

## Eligible capital under regulatory rules - transfer to balance sheet values

	31.12.2014 in 1,000 CHF	31.12.2013 in 1,000 CHF	Reference <sup>1</sup>
<b>Balance sheet</b>			
<b>Assets</b>			
Liquid funds	9'218'851	7'018'627	
Receivables from money market securities	166'800	320'162	
Receivables from banks	5'942'852	7'102'081	
Receivables from clients	7'897'579	7'750'807	
Mortgage receivables	150'880'406	143'658'593	
Loans to clients	158'777'985	151'409'400	
Trading portfolios in securities and precious metals	2'194'572	1'366'477	
Financial assets	5'866'441	4'283'903	
Non-consolidated participations	613'583	718'781	
Tangible assets	2'399'505	2'403'179	
Intangible assets	288'634	214'992	
<i>of which goodwill</i>	288'634	214'992	(I)
Accrued income and deferred charges	216'206	209'546	
Other assets	2'954'205	1'528'338	
<b>Total assets</b>	<b>188'639'634</b>	<b>176'575'486</b>	
<b>Liabilities</b>			
Liabilities from money market securities	94'455	83'662	
Liabilities to banks	6'860'395	6'114'677	
Liabilities to clients as savings and investment deposits	114'937'605	109'576'413	
Other liabilities to clients	17'999'696	16'842'434	
Medium-term notes	10'872'642	11'640'486	
<i>of which subordinated time deposits, eligible as supplementary capital (T2)</i>	62'618	19'480	(II)
Customer deposits	143'809'943	138'059'333	
Bonds and Pfandbriefdarlehen	21'640'862	17'849'644	
<i>of which subordinated bond, eligible as additional core capital (AT1)<sup>2</sup></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	623'897	589'909	
Other liabilities	2'463'216	1'588'126	
Value adjustments and provisions	1'086'479	1'082'207	
<i>of which deferred taxes for untaxed reserves</i>	793'378	765'575	
Cooperative capital	747'742	636'614	
<i>of which eligible as "hard" core capital (CET1)</i>	747'742	636'614	(V)
Retained earnings	10'532'510	9'848'247	(VI)
Group profit	759'354	716'539	(VII)
Minority interests in equity capital	20'781	6'528	
<i>of which eligible as "hard" core capital (CET1)</i>	-	-	(VIII)
<b>Total capital (with minority interests)</b>	<b>12'060'387</b>	<b>11'207'928</b>	
<b>Total liabilities</b>	<b>188'639'634</b>	<b>176'575'486</b>	

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

2) Current year: of which convertible capital with a low trigger level amounting to CHF 550 million

## Minimum capital requirement and eligible regulatory capital

	31.12.2014		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
<b>Minimum capital requirement</b>						
Credit risk (standard approach BIZ) <sup>2</sup>						
Receivables from banks	976'731	78'138	1'378'416	110'273	812'334	64'987
Receivables from clients	4'958'101	396'648	4'765'223	381'218	4'612'675	369'014
Mortgage receivables	63'543'490	5'083'479	60'784'866	4'862'789	55'756'758	4'460'541
Accrued income and prepaid expenses	74'451	5'956	84'640	6'771	155'598	12'448
Other assets, miscellaneous	141'822	11'346	139'870	11'190	120'785	9'663
Other assets, total replacement value of derivatives	44'155	3'532	43'894	3'512	461'889	36'951
Net interest positions outside trading book	880'541	70'443	778'643	62'290	495'641	39'651
Net equity positions outside trading book <sup>3</sup>	1'743'186	139'455	1'853'449	148'276	460'163	36'813
Contingent liabilities	121'625	9'730	117'449	9'396	206'829	16'546
Irrevocable commitments	996'163	79'693	1'032'822	82'626	895'160	71'613
Obligations to make payments and additional contributions	96'676	7'734	96'647	7'732	603'946	48'316
Add-ons for forward contracts and options purchased	193'572	15'486	188'740	15'099	192'139	15'371
Unsettled transactions		3	-	332	-	-
Guarantee obligations to central counterparties (CCPs)		11				
CVA (standard approach)		11'121				
Mandatory capital for credit risks and other credit risk positions		5'912'776		5'711'970		5'181'913
Non-counterparty-related risks						
Real estate (including real estate in financial assets)	2'166'113	173'289	2'143'051	171'444	5'605'574	448'446
Other tangible assets/other recognized assets subject to depreciation	268'875	21'510	282'225	22'578	2'154'248	172'340
Mandatory capital for non-counterparty-related risk		194'799		194'022		620'786
Market risks (standard approach)						
Interest rate instruments - general market risk		78'931		83'206		92'178
Interest rate instruments - specific risks		30'941		15'025		22'674
Equity instruments		19'443		3'489		7'782
Foreign currencies and gold		14'824		10'428		7'555
Other precious metals		12'563		12'510		6'351
Options		281		342		495
Mandatory capital for market risks		156'983		125'000		137'035
Mandatory capital for operational risks (basic indicator method)		417'073		410'917		402'324
Total mandatory capital		6'681'631		6'441'909		6'342'058

