

Eligible capital under regulatory rules - transfer to balance sheet values

	30.6.2015 in 1,000 CHF	31.12.2014 in 1,000 CHF	Reference ¹
Balance sheet			
Assets			
Liquid funds	18'048'317	9'218'851	
Receivables from money market securities	58'062	166'800	
Receivables from banks	6'029'421	5'942'852	
Receivables from clients	7'521'326	7'897'579	
Mortgage receivables	154'608'142	150'880'406	
Loans to clients	162'129'468	158'777'985	
Trading portfolios in securities and precious metals	1'850'258	2'194'572	
Financial assets	6'324'578	5'866'441	
Non-consolidated participations	624'816	613'583	
Tangible assets	2'404'337	2'399'505	
Intangible assets	323'008	288'634	
<i>of which goodwill</i>	323'008	288'634	(I)
Accrued income and deferred charges	319'322	216'206	
Other assets	3'233'705	2'954'205	
Total assets	201'345'292	188'639'634	
Liabilities			
Liabilities from money market securities	100'193	94'455	
Liabilities to banks	12'657'536	6'860'395	
Liabilities to clients as savings and investment deposits	115'576'800	114'937'605	
Other liabilities to clients	22'021'324	17'999'696	
Medium-term notes	10'714'835	10'872'642	
<i>of which subordinated time deposits, eligible as supplementary capital (T2)</i>	77'430	62'618	(II)
Customer deposits	148'312'959	143'809'943	
Bonds and Pfandbriefdarlehen	22'922'193	21'640'862	
<i>of which subordinated bond, eligible as additional core capital (AT1)²</i>	1'099'935	550'000	(III)
<i>of which subordinated bond, eligible as supplementary capital (T2) - phase out</i>	374'199	428'000	(IV)
Accrued income and deferred charges	772'275	623'897	
Other liabilities	2'822'907	2'463'216	
Value adjustments and provisions	1'096'945	1'086'479	
<i>of which deferred taxes for untaxed reserves</i>	-	793'378	
Cooperative capital	995'821	747'742	
<i>of which eligible as "hard" core capital (CET1)</i>	995'821	747'742	(V)
Retained earnings	11'262'188	10'532'510	(VI)
Group profit	394'833	759'354	(VII)
Minority interests in equity capital	7'442	20'781	
<i>of which eligible as "hard" core capital (CET1)</i>	-	-	(VIII)
Total capital (with minority interests)	12'660'284	12'060'387	
Total liabilities	201'345'292	188'639'634	

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

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Minimum capital requirement and eligible regulatory capital

	30.06.2015		31.12.2014		31.12.2013	
	Basel III		Basel III		Basel III	
	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)						
Receivables from banks	539'113	43'129	976'731	78'138	1'378'416	110'273
Receivables from clients	4'773'679	381'894	4'958'101	396'648	4'765'223	381'218
Mortgage receivables	65'302'799	5'224'224	63'543'490	5'083'479	60'784'866	4'862'789
Accrued income and prepaid expenses	184'760	14'781	74'451	5'956	84'640	6'771
Other assets, miscellaneous	149'930	11'994	141'822	11'346	139'870	11'190
Other assets, total replacement value of derivatives	41'776	3'342	44'155	3'532	43'894	3'512
Net interest positions outside trading book	1'109'649	88'772	880'541	70'443	778'643	62'290
Net equity positions outside trading book ²	2'020'972	161'678	1'743'186	139'455	1'853'449	148'276
Contingent liabilities	160'218	12'817	121'625	9'730	117'449	9'396
Irrevocable commitments	1'217'078	97'366	996'163	79'693	1'032'822	82'626
Obligations to make payments and additional contributions	105'959	8'477	96'676	7'734	96'647	7'732
Add-ons for forward contracts and options purchased	183'317	14'665	193'572	15'486	188'740	15'099
Unsettled transactions		-	-	3	-	332
Guarantee obligations to central counterparties (CCPs)		24				
CVA (standard approach)		10'655				
Mandatory capital for credit risks and other credit risk positions		6'073'819		5'912'776		5'711'970
Non-counterparty-related risks						
Real estate (including real estate in financial assets)	2'163'125	173'050	2'166'113	173'289	2'143'051	171'444
Other tangible assets/other recognized assets subject to depreciation	277'000	22'160	268'875	21'510	282'225	22'578
Mandatory capital for non-counterparty-related risk		195'210		194'799		194'022
Market risks (standard approach)						
Interest rate instruments - general market risk		87'782		78'931		83'206
Interest rate instruments - specific risks		27'543		30'941		15'025
Equity instruments		24'193		19'443		3'489
Foreign currencies and gold		6'877		14'824		10'428
Other precious metals		11'585		12'563		12'510
Options		50		281		342
Mandatory capital for market risks		158'030		156'983		125'000
Mandatory capital for operational risks (basic indicator method)		422'229		417'073		410'917
Total mandatory capital		6'849'288		6'681'631		6'441'909

