

Eligible capital under regulatory rules - transfer to balance sheet values

	30.6.2014 in 1,000 CHF	31.12.2013 in 1,000 CHF	Reference ¹
Balance sheet			
Assets			
Liquid funds	8'896'899	7'018'627	
Receivables from money market securities	299'566	320'162	
Receivables from banks	6'517'927	7'102'081	
Receivables from clients	8'198'537	7'750'807	
Mortgage receivables	147'170'585	143'658'593	
Loans to clients	155'369'122	151'409'400	
Trading portfolios in securities and precious metals	1'494'979	1'366'477	
Financial assets	4'641'588	4'283'903	
Non-consolidated participations	733'362	718'781	
Tangible assets	2'380'190	2'403'179	
Intangible assets	221'333	214'992	
<i>of which goodwill</i>	221'333	214'992	(I)
Accrued income and deferred charges	299'437	209'546	
Other assets	1'783'397	1'528'338	
Total assets	182'637'800	176'575'486	
Liabilities			
Liabilities from money market securities	94'916	83'662	
Liabilities to banks	7'129'511	6'114'677	
Liabilities to clients as savings and investment deposits	111'885'645	109'576'413	
Other liabilities to clients	17'533'521	16'842'434	
Medium-term notes	11'311'467	11'640'486	
<i>of which subordinated time deposits, eligible as supplementary capital (T2)</i>	42'478	19'480	(II)
Customer deposits	140'730'633	138'059'333	
Bonds and Pfandbriefdarlehen	19'504'490	17'849'644	
<i>of which subordinated bond, eligible as additional core capital (AT1)</i>	550'000	549'700	(III)
<i>of which subordinated bond, eligible as supplementary capital (T2) - phase out</i>	428'000	481'500	(IV)
Accrued income and deferred charges	788'351	589'909	
Other liabilities	1'717'292	1'588'126	
Value adjustments and provisions	1'082'009	1'082'207	
<i>of which deferred taxes for untaxed reserves</i>	780'623	765'575	
Cooperative capital	680'934	636'614	
<i>of which eligible as "hard" core capital (CET1)</i>	680'934	636'614	(V)
Retained earnings	10'532'502	9'848'247	(VI)
Group profit	363'397	716'539	(VII)
Minority interests in equity capital	13'765	6'528	
<i>of which eligible as "hard" core capital (CET1)</i>	-	-	(VIII)
Total capital (with minority interests)	11'590'598	11'207'928	
Total liabilities	182'637'800	176'575'486	

1) The references refer to table 'Minimum capital requirement and eligible regulatory capital'

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Minimum capital requirement and eligible regulatory capital

