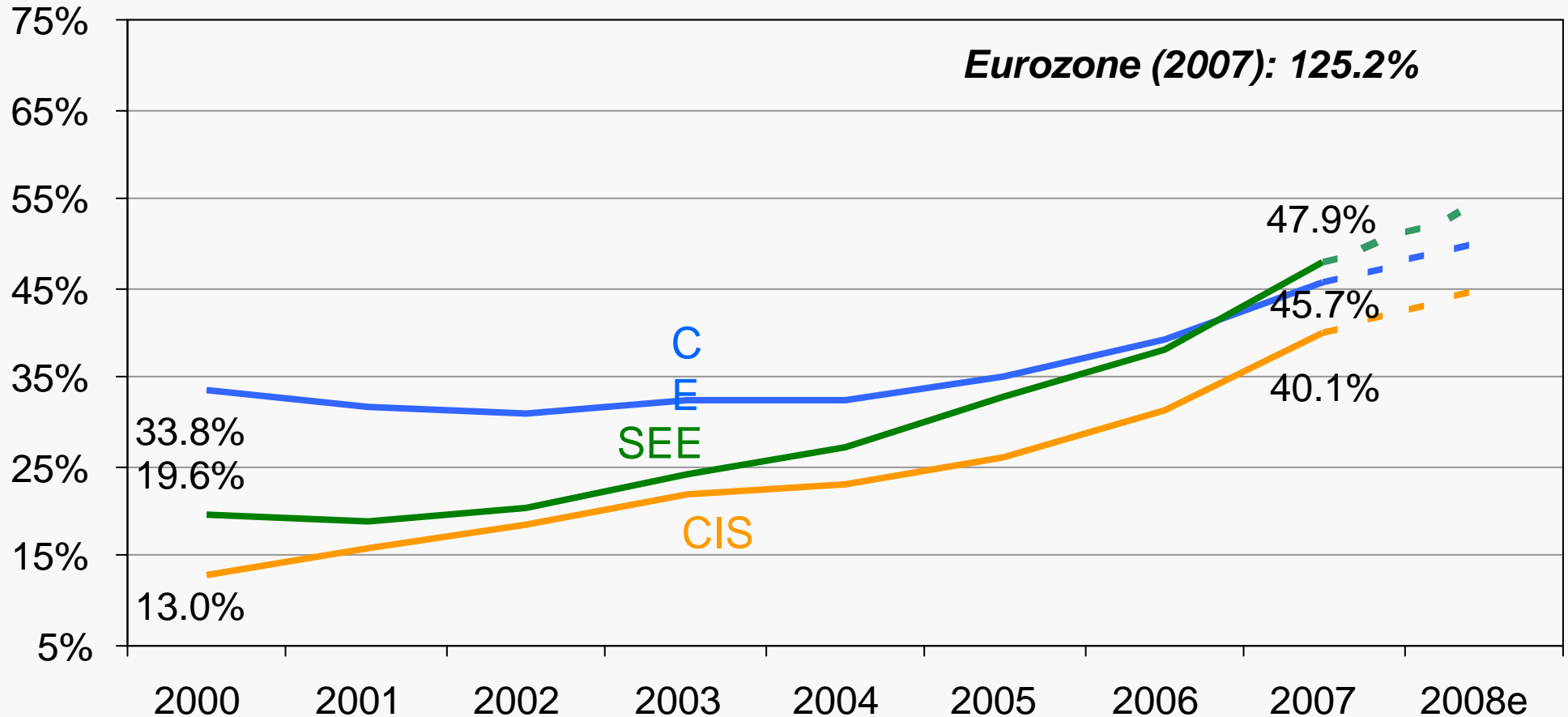


In per cent of GDP

Source: Thomson Financial Datastream, Raiffeisen RESEARCH

TOTAL BANKING LOANS

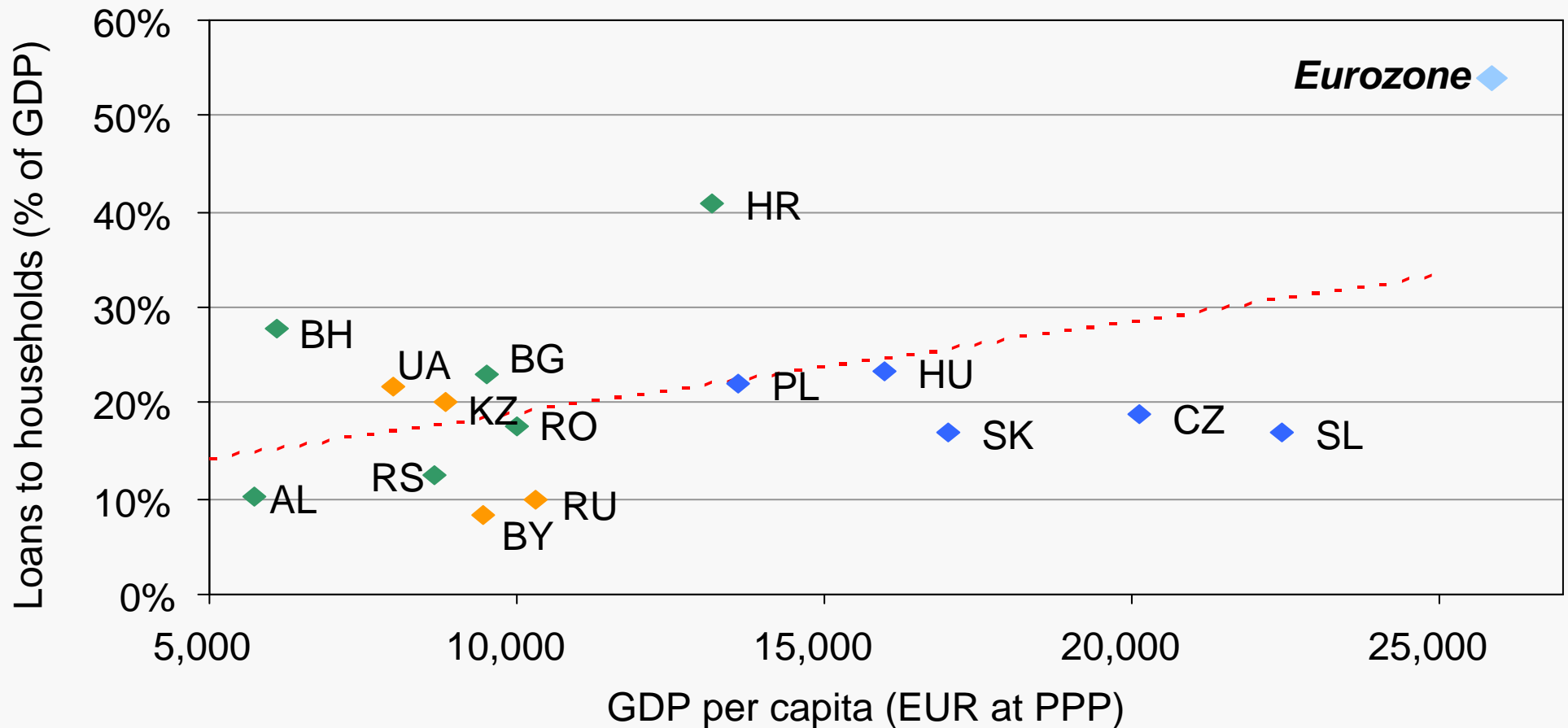
Loan growth continues in 2008



In per cent of GDP

Source: Thomson Financial Datastream, Raiffeisen RESEARCH

LOANS TO HOUSEHOLDS vs. GDP per capita (2007)

