

ANNUAL REPORT

2013



Raiffeisen
BANK

Client inspired banking

Annual report 2013



Raiffeisen
BANK

Client inspired banking

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Survey of Key Data in accord with IFRS /IAS

CZK thousand	2013	2012	Change
Income Statement			
Net interest income after provisioning	4,439,908	4,459,139	(0.4)%
Net commission income	2,197,031	2,187,978	0.4%
Net profit on financial operations	1,280,922	1,443,588	(11.3)%
General administrative expenses	(6,918,848)	(5,598,257)	23.6%
Profit before tax	1,056,988	2,477,986	(57.3)%
Profit after tax	914,368	1,973,161	(53.7)%
Earnings per share	0.93	2.28	(58.9)%
Balance Sheet			
Loans and advances to banks	19,104,685	14,452,117	32.2%
Loans and advances to customers	155,059,207	150,138,242	3.3%
Deposits from banks	9,959,098	6,818,953	46.1%
Deposits from customers	146,589,575	144,143,741	1.7%
Equity	18,888,180	18,151,012	4.1%
Balance-sheet total	196,686,775	197,628,174	(0.5)%
Regulatory information			
Risk-weighted assets	138,460,367	120,216,978	15.2%
Total own funds	18,305,020	16,414,704	11.5%
Total own funds requirement	11,076,829	9,617,358	15.2%
Excess cover ratio	65.3%	70.7%	(5.4) PB
Tier 1 ratio - Basel II	10.9%	10.0%	0.9 PB
Own funds ratio	13.2%	13.7%	(0.5)PB
Performance			
Return on average equity (ROAE) before tax	5.9%	15.6%	(9.7) PB
Return on average equity (ROAE) after tax	5.1%	12.4%	(7.3) PB
Cost/income ratio	74.5%	56.7%	17.8 PB
Return on average assets (ROAA) before tax	0.5%	1.2%	(0.7) PB
Net provisioning ratio	0.8%	1.2%	(0.4) PB
Risk/earnings ratio	13.7%	18.2%	(4.5) PB
Resources as of 31. December 2013			
Number of staff	2,686	2,966	(9.4)%
Business outlets	123	125	(1.6)%

Unconsolidated data according to IFRS.

Introducing Raiffeisenbank

Since 1993, Raiffeisenbank a.s. (RBCZ) has provided a wide range of banking services to private and corporate clientele in the Czech Republic. Raiffeisenbank serves clients at more than 120 branch offices and client centres and provides services through specialised mortgage centres and private, corporate and business advisors.

The bank's total assets are close to CZK 200 billion, and according to this indicator, Raiffeisenbank is the fifth largest bank on the Czech market.

The bank's range of outstanding services is awarded by many prizes both in the Czech Republic and abroad. Raiffeisenbank is regularly awarded for its dynamic approach. As for products, eKonto is traditionally assessed as the best account in the Czech Republic, and Internet banking is also considered to be the best on the market.

Raiffeisenbank in the Czech Republic focuses mainly on premium clients, that is to say, clients with higher incomes who are interested in the management of their finances. In this respect, the bank emphasises the quality of the services it provides and has expanded on its range of products, expert consultation, and long-term financial planning. As such, it regularly introduces many new products to the Czech market. In recent years, it has introduced the new eKonto or a new portfolio of credit cards and launched a service for managing accounts via smart phones. Thanks to the scope of these services and benefits, they were immediately ranked among the best on the Czech market.

Raiffeisenbank's majority shareholder is Raiffeisen Bank International AG (RBI), which resulted from the October 2010 merger between Raiffeisen International and a part of RZB. RBI provides services to corporate and investment clientele in Austria and also serves clients in many countries in Central and Eastern Europe. The group's shares have been listed on the Vienna Stock Exchange since 2005. The majority owner of Raiffeisen Bank International is RZB, the remainder is in free float.

The Raiffeisen group regularly receives awards from the prestigious journals Euromoney, Global Finance and The Banker for the "Best Bank in Central and Eastern Europe". In addition, the network banks are awarded for the best banks in the specific countries of the region.

From the very beginning, Raiffeisenbank has offered its services with emphasis on the particular needs of clients in the various regions. Besides its business activities, Raiffeisenbank is also involved in a number of community service activities related to culture, education and charity, reflecting Raiffeisen's 140-year tradition.



Important events in 2013

January

Raiffeisenbank introduces new tariffs. The eKonto KOMPLET account offers an all-inclusive account for one transparent fee: account management, including sub-accounts for up to nine foreign currencies, two payment cards, a credit card, Internet banking, authorised overdraft, a savings account, casualty insurance, and smart phone banking that was awarded the best mobile financial application of 2013. Clients also get an unlimited number of electronic domestic incoming and outgoing payments, an unlimited number of withdrawals from all ATMs in the Czech Republic and abroad and cash deposits. eKonto KOMPLET quickly becomes a favourite among clients. Approximately 100,000 clients open the account during the year.

When withdrawing money, clients may now freely select the combination of banknotes at all Raiffeisenbank ATMs. In addition, ATMs will notify clients of the upcoming expiration of their payment cards.

March

New debit cards use contactless payment technology. The bank introduces three new types of debit cards: BASIC electronic card, an embossed STANDARD card, and a prestigious GOLD card. The new design of all three cards is based on the QR code. Moreover, the QR code on the back side of the card is connected with the Help the Children web page.



April

Considering the current low level of interest rates, clients are looking for an alternative to savings accounts or time deposits. Therefore, Raiffeisenbank last year regularly introduces new investment products. Clients are mainly interested in guaranteed certificates and secured mutual funds. In addition, the creation of a 100% subsidiary, Raiffeisen investiční společnost, is associated with the bank's strong expansion into investment products. The new subsidiary obtains a licence in April and launches its first investment products on the market last year.

The general meeting of Raiffeisenbank a.s. decides to increase the capital of the bank, which allows the bank to continue with further expansion. The shareholders increase the registered capital by CZK 835.4 million to CZK 10.192 billion. All shareholders contribute to the capital increase in proportion to their shares. Hence, the shareholder structure does not change.

In addition, Raiffeisenbank improves its consumer loan Quick Loan by rewarding clients who make regular payments on their loans for the whole year. The bank rewards clients for regular payments in relation to the duration and amount of the loan. The longer the loan period and the higher the value of the loan, the higher the amount returned in the end. It is possible to receive back as much as CZK 50,000. Clients very much appreciate this type of reward. The amount of loans drastically increase after launching this product. In the autumn, the bank extends this offer to business loans.

June

Mobile eKonto from Raiffeisenbank, a smart phone banking account application, is awarded the best financial mobile application. The product is awarded in particular for its unique services, higher security and user friendliness. Success in the Mobile Application of the Year survey is even more significant considering that clients decide on the winner. The goal of the survey is to find the most popular and innovative application for mobile telephones in various categories. Mobile eKonto wins in the category of financial applications.

August

The bank's strategy focusing on entrepreneurs and smaller companies is reflected in preferential financing. Raiffeisenbank obtains EUR 100 million from the European Investment Bank (EIB) for financing small and medium-size enterprises. These funds are earmarked primarily for medium-size firms with a maximum of 250 employees. Thanks to cooperation with the EIB, the terms of the loans are more advantageous for clients.

September

Raiffeisenbank is a bank for businesses. Therefore, clients with business tariffs from Raiffeisenbank pay substantially less for incoming and outgoing SEPA payments and Euro payments. The price for these foreign payments is reduced to CZK 50 per transaction, which is a discount of 75%.

October

From 1 October, the Board of Directors of Raiffeisenbank is complete. Vladimír Kreidl, responsible for retail banking, and Jan Pudil, responsible for the Treasury, join the bank's management. With this step, Raiffeisenbank continues to focus on quality products and services for premium clients and building relationships with its customers.

November

With Advisory Mortgages, Raiffeisenbank now offers a unique service which helps clients when investing in their own real estate. Advisory Mortgages, among other things, monitor the state of the real estate and help clients negotiate discounts on purchased flats or houses. The average savings for clients in the pilot operation reaches CZK 113,000. The highest discount is CZK 660,000. Advisors uncover technical defects worth on average CZK 323,000 per flat. Advisory Mortgages fully correspond to the bank's concept geared to the quality of services and advice.

December

Raiffeisenbank a.s. celebrates its 20th anniversary on the Czech market. In 1993, the bank had two branch offices and 39 employees. After a period of 20 years, the bank now has assets of CZK 190 billion, 123 branch offices throughout the Czech Republic, and employs approximately 3,000 people, making it the fifth largest bank on the Czech market.



CEO's Statement

In 2013, Raiffeisenbank celebrated its 20-year anniversary in the Czech market. From a bank with two branches and 39 employees in 1993, Raiffeisenbank has developed into the fifth largest bank with assets of CZK 190 billion, 123 branch offices throughout the Czech Republic and about 3,000 employees.

In my opinion, this is a remarkable success story, especially in the light of the ongoing economic crisis. I am proud to be a member of this successful team that handled the internal and external challenges we faced throughout last year very well. Economically, we ended last year according to our expectations – we managed to continue to strengthen our position in key product areas, we introduced a number of new products and services to the market, and last but not least, we consolidated our internal banking team.

I am very pleased at how we managed 2013, because it was not one of the easiest years in the bank's history. Last year, Czech banks have been exposed to various unfavourable effects. There was a relentless decline of interest margins, particularly in respect of deposits and regulators maintained their pressure on stronger capital. Then there were also the fight of several business-seeking individuals against banking fees as well as the preparations for the enacted Civil Code. The economic results of the bank adversely affected the interruption of the bank's IT transformation. With respect to the austerity measures of our parent company, which announced the programme Fit for the Future, and the growing costs of IT transformation, we decided to interrupt this project and to record all of the costs in 2013. In future years, this factor will not have any impact on the economic results of the bank.

Awards in 2013

Raiffeisenbank received a number of awards last year, proving the success of our business model. I am pleased that the awards are in areas in which our bank specializes, namely strong consultancy, quality services and security.

In 2013 we were named as the bank with the best mortgage sales in a study by Market Vision. Our mobile application eKonto Mobile was awarded as the best financial application of the year and in the competition Safe Loan Navigator, we defended our first place from the previous year. In addition, our eKonto has a solid and stable position that was assessed in several surveys as being one of the best accounts in the Czech Republic.

Focus on Premium Clients, Businesses and Investment

In 2013, we continued to focus on strengthening our strategy for premium and corporate clients. As such, we want to concentrate in particular on the quality of our advisory services, investment products and long-term financial planning, which are the three areas we want to mainly focus on in the future.

We started to offer our clients a new all inclusive accounts with many superior services for one transparent fee. We launched services for Raiffeisen investiční společnosti and regularly introduced new investment products throughout the year. In the area of consultancy, we continued to soar above the traditional banking world with our rewarded advisory mortgages service, that consults the client on many topics related to the purchase of a new home.

These are precisely the services clients appreciate, where they have a reliable partner like Raiffeisenbank that is not only interested in a making a profit but also wants to generate long-term relationships.

I have the vision of further developing our bank into a reliable partner bank for entrepreneurs to strengthen our position in this market area. Hence, last year, we offered businesses many new products and services, such as advantageous foreign payments, new accounts for start-ups and favorable loans. At the beginning of 2013, we also introduced a new account eKonto Živnost that combines the advantages of a business and a private account.

Similar to private individuals, we continue to focus on improving the quality of our service in the corporate sector and to offer superior support that exceeds our clients' expectations. We launched, for example, the consultancy concept "CFO Advisory" that focuses on operational advice for our clients. In order to support companies in their successful and responsible growth, we have also obtained a new credit facility from the European Investment Bank.

In the area of large corporate clients, we managed last year to negotiate a number of new credit cases for new development projects and export financing. In addition, we offer many of our clients methods of financing that are alternatives to traditional corporate loans – we participated in many corporate bond issues, and we closely cooperated with our leasing company.

The private banking brand Friedrich Wilhelm Raiffeisen is also strongly established on the market. We have experienced significant growth among private clients, and we have successfully increased the volume of assets in this area. We regularly offer our private clients a number of new investment opportunities, including alternative investments such as various corporate bonds or start-up support.

Priorities for 2014

In 2014, we will continue to strengthen our bank's position by focusing on premium and corporate clients. We want to further develop our consultancy and financial planning concept, and we will also strengthen our position in investment products. We will regularly introduce new investment products and expand and improve on services that have the highest added value for our clients. We will also continue to develop product and service innovations that benefit our clients and our bank. Excellent examples of such initiatives put into practice last year include "Advisory Mortgages" and "CFO Advisory". Both initiatives are examples of how we have taken a simple idea and developed it into a product that clients highly appreciate.

Raiffeisenbank is and will remain very stable and has growth potential. With respect to the interruption in the above-mentioned IT project, in addition to strengthening our strategy geared to premium clients and businesses, we will focus on simplifying the bank's IT structure. Cost discipline, not only in the area of IT, will continue to be one of our main priorities.

The basis of our work is to have the "client at heart"

The basic motto, from my viewpoint on banking, is to always have the "client at heart". I want us to continue to develop the quality of the services offered to clients and to be a reliable partner for their sustainable growth. The ongoing improvement of client satisfaction is a key factor of our success, and I also want to thank our clients for their confidence in us over the last 20 years.

The rapid growth and all of the success on the Czech market would not have been possible without the support of our shareholders. Raiffeisenbank is a member of one of the strongest banking groups in Central and Eastern Europe. The strength and stability of the Raiffeisen Banking Group also contributes to our growth here in the Czech Republic.

In the introduction, I provided several figures relating to the development of the bank over the past 20 years. Behind these figures stands the immeasurable effort of all of our employees who have worked for the bank in these 20 years. I am very proud that we have several colleagues who have been with the bank since the beginning, which speaks for our strong corporate culture. I would like to sincerely thank not only these colleagues, but all employees for helping us write such a successful story over the past two decades. Today our bank is in an excellent condition with respect to liquidity and capital, its brand has a strong and positive reputation on the market, and it has the best people working for it.

I appreciate the energy, ideas, and cooperation that all of you have contributed in order to constantly improve our bank. Thank you for everything that you have done for our clients. After all, they are the reason we are all here.



Mario Drosč
CEO and Chairman of the Board of Directors
Raiffeisenbank a.s.



Raiffeisenbank's Board of Directors in January 2014, from left: Vladimír Kreidl, Miloš Matula, František Ježek, Mario Drosč, Rudolf Rabiňák, Jan Pudil and Milan Hain.

Corporate Social Responsibility Report

Raiffeisenbank a.s. is a dynamic and developing bank, and one of the most important Czech financial institutions. As such, it does not only want to provide its clients with quality and unique services, but it is also aware of its social responsibility.

The traditional emblem and trademark of the Raiffeisen Group is the Giebelkreuz - crossed horse heads. For hundreds of years, the Giebelkreuz has adorned the facades of buildings throughout Europe and is a symbol of protection for families gathered under one roof against evil and life-threatening situations. Raiffeisenbank is also a symbol of security and stability for its clients.

Sponsoring

In keeping with the tradition of the Raiffeisen name, reaching back to the middle of the 19th century, we were engaged last year in many community service activities. Although we mainly focus on education and charity, we also support cultural and sports programmes and health projects. The overall amount invested in this support is approximately two million per year.

In addition to the above-mentioned main projects, the bank contributed last year to other charity organisations, such as the Hear-Impaired Association and the civil society VillaVallila. In the area of education, the bank supports several schools, ranging from nursery schools to universities. The bank is also an occasional partner for Junior Achievement, economic educational programmes at primary or secondary schools, and cooperates with the applied primary school Ružinovská and a high school in České Budejovice.



During this year's golf and tennis tournament, Raiffeisenbank's private and corporate clients could contribute their putts or strokes to the charity project Help the Children. The bank doubled the final amount, and upon finishing the tournament series, the CEO of Raiffeisenbank, Mario Drosch, and member of the Board responsible for corporate banking, Rudolf Rabiňák, handed over a cheque to the representatives of Help the Children for CZK 112,000.

Raiffeisenbank's main activities in the area of CSR for 2013 included the following projects:



Good Angel

Assists families with children in situations where a member of the family suffers from cancer, and as a result, the family has experienced financial problems. The foundation's operations are financed from private donations. One of the first good angels was Lubor Žalman, who also helped in establishing the foundation. Raiffeisenbank became the foundation's banking partner in 2012, and by the end of the year, several dozen employees had become Good Angels.



Konto bariéry

Assists handicapped citizens - adults and children. The project helps the handicapped live a full life. Konto bariéry belongs to the eKonto charity programme. In addition, the bank financially supports the largest golf tournament in the Czech Republic for handicapped citizens, organised by Konto bariéry.



Help the Children

A long-term charity collection project organised by Czech Television and the Civil Society Development Foundation. It focuses on threatened and disadvantaged children up to 18 years of age. The bank has been a partner since 2009. In addition to contributions, it also manages the project's financial resources. From the beginning, Raiffeisenbank has supported the collection project and the foundation with more than CZK 3 million.



Mathematics with an Appetite

The bank has been cooperating with the project Mathematics with an Appetite since the beginning of the 2012/2013 school year. As a part of this initiative, supported not only by our bank, but by many other important firms, primary and secondary school children engage in solving various mathematical tasks in an entertaining way and outside the ordinary school curriculum.



Czech Innovation

In 2011, the bank became one of the founding members of the initiative Czech Innovation, where the private sector, universities and the government join forces in order to support the long-term development of innovation and innovative culture in the Czech Republic. The initiative primarily promotes schools. Raiffeisenbank is a partner for the category of the best start-up as a part of the Czech Innovation festival.

Report of the Supervisory Board of Raiffeisenbank a.s.

- 1) The Supervisory Board carried out its tasks in accordance with Sections 197-200 of the Commercial Code, as amended, the Articles of Association of Raiffeisenbank a.s., and its rules of procedure. The Board of Directors presented reports on the bank's operations and its financial situation to the Supervisory Board at regular intervals.
- 2) The financial statements were prepared in accordance with International Accounting Standards.
- 3) The financial statements were audited by "Deloitte Audit s.r.o.". In the opinion of the auditor, the financial statements accurately reflect in all material respects the financial position, assets and liabilities, and equity of Raiffeisenbank a.s. as of 31 December 2013 and the results of its operations for the year International Accounting Reporting Standards as adopted by the EU.
- 4) The Supervisory Board examined the financial statements and the Report on Related Party Transactions 2013, including the proposed allocation of earnings, accepted the results of the audit of the financial statements for 2013, and recommended that the General Meeting approve them.

Statutory and Supervisory Bodies

Board of Directors

Chairman of the Board of Directors

Mario Drosc

born 13 December 1968
residing at: Irská 796/5, 160 00 Prague 6
Chairman of the Board of Directors and CEO since 1 January 2013. Member of the Board of Directors of Raiffeisenbank a.s. originally responsible for retail banking starting in 2006, then Vice-Chairman of the Board of Directors responsible for trade. He joined the Board of Directors of Raiffeisenbank from the Slovak bank VÚB, where he held the position of member of the board of directors responsible for retail banking. Prior to this, he worked at Komerční banka and at McKinsey&Company, among others.

Chairman of the Steering Committee

Chairman of the Real Estate Investment Committee



Members of the Board of Directors

Rudolf Rabiňák

born 21 February 1958
residing at: K Tuchoměřicům 146, 164 00 Prague 6
Since April 2001, he is a member of the Board of Directors of Raiffeisenbank a.s. responsible for corporate banking. Prior to his appointment, he worked nine years at Citibank a.s.

Jan Kubín

born 19 January 1973
residing at: Na Rovnosti 14A/2742, 130 00 Prague 3
Member of the Board of Directors of Raiffeisenbank since July 2007, responsible for Operations and Asset Management. He has been working at Raiffeisenbank since 2004, at which time he was appointed to the position of Financial Director. Prior to joining Raiffeisenbank, he worked six years as a consultant and project manager at McKinsey&Company.

Note: Jan Kubín's membership in the Board of Directors was terminated on 31 December 2013 and he was replaced by Miloš Matula.

František Ježek

born 5 April 1972
residing at: Česká 1135/5, 158 00 Prague 5 - Košíře
Member of the Board of Directors responsible for Risk Management since October 2012. Prior to joining Raiffeisenbank, he worked at the Viennese headquarters of Raiffeisen Bank International as the head of retail risk for all of the 15 markets in Central and Eastern Europe. Prior to working at RBI, he worked at Multiservis and in the GE Money group.

Chairman of the Credit Committee

Chairman of the Committee for Operations Risk Management

Chairman of the Non-performing Loans Committee

Chairman of the Retail Risk Management Committee

Milan Hain

born 27 November 1962
Residing at: Suchá 10, Bratislava, Slovakia
Member of the Board of Directors responsible for IT since 1 January 2013. Prior to joining Raiffeisenbank, he held various IT management positions at Slovak telecommunications companies, such as Slovak Telecom. Prior to this, he worked in various management positions at Všeobecná úverová banka.

Jan Pudil

born 20 December 1969
residing at: Kotorská 36/1579, 140 00 Prague 4
Executive Director for the Treasury and Investment Banking since October 2010. Since 1 October 2013, member of the Board of Directors responsible for the Treasury and Investment Banking. Prior to joining Raiffeisenbank, he worked eight years in London at BNP Paribas S.A., the last four years of which he was in the position of Head of EMEA, FX and Linear Rates Trading.

Chairman of the Investment Committee for Asset Management

Vladimír Kreidl

born 23 April 1974
residing at: U Starého židovského hřbitova 17, 150 00 Prague 5
Member of the Board of Directors and Executive Director responsible for Retail Banking since 1 October 2013. Prior to joining Raiffeisenbank, he worked at McKinsey&Company starting from 2001, since 2008 as a partner. From 1995 to 2000, he worked at Patria Finance, a.s., eventually as a partner.

Chairman of the Pricing and Interest Committee

Supervisory Board

Herbert Stepic

Residing at: Hertlgasse 1, 1160 Vienna, Austria
born 31 December 1946

In 1995, he was appointed Managing Director in Raiffeisen Zentralbank Österreich AG. He has worked in the Raiffeisen Zentralbank Österreich AG Group since 1973. From 2001 to 2013, he was the CEO of Raiffeisenbank International AG.

Peter Lennkh

Residing at: Testarellogasse 14/12, AT-1130 Vienna, Austria
born 10 June 1963

Member of the Supervisory Board since October 2013. Prior to this, he was a member of the Supervisory Board of Raiffeisenbank a.s. from 2005 to 2007. In 1988, he joined Raiffeisen Zentralbank AG, and since that time, he has worked in various positions in the group. Since 1 January 2005, he is a member of the Board of Directors of Raiffeisen Bank International AG, now responsible for Corporate Banking.

Aris Bogdaneris

Residing at: Lainzer Strasse 77, 1130 Vienna, Austria
born 26 October 1963

He started his career in 1988 at Citibank in Toronto, Canada. From 1992, he worked for ABN AMRO Corporate Finance in Budapest and Warsaw as an investment banker focusing on Central and Eastern Europe. At the beginning of 1995, he was employed at the headquarters of General Electric in the USA and was involved in various projects in the USA, Asia and Europe. In 1998, he became the Executive Director for operations at Budapest Bank (100% subsidiary of GE Capital), where he was then appointed as deputy CEO and member of the Board of Directors responsible for retail banking. In 2004, he became a member of the Board of Directors of Raiffeisen Bank International AG.

Kurt Bruckner

Residing at: Pressgasse 31/31, 1040 Vienna, Austria
born 4 February 1955

He has worked at Raiffeisen Zentralbank AG since 1984 in various managerial positions relating to credit risk management. Since 2004, he has been working at Raiffeisen International in the position of Head of Risk Management – Corporates and LRGs.

Peter Novák

Residing at: Brezová 27, 90023 Viničné, Slovakia
born 16 February 1970

Member of the Supervisory Board since May 2012. He has more than 18 years of experience in IT, Operations and shared service centres in the banking industry and telecommunications, of which eight of these years in senior management positions. Since 2007, he has been working at Tatrabanka a.s. as a member of the Board of Directors responsible for IT and operations. Since 2011, he has been working at Raiffeisen Bank International, Vienna, in the position of Managing Director, International Operations and IT.

Reinhard Schwendtbauer

Residing at: Lukasweg 23, AT-4060 Leonding, Austria
born 11 September 1972

Member of the Supervisory Board since April 2013. Since 1997, he has worked at Raiffeisenlandesbank Oberösterreich as the Head of the Secretariat of the Board of Directors. From 1999 to 2000, he worked at the Federal Ministry of Agriculture and Forestry. From 2001 to 2012, he was managing partner and shareholder in Finadvice Österreich, Linz. Since April 2012, he is a member of the Board of Directors of Raiffeisenlandesbank Oberösterreich Linz.

Petr Rögner

Residing at: Lucemburská 10, 130 00 Prague 3 - Vinohrady, Czech Republic
born 15 March 1951

Member of the Supervisory Board of Raiffeisenbank a.s. since 12 May 2011. He has worked at Raiffeisenbank a.s. since 2002 and currently works in the position of quality management specialist. He worked in the past at Citibank a.s. in the position of Head of the Cash Management department.

Michal Přádka

Residing at: Starodvorská 525, Krmelín, 739 24, Czech Republic
born 6 January 1977

Member of the Supervisory Board of Raiffeisenbank a.s. since 12 May 2011. He has worked at Raiffeisenbank a.s. since 2007 in the position of Regional Director – North Moravia. He worked in the past at eBanka, a.s. in the position of Division Director Ostrava.

Tomáš Jabůrek

Residing at: K Dubinám 327/17, Prague 4, Czech Republic
born 23 January 1977

Member of the Supervisory Board since May 2012. From 1999, he worked at eBanka, a.s. in IT, in the end as Director of IT administration and operations. Since 2007, He has worked at Raiffeisenbank a.s. in the position of Head of IT Operations.

Report of the Supervisory Board

Ladies and Gentlemen,

After years of extremely low or even negative growth, 2013 finally showed the first signs of an economic recovery in the Eurozone and Central and Eastern Europe alike. We also saw an increasing shift of economic growth to Central Europe with Poland, Czech Republic and Slovakia taking on a leading role in the region. In addition, political decisions about the future of the European Banking Union were finally made and provided more clarity for the European banking sector. However, the business environment for banks remained difficult. Especially the short-term raising of equity capital requirements and various complex regulatory requirements, as well as banking levies, have been and continue to be an additional burden on banks leading to restricted lending.

In autumn 2013 RBI Group launched the program "Fit for Future 2016" with the goal to lower costs to the level of 2012 by the year 2016. This means that over the next three years we will more than offset inflation and save around EUR 450 million in total. We were also very satisfied with the EUR 2.78 billion result of the recent capital increase. The higher free float makes our shares even more attractive for both private and institutional investors. The proceeds will be used to achieve our goal, for the coming 12 to 18 months, of achieving a fully-phased in Basel III CET 1 ratio of 10.0 per cent by the end of the transition period. Both actions were taken in order to support our successful business model across the region and guarantee a sustainable development of the Group in this still challenging environment. Hence, the RBI Group is proud of posting a profit before tax of EUR 835 million.

Last year, we identified six markets, where we wanted to put our future focus on, and I am glad that Czech Republic is one of them. Recent years of financial crisis proved, that Raiffeisenbank a.s. is very well established on the Czech market, which is a stable, well developed and competitive market. I am very proud of our 20-year presence in the Czech Republic, which we celebrated in December 2013. We have been organically growing, from 2 branches in 1993 to more than 120 branches in 2013, and hold a very strong position within our target areas.

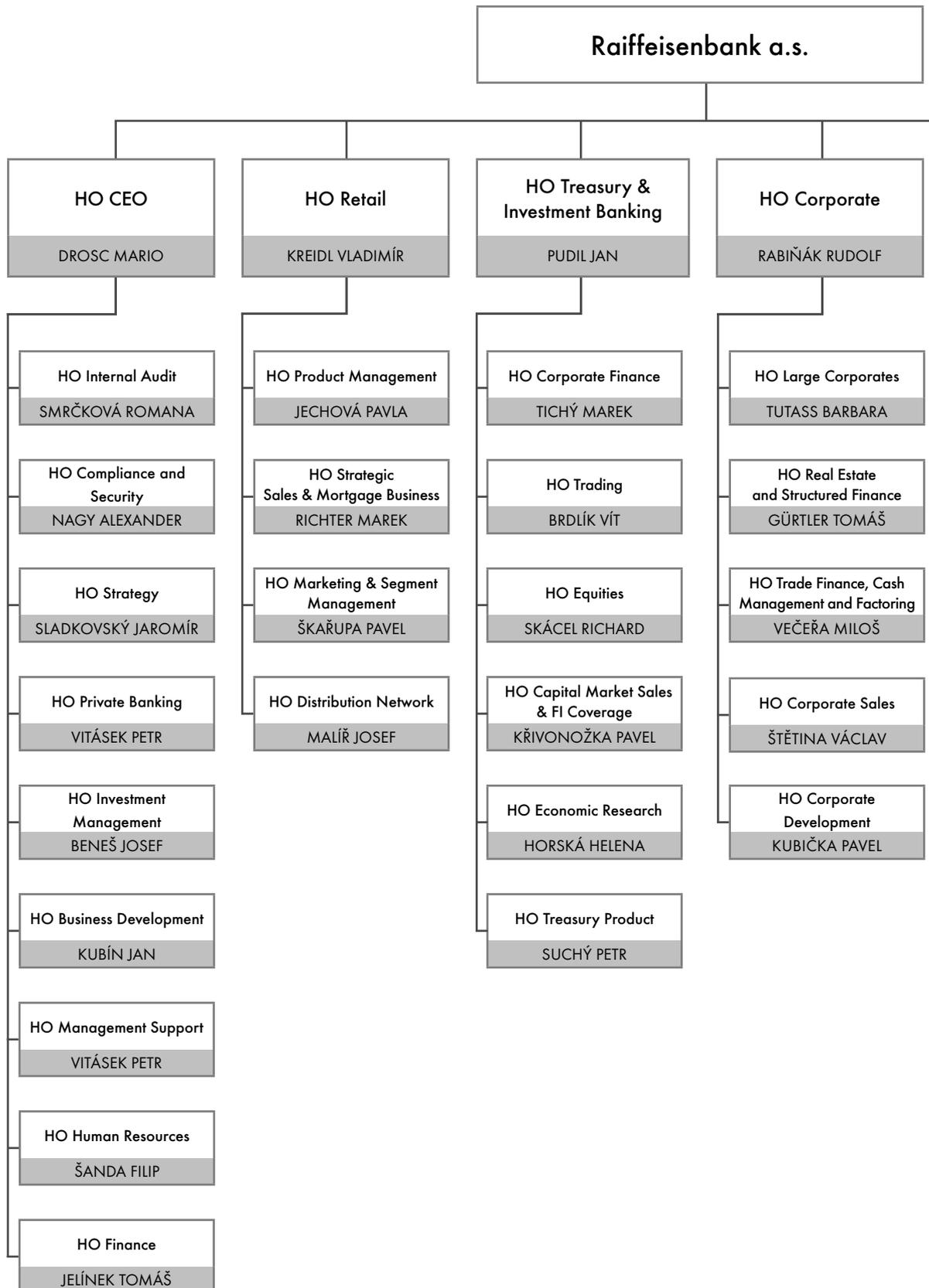
The year 2013, was not easy for the whole Czech market, mainly due to the ongoing falling of interest margins. As a result we had to put the introduction of a new IT system on hold for the time being which led to one-off costs. Nevertheless our outlook for the bank and its future potential is very positive.

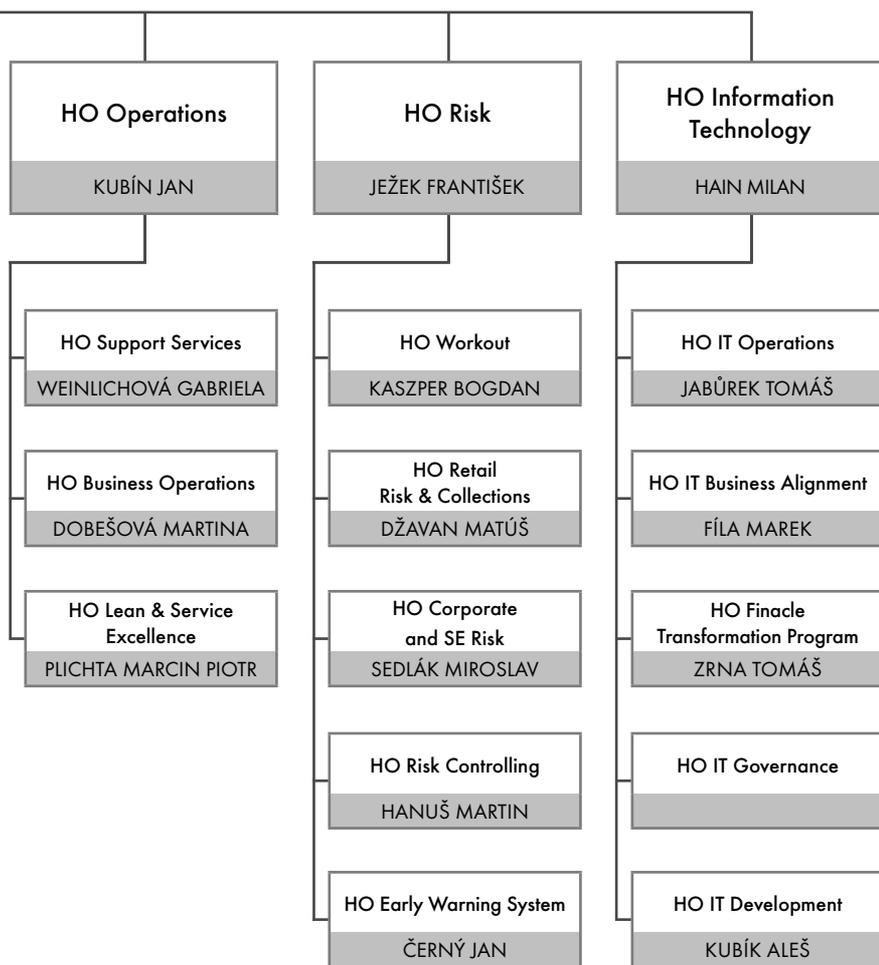
Let me take this opportunity to thank all employees of Raiffeisenbank a.s. for their hard work in this continuously challenging environment and their constant efforts to serve our customers and bring benefits to the entire Raiffeisen Group.

On behalf of the Supervisory Board,

Peter Lennkh
Supervisory Board Member

Organisational Chart





Economic development

2013 – Weakening recession

Signs of optimism appeared during 2013 that the recession was coming to an end and that recovery was on the way. The confidence of businesses and the leading manufacturing indicators in the USA and Europe had begun to improve significantly. In the spring, the Federal Reserve Bank announced that it would consider gradually restricting the purchase of bonds on the market. This caused a wave of closeouts on developing markets. Government bond yields in the USA and Europe were rising. The shares of developed economies were also increasing. The Japanese index reached a six-year maximum thanks, among other things, to a weak yen – the result of the extremely liberal monetary policy of the Bank of Japan. The American stock exchange had also reached an historical maximum. When the Fed announced in mid-December 2013 that it would gradually reduce bond purchases starting in 2014, the markets accepted this without any fuss. In mid-December, a compromise was reached between the Democrats and the Republicans following complicated negotiations on the federal budget for 2014. Thanks to this, the USA avoided an unpleasant government shutdown that it had experienced in the autumn of 2013. Low inflation in the Eurozone and fears of possible deflation prompted the European Central Bank (ECB) to reduce the intervention rate to 0.25%. This did not stop the continual decline of loans in the Eurozone. Europe continued its preparations for the banking union, approving the rules at the end of the year for engaging owners and investors in the bailout of banks (referred to as “bail-in”). Another success was Ireland withdrawing from the financial aid programme.

End of recession in the Czech Republic

The economy had started to recuperate from the recession without the help of fiscal policy or supplementary stimuli from monetary policy. Domestic demand had stabilised, and the process of renewed inventories had begun. There was another recovery incentive at the end of the year in the form of increased private consumption due to fears of price increases after the weakening of the crown.

Investment activity remained weak, and will recover during 2014. The leading manufacturing indicators have continually shown recovery since the beginning of the year. After a hesitant start in the first half of 2013, industry pick up momentum, and its tempo at the end of 2013 corresponded to the beginning of 2011, at which time the economy started to expand. This was unfortunately short lived. The situation should be different this time – thanks in particular to a more stable Europe, a growing US economy, and last but not least, the weakening crown. Automobile manufacturing was primarily behind the start-up in Czech industry. New contracts have been created (not only in the automobile industry), and industrial data from Germany promise additional growth. While industry had started up at the end of 2013 at an unexpected tempo, construction is still experiencing hard times. It is mainly suffering from a lack of large government contracts. Smaller residential building projects are not able to save the situation. It is not possible at this time to talk about recovery in the construction industry.

End of fiscal consolidation

The state budget for 2013 ended with a deficit that was almost CZK 20 billion lower than originally approved. The result (CZK -81.3 billion) is the lowest deficit since 1998. However, there is no reason for rejoicing. It follows from the budget structure that savings were made mainly in the investment expenses that were lacking primarily in the construction industry. In addition, ordinary spending was restricted. The balance for the overall government sector dropped to -2.5% of GDP. However, in 2014, a higher deficit for the state budget and addition expenditure growth can be expected. Hence, the fiscal consolidation phase will come to an end. The new government has resigned in its efforts to restrict the structural deficit, which reflects the actual structure of the budget without taking into account the real phase of the economic cycle.

The yields on Czech government bonds with longer maturities finished in 2013 above the level of 2012. On the contrary, yields on bonds with short maturities have not significantly changed. The reason for this is the Czech National Bank's continued liberalisation of monetary policy and the outlook for the fixed long-term two-week interest rate. Investors continue to perceive the Czech Republic as a country with low risk.