	30.06.2014		31.12.2013		31.12.2012	
	Basel III		Basel III		Basel II	
	Current year risk-weighted positions	Required capital	Current year risk-weighted positions	Required capital	Current year risk-weighted positions	Required capital
	in 1000 CHF	in 1000 CHF	in 1000 CHF	in 1000 CHF	in 1000 CHF	in 1000 CHF
Minimum capital requirement						
Credit risk (standard approach BIZ) ²						
Receivables from banks	1'410'870	112'870	1'378'416	110'273	812'334	64'987
Receivables from clients	5'204'680	416'374	4'765'223	381'218	4'612'675	369'014
Mortgage receivables	62'148'406	4'971'872	60'784'866	4'862'789	55'756'758	4'460'541
Accrued income and prepaid expenses	154'695	12'376	84'640	6'771	155'598	12'448
Other assets, miscellaneous	133'722	10'698	139'870	11'190	120'785	9'663
Other assets, total replacement value of derivatives	25'535	2'043	43'894	3'512	461'889	36'951
Net interest positions outside trading book	765'023	61'202	778'643	62'290	495'641	39'651
Net equity positions outside trading book ³	1'969'980	157'598	1'853'449	148'276	460'163	36'813
Contingent liabilities	145'981	11'678	117'449	9'396	206'829	16'546
Irrevocable commitments	995'900	79'672	1'032'822	82'626	895'160	71'613
Obligations to make payments and additional contributions	96'647	7'732	96'647	7'732	603'946	48'316
Add-ons for forward contracts and options purchased	178'509	14'281	188'740	15'099	192'139	15'371
Unsettled transactions		-	-	332	-	-
Guarantee obligations to central counterparties (CCPs)		10				
CVA (standard approach)		10'200				
Mandatory capital for credit risks and other credit risk positions		5'868'606		5'711'970		5'181'913
Non-counterparty-related risks						
Real estate (including real estate in financial assets)	2'155'488	172'439	2'143'051	171'444	5'605'574	448'446
Other tangible assets/other recognized assets subject to depreciation	258'362	20'669	282'225	22'578	2'154'248	172'340
Mandatory capital for non-counterparty-related risk		193'108		194'022		620'786
Market risks (standard approach)						
Interest rate instruments - general market risk		84'404		83'206		92'178
Interest rate instruments - specific risks		20'819		15'025		22'674
Equity instruments		5'076		3'489		7'782
Foreign currencies and gold		9'175		10'428		7'555
Other precious metals		13'219		12'510		6'351
Options		367		342		495
Mandatory capital for market risks		133'060		125'000		137'035
Mandatory capital for operational risks (basic indicator method)		412'923		410'917		402'324
Total mandatory capital		6'607'697		6'441'909		6'342'058

Eligible capital	30.06.2014	31.12.2013 Reference ¹
Cooperative capital	680'934	636'614 (V)
Retained earnings	10'532'502	9'848'247 (VI)
Group profit ⁴	346'400	684'779 (VII)
Minority interests	-	- (VIII)
Total "hard" core capital (CET1) before adjustments	11'559'836	11'169'640
Goodwill	-221'333	-214'992 (I)
Participations to be consolidated (CET1 instruments)	-	-
Total CET1 adjustments	-221'333	-214'992
Total eligible "hard" core capital (net CET1)	11'338'502	10'954'647
Additional core capital (AT1)	550'000	549'700 (III)
Deductions from AT1 capital	-	-
Total eligible core capital (net Tier 1)	11'888'502	11'504'347
Supplementary capital (Tier 2)	470'478	500'980
of which fully eligible	42'478	19'480 (II)
of which temporarily applied (phase out)	428'000	481'500 (IV)
Deductions from supplementary capital (Tier 2)	-	-
Total eligible capital (regulatory capital)	12'358'980	12'005'327
Total risk-weighted assets	82'596'205	80'523'873
Capital ratios		
CET1 ratio	13.7%	13.6%
Tier 1 ratio	14.4%	14.3%
Total capital ratio	15.0%	14.9%
CET1 requirement under Capital Adequacy Ordinance (CAO) transitional provisions	5.2%	4.1%
of which capital buffer under the CAO	0.0%	0.0%
of which countercyclical buffer (CCP)	1.2%	0.6%
Available CET1 (after deducting AT1 and T2 requirements covered by CET1 capital)	11.0%	10.4%
CET1 capital target according to FINMA (including CCP)	9.9%	9.3%
Available CET1	10.1%	10.0%
Tier 1 capital target according to FINMA (including CCP)	12.0%	11.4%
Available Tier 1	12.2%	12.1%
Capital target for regulatory capital according to FINMA	14.8%	14.2%
Available regulatory capital	15.0%	14.9%
Contributions below the threshold values for deductions (before risk weighting)⁵		
Participations in the financial area up to 10%	217'961	186'107
Participations in the financial area above 10%	544'235	531'331

¹⁾ The references refer to table 'Eligible capital under regulatory rules - transfer to balance sheet values'

²⁾ Basel II credit risks are calculated using the standardised approach for Switzerland

³⁾ Including equity securities, which have received a risk weighing of 250%

⁴⁾ Interest on cooperative capital taken into account on pro rata basis

⁵⁾ The major participations are risk-weighted for calculating capital adequacy

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Credit risk by counterparty as of June 30, 2014