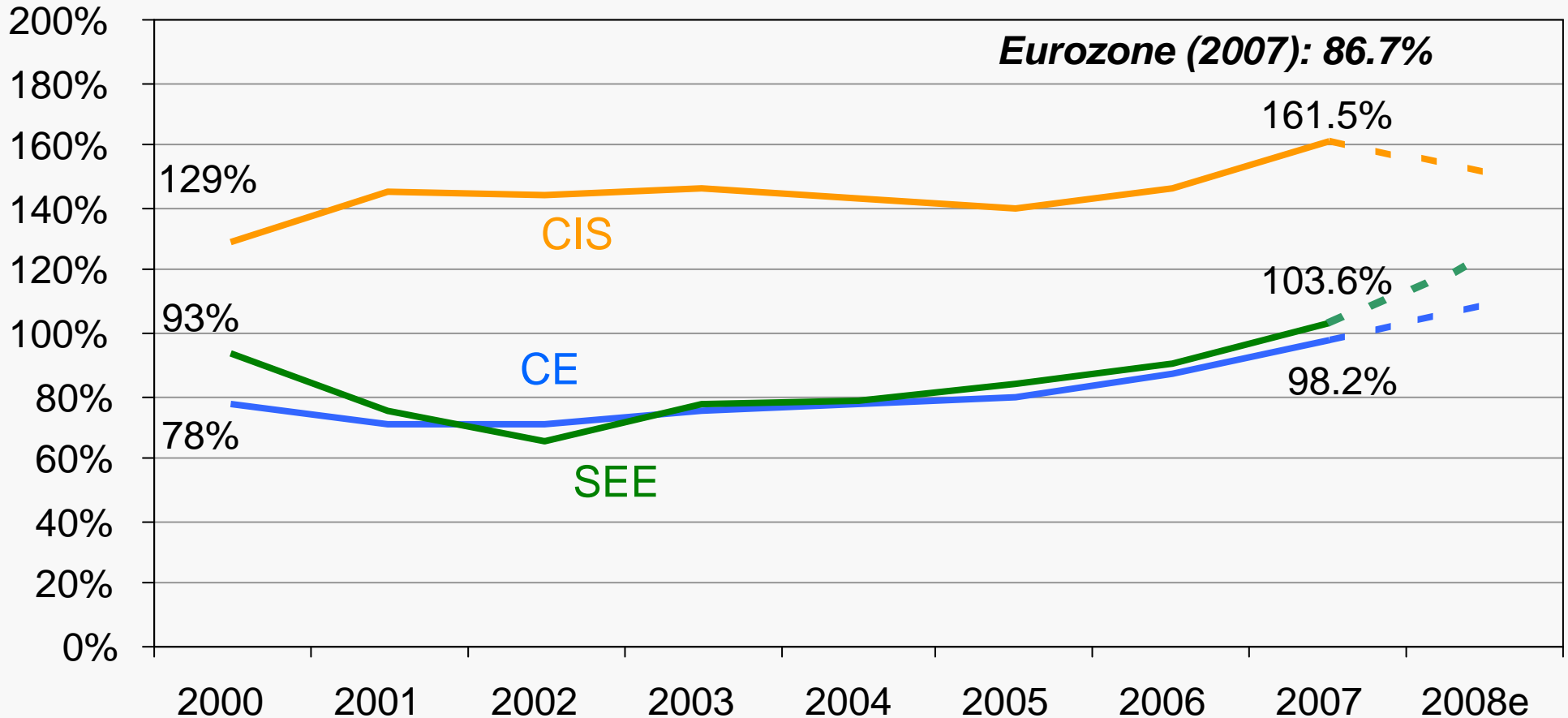


In per cent of GDP vs. GDP per capita (EUR at PPP)