Economic Development					
	2009	2010	2011	2012	2013*
GDP per capita, PPS	19,373	19,696	20,344	20,671	20,981
GDP, % change	-4.4	2.3	1.8	-0.9	-0.9
Industrial output, % yoy	-13.4	10.1	6.9	-1.2	0.5
ILO general rate of unemployment, % avg	6.7	7.3	6.7	7.0	7.0
CPI, % change, avg	1.0	1.5	1.9	3.3	1.4
Trade balance, % of GDP	4.0	3.2	5.0	7.9	9
Current account balance, % of GDP	-2.4	-3.9	-2.9	-2.4	-1
Net foreign direct investment, % of GDP	1.0	2.5	2.0	4.7	0.6
Budget balance, % of GDP	-5.8	-4.7	-3.2	-4.4	-2.5
Public debt, % of GDP	34.5	38.4	41.4	46.2	46.3
Official FX reserves, EUR bn eop	28.9	31.8	31.1	33.9	40.8
Import cover, months	4.0	3.5	3.5	3.6	4.9

Sources: Czech Statistical Office, Czech National Bank; *estimate Raiffeisen RESEARCH

Data according to bank's report to Czech National Bank.

The centre-left replaces the centre-right coalition

The political scene had experienced the most turbulence in 2013. After resignation of the Prime Minister, Petr Nečas, Jiří Rusnok was appointed head of the government. However, he did not gain the confidence needed for his team in the Chamber of Deputies, and so premature elections were called at the end of October. The winning party in the elections was the Social Democrats. Following long negotiations, which were agitated initially by a personal crisis inside the winning Social Democratic party, a coalition was formed between the Social Democrats, the ANO movement and the Christian Democrats with a 111/200 majority in the Chamber of Deputies. Bohuslav Sobotka became the new prime minister. The new government promises to "reconstruct the country" - to improve the functioning of the country, reduce corruption, etc.

Low inflation – cause of the intervention against the crown

A steady drop in inflation to 1% and an uncertain economic outlook prompted the CNB to make a pivotal decision: to intervene against the Czech crown. The November intervention sent the exchange rate for the Czech crown to a level above CZK 27/EUR. Within a few days, the central bank purchased on the foreign exchange market approximately EUR 6 billion (almost CZK 225 billion). At the end of the year 2013, the crown was around CZK 27.40/EUR without the CNB's intervention.

Helena Horská,
Chief Economist Raiffeisenbank a.s.

Raiffeisenbank's market position

We have predicted for 2013 only a slight recovery in economic growth that does not allow for significant business development, an environment of continued low interest rates, fierce competition in the banking sector, and the continued need to strictly control the costs of banks. Our prediction has been fully realised. In addition, the CNB has intervened in the exchange rate of the Czech crown which stimulated the financial markets at the end of last year.

On the other hand, 2013 was not an unsuccessful year for the Czech banking sector. It remains financially strong, profitable, solvent and prepared to meet all regulatory requirements of the European Union. In particular, it achieved the best results in mortgage transactions and direct distribution channels, where innovative processes are constantly taking place.

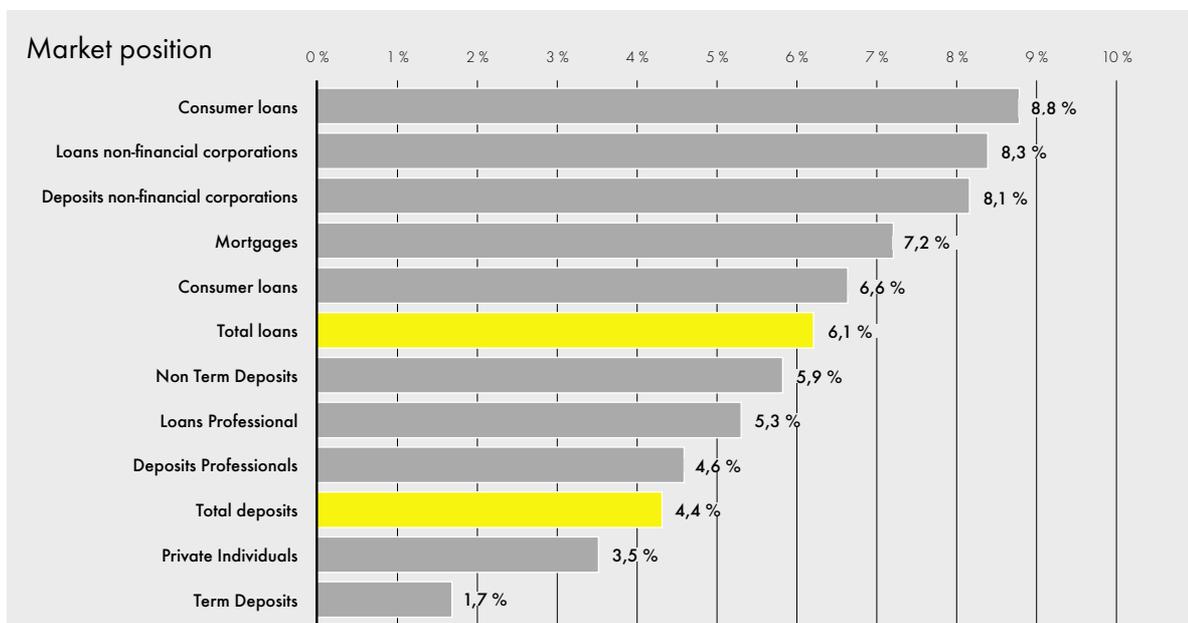
Although Raiffeisenbank was restricted in its activities by the rather unfavourable economic environment, it once again demonstrated that it is able to overcome these effects, maintaining its high standards for products and services.

In 2013, Raiffeisenbank solidly defended its position as the fifth strongest entity on the Czech banking market with a share of 3.8% of all assets. The bank's clients reduced the overall volume of their savings by approximately 1.8 %, and hence the bank achieved a market share of 4.4 %. As for loans, economic recovery has occurred, and there is an optimistic outlook for the future. The overall volume of loans granted by the bank rose by 3.2 %, and the bank's market share reached a final figure of 6.1 %.

The deposits of legal entities marginally dominated the structure of the bank's deposits with around a 56 % share in total deposits. The volume of deposits in 2013 rose by 8.4 %, and Raiffeisenbank attained a market share of 5.3 %. The segment of non-financial institutions traditionally reacts the quickest to a change in economic conditions, and after several years of growth in their deposits due to limited opportunities for business development, deposits dropped by 5.1 %, and in turn, the bank's

market share was reduced to 8.1 %. The individual clients of the bank utilised a part of their savings to cover adverse existential conditions, for financial security, or for more financially beneficial investments, such as investment in government bonds. In addition, the end of the year was in the spirit of savings and purchasing long-term consumer goods in expectation of the announced rise in the price of imported products. Thus the total volume of their deposits last year was reduced by 6.7 % and Raiffeisenbank's market share reached a level of 3.5 %. On the other hand, private business clients increased the volume of their savings by more than 12 %, and the bank attained a 4.6% share of the market last year.

Moreover, the business entity segment slightly dominated in the structure of loans with a 52 % share in total loans. The already mentioned economic recovery and optimism for the future outlook led to an increase of 3.8 % in the volume of loans granted to business entities, and Raiffeisenbank last year reached a market share of 5.8 % in this segment. The bank has maintained a stronger position in loans granted to non-financial institutions, and last year ended with a market share of 8.3 %. In addition, there was a change in the trend for loans granted to private individuals in comparison with the previous year, and the volume of loans rose by 3.0 %. Thus Raiffeisenbank's market share finished at 6.6% at the end of last year. Almost 74% of the loans granted by the bank to private individual are mortgages, and traditionally they were an impetus for the growth of private credit transactions. In this area, the bank provided 3.8 % more loans than in the previous year and held a favourable position with a market share of 7.2 %. Consumer loans also experienced a recovery and renewal of interest from many of the bank's clients. Its volume increased by 3.2 %, and at the end of the year, Raiffeisenbank managed 8.8 % of all consumer loans. Only loans granted to private business clients did not increase last year. Despite this, the bank reached a satisfactory 5.4 % market share.





INDEPENDENT AUDITOR'S REPORT To the Shareholders of Raiffeisenbank a.s.

Having its registered office at: Hvězdova 1716/2b, 140 78 Prague 4
Identification number: 492 40 901

Report on the Unconsolidated Financial Statements

Based upon our audit, we issued the following audit report dated 28 February 2014 on the unconsolidated financial statements which are included in this annual report on pages 22 to 88:

"We have audited the accompanying unconsolidated financial statements of Raiffeisenbank a.s., which comprise the statement of financial position as at 31 December 2013, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Statutory Body's Responsibility for the Unconsolidated Financial Statements

The Statutory Body is responsible for the preparation and fair presentation of these unconsolidated financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of unconsolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these unconsolidated financial statements based on our audit. We conducted our audit in accordance with the Act on Auditors and International Standards on Auditing and the related application guidelines issued by the Chamber of Auditors of the Czech Republic. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the unconsolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the unconsolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the unconsolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the unconsolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the unconsolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the unconsolidated financial statements give a true and fair view of the financial position of Raiffeisenbank a.s. as of 31 December 2013, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU."

Report on the Consolidated Financial Statements

Based upon our audit, we issued the following audit report dated 31 March 2014 on the consolidated financial statements which are included in this annual report on pages 89 to 162:

"We have audited the accompanying consolidated financial statements of Raiffeisenbank a.s. which comprise the statement of financial position as of 31 December 2013, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Statutory Body's Responsibility for the Consolidated Financial Statements

The Statutory Body is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the EU, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Act on Auditors and International Standards on Auditing and the related application guidelines issued by the Chamber of Auditors of the Czech Republic. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the financial position of Raiffeisenbank a.s. as of 31 December 2013, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU."

Report on the Related Party Transactions Report

We have also reviewed the factual accuracy of the information included in the related party transactions report of Raiffeisenbank a.s. for the year ended 31 December 2013 which is included in this annual report on pages 164 to 188. This related party transactions report is the responsibility of the Company's Statutory Body. Our responsibility is to express our view on the related party transactions report based on our review.

We conducted our review in accordance with Auditing Standard 56 issued by the Chamber of Auditors of the Czech Republic. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the related party transactions report is free of material factual misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures and examination, on a test basis, of the factual accuracy of information, and thus provides less assurance than an audit. We have not performed an audit of the related party transactions report and, accordingly, we do not express an audit opinion.

Nothing has come to our attention based on our review that indicates that the information contained in the related party transactions report of Raiffeisenbank a.s. for the year ended 31 December 2013 contains material factual misstatements.

The Company has decided not to disclose amounts under related party contracts citing business secrecy restrictions.

The related party transactions report was prepared in accordance with Section 66a of Act No. 513/1991 Coll., the Commercial Code.

Report on the Annual Report

We have also audited the annual report of the Company as of 31 December 2013 for consistency with the financial statements referred to above. This annual report is the responsibility of the Company's Statutory Body. Our responsibility is to express an opinion on the consistency of the annual report and the financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing and the related application guidelines issued by the Chamber of Auditors of the Czech Republic. Those standards require that the auditor plan and perform the audit to obtain reasonable assurance about whether the information included in the annual report describing matters that are also presented in the financial statements is, in all material respects, consistent with the relevant financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the information included in the annual report of the Company is consistent, in all material respects, with the financial statements referred to above.

In Prague on 28 April 2014

Audit firm:

Deloitte Audit s.r.o.
certificate no. 79



Statutory auditor:

Diana Rádl Rogerová
certificate no. 2045



Raiffeisenbank a.s.

Unconsolidated Financial Statements Prepared in Accordance with International Financial Reporting Standards as Adopted by the European Union for the Year Ended 31 December 2013

Components of the Financial Statements:

- Statement of Comprehensive Income
- Statement of Financial Position
- Statement of Changes in Equity
- Cash Flow Statement
- Notes to the Financial Statements

These financial statements were prepared by the Bank and approved by the Board of Directors of the Bank on 28 February 2014.

Chief Financial Officer of the reporting entity

Tomáš Jelínek
Chief Financial Officer
and Executive Director

Statutory body of the reporting entity

František Ježek
Member of the Board of Director
and Executive Director

Rudolf Rabiňák
Member of the Board of Directors
and Executive Director

Statement of Comprehensive Income For the Year Ended 31 December 2013

CZK thousand	Note	2013	2012
Interest income and similar income	5	7,211,906	8,478,070
Interest expense and similar expense	5	(1,497,342)	(2,220,890)
Net interest income		5,714,564	6,257,180
Change in provisions for credit risks	6	(1,274,656)	(1,798,041)
Net interest income after provisions for credit risks		4,439,908	4,459,139
Fee and commission income	7	2,786,133	2,829,311
Fee and commission expense	7	(589,102)	(641,333)
Net fee and commission income		2,197,031	2,187,978
Net profit on financial operations	8	1,280,922	1,443,588
Dividend income	9	73,692	30,684
Losses from the impairment of equity investments	21	(34,967)	-
General administrative expenses	10	(6,918,848)	(5,598,257)
Other operating income/(expenses), net	12	19,250	(45,146)
Profit before tax		1,056,988	2,477,986
Income tax expense	13	(142,620)	(504,825)
Net profit for the year attributable to the Bank's shareholders		914,368	1,973,161
Items that can be reclassified to income (or expenses) in the future:			
Gains/(losses) from remeasurement of securities available for sale		-	(5,605)
Tax on profit associated with components of other comprehensive income		-	1,065
		-	(4,540)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		914,368	1,968,621

The accompanying notes are an integral part of these financial statements.

Statement of Financial Position As of 31 December 2013

CZK thousand	Note	2013	2012
ASSETS			
Cash and balances with central banks	14	3,836,447	4,964,510
Securities at fair value through profit or loss	15	4,943,961	11,457,440
Positive fair value of financial derivative transactions	33	2,874,670	2,598,643
Securities available for sale	15	517,011	536,948
Loans and advances to financial institutions	16	19,104,685	14,452,117
Loans and advances to customers	17	155,059,207	150,138,242
Provisions for loans and advances	18	(6,546,643)	(6,382,097)
Fair value remeasurement of portfolio-remeasured items	17	(42,912)	-
Income tax receivable	13	321,885	148,425
Deferred tax asset	19	125,472	145,165
Securities held to maturity	15	12,410,743	13,977,382
Other assets	20	745,764	1,095,206
Equity investments	21	532,008	325,737
Intangible fixed assets	22	1,851,460	3,084,638
Property and equipment	23	953,017	1,085,818
Total assets		196,686,775	197,628,174
LIABILITIES AND EQUITY			
Amounts owed to financial institutions	24	9,959,098	6,818,953
Amounts owed to customers	25	146,589,575	144,143,741
<i>of which: change in the fair value of hedged items</i>	25	69,397	136,627
Negative fair value of financial derivative transactions	33	2,164,364	2,509,288
Debt securities issued	26	12,043,515	17,983,102
Provisions	27	470,553	1,004,495
Other liabilities	28	2,368,601	2,975,335
Subordinated liabilities	29	4,202,889	4,042,248
Total liabilities		177,798,595	179,477,162
EQUITY			
Share capital	30	10,192,400	9,357,000
Statutory reserve fund		647,842	549,184
Gains and losses from revaluation		220,852	220,852
Retained earnings		6,912,718	6,050,815
Profit for the period		914,368	1,973,161
Total equity		18,888,180	18,151,012
TOTAL LIABILITIES AND EQUITY		196,686,775	197,628,174

The accompanying notes are an integral part of these financial statements.

Statement of Changes in Equity For the Year Ended 31 December 2013

CZK thousand	Share capital	Statutory reserve fund	Gains and losses from revaluation	Retained earnings	Profit for the period	Total equity
At 1 January 2012	7,511,000	438,206	225,392	5,788,208	2,219,585	16,182,391
Share capital increase	1,846,000	-	-	-	-	1,846,000
Dividends	-	-	-	-	(1,846,000)	(1,846,000)
Allocation to reserve funds	-	110,978	-	-	(110,978)	-
Allocation to retained earnings	-	-	-	262,607	(262,607)	-
Net profit for the period	-	-	-	-	1,973,161	1,973,161
Other comprehensive income, net	-	-	(4,540)	-	-	(4,540)
Comprehensive income for the period	-	-	(4,540)	-	1,973,161	1,968,621
At 31 December 2012	9,357,000	549,184	220,852	6,050,815	1,973,161	18,151,012
Share capital increase	835,400	-	-	-	-	835,400
Dividends	-	-	-	-	(1,012,600)	(1,012,600)
Allocation to reserve funds	-	98,658	-	-	(98,658)	-
Allocation to retained earnings	-	-	-	861,903	(861,903)	-
Net profit for the period	-	-	-	-	914,368	914,368
Other comprehensive income, net	-	-	-	-	-	-
Comprehensive income for the period	-	-	-	-	914,368	914,368
At 31 December 2013	10,192,400	647,842	220,852	6,912,718	914,368	18,888,180

The accompanying notes are an integral part of these financial statements.

Cash Flow Statement for the Year Ended 31 December 2013

(CZK thousand)	2013	2012
Profit before tax	914,368	2,477,986
Adjustments for non-cash transactions		
Creation of provisions for credit risks	1,274,656	1,798,041
Depreciation and amortisation	549,655	556,163
Loss from the impairment of intangible assets	1,474,201	70,272
Loss from the impairment of equity investments	34,967	-
Creation of other provisions	(321,007)	54,581
Change in fair values of financial derivatives	(620,951)	496,286
Unrealised loss/(gain) on revaluation of securities	107,554	(25,640)
Gain on the sale of tangible and intangible assets	11,429	(17,773)
Revaluation of foreign currency positions	1,187,049	(592,894)
Other non-cash changes	(1,372,257)	(1,369,327)
Operating profit before changes in operating assets and liabilities	3,239,664	3,447,695
Cash flows from operating activities		
<i>(Increase)/decrease in operating assets</i>		
Minimum reserve deposits with the CNB	1,176,411	(729,082)
Loans and advances to financial institutions	(4,512,305)	(2,009,980)
Loans and advances to customers	(3,942,535)	8,282,806
Securities at fair value through profit or loss and securities available for sale	6,425,862	(3,450,978)
Other assets	349,442	910,130
<i>Increase/(decrease) in operating liabilities</i>		
Amounts owed to financial institutions	3,165,438	(1,867,511)
Amounts owed to customers	448,953	127,894
Other liabilities	(606,734)	316,413
Net cash flow from operating activities before income tax	5,744,196	5,027,387
Income taxes paid	(299,623)	(477,566)
Net cash flow from operating activities	5,444,573	4,549,821
Cash flows from investing activities		
Purchase of equity investments	(241,238)	(193,000)
Purchase of property and equipment and intangible assets	(673,461)	(1,207,977)
Income from the sale of fixed assets	10,937	42,661
Net decrease in securities held to maturity	1,565,330	3,558,551
Dividends received	73,692	30,684
Net cash flow from investing activities	735,260	2,230,919
Cash flows from financing activities		
Share capital increase	835,400	1,846,000
Dividends paid	(1,012,600)	(1,846,000)
Bonds in issue	(5,900,313)	(3,474,811)
Subordinated liabilities	(186,838)	(2,792,844)
Net cash flow from financing activities	(6,264,351)	(6,267,655)
Net (decrease)/increase in cash and cash equivalents	(84,518)	513,085
Cash and cash equivalents at the beginning of the year (Note 31)	3,922,593	3,409,508
Cash and cash equivalents at the end of the year (Note 31)	3,838,075	3,922,593

The accompanying notes are an integral part of these financial statements.

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1. CORPORATE DETAILS

Raiffeisenbank a.s. (henceforth the "Bank"), with its registered office address at Hvězdova 1716/2b, Prague 4, 140 78, Corporate ID 49240901, was founded as a joint stock company in the Czech Republic. The Bank was registered in the Register of Companies held at the Municipal Court in Prague on 25 June 1993, Volume B, File 2051.

Principal activities of the Bank according to the bank licence granted by the Czech National Bank:

- Acceptance of deposits from the general public;
- Provision of credit;
- Investing in securities on its own account;
- Finance leasing – at present, the Bank does not carry out this activity directly;
- Payments and clearing;
- Issuance of payment facilities;
- Issuance of guarantees;
- Opening of letters of credit;
- Collection services;
- Provision of investment services:
 - Principal investment services under Section 4 (2) (a) – (h) of Act No. 256/2004 Coll., as amended;
 - Additional investment services under Section 4 (3) (a) – (f) of Act No. 256/2004 Coll., as amended;
- Issuance of mortgage bonds;
- Financial brokerage;
- Depository activities;
- Foreign exchange services (foreign currency purchases);
- Provision of banking information,
- Proprietary or client-oriented trading with foreign currency assets;
- Rental of safe-deposit boxes;
- Activities directly relating to the activities listed in the bank licence; and
- Mediation of an additional pension savings programme.

In addition to the licence to pursue bank operations, the Bank:

- was granted a securities broker licence; and
- has been listed by the Ministry of Finance of the Czech Republic as a limited insurance provider.

During the year ended 31 December 2013, the performance or provision of the Bank's activities and services were not restricted or suspended by the Czech National Bank.

2. BASIS OF PREPARATION

These statutory financial statements have been prepared in compliance with International Financial Reporting Standards (IFRS) and interpretations approved by the International Accounting Standards Board (IASB) as adopted by the European Union.

The financial statements include a statement of financial position, a statement of comprehensive income, a statement of changes in shareholders' equity, a cash flow statement and notes to the financial statements containing accounting policies and explanatory disclosures.

The financial statements are prepared on the accrual basis of accounting whereby the effects of transactions and other events are recognised when they occur and are reported in the financial statements of the periods to which they relate, and on the going concern assumption.

These financial statements have been prepared under the cost convention as modified by the remeasurement to fair value of financial assets and liabilities at fair value through profit or loss (including all financial derivatives), available-for-sale securities through other comprehensive income.

These financial statements and notes thereto are unconsolidated and do not include the accounts and results of those companies over which the Bank has control or significant influence and joint ventures. The policies of accounting for equity investments are disclosed in Note 3 g.

The Bank prepares the unconsolidated financial statements in accordance with Accounting Act No. 563/1991 Coll., as amended.

The Bank also prepares consolidated financial statements in accordance with IFRS and interpretations approved by the IASB as adopted by the European Union which present the results of the Bank's financial group.

All figures are in thousands of Czech crowns (CZK thousand), unless stated otherwise. Figures presented in brackets represent negative amounts.

Use of Estimates

The presentation of unconsolidated financial statements in conformity with IFRS requires the Bank's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. These estimates, which specifically relate to the determination of fair values of financial instruments (where no public market exists), valuation of intangible assets, impairment of assets and provisions, are based on the information available at the balance sheet date.

As disclosed in Note 37, the Bank creates provisions for impairment of loans and receivables where there is objective evidence that, as a result of past events, the estimated future cash-flows are negatively impacted. These provisions are based on the Bank's historical and current experience as well as judgments of the Bank's management regarding the estimated future cash flows and represent the best estimate of loan impairment as of the balance sheet date.

The amounts recognised as provisions for liabilities are based on the management's judgments and represent the best estimate of expenditure required to settle a liability of uncertain timing or amount. Refer to Note 27 for more detailed disclosures of provisions for liabilities.

3. SIGNIFICANT ACCOUNTING POLICIES

(a) Interest Expense and Interest Income

Interest income and expense are recognised in the income statement and statement of comprehensive income lines “*Interest income and similar income*” and “*Interest expense and similar expense*” when earned or incurred, on an accrual basis. The Bank accounts for the accruals of interest using the effective interest rate method. The effective interest rate method is an approach to calculating the amortised cost of a financial asset or financial liability using the effective interest rate. The effective interest rate is used to discount the nominal value of future cash flows to the present value at the maturity date.

(b) Fees and Commissions

Fees and commissions are recognised in the statement of comprehensive income lines “*Fee and commission income*” and “*Fee and commission expense*” on an accrual basis, with the exception of fees that are deemed to be an integral part of the effective interest rate. The effective interest rate includes fees directly relating to the granting of loans such as the fee for the origination of loans, loan application processing, paid commissions, etc.

(c) Dividends

Income from dividends on securities and equity investments is recorded as declared and included as a receivable in the statement of financial position line “*Other assets*” and in “*Dividend income*” in the statement of comprehensive income. Upon receipt of the dividend, the receivable is offset against the collected cash.

Dividends reduce retained earnings in the period in which they are declared by the Annual General Meeting.

(d) Other Income and Expenses Reported in the Statement of Comprehensive Income

Other income and expenses presented in the statement of comprehensive income are recognised under the accrual basis of accounting in the period to which they relate (and not as cash or its equivalent is received or paid).

In 2013, the Bank changed the policy of reporting other operating expenses that do not directly relate to banking activities and started to report these expenses in “*General administrative expenses*” instead of “*Other operating income/(expenses), net*”. In line with IAS 8, this change was made retrospectively in the statement of comprehensive income. The calculation of the reclassification is disclosed in Note 3 n.

(e) Taxation

Tax on the profit or loss for the year comprises the current year tax charge, adjusted for deferred taxation. Current tax comprises the tax payable calculated on the basis of the taxable income for the year, using the tax rate enacted by the balance sheet date, and any adjustment of the tax payable for previous years.

Deferred tax is provided using the balance sheet liability method on all temporary differences between the carrying amounts for financial reporting purposes and the amounts used for taxation purposes. The principal temporary differences arise from certain non-tax deductible reserves and provisions, tax and accounting depreciation on tangible and intangible fixed assets and revaluation of securities available for sale.

Deferred tax assets are recognised only to the extent that it is probable that sufficient taxable profit will be available to allow the asset to be recovered.

Deferred tax is calculated on the basis of the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. The effect on deferred tax of any changes in tax rates is charged to the statement of comprehensive income, except to the extent that it relates to items previously charged or credited directly to equity.

(f) Financial Assets and Liabilities

Dates of Recognition and Derecognition of Financial Instruments in/from the Bank's Statement of Financial Position

Financial assets with normal delivery terms, except for financial assets at fair value through profit or loss, are recognised using settlement date accounting.

The settlement (collection) date is the day on which the financial instrument is delivered (cash payment). When settlement date accounting is applied, the financial asset is recognised on the day of receipt of a financial instrument (sending of cash) and derecognised on the day of its provision (collection of cash).

All loans and receivables are recognised when funds are provided to customers. Loans and receivables are derecognised when repaid by the borrower. Assigned receivables are derecognised when payment is collected from the assignee, and receivables which the Bank decided to write off are derecognised at the write-off date.

For financial assets and liabilities at fair value through profit or loss, the Bank uses the trade date accounting where the trade date is the date when the entity undertakes to buy or sell the financial asset.

The substance of trade date accounting is as follows:

- Recognition of an asset that the entity shall receive as of the trade date; and
- Derecognition of a sold asset and recognition of the profit or loss upon disposal and recognition of a receivable from the buyer as of the trade date.

The interest on the asset and the relating liability is accumulated from the settlement date when the ownership rights are transferred. The premium/discount is amortised from the purchase settlement date to the sale settlement date.

The Bank remeasures derivative instruments at fair value from the trade date to the settlement date, that is, delivery of the last related cash flow.

The Bank settles and derecognises financial liabilities at the date on which all related risks and costs attributable to the specific liability are transferred.

Of the categories of financial assets and liabilities defined in IAS 39, the Bank maintains the following types of financial assets and liabilities:

- Loans and receivables;
- Financial assets and liabilities at fair value through profit or loss;
- Financial assets available for sale;
- Financial assets held to maturity; and
- Other financial liabilities.

Loans and Receivables

Loans originated by the Bank in the form of directly advancing funding to the client are considered provided loans and are stated at amortised cost. The amortised cost is the cost minus principal repayments, plus accrued interest, plus or minus amortisation, if any, of discount or premium. The amortised cost is calculated using the effective interest rate method. An integral part of the effective interest rate are fees and the related transaction costs. All loans and advances are recognised when cash is advanced to borrowers (or banks).

Impairment losses on loans and receivables are recognised when there are reasonable doubts over the recoverability of the loan balance. Impairment losses on loans and receivables represent management's assessment of potential losses in relation to the Bank's on and off balance sheet activities.

Provisions are recognised individually in respect of specific loans where a debtor's default was identified or on a portfolio basis for not yet identified losses which may be present based on portfolio (similar individually unimpaired loans) performance with similar characteristics in terms of credit risk. The level of individual provisions is established by comparing the carrying amount of the loan and the present value of future expected cash flows using the effective interest rate. The level of portfolio provisions is determined on the basis of the anticipated recovery rates of the portfolio as of the financial statements date. The anticipated cash flows from individual portfolios of similar loans are estimated on the basis of previous experience.

If the Bank does not report multiple similar loans, the portfolio approach is not applied. Portfolio provisions are recognised for the loans and receivables of all market segments.

The change in provisions, after write-offs, is charged to the statement of comprehensive income line “*Change in provisions for credit risks*”. Additional details can be found in Note 37 b.

Loans and receivables when it can be reasonably anticipated that clients will be unable to fulfil their obligations to the Bank in respect of these loans are transferred to an external entity or individually written off with the concurrent use of a recorded provision. These write-offs are included in “*Change in provisions for credit risks*” in the statement of comprehensive income. Subsequent recoveries are also included in this line.

Restructuring of Loans and Receivables from Customers

Loan restructuring involves providing the customer with relief because the Bank determined that it would likely incur a loss if it did not do so. For economic or legal reasons associated with the debtor’s financial position the Bank therefore provided the debtor with relief which would not have been available otherwise. For example, the relief may include rescheduling repayments, reducing the interest rate or waiving default interest. A restructured loan does not include a loan which originated as a result of the renewal of a short-term loan for current assets if the debtor fulfilled all of his payment and non-payment obligations arising from the loan contract.

Restructuring additionally does not extend to the change in the repayment schedule or the form of loan if these changes are made for commercial reasons or on the grounds of changed financial needs of the debtor, and the anticipated development in the debtor’s financial and economic situation does not give rise to doubt as to the full repayment of the receivable even without the change.

Securities

Securities held by the Bank are categorised into portfolios in accordance with the Bank’s intent on the acquisition of the securities and pursuant to the Bank’s security investment strategy. In accordance with its intent, the Bank allocates securities into several portfolios - the portfolio of “*Securities at fair value through profit or loss*”, the portfolio of “*Securities available for sale*” and the portfolio of “*Securities held to maturity*”. The principal difference between the portfolios relates to the approach to measurement and presentation in the financial statements.

Securities at Fair Value through Profit or Loss

This portfolio includes both debt and equity securities held for trading, that is, securities held by the Bank with the intention of reselling them, thereby generating profits on price fluctuations in the short-term, and debt and equity securities that were designated, upon initial recognition, as at fair value through profit or loss. Securities at fair value through profit or loss are recognised at fair value (cost) at the acquisition date.

Changes in the fair values of securities held for trading as well as securities measured at fair value through profit or loss are recognised in the statement of comprehensive income as “*Net profit on financial operations*”.

In 2013, the Company changed the policy of reporting interest income on debt securities held for trading as well as securities at fair value through profit or loss. Newly, this interest is included in “*Net profit on financial operations*”. In accordance with IAS 8, this change was made retrospectively in the statement of comprehensive income. The calculation of the reclassification is disclosed in Note 3 n.

For debt and equity securities traded on a public market, fair values are derived from quoted prices.

Transaction costs of at-fair-value-through-profit-or-loss securities are not added to the cost but are recognised through expenses and presented in the statement of comprehensive income line “*Fee and commission expense*”.

Securities Available for Sale

Securities available for sale are securities held by the Bank for an indefinite period of time that are available for sale as liquidity requirements arise or market conditions change. In accordance with the investments strategy, the Bank did not include securities in this portfolio in the past period and this portfolio primarily includes the equity investment in Raiffeisen stavební spořitelna, a.s. as disclosed in Note 15. The Bank does not intend to change the strategy for inclusion of securities in this portfolio in the coming years.

Securities available for sale are carried at fair value (cost) upon acquisition with the exception of securities for which the fair value cannot be reliably determined in accordance with IAS 39. These securities are stated at cost, and the Bank annually assesses whether the value is not impaired. Changes in the fair values of available for sale securities are recognised in other comprehensive income as *"Gains/(losses) from remeasurement of securities available for sale"*, with the exception of their impairment and interest income and foreign exchange differences on debt securities. When realised, the relevant revaluation gains or losses are taken to the statement of comprehensive income as *"Net profit on financial operations"*. Interest income and impairment (if any) is included in the statement of comprehensive income as *"Net profit on financial operations"*. Foreign exchange rate gains or losses from debt securities are included in *"Net profit on financial operations"*. Dividend income from securities included in this portfolio is included in *"Dividend income"*.

Securities Held to Maturity

Investments held to maturity are financial assets with fixed or determinable payments and fixed maturities that the Bank has the positive intent and ability to hold to maturity. In accordance with the Bank's strategy, only the securities issued by the Czech Republic are included in this portfolio. The Bank does not anticipate changing this intent in the future.

Securities held to maturity are initially measured at cost and subsequently reported at amortised cost using the effective interest rate less impairment, if any. The amortisation of premiums and discounts and interest income from coupon debt securities held to maturity is included in *"Interest income and similar income"*.

The fair value of this portfolio is disclosed in Note 36 c *"Fair values of financial assets and liabilities"*.

Repurchase Agreements

Where debt or equity securities are sold under a concurrent commitment to repurchase them at a pre-determined price, they remain at fair value or amortised cost within the relevant portfolio on the statement of financial position and the consideration received is recorded in *"Amounts owed to financial institutions"* or *"Amounts owed to customers"*. Conversely, debt or equity securities purchased under a concurrent commitment to resell are retained off balance sheet where they are remeasured at fair value. The corresponding receivable from the provided loan is recorded in *"Loans and advances to financial institutions"* or *"Loans and advances to customers"* in the statement of financial position.

Securities borrowed are not recognised in the financial statements, unless they are sold to third parties, in which case (*"short sales"*) the purchase and sale are recorded as a liability with the gain or loss included in *"Net profit on financial operations"*. The obligation to return them is recorded at fair value as a trading liability and presented in the statement of financial position line *"Other liabilities"*.

Interest on debt securities transferred under repurchase transactions is accrued while interest on debt securities received under reverse repurchase transactions is not accrued.

Income and expenses arising under repurchase or reverse repurchase transactions as the difference between the sale and repurchase price are accrued evenly over the term of the transaction and presented in the statement of comprehensive income as *"Interest income and similar income"* or *"Interest expense or similar expense"* as appropriate.

Debt Securities Issued

Debt securities issued by the Bank are stated at amortised costs using the effective interest rate method. Interest expense arising on the issue of the Bank's own debt securities is included in the statement of comprehensive income line *"Interest expense and similar expense"*.

The Bank's own debt securities repurchased by the Bank are presented as a reduction of liabilities arising from securities issued. Upon initial recognition, the Bank's own debt securities are stated at cost which includes transaction costs. The difference between the cost of repurchased own debt securities and the accrued amount of issued securities is included in the statement of comprehensive income line *"Net profit on financial operations"* in the period of acquisition. Interest expenses of issued debt securities are decreased to reflect the gradual increase in the value of the Bank's own debt securities.

Financial Derivative Instruments

In the normal course of business, the Bank enters into contracts for derivative financial instruments. Financial derivatives include foreign currency and interest rate swaps, currency forwards, forward rate agreements, foreign currency, interest rate and commodity options (both purchased and sold), and other derivative financial instruments. The Bank uses various types of derivative instruments in respect of both its trading and hedging activities of currency and interest rate positions. The Bank internally includes all types of derivatives in the banking or trading portfolios. The banking portfolio additionally includes financial derivatives used as hedging instruments in fair value hedging.

All financial derivative instruments regardless of their internal classification are initially recognised at cost (including transaction costs) in the statement of financial position and are subsequently remeasured and stated at fair value. Fair values are reported in the statement of financial position as *“Positive fair value of financial derivative transactions”* and *“Negative fair value of financial derivative transactions”*.

In terms of the internal categorisation of financial derivatives either in the trading or banking portfolios, the Bank changed the policy of reporting interest expenses and income on financial derivatives included in the banking portfolio in 2013. The interest income and expenses relating to financial derivatives in the banking portfolio, or financial derivatives used as hedging instruments in fair value hedges, are reported in the statement of comprehensive income as *“Interest income and similar income”* or *“Interest expense and similar expense”* on a net basis. In respect of financial derivatives in the trading portfolio, the relating interest income and interest expenses are reported in *“Net profit on financial operations”*. In line with IAS 8, this change was made in the statement of comprehensive income retrospectively. The calculation of the reclassification is disclosed in Note 3 n.

Realised and unrealised gains and losses are recognised in the statement of comprehensive income line *“Net profit on financial operations”*, the only exception being unrealised gains and losses on cash flow hedges which are recognised in equity. Fair values of derivatives are based upon quoted market prices or pricing models which take into account current market and contractual prices of the underlying instruments, as well as the time value and yield curve or volatility factors underlying the positions.

Derivatives embedded in other financial instruments are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contract and the host contract is not carried at fair value with gains and losses reported in the statement of comprehensive income and the embedded instrument meets general criteria for recognition as a derivative.

Hedge Accounting

The Bank applies hedge accounting in accordance with the IFRS requirements. Hedging derivatives are derivatives that the Bank can use to hedge against its interest rate and currency risks. A hedging relationship qualifies for hedge accounting if, and only if, all of the following conditions are met:

- a) At the inception of the hedge there is formal designation and documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge;
- b) The hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk, consistently with the originally documented risk management strategy for that particular hedging relationship;
- c) For cash flow hedges, a forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to variations in cash flows that could ultimately affect profit or loss;
- d) The effectiveness of the hedge can be reliably measured, i.e. the fair value or cash flows of the hedged item that are attributable to the hedged risk and the fair value of the hedging instrument can be reliably measured; and
- e) The hedge is assessed on an ongoing basis and determined actually to have been highly effective throughout the financial reporting periods for which the hedge was designated.