Eligible capital	30.06.2015 Reference ¹	31.12.2014 Reference ¹	31.12.2013 Reference ¹
Cooperative capital	995'821 (V)	747'742 (V)	636'614 (V)
Retained earnings	11'262'188 (VI)	10'532'510 (VI)	9'848'247 (VI)
Group profit ³	377'833 (VII)	727'458 (VII)	684'779 (VII)
Minority interests	- (VIII)	- (VIII)	- (VIII)
Total "hard" core capital (CET1) before adjustments	12'635'842	12'007'710	11'169'640
Goodwill	-323'008 (I)	-288'634 (I)	-214'992 (I)
Participations to be consolidated (CET1 instruments)	-	-	-
Total CET1 adjustments	-323'008	-288'634	-214'992
Total eligible "hard" core capital (net CET1)	12'312'834	11'719'076	10'954'647
Additional core capital (AT1) ⁴	1'099'935 (III)	550'000 (III)	549'700 (III)
Deductions from AT1 capital	-	-	-
Total eligible core capital (net Tier 1)	13'412'769	12'269'076	11'504'347
Supplementary capital (Tier 2)	451'629	490'618	500'980
of which fully eligible	77'430 (II)	62'618 (II)	19'480 (II)
of which temporarily applied (phase out)	374'199 (IV)	428'000 (IV)	481'500 (IV)
Deductions from supplementary capital (Tier 2)	-	-	-
Total eligible capital (regulatory capital)	13'864'398	12'759'694	12'005'327
Total risk-weighted assets	85'616'094	83'520'381	80'523'873
Capital ratios			
CET1 ratio	14.4%	14.0%	13.6%
Tier 1 ratio	15.7%	14.7%	14.3%
Total capital ratio	16.2%	15.3%	14.9%
CET1 minimum requirement under Capital Adequacy Ordinance (CAO) transitional provisions	5.7%	5.2%	4.1%
of which capital buffer under the CAO	0.0%	0.0%	0.0%
of which countercyclical buffer (CCP)	1.2%	1.2%	0.6%
Available CET1 (after deducting CET1 to cover minimum requirements for AT1 and T2 ratios)	12.7%	11.3%	10.4%
CET1 capital target according to FINMA Circular 2011/2 (including CCP)	10.4%	9.9%	9.3%
Available CET1 (after deducting CET1 to cover AT1 and T2 target ratios)	11.0%	10.4%	10.0%
Tier 1 capital target according to FINMA Circular 2011/2 (including CCP)	12.6%	12.0%	11.4%
Available Tier 1 (after deducting CET1 to cover T2 target ratios)	13.2%	12.5%	12.1%
Capital target for regulatory capital according to FINMA Circular 2011/2	15.6%	14.8%	14.2%
Available regulatory capital	16.2%	15.3%	14.9%
Contributions below the threshold values for deductions (before risk weighting)⁵			
Participations in the financial area up to 10%	282'773	289'054	186'107
Participations in the financial area above 10%	404'374	393'801	531'331

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

² Including equity securities, which have received a risk weighting of 250%

³ Interest on cooperative capital taken into account on pro rata basis

⁴ Current year: of which convertible capital with a low trigger level amounting to CHF 550 million

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

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Credit risk by counterparty as of June 30, 2015

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	12'208	6'017'213	-	-	-	-	-	6'029'421
Receivables from clients	1'662	99'980	2'866'954	1'286'497	3'266'233	-	-	7'521'326
Mortgage receivables	28'070	47'498	206'464	1'462'007	152'864'103	-	-	154'608'142
Interest and equity positions outside trading book ²	575'452	381'942	868'451	3'689'111	-	688'587	763	6'204'306
Replacement values of derivatives ³	-	124'492	-	20'581	18'139	-	-	163'212
Other assets	733'592	154'027	4'409	175'562	168'839	-	-	1'236'429
Total current year	1'350'984	6'825'152	3'946'278	6'633'758	156'317'314	688'587	763	175'762'836
Total prior year	1'379'051	6'786'710	4'009'305	5'121'921	152'578'227	523'804	944	170'399'962
Off-balance-sheet items ⁴								
Contingent liabilities	160	18'498	4'601	91'479	115'748	-	-	230'486
Irrevocable commitments	66	215'262	535'451	252'628	1'395'545	-	-	2'398'952
Obligations to make payments and additional contributions	4	-	-	105'955	-	-	-	105'959
Add-ons for forward contracts and options purchased ³	10'622	410'674	15'218	23'402	26'461	-	-	486'377
Total current year	10'852	644'434	555'270	473'464	1'537'754	-	-	3'221'774
Total prior year	178	498'904	543'533	455'556	1'369'360	-	-	2'867'531