Eligible capital	31.12.2014 Reference <sup>1</sup>	31.12.2013 Reference <sup>1</sup>
Cooperative capital	747'742 (V)	636'614 (V)
Retained earnings	10'532'510 (VI)	9'848'247 (VI)
Group profit <sup>4</sup>	727'458 (VII)	684'779 (VII)
Minority interests	- (VIII)	- (VIII)
Total "hard" core capital (CET1) before adjustments	12'007'710	11'169'640
Goodwill	-288'634 (I)	-214'992 (I)
Participations to be consolidated (CET1 instruments)	-	-
Total CET1 adjustments	-288'634	-214'992
Total eligible "hard" core capital (net CET1)	11'719'076	10'954'647
Additional core capital (AT1) <sup>6</sup>	550'000 (III)	549'700 (III)
Deductions from AT1 capital	-	-
Total eligible core capital (net Tier 1)	12'269'076	11'504'347
Supplementary capital (Tier 2)	490'618	500'980
of which fully eligible	62'618 (II)	19'480 (II)
of which temporarily applied (phase out)	428'000 (IV)	481'500 (IV)
Deductions from supplementary capital (Tier 2)	-	-
Total eligible capital (regulatory capital)	12'759'694	12'005'327
Total risk-weighted assets	83'520'381	80'523'873
<b>Capital ratios</b>		
CET1 ratio	14.0%	13.6%
Tier 1 ratio	14.7%	14.3%
Total capital ratio	15.3%	14.9%
CET1 minimum 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 CET1 to cover minimum requirements for AT1 and T2 ratios)	11.3%	10.4%
CET1 capital target according to FINMA (including CCP)	9.9%	9.3%
Available CET1 (after deducting CET1 to cover AT1 and T2 target ratios)	10.4%	10.0%
Tier 1 capital target according to FINMA (including CCP)	12.0%	11.4%
Available Tier 1 (after deducting CET1 to cover T2 target ratios)	12.5%	12.1%
Capital target for regulatory capital according to FINMA	14.8%	14.2%
Available regulatory capital	15.3%	14.9%
<b>Contributions below the threshold values for deductions (before risk weighting)<sup>5</sup></b>		
Participations in the financial area up to 10%	289'054	186'107
Participations in the financial area above 10%	393'801	531'331

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

<sup>2)</sup> In 2012 the Basel II credit risks are calculated using the standardised approach for Switzerland

<sup>3)</sup> Including equity securities, which have received a risk weighing of 250%

<sup>4)</sup> Excluding interest on cooperative capital

<sup>5)</sup> The major participations are risk-weighted for calculating capital adequacy

<sup>6)</sup> Current year: of which convertible capital with a low trigger level amounting to CHF 550 million

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## Credit risk by counterparty as of december 31, 2014

Loan commitments (in 1000 CHF) <sup>1</sup>	Central governments / central banks	Banks and securities dealers	Other institutions	Corporates	Retail	Equity	Other commitments	Total
Balance sheet items								
Receivables from banks	36'064	5'906'788	-	-	-	-	-	5'942'852
Receivables from clients	4'514	103'518	2'950'276	1'512'372	3'326'899	-	-	7'897'579
Mortgage receivables	31'175	60'471	197'673	1'456'219	149'134'868	-	-	150'880'406
Interest and equity positions outside trading book <sup>2</sup>	701'471	483'500	858'469	1'983'014	-	523'804	944	4'551'202
Replacement values of derivatives <sup>3</sup>	-	100'723	-	1'576	56'931	-	-	159'230
Other assets	605'827	131'710	2'887	168'740	59'529	-	-	968'693
Total current year	1'379'051	6'786'710	4'009'305	5'121'921	152'578'227	523'804	944	170'399'962
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 <sup>4</sup>								
Contingent liabilities	103	14'963	4'572	68'147	119'257	-	-	207'042
Irrevocable commitments	71	33'808	535'150	267'809	1'219'083	-	-	2'055'921
Obligations to make payments and additional contributions	4	-	-	96'672	-	-	-	96'676
Add-ons for forward contracts and options purchased <sup>3</sup>	-	450'133	3'811	22'928	31'020	-	-	507'892
Total current year	178	498'904	543'533	455'556	1'369'360	-	-	2'867'531
Total prior year	261	561'341	530'375	418'455	1'374'107	-	-	2'884'539

<sup>1)</sup> Before deduction of individual value adjustments.

<sup>2)</sup> Receivables from and liabilities to Pfandbriefbank are offset against each other.