Hedging financial derivatives are accounted for according to the type of the hedging relationships which are as follows:

- a) Fair value hedge: a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect profit or loss;
- b) Cash flow hedge: a hedge of the exposure to variability in cash flows that:
 - i.) Is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction; and
 - ii.) Could affect profit or loss.
- c) Hedge of a net investment in a foreign operation.

Changes in the fair value of hedging derivatives classified as a fair value hedge are reported in the statement of comprehensive income in the line *"Net profit on financial operations"*, interest income and expense on these derivatives (i.e. both realised and accrued) are reported in the statement of comprehensive income line *"Interest income and similar income"* or *"Interest expense and similar expense"*, respectively, in the net value on the same line as the relevant interest income or expense from the hedged item. A change in the fair value of the hedged item in relation to the fair value hedge of term deposits is recognised as part of the carrying amount of the hedged item in the statement of financial position and in the line *"Net profit on financial operations"* in the statement of comprehensive income. In respect of the fair value hedge of the mortgage loan portfolio, the change in the fair value of hedged items is reported in the statement of financial position as *"Fair value remeasurement of portfolio-remeasured items"* and *"Net profit on financial operations"* in the statement of comprehensive income.

Through the above approach, the Bank hedges against the interest rate risk of financial liabilities (term deposits with a fixed interest rate) and, newly since 2013, the interest rate risk of financial assets (portfolio of mortgages with fixed interest rates). The effectiveness of the hedge is regularly tested on a monthly basis, prospectively and retrospectively. Where the hedge ceases to meet the criteria for hedge accounting, the maturity of the hedging instrument expires, the hedging instrument is sold, terminated or exercised, the Bank discontinues the hedging relationship and writes off the adjustments of the carrying amount of the hedged interest-bearing financial instruments through profit or loss over the period to the maturity of the hedged item.

Subordinated Loan

A subordinated loan is a loan where it has been contractually agreed that, in the event of liquidation, bankruptcy, forced settlement or settlement with the debtor, the loan will be repaid only after the full satisfaction of all other payables to other creditors, the only exception being payables that carry the same or similar subordination condition.

The principal balance of the subordinated loan and relevant interest is recognised from the draw-down date to the maturity date of the subordinated loan. The subordinated loan including the accrued and not yet paid portion of interest is reported as *"Subordinated liabilities"* in the statement of financial position. The amount of interest expense arising from subordinated deposits is recognised in the profit and loss account line *"Interest expense and similar expense"*.

Subordinated Debt Securities Issued

Subordinated debt securities issued are debt securities where it has been agreed that they will be settled only after the settlement of all other payables if the issuer is placed into liquidation or a resolution on the bankruptcy of the issuer is passed, except for payables that carry the same or similar subordination condition.

Subordinated debt securities issued are reported by the Bank at amortised cost using the effective interest rate and are included in *"Subordinated liabilities"* in the statement of financial position. The interest expense from the issue of own bonds is reported in *"Interest expense and similar expense"* in the statement of comprehensive income.

(g) Equity Investments

Equity investments in subsidiary and associated undertakings and joint ventures are recorded at acquisition cost including transaction costs less provisions for any temporary impairment losses or write-downs due to other-than-temporary impairment.

At the financial statement date or interim financial statement date, the Bank assesses equity investments in subsidiary or associated undertakings and joint ventures for impairment. An equity investment is impaired if its carrying amount is greater than its recoverable amount. The recoverable amount is the higher of an asset's fair value and its value in use determined as a sum of discounted expected cash flows. Impairment of equity investments in subsidiary or associated undertakings is reported in the statement of comprehensive income in the separate line *"Impairment losses from equity investments"*.

Investments, in which the Bank has an equity interest less than 20 percent, are reported as *"Securities available for sale"* and are carried at fair value, with the exception of equity investments where the fair value cannot be reliably determined in accordance with IAS 39. These equity investments are stated at cost and tested for impairment.

(h) Property and Equipment and Intangible Fixed Assets

Property and equipment includes assets with physical substance and with an estimated useful life exceeding one year and a cost greater than CZK 40,000.

Intangible fixed assets include assets without physical substance with an estimated useful life exceeding one year and a cost greater than CZK 60,000.

Property and equipment and intangible fixed assets are stated at historical cost less accumulated depreciation, amortisation and provisions and are depreciated or amortised when ready for use through the statement of comprehensive income line "General administrative expenses" on a straight line basis over their estimated useful lives.

Depreciation periods and depreciation rates for individual categories of assets are as follows:

	Depreciation period	Depreciation rate
Software (except for core banking systems)	4 years	25 %
Buildings	30 years	3.33 %
Other (cars, furniture and fixtures, office equipment and computers)	4 - 10 years	10 - 20 %

Technical improvements on leasehold assets are depreciated on a straight line basis over the lease term or the depreciation period is extended by the term arising from an option arrangement. Technical improvements on leasehold assets under lease arrangements for an indefinite period of time are depreciated over 15 years.

Land and works of art (irrespective of their cost) and assets under construction are not depreciated.

The costs of internally generated intangible assets include all costs that can be allocated directly or by reference to a reasonable and consistent basis for generating and preparing an asset for its intended use.

Intangible assets with a cost greater than CZK 40,000 and lower than CZK 60,000 (category of low value intangible fixed assets) are amortised over 36 months and tangible assets with a cost greater than CZK 20,000 and lower than CZK 40,000 are depreciated over 36 or 48 months according to the type of low value tangible fixed assets.

Low value tangible assets with a cost lower than CZK 20,000 and low value intangible assets with a cost lower than CZK 40,000 are expensed in the period of acquisition.

The Bank periodically reviews the utilisation of its assets and adjusts guidance on their depreciation treatment, as and when needed, in the internal guideline on asset depreciation. A change in the depreciation period is not considered a change of accounting policies but a change of accounting estimates.

The Bank's assets are regularly tested for impairment. Impairment of assets, if any, is reported in the statement of comprehensive income as "General administrative expenses". The Bank regularly reviews the anticipated future benefit from intangible assets; if no benefit can be expected, the relevant intangible assets are derecognised from the statement on financial position. The loss resulting from the derecognition is included in the statement of comprehensive income line "General administrative expenses".

Repairs and maintenance are charged directly to the statement of comprehensive income line "General administrative expenses" when the expenditure is incurred.

(i) Provisions

The Bank recognises a provision when, and only when:

- It has a present obligation (legal or constructive) as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

Provisions for Guarantees and Other Off Balance Sheet Items

The Bank records potential commitments arising from issued guarantees, irrevocable credit commitments (undrawn portion), confirmed open letters of credit, etc. as part of off-balance sheet assets. Provisions are made for estimated losses on these commitments pursuant to the estimated amount of performance from individual off-balance sheet commitments. Changes in these provisions are recognised in "Change in provisions for credit risks".

Provision for Payroll Bonuses

On 1 January 2013, the Bank started to account for provisions for long-term employee bonuses (quarterly and annual bonuses). In prior reporting periods, it accounted for the costs of long-term bonuses as estimated payables. In line with IAS 8, this change in the accounting policy is reflected in the financial statements retrospectively (ie as if the Bank accounted for the provision instead of an estimated payable in prior years). The reclassification of relevant lines in the statement of financial position is disclosed in Note 3 n.

The recognition, use and release of the provision for payroll bonuses is reported in the statement of comprehensive income as "General administrative expenses".

Other Provisions

The recognition, use and release of other provisions relating to banking activities (for unused holidays, legal disputes, etc.) is recorded in "General administrative expenses". If the provision does not relate to banking activities, the recognition, use and release of other reserves is recorded in "Other operating income/(expenses), net".

(j) Transactions with Securities Undertaken on behalf of Clients

Securities received by the Bank into custody, administration or safe-keeping are typically recorded at market or nominal values if the market value is not available and maintained off balance sheet. "Other liabilities" in the statement of financial position include the Bank's payables to clients arising from cash received to purchase securities or cash to be refunded to the client.

(k) Segment Reporting

The Bank reports information in accordance with IFRS 8 Operating Segments. IFRS 8 requires that operating segments be identified on the basis of internal reports regularly reviewed by the Bank's chief operating decision maker. Pursuant to these internal reports including the overview of the performance of the particular operating segment, it is possible to assess the performance of the segment/decide on the strategic development of the operating segment.

The basis for determining reportable segments is a report that the Bank prepares for the Board of Directors, or for the meeting of the Top Managers Committee (TMC) which is considered to be the 'chief operating decision maker', i.e. a person/group of persons that allocates resources and assesses the performance of individual operating segments of the Bank.

Information on reportable operating segments of the Bank is disclosed in Note 35.

(l) Foreign Currency Translation

Transactions denominated in foreign currencies are recorded in the local currency at official exchange rates as announced by the CNB on the date of transaction. Assets and liabilities denominated in foreign currencies are translated into the local currency at the CNB's exchange rate prevailing at the financial statements date. Realised and unrealised gains and losses on foreign exchange are recognised in the statement of comprehensive income in "Net profit on financial operations", with the exception of foreign exchange rate differences on equity investments denominated in foreign currencies which are reported at the historical exchange rate, foreign exchange rate differences on equity securities included in the available-for-sale portfolio which are reported as a component of a change in the fair value and foreign exchange rate differences on derivatives entered into with a view to hedging currency risk associated with assets or liabilities whose foreign exchange rate differences are part of the change in the fair value.

(m) Cash and Cash Equivalents

The Bank considers cash on hand, deposits with central banks, deposits with other banks and treasury bills with a contractual maturity of three months or less to be cash equivalents. For the purposes of determining cash and cash equivalents, the minimum reserve deposit with the CNB is not included as a cash equivalent due to restrictions on its availability.

(n) Reclassification of Figures for 2012

Reporting of Provisions for Employee Bonuses

On 1 January 2013, the Bank started to account for provisions for long-term employee bonuses (quarterly and annual bonuses). In prior reporting periods, it accounted for the costs of long-term bonuses as estimated payables. In line with IAS 8, the Bank reclassified certain items in the statement of financial position in the comparative period.

The below table shows changes in individual lines of the statement of financial position where reclassifications were made (only the impacted lines).

CZK thousand	2012 Before reclassification	Reclassification	2012 After reclassification
Provisions	500,912	503,583	1,004,495
Other liabilities	3,478,918	(503,583)	2,975,335
Total		-	

Other Reclassification

During the year ended 31 December 2013, the reporting of certain items in the statement of comprehensive income was made more accurate in order to bring the structure of the financial statements closer into line with the financial statements of the parent company. The figures for the year ended 31 December 2012 were recalculated in line with the reporting period. The following table shows the reconciliation of items. The reclassifications were made with the objective of providing a fairer presentation of expenses and income in individual lines of the statement of comprehensive income.

The below table shows changes in individual lines of the statement of comprehensive income where reclassifications were made (only the impacted lines).

CZK thousand	2012 Before reclassification	Reclassification	2012 After reclassification	Reference
Interest income and similar income	8,563,202	(85,132)	8,478,070	1
Interest expense and similar expense	(2,202,080)	(18,810)	(2,220,890)	2
Net profit from financial operations	1,339,646	103,942	1,443,588	1.2
Other operating income/(expenses), net	68,327	(113,473)	(45,146)	3
General operating expenses	(5,711,730)	113,473	(5,598,257)	3
Total		-		

1. Interest income from securities at fair value through profit or loss was reclassified from "Interest income and similar income" to "Net profit on financial operations" in the amount of CZK 85,132 thousand.
2. Net interest expenses from financial derivatives in the banking portfolio were reclassified from "Net profit on financial operations" to "Interest expense and similar expense" in the amount of CZK 18,810 thousand.
3. Other operating expenses that do not relate to banking activities were reclassified from "General administrative expenses" to "Other operating income/(expenses), net" in the amount of CZK 113,473 thousand.

4. CHANGES IN ACCOUNTING POLICIES IN 2013

(a) Newly Applied Standards and Interpretations the Application of which Had a Significant Impact on the Financial Statements

In the year ended 31 December 2013, the Bank did not apply any new standards and interpretations, the use of which would have a significant impact on the financial statements.

(b) Newly Applied Standards and Interpretations the Application of which Had No Significant Impact on the Financial Statements

During the year ended 31 December 2013, the following standards and interpretations took effect and their application had no significant impact on the financial statements:

- IFRIC 20 - Stripping Costs in the Production Phase of a Surface Mine (interpretation effective for annual periods beginning on or after 1 January 2013);
- Amendments to IAS 12 - Income Taxes - Deferred Tax - Recovery of Underlying Assets (effective for annual periods beginning on or after 1 January 2013);
- Amendments to IFRS 1 - First-time Adoption of International Financial Reporting Standards - Hyperinflation and Removal of Fixed Dates for First-time Adopters (effective for annual periods beginning on or after 1 January 2013);
- Amendments to IFRS 1 - First-time Adoption of International Financial Reporting Standards - Government Loans (effective for annual periods beginning on or after 1 January 2013), amendments to IFRS 10, IFRS 11 and IFRS 12 - Transition Guidance (effective for annual periods beginning on or after 1 January 2013);
- Amendments to IAS 19 - Employee Benefits - Improvements to the Accounting for Post-employment Benefits (effective for annual periods beginning on or after 1 January 2013); and
- Amendments to various standards and interpretations "Improvements to IFRSs (2009-2011)" resulting from the annual improvement project of IFRS (IFRS 1, IAS 1, IAS 16, IAS 32, IAS 34) published on 17 May 2012 (effective for annual periods beginning on or after 1 January 2013).

The adoption of these amendments resulted in no changes in the Bank's accounting policies.

- IFRS 13 - Fair Value Measurement (effective for annual periods beginning on or after 1 January 2013);

The standard defines more detailed information that the entities have to disclose in the notes to the financial statements.

- Amendments to IFRS 7 Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities (effective for annual periods beginning on or after 1 January 2013).

These amendments specify the information that entities have to disclose on financial assets and liabilities offset in line with IAS 32. In addition, they define the obligations of disclosing netting arrangements and similar arrangements where no offset is made under IAS 32.

Based on the amendment, the Bank discloses the impacts of the ISDA master netting agreements and contracts on cash collateral where no offset is made under IAS 32 in the notes to the financial statements. The information is disclosed in Note 37 k.

- Amendments to IAS 1 - Presentation of Items of Other Comprehensive Income

These amendments were issued in June 2011 and are binding from the reporting periods starting on 1 July 2012. In accordance with the amendments, entities have to report separately (in a separate subtotal) the items of other comprehensive income that can be reclassified in income or expenses in the future and those that cannot be reclassified. If these items are reported before tax, the tax relating to these two categories also has to be reported separately. The Bank adjusted the statement of comprehensive income as required by the amendments to IAS 1.

(c) Standards and Interpretations in Issue but Not Yet Effective

As of the approval date of these financial statements, the following standards, amendments and interpretations adopted by the EU were issued but not yet effective:

- IFRS 10 – Consolidated Financial Statements (effective for annual periods beginning on or after 1 January 2014);
- IFRS 11 – Joint Arrangements (effective for annual periods beginning on or after 1 January 2014);
- IFRS 12 – Disclosure of Interests in Other Entities (effective for annual periods beginning on or after 1 January 2014);
- IAS 27 (revised in 2011) – Separate Financial Statements (effective for annual periods beginning on or after 1 January 2014);
- IAS 28 (revised in 2011) – Investments in Associates and Joint Ventures (effective for annual periods beginning on or after 1 January 2014);
- Amendments to IFRS 10 – Consolidated Financial Statements, IFRS 12 – Disclosure of Interests in Other Entities and IAS 27 – Separate Financial Statements – Investment Entities (effective for annual periods beginning on or after 1 January 2014);
- Amendments to IAS 32 – Financial Instruments – Presentation – Offsetting Financial Assets and Financial Liabilities (effective for annual periods beginning on or after 1 January 2014);
- Amendments to IAS 36 “Impairment of assets” – Recoverable Amount Disclosures for Non-Financial Assets (effective for annual periods beginning on or after 1 January 2014); and
- Amendments to IAS 39 – “Financial Instruments: Recognition and Measurement” – Novation of Derivatives and Continuation of Hedge Accounting (effective for annual periods beginning on or after 1 January 2014).

The Bank decided not to apply these standards, amendments and interpretations before their effective dates. The Bank anticipates that the application of these standards, amendments and interpretations in the period of their first adoption will have no significant impact on the financial statements.

As of the approval date of these financial statements, the following standards, amendments and interpretations were issued by the IASB but not yet adopted by the EU:

- IFRS 9 – Financial Instruments, published on 12 November 2009;
- Amendments to IFRS 9 – Financial Instruments and IFRS 7 Financial Instruments – Presentation – Mandatory Effective Date of IFRS 9 and Transition Disclosures, published on 28 October 2010;
- Amendments to IFRS 9 – Financial Instruments, IFRS 7 – Financial Instruments – Disclosures and IAS 39 – Financial Instruments: Recognition and Measurement – Hedge Accounting, published on 19 November 2013;
- Amendments to IAS 19 – Employee Benefits – Defined Benefit Plans: Employee Contributions, published on 21 November 2013;
- Amendments to various standards and interpretations “Improvements to IFRSs 2010-2012 (IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 38, IAS 24), published on 12 December 2013,
- Amendments to various standards and interpretations “Improvements to IFRSs 2011-2013 (IFRS 1, IFRS 3, IFRS 13, IAS 40), published on 12 December 2013; and
- IFRIC 21 – Levies published on 20 May 2013.

Given that the European Union deferred the adoption of IFRS 9 to the period when the standard is completed and able to entirely replace IAS 39, the Bank has not yet assessed the potential impact of its adoption. The Bank anticipates that the adoption of other standards, amendments to existing standards and interpretations in the period of their first-time adoption will have no significant impact on the financial statements of the Bank prepared as of 31 December 2014, including comparative information.

5. NET INTEREST INCOME

CZK thousand	2013	2011
Interest income arising from		
Loans and advances to financial institutions	43,696	114,855
Loans and advances to customers	6,919,041	7,986,927
<i>of which: interest from impaired assets</i>	102,903	97,193
Fixed income securities	242,029	376,288
Financial derivatives in the banking portfolio, net	7,140	-
Total	7,211,906	8,478,070
Interest expense arising from		
Deposits from financial institutions	(38,313)	(69,126)
Deposits from customers	(869,631)	(1,310,346)
Securities issued	(459,906)	(628,520)
Subordinated liabilities	(129,492)	(194,088)
Financial derivatives in the banking portfolio, net	-	(18,810)
Total interest expense and similar expense	(1,497,342)	(2,220,890)
Net interest income	5,714,564	6,257,180

In "Interest income arising from loans and advances to customers", the Bank reports net interest expense from hedging financial derivatives upon a fair value hedge of mortgage loans of CZK 4,537 thousand in line with IAS 39. In 2012, the Bank did not use hedge accounting for the fair value hedge of mortgage loans.

"Interest expense arising from deposits from customers" includes net interest income from hedging financial derivatives upon a fair value hedge of term deposits of CZK 50,969 thousand (2012: CZK 28,589 thousand) in line with IAS 39.

6. CHANGES IN PROVISIONS FOR CREDIT RISKS

CZK thousand	2013	2012
Changes in loan loss provisions		
Charge for provisions	(3,979,635)	(4,309,671)
Release of provisions	2,485,268	2,735,828
Use of provisions	1,390,686	1,972,420
Nominal value of assigned and written off receivables	(1,394,675)	(1,980,429)
<i>of which: direct write-off of receivables</i>	(3,989)	(7,987)
Recoveries	10,765	11,952
Total changes in loan loss provisions	(1,487,591)	(1,569,900)
Provisions for off balance sheet credit risk exposures		
Charge for provisions	(25,009)	(232,944)
Release of provisions	237,944	4,803
Total change in provisions for off-balance sheet risks	212,935	(228,141)
Change in provisions for credit risks	(1,274,656)	(1,798,041)

7. NET FEE AND COMMISSION INCOME

CZK thousand	2013	2012
Fee and commission income arising from		
Payment transactions	1,860,211	1,929,658
Provided loans and guarantees	577,794	625,869
Securities transactions	128,445	108,528
Financial operations	12,141	14,195
Mediation of the Bank's products sale	81,454	97,597
Other banking services	126,088	53,464
Total fee and commission income	2,786,133	2,829,311
Fee and commission expense arising from		
Payment transactions	(463,569)	(473,867)
Receiving of loans and guarantees	(38,875)	(70,783)
Securities transactions	(12,680)	(8,572)
Securitisation	(15,856)	(25,112)
Financial operations	(4,667)	(5,644)
Mediation of the sale of the Bank's products	(14,714)	(19,593)
Other banking services	(38,741)	(37,762)
Total fee and commission expense	(589,102)	(641,333)
Net fee and commission income	2,197,031	2,187,978

8. NET PROFIT ON FINANCIAL OPERATIONS

CZK thousand	2013	2012
Interest rate derivatives	134,672	333,410
Commodity derivatives	692	3,054
Equity derivatives	1	(39)
Profit/loss from foreign currency transactions	1,171,145	972,283
<i>of which: Customer foreign currency result</i>	1,037,428	941,311
<i>FX proprietary P/L</i>	133,717	30,972
Profit/loss from transactions with securities	(13,821)	142,930
<i>of which: Portfolio of securities available for sale</i>	-	12,888
<i>Portfolio of securities held for trading</i>	3,126	124,246
<i>Portfolio of securities at fair value through profit or loss</i>	(8,163)	61,069
<i>Own issue</i>	(8,784)	(55,273)
Profit/(loss) from the sale of equity investments (Note 21)	3,871	-
Change in the fair value of the hedged items in the fair value hedging	36,737	(136,627)
Change in the fair value of hedging derivatives in the fair value hedging	(52,375)	128,577
Total	1,280,922	1,443,588

The "Customer foreign currency result" line item reflects margins from foreign currency transactions with customers.

The "FX proprietary P/L" line item reflects the impact of proprietary trading and the impact of the revaluation of foreign currency positions using the Czech National Bank's exchange rate, including the result of the remeasurement of currency derivatives.

In 2013, the Bank started to apply hedge accounting upon the fair value hedge of the portfolio of receivables from mortgage loans provided to clients. Since 2012, the Bank has applied hedge accounting upon the fair value hedge of term deposits.

9. DIVIDEND INCOME

"Income from other shares and participation interest" amounted to CZK 73,692 thousand (2012: CZK 30,684 thousand) and predominantly includes the dividends from Raiffeisen stavební spořitelna a.s. of CZK 60,000 thousand (2012: CZK 30,000 thousand) and dividend from Raiffeisen – Leasing, s.r.o. of CZK 11,800 thousand (2012: CZK 0). In the year ended 31 December 2012, the Bank recorded no dividend income from associates.

10. GENERAL ADMINISTRATIVE EXPENSES

CZK thousand	2013	2012
Payroll costs (Note 12)	(2,828,323)	(2,909,934)
Administrative expenses:	(2,066,669)	(2,061,888)
Rental, repairs and other office management expenses	(621,833)	(627,741)
Advertising costs	(276,009)	(223,522)
Costs of legal and advisory services	(399,336)	(413,196)
Of which: Audit	(7,063)	(7,142)
Tax advisory	(1,809)	(15,573)
IT support costs	(267,247)	(261,057)
Deposit and transaction insurance	(205,434)	(213,981)
Telecommunication, postal and other services	(123,082)	(140,535)
Security costs	(42,289)	(47,849)
Training costs	(35,066)	(32,404)
Office equipment	(36,887)	(31,126)
Travel costs	(22,730)	(30,334)
Fuel	(19,636)	(20,087)
Other administrative expenses	(17,120)	(20,056)
Depreciation and amortisation of fixed assets (Notes 22 and 23)	(549,655)	(556,163)
Impairment loss related to intangible assets (Note 22)	(1,474,201)	(70,272)
Total	(6,918,848)	(5,598,257)

"Deposit and transaction insurance" includes the costs of the payment to the Deposit Insurance Fund.

11. PAYROLL COSTS

CZK thousand	2013	2012
Wages and salaries	(2,092,273)	(2,201,935)
Social security and health insurance	(630,702)	(636,323)
Other staff costs	(105,348)	(71,676)
Total	(2,828,323)	(2,909,934)
Of which wages and salaries paid to:		
Members of the Board of Directors	(52,336)	(55,451)
Members of the Supervisory Board	(6,781)	(7,268)
Other members of management	(106,010)	(85,285)
Total	(165,127)	(148,004)

The average number of the Bank's employees as of 31 December 2013 and 2012 was as follows:

CZK thousand	2013	2012
Employees	2,821	2,895
Members of the Board of Directors	6	6
Members of the Supervisory Board	9	9
Other members of management	26	23

The financial arrangements between the Bank and members of the Board of Directors and Supervisory Board are disclosed in Note 38.

12. OTHER OPERATING INCOME/(EXPENSES), NET

CZK thousand	2013	2012
Change in operating provisions	19,971	(52,114)
Gain/(loss) from disposal of in-/tangible fixed assets	(11,429)	16,919
Other	10,708	(9,951)
Total	19,250	(45,146)

13. INCOME TAX

(a) Income Tax Expense

CZK thousand	2013	2012
Current income tax payable	(181,000)	(500,000)
Tax overpayment/(additional payments) from the previous period	58,073	1,121
Deferred income tax credit	(19,693)	(5,946)
Total income tax	(142,620)	(504,825)

The tax balance differs from the theoretical tax balance that would have been determined had the basic tax rate been used as follows::

CZK thousand	2013	2012
Pre-tax profit (general tax base)	1,056,988	2,477,941
Pre-tax profit (separate tax base)	-	45
Total pre-tax profit	1,056,988	2,477,986
Tax calculated at the tax rate for the general tax base - 19% (2012: 19%)	(200,828)	(470,809)
Tax calculated at the tax rate for the separate tax base (rate of 15%)	-	(7)
Non-taxable income (tax effect)	572,173	526,651
Non-tax deductible expenses (tax effect)	(552,996)	(556,254)
Tax relief and credit	651	419
Tax liability for the period	(181,000)	(500,000)
Tax overpayment/(underpayment) from the previous period, use of tax relief and credit, including tax refunds and additional assessments from previous years	58,073	1,121
Deferred tax	(19,693)	(5,946)
Total income tax	(142,620)	(504,825)
Effective tax rate	13.49%	20.37%

The significant amount of non-tax deductible expenses is due to the exceeded limit for the recognition of tax-deductible provisions for loan receivables and represents temporary difference in deferred tax calculation.

The decrease in the effective tax rate and the difference as compared with the rate applicable to the general tax base is due to the refund of the tax paid for 2012 when the Bank used the possibility of deducting incurred research and development costs from the tax base.

(b) Income Tax Payable/Receivable

CZK thousand	2013	2012
Tax calculated at the tax rate for the general tax base - 19 % (2013: 19%)	(181,000)	(499,993)
Tax calculated at the tax rate for the separate tax base (rate of 15%)	-	(7)
Tax liability for the period	(181,000)	(500,000)
Advances paid for current income tax	502,885	648,425
Total income tax receivable	321,885	148,425

For additional details on the deferred tax, refer to Note 19.

14. CASH AND BALANCES WITH CENTRAL BANKS

CZK thousand	2013	2012
Cash on hand and other cash equivalents	2,787,325	2,646,078
Balances with central banks	494,223	587,122
Statutory minimum reserves maintained with the CNB	554,899	1,731,310
Total	3,836,447	4,964,510

Statutory minimum reserves include deposits, the amount of which is determined based on the regulation declared by the Czech National Bank and the drawing of which is limited. The Bank may draw an amount from obligatory minimum reserves which exceeds the actual average amount of the statutory minimum reserves for the particular period calculated according to the Czech National Bank's regulation.

For the information on cash and cash equivalents reported in the cash flow statement, refer to Note 31.

15. SECURITIES

(a) Portfolio Classification of Securities

CZK thousand	2013	2012
Securities held to maturity (debt securities)	12,410,743	13,977,382
Securities at fair value through profit or loss	4,943,961	11,457,440
of which: Securities held for trading	4,815,582	11,196,027
- Debt securities	4,815,582	11,181,524
- Shares and participation certificates	-	14,503
of which: Securities designated as FVTPL on initial recognition	128,379	261,413
- Debt securities	128,334	141,752
- Shares and participation certificates	45	119,661
Securities available for sale (shares and participation certificates)	517,011	536,948
Total	17,871,715	25,971,770
<i>of which: repayable within one year</i>	<i>835,727</i>	<i>11,178,837</i>
<i>repayable in more than one year</i>	<i>17,035,988</i>	<i>14,792,933</i>

"Securities held to maturity" includes bonds and state treasury bill of the Czech Republic.

“Securities at fair value through profit or loss” includes government bonds and treasury bills of CZK 3,025,290 thousand (2012: CZK 10,974,782 thousand) which may be used for refinancing with central banks.

“Securities available for sale” includes the Bank’s investment in Raiffeisen stavební spořitelna a.s. in the aggregate amount of CZK 516,106 thousand (2012: CZK 516,106 thousand) and other minority investments of the Bank.

According to its investment strategy, the Bank holds most of newly acquired securities in the “Securities held for trading” portfolio.

The remeasurement of securities available for sale for 2012 amounted to CZK 4,193 thousand, and is included in the comprehensive income for the period. In the year ended 31 December 2013, the remeasurement was CZK 0.

(b) Securities Pledged as Collateral

As of 31 December 2013, the Bank pledged securities in the amount of CZK 897,654 thousand as collateral as part of repurchase and similar transactions with other banks and clients. As of 31 December 2012, the Bank concluded no repurchase transaction and provided no securities pledged as collateral.

16. LOANS AND ADVANCES TO FINANCIAL INSTITUTIONS

CZK thousand	2013	2012
Placements with financial institutions	556,527	689,393
Term deposits with banks	13,306,435	5,135,295
Loans and other advances to financial institutions	5,118,866	8,627,429
Received loans	122,857	0
Total	19,104,685	14,452,117
<i>of which: repayable within one year</i>	19,100,385	14,452,117
<i>repayable in more than one year</i>	4,300	-

“Loans and other advances to financial institutions” includes reverse repurchase transactions. As part of the reverse repurchase transactions (primarily with the Czech National Bank), the Bank provided loans in the aggregate amount of CZK 5,118,866 thousand (2012: CZK 8,561,967 thousand).

17. LOANS AND ADVANCES TO CUSTOMERS

(a) Classification of Loans and Advances to Customers

CZK thousand	2013	2012
Overdrafts	7,021,043	10,456,841
Term loans	85,515,165	78,517,354
Mortgage loans	61,793,424	60,035,997
Other	729,575	1,128,050
Total	155,059,207	150,138,242
<i>of which: repayable at request</i>	7,021,043	10,456,841
<i>repayable within one year</i>	46,569,581	38,243,409
<i>repayable in more than one year</i>	101,468,583	101,437,992

Receivables from restructured loans as of 31 December 2013 amounted to CZK 3,776,086 thousand (2012: CZK 3,357,639 thousand).

The Bank has started to use hedge accounting upon a fair value hedge of the portfolio of receivables from mortgage loans provided to clients in 2013. The amount of the remeasurement of hedged items as of 31 December 2013 was CZK (42,912) thousand.

(b) Reverse repurchase transactions

Within reverse repurchase transactions, the Bank advanced loans in the aggregate amount of CZK 260 thousand (2012: CZK 805 thousand) under reverse repurchase transactions.

(c) Analysis of Loans Provided to Customers by Sector

CZK thousand	2013	2012
Government sector	749,194	253,622
Loans to corporate entities	77,019,124	75,026,700
Loans to private individuals	72,413,009	70,244,052
Small and medium size enterprises (SME)	4,877,880	4,613,868
Total	155,059,207	150,138,242

(d) Analysis of Loans Provided to Customers by Geographical Area

CZK thousand	2013	2012
Czech Republic	147,749,307	144,235,039
Slovakia	1,495,223	1,335,132
Other EU member countries	3,354,685	2,889,778
Other	2,459,992	1,678,293
Total	155,059,207	150,138,242

(e) Aging Analysis of Loans Provided to Customers

Set out below is an aging analysis of loans provided to customers which are overdue, but individually not provided for, including their collateral:

CZK thousand Overdue in days	Overdue loans and receivables		Nominal value of collateral	
	2013	2012	2013	2012
1 - 30	4,021,288	4,728,654	3,572,434	2,755,864
31 - 90	113,730	24,935	46,537	7,935
91 - 180	920	81,009	644	25,989
181 - 360	8,641	45,221	8,288	19,786
More than 1 year	16,317	173,321	14,338	161,364

Although the nominal value of collateral does not fully cover the amount of receivables in the "1 - 30" category, the Bank recognised no individual provisions since most of the receivables in this category are overdue only by one day.

(f) Analysis of Loans Provided to Customers by Default Categories

CZK thousand 2013	Before due date	Less than 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	Over 1 year	Total
Amounts due from customers							
- without default	140,331,385	-	-	-	-	-	140,331,385
- with default	2,992,499	5,329,485	1,036,182	584,756	1,204,129	3,580,771	14,727,822
Gross	143,323,884	5,329,485	1,036,182	584,756	1,204,129	3,580,771	155,059,207
Provisions	(1,423,362)	(570,480)	(327,624)	(228,800)	(886,212)	(3,110,165)	(6,546,643)
Net	141,900,522	4,759,005	708,558	355,956	317,917	470,606	148,512,564
CZK thousand 2012	Before due date	Less than 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	Over 1 year	Total
Amounts due from customers							
- without default	132,755,347	-	-	-	-	-	132,755,347
- with default	4,528,697	5,438,875	1,040,103	1,151,232	204,363	5,019,625	17,382,895
Gross	137,284,044	5,438,875	1,040,103	1,151,232	204,363	5,019,625	150,138,242
Provisions	(1,358,789)	(277,587)	(171,120)	(639,576)	(90,378)	(3,844,537)	(6,381,987)
Net	135,925,255	5,161,288	868,983	511,656	113,985	1,175,088	143,756,255

The amounts due from customers "without default" in the table above are amounts due that are past their due dates and are not individually impaired. Other amounts due from customers are reported within "with default".

(g) Securitisation

Since March 2006, the Bank has carried out a synthetic securitisation of the Corporate Banking loans portfolio. The original maturity of the transaction was in March 2016. As of 1 August 2013, the Bank prematurely terminated the transaction. Two default events remained from the transaction which continue to be included in the securitisation. As of 31 December 2013, the volume of the loan portfolio included in the securitisation (the two cases above) was CZK 29,532 thousand (2012: the volume of the loan portfolio included in securitisation amounted to CZK 391,000 thousand).

(h) Syndicated Loans

Pursuant to concluded syndicated loan agreements, the Bank acted as the arranger of syndicated loans in the original amount of aggregate credit limits of CZK 8,076,950 thousand as of 31 December 2013 (2012: CZK 5,222,500 thousand), of which the proportion of the Bank amounted to CZK 3,420,852 thousand (2012: CZK 2,239,970 thousand) and the proportion of other syndicate members amounted to CZK 4,656,098 thousand (2012: CZK 2,982,530 thousand).

As of 31 December 2013, the aggregate amount of outstanding receivables under the syndicated loan facilities was CZK 6,745,196 thousand (2012: CZK 4,199,243 thousand), of which the proportion of the Bank was CZK 2,668,972 thousand (2012: CZK 1,665,610 thousand) and the proportion of other syndicate members was CZK 4,076,224 thousand (2012: CZK 2,533,633 thousand).

The risks and interest arising from these syndicated loans are shared by all participating syndicate members in proportion to their aggregate exposure.

(i) Analysis of Loans and Advances to Customers by Sector and Type of Collateral

2013	Cash collateral	State guarantees	Bank guarantee	Real estate	Company guarantee	Bill guarantee	Personal guarantee	Movable assets	Uncollateralised	Total
Agriculture, Hunting, Forestry and Fishing	650	-	23,394	328,182	20,086	407,821	15,999	13,699	222,524	1,032,355
Mining and Quarrying	-	-	-	-	-	11,597	-	-	5,927	17,524
Manufacturing	65,580	53,342	811,533	3,856,697	959,731	7,871,263	539,514	733,376	2,500,422	17,391,458
Electricity, Gas and Water Supply	149,672	-	5,131	120,452	1,372,528	1,022,181	5,500	4,227,725	596,327	7,499,516
Construction	9,905	-	71,654	1,335,166	445,095	1,415,187	28,549	191,951	858,842	4,356,349
Wholesale and Retail Trade; Repair Of Motor Vehicles, Motorcycles and Personal and Household Goods	36,724	-	469,539	3,088,635	1,490,565	5,295,958	290,306	264,718	2,198,288	13,134,733
Hotels and Restaurants	25,736	-	6,291	2,065,137	34,956	111,456	100	-	183,716	2,427,392
Transport, Storage and Communication	6,591	-	30,395	413,281	216,913	670,161	-	1,311	907,481	2,246,133
Financial Intermediation	157,172	-	1,556,168	630,832	999,480	244,547	62,000	2,672	1,116,912	4,769,783
Real Estate,	534,628	1,023,993	223,795	17,340,590	3,557,593	2,521,327	495,403	87,654	1,299,636	27,084,619
Public Administration and Defence; Compulsory Social Security	2,148	623,566	-	87,293	36,306	6,556	-	-	17,774	773,643
Education	-	-	-	17,379	-	20,523	-	-	63,416	101,318
Health and Social Work	9,900	170,615	-	140,831	-	172,881	-	1,523	43,372	539,122
Other Community, Social and Personal Service Activities	20,603	-	5,002	282,966	130,682	189,154	-	253,944	389,902	1,272,253
Private Households With Employed Persons	-	-	-	60,221,655	-	1,574	3,034,325	-	9,155,455	72,413,009
Total	1,019,309	1,871,516	3,202,902	89,929,096	9,263,935	19,962,186	4,471,696	5,778,573	19,559,994	155,059,207

For the purposes of reporting loans and advances to customers by sector and type of collateral, the Bank uses the collateral in nominal value.