Source: Thomson Financial Datastream, Raiffeisen RESEARCH

LOAN/DEPOSIT RATIO

Deposits move into spotlight

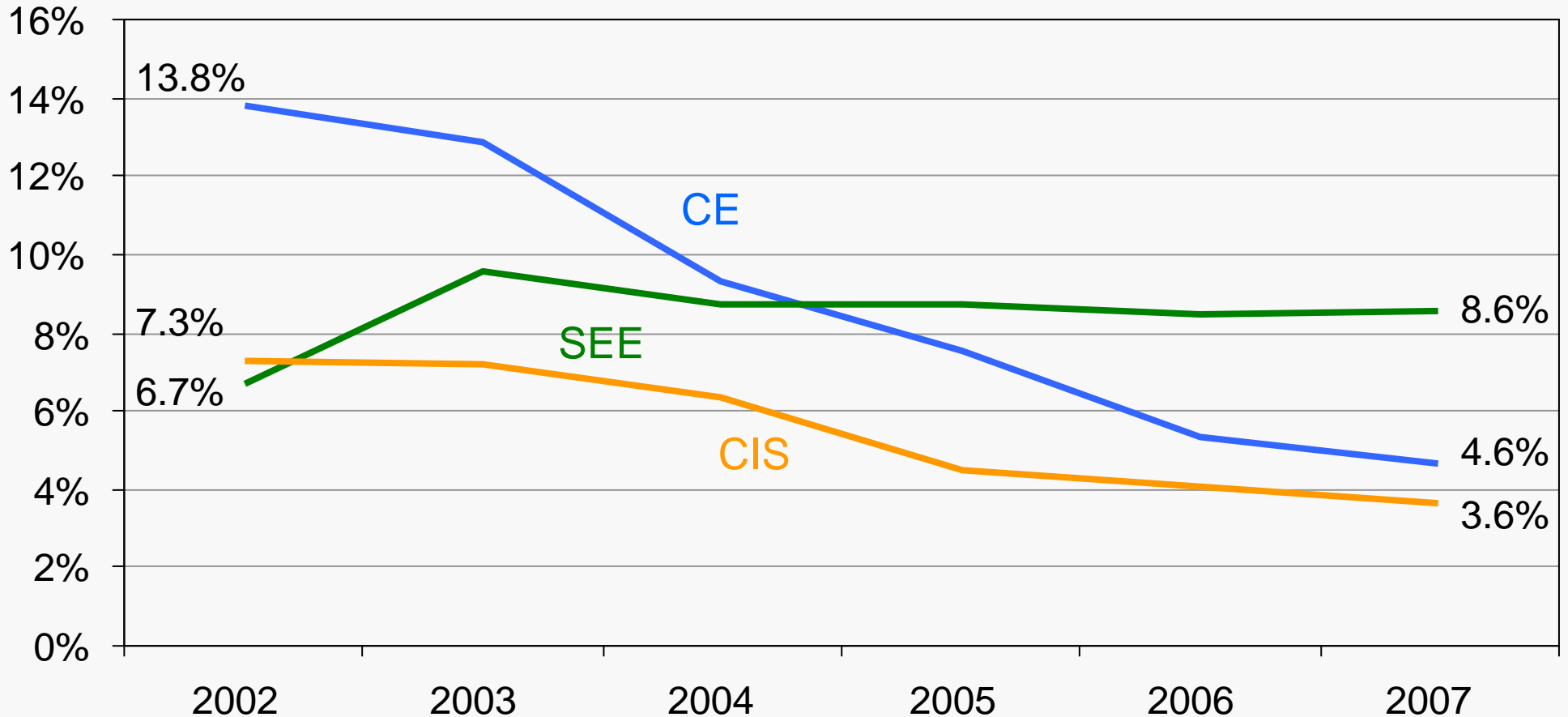


Total loans in per cent of total deposits

Source: Thomson Financial Datastream, Raiffeisen RESEARCH

NONPERFORMING LOANS

No deterioration visible yet

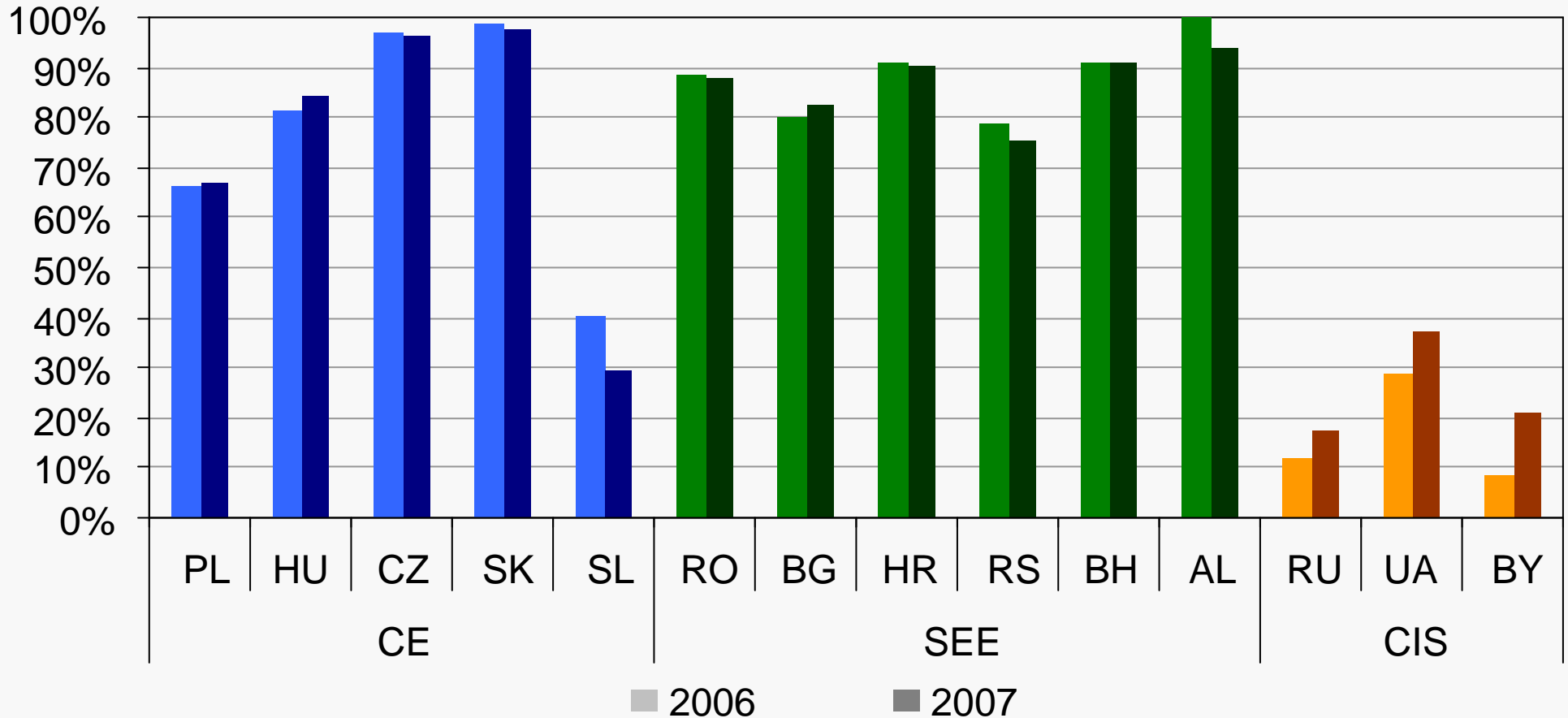


In per cent of total loans

Source: IMF Global Financial Stability Report 2008, Raiffeisen RESEARCH

FOREIGN BANKS IN CEE

Market share increase in CIS



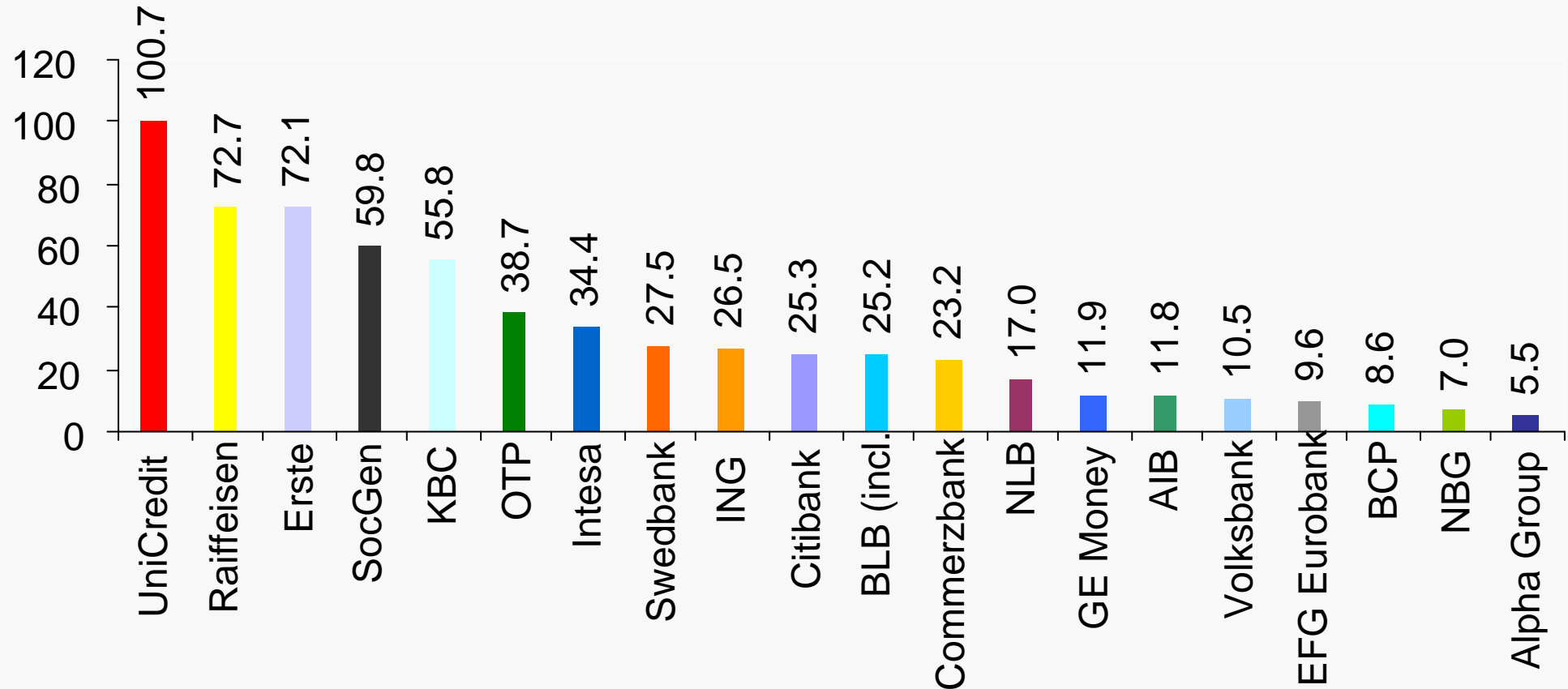
In per cent of total banking assets

Source: Local central banks, Raiffeisen RESEARCH

INTERNATIONAL BANKS IN CEE

Total consolidated assets (2007)

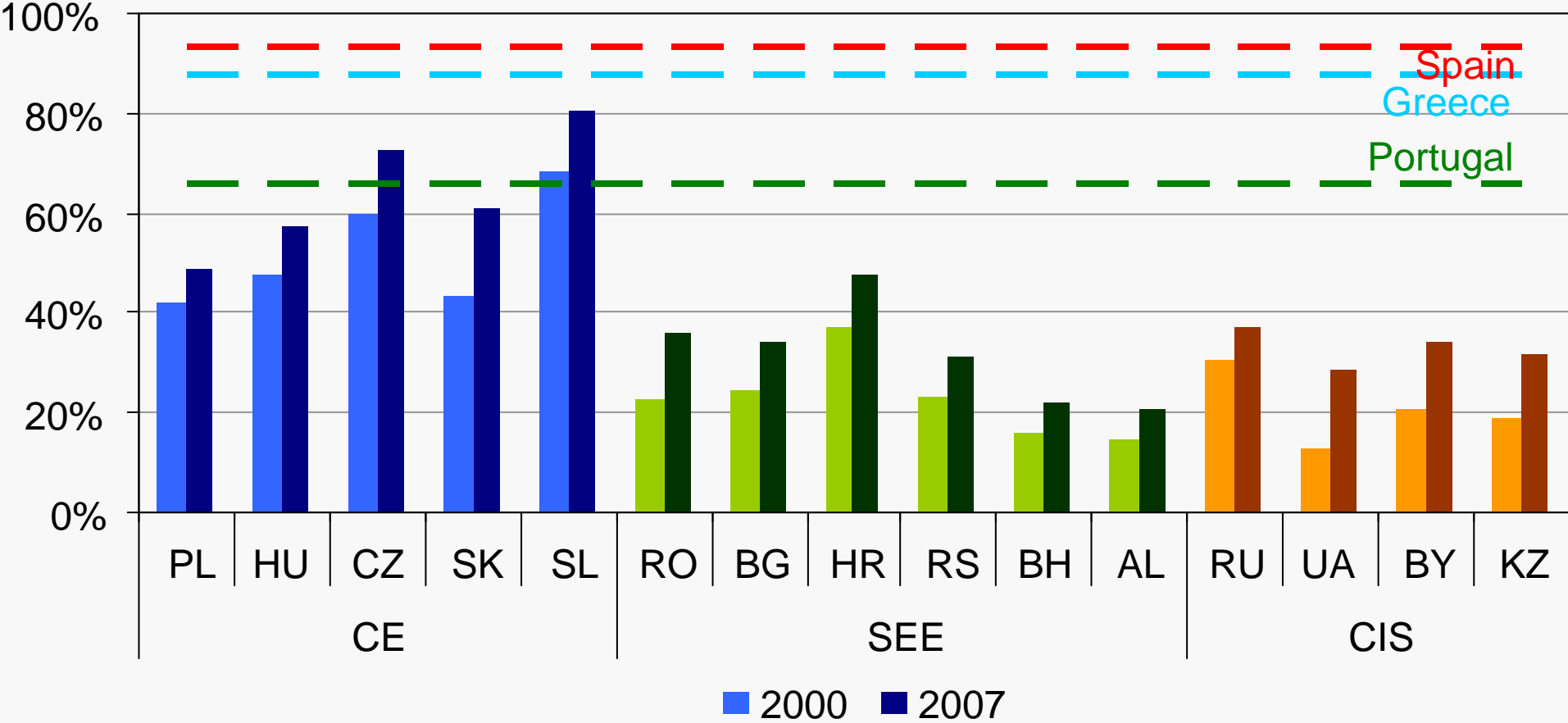
2007 (EUR bn)