Loan commitments (in 1000 CHF) ¹	Central governments / central banks	Banks and securities dealers	Other institutions	Corporates	Retail	Equity	Other commitments	Total
Balance sheet items								
Receivables from banks	127'448	6'390'479	-	-	-	-	-	6'517'927
Receivables from clients	1'135	84'431	2'988'309	1'657'451	3'467'211	-	-	8'198'537
Mortgage receivables	32'689	56'664	164'435	1'238'802	145'677'995	-	-	147'170'585
Interest and equity positions outside trading book ²	35'856	560'591	537'390	1'349'094	-	541'263	1'000	3'025'194
Replacement values of derivatives ³	-	81'508	-	6'931	766	-	-	89'205
Other assets	202'602	157'304	3'281	149'516	148'187	-	-	660'890
Total current year	399'730	7'330'977	3'693'415	4'401'794	149'294'159	541'263	1'000	165'662'338
Total prior year	233'180	7'942'683	3'558'447	3'953'329	145'880'360	476'811	1'230	162'046'040
Off-balance-sheet items ⁴								
Contingent liabilities	107	9'315	4'753	76'438	129'535	-	-	220'148
Irrevocable commitments	43	118'379	530'928	204'637	1'268'156	-	-	2'122'143
Obligations to make payments and additional contributions	4	-	-	96'643	-	-	-	96'647
Add-ons for forward contracts and options purchased ³	25'985	372'811	12'037	14'083	13'886	-	-	438'802
Total current year	26'139	500'505	547'718	391'801	1'411'577	-	-	2'877'740
Total prior year	261	561'341	530'375	418'455	1'374'107	-	-	2'884'539

¹⁾ Before deduction of individual value adjustments.

²⁾ Receivables from and liabilities to Pfandbriefbank are offset against each other.

³⁾ Derivative counterparty risk is calculated using the mark-to-market method. Netting agreements with counterparties are taken into account when calculating capital adequacy.

⁴⁾ Non-derivative off-balance-sheet items are shown after conversion into credit equivalents.

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Credit risk/minimization of credit risk as of june 30, 2014

Loan commitments (in 1000 CHF) ¹	Covered by recognized financial securities ⁵	Covered by guarantees and credit derivatives	Covered by mortgage collateral	Other loan commitments	Total
Balance sheet items					
Receivables from banks	959'084	-	-	5'558'843	6'517'927
Receivables from clients	511'339	131'681	2'540'029	5'015'488	8'198'537
Mortgage receivables	206'640	108'927	146'433'990	421'028	147'170'585
Interest and equity positions outside trading book ²	-	-	-	3'025'194	3'025'194
Replacement values of derivatives ³	44'795	-	-	44'410	89'205
Other assets	-	-	-	660'890	660'890
Total current year	1'721'858	240'608	148'974'019	14'725'853	165'662'338
Total prior year	1'607'184	222'032	145'421'189	14'795'635	162'046'040
Off-balance-sheet items⁴					
Contingent liabilities	51'607	1'728	29'385	137'428	220'148
Irrevocable commitments	38'979	46'176	1'035'242	1'001'746	2'122'143
Obligations to make payments and additional contributions	-	-	-	96'647	96'647
Add-ons for forward contracts and options purchased ³	69'358	12'035	-	357'409	438'802
Total current year	159'944	59'939	1'064'627	1'593'230	2'877'740
Total prior year	129'940	30'813	1'040'529	1'683'257	2'884'539

¹⁾ Before deduction of individual value adjustments.

²⁾ Receivables from and liabilities to Pfandbriefbank are offset against each other.

³⁾ Derivative counterparty risk is calculated using the mark-to-market method. Netting agreements with counterparties are taken into account when calculating capital adequacy.

⁴⁾ Non-derivative off-balance-sheet items are shown after conversion into credit equivalents.

⁵⁾ Securities are recognized using the simple method.