In 2012, the Bank fine-tuned the allocation of collateral and noted an inaccuracy in the "Uncollateralised" category in the value of collateral by individual types as of 31 December 2011, where it did not disclose the value of partially uncollateralised loans and advances. In accordance with IFRS, the Bank adjusted the comparative period.

2012	Cash collateral	State guarantees	Bank guarantee	Real estate	Company guarantee	Bill guarantee	Personal guarantee	Movable assets	Uncollateralised	Total
Agriculture, Hunting, Forestry and Fishing	200	-	25,803	171,204	104,922	531,064	52,127	241,835	153,826	1,280,981
Mining and Quarrying	-	-	11,520	12,156	9,130	14,229	-	8,184	12,262	67,481
Manufacturing	15,227	-	821,604	2,149,434	737,457	3,466,517	2,252,113	4,239,687	2,635,156	16,317,195
Electricity, Gas and Water Supply	20,055	-	1,313	59,674	99,129	1,100,625	68,602	804,036	392,702	2,546,136
Construction	14,910	-	38,679	799,181	24,217	856,168	53,457	768,858	1,511,437	4,066,907
Wholesale and Retail Trade; Repair Of Motor Vehicles, Motorcycles and Personal and Household Goods	39,715	-	239,936	2,534,515	604,480	3,508,866	1,025,951	3,394,782	3,989,051	15,337,296
Hotels and Restaurants	10,011	-	4,174	936,360	9,510	840,652	6,721	67,743	1,060,642	2,935,813
Transport, Storage and Communication	4,585	355,275	30,510	274,137	35,804	436,394	18,187	322,319	1,031,681	2,508,892
Financial Intermediation	172,799	-	1,845,635	224,923	542,183	603,027	3,039	75,083	1,393,273	4,859,962
Real Estate,	348,696	684,689	107,137	12,840,116	984,736	4,252,941	477,350	1,647,300	6,543,087	27,886,052
Public Administration and Defence; Compulsory Social Security	421	-	-	57,710	31,013	22,875	360	7,320	153,506	273,205
Education	-	-	-	12,536	-	19,190	-	1,012	43,127	75,865
Health and Social Work	533	26,088	3,065	102,935	-	117,866	-	7,706	27,832	286,025
Other Community, Social and Personal Service Activities	13,089	-	52,104	193,439	136,248	209,317	10,944	186,960	650,279	1,452,380
Private Households With Employed Persons	-	195	-	57,567,051	18,752	12,768	3,894,591	-	8,750,695	70,244,052
Total	640,241	1,066,247	3,181,480	77,935,371	3,337,581	15,992,499	7,863,442	11,772,825	28,348,556	150,138,242

For the purposes of reporting loans and advances to customers by sector and type of collateral, the Bank uses the collateral in nominal value.

18. PROVISIONS FOR PROVIDED LOANS AND RECEIVABLES

CZK thousand	2013	2012
Clients		
Balance at 1 January	(6,381,987)	(6,802,302)
Charge for provisions	(3,979,635)	(4,309,671)
Release of provisions	2,485,268	2,735,828
Usage of provisions for the write-off and assignment of receivables	1,390,686	1,972,420
FX gains from provisions denominated in a foreign currency	(60,865)	21,738
Balance at 31 December	(6,546,533)	(6,381,987)
Banks		
Balance at 1 January	(110)	(110)
Balance at 31 December	(110)	(110)
Total	(6,546,643)	(6,382,097)

19. DEFERRED TAX ASSET/LIABILITY

Deferred tax is calculated from all temporary differences under the liability method using the principal income tax rate of 19 percent (the tax rate of 2014).

Deferred income tax assets are as follows:

CZK thousand	2013	2012
Unpaid interest on loans of non-residents	195,054	278,590
Unpaid social security and health insurance	60,537	92,000
Outstanding vacation days	4,084	9,092
Other provisions	24,917	86,216
Total deferred tax asset	284,592	465,898

Deferred income tax liabilities are as follows:

CZK thousand	2013	2012
Differences between accounting and tax carrying amounts of tangible and intangible assets	(159,064)	(320,678)
Amount on the valuation difference in equity from revaluation of securities available for sales	(56)	(55)
Total deferred tax liability	(159,120)	(320,733)

Set out below is the calculation of a net deferred tax asset/(liability):

CZK thousand	2013	2012
Balance at 1 January	465,898	425,499
Movement for the year - income/(expense)	(181,306)	40,399
Total deferred tax asset	284,592	465,898
Balance at 1 January	(320,733)	(275,453)
Movement for the year - income/(expense)	161,613	(46,345)
Movement for the year - equity	-	1,065
Total deferred tax liability	(159,120)	(320,733)
Net deferred tax asset/(liability)	125,472	145,165

The deferred tax (charge)/credit in the profit or loss and equity:

CZK thousand	2013	2012
Basis for deferred tax asset	660,381	764,025
Deferred tax asset	125,472	145,165
Recognition of a year-on-year difference due to temporary differences in profit or loss	(19,692)	(5,946)
Recognition of a year-on-year difference due to temporary differences in equity	-	1,065
Total year-on-year difference for recognition	(19,692)	(4,881)

20. OTHER ASSETS

CZK thousand	2013	2012
Indirect tax assets	13,852	7,047
Receivables arising from non-banking activities	469,890	490,511
Deferred expenses and accrued income	9,599	9,184
Receivables from securities trading	4,288	142,728
Settlement of cash transactions with other banks	113,912	351,106
Other	134,223	94,630
Total	745,764	1,095,206

21. EQUITY INVESTMENTS

(a) Equity Investments

CZK thousand	2013	2012
Balance at 1 January	325,737	132,737
Acquisition/addition to equity investments	292,738	193,000
Sale of equity investments	(51,500)	-
Recognition of the allowance for equity investments	(34,967)	-
Balance at 31 December	532,008	325,737

In 2013, the Bank and the other shareholder increased the share capital in Raiffeisen penzijní společnost a.s. and Raiffeisen - Leasing, s.r.o.

In 2013, the Bank purchased the 50% equity investment in Raiffeisen - Leasing Real Estate, s.r.o. The Bank includes the purchased equity investment in Raiffeisen - Leasing Real Estate, s.r.o. in the portfolio of equity investments in subsidiaries as the significant influence is exercised by the other shareholder Raiffeisen-Leasing International Gesellschaft GmbH.

In 2013, the Bank sold its equity investment in CCRB a.s. and DEBITUM dluhová agentura a.s. The income from the transaction is disclosed in Note 8.

In 2012, the Company established Raiffeisen IS a.s. and Raiffeisen penzijní společnost a.s.

The Bank performed a regular test for impairment of equity investments. The test highlighted the impairment of the equity investment in Raiffeisen penzijní společnost of CZK 34,967 thousand and recognised the relevant allowance.

(b) Subsidiaries (Equity Investments with Controlling Influence)

CZK thousand			Of which	Share of	Share of	Carrying amount
Name	Registered office	Equity	Share capital	share capital	voting power	
Czech Real Estate Fund B.V.	Amsterdam, Naritaweg 165	76,772	453	20%	20%	55,839
Raiffeisen investiční společnost a.s.	Prague 4, Hvězdova 1716/2b	37,431	40,000	100%	100%	40,000
Raiffeisen penzijní společnost a.s.	Prague 4, Hvězdova 1716/2b	240,302	325,000	51%	51%	130,783
Transaction System Servis s.r.o.	Prague 4, Hvězdova 1716/2b	100	200	100%	100%	210
Total at 31 December 2013						226,832
Czech Real Estate Fund B.V.	Amsterdam, Naritaweg 165	77,890	453	20%	20%	55,839
Raiffeisen IS a.s.	Prague 4, Hvězdova 1716/2b	40,000	40,000	100%	100%	40,000
Raiffeisen penzijní společnost a.s.	Prague 4, Hvězdova 1716/2b	285,050	300,000	51%	51%	153,000
Transaction System Servis s.r.o.	Prague 4, Hvězdova 1716/2b	104	200	100%	100%	210
Total at 31 December 2012						249,049

Czech Real Estate Fund B.V. – principal activities:

- Real estate activities; and
- Business, financial, organisational and economic advisory

The other shareholder having a share in the equity and voting powers in Czech Real Estate Fund B.V. is NOTIC Finance B.V.

The Bank presents its investments in the real estate fund Czech Real Estate Fund B.V. as an equity investment in a subsidiary undertaking. While the Bank holds only 20 percent of the issued share capital of the fund and does not have a majority of voting rights or Board representations, the Bank receives the major part of returns. The other shareholder of Czech Real Estate Fund B.V. bears a minor part of the risks and receives a smaller part of the returns.

Raiffeisen investiční společnost a.s. (in year 2012 Raiffeisen IS a.s.)

- Offer of investment products
- Administration of investment and participation funds

Raiffeisen penzijní společnost a.s.

- Mediation of additional pension insurance. The entity holds a licence for the provision of additional pension insurance under the second and third pension pillars.

The other shareholder having a share in the equity and voting rights is Tatra Asset Management, správc. spol., a.s.

Transaction System Servis s.r.o. – principal activities:

- Development of the banking system

(c) Associates (Equity Investments with Significant Influence)

CZK thousand			Of which	Share of	Share of	Carrying amount
Name	Registered office	Equity	Share capital	share capital	voting power	
Raiffeisen-Leasing, s.r.o.	Hvězdova 1716/2b, Prague 4	794,612	270,000	50%	50%	135,188
Raiffeisen-Leasing Real Estate, s.r.o.	Hvězdova 1716/2b, Prague 4	127,261	10,000	50%	50%	169,988
Total at 31 December 2013						305,176
Raiffeisen-Leasing, s.r.o.	Hvězdova 1716/2b, Prague 4	139,815	50,000	50%	50%	25,188
CCRB a.s.	Prague 1, V Celnici 1031/4	78,435	100,000	49%	49%	49,000
Total at 31 December 2012						74,188

Raiffeisen-Leasing, s.r.o. – principal activities:

- Lease of movable and immovable assets;
- Real estate agent;
- Purchase of goods for resale and sale with the exception of goods listed in the Appendix to Act No. 455/91 Coll., and goods eliminated thereunder;
- Agency activities related to sale and services;
- Book-keeping;
- Provision of loans and credits from own resources; and
- Provision of software.

The other shareholder having a share in the equity and voting powers in Raiffeisen-Leasing, s.r.o. is Raiffeisen-Leasing International Gesellschaft GmbH.

Raiffeisen-Leasing Real Estate, s.r.o. – principal activities:

- Lease of movable and immovable assets;
- Valuation of immovable assets; and
- Provision of loans and credits from own resources.

The other shareholder having a share in the equity and voting powers in Raiffeisen-Leasing, s.r.o. is Raiffeisen-Leasing International Gesellschaft GmbH.

In Raiffeisen - Leasing, s.r.o. and Raiffeisen-Leasing Real Estate, s.r.o., the Bank focuses primarily on advisory services and “cross sale” opportunities, and the other shareholder focuses on the active management of operational and financial policies, according to the internal guidelines of these entities. In terms of control according to IFRS, significant influence is exercised by the other shareholder and the Bank has reported Raiffeisen leasing, s.r.o. and Raiffeisen-Leasing Real Estate, s.r.o. as an associate.

CCRB a.s. – principal activities:

- Purchase and recovery of receivables

The other shareholders having a share in the equity and voting powers in CCRB a.s. are CASPER CONSULTING a.s. (50%) and an individual (1%).

(d) Joint Ventures

CZK thousand			Of which	Share of	Share of	Carrying amount
Name	Registered office	Equity	Share capital	share capital	voting power	
DEBITUM dluhová agentura a.s.	Prague 1, Olivova 2096/4	(5,484)	5,000	50%	50%	2,500
Total at 31 December 2012						2,500

DEBITUM dluhová agentura a.s. – principal activities:

- Administration of receivables

The other shareholder having a share in the equity and voting powers in DEBITUM dluhová agentura a.s. was CASPER CONSULTING a.s.

22. INTANGIBLE FIXED ASSETS

CZK thousand	Software	Intangible assets under construction	Total
Cost			
1 January 2012	2,350,580	1,759,040	4,109,620
Additions	120,362	888,083	1,008,445
Disposals	-	(70,272)	(70,272)
Other changes (transfers)	88,940	(88,940)	-
31 December 2012	2,559,882	2,487,911	5,047,793
Additions	483,253	46,537	529,790
Disposals	(3,989)	(1,474,201)	(1,478,190)
Other changes (transfers)	544,304	(544,304)	-
31 December 2013	3,583,450	515,943	4,099,393
Accumulated amortisation			
1 January 2012	(1,661,876)	-	(1,661,876)
Additions - annual amortisation charges	(301,279)	-	(301,279)
31 December 2013	(1,963,155)	-	(1,963,155)
Additions - annual amortisation charges	(288,767)	-	(288,767)
Disposals	3,989	-	3,989
31 December 2013	(2,247,933)	-	(2,247,933)
Net book value			
31 December 2012	596,727	2,487,911	3,084,638
31 December 2013	1,335,517	515,943	1,851,460

Additions to software represent the Bank's new CRM software and optimisation and extension of the Bank's datawarehouses. Internal costs (primarily staff costs and rental costs) which are required to generate these assets are capitalised. In 2013, internal costs of CZK 44,879 thousand (2012: CZK 220,591 thousand) were capitalised. Other additions to intangible assets under construction include purchases from external entities. In this category, the Bank does not report and record additions acquired through business combinations.

Disposals of intangible assets under construction include the derecognition of an intangible asset under construction in the new banking system development project. In December 2013, the Supervisory Board approved the resolution of the Bank's management on the interruption of the new banking system development project. The Bank no longer anticipates that there would be economic or other benefits arising from this investment; for this reason, it derecognised this intangible asset under construction in line with IAS 38 and reported the relating loss in the statement of comprehensive income as "General administrative expenses" (refer to Note 10).

As part of the impairment testing of intangible assets under construction in accordance with IAS 36, an impairment of a new banking system of CZK 70,272 thousand was reported in 2012. The impairment was due to a change in the migration strategy of the new banking system.

"Other changes (transfers)" includes capitalisation of completed investments.

23. PROPERTY AND EQUIPMENT

(a) Movements in Property and Equipment

CZK thousand	Land, buildings, technical improvements on buildings	Furniture and fixtures	Machinery and equipment	Tangible assets under construction	Total
Cost					
1 January 2012	863,574	255,443	1,149,419	177,162	2,445,598
Additions	49,753	10,767	86,674	52,338	199,532
Disposals	(40,466)	(9,884)	(189,853)	-	(240,203)
Other changes (transfers)	51,664	10,877	98,076	(160,617)	-
31 December 2012	924,525	267,203	1,144,316	68,883	2,404,927
Additions	51,866	6,037	66,172	19,597	143,672
Disposals	(23,038)	(44,561)	(149,323)	-	(216,922)
Other changes (transfers)	19,916	1,052	24,763	(45,731)	-
31 December 2013	973,269	229,731	1,085,928	42,749	2,331,677
Accumulated depreciation					
1 January 2012	(409,281)	(155,186)	(710,137)	-	(1,274,604)
Additions	(76,189)	(26,410)	(152,285)	-	(254,884)
Disposals	18,790	9,365	182,224	-	210,379
31 December 2012	(466,680)	(172,231)	(680,198)	-	(1,319,109)
Additions	(84,481)	(26,169)	(150,238)	-	(260,888)
Disposals	11,093	44,397	145,847	-	201,337
31 December 2013	(540,068)	(154,003)	(684,589)	-	(1,378,660)
Net book value					
31 December 2012	457,845	94,972	464,118	68,883	1,085,818
31 December 2013	433,201	75,728	401,339	42,749	953,017

The figures presented under "Other changes (transfers)" represent the reclassification of assets from assets under construction to individual categories and a change in the classification of selected classes of assets.

(b) Property and Equipment Acquired under Finance Leases

The Bank recorded no property and equipment under finance leases in the years ended 31 December 2013 and 2012.

24. AMOUNTS OWED TO FINANCIAL INSTITUTIONS

CZK thousand	2013	2012
Repayable on demand	2,234,282	957,058
Term deposits of banks	7,724,816	5,861,895
Within 3 months	2,349,436	2,886,545
From 3 months to 1 year	323,043	401,976
From 1 to 5 years	1,875,050	1,132,423
Over 5 years	3,177,287	1,440,951
Total	9,959,098	6,818,953

25. AMOUNTS OWED TO CUSTOMERS

(a) Analysis of Amounts Owed to Customers by Type

CZK thousand	2013	2012
Repayable on demand	126,056,236	115,983,487
Term deposits with maturity at accrued amount	20,452,427	27,960,848
Change in the fair values of hedged items in the fair value hedging	69,397	136,627
Other	11,515	62,779
Total	146,589,575	144,143,741
<i>of which: repayable within one year</i>	140,960,575	129,977,954
<i>repayable in more than one year</i>	5,629,000	14,165,787

The Bank uses hedge accounting upon the fair value hedge of term deposit.

(b) Analysis of Amounts Owed to Customers by Sector

CZK thousand	2013	2012
Public sector	2,052,445	4,257,753
Deposits from corporate clients	67,114,466	59,658,958
Deposits to private individuals	60,321,223	64,070,421
Small and medium size enterprises (SME)	16,921,121	15,504,652
Other	180,320	651,957
Total	146,589,575	144,143,741

(c) Repurchase Transactions

As of 31 December 2013, the Bank received CZK 900,014 thousand (2012: CZK 0) from clients as part of repurchase transactions, collateralised by securities of CZK 897,654 thousand (2012: CZK 0).

26. DEBT SECURITIES ISSUED

(a) Analysis of Issued Debt Securities by Type

CZK thousand	2013	2012
Deposit certificates and depository bills of exchange	392,504	2,467,946
Bonds in issue	2,118,820	2,737,135
Mortgage bonds	9,532,191	12,778,021
Total	12,043,515	17,983,102
<i>of which: repayable within one year</i>	3,931,256	5,510,105
<i>repayable in more than one year</i>	8,112,259	12,472,997

The subordinated debt securities issued are disclosed in Note 29.

(b) Analysis of Mortgage Bonds

CZK thousand							
Date of issue	Maturity	ISIN	Currency	Nominal value		Net carrying value	
				2013	2012	2013	2012
14.11.2007	14.11.2014	CZ0002001316	CZK	500,000	500,000	506,676	510,359
12.12.2007	12.12.2017	CZ0002001670	CZK	2,427,800	2,427,800	2,559,898	2,589,019
12.12.2007	12.12.2017	CZ0002001696	CZK	500,000	500,000	525,732	531,209
20.12.2007	20.12.2017	CZ0002001928	CZK	1,418,500	1,444,500	1,545,283	1,603,173
26.11.2008	26.11.2013	CZ0002002058	CZK	-	1,462,460	-	1,495,306
16.11.2010	16.11.2013	CZ0002002249	CZK	-	960,000	-	959,010
19.1.2011	19.1.2014	CZ0002002272	CZK	131,000	222,230	134,504	228,441
9.2.2011	9.2.2014	CZ0002002280	CZK	567,810	852,580	582,188	874,345
4.5.2011	4.5.2016	CZ0002002314	CZK	500,000	499,960	511,807	511,774
27.7.2011	27.7.2016	CZ0002002363	CZK	499,800	500,000	507,326	507,147
27.7.2011	27.7.2014	CZ0002002371	CZK	1,406,120	1,710,120	1,423,315	1,731,703
26.9.2011	26.9.2016	CZ0002002405	CZK	930,000	930,000	943,078	945,112
11.1.2012	11.1.2017	CZ0002002439	CZK	284,400	283,750	292,384	291,423
5.12.2012	5.12.2017	XS0861195369	EUR	-	-	-	-
Total				9,165,430	12,293,400	9,532,191	12,778,021

In December 2012, the Bank issued mortgage bonds of EUR 500,000 thousand. The Bank repurchased the entire issue. This is the first issue under the bond programme of the Bank with the total amount of EUR 5,000,000 thousand. The issued mortgage bonds comply with the conditions for repurchase transactions with the European Central Bank and the Bank can use them when it needs to increase liquidity.

27. PROVISIONS

CZK thousand	Provisions for legal disputes	Provisions for off balance sheet credit risk exposures	Provision for unused holiday	Provision for payroll bonuses	Other provisions	Total
1 January 2012	1,985	9,803	71,411	617,573	36,094	736,866
Charge for provisions	12,000	232,944	29,732	590,770	17,543	882,989
Use of provisions	-	-	(53,292)	(526,548)	(23,801)	(603,641)
Release of redundant provisions	(85)	(4,803)	-	-	(6,396)	(11,284)
Foreign exchange rate differences	-	-	-	-	(435)	(435)
31 December 2012	13,900	237,944	47,851	681,795	23,005	1,004,495
Charge for provisions	300	25,009	19,516	96,056	49,917	190,798
Use of provisions	-	-	(45,870)	(287,906)	(28,232)	(362,008)
Release of redundant provisions	(8,800)	(237,944)	-	(101,636)	(14,352)	(362,732)
Foreign exchange rate differences	-	-	-	-	-	-
31 December 2013	5,400	25,009	21,497	388,309	30,338	470,553

On 1 January 2013, the Bank started to account for provisions for long-term employee bonuses (quarterly and annual bonuses). In prior reporting periods, it accounted for the costs of long-term bonuses as estimated payables. In line with IAS 8, this change in the accounting policy is reflected in the above table retrospectively (ie as if the Bank accounted for the provision instead of the estimated payable in prior years) and the above table is adjusted retrospectively.

The Bank recognises provisions for legal disputes on the basis of an internal expert assessment of the current legal disputes conducted against the Bank. If there is a risk of a possible loss in the legal dispute, the internal division issues an instruction for a provision to be recognised. If the legal dispute discontinues or the likelihood of a loss is reduced, the provision is released due to redundancy.

The Bank recognises provisions for credit risks arising from off-balance sheet items in respect of irrevocable credit commitments, guarantees and letters of credit provided to clients who are in delay in the repayment of their principal balances and accrued interest and there is an increased risk that the Bank will not collect the provided amount in the event of the performance under the irrevocable commitments to clients.

“Other provisions” includes provisions for future potential payments arising from compensation for armed robberies, bonuses for clients, etc. For all types of other provisions, the Bank assesses the risk and probability of performance. This item includes the effect of changes in foreign currency rates on provisions denominated in foreign currencies.

In the years ended 31 December 2012 and 2013, the Bank recognised no provision for restructuring.

Provisions are recognised when it is possible to estimate the amount of the future performance. In most types of risk, the Bank recognises a provision equal to 100% of the anticipated repayments and payments.

28. OTHER LIABILITIES

CZK thousand	2013	2012
Liabilities arising from non-banking activities	416,485	569,957
Estimated payables for payroll costs	211,200	223,631
Accrued expenses and deferred income	44,959	43,766
Liabilities from securities trading	2,968	141,804
Settlement and suspense clearing account	864,580	1,090,530
Other	828,409	905,647
Total	2,368,601	2,975,335

29. SUBORDINATED LIABILITIES

(a) Subordinated Loan

CZK thousand	2013	2012
Raiffeisen Bank International AG (parent company)	3,948,646	1,230,741
Raiffeisen Malta Bank Plc (fellow subsidiary)	-	2,556,566
Total	3,948,646	3,787,307
<i>of which: repayable within one year</i>	52,728	49,312
<i>repayable in more than one year</i>	3,895,918	3,737,995

* The entity holding an indirect investment in the share capital of the parent company.

During 2013, the Bank repaid the subordinated loan from Raiffeisen Malta Bank Plc and increased the subordinated loan from od Raiffeisen Bank International AG.

(b) Issue of Subordinated Bonds

CZK thousand							
Date of issue	Date of maturity	ISIN	Currency	Nominal value		Net book value	
				2013	2012	2013	2012
21.9.2011	21.9.2016	CZ0003702953	CZK	125,000	125,000	128,160	128,689
21.9.2011	21.9.2018	CZ0003702961	CZK	125,000	125,000	126,083	126,252
Total				250,000	250,000	254,243	254,941

30. SHARE CAPITAL

The shareholder structure of the Bank as of 31 December 2012

Name	Registered office	Number of ordinary shares	Nominal value (CZK thousand)	Ownership Percentage* (in %)
Raiffeisen CEE Region Holding GmbH	Austria	701,775	7,017,750	75
RB Prag Beteiligungs GmbH	Austria	233,925	2,339,250	25
		935,700	9,357,000	100

* Direct investment in the share capital

On 25 April 2013, the General Meeting of the Bank approved the following allocation of the profit generated in 2012:

Net profit for 2012	1 973 161
Approved allocation:	
Allocation to statutory reserve funds	98 658
Allocation to retained earnings	861 903
Dividends paid to shareholders*	1 012 600
<i>of which: Raiffeisen CEE Region Holding GmbH</i>	<i>759 450</i>
<i>RB Prag Beteiligungs GmbH</i>	<i>253 150</i>

* Dividends were paid on 15 May 2013 according to the shareholder structure effective as of 31 December 2012

On 27 June 2013, the share capital of the Bank was increased by CZK 835,400 thousand (issue of 83,540 shares) from CZK 9,357,000 thousand to CZK 10,192,400 thousand. The aggregate nominal value of all the shares was fully paid. All shares are book-entered, registered, they are not listed and their nominal value is CZK 10,000. The increase in the share capital did not impact the shareholder structure, i.e. all existing shareholders participated in the increase in the share capital in a proportionate manner according to the amount of the investment in the share capital and voting rights.

The shareholder structure and the nominal value of their investments as of 31 December 2013 is as follows:

Name	Registered office	Number of ordinary shares	Nominal value (CZK thousand)	Ownership Percentage* (in %)
Raiffeisen CEE Region Holding GmbH	Austria	764,430	7,644,300	75
RB Prag Beteiligungs GmbH	Austria	254,810	2,548,100	25
		1,019,240	10,192,400	100

* Direct investment in the share capital

The ultimate parent company of the Bank is Raiffeisen-Landesbanken-Holding GmbH, Austria.

31. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the year as shown in the statements of cash flows are composed of the following balances:

CZK thousand	2013	2012
Cash and balances with central banks (Note 14)	3,836,447	4,964,510
Statutory minimum reserves (Note 14)	(554,899)	(1,731,310)
Placements in other financial institutions (Note 16)	556,527	689,393
Total cash and cash equivalents	3,838,075	3,922,593

32. CONTINGENT LIABILITIES

(a) Legal disputes

The Bank conducted a review of legal proceedings outstanding against it as of 31 December 2013. Pursuant to the review of significant litigation matters in terms of the risk of potential losses and the probability of payment, the Bank recognised provisions (Note 27) for significant litigations in the aggregate amount CZK 5,400 thousand (2012: CZK 13,900 thousand).

(b) Irrevocable Commitments, Guarantees and Issued Letters of Credit

CZK thousand	2013	2012
Banks		
Provided commitments (irrevocable)	1,043,439	512,500
Guarantee issued	209,681	70,140
Letters of credit issued	100,705	15,492
Total	1,353,825	598,132
Customers		
Provided commitments (irrevocable)	20,626,696	16,516,380
Guarantee issued	13,854,226	12,039,351
Letters of credit issued	585,943	445,928
Total	35,066,865	29,001,659
Total	36,420,690	29,599,791

In addition, the Bank provides the clients with revocable credit commitments and guarantee commitments.

(c) Refinancing Agreements

During 2011 and 2012, the Bank used EUR 100,000 thousand from EIB. During 2013, the Bank used another EUR 100,000 thousand. As of 31 December 2013, the Bank used the loan with the nominal amount of CZK 5,384,665 thousand (2012: CZK 2,514,000 thousand).

33. FINANCIAL DERIVATIVES

(a) Analysis of Derivative Financial Instruments – Contractual Amounts (nominal value)

CZK thousand	Contractual amounts (nominal value)	
	2013	2012
Financial derivatives (non-hedging)		
Cross currency swaps	570,087	562,703
Currency forwards and swaps	33,258,492	33,701,578
Interest rate swaps (IRS)	124,799,686	109,622,515
Forward rate agreements (FRA)	17,000,000	26,262,600
Option contracts (purchase)	14,304,185	6,408,312
Option contracts (sale)	14,301,405	6,412,363
Total trading instruments	204,233,855	182,970,071
Hedging derivatives		
Interest rate swaps (IRS)	17,619,000	2,011,200
Total hedging derivatives	17,619,000	2,011,200
Financial derivatives - total contractual amount	221,852,855	184,981,271

The Bank has started to use hedge accounting upon a fair value hedge of the portfolio of receivables from mortgage loans provided to clients in 2013. The Bank has used hedge accounting upon a fair value hedge of term deposits since 2012.

(b) Analysis of Derivative Financial Instruments – Fair Value

CZK thousand	Fair value in 2013		Fair value in 2012	
	Positive	Negative	Positive	Negative
Financial derivatives (non-hedging)				
Cross currency swaps	19,270	(16,654)	4,268	(1,003)
Currency forwards and swaps	549,609	(178,818)	175,078	(240,650)
Interest rate swaps (IRS)	1,663,581	(1,412,303)	2,064,764	(2,152,371)
Forward rate agreements (FRA)	3,567	(5,865)	14,419	(10,568)
Option contracts (purchase)	450,855	-	104,870	-
Option contracts (sale)	-	(457,028)	-	(104,696)
Total trading instruments	2,686,882	(2,070,668)	2,363,399	(2,509,288)
Hedging derivatives				
Interest rate swaps (IRS)	187,788	(93,696)	235,244	-
Total hedging derivatives	187,788	(93,696)	235,244	-
Financial derivatives - total fair value	2,874,670	(2,164,364)	2,598,643	(2,509,288)

(c) Remaining Maturity of Financial Derivative Instruments - Contractual Amounts
(nominal value)

CZK thousand	Up to 1 year	From 1 to 5 years	Over 5 years	Total
At 31 December 2013				
Financial derivatives (non-hedging)				
Cross currency swaps	-	570,087	-	570,087
Currency forwards and swaps	29,665,104	3,593,388	-	33,258,492
Interest rate swaps (IRS)	30,834,925	72,790,917	21,173,844	124,799,686
Forward rate agreements (FRA)	13,000,000	4,000,000	-	17,000,000
Option contracts (purchase)	10,481,087	3,805,525	17,573	14,304,185
Option contracts (sale)	10,478,307	3,805,525	17,573	14,301,405
Total trading instruments	94,459,423	88,565,442	21,208,990	204,233,855
Hedging derivatives				
Interest rate swaps (IRS)	2,000,000	12,925,000	2,694,000	17,619,000
Total hedging derivatives	2,000,000	12,925,000	2,694,000	17,619,000
Total financial derivatives	96,459,423	101,490,442	23,902,990	221,852,855

CZK thousand	Up to 1 year	From 1 to 5 years	Over 5 years	Total
At 31 December 2012				
Financial derivatives (non-hedging)				
Cross currency swaps	-	562,703	-	562,703
Currency forwards and swaps	32,426,750	1,274,828	-	33,701,578
Interest rate swaps (IRS)	28,983,691	64,594,157	16,044,667	109,622,515
Forward rate agreements (FRA)	25,262,600	1,000,000	-	26,262,600
Option contracts (purchase)	5,769,228	622,975	16,109	6,408,312
Option contracts (sale)	5,767,928	628,326	16,109	6,412,363
Total trading instruments	98,210,197	68,682,989	16,076,885	182,970,071
Hedging derivatives				
Interest rate swaps (IRS)	-	-	2,011,200	2,011,200
Total hedging derivatives	-	-	2,011,200	2,011,200
Total financial derivatives	98,210,197	68,682,989	18,088,085	184,981,271

(d) Summary of Future Cash Flows of Net Settled Derivatives

CZK thousand	Future Cash Inflows			Future Cash Outflows		
	Up to 1 year	From 1 to 5 years	Over 5 years	Up to 1 year	From 1 to 5 years	Over 5 years
31 December 2013						
Financial derivatives (non-hedging)						
Interest rate swaps (IRS)	140,156	1,112,993	410,432	(171,713)	(776,284)	(464,306)
Forward rate agreements (FRA)	2,430	1,137	-	(5,272)	(593)	-
Option contracts (purchase)	450	37,516	185	-	-	-
Option contracts (sale)	-	-	-	(6,624)	(37,516)	(185)
Total trading instruments	143,036	1,151,646	410,617	(183,609)	(814,393)	(464,491)
Hedging derivatives						
Interest rate swaps (IRS)	-	16,226	171,562	(1,229)	(92,467)	-
Total hedging derivatives	-	16,226	171,562	(1,229)	(92,467)	-
Financial derivatives - total contractual payments	143,036	1,167,872	582,179	(184,838)	(906,860)	(464,491)

CZK thousand	Future Cash Inflows			Future Cash Outflows		
	Up to 1 year	From 1 to 5 years	Over 5 years	Up to 1 year	From 1 to 5 years	Over 5 years
31 December 2012						
Financial derivatives (non-hedging)						
Interest rate swaps (IRS)	89,604	1,356,551	618,609	(315,227)	(1,027,655)	(809,489)
Forward rate agreements (FRA)	13,880	539	-	(10,568)	-	-
Option contracts (purchase)	-	-	583	-	-	-
Option contracts (sale)	-	-	-	-	-	(622)
Total trading instruments	103,484	1,357,090	619,192	(325,795)	(1,027,655)	(810,111)
Hedging derivatives						
Interest rate swaps (IRS)	-	-	235,244	-	-	-
Total hedging derivatives	-	-	235,244	-	-	-
Financial derivatives - total contractual payments	103,484	1,357,090	854,436	(325,795)	(1,027,655)	(810,111)

(e) Summary of Future Cash Flows of Gross Settled Derivatives

CZK thousand	Future Cash Inflows			Future Cash Outflows		
	Up to 1 year	From 1 to 5 years	Over 5 years	Up to 1 year	From 1 to 5 years	Over 5 years
31 December 2013						
Financial derivatives (non-hedging)						
Cross currency swaps	-	570,087	-	-	(570,087)	-
Currency forwards and swaps	29,665,104	3,593,388	-	(29,388,013)	(3,477,061)	-
Option contracts (purchase)	10,481,088	975,045	-	(10,415,621)	(925,076)	-
Option contracts (sale)	10,415,621	925,076	-	(10,478,307)	(975,045)	-
Total financial derivatives (non-hedging)	50,561,813	6,063,596	-	(50,281,941)	(5,947,269)	-
Financial derivatives - total contractual payments	50,561,813	6,063,596	-	(50,281,941)	(5,947,269)	-

CZK thousand	Future Cash Inflows			Future Cash Outflows		
	Up to 1 year	From 1 to 5 years	Over 5 years	Up to 1 year	From 1 to 5 years	Over 5 years
31 December 2012						
Trading instruments						
Cross currency swaps	-	562,703	-	-	(562,703)	-
Currency forwards and swaps	32,426,750	1,274,828	-	(32,477,583)	(1,293,919)	-
Option contracts (purchase)	5,769,228	622,975	-	(5,690,334)	(621,636)	-
Option contracts (sale)	5,690,334	628,281	-	(5,767,928)	(628,326)	-
Total trading instruments	43,886,312	3,088,787	-	(43,935,845)	(3,106,584)	-
Financial derivatives - total contractual payments	43,886,312	3,088,787	-	(43,935,845)	(3,106,584)	-

34. OTHER OFF BALANCE SHEET ASSETS

(a) Assets Provided for Management, Administration and Custody

In the years ended 31 December 2013 and 2012, the Bank provided no assets for management, administration and custody.

(b) Assets Accepted for Management, Administration and Custody

CZK thousand	2013	2012
Assets accepted for management	4,124,750	3,675,659
Assets accepted for administration	19,399,090	15,452,875
Total	23,523,840	19,128,534

35. SEGMENT ANALYSIS

(a) Segments

The base for the segment analysis according to IFRS 8 are internal reports of the Bank which are based on management accounts and serve as the principal financial information for decision-making of the Bank's management.

Management accounts are maintained on a margin basis. For this reason, the interest income and expenses and fee and commission expense of individual operating segments are not reported separately, but on a net basis.

Operating segments are represented as follows:

- Corporate banking;
- Retail banking;
- Treasury; and
- Other.

The Corporate banking segment involves transactions with corporate clients, public sector institutions and financial institutions.

The Retail banking segment generally includes all private individuals including VIP clients, individuals - entrepreneurs and the Bank's own employees.

The Treasury segment includes interbank transactions and securities.

The "Other" segment mainly includes equity investments and other non-interest bearing assets and liabilities of the Bank that cannot be allocated to segments referred to above, i.e. capital, subordinated deposit, assets, other assets/liabilities, capital investments.

The Bank monitors amounts of net interest income and net fee and commission income, net profit/(loss) from financial operations, movements in provisions, general operating expenses, income tax, and volume of client and non-client assets and liabilities by segment. Other profit and loss items are not monitored by segment.

A predominant part of the Bank's income is generated in the Czech Republic from transactions with clients who have their permanent residence or place of business in the Czech Republic or from trading with financial instruments issued by Czech entities. The income generated outside the Czech Republic is immaterial for the Bank.

The Bank has no client or a group of related parties where the income from transactions with it would account for more than 10 percent of the Bank's total income.