CEE: PL, CZ, SK, HU, SL, LT, LI, ES, RO, BG, HR, RS, MO, BH, AL, KO, MC, RU, UA, BY, KS
Source: Company data, local central banks, Raiffeisen RESEARCH

GDP PER CAPITA (AT PPP)

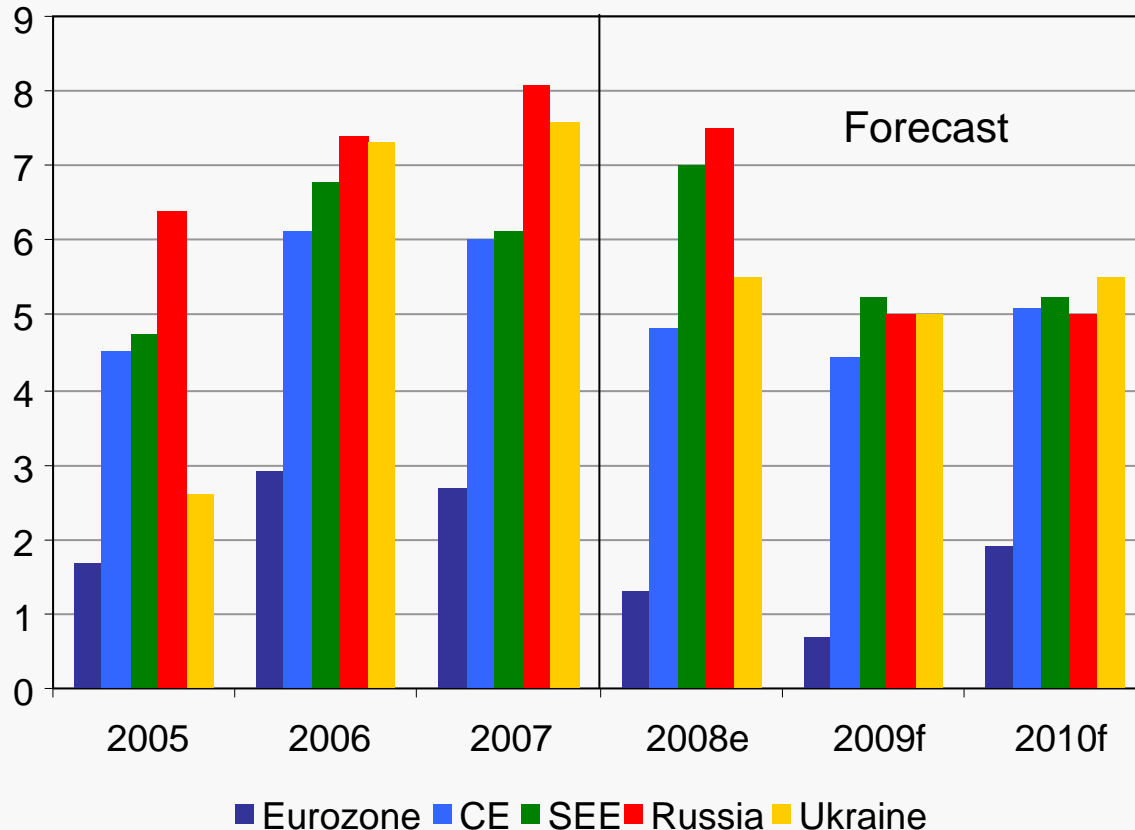
Long-term catch up process



In per cent of EU-15 average
 Source: wiw, Raiffeisen RESEARCH

GDP GROWTH

moderate slowdown



Source: Thomson Financial Datastream, wiiw, Raiffeisen RESEARCH

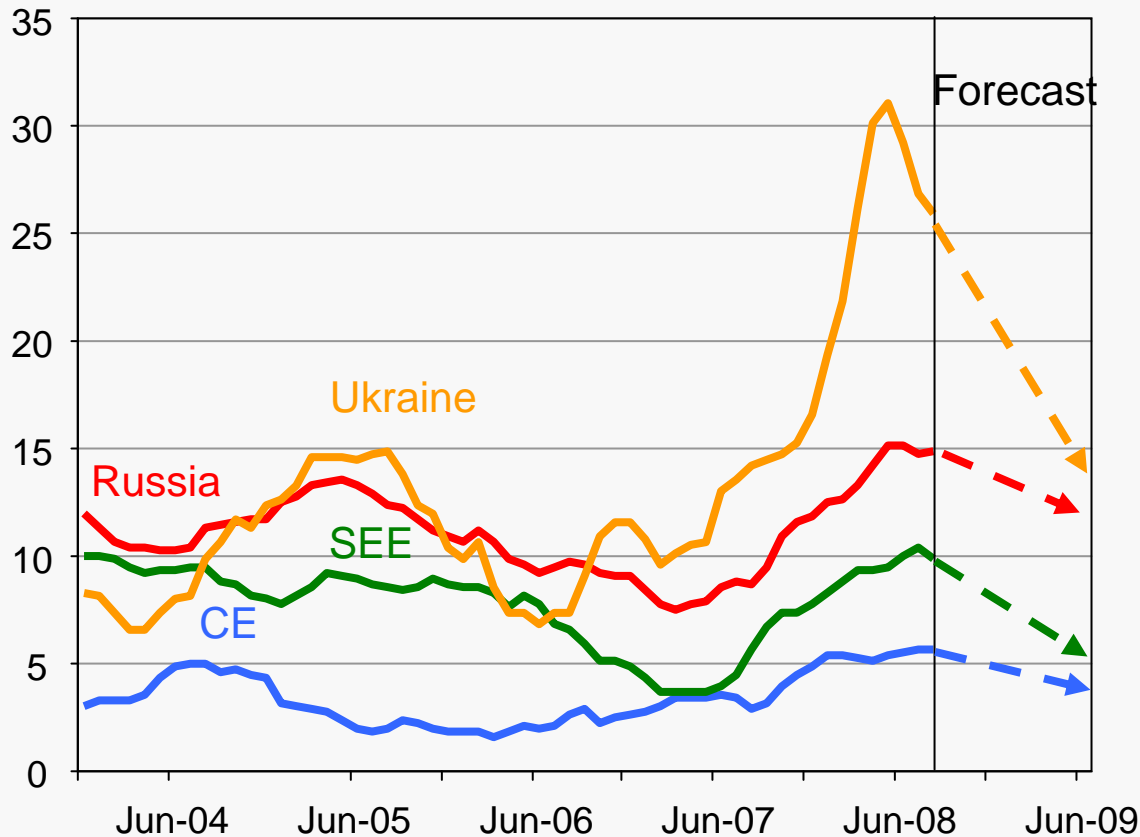
- Strong domestic demand
- Improvement in productivity
- Better agricultural output

Slowdown in 2009 expected:

- Weakening growth in Eurozone that will spill over to CEE region
- Weakening exports
- Investment slowdown