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, 2015

Loan commitments (in 1000 CHF) ¹	Covered by recognized financial securities ⁵	Covered by guarantees and credit derivatives	Other loan commitments	Total
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Balance sheet items				
Receivables from banks	943'519	109'135	4'976'767	6'029'421
Receivables from clients	465'409	112'049	4'613'281	7'521'326
Mortgage receivables	220'231	81'761	356'344	154'608'142
Interest and equity positions outside trading book ²	-	-	6'204'306	6'204'306
Replacement values of derivatives ³	119'838	-	43'374	163'212
Other assets	-	-	1'236'429	1'236'429
Total current year	1'748'997	302'945	17'430'501	175'762'836
Total prior year	1'713'709	198'423	15'863'331	170'399'962
Off-balance-sheet items ⁴				
Contingent liabilities	43'151	3'764	163'693	230'486
Irrevocable commitments	41'511	30'330	1'308'172	2'398'952
Obligations to make payments and additional contributions	-	-	105'959	105'959
Add-ons for forward contracts and options purchased ³	101'575	5'905	378'897	486'377
Total current year	186'237	39'999	1'956'721	3'221'774
Total prior year	188'817	27'715	1'586'372	2'867'531

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, 2015

Loan commitments (in 1000 CHF) ¹	Risk weightings under supervisory law									
	0%	2%	20%	35%	50%	75%	100%	125%	150%	Total
Balance sheet items										
Receivables from banks	4'207'364	6'721	1'228'535	-	586'759	-	42	-	-	6'029'421
Receivables from clients	220'909	-	149'541	1'456'735	2'406'993	796'804	2'470'647	-	19'697	7'521'326
Mortgage receivables	199'140	-	35'933	130'510'358	119'299	16'659'283	6'898'952	-	185'177	154'608'142
Interest and equity positions outside trading book ²	675'707	-	4'468'792	-	310'655	-	106'251	-	642'901	6'204'306
Replacement values of derivatives ³	64'618	129	60'657	-	16'332	-	21'476	-	-	163'212
Other assets	835'701	-	76'484	-	3'826	12'315	307'820	-	283	1'236'429
Total current year	6'203'439	6'850	6'019'942	131'967'093	3'443'864	17'468'402	9'805'188	-	848'058	175'762'836
Total prior 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
Off-balance-sheet items ⁴										
Contingent liabilities	35'839	-	9'209	14'954	18'434	31'260	120'790	-	-	230'486
Irrevocable commitments	39'248	-	558'211	894'078	188'679	82'270	636'466	-	-	2'398'952
Obligations to make payments and additional contributions	-	-	-	-	-	-	105'959	-	-	105'959
Add-ons for forward contracts and options purchased ³	51'793	685	148'605	-	263'390	69	21'835	-	-	486'377
Total current year	126'880	685	716'025	909'032	470'503	113'599	885'050	-	-	3'221'774
Total prior year	155'918	35	678'068	863'707	341'823	112'754	715'226	-	-	2'867'531

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, 2015

Loan commitments (in 1000 CHF) ¹	Rating	Risk weighted positions				
		0%	20%	50%	100%	150%
Counterparty						
Central governments and central banks	With rating	1'321'612	15	6	4	-
	Without rating	-	-	-	-	-
Public-sector entities ²	With rating	95'728	697'835	61'761	-	-
	Without rating	-	595'619	2'380'673	312'186	1'838
Banks and securities traders	With rating	3'128'127	2'081'018	864'207	350	-
	Without rating	359'572	362'746	485'904	15	-
Corporates	With rating	7'997	4'126'052	74'302	33'487	283
	Without rating	19'903	-	-	2'820'033	15'864
Total	With rating	4'553'464	6'904'920	1'000'276	33'841	283
	Without rating	379'475	958'365	2'866'577	3'132'234	17'702
Grand total		4'932'939	7'863'285	3'866'853	3'166'075	17'985

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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Leverage ratio information