(b) Selected items by segment (2013)

CZK thousand						
31 December 2013	Corporate entities	Retail clients	Treasury	Other	Reconciliation to the statement of comprehensive income	Total
Profit and loss account:						
Net interest income	2,399,775	3,299,021	(99,485)	176,634	(61,381)	5,714,564
Net fee and commission income	1,333,909	1,966,180	(13,107)	(29,795)	(1,060,156)	2,197,031
Net profit/(loss) from financial operations	67,017	1,201	190,342	(60,450)	1,082,812	1,280,922
Movements in provisions	(433,980)	(840,640)	(36)	-	-	(1,274,656)
Other operating expenses	(2,106,095)	(4,399,197)	(276,875)	(117,431)	-	(6,899,598)
Dividend income	-	-	-	-	73,692	73,692
Losses from impairment of equity investments	-	-	-	-	(34,967)	(34,967)
Profit before tax	1,260,626	26,565	(199,161)	(31,042)	-	1,056,988
Income tax	(170,097)	(3,584)	26,872	4,189	-	(142,620)
Profit after tax	1,090,529	22,981	(172,289)	(26,853)	-	914,368
Assets and liabilities:						
Total assets	77,151,647	73,101,598	38,411,744	8,021,786	-	196,686,775
Total liabilities	69,353,782	81,468,138	19,906,770	7,984,273	(914,368)	177,798,595

Selected items by segment (2012)

CZK thousand					Reconciliati- on to the statement of comprehen- sive income	
31 December 2013	Corporate entities	Retail clients	Treasury	Other		Total
Profit and loss account:						
Net interest income	2,486,943	3,675,843	(131,741)	162,468	63,667	6,257,180
Net fee and commission income	1,152,473	1,973,558	21,408	-	(959,461)	2,187,978
Net profit/(loss) from financial operations	(1,693)	-	580,171	-	865,110	1,443,588
Movements in provisions	(906,248)	(891,793)	-	-	-	(1,798,041)
Other operating expenses	(1,642,828)	(3,609,739)	(199,667)	(191,169)	-	(5,643,403)
Dividend income	-	-	-	-	30,684	30,684
Losses from impairment of equity investments	1,088,647	1,147,869	270,171	(28,701)	-	2,477,986
Profit before tax	(221,768)	(233,841)	(55,063)	5,847	-	(504,825)
Income tax	866,879	914,028	215,108	(22,854)	-	1,973,161
Profit after tax						
Assets and liabilities:	72,852,228	71,106,360	44,601,571	9,068,015	-	197,628,174
Total assets	63,353,106	87,793,414	20,308,564	9,995,239	(1,973,161)	179,477,162

Differences between individual lines of the segment analysis and information in the statement of comprehensive income and the statement of financial position

The difference in "Net interest income" arises primarily from the different presentation of the dividend income, and expense fees of synthetic securitisation.

The difference in "Net fee and commission income" arises from the different presentation of income and expenses from commissions from foreign currency transactions and expense fees of synthetic securitisation.

The difference in "Net profit/(loss) from financial operations" arises from the different presentation of the income and expenses from foreign currency transactions.

"Other operating expenses" includes "Other operating income/(expenses), net" and "General administrative expenses" presented in the statement of comprehensive income in separate lines.

The differences referred to above between the segment analysis and the statement of comprehensive income arise from the different classification of selected profit and loss items.

The difference in liabilities arises from the different presentation of the profit for the reporting period.

36. FINANCIAL INSTRUMENTS – MARKET RISK

The Bank is exposed to market risks arising from open positions of transactions with interest rate, equity and currency instruments which are sensitive to the changes of conditions on financial markets.

(a) Trading

The Bank holds trading positions in certain financial instruments including financial derivatives.

These positions are also held for the purpose of speculation on the expected future development of financial markets and thus represent speculation on this development. The majority of the Bank's trading activities are conducted on the basis of the requirements of the Bank's clients. The Bank maintains the admission to the financial markets through the quoting of bid and ask prices and by trading with other market makers. The Bank's business strategy is thus affected by the speculative expectation and market making and its goal is to maximise net income from trading.

The Bank manages risks associated with its trading activities on the level of individual risks and types of financial instruments. The key risk management tools are the limits for individual transaction volumes and individual position volumes, stop loss limits and Value at Risk (VaR) limits. The quantitative methods applied to market risk management are described in "Risk Management Methods" in Note 36 (d).

(b) Risk Management

The selected risks exposures resulting from the Bank's activities, management of positions arising from these activities and its risk management approach are described below. More detailed policies applied in measuring and managing these risks are included in "Risk Management Methods" in Note 36 (d).

Liquidity Risk

Liquidity risk arises from the type of funding of the Bank's activities and the management of its positions. It includes both the risk of inability to raise funds to cover the Bank's assets using instruments with appropriate maturity and the Bank's ability to sell assets at a reasonable price within a reasonable time frame.

The Bank has access to diversified sources of funding, which comprise deposits and other savings, issued securities, loans accepted including subordinated loans, and also the Bank's equity. This diversification makes the Bank flexible and reduces its dependency on one source of funding. The Bank regularly evaluates its liquidity exposures, in particular by monitoring the changes in the structure of financing and comparing these changes with the Bank's liquidity risk management strategy, which is approved by the Bank's Board of Directors. As part of its liquidity risk management strategy, the Bank also holds a portion of its assets in highly liquid funds, such as government treasury bills and similar bonds and repurchase transactions with the Czech National Bank.

The Bank uses internal statistical models for diversification of the maturity of client deposits. These models are reassessed on a regular basis.

The following table shows the remaining maturity of contractual cash flows arising from financial liabilities. Contractual cash flows from derivatives are analysed in the tables in Notes 33 (d) and 33 (e).

Analysis of financial liabilities according to remaining maturity (undiscounted cash flows)

2013 (CZK thousand)	Total contractual liability	Up to 3 months	3 – 12 months	1 – 5 years	Over 5 years
Amounts owed to financial institutions	10,455,816	4,508,283	124,568	-	5,822,965
Amounts owed to customers	147,561,502	131,473,988	9,752,448	2,824,626	3,510,440
Debt securities issued	13,022,701	566,435	3,463,664	8,992,602	-
Subordinated liabilities	5,325,287	63,177	96,302	2,026,978	3,138,830
Other liabilities	2,368,600	2,368,600	-	-	-
Off-balance sheet items	20,762,029	20,685,067	70,111	6,851	-

2012 (CZK thousand)	Total contractual liability	Up to 3 months	3 – 12 months	1 – 5 years	Over 5 years
Amounts owed to financial institutions	7,021,859	3,838,303	314,875	159,082	2,709,599
Amounts owed to customers	145,544,224	125,175,838	5,471,634	10,866,522	4,030,230
Debt securities issued	19,901,248	947,655	4,926,778	14,026,815	-
Subordinated liabilities	5,903,334	110,700	106,392	1,000,234	4,686,008
Other liabilities	3,478,918	3,478,918	-	-	-
Off-balance sheet items	17,316,622	17,316,622	-	-	-

Off-balance sheet items include all irrevocable credit commitments provided to the Bank's clients and guarantees and letters of credit provided to clients classified as default. In 2013 and 2012, the Bank did not record any letters of credit provided to clients that are classified as default.

Foreign Currency Risk

The foreign currency risk is the risk arising from currency markets. The source of this risk is the Bank's foreign currency position which arises from the mismatch of the Bank's assets and liabilities, including the currency-sensitive off balance sheet items. The majority of foreign currency gains or losses is due to changes in foreign currency rates in currency positions of the Bank denominated in EUR and USD. The foreign currency risk is managed by setting trading limits. More detailed policies applied in managing this risk are included in "Risk Management Methods" in Note 36 (d).

Interest Rate Risk

The Bank is exposed to interest rate risk since the interest-bearing assets and liabilities have different maturity dates, periods of interest rate changes/adjustments and volumes during these periods. In the case of variable interest rates, the Bank is exposed to a basis risk arising from the difference in the mechanism of adjusting individual types of interest rates, such as PRIBOR, announced interest on deposits, etc. The interest rate risk of the Bank is primarily impacted by the development in interbank PRIBOR, EURIBOR and LIBOR interest rates. The Bank's interest rate risk management activities are aimed at optimising the Bank's net interest income in accordance with its strategy approved by the Board of Directors. In managing the interest rate risk, the Bank uses (as in the case of liquidity management) statistical models for distribution of those items where it is unable to determine the exact moment of repricing of interest rates or liquidity maturity (for example on current accounts).

The Bank mostly uses interest rate derivatives to manage the mismatch between the rate-sensitivity of assets and liabilities. These derivative transactions are entered into in accordance with the asset and liability management strategy as approved by the Board of Directors of the Bank.

Part of the Bank's income is generated through a targeted mismatch between rate-sensitive assets and rate-sensitive liabilities. The carrying amounts of these assets and liabilities and the nominal (notional) values of interest rate derivatives are recorded either in the period in which they are due or in which the interest rate changes, whichever occurs first. Certain assets or liabilities are allocated to individual periods on the basis of an expert estimate due to the anticipated preliminary repayment or undefined maturity dates.

Equity Risk

Equity risk is the risk of fluctuations of the prices of equity instruments held in the Bank's portfolio and financial derivatives related to these instruments. This risk predominantly arises from trading with equity instruments although a portion of equity exposure is also attributable to non-trading activities of the Bank. Equity risk is managed by trading limits. The equity risk management methods are described in "Risk Management Methods" in Note 36 (d).

(c) Fair values of financial assets and liabilities

In disclosing the estimates of fair values of financial assets and liabilities, the Bank used the following methods and estimates.

i) Cash and balances with central banks

Carrying amounts of cash and short-term instruments in principle approximate their fair values.

ii) Loans and advances to financial institutions

Carrying amounts of loans and advances to financial institutions due within 180 days in principle approximate their fair values. Fair values of other loans and advances to financial institutions are estimated using discounted cash flows based on common rates in similar types of investments (market rates adjusted by the credit risk). Fair values of default loans of financial institutions are estimated on the basis of discounted cash flows, fair values of loss loans are equal to their collateral values.

iii) Loans and advances to customers

Fair values of loans with variable interest rates which are frequently remeasured or loans with the final maturity within one year, and the change of the credit risk is insignificant, in principle approximate their carrying amounts. Fair values of loans with fixed interest rates are estimated based on the discounted cash flows using the interest rate common for loans with similar conditions and due dates and provided to debtors with similar risk rating, including the impact of collateral (the discounted rate technique according to IFRS 13). Fair values of default loans are estimated based on the discounted cash flows including potential collateral realisation.

iv) Securities held to maturity

Fair values of securities carried in the held to maturity portfolio are estimated based on discounted cash flows using the interest rate common as of the balance sheet date.

v) Amounts owed to financial institutions and customers

Fair values reported in respect of loans on request match amounts payable on demand (i.e. their carrying amounts) at the balance sheet date. Carrying amounts of term deposits with variable rate are principally equal to their fair values as of the balance sheet date. Fair values of deposits with fixed interest rate are estimated based on discounting of cash flows using market interest rates. The fair value of total amounts owed to financial institutions and customers does not significantly differ from the carrying amounts as of the balance sheet date.

vi) Debt securities issued

Fair values of debt securities issued by the Bank are determined on the basis of updated market prices. If market prices are not available, fair values are estimates of the Bank.

vii) Subordinated liabilities

Fair values of the subordinated loan are estimated based on discounting cash flows using market interest rates and reflecting liquid costs of the Bank. Fair values of subordinated bonds issued by the Bank are determined by reference to current market prices.

The following table shows the estimated amounts and fair values of financial assets and liabilities that are not reported at fair value in the statement of financial position:

CZK thousand	2013		2012	
	Carrying amount	Fair value	Carrying amount	Fair value
Assets				
Cash and balances with central banks	3,836,447	3,836,447	4,964,510	4,964,510
Loans and advances to financial institutions	19,104,685	19,104,685	14,452,117	14,423,664
Loans and advances to customers	148,512,564	153,880,737	143,756,145	150,903,254
Securities held to maturity	12,410,743	12,819,444	13,977,382	14,493,905
Liabilities				
Amounts owed to financial institutions	10,025,158	10,029,298	6,818,953	6,814,573
Amounts owed to customers	146,523,515	147,157,124	144,143,741	144,860,011
Debt securities issued	12,043,515	12,595,596	17,983,102	16,477,049
Subordinated liabilities	4,202,889	4,203,468	4,042,248	4,048,975

*including allowances

Financial instruments at fair value

CZK thousand	Fair value at 31 Dec 2013			Fair value at 31 Dec 2012	
	Level 1	Level 2	Level 3	Level 1	Level 2
Positive fair values of financial derivative instruments	-	2,874,670	-	-	2,598,643
Securities at fair value through profit or loss	2,537,048	629,054	1,777,859	4,759,369	6,698,071
Securities available for sale	-	905	-	-	842
Total	2,537,048	3,504,629	1,777,859	4,759,369	9,297,556

CZK thousand	Fair value at 31 Dec 2013			Fair value at 31 Dec 2012	
	Level 1	Level 2	Level 3	Level 1	Level 2
Negative fair values of financial derivative instruments	-	2,164,364	-	-	2,509,288
Total	-	2,164,364	-	-	2,509,288

Securities available for sale of CZK 516,106 thousand, not included in the above table, are measured at cost due to the impossibility to reliably determine their fair value and the Bank performs regular impairment testing.

Level 1 category is the category of financial instruments measured at fair value quoted on an active market.

Level 2 category is the category of financial instruments measured at fair value determined based in prices derived from market data. For financial derivatives, the fair values are determined based on discounted future cash flows that are estimated according to market interest rate and currency forward curves and contractual interest rate and currency rates by individual contracts. The discount factor is derived from market rates. For securities at fair value through profit or loss, the fair value is calculated on the basis of discounted future cash flows. The discount factor is derived from market rates.

Level 3 category is the category of financial instruments measured at fair value determined using the techniques based on input information not based on data observable on the market.

The reconciliation of financial instruments measured at fair value determined using the techniques based on the input information not based on the data observable on the market (Level 3 instruments).

2013		
CZK thousand	Securities at fair value through profit or loss	Total
Balance at the beginning of the period	-	-
Transfer to Level 3	141,752	141,752
Purchases	3,000,000	3,000,000
Comprehensive income/(loss) - in the income statement	(11,684)	(11,684)
Sales/settlement	(1,352,209)	(1,352,209)
Transfer from Level 3	-	-
Balance at the end of the period	1,777,859	1,777,859

In 2012, the Bank had no financial instruments remeasured at fair value that would fall into the category of the Level 3 financial instruments.

The Bank measures securities at fair value through profit or loss using the technique of discounted future cash flows. In respect of securities that fall into the Level 3 category, the Bank uses the discount factor for the calculation that is derived from the internal price for liquidity that is determined by the Bank and concurrently reflects the credit risk of the security issuer. The price of the Bank for liquidity and credit risk of the security issuer are inputs that are not observable from the data available on the market. The price of the Bank for liquidity determined in the calculation is based on the resolution of the Bank's ALCO Committee and reflects the level of available sources of financing of the Bank and their price. In the event of a negative development of the Bank's liquidity position or changes in the interbank market, the price for liquidity may increase and consequently the price of the financial instrument may decline. The credit risk of the issuer is determined on the basis of the rating of the securities issuer in the Bank's rating scale. If the issuer was attributed a worse rating, the price of the financial instrument could decline by 0-10%.

(d) Risk Management Methods

The Bank uses a set of limits for individual positions and portfolios as part of the appropriate methodologies to facilitate effective market risk management. The set of limits consists of limits determined by the regulator which are complemented by the limits set by the parent bank in a standardised way for the whole CEE region. In some cases, the set of limits is complemented by other internal limits that reflect the specifications of local markets to which the Bank is exposed.

The Bank monitors both aggregate and individual market risks using the Value at Risk method. Value at Risk represents the potential loss arising from an adverse movement on the market within a certain time period with a certain confidence level. Value at Risk is measured based on a one-day holding period with a 99 percent confidence level. The calculation reflects mutual correlations of individual risk factors (currency rates, interest rates and equity market prices).

CZK thousand	At 31 December 2013	Average in 2013	At 31 December 2012	Average in 2012
Total market risk VaR	61,489	27,397	57,380	15,169

Interest Rate Risk

The Bank monitors interest rate risk of the banking book and the trading book separately, at the level of individual currencies. The interest rate position is monitored based on a gap analysis method, in combination with the sensitivity of the overall position to the shift in the interest rate curve (BPV). The gap analysis is based on the net position of notional values presented in a yearly equivalent (that is, the position converted to the risk of the yearly interest rate instrument using a duration coefficient). The BPV technique (basis point value) involves determining the change of the present value of the portfolio when interest rates shift by one basis point (0.01 percent). These techniques are complemented by monitoring interest rate risks using Value at Risk.

CZK thousand	At 31 December 2013	Average in 2013	At 31 December 2012	Average in 2012
Total interest rate risk VaR	61,186	26,969	57,787	14,742
Interest rate risk VaR - banking book	27,235	28,179	37,733	15,169
Interest rate risk VaR - trading book	40,148	19,935	20,784	8,673

Currency Risk

The Bank uses a set of limits established by reference to the standards of the Raiffeisen Group. The limits are set for individual currencies and for the overall currency position. Internal currency position limits fully respect the limits set by the local regulatory body. These techniques are complemented by monitoring currency risks using Value at Risk.

CZK thousand	At 31 December 2013	Average in 2013	At 31 December 2012	Average in 2012
Currency risk VaR	1,877	2,372	1,691	1,871

Equity Risk

Market risks arising from the Bank's equity trading activities are managed using the Value at Risk method. Value at Risk represents the potential loss arising from an adverse movement on the market within a certain time period with a certain confidence level.

CZK thousand	At 31 December 2013	Average in 2013	At 31 December 2012	Average in 2012
Equity risk VaR	-	838	395	497

Stress Testing

The Bank performs regular stress testing of interest rate risk inherent in the banking and trading portfolios, the currency risk and the equity risk. The results of stress tests are submitted to the Assets and Liabilities Committee (ALCO) on a regular basis.

Operational Risk

In accordance with Basel II, operational risk is defined as the risk of loss arising from the inappropriateness or failure of internal processes, human errors or failures of systems or the risk of loss arising from external events. The Bank monitors, tracks and assesses these risks on a regular basis and undertakes measures aimed at minimising these risks. The Bank applies the standardised approach to calculating capital adequacy, it intends to implement the advanced (AMA) approach in the future.

The basic principal is the responsibility of each employee for the identification and escalation of the operational risk which is within his/her responsibility and for timely and accurate reporting of incidents. The Bank has a central operational risk management function in place, which is responsible for the setting of the methodology, measurements or analyses and which provides methodical support to managers.

Operational risk management primarily draws upon collection of data on losses caused by operational risks, risk self-assessment and key risk indicators.

The objective of collecting data on operational risk events is not just to accumulate information but predominantly to analyse the causes of such events. More serious cases are presented to and discussed by the Operational Risk Management Committee. Through the Operational Risk Management Committee, the Bank also presents, discusses and approves measures aimed at minimising or fully eliminating further occurrence of similar events. Specific responsibilities are determined for the implementation of proposed changes and their fulfilment is reviewed by the Operational Risk Management Committee. Other cases are dealt with by the relevant departments.

Risk self-assessment - RSA is designed to identify areas with high operational risk. The results of RSA impact the Bank's priorities in eliminating operational risks. The assessment is performed no less than once in 15 months. Subsequently, risk and control self-assessments (RCSA) are performed for areas with high operational risk. The deliverable is a list of measures and key risk indicators (KRI).

These indicators monitor the development of the risk in specific areas, the effectiveness of the set controls of the performance of the introduced measures. The Bank gradually extends and adjusts the list of these indicators depending on the development of the situation. In setting the KRIs, the Bank cooperates with, and shares the results within, the Raiffeisen Group.

Capital Management

The Bank's principal capital management instrument involves monitoring and adhering to the capital adequacy limit.

The Bank additionally manages its capital to ensure that the Bank and its subsidiaries and jointly controlled entities are able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy has remained unchanged since 2006.

37. FINANCIAL INSTRUMENTS – CREDIT RISK

The Bank takes on exposure to credit risks resulting from its trading activities, provision of loans, hedging transactions, investment activities and agency services.

Credit risks associated with trading and investment activities are managed using the methods and instruments applied by the Bank in managing its credit risk exposures.

(a) Assessment and Classification of Receivables

The Bank assesses its receivables in accordance with the principles determined by the CNB's Regulation dated 15 May 2007 on the rules of prudent business of banks, savings and lending associations and securities traders (Collection of Laws No. 123/2007), as amended, and also in accordance with IFRS 9 and IAS 39 and internal regulations.

The Bank assesses receivables based on the fulfilment of the criteria. Individual receivables are classified into five categories according to Regulation of the Czech National Bank No. 123. For each client, each criterion is evaluated individually and the receivable is subsequently classified on the basis of the worst rating of the criteria to one of the following categories: standard, watch, substandard, doubtful, and loss. Substandard, doubtful and loss receivables are aggregately designated as receivables with debtor's default. If the Bank records more receivables from one client, they are all classified in the same category, based on the receivable with the least favourable rating. This rule does not apply to retail receivables where the default and sub-categories are allocated on the level of receivables rather than the client.

The classification is performed on an annual basis, with the key criteria being:

- Number of days past maturity;
- Financial position of the debtor – client/transaction rating;
- Implementation of enforced restructuring;
- Resolution on insolvency; and
- Other individually assessed events relating to the anticipated customer's compliance with contractual obligations

(b) Provisioning for Receivables

The Bank determines impairment of individual receivables or the portfolio of receivables with similar characteristics in terms of credit risk.

The Bank applies the portfolio approach in respect of individually assessed receivables where no impairment was noted individually. In this case, the Bank also determines impairment of the portfolio of similar individually unimpaired loans.

Portfolio provisions are calculated pursuant to the anticipated development in the loan portfolio (probability of default, default loss, etc).

The amount of the individual provision is determined based on the anticipated cash flows. Future cash flows are estimated pursuant to the assessment of all available information, including the estimated collateral value, possibility of the sale of a receivable, proceeds from the bankruptcy and anticipated length of the recovery process.

Problematic receivables from the SME and Corporate segments are dealt with by the Workout division. Significant (in terms of volume) loans are assessed by the Problem Loan Committee.

The value of the future cash flows of retail receivables is estimated on the basis of the historical behaviour of similar receivables and historical success of the recovery process.

The Bank determines provisions for receivables at least on a monthly basis.

(c) Evaluation of Collateral

Generally, the Bank requires collateral for loans granted to certain debtors prior to the issuance of the loan. For the purpose of calculating provisioning levels, the Bank considers the following types of collateral as eligible collateral which reduces gross credit exposure:

- Cash;
- Real estate;
- First-class receivables;
- Bank guarantees;
- Guarantee provided by a reputable third party;
- Machinery and equipment – movable assets;
- First-class securities; and
- Inventory and commodities.

To determine the realisable value of collateral of immovable and movable assets, the Bank refers to estimates of usual prices supervised by a specialised department of the Bank or internal assessments prepared by this department of the Bank. In other types of hedging instruments, their value including the recalculated value is determined in line with the internal standards of the Bank. The realisable value of collateral is subsequently determined by discounting the appraised value using a correction coefficient which reflects the Bank's ability to realise the collateral as and when required. The Bank regularly reviews and updates collateral values depending on the type and quality of the collateral, usually no later than on an annual basis.

(d) Credit Risk Measurement Methods

The principal credit risk management methods in retail and SME include rating based on the application and behavioural scoring. The risks are managed on a portfolio level through the portfolio management approach, through the management of the approval process based on the regular monitoring of the portfolio quality development, and prediction of potential future loss development.

In the corporate segment, the Bank measures the credit risk through rating scales (see below) and each rating category is allocated a certain risk rate (default probability and a coefficient for determining risk weighted assets); the risk measured using this method can be mitigated through collateral according to effective regulations of the Czech National Bank.

(e) Concentration of Credit Risk

The Bank maintains a system of internal limits for individual countries, sectors and clients (or groups of economically connected clients) in order to prevent significant concentration of credit risk. As of the balance sheet date, the Bank recorded no significant credit risk concentration exposure to an individual client or an economically connected entity that would exceed the limits set by the Czech National Bank.

The credit risk concentration analysis by sectors/industry and concentration by geographical areas is provided in Notes 17c and 17d.

(f) Recovery of Receivables

The Bank has special functions in place which are responsible for the recovery and administration of distressed receivables. These functions undertake legal steps, perform the restructuring of receivables, communicate with problematic clients etc. in order to achieve maximum recovery, including collateral recovery, and representing the Bank in creditors' committees under insolvency proceedings.

(g) Securitisation

Since March 2006, the Bank undertook a synthetic securitisation of its loan portfolio from the Corporate Banking segment. During the year ended 31 December 2013, the Bank prematurely terminated this securitisation (refer to Note 17 g). The substance of the transaction involves transferring part of the credit risk to the investor which was Kreditanstalt für Wiederaufbau (KfW).

The Bank entered into the securitisation transaction jointly with Raiffeisen Bank Polska S.A. and the process was coordinated by Raiffeisen International Bank-Holding AG. Kreditanstalt für Wiederaufbau (KfW), with the involvement of the European Investment Fund. Dresdner Bank AG acted as the arranger and Clifford Chance acted as the legal counsel. The rating of the loan portfolio was established by Moody's. The entire transaction was supposed to mature in 2016. The total volume was EUR 450 million, of which EUR 183 million and EUR 267 million relate to the Bank and Raiffeisen Bank Polska S.A., respectively, in March 2006.

(h) Portfolio Quality

The rating which represents the portfolio quality is an internal rating used by the Raiffeisen Group. For retail clients, the rating is in the interval from 0.5 to 5, where 0.5 represents highly excellent credit standing and 5 represents default. The rating in the interval from 6.1 to 6.5 is used for project financing where 6.1 represents excellent credit standing and 6.5 represents default.

Before December 2013, the Bank used retail rating for other corporate clients, financial institutions and public sector institutions. In 2013, the Bank introduced new rating for these groups according to the instructions from the Group. Rating in the interval from 1A to 10C, where 10A, 10B, and 10C mean default. The Bank uses rating in the interval from A1 to D, where D is default, for financial institutions and public sector institutions.

CZK thousand	Rating	2013
Retail clients:		
Highly excellent credit rating	0.5	6,452,209
Excellent credit rating	1.0	17,497,743
Very good credit rating	1.5	15,927,876
Good credit rating	2.0	11,774,348
Healthy credit rating	2.5	7,820,055
Acceptable credit rating	3.0	4,891,325
Limit credit rating	3.5	2,971,673
Weak credit rating	4.0	1,801,788
Very weak credit rating /monitored	4.5	2,223,841
Default	5.0	4,896,948
Project financing:		
Excellent project profile - very low risk	6.1	17,462,719
Good project profile - low risk	6.2	3,669,336
Acceptable project profile - average risk	6.3	395,527
Bad project profile - high risk	6.4	121,464
Default	6.5	1,283,946
Corporate clients:		
Highly excellent credit rating	1C	801,683
Excellent credit rating	2A	1
Excellent credit rating	2B	500,313
Excellent credit rating	2C	1,597,407
Very good credit rating	3A	167,128
Very good credit rating	3B	184,705
Very good credit rating	3C	1,954,059
Good credit rating	4A	811,355
Good credit rating	4B	1,128,555
Good credit rating	4C	1,525,412
Healthy credit rating	5A	1,593,888
Healthy credit rating	5B	3,263,502
Healthy credit rating	5C	3,120,360
Acceptable credit rating	6A	4,040,305
Acceptable credit rating	6B	5,125,150
Acceptable credit rating	6C	5,129,032
Limit credit rating	7A	4,292,310
Limit credit rating	7B	3,060,857
Limit credit rating	7C	3,231,213
Weak credit rating	8A	2,539,975
Weak credit rating	8B	985,208
Weak credit rating	8C	614,950
Very weak credit rating /monitored	9A	1,004,961
Very weak credit rating /monitored	9B	799,172
Very weak credit rating /monitored	9C	244,805
Default	10A	3,875,462

Financial institutions and public sector institutions:		
Very good credit rating	A3	786,081
Good credit rating	B1	604,673
Healthy credit rating	B2	944,803
Acceptable credit rating	B3	1,266,878
Limit credit rating	B4	57,651
Weak credit rating	B5	156,404
Very weak credit rating /monitored	C	2,422
Clients without rating: past due date	-	410,500
Clients without rating: before due date	-	47,229
Total		155,059,207

Information for 2012 according to the rating scale applicable in 2012

CZK thousand	Rating	2012
Retail clients, corporate clients, financial institutions and public sector institutions:		
Highly excellent rating	0.5	10,147,843
Excellent credit rating	1.0	15,736,282
Very good credit rating	1.5	16,575,778
Good credit rating	2.0	19,481,817
Healthy credit rating	2.5	17,374,458
Acceptable credit rating	3.0	15,484,678
Limit credit rating	3.5	12,851,885
Weak credit rating	4.0	4,710,096
Very weak credit rating /monitored	4.5	3,879,819
Default	5.0	9,462,649
Project financing:		
Excellent project profile - very low risk	6.1	20,232,882
Good project profile - low risk	6.2	1,720,532
Acceptable project profile - average risk	6.3	660,906
Bad project profile - increased risk	6.4	577,093
Default	6.5	886,715
Clients without rating: past due date	-	73,168
Clients without rating: before due date	-	281,641
Total		150,138,242

(i) Credit Quality of Not Due and Individually Unimpaired Loans to Customers

The Bank has the following undue and unimpaired financial assets according to its rating:

CZK thousand	Rating	2013
Retail:		
Highly excellent credit rating	0,5	6,439,502
Excellent credit rating	1	17,463,136
Very good credit rating	1,5	15,877,767
Good credit rating	2	11,695,751
Healthy credit rating	2,5	7,601,976
Acceptable credit rating	3	4,683,723
Limit credit rating	3,5	2,662,398
Weak credit rating	4	1,326,950
Very weak credit rating /monitored	4,5	562,573
Default	5	60,609
Project financing:		
Excellent project profile - very low risk	6,1	16,277,171
Good project profile - low risk	6,2	3,657,195
Acceptable project profile - average risk	6,3	381,117
Bad project profile - high risk	6,4	121,464
Default	6,5	230,995
Corporate clients:		
Highly excellent credit rating	1C	801,683
Excellent credit rating	2A	1
Excellent credit rating	2B	500,313
Excellent credit rating	2C	1,597,407
Very good credit rating	3A	167,128
Very good credit rating	3B	184,705
Very good credit rating	3C	1,941,580
Good credit rating	4A	811,355
Good credit rating	4B	1,128,271
Good credit rating	4C	1,522,070
Healthy credit rating	5A	1,593,879
Healthy credit rating	5B	3,189,721
Healthy credit rating	5C	3,119,490
Acceptable credit rating	6A	3,975,727
Acceptable credit rating	6B	5,072,289
Acceptable credit rating	6C	5,033,659
Limit credit rating	7A	4,251,685
Limit credit rating	7B	3,007,930
Limit credit rating	7C	3,124,415
Weak credit rating	8A	2,298,482
Weak credit rating	8B	965,620
Weak credit rating	8C	592,595
Very weak credit rating /monitored	9A	989,733

Very weak credit rating /monitored	9B	757,794
Very weak credit rating /monitored	9C	244,633
Default	10A	212,226
Financial institutions and public sector institutions:		
Very good credit rating	A3	786,081
Good credit rating	B1	604,673
Healthy credit rating	B2	944,803
Acceptable credit rating	B3	1,266,878
Limit credit rating	B4	57,651
Weak credit rating	B5	156,404
Very weak credit rating /monitored	C	2,422
Clients without rating	-	385,755
Total loans to clients not due and not individually impaired		140,331,385

Information for 2012 according to the rating scale applicable in 2012

CZK thousand	Rating	2012
Retail clients, corporate clients, financial institutions and public sector institutions:		
Highly excellent rating	0.5	10,147,110
Excellent credit rating	1.0	15,709,624
Very good credit rating	1.5	16,424,101
Good credit rating	2.0	18,803,168
Healthy credit rating	2.5	16,746,158
Acceptable credit rating	3.0	15,043,658
Limit credit rating	3.5	12,078,497
Weak credit rating	4.0	3,866,683
Very weak credit rating /monitored	4.5	1,231,313
Default	5.0	114,436
Project financing:		
Excellent project profile - very low risk	6.1	19,833,613
Good project profile - low risk	6.2	1,578,769
Acceptable project profile - average risk	6.3	490,859
Bad project profile - increased risk	6.4	399,180
Default	6.5	8,625
Clients without rating	-	279,553
Total		132,755,347

(j) Maximum Exposure to Credit Risk

2013	On-balance sheet exposure (carrying amount)	Off-balance sheet exposure (carrying amount)	Aggregate exposure (carrying amount)	Allocated collateral – balance sheet	Allocated collateral – off balance sheet	Aggregate allocated collateral
CZK thousand						
Cash and balances with central banks	3,836,447	-	3,836,447	-	-	-
Loans and advances to financial institutions	19,104,685	1,353,825	20,458,510	89,389	1,540	90,929
Loans and advances to customers	155,059,207	35,066,865	190,126,072	135,499,213	19,370,557	154,869,770
Positive fair value of financial derivative transactions	2,874,670	-	2,874,670	-	-	-
Securities held to maturity	12,410,743	-	12,410,743	-	-	-
Securities at fair value through profit or loss	4,943,961	-	4,943,961	-	-	-
Securities available for sale	517,011	-	517,011	-	-	-
Income tax receivable	321,885	-	321,885	-	-	-
Other assets	745,763	-	745,763	-	-	-

Exposures are presented on a gross basis without the impact of provisioning.

2012	On-balance sheet exposure (carrying amount)	Off-balance sheet exposure (carrying amount)	Aggregate exposure (carrying amount)	Allocated collateral – balance sheet	Allocated collateral – off balance sheet	Aggregate allocated collateral
CZK thousand						
Cash and balances with central banks	4,964,510	-	4,964,510	-	-	-
Loans and advances to financial institutions	14,452,117	598,132	15,050,249	17,952	1,412	19,364
Loans and advances to customers	150,138,242	29,001,659	179,139,901	121,789,686	21,912,610	143,702,296
Positive fair value of financial derivative transactions	2,598,643	-	2,598,643	-	-	-
Securities held to maturity	13,977,382	-	13,977,382	-	-	-
Securities at fair value through profit or loss	11,457,440	-	11,457,440	-	-	-
Securities available for sale	536,948	-	536,948	-	-	-
Income tax receivable	148,425	-	148,425	-	-	-
Other assets	1,095,206	-	1,095,206	-	-	-

Exposures are presented on a gross basis without the impact of provisioning.

(k) Offset of Financial Assets and Financial Liabilities

The following table shows the impact of master netting agreements on assets and liabilities that are not offset in the statement of financial position.

2013						
Relevant amount not offset in the statement of financial position						
CZK thousand	Amount of an asset/liability reported in the statement of financial position	Amount of an asset/liability offset in the statement of financial position	Net amount reported in the statement of financial position	Financial instrument	Received cash collateral	Total
Assets						
Positive values of financial derivatives	1,690,302	-	1,690,302	1,269,464	268,217	152,621
Loans and advances to financial institutions	5,119,126	-	5,119,126	5,021,799	-	97,326
Total assets	6,809,428	-	6,809,428	6,291,263	268,217	249,947
Liabilities						
Negative values of financial derivatives	1,791,467	-	1,791,467	1,269,464	255,435	266,567
Amounts owed to customers	1,008,813	-	1,008,813	1,006,453	-	2,360
Total liabilities	2,800,280	-	2,800,280	2,275,917	255,435	268,927
2012						
Relevant amount not offset in the statement of financial position						
CZK thousand	Amount of an asset/liability reported in the statement of financial position	Amount of an asset/liability offset in the statement of financial position	Net amount reported in the statement of financial position	Financial instrument	Received cash collateral	Total
Assets						
Positive values of financial derivatives	2,028,157	-	2,028,157	1,507,148	465,341	55,668
Loans and advances to financial institutions	8,562,772	-	8,562,772	8,425,083	-	137,689
Total assets	10,590,929	2,028,157	10,590,929	9,932,231	465,341	193,357
Liabilities						
Negative values of financial derivatives	2,024,235	-	2,024,235	1,507,148	209,805	307,282
Amounts owed to customers	-	-	-	-	-	-
Total liabilities	2,024,235	-	2,024,235	1,507,148	209,805	307,282

38. RELATED PARTY TRANSACTIONS

At 31 December 2013

For related party transaction purposes, the Bank considers Raiffeisen CEE Region Holding GmbH (direct parent company) and Raiffeisen Zentralbank Österreich AG, Raiffeisen Bank International AG and Raiffeisen-Landesbanken-Holding GmbH (entities with controlling influence on the Bank exercised indirectly) to be its parent companies.

CZK thousand	Parent companies	Entities with substantial influence over the Bank	Subsidiaries	Associates	Board of Directors, Supervisory Board and other managers	Other related parties	Total
Receivables	774,562	-	270,939	1,690,219	130,204	53,310	2,919,234
Positive fair value of financial derivatives	678,955	-	-	59,372	-	1,478	739,805
Payables	2,024,467	45,545	98,511	868,044	6,822	3,828,848	6,872,237
Negative fair value of financial derivatives	417,558	-	-	594	-	1,084	419,236
Subordinated loan	3,948,645	-	-	-	-	-	3,948,645
Guarantees issued	203,139	-	-	-	-	36,617	239,756
Guarantees received	52,293	337,000	-	-	-	453,456	842,749
Nominal values of financial derivatives (off-balance sheet receivables)	65,745,048	-	-	3,180,657	-	1,387,282	70,312,987
Nominal values of financial derivatives (off-balance sheet payables)	65,805,005	-	-	3,178,268	-	1,375,442	70,358,715
Provided irrevocable loan commitments	987,300	-	-	-	10,575	4,417	1,002,292
Interest income	54,072	447	10,661	60,811	3,215	3,607	132,813
Interest expense	(32,060)	(4,945)	(311)	(3,423)	(46)	(188,465)	(229,250)
Fee and commission income	10,501	28	67	2,830	-	7,000	20,426
Fee and commission expense	(567)	-	-	-	-	(32,829)	(33,396)
Net profit or loss on financial operations	(83,989)	-	-	(36,416)	-	29,762	(90,643)
General administrative expenses	(130,029)	-	(150)	(5)	(165,127)	(13,597)	(308,908)
Other operating income, net	(18,002)	-	12,785	9,736	-	2,714	7,233

The receivables are principally composed of the following deposits with:

Term deposit:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 413,510 thousand.