INFLATION

moderately optimistic outlook

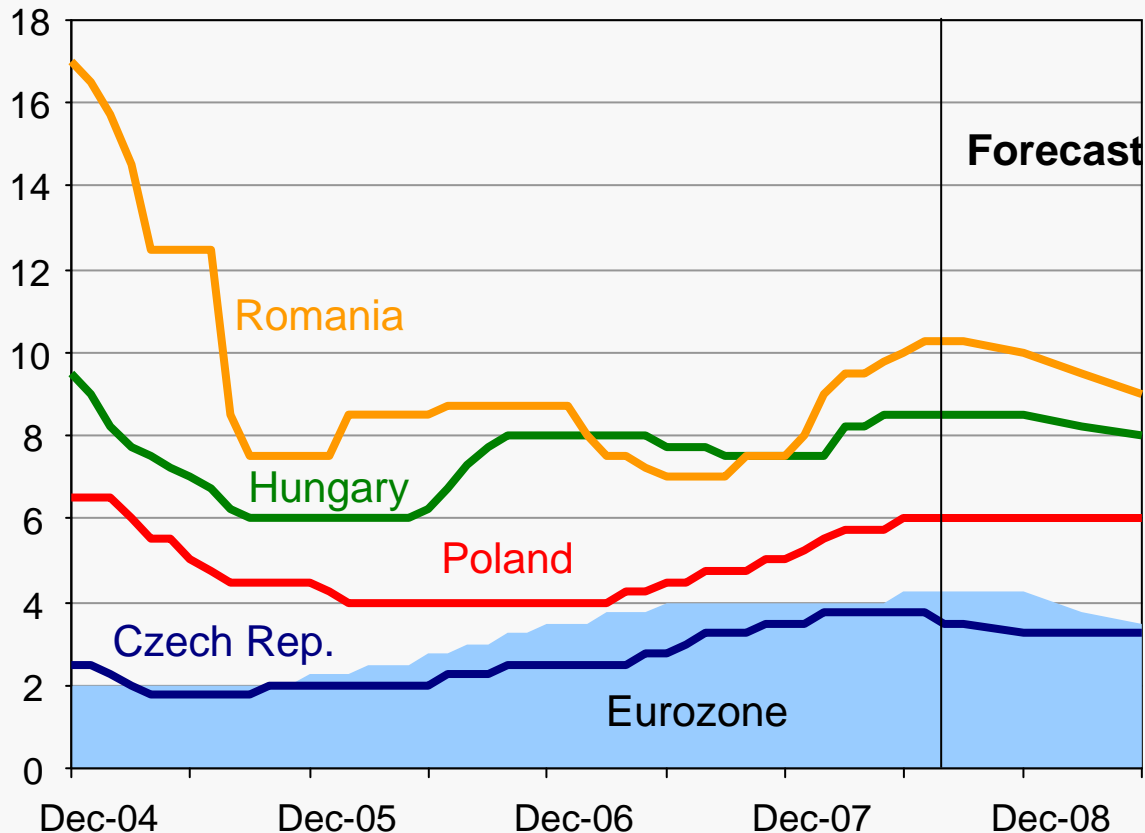


Consumer price index (average, % yoy)

Source: Thomson Financial Datastream, wiiw, Raiffeisen RESEARCH

- Strong base effects
Commodity prices to stabilise at lower levels (slowdown in world economic growth)
- Food prices are to stabilise (foodstuff have a large share in the basket)
- Tight monetary policies
- Less dynamic growth of real wages (even though we will witness more second round effects)

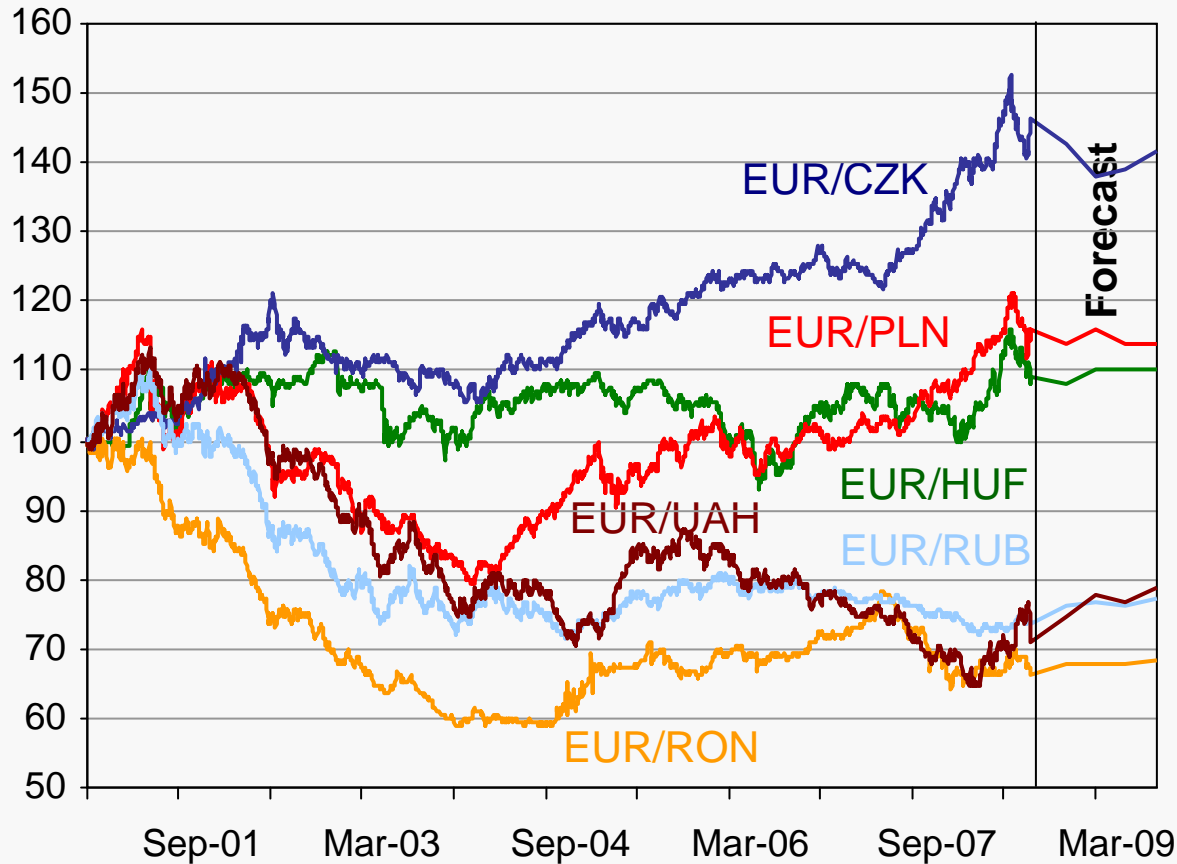
INTEREST RATES passing peaks



Source: Thomson Financial Datastream, Raiffeisen RESEARCH

- Tight monetary policies necessary to fight inflation
- High interest rates support the currencies, help disinflation
- However, this comes at the expense of economic growth
- External factors such as food prices or energy should be pressing less in 2009
- Policy makers might shift their attention to the balanced response in 2009