Line item	30.06.2015 in 1000 CHF	31.12.2014 in 1000 CHF
a) Comparison between recognized assets and overall exposure for leverage ratio		
1 Total assets according to published financial reports	201'345'292	188'639'634
2 Adjustments for investments in banking, financial, insurance and commerce companies that are subject to accounting consolidation but not regulatory consolidation, and adjustments for assets that are deducted from core capital ¹⁾	-323'008	-288'634
3 Adjustments for fiduciary assets that are recognized in the financial statements but are excluded from the leverage ratio calculation	-	-
4 Adjustments for derivatives ²⁾	-2'047'762	-1'723'761
5 Adjustments for securities financing transactions (SFT) ³⁾	-68'080	-511'061
6 Adjustments for off-balance-sheet transactions (conversion of off-balance-sheet transactions into credit equivalents)	3'620'255	3'133'852
7 Other adjustments ⁴⁾	-234'761	-230'572
8 Overall exposure for the leverage ratio	202'291'936	189'019'458
b) Detailed presentation of the leverage ratio		
Balance sheet items		
1 Balance sheet items (excluding derivatives and SFT but including collateral) ⁵⁾	198'945'424	185'909'739
2 Assets that must be deducted from eligible core capital ¹⁾	-323'008	-288'634
3 = Total balance sheet items for the leverage ratio calculation, ex derivatives and SFT	198'622'416	185'621'105
Derivate		
4 Positive replacement values for all derivatives transactions including those vis-à-vis CCPs, including margin payments received and netting agreements	47'422	97'290
5 Add-ons for all derivatives	486'377	507'892
6 Re-inclusion of collateral provided in connection with derivatives, provided their accounting treatment leads to a reduction in assets	-	-
7 Deduction of receivables resulting from margin payments provided	-785'558	-538'195
8 Deduction for exposure to qualified central counterparties (QCCPs) if there is no responsibility to the client if the QCCP defaults	-	-
9 Actual nominal values of issued credit derivatives, after deducting negative replacement values	126'289	93'070
10 Netting against actual nominal values of offsetting credit derivatives and deduction of add-ons for issued credit derivatives	-95'087	-74'212
11 = Total exposure from derivatives ²⁾	-220'558	85'845
Securities financing transactions (SFT)		
12 Gross assets related to securities financing transactions ex netting (except for novations with a QCCP) including those booked as a sale, less any items stated in FINMA Circular 15/3 par. 58	337'903	689'716
13 Netting of cash liabilities and receivables with respect to SFT counterparties	-68'080	-511'061
14 Exposure to SFT counterparties ³⁾	-	-
15 SFT exposure with the bank acting as a commission agent	-	-
16 = Total exposure from securities financing transactions	269'823	178'655
Other off-balance-sheet items		
17 Off-balance-sheet items as gross nominal values before the application of any credit conversion factors	17'115'052	15'082'219
18 Adjustments for the conversion into credit equivalents	-13'494'797	-11'948'366
19 = Total off-balance-sheet items	3'620'255	3'133'853
Eligible equity capital and overall exposure		
20 Core capital (Tier 1)	13'412'769	12'269'076
21 Overall exposure	202'291'936	189'019'458
Leverage ratio		
22 Leverage ratio (as defined in FINMA Circular 2015/3 "Leverage Ratio") ⁶⁾	6.63%	6.49%

¹⁾ This item takes account of intangible assets (goodwill) that are deducted from core capital.

²⁾ This item takes account of counterparty netting of OTC derivatives based on the existing netting agreements

³⁾ This position takes account of the netting resulting from reverse repo transactions that are cleared via SIX SIS AG

⁴⁾ This item takes account of the provisions for default risks that are set off against the assets

⁵⁾ 30.06.2015: The difference between the reported figure and total assets as shown in the published financial statements amounts to CHF 2,400 million, relating to gross replacement values resulting from derivatives (CHF 1,827 m), securities financing transactions (CHF 338 m) and provisions for default risks (CHF 235 million)

⁶⁾ The leverage ratio calculated pursuant to FINMA Circular 2015/3 "Leverage Ratio" may differ from the leverage ratio calculated under systemic importance rules since there may be differences in the eligibility of core capital (Tier 1)

Notes on the leverage ratio

The strong growth of total assets (+CHF 12.7 billion or +6.7%) in the first six months led to a marked rise in overall exposure (row 21). The leverage ratio nevertheless increased from 6.49% to 6.63%. This is attributable to the even stronger growth in core capital (row 20). Overall, the eligible core capital rose by CHF 1.1 billion or 9.3%. The issue of the subordinated Additional Tier 1 bond in the spring led to a rise in the capital base of CHF 550 million. Cooperative capital increased by CHF 248 million due to subscription of additional share certificates by the members, while the eligible Group profit reached CHF 378 million after deduction of the proportionate interest.

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Interest rate risks in the bank book (Multiyear comparative)

in CHF million	30.6.2015	31.12.2014	31.12.2013	31.12.2012	31.12.2011
Sensitivity (+100bp-Shift)	1'754	1'351	1'538	1'070	1'036
Value-at-risk (99,9%)	1'769	1'376	1'541	1'075	1'061