Credit balances on the current account maintained at:

- Raiffeisen Bank International AG (mateřská společnost) ve výši 358 297 tis. Kč.

Provided loans:

- Raiffeisen leasing, s.r.o. (associate) in the amount of CZK 786,081 thousand
- Flex-Space Plzeň I., spol. s r.o. (subsidiary of Czech Real Estate Fund B. V.) in the amount of CZK 140,226 thousand;
- Exit 90 SPV s.r.o. (subsidiary Raiffeisen Leasing Real Estate) in the amount of CZK 136,046 thousand;
- Photon SPV 11 s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 133,875 thousand;
- Photon SPV 8 s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 122,923 thousand;
- Photon SPV 10 s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 110,879 thousand;
- Onyx Energy s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 91,383 thousand;
- Onyx Energy projekt II s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 87,338 thousand;
- Photon SPV 6 s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 78,784 thousand;
- Photon SPV 4 s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 77,259 thousand;
- CREF CZ 4 s.r.o. (subsidiary of Czech Real Estate Fund B. V.) in the amount of CZK 65, 908 thousand;
- PRK Sigma 06, s.r.o. (subsidiary of Czech Real Estate Fund B. V.) in the amount of CZK 64,804 thousand; and
- Photon SPV 3 s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 59,068 thousand.

Nominal values of financial derivatives – off-balance sheet receivables:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 65,745,048 thousand; and
- Raiffeisen Leasing (associate) in the amount of CZK 3,180,657 thousand.

The payables are principally composed of:

Credit balances on the current account of the Bank from:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 1,531,209 thousand;
- Raiffeisen Leasing, s.r.o. (associate) in the amount of CZK 271,967 thousand;
- Raiffeisen Fincorp, s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 207,780 thousand; and
- Raiffeisenlandesbank Niederösterreich (entity holding indirect investment in the share capital of the parent company) in the amount of CZK 45,545 thousand.

Term deposits:

- UNIQA Personenversicherung AG (associate of the parent company Raiffeisen Zentralbank Österreich AG) in the amount of CZK 1,138,316 thousand;
- Raiffeisen Versicherung AG (associate of the parent company Raiffeisen Zentralbank Österreich AG) in the amount of CZK 1,138,316 thousand;
- Tatrabanka a.s. (fellow subsidiary) in the amount of CZK 601,877 thousand;
- Raiffeisen Bank International AG (parent company) in the amount of CZK 210,414 thousand; and
- Centrobank (fellow subsidiary) in the amount of CZK 32,149 thousand.

Received collateralising deposit:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 252,310 thousand.

Issued debt securities of the Bank:

- Centrobank (fellow subsidiary) in the amount of CZK 529,362 thousand; and
- Raiffeisen Stavební Spořitelna a.s. (fellow subsidiary) in the amount of CZK 253,215 thousand.

Nominal values of financial derivatives – off-balance sheet payables:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 65,805,005 thousand; and
- Raiffeisen Leasing (associate) in the amount of CZK 3,178,268 thousand.

Subordinate loans:

- 3,948,645 thousand.

Provided irrevocable loan commitments:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 987,300 thousand.

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For related party transaction purposes, the Bank considers Raiffeisen CEE Region Holding GmbH (direct parent company) and Raiffeisen Zentralbank Österreich AG, Raiffeisen Bank International AG and Raiffeisen-Landesbanken-Holding GmbH (entities with controlling influence on the Bank exercised indirectly) to be its parent companies.

CZK thousand	Parent companies	Entities with substantial influence over the Bank	Subsidiaries	Associates	Board of Directors, Supervisory Board and other managers	Other related parties	Total	CZK thousand
Receivables	688,739	300,219	276,094	122,004	-	102,356	311,099	1,800,511
Positive fair value of financial derivatives	801,832	-	-	96,652	-	-	353	898,837
Payables	1,915,383	40,466	389,612	582,253	639	53,169	2,783,255	5,764,777
Negative fair value of financial derivatives	325,893	-	-	786	-	-	4,192	330,871
Subordinated loan	1,230,741	-	-	-	-	-	2,556,566	3,787,307
Guarantees issued	63,457	-	-	10,000	-	-	41,649	115,106
Guarantees received	52,293	330,000	-	-	-	-	43,253	425,546
Nominal values of financial derivatives (off-balance sheet receivables)	45,125,219	-	-	3,301,525	-	-	1,520,515	49,947,259
Nominal values of financial derivatives (off-balance sheet payables)	45,117,036	-	-	3,302,315	-	-	1,478,583	49,897,934
Provided irrevocable loan commitments	512,500	-	-	836	-	9,354	-	522,690
Interest income	3,340	1,233	17,644	30,483	-	2,528	5,135	60,363
Interest expense	(978)	(23,505)	(135)	54,051	-	(357)	(230,578)	(201,502)
Fee and commission income	17,582	27	51	5,152	32	-	7,246	30,090
Fee and commission expense	(351)	-	-	-	-	-	(33,710)	(34,061)
Net profit or loss on financial operations	206,563	-	-	20,909	-	-	35,337	262,809
General administrative expenses	(144,191)	-	(9,953)	(14)	-	(148,004)	(13,437)	(315,599)
Other operating income, net	894	-	-	14,891	-	-	2,209	17,994

The receivables are principally composed of the following deposits with:

Term deposit:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 472,375 thousand;
- Raiffeisenlandesbank Niederösterreich (a company holding an indirect share of the parent company's share capital) in the amount of CZK 300,219 thousand;
- Raiffeisen Bank Polska (fellow subsidiary) in the amount of CZK 123,498 thousand;
- Raiffeisen Bank RT Hungary (fellow subsidiary) in the amount of CZK 73,132 thousand; and
- Raiffeisenbank Austria d.d. (Croatia - fellow subsidiary) in the amount of CZK 36,674 thousand.

Credit balances on the current account maintained at:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 152,109 thousand.

Debit balances on the current account of the Bank from:

- Raiffeisen Leasing Real Estate (subsidiary of Raiffeisen Leasing) in the amount of CZK 70,417 thousand.

Provided loans:

- Flex-Space Plzeň I, spol. s r.o. (subsidiary of Czech Real Estate Fund B.V.) in the amount of CZK 128,884 thousand;
- PRK Sigma 06, s.r.o. (subsidiary of Czech Real Estate Fund B.V.) in the amount of CZK 66,300 thousand;
- CREF CZ 4 s.r.o. (subsidiary of Czech Real Estate Fund B.V.) in the amount of CZK 67,347 thousand; and
- Raiffeisen Bank ZAO (Russia) (fellow subsidiary) in the amount of CZK 35,573 thousand.

Nominal values of financial derivatives – off-balance sheet receivables:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 45,125,219 thousand; and
- Raiffeisen Leasing (associate) in the amount of CZK 3,301,525 thousand.

Debt securities:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 63,360 thousand.

The payables are principally composed of:

Credit balances on the current account of the Bank from:

- Raiffeisen Penzijní Společnost (subsidiary) in the amount CZK 139,311 thousand;
- Raiffeisen Leasing (associate) in the amount CZK 106,194 thousand;
- ZUQ Czech (subsidiary of CCRB) in the amount CZK 58,035 thousand;
- Michalka - Sun (subsidiary of Raiffeisen Leasing Real Estate) in the amount CZK 54,513 thousand;
- Raiffeisenlandesbank Niederösterreich (a company holding an indirect share of the parent company's share capital) in the amount CZK 40,465 thousand; and
- Raiffeisen IS (subsidiary) in the amount CZK 40,000 thousand.

Short-term term deposits:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 1,270,414 thousand;
- Raiffeisen Penzijní Společnost (subsidiary) in the amount of CZK 155,000 thousand; and
- Centrobank (fellow subsidiary) in the amount of CZK 30,956 thousand.

Term deposits:

- UNIQA Personenversicherung AG (associate of the parent company Raiffeisen Zentralbank Österreich AG) in the amount of CZK 1,080,046 thousand; and
- Raiffeisen Versicherung AG (associate of the parent company Raiffeisen Zentralbank Österreich AG) in the amount of CZK 1,080,046 thousand.

Received collateralising deposit:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 456,542 thousand.

Issued debt securities:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 128,405 thousand.
- Centrobank (fellow subsidiary) in the amount of CZK 520,091 thousand.

Subordinate loans from:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 1,230,741 thousand; and
- Raiffeisen Malta Bank (fellow subsidiary) in the amount of CZK 2,556,566 thousand.

Nominal values of financial derivatives – off-balance sheet payables:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 45,117,036 thousand; and
- Raiffeisen Leasing (associate) in the amount of CZK 3,302,315 thousand.

Provided irrevocable loan commitments:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 512,500 thousand.

Members of Board of Directors held no shares of the Bank, share are held by corporate entities, refer to Note 30. Remuneration of the members of the Board of Directors is disclosed in Note 11.

39. POST BALANCE SHEET EVENTS

No events that would have a material impact on the unconsolidated financial statements for the year ended 31 December 2013 occurred subsequent to the balance sheet date.

Raiffeisenbank a.s.

Consolidated Financial Statements Prepared in Accordance with International Financial Reporting Standards as Adopted by the European Union for the Year Ended 31 December 2013.

Components of the Consolidated Financial Statements:

- Consolidated Statement of Comprehensive Income
- Consolidated Statement of Financial Position
- Consolidated Statement of Changes in Equity
- Consolidated Cash Flow Statement
- Notes to the Consolidated Financial Statements

These consolidated financial statements were prepared and approved by the Board of Directors of the Bank on 31 March 2014..

Chief Financial Officer of the reporting entity

Tomáš Jelínek
Chief Financial Officer
and Executive Director

Statutory body of the reporting entity

František Ježek
Member of the Board of Director
and Executive Director

Rudolf Rabiňák
Member of the Board of Directors
and Executive Director

Consolidated Statement of Comprehensive Income For the Year Ended 31 December 2013

CZK thousand	Note	2013	2012
Interest income and similar income	7	7,202,151	8,467,446
Interest expense and similar expense	7	(1,497,236)	(2,220,866)
Net interest income		5,704,915	6,246,580
Change in provisions for credit risks	8	(1,274,656)	(1,798,041)
Net interest income after provisions for credit risks		4,430,259	4,448,539
Fee and commission income	9	2,804,133	2,828,619
Fee and commission expense	9	(601,632)	(641,359)
Net fee and commission income		2,202,501	2,187,260
Net profit on financial operations	10	1,296,525	1,464,497
Dividend income	11	73,692	30,684
General administrative expenses	12	(7,011,277)	(5,641,752)
Other operating income/(expenses), net	14	44,065	(609)
Operating profit		1,035,765	2,488,619
Share in income of associated undertakings	23	89,151	37,069
Profit/(loss) before income tax		1,124,916	2,525,688
Income tax	15	(142,714)	(505,237)
Net profit for the year attributable to:		982,202	2,020,451
The parent company's shareholders		1,016,516	2,027,515
Non-controlling interests		(34,314)	(7,064)
Other comprehensive income			
Items that can be reclassified to income (or expenses) in the future:			
Gains/(losses) from remeasurement of securities available for sale		-	(5,605)
Foreign exchange rate gains or losses from the translation of the financial statements denominated in foreign currencies		10,973	598
Tax on profit attributable to components of other comprehensive income		(2,085)	951
Total		8,888	(4,056)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		991,090	2,016,395

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position As of 31 December 2013

CZK thousand	Note	2013	2012
ASSETS			
Cash and balances with central banks	16	3,836,447	4,964,518
Securities at fair value through profit or loss	17	4,943,961	11,457,440
Positive fair value of financial derivative transactions	36	2,874,670	2,598,643
Securities available for sale	17	517,011	536,948
Loans and advances to financial institutions	18	19,338,131	14,452,117
Loans and advances to customers	19	154,788,413	149,862,311
Provisions for loans and advances	20	(6,546,643)	(6,382,097)
Fair value remeasurement of portfolio-remeasured items	19	(42,912)	-
Income tax receivable	15	321,885	148,425
Deferred tax asset	21	125,472	145,165
Securities held to maturity	17	12,410,743	13,977,382
Other assets	22	788,685	1,097,697
Equity investments in associates	23	567,294	231,653
Intangible fixed assets	24	1,858,045	3,089,757
Property and equipment	25	1,016,057	1,150,019
Investment property	26	221,720	228,299
TOTAL ASSETS		197,018,979	197,558,277
LIABILITIES AND SHAREHOLDERS' EQUITY			
Amounts owed to financial institutions	27	9,959,098	6,818,953
Amounts owed to customers	28	146,490,936	143,757,971
of which: change in the fair value of hedged items	28	69,397	136,627
Negative fair value of financial derivative transactions	36	2,164,364	2,509,288
Issued debt securities	29	12,043,515	17,983,102
Income tax liability	15	447	313
Deferred tax liability	21	1,594	1,377
Provisions	30	472,722	1,004,495
Other liabilities	31	2,406,600	2,984,941
Subordinated liabilities	32	4,202,889	4,042,248
TOTAL LIABILITIES		177,742,165	179,102,688
SHAREHOLDERS' EQUITY			
Attributable to shareholders of the Group		19,158,558	18,315,269
Share capital	33	10,192,400	9,357,000
Statutory reserve fund		648,112	549,454
Valuation gains or losses from securities available for sale		185,304	185,304
Valuation gains or losses from the translation of the financial statements denominated in foreign currencies		(4,804)	(13,692)
Retained earnings		7,121,030	6,209,688
Profit for the year		1,016,516	2,027,515
Non-controlling interests		118,256	140,320
TOTAL SHAREHOLDERS' EQUITY		19,276,814	18,455,589
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		197,018,979	197,558,277

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Changes in Equity For the Year Ended 31 December 2013

CZK thousand	Equity attributable to shareholders of the Group					Non-controlling interests	Total equity
	Share capital	Statutory reserve fund	Gains and losses from revaluation	Retained earnings	Profit for the period		
Balance at 1 Jan 2012	7,511,000	438,950	175,668	5,939,924	2,223,594	-	16,289,136
Share capital increase	1,846,000	-	-	-	-	-	1,846,000
Dividends	-	-	-	-	(1,846,000)	-	(1,846,000)
Net allocation to reserve funds	-	110,504	-	-	(110,504)	-	-
Allocation to retained earnings	-	-	-	267,090	(267,090)	-	-
Non-controlling interests in entities newly included in the consolidation group	-	-	-	-	-	147,384	147,384
Effect from the change in the scope of the consolidation	-	-	-	2,674	-	-	2,674
Net profit for the period	-	-	-	-	2,027,515	(7,064)	2,020,451
Other comprehensive income, net	-	-	(4,056)	-	-	-	(4,056)
Comprehensive income for the period	-	-	(4,056)	-	2,027,515	(7,064)	2,016,395
Balance at 31 Dec 2012	9,357,000	549,454	171,612	6,209,688	2,027,515	140,320	18,455,589
Share capital increase	835,400	-	-	-	-	-	835,400
Dividends	-	-	-	-	(1,012,600)	-	(1,012,600)
Net allocation to reserve funds	-	98,658	-	-	(98,658)	-	-
Allocation to retained earnings	-	-	-	916,257	(916,257)	-	-
Non-controlling interests	-	-	-	-	-	12,250	12,250
Effect from the change in the scope of the consolidation	-	-	-	(4,915)	-	-	(4,915)
Net profit for the period	-	-	-	-	1,016,516	(34,314)	982,202
Other comprehensive income, net	-	-	8,888	-	-	-	8,888
Comprehensive income for the period	-	-	8,888	-	1,016,516	(34,314)	991,090
Balance at 31 Dec 2013	10,192,400	648,112	180,500	7,121,030	1,016,516	118,256	19,276,814

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Cash Flow Statement

For the Year Ended 31 December 2013

CZK thousand	2013	2012
Profit before tax	1,124,916	2,525,688
Adjustments for non-cash transactions		
Change in provisions for credit risks	1,274,656	1,798,041
Depreciation and amortisation	568,070	564,791
Impairment loss on intangible assets	1,474,201	70,272
Creation of other provisions	(318,838)	54,581
Change in fair values of financial derivatives	(620,951)	496,286
Unrealised loss/(gain) on revaluation of securities	107,554	(25,640)
Gain on the sale of tangible and intangible assets	11,429	(17,773)
Gain on the sale of subsidiary and joint ventures	(24,619)	(17,870)
Share in income of associated undertakings	(89,151)	(37,069)
Remeasurement of foreign currency positions	1,187,049	(592,894)
Other non-cash changes	(1,496,634)	(1,245,678)
Operating profit before changes in operating assets and liabilities	3,197,682	3,572,735
Cash flows from operating activities		
<i>(Increase)/decrease in operating assets</i>		
Mandatory minimum reserve deposits with the Czech National Bank	1,176,411	(729,082)
Loans and advances to financial institutions	(4,745,751)	(2,009,980)
Loans and advances to customers	(3,947,672)	8,225,537
Securities at fair value through profit or loss and securities available for sale	6,425,862	(3,450,978)
Other assets	309,012	897,075
<i>Increase/(decrease) in operating liabilities</i>		
Amounts owed to financial institutions	3,165,438	(1,867,511)
Amounts owed to customers	736,084	(162,972)
Other liabilities	(578,341)	316,413
Net cash flow from operating activities before income tax	5,738,725	4,791,237
Income taxes paid	(298,215)	(488,154)
Net cash flow from operating activities	5,440,510	4,303,083
Cash flows from investing activities		
Net cash flow from the acquisitions of subsidiaries and joint ventures	(279,988)	(596)
Net cash flow from the disposals of subsidiaries and joint ventures	55,051	20,128
Purchase of property and equipment and intangible assets	(685,707)	(1,212,085)
Income from the sale of fixed assets	10,937	42,661
Net decrease/(increase) of securities held to maturity	1,565,330	3,558,551
Dividends received	73,692	30,684
Net cash flow from investing activities	739,315	2,439,343
Cash flows from financing activities		
Share capital increase	835,400	1,846,000
Dividends paid	(1,012,600)	(1,846,000)
Bonds in issue	(5,900,313)	(3,474,811)
Subordinated liabilities	(186,838)	(2,792,844)
Net cash flow from financing activities	(6,264,351)	(6,267,655)
Net (decrease)/increase in cash and cash equivalents	(84,526)	474,771
Cash and cash equivalents at the beginning of the year (Note 34)	3,922,601	3,447,830
Cash and cash equivalents at the end of the year (Note 34)	3,838,075	3,922,601

The accompanying notes are an integral part of these consolidated financial statements.

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1. PARENT COMPANY INFORMATION

Raiffeisenbank a.s. (henceforth the "Bank"), having its registered office address at Hvězdova 1716/2b, Prague 4, 140 78, corporate ID (IČ): 49240901, was established as a joint stock company in the Czech Republic. The Bank was entered in the Register of Companies maintained at the Municipal Court in Prague on 25 June 1993, Section B, File No. 2051.

The Bank together with its subsidiaries and associates disclosed in Note 3 form the Raiffeisenbank a. s. Financial Group (henceforth the "Group"). The parent company of the Group is the Bank.

Principal activities of the Bank according to the bank licence granted by the Czech National Bank:

- Acceptance of deposits from the general public;
- Provision of credit;
- Investing in securities on its own account;
- Finance leasing – at present, the Bank does not carry out this activity directly;
- Payments and clearing;
- Issuance and administration of payment facilities;
- Issuance of guarantees;
- Opening of letters of credit;
- Collection services;
- Provision of investment services:
 - Main investment services under Section 4 (2) (a, b, c, d, e, g, h) of Act No. 256/2004 Coll., as amended;
 - Additional investment services under Section 4 (3) (a) – (f) of Act No. 256/2004 Coll., as amended;
- Issuance of mortgage bonds;
- Financial brokerage;
- Depositary activities;
- Foreign exchange services (foreign currency purchases);
- Provision of banking information,
- Proprietary or client-oriented trading with foreign currency assets;
- Rental of safe-deposit boxes;
- Activities directly relating to the activities listed in the bank licence; and
- Mediation of an additional pension savings programme.

In addition to the licence to pursue bank operations, the Bank:

- was granted a securities broker licence; and
- has been listed by the Ministry of Finance of the Czech Republic as a limited insurance provider.

During the year ended 31 December 2013, the performance or provision of the Bank's activities and services were not restricted or suspended by the Czech National Bank.

2. SHAREHOLDERS OF THE PARENT COMPANY

The shareholders of the Bank as of 31 December 2013 and 2012:

Name, address	Voting power in %	
	2013	2012
Raiffeisen CEE Region Holding GmbH Am Stadtpark 9, Vienna, Austria	75 %	75 %
RB Prag Beteiligungs GmbH, Europaplatz 1a, 4020 Linz, Austria	25 %	25 %

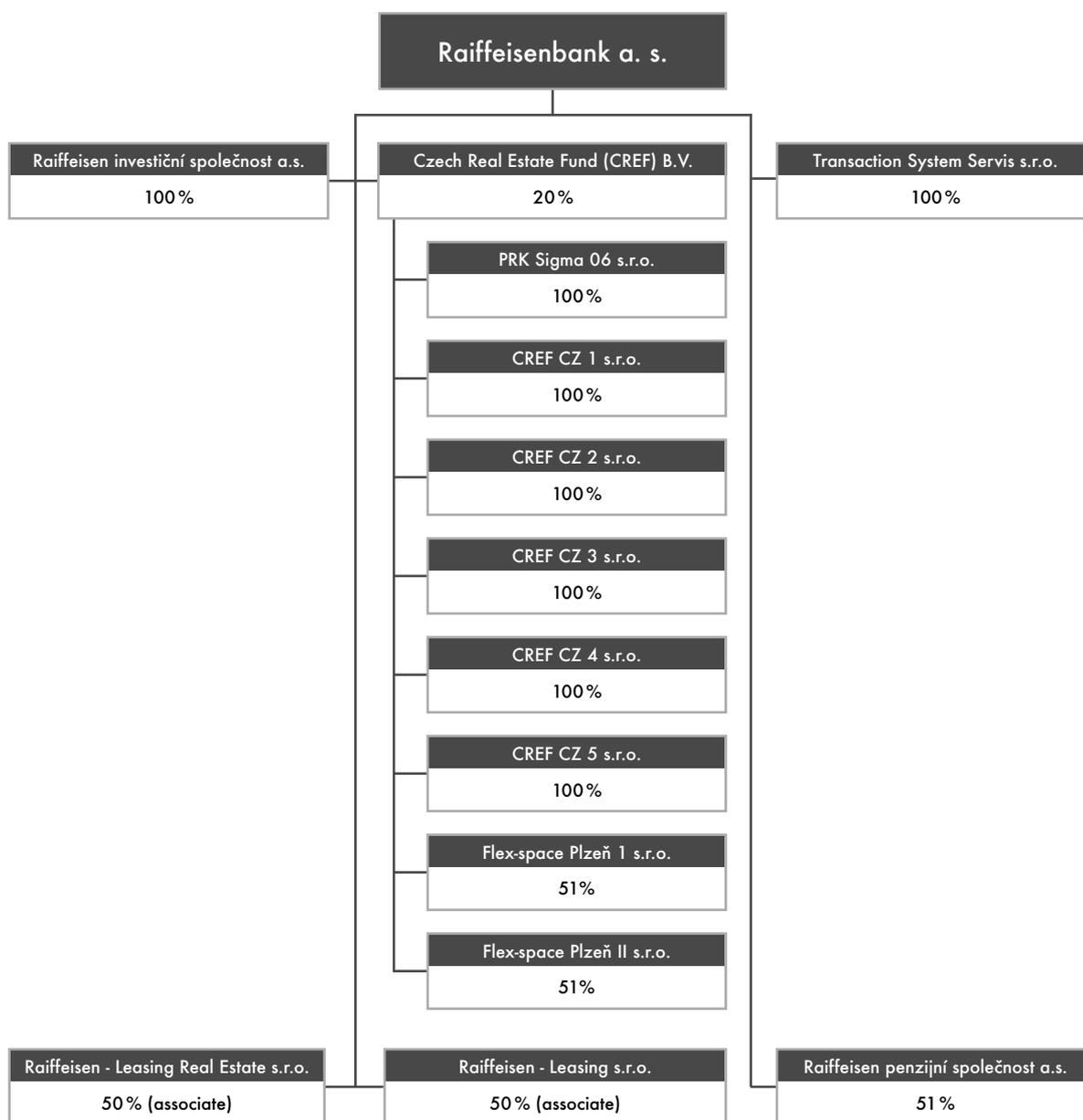
The equity interests of the shareholders equal their share in the voting power. All shareholders have a special relation to the Bank in terms of Section 19 of Banking Act No. 21/1992 Coll., as amended.

For information on the share capital of the parent company refer to Note 33.

The ultimate parent company of the Bank is Raiffeisen-Landesbanken-Holding GmbH, Austria.

3. DEFINITION OF THE CONSOLIDATED GROUP

(a) Group Chart as of 31 December 2013



(b) Group Companies Included in the Consolidation

As of 31 December 2013, the Group comprised the following entities:

Company	The Bank's effective holding		Indirect holding through	Metoda Consolidation method in 2013	Registered office
	in % 2013	in % 2012			
Raiffeisen penzijní společnost a.s.	51%	51%	-	Full method	Prague
Raiffeisen investiční společnost a.s.	100%	100%	-	Full method	Prague
Transaction System Servis s.r.o.	100%	100%	-	Full method	Prague
Czech Real Estate Fund (CREF) B.V.	100%	100%	-	Full method	Amsterdam
CREF CZ 1, s.r.o.	100%	100%	Czech Real Estate Fund (CREF) B.V.	Full method	Prague
CREF CZ 2, s.r.o.	100%	100%	Czech Real Estate Fund (CREF) B.V.	Full method	Prague
CREF CZ 3, s.r.o.	100%	100%	Czech Real Estate Fund (CREF) B.V.	Full method	Prague
CREF CZ 4, s.r.o.	100%	100%	Czech Real Estate Fund (CREF) B.V.	Full method	Prague
CREF CZ 5, s.r.o.	100%	100%	Czech Real Estate Fund (CREF) B.V.	Full method	Prague
Flex-space Plzeň I., s.r.o.	51%	51%	Czech Real Estate Fund (CREF) B.V.	Full method	Prague
Flex-space Plzeň II., s.r.o.	51%	51%	Czech Real Estate Fund (CREF) B.V.	Full method	Prague
PRK Sigma 06, s.r.o.	100%	100%	Czech Real Estate Fund (CREF) B.V.	Full method	Prague
Raiffeisen - Leasing, s.r.o.	50%	50%	-	Equity method	Prague
Raiffeisen - Leasing Real Estate, s.r.o.	50%	25%	-	Equity method	Prague
DEBITUM dluhová agentura, a.s.	-	50%	-	-	Prague
CCRB, a.s.	-	49%	-	-	Prague

(c) Inclusion of Czech Real Estate Fund B.V. in Consolidation

Czech Real Estate Fund (CREF) B.V. is consolidated using the full method even though the Group holds 20% of voting rights and has no representative in the Board of Directors. However, the Group receives a major part of the profits arising from the investments made by Czech Real Estate Fund (CREF) B.V. and there is also an option for investments not yet held by the Group should the remaining shareholders decide to dispose of their investment in the company.

The other shareholder holding investment in the share capital and share of voting rights in Czech Real Estate Fund (CREF) B.V. is NOTIC Finance B.V.

(d) Companies Included in the Consolidation in 2013

In the year ended 31 December 2013, the Group increased its investment in Raiffeisen - Leasing Real Estate, s.r.o. (and its group - refer to Note 23) from 25% (owned indirectly through Raiffeisen - Leasing, s.r.o.) to 50% owned directly. The relation of the Group and Raiffeisen - Leasing Real Estate, s.r.o. is discussed in Note 3 f.

In the year ended 31 December 2013, the Group did not include any new companies in the consolidation using the full method.

(e) Companies Sold 2013

Company	The Bank's effective holding		Indirect holding through	Consolidation method	Registered office
	in %, 2013	in %, 2012			
DEBITUM dluhová agentura, a.s.	-	50%		Proportionate method	Prague
CCRB, a.s.	-	49%		Equity method	Prague

For a detailed description of the sales refer to Note 41.

(f) Relationship of the Group to Raiffeisen-Leasing, s.r.o. and Raiffeisen – Leasing Real Estate, s.r.o.

In 2012, changes were made to the internal guidelines of Raiffeisen - Leasing, s.r.o. following agreement with the other shareholder (identical internal guidelines apply to Raiffeisen – Leasing Real Estate, s.r.o.). The Bank, as one of the shareholders, focuses primarily on advisory activities and possibilities of joint business activities, while the other shareholder engages in the active management of operational, business and financial policies.

In terms of control under IFRS, substantial influence is exercised by the other shareholder and the Group has reported Raiffeisen leasing, s.r.o. and Raiffeisen – Leasing Real Estate, s.r.o. as associates and consolidates them using the equity method in line with IAS 28.

For details on the structure of Raiffeisen - Leasing, s.r.o. and Raiffeisen – Leasing Real Estate, s.r.o. refer to Note 23.

The other shareholder holding the investment in the share capital and voting rights in Raiffeisen-Leasing, s.r.o. and Raiffeisen – Leasing Real Estate, s.r.o. is Raiffeisen-Leasing International Gesellschaft GmbH.

4. BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

(a) Accounting Policies

These statutory consolidated financial statements were prepared in full compliance with International Financial Reporting Standards (IFRS) and interpretations approved by the International Accounting Standards Board (IASB) as adopted by the European Union.

The consolidated financial statements include a consolidated statement of financial position, a consolidated statement of comprehensive income, a consolidated statement of changes in shareholders' equity, a consolidated cash flow statement and notes to the consolidated financial statements containing accounting policies and explanatory disclosures.

The consolidated financial statements were prepared on the accruals basis of accounting whereby the effects of transactions and other events are recognised when they occur and are reported in the financial statements of the periods to which they relate, and on the going concern assumption.

These financial statements have been prepared under the historical cost convention as modified by the remeasurement to fair value of financial assets and liabilities at fair value through profit or loss (including all financial derivatives) and available-for-sale securities through other comprehensive income.

Some companies within the Group maintain the books and prepare the financial statements under Czech Accounting Standards or accounting standards applicable in other countries in which the Group operates; the Group performs reclassifications and adjustments of figures to ensure compliance with IFRS.

All figures are presented in thousands of Czech crowns (CZK thousand), unless stated otherwise. Figures presented in brackets represent negative amounts.

Use of Estimates

The presentation of unconsolidated financial statements in conformity with IFRS requires the Bank's management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. These estimates, which specifically relate to the determination of fair values of financial instruments (where no public market exists), valuation of intangible assets, impairment of assets and provisions, are based on the information available at the balance sheet date.

As disclosed in Note 40, the Group creates a provision for impairment of loans and receivables where there is objective evidence that, as a result of past events, the estimated future cash-flows are negatively impacted. These provisions are based on the Group's historical and current experience as well as judgments of the Group's management regarding the estimated future cash flows and represent the best estimate of loan impairment as of the balance sheet date.

The amounts recognised as provisions for liabilities are based on the management's judgments and represent the best estimate of expenditures required to settle a liability of uncertain timing or amount. Refer to Note 30 for more detailed disclosures of provisions for liabilities.

(b) Principles of Consolidation

Subsidiary undertakings (that is, entities in the which the Bank holds, directly or indirectly, more than 50 percent of voting rights or in which the Bank otherwise exercises control over their activities) were consolidated using the full consolidation method. Subsidiaries are included in the consolidation from the date as of which the control over the companies is transferred to the Bank until the date when the Bank ceases to exercise this control. All significant intercompany transactions are eliminated on consolidation. All significant mutual receivables, payables, expenses and revenues, including profit, within the Group were excluded from consolidation. If the Group does not wholly own the subsidiary, it reports a non-controlling interest.

Associate undertakings are accounted for under the equity method of accounting. An investment in an associate is one in which the Bank holds, directly or indirectly, 20 percent to 50 percent of its share capital and over which the Bank exercises significant influence, but which it does not control. In accordance with the equity method of consolidation, the profit and loss account reflects the Group's share in the profit or loss of the associate for the period. The share of the Group in associated undertakings is reported in the statement of financial position in an amount that reflects the Group's share in the net capital of the associates and includes goodwill arising on consolidation. The recognised net investment is regularly tested for impairment. If impairment is identified, the Group recognises an impairment loss on equity investments in associates.

Joint ventures were included in the Group's consolidation using the proportional method of accounting, under which the participants' share in the assets, liabilities, expenses and revenue of the joint venture are combined, by item, with the financial statements of the participant. A joint venture is an entity in which two and more participants exercise joint control over economic activities of the entity. Rights and obligations of individual participants are stipulated by a contract defining provisions of joint control. The Group has decided that joint ventures which have been formed but were dormant at the consolidated financial statements date will not be reflected in the consolidated financial statements using the proportionate consolidation method but will be presented as an investment in joint ventures.

Starting from the date when a jointly controlled entity becomes an associate of an investor, the Group presents its equity investment in line with IAS 28. When the Group loses the joint control, it measures the investment retained in the previously jointly controlled entity at fair value. In the income statement, the Group presents the difference between:

- a) the fair value of the retained investment and proceeds from the disposal of a part of the equity investment in the jointly controlled entity; and
- b) carrying value of the investment as of the date on which the joint control is lost.

Equity investments where the Bank's shareholding interest is lower than 20 percent are presented as "*Securities available for sale*" (Note 17) and are reported at fair value except for equity investments where the fair value cannot be reliably determined in compliance with IAS 39. These equity investments are carried at cost.

5. SIGNIFICANT ACCOUNTING POLICIES

(a) Interest Expense and Interest Income

Interest income and expense are recognised in the statement of comprehensive income lines “*Interest income and similar income*” and “*Interest expense and similar expense*” on an accruals basis. The Group accounts for the accruals of interest using the effective interest rate method. The effective interest rate method is an approach to calculating the amortised cost of a financial asset or financial liability using the effective interest rate. The effective interest rate is used to discount the nominal value of future cash flows to the present value at the maturity date.

(b) Fees and Commissions

Fees and commissions are recognised in the statement of comprehensive income lines “*Fee and commission income*” and “*Fee and commission expense*” on an accrual basis, with the exception of fees that are deemed to be an integral part of the effective interest rate. The effective interest rate includes fees directly relating to the provision of loans such as the fee for the provision of loans, loan application processing, paid commissions, etc.

(c) Dividends

Income from dividends on securities is recorded as declared and included as a receivable in the statement of financial position line “*Other assets*” and in “*Dividend income*” in the statement of comprehensive income. Upon receipt of the dividend, the receivable is offset against the collected cash.

Dividends paid reduce retained earnings in the period in which they are declared by the Annual General Meeting.

(d) Other Income and Expenses Reported in the Statement of Comprehensive Income

Other income and expenses presented in the statement of comprehensive income are recognised under the accruals basis of accounting in the period to which they relate (and not as cash or its equivalent is received or paid).

In 2013, the Group changed the policy of reporting other operating expenses that do not directly relate to banking activities and started to report these expenses in “*Other operating income/(expenses), net*” instead of “*General administrative expenses*”. In line with IAS 8, this change was made retrospectively in the statement of comprehensive income. The calculation of the reclassification is disclosed in Note 5 p.

(e) Taxation

Tax in the statement of comprehensive income comprises the current year tax charge, adjusted for deferred taxation. Current tax comprises the tax payable calculated on the basis of the taxable income for the year, using the tax rate enacted by the balance sheet date, and any adjustment of the tax payable for previous years.

Deferred tax is provided using the balance sheet liability method on all temporary differences between the carrying amounts for financial reporting purposes and the amounts used for taxation purposes. The principal temporary differences arise from certain non-tax deductible reserves and provisions, tax and accounting depreciation on tangible and intangible fixed assets and revaluation of securities available for sale.

Deferred tax assets are recognised only to the extent that it is probable that sufficient taxable profit will be available to allow the asset to be recovered.

Deferred tax is calculated on the basis of the tax rates that are expected to apply to the period when the asset is realised or the liability is settled. The effect on deferred tax of any changes in tax rates is charged to the profit and loss account, except to the extent that it relates to items previously charged or credited directly to equity.

(f) Financial Assets and Liabilities

Dates of Recognition and Derecognition of Financial Instruments in/from the Group's Statement of Financial Position

Financial assets with normal delivery terms, except for financial assets at fair value through profit or loss, are recognised using settlement date accounting.

The settlement (collection) date is the day on which the financial instrument is delivered (cash payment). When settlement date accounting is applied, the financial asset is recognised on the day of receipt of a financial instrument (sending of cash) and derecognised on the day of its provision (collection of cash).

All loans and receivables are recognised when funds are provided to customers. Loans and receivables are derecognised when repaid by the borrower. Assigned receivables are derecognised when payment is collected from the assignee, and receivables which the Group decided to write off are derecognised at the write-off date.

For financial assets and liabilities at fair value through profit or loss, the Group uses the trade date accounting where the trade date is the date when the entity undertakes to buy or sell the financial asset.

The substance of transaction date accounting is as follows:

- Recognition of an asset that the entity shall receive as of the transaction date; and
- Derecognition of a sold asset and recognition of the profit or loss upon disposal and recognition of a receivable from the buyer as of the transaction date.