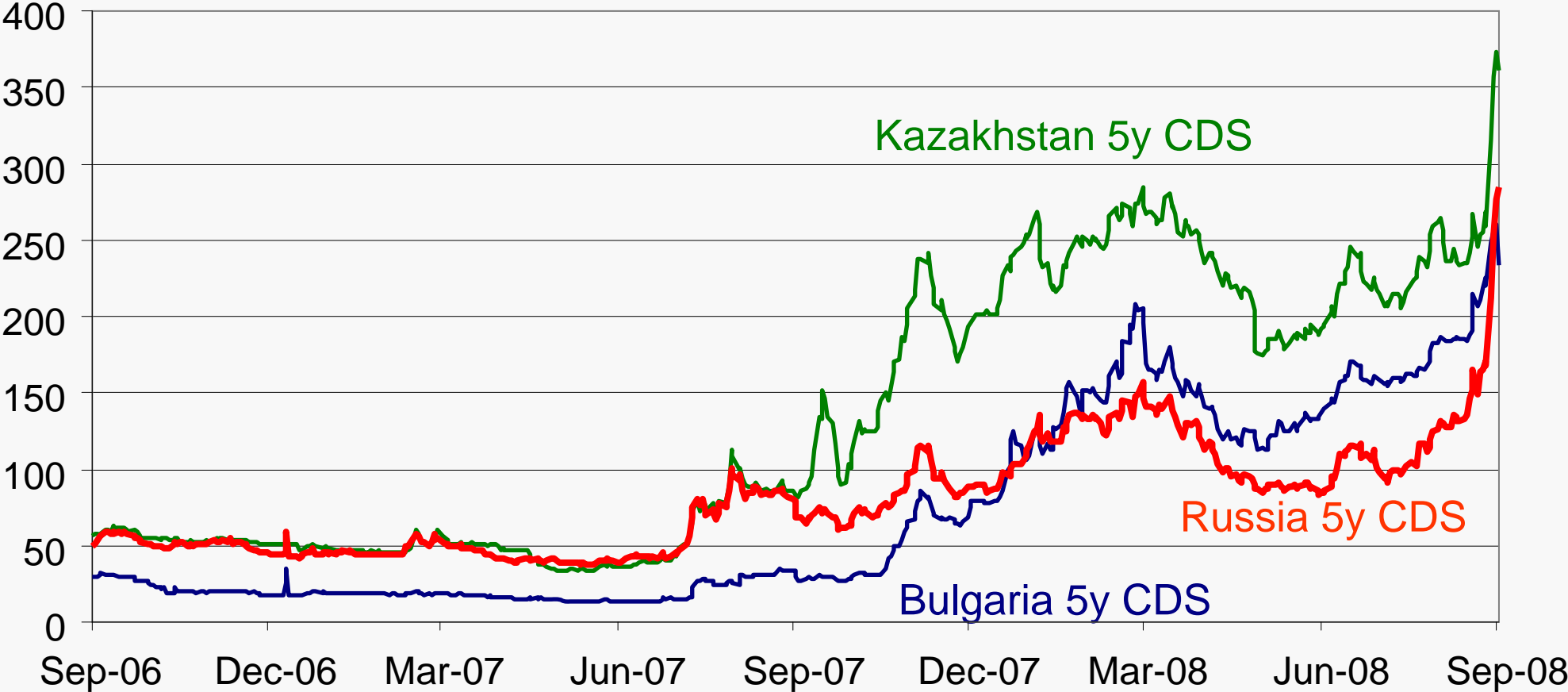
REGION CURRENCIES off from their recent heights



Source: Thomson Financial Datastream, Raiffeisen RESEARCH

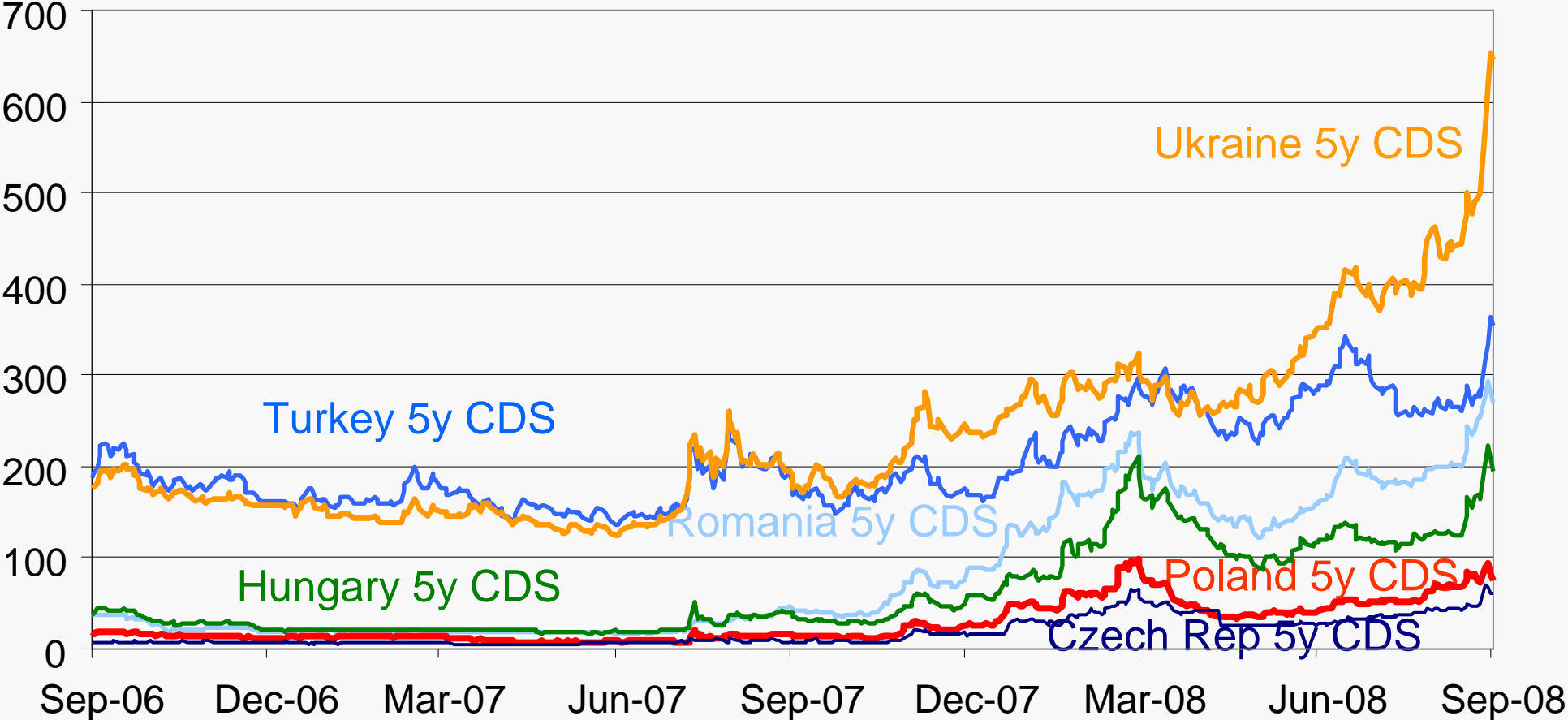
- Strong currencies supporting disinflation
- CEE currencies are still EM currencies and so susceptible to global financial crises
- High correlation to Euro in CE, SEE, to US dollar in CIS
- Inflation, imbalances must be addressed in the region
- Productivity gains should preserve appreciation of currencies on REER basis in long-term

CDS SPREADS USD segment



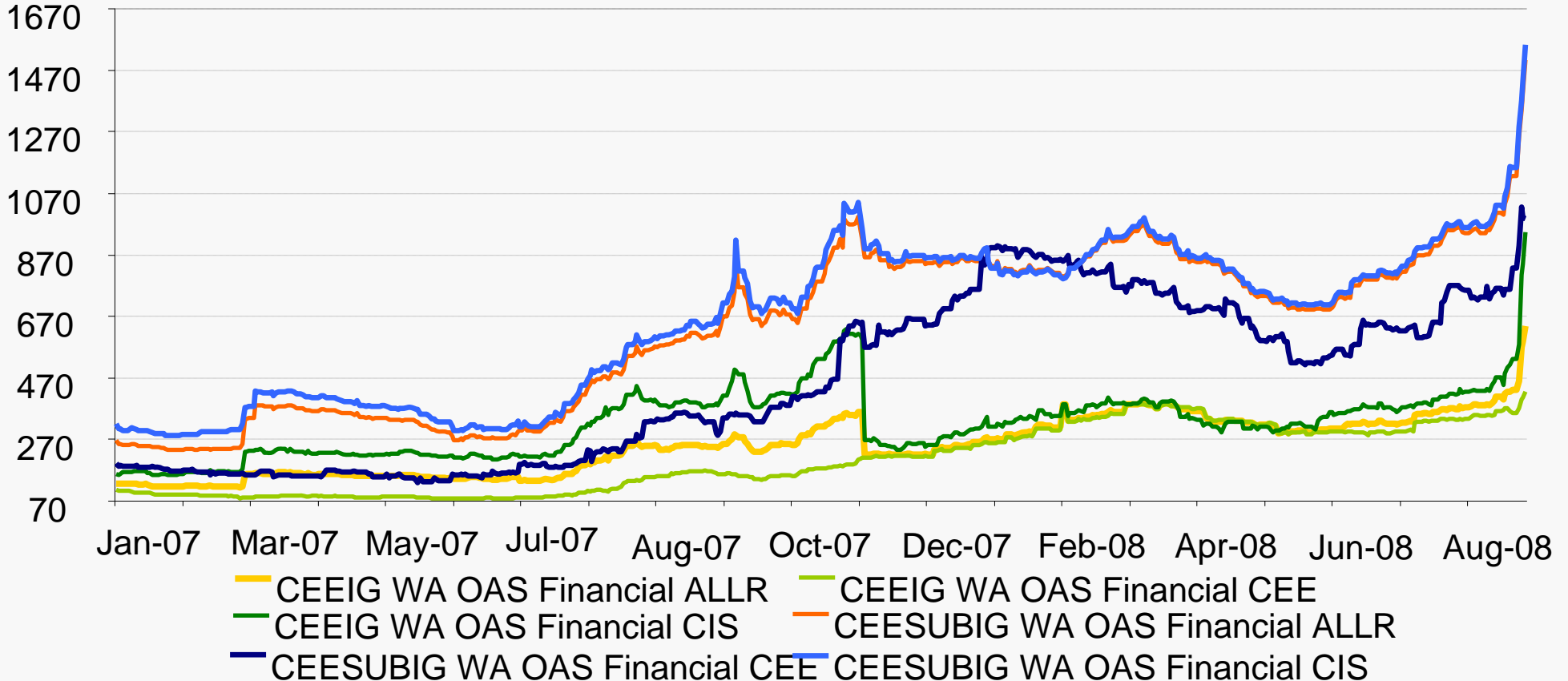
Source: Thomson Financial Datastream, Raiffeisen RESEARCH

