

Third Supplement dated 6 October 2011
to the Debt Issuance Programme Prospectus dated 19 October 2010

This document (the "Third Supplement") constitutes 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 (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 (Loi relative aux prospectus pour valeurs mobilières, the "Prospectus Law"), to the two base prospectuses dated 19 October 2010 relating to a EUR 25,000,000,000 Debt Issuance Programme of Raiffeisen Bank International AG (the "Issuer" or "RBI"): (i) the base prospectus in respect of non-equity securities within the meaning of Art. 22 No. 6 (4) of the Commission Regulation (EC) No. 809/2004 of 29 April 2004 (the "Commission Regulation"), and (ii) the base prospectus in respect of Covered Bank Bonds (non-equity securities within the meaning of Art. 22 No. 6(3) of the Commission Regulation) (the two base prospectuses together, as supplemented on 13 April 2011 and on 30 August 2011, the "Supplemented Prospectus") (the Third Supplement together with the Supplemented Prospectus, the "Prospectus").



RAIFFEISEN BANK INTERNATIONAL AG
EUR 25,000,000,000 Debt Issuance Programme

This Third Supplement is supplemental to, and should only be distributed and read in conjunction with, the Supplemented Prospectus. Terms defined in the Supplemented Prospectus 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 Prospectus by this Third Supplement and (b) any other statement in or incorporated by reference in the Supplemented Prospectus prior to the date of this Third Supplement, the statements in (a) will prevail.

This Third Supplement has been approved by the CSSF and will be published in electronic form on the website of the Luxembourg Stock Exchange (www.bourse.lu). Raiffeisen Bank International AG has requested the *Commission de Surveillance du Secteur Financier* (the "CSSF") in its capacity as competent authority under the Prospectus Law to approve this Supplement and to provide the competent authorities in the Federal Republic of Germany and in the Republic of Austria with a certificate of approval (a "Notification") attesting that this Third Supplement has been drawn up in accordance with the Prospectus Law which implements the Prospectus Directive into Luxembourg law. The Issuer may request the CSSF to provide competent authorities in additional Member States within the European Economic Area with a Notification.

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.

To the extent permitted by the laws of any relevant jurisdiction neither the Arranger nor any Dealer accepts any responsibility for the accuracy and completeness of the information contained in the Supplemented Prospectus or this Third Supplement.

No person has been authorised to give any information or to make any representation other than those contained in the Supplemented Prospectus or this Third Supplement in connection with the issue or sale of the Notes and, if given or made, such information or representation must not be relied upon as having been authorized by the Issuer, the Dealers or any of them.

Save as disclosed in this Third Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Prospectus since the publication of the Supplemented Prospectus.

Copies of the Third Supplement, the Supplemented Prospectus and the documents incorporated by reference in the Supplemented Prospectus are available on the Luxembourg Stock Exchange website (www.bourse.lu).

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

IN ACCORDANCE WITH ARTICLE 13 PARAGRAPH 2 OF THE PROSPECTUS LAW INVESTORS WHO HAVE ALREADY AGREED TO PURCHASE OR SUBSCRIBE FOR ANY NOTES BEFORE THIS THIRD SUPPLEMENT IS PUBLISHED HAVE THE RIGHT, EXERCISABLE WITHIN TWO WORKING DAYS AFTER THE PUBLICATION OF THIS THIRD SUPPLEMENT, TO WITHDRAW THEIR ACCEPTANCES.

SUPPLEMENTAL INFORMATION

- 1) On page 110 of the Supplemented Prospectus, in the Chapter “**DESCRIPTION OF RAIFFEISEN BANK INTERNATIONAL AG**” the section “**1.1.3 Material recent events in the context of the Issuer’s business activities that are highly relevant for the evaluation of its solvency.**” shall be replaced with the following:

“The Issuer is not aware of any recent adverse events (i.e. occurring after the most recent audited financial statements/consolidated financial statements of the Issuer as of 31 December 2010 and the publication of the unaudited semi-annual financial statements as of 30 June 2011) in the context of its business activities that are highly relevant for the evaluation of its solvency.

The description of the Reorganisation in the following section 1.2 is relevant for the assessment of the Issuer’s solvency.

Nonetheless, the difficult overall macroeconomic environment with decreasing growth rates and negative forecasts, exchange rate volatility as well as the tense situation on the financial and capital markets, which has materially worsened compared to last year, naturally have had and may continue to have a negative impact on the Issuer’s business activity and results of operations, in particular also on the Issuer’s liquidity costs.