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Segmentation of credit risks as of June 30, 2014

Loan commitments (in 1000 CHF) ¹	Risk weightings under supervisory law											Total
	0%	2%	20%	35%	50%	75%	100%	125%	150%	250%	500%	
Balance sheet items												
Receivables from banks	2'316'860	6'250	2'389'884	-	1'744'079	-	60'854	-	-	-	-	6'517'927
Receivables from clients	224'319	-	284'081	1'651'122	2'409'804	865'304	2'734'754	-	29'153	-	-	8'198'537
Mortgage receivables	196'906	-	36'842	124'022'806	88'676	16'249'640	6'490'685	-	85'030	-	-	147'170'585
Interest and equity positions outside trading book ²	111'305	-	1'742'680	-	426'920	-	608'031	-	136'258	-	-	3'025'194
Replacement values of derivatives ³	39'942	-	9'405	-	32'409	-	7'449	-	-	-	-	89'205
Other assets	320'426	-	58'599	-	5'636	9'399	266'830	-	-	-	-	660'890
Total current year	3'209'758	6'250	4'521'491	125'673'928	4'707'524	17'124'343	10'168'603	-	250'441	-	-	165'662'338
Total prior year	3'977'073	-	3'905'322	122'356'148	5'105'556	17'099'016	9'395'718	-	207'207	-	-	162'046'040
Off-balance-sheet items ⁴												
Contingent liabilities	46'507	-	4'423	16'837	8'202	34'903	109'276	-	-	-	-	220'148
Irrevocable commitments	38'565	-	552'009	888'512	92'558	89'035	461'464	-	-	-	-	2'122'143
Obligations to make payments and additional contributions	-	-	-	-	-	-	96'647	-	-	-	-	96'647
Add-ons for forward contracts and options purchased ³	20'924	-	124'211	-	279'779	443	13'445	-	-	-	-	438'802
Total current year	105'996	-	680'643	905'349	380'539	124'381	680'832	-	-	-	-	2'877'740
Total prior year	106'956	-	663'825	881'747	408'566	132'458	690'987	-	-	-	-	2'884'539

¹⁾ Before deduction of individual value adjustments.

²⁾ Receivables from and liabilities to Pfandbriefbank are offset against each other.

³⁾ Derivative counterparty risk is calculated using the mark-to-market method. Netting agreements with counterparties are taken into account when calculating capital adequacy.

⁴⁾ Non-derivative off-balance-sheet items are shown after conversion into credit equivalents.

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Risk weighted positions based on external ratings as of June 30, 2014

Loan commitments (in 1000 CHF) ¹	Rating	Risk weighted positions				
		0%	20%	50%	100%	150%
Counterparty						
Central governments and central banks	With rating	260'220	-	-	4	-
	Without rating	-	-	-	-	-
Public-sector entities ²	With rating	69'257	517'586	22'977	-	-
	Without rating	-	609'991	2'406'569	285'427	9'323
Banks and securities traders	With rating	1'444'892	2'730'230	2'026'206	-	-
	Without rating	441'961	558'661	533'474	60'741	-
Corporates	With rating	-	3'191'361	63'774	69'994	-
	Without rating	6'563	-	-	3'126'766	4'677
Total	With rating	1'774'369	6'439'177	2'112'957	69'998	-
	Without rating	448'524	1'168'652	2'940'043	3'472'934	14'000
Grand total		2'222'893	7'607'829	5'053'000	3'542'932	14'000

¹⁾ Before risk-mitigating measures and before deduction of individual value adjustments.

²⁾ Including loan commitments to joint institutions of the banks, BIS, IMF and multilateral development banks.

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Interest rate risks in the bank book (Multiyear comparative)

in CHF million	30.6.2014	31.12.2013	31.12.2012	31.12.2011	31.12.2010
Sensitivity (+100bp-Shift)	1'424	1'538	1'070	1'036	1'149
Value-at-risk (99,9%)	1'438	1'541	1'075	1'061	1'199