CDS SPREADS EUR segment



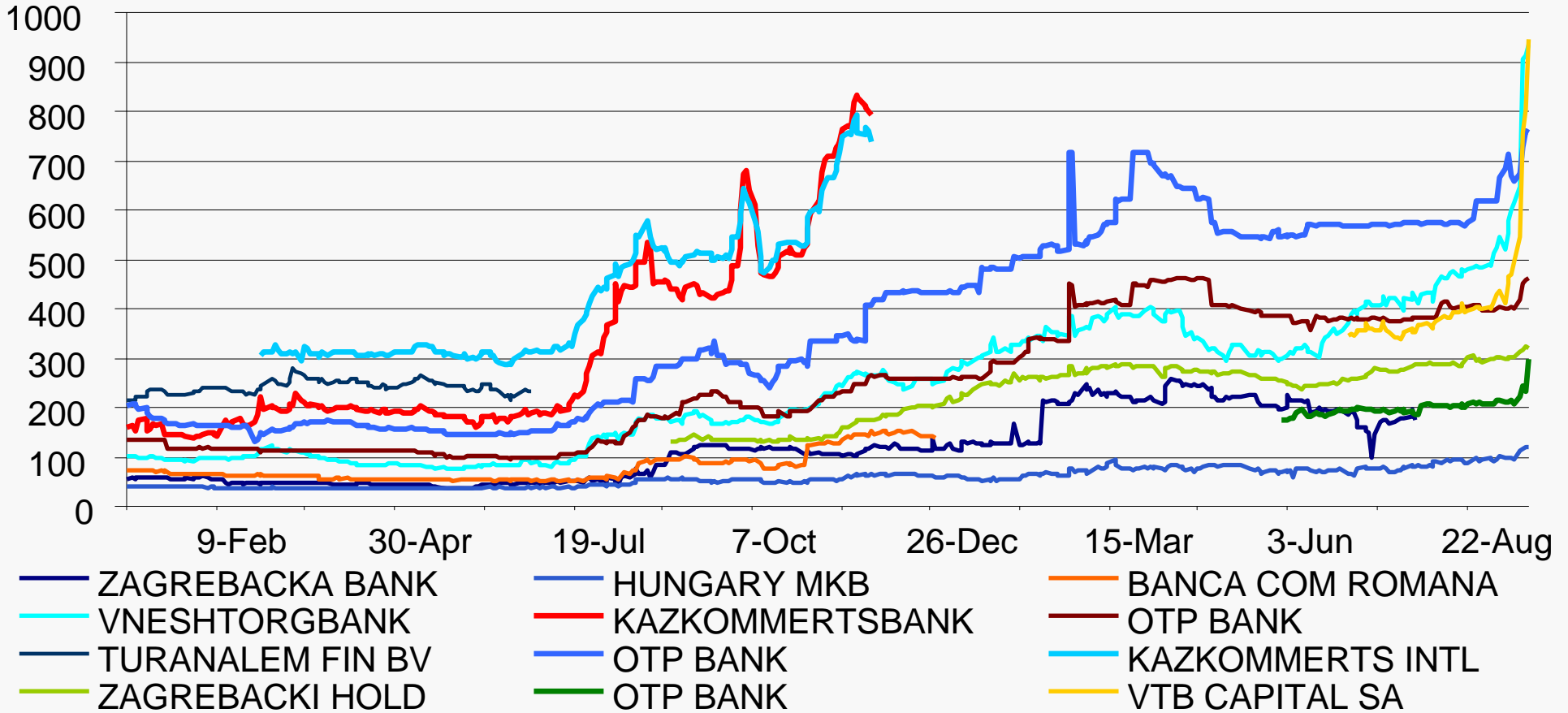
Source: Thomson Financial Datastream, Raiffeisen RESEARCH

CEE/CIS, EUR denominated, weighted average OAS



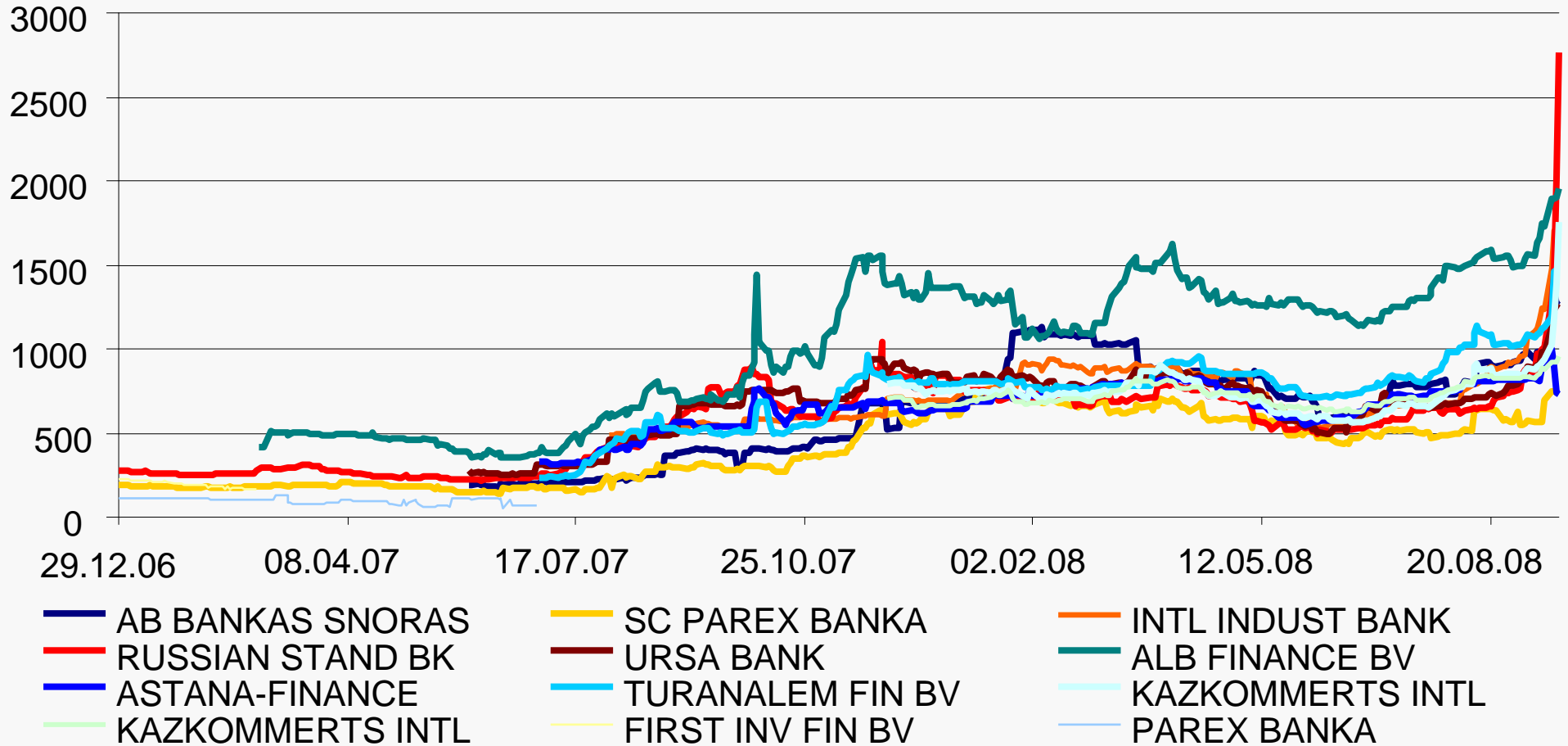
CEEIG = Investment grade; CEESUBIG: Sub-investment grade; WA OAS = weighted average option adjusted spread; weights: amounts outstanding; CEE: BG, CZ, Est., HR, HU, LV, LT, PL, RO, RS, SK, Turkey; CIS: RU, UA, KZ
 Source: Merrill Lynch (HECO, ER00), Raiffeisen RESEARCH