In particular, the following negative impacts with regard to the Issuer are described below:

Recent legal development in Hungary:

On 19 September 2011, the Hungarian Parliament passed the Home Protection Law. This law effectively allows foreign exchange mortgage debtors to repay their loans early out of savings or from new loans in Hungarian forint (“**HUF**”) at a rate notably lower than the current market rate (redemption at 180 HUF/CHF and 250 HUF/EUR respectively versus market rates of around 240 HUF/CHF and 290 HUF/EUR (as of 20 September 2011)). The loss caused by the difference between the “government fixed” rate and the market rate is required to be borne by the banks.

As of 30 June 2011, RBI had outstanding EUR 1,418 million of Swiss franc (“**CHF**”) mortgage loans to private households in Hungary. Generally, expert estimates of the overall proportion of CHF mortgage holders that will take up the early repayment option range from 5 to 40%. It is therefore difficult at this point in time to evaluate the exact economic impact of the new regulations on RBI, as this will be contingent on the number of people who decide to take up the option for early repayment and on the CHF / HUF exchange rate. The affected banks, including RBI, are in the process of evaluating and preparing their respective legal processes.

Exchange rate volatility:

Some of the currencies in which the RBI Group operates have been highly volatile in the past, which has had a negative impact on the RBI Group’s capital in these countries. The global financial and economic crisis has in particular caused a depreciation of certain CEE currencies, including the Russian rouble, the Belarusian rouble, the Polish zloty, the Ukrainian hryvnia and the Hungarian forint, against the euro which negatively affected equity and goodwill of the RBI Group’s local subsidiaries. However, the effect on the regulatory own funds ratios is partially compensated by the decrease of assets denominated in the aforementioned local currencies.”

- 2) On page 124 of the Supplemented Prospectus, in Chapter “**5. TREND INFORMATION**” the third to sixth paragraph shall be deleted and replaced with the paragraphs below.

“A negative statement to the effect that there has been no material adverse change in the prospects of the Issuer since 31 December 2010 cannot be given in view of the fact that the difficult overall macroeconomic environment with decreasing growth rates and negative forecasts, the currency situation as well as the tense situation on the financial and capital markets, which has materially worsened compared to last year, naturally have had and may continue to have a negative impact on the Issuer’s business activity and results of operations, in particular also on the Issuer’s liquidity costs.

In particular, the following negative impacts with regard to the Issuer are described below:

Recent legal development in Hungary:

On 19 September 2011, the Hungarian Parliament passed the Home Protection Law. This law effectively allows foreign exchange mortgage debtors to repay their loans early out of savings or from new loans in HUF at a rate notably lower than the current market rate (redemption at 180 HUF/CHF and 250 HUF/EUR respectively versus market rates of around 240 HUF/CHF and 290 HUF/EUR (as of 20/09/2011)). The loss caused by the difference between the “government fixed” rate and the market rate is required to be borne by the banks.

As of 30 June 2011, RBI had outstanding EUR 1,418 million of CHF mortgage loans to private households in Hungary. Generally, expert estimates of the overall proportion of CHF mortgage holders that will take up the early repayment option range from 5 to 40%. It is therefore difficult at this point in time to evaluate the exact economic impact of the new regulations on RBI, as this will be contingent on the number of people who decide to take up the option for early repayment and on the CHF / HUF exchange rate.

The affected banks, including RBI, are in the process of evaluating and preparing their respective legal processes.

Exchange rate volatility:

Some of the currencies in which the RBI Group operates have been highly volatile in the past, which has had a negative impact on the RBI Group's capital in these countries. The global financial and economic crisis has in particular caused a depreciation of certain CEE currencies, including the Russian rouble, the Belarusian rouble, the Polish zloty, the Ukrainian hryvnia and the Hungarian forint, against the euro which negatively affected equity and goodwill of the RBI Group's local subsidiaries. However, the effect on the regulatory own funds ratios is partially compensated by the decrease of assets denominated in the aforementioned local currencies.