The interest on the asset and the relating liability is accumulated from the settlement date when the ownership rights are transferred. The premium/discount is amortised from the purchase settlement date to the sale settlement date.

The Group remeasures derivative instruments at fair value from the trade date to the settlement date, that is, delivery of the last related cash flow.

The Group settles and derecognises financial liabilities at the date on which all related risks and costs attributable to the specific liability are transferred.

Of the categories of financial assets and liabilities defined in IAS 39, the Group maintains the following types of financial assets and liabilities:

- Loans and receivables;
- Financial assets and liabilities at fair value through profit or loss;
- Financial assets available for sale;
- Financial assets held to maturity; and
- Other financial liabilities.

Loans and Receivables

Loans originated by the Group by providing money directly to a borrower are categorised as loans originated by the Group and are stated at amortised cost. The amortised cost is the cost minus principal repayments, plus accrued interest, plus or minus amortisation, if any, of discount or premium. In determining the amortised cost the Group uses the effective interest rate method. An integral part of the effective interest rate are fees and related transaction costs. All loans and advances are recognised when cash is advanced to borrowers (or banks).

Provisions for losses on loans and receivables are recognised when there are reasonable doubts over the recoverability of the loan balance. Provisions for losses on loans and receivables represent management's assessment of potential losses in relation to the Group's on and off balance sheet activities.

Provisions are recognised individually in respect of specific loans where a debtor's default was identified or on a portfolio basis for not yet identified losses which may be present based on portfolio (similar individually unimpaired loans) performance with similar characteristics in terms of credit risk. The level of individual provisions is established by comparing the carrying amount of the loan and the present value of future expected cash flows using the effective interest rate. The level of portfolio provisions is determined on the basis of the anticipated recovery rates of the portfolio as of the financial statements date. The anticipated cash flows from individual portfolios of similar loans are estimated on the basis of previous experience. If the Group does not report multiple similar loans, the portfolio approach is not applied. Portfolio provisions are recognised for the loans and receivables of all market segments. The change in provisions, after write-offs, is charged to the statement of comprehensive income line "Change in provisions for credit risks". Additional details can be found in Note 40 b.

Loans and receivables when it can be reasonably anticipated that clients will be unable to fulfil their obligations to the Group in respect of these loans are transferred to an external entity or individually written off with the concurrent use of a recorded provision. These write-offs are included in "Change in provisions for credit risks" in the statement of comprehensive income. Subsequent recoveries are also included in this line.

Restructuring of Loans and Receivables from Customers

Loan restructuring involves providing the customer with relief because the Group determined that it would likely incur a loss if it did not do so. For economic or legal reasons associated with the debtor's financial position the Group therefore provided the debtor with relief which would not have been available otherwise. For example, the relief may include rescheduling repayments, reducing the interest rate or waiving default interest. A restructured loan does not include a loan which originated as a result of the renewal of a short-term loan for current assets if the debtor fulfilled all of his payment and non-payment obligations arising from the loan contract.

Restructuring additionally does not extend to the change in the repayment schedule or the form of loan if these changes are made for commercial reasons or on the grounds of changed financial needs of the debtor, and the anticipated development in the debtor's financial and economic situation does not give rise to doubt as to the full repayment of the receivable even without the change.

Securities

Securities held by the Group are categorised into portfolios in accordance with the Group's intent on the acquisition of the securities and pursuant to the Bank's security investment strategy. In accordance with its intent, the Group allocates securities into several portfolios - the portfolio of "Securities at fair value through profit or loss", the portfolio of "Securities available for sale" and the portfolio of "Securities held to maturity". The principal difference between the portfolios relates to the approach to measurement and presentation in the financial statements.

Securities at Fair Value through Profit or Loss

This portfolio includes both debt and equity securities held for trading, that is, securities held with the intention of reselling them, thereby generating profits on price fluctuations in the short-term, and debt and equity securities that were designated, upon initial recognition, as at fair value through profit or loss. Securities at fair value through profit or loss are recognised at fair value (cost) at the acquisition date.

Changes in the fair values of securities held for trading as well as securities measured at fair value through profit or loss are recognised in the statement of comprehensive income as "Net profit on financial operations".

For debt and equity securities traded on a public market, fair values are derived from quoted prices.

In 2013, the Group changed the policy of reporting interest income on debt securities held for trading as well as securities at fair value through profit or loss. Newly, this interest is included in "Net profit on financial operations". In accordance with IAS 8, this change was made retrospectively in the statement of comprehensive income. The calculation of the reclassification is disclosed in Note 5 p.

Transaction costs of at-fair-value-through-profit-or-loss securities are not added to the cost but are recognised through expenses and presented in the statement of comprehensive income line "Fee and commission expense".

Securities Available for Sale

Securities available for sale are securities held by the Group for an indefinite period of time that are available for sale as liquidity requirements arise or market conditions change. In accordance with the investments strategy, the Group did not include securities in this portfolio in the past period and this portfolio primarily includes the equity investment in Raiffeisen stavební spořitelna, a.s. as disclosed in Note 17 of the consolidated financial statements. The Group does not intend to change the strategy for inclusion of securities in this portfolio in the coming years.

Securities available for sale are carried at fair value (cost) upon acquisition with the exception of securities for which the fair value cannot be reliably determined in accordance with IAS 39. These securities are stated at cost, and the Group annually assesses whether the value is not impaired. Changes in the fair values of available for sale securities are recognised in other comprehensive income as "Gains/(losses) from remeasurement of securities available for sale", with the exception of their impairment and interest income and foreign exchange differences on debt securities. When realised, the relevant revaluation gains or losses are taken to the statement of comprehensive income as "Net profit on financial operations". Interest income and impairment (if any) is included in the statement of comprehensive income as "Net profit on financial operations". Foreign exchange rate gains or losses from debt securities are included in "Net profit on financial operations". Dividend income from securities included in this portfolio is included in "Dividend income".

Securities Held to Maturity

Investments held to maturity are financial assets with fixed or determinable payments and fixed maturities that the Group has the positive intent and ability to hold to maturity. In accordance with the Group's strategy, only the securities issued by the Czech Republic are included in this portfolio. The Group does not anticipate changing this intent in the future.

Securities held to maturity are initially measured at cost and subsequently reported at amortised cost using the effective interest rate less impairment, if any. The amortisation of premiums and discounts and interest income from coupon debt securities held to maturity is included in *"Interest income and similar income"*.

The fair value of this portfolio is disclosed in Note 39c) *"Fair values of financial assets and liabilities"* of the consolidated financial statements.

Repurchase Agreements

Where debt or equity securities are sold under a concurrent commitment to repurchase them at a pre-determined price, they remain at fair value or amortised cost within the relevant portfolio in the statement of financial position and the consideration received is recorded in *"Amounts owed to financial institutions"* or *"Amounts owed to customers"*. Conversely, debt or equity securities purchased under a concurrent commitment to resell are not recognised in the statement of financial position and the consideration paid is recorded in *"Loans and advances to financial institutions"* or *"Loans and advances to customers"*.

Securities borrowed are not recognised in the consolidated financial statements, unless they are sold to third parties, in which case ("short sales") the purchase and sale are recorded as a liability with the gain or loss included in *"Net profit on financial operations"*. The obligation to return them is recorded at fair value as a trading liability and presented in the statement of financial position line *"Other liabilities"*.

Interest on debt securities transferred under repurchase transactions is accrued while interest on debt securities received under reverse repurchase transactions is not accrued. Income and expenses arising under repurchase or reverse repurchase transactions as the difference between the sale and repurchase price are accrued evenly over the term of the transaction and presented in the statement of comprehensive income as *"Interest income and similar income"* or *"Interest expense and similar expense"* as appropriate.

Debt Securities Issued

Debt securities issued by the Group are stated at amortised cost using the effective interest rate method. Interest expense arising on the issue of the Group's own debt securities is included in the statement of comprehensive income line *"Interest expense and similar expense"*.

The Group's own debt securities repurchased by the Group are presented as a reduction of liabilities arising from securities issued. Upon initial recognition, the Group's own debt securities are stated at cost which includes transaction costs. The difference between the cost of repurchased own debt securities and the accrued amount of issued securities is included in the statement of comprehensive income line *"Net profit or loss on financial operations"* in the period of acquisition. Interest expenses of issued debt securities are decreased to reflect the gradual increase in the value of the Group's own debt securities.

Financial Derivative Instruments

In the normal course of business, the Group enters into contracts for derivative financial instruments. Financial derivatives include foreign currency and interest rate swaps, currency forwards, forward rate agreements, foreign currency, interest rate and commodity options (both purchased and sold), and other derivative financial instruments. The Group uses various types of derivative instruments in respect of both its trading and hedging activities of currency and interest rate positions. The Group internally includes all types of derivatives in the banking or trading portfolios. The banking portfolio additionally includes financial derivatives used as hedging instruments in fair value hedging.

All financial derivative instruments regardless of their internal classification are initially recognised at cost (including transaction costs) in the statement of financial position and are subsequently remeasured and stated at fair value. Fair values are reported in the statement of financial position as *"Positive fair value of financial derivative transactions"* and *"Negative fair value of financial derivative transactions"*.

In terms of the internal categorisation of financial derivatives either in the trading or banking portfolios, the Group changed the policy of reporting interest expenses and income on financial derivatives included in the banking portfolio in 2013. The interest income and expenses relating to financial derivatives in the banking portfolio, or financial derivatives used as hedging instruments in fair value hedges, are reported in the statement of comprehensive income as *"Interest income and similar income"* or *"Interest expense and similar expense"* on a net basis. In respect of financial derivatives in the trading portfolio, the relating interest income and interest expenses are reported in *"Net profit on financial operations"*. In line with IAS 8, this change was made in the statement of comprehensive income retrospectively. The calculation of the reclassification is disclosed in Note 5 p.

Realised and unrealised gains and losses are recognised in the statement of comprehensive income line “*Net profit on financial operations*”, the only exception being unrealised gains and losses on cash flow hedges which are recognised in equity. Fair values of derivatives are based upon quoted market prices or pricing models which take into account current market and contractual prices of the underlying instruments, as well as the time value and yield curve or volatility factors underlying the positions.

Derivatives embedded in other financial instruments are treated as separate derivatives when their risks and characteristics are not closely related to those of the host contract and the host contract is not carried at fair value with gains and losses reported in the statement of comprehensive income and the embedded instrument meets general criteria for recognition as a derivative.

Hedge Accounting

The Group applies hedge accounting in accordance with the IFRS requirements. Hedging derivatives are derivatives that the Group can use to hedge against its interest rate and currency risks. A hedging relationship qualifies for hedge accounting if, and only if, all of the following conditions are met:

- a) At the inception of the hedge there is formal designation and documentation of the hedging relationship and the entity’s risk management objective and strategy for undertaking the hedge;
- b) The hedge is expected to be highly effective in achieving offsetting changes in fair value or cash flows attributable to the hedged risk, consistently with the originally documented risk management strategy for that particular hedging relationship;
- c) For cash flow hedges, a forecast transaction that is the subject of the hedge must be highly probable and must present an exposure to variations in cash flows that could ultimately affect profit or loss;
- d) The effectiveness of the hedge can be reliably measured, ie the fair value or cash flows of the hedged item that are attributable to the hedged risk and the fair value of the hedging instrument can be reliably measured; and
- e) The hedge is assessed on an ongoing basis and determined actually to have been highly effective throughout the financial reporting periods for which the hedge was designated.

Hedging derivatives are accounted for according to the type of the hedging relationships which are as follows:

- a) Fair value hedge: a hedge of the exposure to changes in fair value of a recognised asset or liability or an unrecognised firm commitment, or an identified portion of such an asset, liability or firm commitment, that is attributable to a particular risk and could affect profit or loss;
- b) Cash flow hedge: a hedge of the exposure to variability in cash flows that:
 - i. Is attributable to a particular risk associated with a recognised asset or liability (such as all or some future interest payments on variable rate debt) or a highly probable forecast transaction; and
 - ii. Could affect profit or loss.
- c) Hedge of a net investment in a foreign operation.

Changes in the fair value of hedging derivatives classified as a fair value hedge are reported in the statement of comprehensive income in the line “*Net profit on financial operations*”, interest income and expense on these derivatives (i.e. both realised and accrued) are reported in the statement of comprehensive income line “*Interest income and similar income*” or “*Interest expense and similar expense*”, respectively, in the net value on the same line as the relevant interest income or expense from the hedged item. A change in the fair value of the hedged item in relation to the fair value hedge of term deposits is recognised as part of the carrying amount of the hedged item in the statement of financial position and in the line “*Net profit on financial operations*” in the statement of comprehensive income. In respect of the fair value hedge of the mortgage loan portfolio, the change in the fair value of hedged items is reported in the statement of financial position as “*Fair value remeasurement of portfolio-remeasured items*” and “*Net profit on financial operations*” in the statement of comprehensive income.

Through the above approach, the Group hedges against the interest rate risk of financial liabilities (term deposits with a fixed interest rate) and, newly since 2013, the interest rate risk of financial assets (portfolio of mortgages with fixed interest rates). The effectiveness of the hedge is regularly tested on a monthly basis, prospectively and retrospectively. Where the hedge ceases to meet the criteria for hedge accounting, the maturity of the hedging instrument expires, the hedging instrument is sold, terminated or exercised, the Bank discontinues the hedging relationship and writes off the adjustments of the carrying amount of the hedged interest-bearing financial instruments through profit or loss over the period to the maturity of the hedged item.

Subordinated Debt

A subordinated loan is a loan where it has been contractually agreed that, in the event of liquidation, bankruptcy, forced settlement or settlement with the debtor, the loan will be repaid only after the full satisfaction of all other payables to other creditors, the only exception being payables that carry the same or similar subordination condition.

The principal balance of the subordinated loan and relevant interest is recognised from the draw-down date to the maturity date of the subordinated loan. The subordinated loan including the accrued and not yet paid portion of interest is reported as “*Subordinated liabilities*” in the statement of financial position. The amount of interest expense arising from subordinated deposits is recognised in the profit and loss account line “*Interest expense and similar expense*”.

Subordinated Debt Securities Issued

Subordinated debt securities issued are debt securities where it has been agreed that they will be settled only after the settlement of all other payables if the issuer is placed into liquidation or a resolution on the bankruptcy of the issuer is passed, except for payables that carry the same or similar subordination condition.

Subordinated debt securities issued are reported by the Group at amortised cost using the effective interest rate and are included in "Subordinated liabilities" in the statement of financial position. The interest expense from the issue of own bonds is reported in "Interest expense and similar expense" in the statement of comprehensive income.

(g) Property and Equipment and Intangible Fixed Assets

Property and equipment includes identifiable tangible assets with physical substance and with an estimated useful life exceeding one year and a cost greater than CZK 40 thousand.

Intangible fixed assets include identifiable assets without physical substance with an estimated useful life exceeding one year and a cost greater than CZK 60 thousand.

Property and equipment and intangible fixed assets are stated at historical cost less accumulated depreciation and provisions and are depreciated when ready for use through the statement of comprehensive income line "General administrative expenses" on a straight line basis over their estimated useful lives.

Depreciation periods and depreciation rates for individual categories of assets are as follows:

	Depreciation period	Depreciation rate
Software (except for core banking systems)	4 years	25 %
Buildings	30 years	3.33 %
Other (cars, furniture and fixtures, office equipment and computers)	4 - 10 years	10 - 20 %

Technical improvements on leasehold assets are depreciated on a straight line basis over the lease term or the depreciation period is extended by the term arising from an option arrangement. Technical improvements on leasehold assets under lease arrangements for an indefinite period of time are depreciated over 15 years.

Land and works of art (irrespective of their cost) and assets under construction are not depreciated.

The costs of internally generated intangible assets include all costs that can be allocated directly or by reference to a reasonable and consistent basis for generating and preparing an asset for its intended use.

Intangible assets with a cost greater than CZK 40,000 and lower than CZK 60,000 (category of low value intangible fixed assets) are amortised over 36 months and tangible assets with a cost greater than CZK 20 thousand and lower than CZK 40,000 are depreciated over 36 or 48 months according to the type of low value tangible fixed assets.

Low value tangible assets with a cost lower than CZK 20,000 and low value intangible assets with a cost lower than CZK 40,000 are expensed in the period of acquisition.

The Group periodically reviews the utilisation of its assets and adjusts guidance on their depreciation treatment, as and when needed, in the internal guideline on asset depreciation. A change in the depreciation period is not considered a change of accounting policies but a change of accounting estimates.

The Group's assets are regularly tested for impairment. Impairment of assets, if any, is reported in the statement of comprehensive income as "General administrative expenses". The Group regularly reviews the anticipated future benefit from intangible assets; if no benefit can be expected, the relevant intangible assets are derecognised from the statement on financial position. The loss resulting from the derecognition is included in the statement of comprehensive income line "General administrative expenses".

Repairs and maintenance are charged directly to the statement of comprehensive income line "General administrative expenses" when the expenditure is incurred.

(h) Goodwill

Goodwill represents the excess of the acquisition cost over the fair value of the Group's share of the net assets (equity) of the consolidated company at the date of acquisition. Goodwill is reported in the statement of financial position as a component of "Intangible fixed assets". Goodwill is not amortised and is tested for impairment at least on an annual basis.

Goodwill is impaired if its carrying amount is greater than its estimated recoverable amount. The recoverable amount is defined as the estimated future economic benefits arising from the acquisition of an equity investment. When an impairment of assets is identified, the Group recognises the impairment through the statement of comprehensive income line "General administrative expenses".

Negative goodwill represents the difference between the cost and fair value of the Group's interest in net assets of the acquiree at the acquisition date. Negative goodwill exceeding reliably measurable future losses and costs of the acquiree (which are not reflected in its identifiable assets and liabilities) and the fair value of their non-monetary assets is immediately released to income.

(i) Investment Property

Investment property, that is, property held to earn rentals or for capital appreciation, is stated at cost and subsequently depreciated based on the determined useful life or agreed lease term on the expenses of the Group. Depreciation is presented in the line "General administrative expenses".

The Group's investment property is regularly tested for impairment. When an impairment of investment property is identified, the Group recognises the impairment through "General administrative expenses".

(j) Provisions

The provision is a probable supply with an uncertain time schedule and amount. The Group recognises a provision when, and only when:

- It has a present obligation (legal or constructive) as a result of a past event;
- It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- A reliable estimate can be made of the amount of the obligation.

Provisions for Guarantees and Other Off Balance Sheet Items

The Group records potential commitments arising from issued guarantees, irrevocable credit commitments (undrawn portion), confirmed open letters of credit, etc. as part of off-balance sheet assets. Provisions are made for estimated losses on these commitments pursuant to the estimated amount of performance from individual off-balance sheet commitments. Changes in these provisions are recognised in "Change in provisions for credit risks".

Provision for Payroll Bonuses

On 1 January 2013, the Group started to account for provisions for long-term employee bonuses (quarterly and annual bonuses). In prior reporting periods, it accounted for the costs of long-term bonuses as estimated payables. In line with IAS 8, this change in the accounting policy is reflected in the consolidated financial statements retrospectively (ie as if the Bank accounted for the provision instead of an estimated payable in prior years). The reclassification of relevant lines in the statement of financial position is disclosed in Note 5 p.

The recognition, use and release of the provision for payroll bonuses is reported in the statement of comprehensive income as "General administrative expenses".

Other Provisions

The recognition, use and release of other provisions relating to banking activities (for unused holidays, legal disputes, etc.) is recorded in "General administrative expenses". If the provision does not relate to banking activities, the recognition, use and release of other reserves is recorded in "Other operating income/(expenses), net".

(k) Non-Controlling Interests

Non-controlling interests include the share in profits and losses and net assets that are not attributable to owners of the parent company. These interests are reported in the consolidated statement of comprehensive income and in "Equity" in the consolidated statement of financial position separately from the equity attributable to the owners of the Bank. Non-controlling interests are reported using the method of a proportionate interest in net identifiable assets of an acquired entity not attributable to the owners of the parent company and are adjusted by the share in profits and losses of the acquired entity and share in dividends paid from the acquired entity not attributable to the owners of the parent company.

(l) Transactions with Securities Undertaken on behalf of Clients

Securities received by the Group into custody, administration or safe-keeping are typically recorded at market or nominal values if the market value is not available and maintained off balance sheet. In the statement of financial position, "Other liabilities" include the Group's payables to clients arising from cash received to purchase securities or cash to be refunded to the client.

(m) Segment Reporting

The Group reports information in accordance with IFRS 8 Operating Segments. IFRS 8 requires that operating segments be identified on the basis of internal reports regularly reviewed by the Group's chief operating decision maker. Pursuant to these internal reports including the overview of the performance of the particular operating segment, it is possible to assess the performance of the segment/decide on the strategic development of the operating segment.

The basis for determining reportable segments is a report that the Group prepares for the Board of Directors, or for the meeting of the Top Managers Committee (TMC) which is considered to be the 'chief operating decision maker', i.e. a person/group of persons that allocate(s) resources and assess(es) the performance of individual operating segments of the Group.

Information on reportable operating segments of the Group is disclosed in Note 38.

(n) Foreign Currency Translation

Transactions denominated in foreign currencies are recorded in the local currency at official exchange rates as announced by the CNB on the date of transaction. Assets and liabilities denominated in foreign currencies are translated into the local currency at the CNB's exchange rate prevailing at the financial statements date. Realised and unrealised gains and losses on foreign exchange are recognised in the statement of comprehensive income in "Net profit on financial operations", with the exception of foreign exchange rate differences on equity securities included in the available-for-sale portfolio which are reported as a component of a change in the fair value and foreign exchange rate differences on derivatives entered into with a view to hedging currency risk associated with assets or liabilities whose foreign exchange rate differences are part of the change in the fair value.

For the presentation of consolidated financial statements, assets, liabilities and transactions of consolidated entities that use other functional currency than CZK are translated into the functional currency of the Group (CZK). Resulting foreign exchange rate gains or losses are reported in other comprehensive income under "Foreign exchange rate gains or losses from the translation of the financial statements denominated in foreign currencies" and "Valuation gains or losses from the translation of the financial statements denominated in foreign currencies" in the consolidated statements of financial position.

(o) Cash and Cash Equivalents

The Group considers cash on hand, deposits with central banks, deposits with other banks and treasury bills with a contractual maturity of three months or less to be cash equivalents. For the purposes of determining cash and cash equivalents, the minimum reserve deposit with the CNB is not included as a cash equivalent due to restrictions on its availability.

(p) Reclassification of Figures for 2012

Reporting of Provisions for Employee Bonuses

On 1 January 2013, the Group started to account for provisions for long-term employee bonuses (quarterly and annual bonuses). In prior reporting periods, it accounted for the costs of long-term bonuses as estimated payables. In line with IAS 8, the Group reclassified certain items in the statement of financial position in the comparative period. This reclassification has no impact on the statement of comprehensive income.

The below table shows changes in individual lines of the statement of financial position where reclassifications were made (only the impacted lines).

CZK thousand	2012 Before reclassification	Reclassification	2012 After reclassification
Provisions	500,912	503,583	1,004,495
Other liabilities	3,488,524	(503,583)	2,984,941
Total		-	

Other Reclassification

During the year ended 31 December 2013, the reporting of certain items in the statement of comprehensive income was made more accurate in order to bring the structure of the financial statements closer into line with the financial statements of the parent company. The figures for the year ended 31 December 2012 were recalculated in line with the reporting period. The following table shows the reconciliation of items. The reclassifications were made with the objective of providing a fairer presentation of expenses and income in individual lines of the statement of comprehensive income.

The below table shows changes in individual lines of the statement of comprehensive income where reclassifications were made (only the impacted lines).

CZK thousand	2012 Before reclassification	Reclassification	2012 After reclassification	Reference
Interest income and similar income	8,552,578	(85,132)	8,467,446	1
Interest expense and similar expense	(2,202,056)	(18,810)	(2,220,866)	2
Net profit from financial operations	1,360,555	103,942	1,464,497	1. 2
Other operating income / (expenses), net	112,864	(113,473)	(609)	3
General administrative expenses	(5,755,225)	113,473	(5,641,752)	3
Total		-		

1. Interest income from securities at fair value through profit or loss was reclassified from "Interest income and similar income" to "Net profit on financial operations" in the amount of CZK 85,132 thousand.
2. Net interest expenses from financial derivatives in the banking portfolio were reclassified from "Net profit on financial operations" to "Interest expense and similar expense" in the amount of CZK 18,810 thousand.
3. Other operating expenses that do not relate to banking activities were reclassified from "General administrative expenses" to "Other operating income/(expenses), net" in the amount of CZK 113,473 thousand.

6. CHANGES IN ACCOUNTING POLICIES IN 2013

(a) Newly applied standards and interpretations the application of which had a significant impact on the consolidated financial statements

In the year ended 31 December 2013, the Group did not apply any new standards and interpretations, the use of which would have a significant impact on the consolidated financial statements.

(b) Newly applied standards and interpretations the application of which had no significant impact on the financial statements

During the year ended 31 December 2013, the following standards and interpretations took effect and their application had no significant impact on the financial statements:

- IFRIC 20 - Stripping Costs in the Production Phase of a Surface Mine (interpretation effective for annual periods beginning on or after 1 January 2013);
- Amendments to IAS 12 - Income Taxes - Deferred Tax - Recovery of Underlying Assets (effective for annual periods beginning on or after 1 January 2013);
- Amendments to IFRS 1 - First-time Adoption of International Financial Reporting Standards - Hyperinflation and Removal of Fixed Dates for First-time Adopters (effective for annual periods beginning on or after 1 January 2013);
- Amendments to IFRS 1 - First-time Adoption of International Financial Reporting Standards - Government Loans (effective for annual periods beginning on or after 1 January 2013), amendments to IFRS 10, IFRS 11 and IFRS 12 - Transition Guidance (effective for annual periods beginning on or after 1 January 2013);
- Amendments to IAS 19 - Employee Benefits - Improvements to the Accounting for Post-employment Benefits (effective for annual periods beginning on or after 1 January 2013); and
- Amendments to various standards and interpretations "Improvements to IFRSs (2009-2011)" resulting from the annual improvement project of IFRS (IFRS 1, IAS 1, IAS 16, IAS 32, IAS 34) published on 17 May 2012 (effective for annual periods beginning on or after 1 January 2013).

The adoption of these amendments resulted in no changes in the Group's accounting policies.

- IFRS 13 - Fair Value Measurement (effective for annual periods beginning on or after 1 January 2013);

The standard defines more detailed information that the entities have to disclose in the notes to the financial statements.

- Amendments to IFRS 7 Financial Instruments: Disclosures - Offsetting Financial Assets and Financial Liabilities (effective for annual periods beginning on or after 1 January 2013).

These amendments specify the information that entities have to disclose on financial assets and liabilities offset in line with IAS 32. In addition, they define the obligations of disclosing netting arrangements and similar arrangements where no offset is made under IAS 32.

Based on the amendment, the Group discloses the impacts of the ISDA master netting agreements and contracts on cash collateral where no offset is made under IAS 32 in the notes to the financial statements. The information is disclosed in Note 40 k.

- Amendments to IAS 1 - Presentation of Items of Other Comprehensive Income

These amendments were issued in June 2011 and are binding from the reporting periods starting on 1 July 2012. In accordance with the amendments, entities have to report separately (in a separate subtotal) the items of other comprehensive income that can be reclassified in income or expenses in the future and those that cannot be reclassified. If these items are reported before tax, the tax relating to these two categories also has to be reported separately. The Group adjusted the statement of comprehensive income as required by the amendments to IAS 1.

(c) Standards and Interpretations in Issue but Not Yet Effective

As of the approval date of these financial statements, the following standards, amendments and interpretations adopted by the EU were issued but not yet effective:

- IFRS 10 – Consolidated Financial Statements (effective for annual periods beginning on or after 1 January 2014);
- IFRS 11 – Joint Arrangements (effective for annual periods beginning on or after 1 January 2014);
- IFRS 12 – Disclosure of Interests in Other Entities (effective for annual periods beginning on or after 1 January 2014);
- IAS 27 (revised in 2011) – Separate Financial Statements (effective for annual periods beginning on or after 1 January 2014);
- IAS 28 (revised in 2011) – Investments in Associates and Joint Ventures (effective for annual periods beginning on or after 1 January 2014);
- Amendments to IFRS 10 – Consolidated Financial Statements, IFRS 12 – Disclosure of Interests in Other Entities and IAS 27 – Separate Financial Statements – Investment Entities (effective for annual periods beginning on or after 1 January 2014);
- Amendments to IAS 32 – Financial Instruments – Presentation – Offsetting Financial Assets and Financial Liabilities (effective for annual periods beginning on or after 1 January 2014);
- Amendments to IAS 36 “Impairment of assets” – Recoverable Amount Disclosures for Non-Financial Assets (effective for annual periods beginning on or after 1 January 2014); and
- Amendments to IAS 39 – “Financial Instruments: Recognition and Measurement” – Novation of Derivatives and Continuation of Hedge Accounting (effective for annual periods beginning on or after 1 January 2014).

The Group decided not to apply these standards, amendments and interpretations before their effective dates. The Group anticipates that the application of these standards, amendments and interpretations in the period of their first adoption will have no significant impact on the financial statements.

As of the approval date of these financial statements, the following standards, amendments and interpretations were issued by the IASB but not yet adopted by the EU:

- IFRS 9 – Financial Instruments, published on 12 November 2009;
- Amendments to IFRS 9 – Financial Instruments and IFRS 7 Financial Instruments – Presentation – Mandatory Effective Date of IFRS 9 and Transition Disclosures, published on 28 October 2010;
- Amendments to IFRS 9 – Financial Instruments, IFRS 7 – Financial Instruments – Disclosures and IAS 39 – Financial Instruments: Recognition and Measurement – Hedge Accounting, published on 19 November 2013;
- Amendments to IAS 19 – Employee Benefits – Defined Benefit Plans: Employee Contributions, published on 21 November 2013;
- Amendments to various standards and interpretations “Improvements to IFRSs 2010-2012 (IFRS 2, IFRS 3, IFRS 8, IFRS 13, IAS 16, IAS 38, IAS 24), published on 12 December 2013;
- Amendments to various standards and interpretations “Improvements to IFRSs 2011-2013 (IFRS 1, IFRS 3, IFRS 13, IAS 40), published on 12 December 2013; and
- IFRIC 21 – Levies, published on 20 May 2013; and
- IFRIC 14 – Regulatory Deferral Accounts, published on 30 January 2014.

Given that the European Union deferred the adoption of IFRS 9 to the period when the standard is completed and able to entirely replace IAS 39, the Group has not yet assessed the potential impact of its adoption. The Group anticipates that the adoption of other standards, amendments to existing standards and interpretations in the period of their first-time adoption will have no significant impact on the financial statements of the Group prepared as of 31 December 2014, including comparative information.

7. NET INTEREST INCOME

CZK thousand	2013	2012
Interest income arising from		
Loans and advances to financial institutions	43,696	114,855
Loans and advances to customers	6,909,286	7,976,303
<i>of which: default interest on impaired assets</i>	102,903	97,193
Fixed income securities	242,029	376,288
Financial derivatives in the banking portfolio, net	7,140	-
Total interest income and similar income	7,202,151	8,467,446
Interest expense arising from		
Deposits from financial institutions	(38,313)	(69,126)
Deposits from customers	(869,525)	(1,310,322)
Securities issued	(459,906)	(628,520)
Subordinated liabilities	(129,492)	(194,088)
Financial derivatives in the banking portfolio, net	-	(18,810)
Total interest expense and similar expense	(1,497,236)	(2,220,866)
Net interest income	5,704,915	6,246,580

In "Interest income arising from loans and advances to customers", the Group reports net interest expense from hedging financial derivatives upon a fair value hedge of mortgage loans of CZK 4,537 thousand in line with IAS 39. In 2012, the Bank did not use hedge accounting for the fair value hedge of mortgage loans.

"Interest expense arising from deposits from customers" includes net interest income from hedging financial derivatives upon a fair value hedge of term deposits of CZK 50,969 thousand (2012: CZK 28,589 thousand) in line with IAS 39.

8. CHANGE IN PROVISIONS FOR CREDIT RISKS

CZK thousand	2013	2012
Changes in loan loss provisions		
Charge for provisions	(3,979,635)	(4,309,671)
Release of provisions	2,485,268	2,735,828
Use of provisions	1,390,686	1,972,420
Nominal value of assigned and written off receivables	(1,394,675)	(1,980,429)
<i>of which: Direct write-off of receivables</i>	(3,989)	(7,987)
Recoveries	10,765	11,952
Total changes in loan loss provisions	(1,487,591)	(1,569,900)
Provisions for off balance sheet credit risk exposures		
Charge for provisions	(25,009)	(232,944)
Release of provisions	237,944	4,803
Total change in provisions for off-balance sheet risks	212,935	(228,141)
Change in provisions for credit risk	(1,274,656)	(1,798,041)

9. NET FEE AND COMMISSION INCOME

CZK thousand	2013	2012
Fee and commission income arising from		
Payment transactions	1,859,391	1,929,658
Provided loans and guarantees	577,794	625,177
Securities transactions	128,445	108,528
Financial operations	12,141	14,195
Mediation of the Bank's products sale	81,454	97,597
Administration of funds and distribution of participation certificates	18,820	-
Other banking services	126,088	53,464
Total fee and commission income	2,804,133	2,828,619
Fee and commission expense arising from		
Payment transactions	(463,569)	(473,893)
Receiving of loans and guarantees	(38,875)	(70,783)
Securities transactions	(12,680)	(8,572)
Securitisation	(15,856)	(25,112)
Financial operations	(4,667)	(5,644)
Mediation of the sale of the Group's products	(24,731)	(19,593)
Other services	(41,254)	(37,762)
Total fee and commission expense	(601,632)	(641,359)
Net fee and commission income	2,202,501	2,187,260

10. NET PROFIT ON FINANCIAL OPERATIONS

CZK thousand	2013	2012
Interest rate derivatives	134,672	333,410
Commodity derivatives	692	3,054
Equity derivatives	1	(39)
Profit/loss from foreign currency transactions	1,166,000	975,322
<i>of which: Customer foreign currency result</i>	1,037,428	941,311
<i>FX proprietary P/L</i>	128,572	34,011
Profit/loss from transactions with securities	(13,821)	142,930
<i>of which: Portfolio of securities available for sale</i>	-	12,888
<i>Portfolio of securities held for trading</i>	3,126	124,246
<i>Portfolio of securities at fair value through profit or loss</i>	(8,163)	61,069
<i>Own issue</i>	(8,784)	(55,273)
<i>Sale of equity investments</i>	24,619	17,870
Change in the fair value of the hedged item in the fair value hedging	36,737	(136,627)
Change in the fair value of hedging derivatives in the fair value hedging	(52,375)	128,577
Total	1,296,525	1,464,497

The "Customer foreign currency result" line item reflects margins from foreign currency transactions with customers.

The "FX proprietary P/L" line item reflects the impact of proprietary trading and the impact of the revaluation of foreign currency positions using the Czech National Bank's exchange rate, including the result of the remeasurement of currency derivatives.

In 2013, the Group started to apply hedge accounting upon the fair value hedge of the portfolio of receivables from mortgage loans provided to clients. Since 2012, the Group has applied hedge accounting upon the fair value hedge of term deposits.

11. DIVIDEND INCOME

"Income from other shares and participation interest" amounted to CZK 73,692 thousand (2012: CZK 30,684 thousand) and predominantly includes the dividends from Raiffeisen stavební spořitelna a.s. of CZK 60,000 thousand (2012: CZK 30,000 thousand) and dividend from Raiffeisen – Leasing, s.r.o. of CZK 11,800 thousand (2012: CZK 0). In the year ended 31 December 2012, the Bank recorded no dividend income from associates. In the year ended 31 December 2012, the Group recorded no dividend income from associates.

12. OTHER OPERATING INCOME, NET

CZK thousand	2013	2012
Payroll costs (Note 13)	(2,860,849)	(2,914,673)
Administrative expenses	(2,108,157)	(2,092,016)
Rental, repairs and other office management service expenses	(621,834)	(621,732)
Advertising costs	(281,723)	(226,440)
Costs of legal and advisory services	(405,096)	(419,386)
Of which: Audit	(7,063)	(7,260)
Tax advisory	(1,809)	(16,375)
IT support costs	(284,498)	(261,057)
Deposit and transaction insurance	(205,434)	(213,981)
Telecommunication, postal and other services	(123,082)	(140,639)
Security costs	(42,289)	(47,849)
Training costs	(35,066)	(38,031)
Office equipment	(36,887)	(31,482)
Travel costs	(22,730)	(30,387)
Fuel	(19,636)	(20,168)
Other administrative expenses	(29,882)	(40,864)
Depreciation and amortisation of fixed assets (Notes 24, 25 and 26)	(568,070)	(564,791)
Loss from impaired intangible assets (Note 24)	(1,474,201)	(70,272)
Total	(7,011,277)	(5,641,752)

"Deposit and transaction insurance" includes the costs of the payment to the Deposit Insurance Fund.

13. PAYROLL COSTS

CZK thousand	2013	2012
Wages and salaries	(2,116,537)	(2,205,641)
Social security and health insurance	(638,399)	(637,297)
Other staff costs	(105,913)	(71,735)
Total	(2,860,849)	(2,914,673)
Of which wages and salaries paid to:		
Members of the Board of Directors	(61,101)	(56,464)
Members of the Supervisory Board	(6,781)	(7,268)
Other members of management	(106,010)	(85,285)
Total	(173,892)	(149,017)

The average number of the Group's employees as of 31 December 2013 and 2012 was as follows:

	2013	2012
Employees	2,870	2,902
Members of the Board of Directors	12	6
Members of the Supervisory Board	15	9
Other management members	27	24

The financial arrangements between the Group and members of the Board of Directors and Supervisory Board are disclosed in Note 42.