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

<sup>4)</sup> 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 december 31, 2014

Loan commitments (in 1000 CHF) <sup>1</sup>	Covered by recognized financial securities <sup>5</sup>	Covered by guarantees and credit derivatives	Other loan commitments	Total
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Balance sheet items				
Receivables from banks	826'756	1'376	5'114'720	5'942'852
Receivables from clients	518'904	107'076	4'854'031	7'897'579
Mortgage receivables	264'241	89'971	319'263	150'880'406
Interest and equity positions outside trading book <sup>2</sup>	-	-	4'551'202	4'551'202
Replacement values of derivatives <sup>3</sup>	103'808	-	55'422	159'230
Other assets	-	-	968'693	968'693
Total current year	1'713'709	198'423	15'863'331	170'399'962
Total prior year	1'607'184	222'032	14'795'635	162'046'040
Off-balance-sheet items <sup>4</sup>				
Contingent liabilities	61'766	3'766	112'125	207'042
Irrevocable commitments	42'060	20'215	958'404	2'055'921
Obligations to make payments and additional contributions	-	-	96'676	96'676
Add-ons for forward contracts and options purchased <sup>3</sup>	84'991	3'734	419'167	507'892
Total current year	188'817	27'715	1'586'372	2'867'531
Total prior year	129'940	30'813	1'683'257	2'884'539

<sup>1</sup> Before deduction of individual value adjustments.

<sup>2</sup> Receivables from and liabilities to Pfandbriefbank are offset against each other.

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

<sup>4</sup> Non-derivative off-balance-sheet items are shown after conversion into credit equivalents.

<sup>5</sup> Securities are recognized using the simple method.

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## Segmentation of credit risks as of december 31, 2014

Loan commitments (in 1000 CHF) <sup>1</sup>	Risk weightings under supervisory law									Total
	0%	2%	20%	35%	50%	75%	100%	125%	150%	
Balance sheet items										
Receivables from banks	3'053'844	6'276	1'550'803	-	1'330'719	-	1'210	-	-	5'942'852
Receivables from clients	232'762	-	269'839	1'558'662	2'452'373	806'980	2'555'449	-	21'514	7'897'579
Mortgage receivables	198'280	-	37'835	127'485'208	128'086	16'488'962	6'429'335	-	112'700	150'880'406
Interest and equity positions outside trading book <sup>2</sup>	790'800	-	2'667'161	-	444'655	-	178'827	-	469'759	4'551'202
Replacement values of derivatives <sup>3</sup>	76'879	44	33'971	-	21'677	-	26'659	-	-	159'230
Other assets	714'157	-	40'757	-	5'790	11'051	196'938	-	-	968'693
Total current year	5'066'722	6'320	4'600'366	129'043'870	4'383'300	17'306'993	9'388'418	-	603'973	170'399'962
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 <sup>4</sup>										
Contingent liabilities	55'062	-	5'777	15'515	14'918	31'586	84'184	-	-	207'042
Irrevocable commitments	40'462	-	548'157	848'192	18'469	80'846	519'795	-	-	2'055'921
Obligations to make payments and additional contributions	-	-	-	-	-	-	96'676	-	-	96'676
Add-ons for forward contracts and options purchased <sup>3</sup>	60'394	35	124'134	-	308'436	322	14'571	-	-	507'892
Total current year	155'918	35	678'068	863'707	341'823	112'754	715'226	-	-	2'867'531
Total prior year	106'956	-	663'825	881'747	408'566	132'458	690'987	-	-	2'884'539

<sup>1)</sup> Before deduction of individual value adjustments.

<sup>2)</sup> Receivables from and liabilities to Pfandbriefbank are offset against each other.

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

<sup>4)</sup> 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 december 31, 2014

Loan commitments (in 1000 CHF) <sup>1</sup>	Rating	Risk weighted positions				
		0%	20%	50%	100%	150%
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Counterparty						
Central governments and central banks	With rating	1'343'357	5	-	4	-
	Without rating	-	-	-	-	-
Public-sector entities <sup>2</sup>	With rating	68'942	733'381	57'952	-	-
	Without rating	-	640'448	2'408'028	303'988	767
Banks and securities traders	With rating	1'923'750	2'014'070	1'695'007	46	-
	Without rating	694'985	404'409	363'503	-	-
Corporates	With rating	-	3'476'533	113'979	31'254	-
	Without rating	28'637	-	931	3'034'561	4'841
Total	With rating	3'336'049	6'223'989	1'866'938	31'304	-
	Without rating	723'622	1'044'857	2'772'462	3'338'549	5'608
Grand total		4'059'671	7'268'846	4'639'400	3'369'853	5'608

<sup>1)</sup> Before risk-mitigating measures and before deduction of individual value adjustments.

<sup>2)</sup> 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	31.12.2014	31.12.2013	31.12.2012	31.12.2011	31.12.2010
Sensitivity (+100bp-Shift)	1'351	1'538	1'070	1'036	1'149
Value-at-risk (99,9%)	1'376	1'541	1'075	1'061	1'199