CEE, CIS INVESTMENT GRADE, EUR denominated, OAS



Source: Merrill Lynch (HEC0, ER00), Raiffeisen RESEARCH

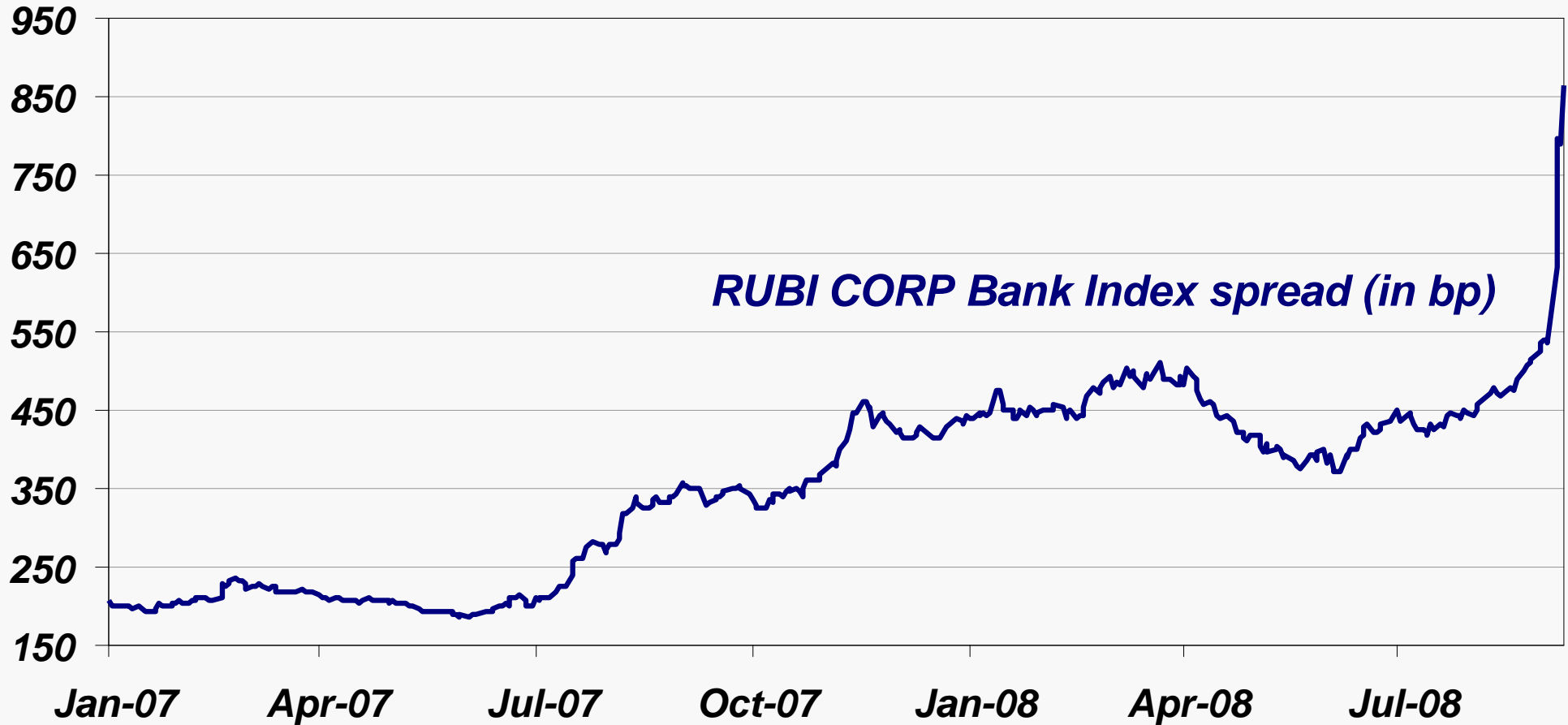
CEE, CIS SUB-INVESTMENT GRADE, EUR denominated, OAS



Source: Merrill Lynch (HEC0, ER00), Raiffeisen RESEARCH

USD-DENOMINATED RUSSIAN BANKING

Eurobonds, stripped spread




Source: JP Morgan



RZB in Italy

Italian Financial Institutions RZB-Lead Managements Bonds





Banca di Trento e Bolzano

EUR 50,000,000

Floating Rate Notes
due 2008

Lead Manager



BBC Dell'Alta Padovana

EUR 150,000,000

Floating Rate Notes
due 2009

Lead Manager



BCC Crediveneto

EUR 50,000,000

Floating Rate Note
due 2009

Joint-Lead Manager



Banca di Credito Cooperativo di Cambiano

EUR 30,000,000

Floating Rate Notes
due 2009

Sole Lead Manager



Banca di Monastier e del Sile

EUR 50,000,000

Floating Rate Notes
due 2009

Joint-Lead Manager,
Bookrunner



Banca della Marca Credito Cooperativo

EUR 60,000,000

Floating Rate Notes
due 2010

Lead-Manager




Banca San Biagio Veneto Orientale

EUR 20,000,000

Floating Rate Notes
due 2010

Joint-Lead Manager




Mediocredito del Friuli

EUR 70,000,000

Floating Rate Notes
due to 2010

Joint Lead Manager



Mantovabanca 1896 Credito Cooperativo

EUR 50,000,000

Floating Rate Notes
due to 2010

Bookrunner



Cassa di Risparmio di Ravenna SPA

EUR 50,000,000

Floating Rate Notes
due to 2012

Bookrunner




Banca di Cividale Gruppo Banca Popolare di Cividale

EUR 65,000,000

Senior Floating Rate Note

Lead Manager



Banca Popolare di Bari

EUR 100,000,000

Floating Rate Notes
due 2010

Joint-Lead Manager



Banca di Credito Cooperativo di Cambiano

EUR 50,000,000

Floating Rate Notes
due 2010

Joint-Lead Manager/Bookrunner




Cassa di Risparmio della Provincia di Chieti SPA

EUR 150,000,000

Floating Rate Notes
due 2010

Joint Lead Manager/Bookrunner



Banca delle Marche

EUR 450,000,000

Eurobond
2 y Senior Floating Rate
Notes
due 2009

Joint Lead Manager/Bookrunner




Banco Popolare

EUR 500,000,000

Eurobond
2 y Senior Floating Rate Note
due 2009

Joint-Lead Manager




Cassa di Risparmio di Ferrara

EUR 250,000,000

Eurobond
2 y Senior Floating Rate
Note
due 2009

Joint-Lead Manager/Bookrunner



Banca Popolare -Volksbank

EUR 125,000,000

Eurobond
2 y Senior Floating Rate Note
due 2010

Joint Lead Manager/Bookrunner

Syndicated Loans – Italy

Selected Mandated Lead Arranger Positions



**CASSA DI RISPARMIO
DI VOLTERRA SpA**

EUR 80 million
Term Loan Facility

Bookrunner
Italy
April 2006



BANCA AGRILEASING
GRUPPO BANCARIO ICCREA

EUR 360 million
Term Loan
Facility

Bookrunner
Italy
May 2007



bancaIFIS
VOTRE ASSOCIO EXPORT VERSO L'ITALIA

EUR 170 million
Term Loan
Facility


Bookrunner
Italy
December 2007



**CASSA
DI RISPARMIO
DI FERRARA**

EUR 275 million
Term Loan
Facility

Bookrunner
Italy
December 2007



VENETO BANCA

EUR 265 million
Term Loan
Facility

Bookrunner
Italy
May 2008



BANCA AGRILEASING
GRUPPO BANCARIO ICCREA

EUR 404 million
Term Loan
Facility
Bookrunner
Italy
June 2008



BancaEtruria

EUR 150 million
Term Loan Facility

Bookrunner
Italy
Still in the Market

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