New tax legislation in Ukraine

In April 2011, a new tax code was introduced in Ukraine. This new legislation was interpreted differently by banks and auditors compared to the tax authority. The new interpretation of the tax code by the Ukraine tax authority means essentially that losses carried forward by the local banks from previous loss-making years will not be recognized by the tax authority under the new code. Therefore, the authority advises the banks to write off 100% of tax assets, which may mean around EUR 31 million of additional tax expenses within this year for Bank Aval in Ukraine; this may also impact RBI Group's tax rate. As this code hits mostly foreign-owned banks that diligently built provisions and booked losses in 2009 and 2010, the local foreign-owned banks are jointly preparing a protest letter to the regulator to start a dialogue on this issue. If this leads to no results, each and every bank will have to protest the tax decision itself in court.

EU-wide stress testing:

The RBI Group has participated, directly and indirectly, in stress testing initiated by European authorities in the aftermath of the financial crisis.

In 2010, the portfolio of RBI Group was analyzed as part of the RZB Group, which participated in stress tests initiated by the Committee of European Banking Supervisors ("CEBS"), with the cooperation of the national financial supervisory authority. This stress test was based on year-end 2009 data and two-year scenarios. More than 90 European banks participated in the stress tests and the results were published at the end of July 2010. RZB clearly passed this test, showing capitalization well above the recommended minimum ratio even in a simulated continuing crisis. This was despite the fact that the risk scenarios used for the Austrian banks, developed specially by the Austrian Central Bank (OeNB), were significantly more rigorous than the original CEBS scenarios.

In 2011, RBI Group participated in an EU-wide stress test initiated by the European Banking Authority ("EBA") and involving national financial supervisory authorities. The 2011 stress test, in which 91 banks participated, was focused on the maintenance of a scenario-based core tier 1 ratio, total risk of at least 5%. The stress scenarios were determined on the basis of a two-year forecast period that is for 2011 and 2012. RBI passed the stress test according to a publication of EBA dated 15 July 2011. According to the publication, under the adverse case scenario, the estimated core tier I capital adequacy ratio of RBI (based on the definitions of EBA as outlined in the publication of EBA on 15 July 2011) would be approximately 7.8% at the end of 2012 compared with 8.1% at the end of 2010.

The RBI Group anticipates that regulatory authorities will continue to request and conduct similar stress tests and disclose the results or parts hereof to the public. If a bank fails to pass a stress test conducted or required by a banking regulator or the result is not perceived as satisfactory by regulators, market participants or rating agencies, this could trigger intervention by regulators, require the bank to increase its regulatory capital and could have a negative effect on the bank's cost of funding. Also loss of confidence in the banking sector following the announcement of stress tests in any of the countries in which the RBI Group operates as a whole or market perception that any such tests are not rigorous enough could have a negative effect on the RBI Group's cost of funding.

Bank levies:

Various countries have already implemented, or are expected to implement, bank specific taxes or levies. In Hungary, a bank levy was introduced in 2010. The bank levy is calculated on the basis of total assets, which in the case of the RBI Group resulted in a tax burden of EUR 41 million in 2010.

In Austria, a bank levy was introduced in December 2010 and has been effective as of 1 January 2011. The Austrian bank levy consists of two components, one of which is levied on total assets, the other on average derivative volumes in the trading book. The Austrian bank levy is deductible from corporate income tax and is expected to negatively impact the RBI Group's 2011 results by approximately EUR 90 million.

Other countries in which the RBI Group operates are currently discussing the implementation of similar bank levies or have already introduced them.

EU Financial transaction tax:

Sooner than expected, the European Commission has presented its proposal for a financial transaction tax, intended to take effect on 1 January 2014. Pursuant to such proposal, it is planned to introduce a 0.1 per cent. tax on bond and equity transactions and a 0.01 per cent. tax on derivative transactions. The proposed tax is aimed at transactions between financial institutions, such as banks, hedge funds and insurance companies, irrespective of whether such transactions take place on a stock exchange or not. Owing to the early stage of negotiations, the impact on the Issuer cannot yet be evaluated.

Basel III regulatory framework:

The RBI Group is subject to comprehensive banking and financial services laws, regulations, administrative actions and policies in each of the countries they operate in. In addition, the RBI Group is part of the RZB Group, which is subject to such regulation on a consolidated basis. Among other things, in each of these countries, the RBI Group's banking operations require a banking or similar license or must be notified to national regulators and the regulations include requirements that the Issuer and/or the relevant Network Bank maintain certain capital adequacy ratios and limit their exposure to certain risks, both on a RBI Group level and on the level of the Network Banks. All of these regulations are subject to change, particularly in the current market environment, where there have been unprecedented levels of government intervention and changes to the regulations governing banking and other financial institutions. In response to the global financial crisis, national legislators and supervisory authorities

as well as supranational organizations, such as the EU, have introduced or are considering significant changes to current regulatory frameworks, including those pertaining to capital adequacy and the permissible scope of banks' operations. As a result of these and other ongoing and possible future changes in the banking and financial services regulatory landscape, the Issuer and the Network Banks may face greater regulation, additional regulatory burdens and significant costs to implement such requirements in the countries where they operate.

Regulation of the banking and financial industry in Austria and the CEE countries has changed in recent years largely as a result of their implementation of applicable EU directives and in response to the economic crisis. In addition, a number of regulatory initiatives have recently been proposed, which would significantly alter the RZB Group's and the RBI Group's regulatory capital requirements. Recently implemented or proposed initiatives include (i) EU Directive 2009/111/EC or EU Capital Requirements Directive II ("**CRD II**"), which was implemented in Austria as of 31 December 2010, (ii) EU Directive 2010/76/EU or EU Capital Requirements Directive III ("**CRD III**"), which was implemented in part as of 1 January 2011, with remaining parts to be implemented by 31 December 2011 and introduces a number of changes in response to the recent and current market conditions and (iii) major revisions and additions to the existing Basel II framework ("**Basel III**") proposed by the Basel Committee on Banking Supervision (the "**Basel Committee**") in the aftermath of the financial crisis.

Among others, Basel III endorses:

- an increase of minimum regulatory capital requirements to be maintained by banks and banking groups, including an increase of the minimum Tier 1 and common equity Tier 1 capital (calculated in accordance with Basel III) ratios with common equity being the predominant part of Tier 1 capital, new requirements for hybrid instruments to qualify as Tier 1 or Tier 2 capital, the phasing out of Tier 3 capital, and revised rules for the deduction of certain positions from regulatory capital;
- higher capital charges for certain counterparty risk exposures including exposures arising from derivatives, repos, securities financing transactions and related activities;
- the introduction of a maximum leverage ratio (which is the ratio of a bank's capital to its total exposures);
- the introduction of a capital buffer beyond minimum capital requirements which can be drawn on in a downturn (capital conversion buffer), of a counter-cyclical buffer set by the relevant national regulator, and additional capital requirements for systemically important institutions; and
- increased liquidity requirements.

Within the EU and the EEA, the Basel III standards are expected to be implemented by means of a regulation and a directive (collectively commonly referred to as Capital Requirements Directive IV or "**CRD IV**"). While the directive must be transposed by member states into national law, the regulation will be directly applicable in the member states without the need for further action on the member state level. The new rules set out in CRD IV shall apply as of 1 January 2013 with full implementation finalized by 31 December 2023. It is expected that for certain of the new rules transitional provisions will apply and that the recognition of certain regulatory capital instruments currently qualifying as common equity Tier 1 or Tier 2 capital will only gradually phase out over a time period of several years.

While the participation capital provided by the Republic of Austria is expected to remain a fully recognizable financial instrument until 31 December 2017, certain of the RBI Group's capital instruments would no longer fulfill the new regulatory requirements for equity under Basel III as expected to be implemented via CRD IV and their recognition as eligible regulatory capital will be phased out gradually over a ten-year period beginning on 1 January 2013. In addition, the new CRD IV provisions are expected to increase the risk weightings of both individual asset classes and of the RBI Group's whole asset portfolio.

Some uncertainty remains around the implementation of certain of the above legislative changes. Insofar as certain of these measures are implemented as currently proposed, in particular the changes proposed by the Basel Committee and the CRD IV, they are expected to have a significant impact on the capital and asset and liability management of the RBI Group. This in turn would be expected to have a material adverse effect on the RBI Group's results, financial position and results of operations. Furthermore, bank regulatory authorities in countries in which the RBI Group operates may be authorized to prescribe capital adequacy requirements for credit institutions beyond the statutory minimum capital requirements under certain circumstances.

Capital Planning and Evaluation:

Against the backdrop of the Issuer's anticipated growth, further strengthening of the bank's capital structure and preparation for the changing regulatory requirements, the Issuer is, in its capital planning, evaluating whether a strengthening of the Issuer's equity is advisable. Depending on market developments, a capital increase may be a possible option within the next 12 months."

- 3) On page 150 in the Chapter "**GENERAL INFORMATION**" the heading and section "**Trend Information**" shall be deleted.