14. OTHER OPERATING INCOME/(EXPENSES), NET

CZK thousand	2013	2012
Change in operating provisions	19,971	(52,114)
Gain from the disposal of in-/tangible fixed assets	(11,429)	16,919
Other operating income	35,523	34,586
Total	44,065	(609)

In 2013 and 2012, "Other operating income" predominantly includes income from the lease of the Group's assets. Operating income from the lease of investment property in PRK Sigma 06, s.r.o. and Flex-space Plzeň I., s.r.o. amounts to CZK 18,936 thousand in the year ended 31 December 2013. Operating income from the lease of investment property in PRK Sigma 06, s.r.o., RLRE Taurus Property s.r.o. and Flex-space Plzeň I. amounted to CZK 25,219 thousand in the year ended 31 December 2012.

15. INCOME TAX

(a) Income tax expense

CZK thousand	2013	2012
Income tax payable	(182,962)	(510,806)
Tax overpayment/(additional payments) from the previous period	58,073	1,121
Deferred income tax credit /(charge)	(17,825)	4,448
Total income tax	(142,714)	(505,237)

The tax balance differs from the theoretical tax balance that would have been determined had the basic tax rate been used as follows:

CZK thousand	2013	2012
Pre-tax profit (general tax base)	1,124,916	2,525,643
Pre-tax profit (separate tax base)	-	45
Total pre-tax profit	1,124,916	2,525,688
Tax calculated at the tax rate for the general tax base - 19 % (2012: 19 %)	(213,734)	(479,872)
Tax calculated at the tax rate for the separate tax base (rate of 15 %)	-	(7)
Non-taxable income (tax effect)	583,117	528,974
Non-tax deductible expenses (tax effect)	(552,996)	(560,320)
Tax relief and credit	651	419
Tax liability for the period	(182,962)	(510,806)
Tax overpayment/(underpayment) from the previous period, use of tax relief and credit, including tax refunds and additional assessments from previous years	58,073	1,121
Deferred tax	(17,825)	4,448
Total income tax	(142,714)	(505,237)
Effective tax rate	12.69%	20.00%

The significant amount of non-tax deductible expenses is due to the exceeded limit for the recognition of tax-deductible provisions for loan receivables and is reflected as a temporary difference in deferred tax calculation.

The decrease in the effective tax rate and the difference as compared with the rate applicable to the general tax base is due to the refund of the tax paid for 2012 when the Group used the possibility of deducting incurred research and development costs from the tax base.

(b) Income Tax Liability/Asset

CZK thousand	2013	2012
Tax calculated at the tax rate for the general tax base - 19% (2012: 19%)	(182,962)	(510,799)
Tax calculated at the tax rate for the separate tax base (rate of 15%)	-	(7)
Tax liability for the period	(182,962)	(510,806)
Advances paid for current income tax	504,400	658,918
Total income tax asset	321,438	148,112

CZK thousand	2013	2012
Income tax receivable reported in the balance sheet	321 885	148 425
Income tax payable reported in the balance sheet	(447)	(313)
Total income tax (payable)/receivable	321 438	148 112

For additional details on the deferred tax, refer to Note 21.

16. CASH AND BALANCES WITH CENTRAL BANKS

CZK thousand	2013	2012
Cash on hand and other cash equivalents	2,787,325	2,646,086
Balances with central banks	494,223	587,122
Minimum reserve deposits with the CNB	554,899	1,731,310
Total	3,836,447	4,964,518

Statutory minimum reserves include deposits the amount of which is determined based on the regulation declared by the Czech National Bank and the drawing of which is limited. The Group may draw an amount from obligatory minimum reserves which exceeds the actual average amount of statutory minimum reserves for the particular period calculated according to the regulation of the Czech National Bank.

For the information on cash and other highly liquid balances reported in the cash flow statement, refer to Note 34.

17. SECURITIES

(a) Portfolio Classification of Securities according to the Group's Intent

CZK thousand	2013	2012
Securities held to maturity (debt securities)	12,410,743	13,977,382
Securities at fair value through profit or loss	4,943,961	11,457,440
of which: Securities held for trading	4,815,582	11,196,027
- Debt securities	4,815,582	11,181,524
- Shares and participation certificates	-	14,503
of which: Securities designated as FVTPL on initial recognition	128,379	261,413
- Debt securities	128,334	141,752
- Shares and participation certificates	45	119,661
Securities available for sale (shares and participation certificates)	517,011	536,948
Total	17,871,715	25,971,770
of which: repayable within one year	835,727	11,178,837
repayable in more than one year	17,035,988	14,792,933

"Securities held to maturity" includes bonds and state treasury bill of the Czech Republic.

"Securities at fair value through profit or loss" includes government bonds and treasury bills of CZK 3,025,290 thousand (2012: CZK 10,974,782 thousand) which may be used for refinancing with central banks.

"Securities available for sale" includes the Group's investment in Raiffeisen stavební spořitelna a.s. in the aggregate amount of CZK 516,106 thousand (2012: CZK 516,106 thousand) and other minority investments of the Bank.

According to its investment strategy, the Group holds most of newly acquired securities in the "Securities held for trading" portfolio.

The remeasurement of securities available for sale for 2012 amounted to CZK 4,193 thousand, and is included in the comprehensive income for the period. In the year ended 31 December 2013, the remeasurement was CZK 0.

(b) Securities Pledged as Collateral

As of 31 December 2013, the Group pledged securities in the amount of CZK 897,654 thousand as collateral as part of repurchase and similar transactions with other banks and clients. As of 31 December 2012, the Group concluded no repurchase transaction and provided no securities pledged as collateral.

18. LOANS AND ADVANCES TO FINANCIAL INSTITUTIONS

CZK thousand	2013	2012
Placements with financial institutions	556,527	689,393
Term deposits with banks	13,539,881	5,135,295
Loans and other advances to financial institutions	5,118,866	8,627,429
Received loans	122,857	-
Total	19,338,131	14,452,117
<i>of which: repayable within one year</i>	19,333,831	14,452,117
<i>repayable in more than one year</i>	4,300	-

"Loans and other advances to financial institutions" includes reverse repurchase transactions. As part of the reverse repurchase transactions (primarily with the Czech National Bank), the Group provided loans in the aggregate amount of CZK 5,118,866 thousand (2011: CZK 8,561,967 thousand).

19. LOANS AND ADVANCES TO CUSTOMERS

(a) Classification of Loans and Advances to Customers

CZK thousand	2013	2012
Overdrafts	7,021,043	10,456,841
Term loans	85,244,371	75,882,002
Mortgage loans	61,793,424	62,395,418
Other	729,575	1,128,050
Total	154,788,413	149,862,311
<i>of which: repayable at request</i>	7,021,043	10,456,841
<i>repayable within one year</i>	46,569,581	38,243,409
<i>repayable in more than one year</i>	101,197,789	101,162,061

Receivables from restructured loans as of 31 December 2013 amounted to CZK 3,776,086 thousand (2012: CZK 3,357,639 thousand).

The Bank has started to use hedge accounting upon a fair value hedge of the portfolio of receivables from mortgage loans provided to clients in 2013. The amount of the remeasurement of hedged items as of 31 December 2013 was CZK (42,912) thousand.

(b) Repurchase and Reverse Repurchase Transactions

Within reverse repurchase transactions, the Bank advanced loans in the aggregate amount of CZK 260 thousand (2012: CZK 805 thousand) under reverse repurchase transactions.

(c) Analysis of Loans Provided to Customers by Sector

CZK thousand	2013	2012
Czech Republic	749,194	253,622
Slovakia	76,748,330	74,750,769
Other - EU countries	72,413,009	70,244,052
Other	4,877,880	4,613,868
Total	154,788,413	149,862,311

(d) Analysis of Loans Provided to Customers by Geographical Areas

CZK thousand	2013	2012
Czech Republic	147,478,513	143,959,108
Slovakia	1,495,223	1,335,132
Other - EU countries	3,354,685	2,889,778
Other	2,459,992	1,678,293
Total	154,788,413	149,862,311

(e) Ageing of Loans to Customers

The following table shows the ageing analysis of loans to customers which are past their due dates but not impaired, including their collateral:

CZK thousand Past due	Past due date		Nominal collateral value	
	2013	2012	2013	2012
1 - 30	4,021,288	4,728,654	3,572,434	2,755,864
31 - 90	113,730	24,935	46,537	7,935
91 - 180	920	81,009	644	25,989
181 - 360	8,641	45,221	8,288	19,786
More than 1 year	16,317	173,321	14,338	161,364

Although the nominal value of collateral does not fully cover the amount of receivables in the "1 - 30" category, the Group recognised no individual provisions since most of the receivables in this category are overdue only by one day.

(f) Analysis of Loans Provided to Customers by Delays

CZK thousand 2013	Before due date	Less than 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	Over 1 year	Total
Amounts due from customers							
- without default	140,060,591	-	-	-	-	-	140,060,591
- with default	2,992,499	5,329,485	1,036,182	584,756	1,204,129	3,580,771	14,727,822
Gross	143,053,090	5,329,485	1,036,182	584,756	1,204,129	3,580,771	154,788,413
Provisions	(1,423,362)	(570,480)	(327,624)	(228,800)	(886,212)	(3,110,165)	(6,546,643)
Net	141,629,728	4,759,005	708,558	355,956	317,917	470,606	148,241,770

CZK thousand 2012	Before due date	Less than 1 month	1 month to 3 months	3 months to 6 months	6 months to 1 year	Over 1 year	Total
Amounts due from customers							
- without default	132,479,416	-	-	-	-	-	132,479,416
- with default	4,528,697	5,438,875	1,040,103	1,151,232	204,363	5,019,625	17,382,895
Gross	137,008,113	5,438,875	1,040,103	1,151,232	204,363	5,019,625	149,862,311
Provisions	(1,358,789)	(277,587)	(171,120)	(639,576)	(90,378)	(3,844,537)	(6,381,987)
Net	135,649,324	5,161,288	868,983	511,656	113,985	1,175,088	143,480,324

The amounts due from customers "without default" in the table above are amounts due that are past their due dates and the individual provision is zero. Other amounts due from customers are reported within "with default".

(g) Securitisation

Since March 2006, the Group has carried out a synthetic securitisation of the Corporate Banking loans portfolio. The original maturity of the transaction was in March 2016. As of 1 August 2013, the Group prematurely terminated the transaction. Two default events remained from the transaction which continue to be included in the securitisation. As of 31 December 2013, the volume of the loan portfolio included in the securitisation (the two cases above) was CZK 29,532 thousand (2012: the volume of the loan portfolio included in securitisation amounted to CZK 391,000 thousand).

(h) Syndicated loans

Pursuant to concluded syndicated loan agreements, the Group acted as the arranger of syndicated loans in the original amount of aggregate credit limits of CZK 8,076,950 thousand as of 31 December 2013 (2012: CZK 5,222,500 thousand), of which the proportion of the Group amounted to CZK 3,420,852 thousand (2012: CZK 2,239,970 thousand) and the proportion of other syndicate members amounted to CZK 4,656,098 thousand (2012: CZK 2,982,530 thousand).

As of 31 December 2013, the aggregate amount of outstanding receivables under the syndicated loan facilities was CZK 6,745,196 thousand (2012: CZK 4,199,243 thousand), of which the proportion of the Group was CZK 2,668,972 thousand (2012: CZK 1,665,610 thousand) and the proportion of other syndicate members was CZK 4,076,224 thousand (2012: CZK 2,533,633 thousand).

The risks and interest arising from these syndicated loans are shared by all participating syndicate members in proportion to their aggregate exposure.

(i) Analysis of Loans and Advances to Customers by Sector and Type of Collateral

2013	Cash collateral	State guarantees	Bank guarantee	Real estate	Company guarantee	Bill guarantee	Personal guarantee	Movable assets	Uncollateralised	Total
Agriculture, Hunting, Forestry and Fishing	650	-	23,394	328,182	20,086	407,821	15,999	13,699	222,524	1,032,355
Mining and Quarrying	-	-	-	-	-	11,597	-	-	5,927	17,524
Manufacturing	65,580	53,342	811,533	3,856,697	959,731	7,871,263	539,514	733,376	2,500,422	17,391,458
Electricity, Gas and Water Supply	149,672	-	5,131	120,452	1,372,528	1,022,181	5,500	4,227,725	596,327	7,499,516
Construction	9,905	-	71,654	1,335,166	445,095	1,415,187	28,549	191,951	858,842	4,356,349
Wholesale and Retail Trade; Repair Of Motor Vehicles, Motorcycles and Personal and Household Goods	36,724	-	469,539	3,088,635	1,490,565	5,295,958	290,306	264,718	2,198,288	13,134,733
Hotels and Restaurants	25,736	-	6,291	2,065,137	34,956	111,456	100	-	183,716	2,427,392
Transport, Storage and Communication	6,591	-	30,395	413,281	216,913	670,161	-	1,311	907,481	2,246,133
Financial Intermediation	157,172	-	1,556,168	630,832	999,480	244,547	62,000	2,672	1,116,912	4,769,783
Real Estate,	534,628	1,023,993	223,795	17,097,877	3,557,593	2,521,327	495,403	87,654	1,271,555	26,813,825
Public Administration and Defence; Compulsory Social Security	2,148	623,566	-	87,293	36,306	6,556	-	-	17,774	773,643
Education	-	-	-	17,379	-	20,523	-	-	63,416	101,318
Health and Social Work	9,900	170,615	-	140,831	-	172,881	-	1,523	43,372	539,122
Other Community, Social and Personal Service Activities	20,603	-	5,002	282,966	130,682	189,154	-	253,944	389,902	1,272,253
Private Households With Employed Persons	-	-	-	60,221,655	-	1,574	3,034,325	-	9,155,455	72,413,009
Total	1,019,309	1,871,516	3,202,902	89,686,383	9,263,935	19,962,186	4,471,696	5,778,573	19,531,913	154,788,413

For the purposes of reporting loans and advances to customers by sector and type of collateral, the Group uses the collateral in nominal value.

2012	Cash collateral	State guaranteees	Bank guarantee	Real estate	Company guarantee	Bill guarantee	Personal guarantee	Movable assets	Uncollateralised	Total
Agriculture, Hunting, Forestry and Fishing	200	-	25,803	171,204	104,922	531,064	52,127	241,835	153,826	1,280,981
Mining and Quarrying	-	-	11,520	12,156	9,130	14,229	-	8,184	12,262	67,481
Manufacturing	15,227	-	821,604	2,149,434	737,457	3,466,517	2,252,113	4,239,687	2,635,156	16,317,195
Electricity, Gas and Water Supply	20,055	-	1,313	59,674	99,129	1,100,625	68,602	804,036	392,702	2,546,136
Construction	14,910	-	38,679	799,181	24,217	856,168	53,457	768,858	1,511,437	4,066,907
Wholesale and Retail Trade; Repair Of Motor Vehicles, Motorcycles and Personal and Household Goods	39,715	-	239,936	2,534,515	604,480	3,508,866	1,025,951	3,394,782	3,989,051	15,337,296
Hotels and Restaurants	10,011	-	4,174	936,360	9,510	840,652	6,721	67,743	1,060,642	2,935,813
Transport, Storage and Communication	4,585	355,275	30,510	274,137	35,804	436,394	18,187	322,319	1,031,681	2,508,892
Financial Intermediation	172,799	-	1,845,635	224,923	542,183	603,027	3,039	75,083	1,393,273	4,859,962
Real Estate,	348,696	684,689	107,137	12,669,316	984,736	4,252,941	477,350	1,647,300	6,437,956	27,610,121
Public Administration and Defence; Compulsory Social Security	421	-	-	57,710	31,013	22,875	360	7,320	153,506	273,205
Education	-	-	-	12,536	-	19,190	-	1,012	43,127	75,865
Health and Social Work	533	26,088	3,065	102,935	-	117,866	-	7,706	27,832	286,025
Other Community, Social and Personal Service Activities	13,089	-	52,104	193,439	136,248	209,317	10,944	186,960	650,279	1,452,380
Private Households With Employed Persons	-	195	-	57,567,051	18,752	12,768	3,894,591	-	8,750,695	70,244,052
Total	640,241	1,066,247	3,181,480	77,764,571	3,337,581	15,992,499	7,863,442	11,772,825	28,243,425	149,862,311

For the purposes of reporting loans and advances to customers by sector and type of collateral, the Group uses the collateral in nominal value.

20. PROVISIONS FOR LOANS AND ADVANCES TO CUSTOMERS

CZK thousand	2013	2012
Clients		
Balance at 1 January	(6,381,987)	(6,856,268)
Charge for provisions	(3,979,635)	(4,309,671)
Release of provisions	2,485,268	2,735,828
Usage of provisions for the write-off and assignment of receivables	1,390,686	1,972,420
Effect from the change in the scope of consolidation (Note 3)	-	53,966
FX gains from provisions denominated in a foreign currency	(60,865)	21,738
Balance at 31 December	(6,546,533)	(6,381,987)
Banks		
Balance at 1 January	(110)	(110)
Balance at 31 December	(110)	(110)
Total	(6,546,643)	(6,382,097)

21. DEFERRED TAX ASSET/LIABILITY

Deferred tax is calculated from all temporary differences under the liability method using the principal income tax rate of 19 percent (the tax rate of 2014).

Deferred income tax assets are as follows:

CZK thousand	2013	2012
Unpaid interest on loans of non-residents	195,054	278,590
Unpaid social security and health insurance	60,537	92,000
Outstanding vacation days	4,084	9,092
Other provisions	24,917	86,216
Total deferred tax asset	284,592	465,898

Deferred income tax liabilities are as follows:

CZK thousand	2013	2012
Differences between accounting and tax carrying amounts of tangible and intangible assets	(160,658)	(322,055)
Amount on the valuation difference in equity from revaluation of securities available for sales	(56)	(55)
Total deferred tax liability	(160,714)	(322,110)

Set out below is the calculation of a net deferred tax asset:

CZK thousand	2013	2012
Balance at 1 January	465,898	432,020
Movement for the year - income/(expense)	(181,306)	33,878
Total deferred tax asset	284,592	465,898
Balance at 1 January	(322,110)	(293,631)
Movement for the year - income/(expense)	163,481	(29,430)
Movement for the year - equity	(2,085)	951
Total deferred tax liability	(160,714)	(322,110)
Net deferred tax asset	123,878	143,788

CZK thousand	2013	2012
Deferred tax asset reported in the balance sheet	125,472	145,165
Deferred tax liability reported in the balance sheet	(1,594)	(1,377)
Net deferred tax asset	123,878	143,788

The deferred tax (charge)/credit in the profit or loss and equity:

CZK thousand	2013	2012
Basis for net deferred tax asset	651,989	756,779
Deferred tax asset	123,878	143,788
Recognition of a year-on-year difference due to temporary differences in profit or loss	(17,825)	4,448
Recognition of a year-on-year difference due to temporary differences in equity	(2,085)	951
Total year-on-year difference for recognition	(19,910)	5,399

22. OTHER ASSETS

CZK thousand	2013	2012
Indirect tax receivables	13,852	7,241
Receivables arising from non-banking activities	469,890	483,376
Deferred expenses and accrued income	36,448	10,091
Receivables from securities trading	4,288	142,728
Settlement of cash transactions with other banks	113,912	351,106
Other	150,295	103,155
Total	788,685	1,097,697

23. EQUITY INVESTMENTS IN ASSOCIATES

CZK thousand	2013	2012
Opening balance	231,653	54,620
Additions	279,988	-
Increase/(decrease) in net assets of associates	89,151	37,069
Disposals	(33,498)	-
Effect from the change in the scope of the consolidation	-	139,964
Closing balance	567,294	231,653

CZK thousand	Country	Assets	Liabilities	Revenue	Profit/loss	Share of equity	Share of equity
Raiffeisen - Leasing Real Estate, s.r.o. group	CR	5,326,213	5,167,165	240,803	87,075	50.00%	169,988
Raiffeisen - Leasing, s.r.o.	CR	5,451,155	4,656,543	586,858	454,793	50.00%	397,306
At 31 Dec 2013							567,294
Raiffeisen - Leasing, s.r.o. group	CR	7,684,673	7,288,362	231,778	99,153	50.00%	198,155
CCRB a.s. group	CR	119,748	51,385	79,555	(25,527)	49.00%	33,498
At 31 Dec 2012							231,653

In the year ended 31 December 2013, the Group directly owned Raiffeisen - Leasing, s.r.o. which has no subsidiaries and the above table shows only the investment in the share capital for Raiffeisen - Leasing, s.r.o. In the year ended 31 December 2012, Raiffeisen - Leasing, s.r.o. owned the 50% equity investment in Raiffeisen - Leasing Real Estate, s.r.o. which controls the entities in the below table. This 50% equity investment was purchased by the Group from Raiffeisen - Leasing, s.r.o. in 2013. The information in the above table for 2013 in respect of the Raiffeisen - Leasing Real Estate, s.r.o. group represents the values for the Raiffeisen - Leasing Real Estate, s.r.o. group and the below listed controlled entities. The other shareholder in both entities is Raiffeisen-Leasing International Gesellschaft GmbH and the relation of the Group and Raiffeisen - Leasing, s.r.o. a Raiffeisen - Leasing Real Estate, s.r.o. is discussed in Note 3 f.

The above presented assets, liabilities and profit or losses for 2012 are consolidated figures of Raiffeisen - Leasing, s.r.o., Raiffeisen - Leasing Real Estate, s.r.o. and the below listed companies that Raiffeisen - Leasing Real Estate, s.r.o. (or Raiffeisen - Leasing, s.r.o.) controls in 2013 (or 2012).

The below listed companies are controlled entities of Raiffeisen - Leasing Real Estate, s.r.o. and are included in the consolidated figures for this group.

Entity	Effective holding of RaiffeisenLeasing s.r.o.		Indirect holding through	Registered office
	v % 2013	v % 2012		
Gaia Property, s.r.o.	100%	100%	-	Prague
Orchideus Property, s. r. o.	100%	100%	-	Prague
Raiffeisen FinCorp, s.r.o.	100%	100%	-	Prague
Appolon Property, s.r.o.	100%	100%	-	Prague
Hermes Property, s.r.o.	100%	100%	-	Prague
Létó Property, s.r.o.	100%	-	-	Prague
Luna Property, s.r.o.	100%	100%	-	Prague
RLRE Carina Property, s.r.o.	100%	100%	-	Prague
RLRE Dorado Property, s.r.o.	100%	100%	-	Prague
Bondy Centrum s.r.o.	50%	50%	-	Prague
Viktor Property, s.r.o.	100%	100%	-	Prague
Sky Solar Distribuce s.r.o.	100%	-	-	České Budějovice

In 2013, Raiffeisen – Leasing Real Estate, s.r.o. reviewed its relationship to certain entities that were reported as controlled entities in the past. Pursuant to the result of the current analysis, Raiffeisen – Leasing Real Estate, s.r.o. discontinued including these entities in its consolidated group.

As of 31 December 2013, Raiffeisen Leasing Real Estate additionally legally owned the following entities: RLRE Epsilon Property, s.r.o., RLRE Eta Property, s.r.o., RLRE Jota Property, s.r.o., RLRE Lyra Property, s.r.o., Phoenix Property, s.r.o., Raines Property, s.r.o., RLRE Orion Property, s.r.o., Sirius Property, s.r.o., Iris Property, s.r.o., Dione Property, s.r.o., CRISTAL PALACE Property, s.r.o., Chronos Property, s. r. o., RLRE Beta Property, s.r.o., UPC Real, s.r.o., Nike Property, s.r.o., Holečkova Property, s.r.o., RLRE Ypsilon Property, s.r.o., RLRE Hotel Ellen s.r.o., Green Energie větrný park Bílčice, s.r.o., RLRE Gamma Property, s.r.o., Impuls Tuchoměřice, s.r.o., Euros Property, s.r.o., Photon Energie s.r.o., Exit 90 SPV s.r.o., FORZA SOLE s.r.o., Elektrárna Dynín s.r.o., Michalka - Sun s.r.o., GS55 Sazovice s.r.o., Onyx Energy s. r. o., Onyx Energy projekt II s.r.o., Photon SPV 3 s.r.o., Photon SPV 4 s.r.o., Photon SPV 6 s.r.o., Photon SPV 8 s.r.o., Photon SPV 10 s.r.o., Photon SPV 11 s.r.o., ALT POHLEDY s.r.o., FVE Cihelna s.r.o., Rhea Property, s.r.o., Trojské výhledy s.r.o., Villa Atrium Bubeneč s.r.o., PZ PROJEKT a.s., Credibilis a.s., Mahara Hotels, s.r.o., Pontos Property, s.r.o., Selene Property s.r.o., Logistický areál Hostivař, s.r.o., T.L.S. building construction s.r.o., Apollon Property, uzavřený investiční fond, a.s., Prag trading s.r.o., Epaf trading, s.r.o., Zefyros Property, s.r.o., Thetis Property, s.r.o. and Blažiček J + M s.r.o. Although these entities are legally owned by Raiffeisen Leasing Real Estate, s.r.o., they do not comply with the IFRS criteria for inclusion in the consolidation group as Raiffeisen Leasing Real Estate is not a party that would enjoy benefits arising from the activities of these entities and would be exposed to risks relating to the entities based on concluded contracts.

In 2013, Raiffeisen-Leasing Real Estate, s.r.o. excluded RLRE Alpha Property, s.r.o., RESIDENCE PARK TŘEBEŠ, s.r.o., Athena Property, s.r.o., Dike Property, s.r.o., Tyche Property s.r.o., Pyrit Property, s.r.o. v likvidaci, Eris Property, s.r.o., Kalypso Property, s.r.o. and Hébé Property, s.r.o. from its consolidation group due to immateriality.

In 2012, CCRB a.s. newly included ZUQ Czech s.r.o., in which it held 90% of shares as of 31 December 2012, in its consolidation group. The above assets, liabilities, income and profit and losses for the CCRB a.s. group include consolidated figures of this group.

Mutual relationships of the Group with the above associates are described in Note 42.

24. INTANGIBLE FIXED ASSETS

CZK thousand	Goodwill	Software	Intangible assets under construction	Total
Cost				
1 January 2012	14,862	2,366,786	1,759,040	4,140,688
Additions	-	124,372	888,083	1,012,455
Disposals	-	-	(70,272)	(70,272)
Other changes (transfers)	-	88,940	(88,940)	-
Effect from the change in the consolidation scope	(13,707)	(16,243)	-	(29,950)
31 December 2012	1,155	2,563,855	2,487,911	5,052,921
Additions	-	494,114	46,537	540,651
Disposals	-	(3,989)	(1,474,201)	(1,478,190)
Other changes (transfers)	-	544,304	(544,304)	-
Effect from the change in the consolidation scope	-	(45)	-	(45)
31 December 2013	1,155	3,598,239	515,943	4,115,337
Accumulated amortisation and provisions				
1 January 2012	-	(1,671,202)	-	(1,671,202)
Additions - annual amortisation charges	-	(301,288)	-	(301,288)
Disposals	-	-	-	-
Effect from the change in the consolidation scope	-	9,326	-	9,326
31 December 2012	-	(1,963,164)	-	(1,963,164)
Additions - annual amortisation charges	(1,155)	(296,971)	-	(298,126)
Disposals	-	3,989	-	3,989
Effect from the change in the consolidation scope	-	9	-	9
31 December 2013	(1,155)	(2,256,137)	-	(2,257,292)
Net book value				
31 December 2012	1,155	600,691	2,487,911	3,089,757
31 December 2013	-	1,342,102	515,943	1,858,045

Additions to software represent the Bank's new CRM software and optimisation and extension of the Bank's data warehouses. Internal costs (primarily staff costs and rental costs) which are required to generate these assets are capitalised. In 2013, internal costs of CZK 44,879 thousand (2012: CZK 220,591 thousand) were capitalised. Other additions to intangible assets under construction include purchases from external entities. In this category, the Group does not report and record additions acquired through business combinations.

Disposals of intangible assets under construction include the derecognition of an intangible asset under construction in the new banking system development project. In December 2013, the Supervisory Board approved the resolution of the Bank's management on the interruption of the new banking system development project. The Group no longer anticipates that there would be economic or other benefits arising from this investment; for this reason, it derecognised this intangible asset under construction in line with IAS 38 and reported the relating loss in the statement of comprehensive income as "General administrative expenses" (refer to Note 12).

As part of the impairment testing of intangible assets under construction in accordance with IAS 36, an impairment of the new banking system of CZK 70,272 thousand was noted. The impairment was due to a change in the migration strategy of the new banking system.

"Other changes (transfers)" includes capitalisation of completed investments.

25. PROPERTY AND EQUIPMENT

(a) Movements in Property and Equipment

CZK thousand	Land, buildings, technical improvements on buildings	Furniture and fixtures	Machinery and equipment	Tangible assets under construction	Total
Cost					
1 January 2012	1,073,548	256,276	1,161,965	177,162	2,668,951
Additions	49,753	10,865	86,674	52,338	199,630
Disposals	(40,466)	(9,884)	(189,853)	-	(240,203)
Other changes (transfers)	51,664	10,877	98,076	(160,617)	-
Effect from the change in the consolidation scope	(143,025)	443	(12,546)	-	(155,128)
31 December 2012	991,474	268,577	1,144,316	68,883	2,473,250
Additions	51,866	6,037	67,556	19,597	145,056
Disposals	(21,338)	(44,561)	(150,166)	-	(216,065)
Other changes (transfers)	19,916	1,052	24,763	(45,731)	-
Effect from the change in the consolidation scope	-	(1,276)	-	-	(1,276)
31 December 2013	1,041,918	229,829	1,086,469	42,749	2,400,965
Accumulated depreciation					
1 January 2012	(439,338)	(155,914)	(718,705)	-	(1,313,957)
Additions	(77,553)	(26,843)	(152,285)	-	(256,681)
Disposals	18,790	9,365	182,224	-	210,379
Effect from the change in the consolidation scope	28,008	452	8,568	-	-
31 December 2012	(470,093)	(172,940)	(680,198)	-	(1,323,231)
Additions	(86,817)	(26,169)	(150,379)	-	(263,365)
Disposals	11,093	44,397	145,925	-	201,415
Effect from the change in the consolidation scope	-	273	-	-	273
31 December 2013	(545,817)	(154,439)	(684,652)	-	(1,384,908)
Net book value					
31 December 2012	521,381	95,637	464,118	68,883	1,150,019
31 December 2013	496,101	75,390	401,817	42,749	1,016,057

The figures presented under "Other changes (transfers)" represent the reclassification of assets from assets under construction to individual categories and a change in the classification of selected classes of assets..

(b) Property and Equipment Acquired under Finance Leases

The Bank recorded no property and equipment under finance leases in the years ended 31 December 2013 and 2012..

26. INVESTMENT PROPERTY

CZK thousand	2013	2012
Cost		
At 1 January	252,215	361,790
Additions	-	79,319
Disposals	-	(106,246)
Effect from the change in the consolidation scope	-	(82,648)
Cost at 31 December	252,215	252,215
Accumulated depreciation		
At 1 January	(23,916)	(35,278)
Annual charges	(6,579)	(6,822)
Disposals	-	10,439
Effect from the change in the consolidation scope	-	7,745
Accumulated depreciation and provisions at 31 December	(30,495)	(23,916)
Net book value at 31 December	221,720	228,299

The fair value does not significantly differ from the carrying amount.

27. AMOUNTS OWED TO FINANCIAL INSTITUTIONS

CZK thousand	2013	2012
Repayable on demand	2,234,282	957,058
Term deposits of banks	7,724,816	5,861,895
Within 3 months	2,349,436	2,886,545
From 3 months to 1 year	323,043	401,976
From 1 year to 5 years	1,875,050	1,132,423
Over 5 years	3,177,287	1,440,951
Total	9,959,098	6,818,953

28. AMOUNTS OWED TO CUSTOMERS

(a) Analysis of Amounts Owed to Customers by Type

CZK thousand	2013	2012
Repayable on demand	125,957,597	115,748,674
Term deposits with maturity at accrued amount	20,452,427	27,805,848
Change in the fair values of hedged items in the fair value hedging	69,397	136,627
Other	11,515	66,822
Total	146,490,936	143,757,971
<i>of which: repayable within one year</i>	140,861,936	129,592,184
<i>repayable in more than one year</i>	5,629,000	14,165,787

The Bank uses hedge accounting upon the fair value hedge of term deposits.

(b) Analysis of Amounts Owed to Customers by Sector

CZK thousand	2013	2012
Public sector	2,052,445	4,257,753
Corporate clients (Large corporate)	67,015,827	59,273,188
Private individuals	60,321,223	64,070,421
Small and medium size enterprises (SME)	16,921,121	15,504,652
Other	180,320	651,957
Total	146,490,936	143,757,971

(c) Repurchase Transactions

As of 31 December 2013, the Group received CZK 900,014 thousand (2012: CZK 0) from clients as part of repurchase transactions, collateralised by securities of CZK 897,654 thousand (2012: CZK 0).

29. DEBT SECURITIES ISSUED

(a) Analysis of Issued Debt Securities by Type

CZK thousand	2013	2012
Deposit certificates and depository bills of exchange	392,504	2,467,946
Bonds in issue	2,118,820	2,737,135
Mortgage bonds	9,532,191	12,778,021
Total	12,043,515	17,983,102
<i>of which: repayable within one year</i>	3,931,256	5,510,105
<i>repayable in more than one year</i>	8,112,259	12,472,997

Note: The subordinated debt securities issued are disclosed in Note 32.

(b) Analysis of Mortgage Bonds

CZK thousand							
Date of issue	Maturity	ISIN	Currency	Nominal value		Net carrying value	
				2013	2012	2013	2012
14. 11. 2007	14. 11. 2014	CZ0002001316	CZK	500,000	500,000	506,676	510,359
12. 12. 2007	12. 12. 2017	CZ0002001670	CZK	2,427,800	2,427,800	2,559,898	2,589,019
12. 12. 2007	12. 12. 2017	CZ0002001696	CZK	500,000	500,000	525,732	531,209
20. 12. 2007	20. 12. 2017	CZ0002001928	CZK	1,418,500	1,444,500	1,545,283	1,603,173
26. 11. 2008	26. 11. 2013	CZ0002002058	CZK	-	1,462,460	-	1,495,306
16. 11. 2010	16. 11. 2013	CZ0002002249	CZK	-	960,000	-	959,010
19. 1. 2011	19. 1. 2014	CZ0002002272	CZK	131,000	222,230	134,504	228,441
9. 2. 2011	9. 2. 2014	CZ0002002280	CZK	567,810	852,580	582,188	874,345
4. 5. 2011	4. 5. 2016	CZ0002002314	CZK	500,000	499,960	511,807	511,774
27. 7. 2011	27. 7. 2016	CZ0002002363	CZK	499,800	500,000	507,326	507,147
27. 7. 2011	27. 7. 2014	CZ0002002371	CZK	1,406,120	1,710,120	1,423,315	1,731,703
26. 9. 2011	26. 9. 2016	CZ0002002405	CZK	930,000	930,000	943,078	945,112
11. 1. 2012	11. 1. 2017	CZ0002002439	CZK	284,400	283,750	292,384	291,423
5. 12. 2012	5. 12. 2017	XS0861195369	EUR	-	-	-	-
TOTAL				9,165,430	12,293,400	9,532,191	12,778,021

In December 2012, the Group issued mortgage bonds of EUR 500,000 thousand. The Group repurchased the entire issue. This is the first issue under the bond programme of the Group with the total amount of EUR 5,000,000 thousand. The issued mortgage bonds comply with the conditions for repurchase transactions with the European Central Bank and the Group can use them when it needs to increase liquidity.

30. PROVISIONS

CZK thousand	Provisions for legal disputes	Provisions for off balance sheet credit risk exposures	Provision for unused holiday	Provision for payroll bonuses	Other provisions	Total
1 January 2012	1,985	9,803	71,411	617,573	36,094	736,866
Charge for provisions	12,000	232,944	29,732	590,770	17,543	882,989
Use of provisions	-	-	(53,292)	(526,548)	(23,801)	(603,641)
Release of redundant provisions	(85)	(4,803)	-	-	(6,396)	(11,284)
Foreign exchange rate differences	-	-	-	-	(435)	(435)
31 December 2012	13,900	237,944	47,851	681,795	23,005	1,004,495
Charge for provisions	300	25,009	20,012	97,729	49,917	192,967
Use of provisions	-	-	(45,870)	(287,906)	(28,232)	(362,008)
Release of redundant provisions	(8,800)	(237,944)	-	(101,636)	(14,352)	(362,732)
Foreign exchange rate differences	-	-	-	-	-	-
31 December 2013	5,400	25,009	21,993	389,982	30,338	472,722

On 1 January 2013, the Group started to account for provisions for long-term employee bonuses (quarterly and annual bonuses). In prior reporting periods, it accounted for the costs of long-term bonuses as estimated payables. In line with IAS 8, this change in the accounting policy is reflected in the above table retrospectively (ie as if the Bank accounted for the provision instead of the estimated payable in prior years) and the above table is adjusted retrospectively. This reclassification has no impact on the statement of comprehensive income.

The Group recognises provisions for legal disputes on the basis of an internal expert assessment of the current legal disputes conducted against the Group. If there is a risk of a possible loss in the legal dispute, the internal division issues an instruction for a provision to be recognised. If the legal dispute discontinues or the likelihood of a loss is reduced, the provision is released due to redundancy.

The Group recognises provisions for credit risks arising from off-balance sheet items in respect of irrevocable credit commitments, guarantees and letters of credit provided to clients who are in delay in the repayment of their principal balances and accrued interest and there is an increased risk that the Group will not collect the provided amount in the event of the performance under the irrevocable commitments to clients.

“Other provisions” includes provisions for future potential payments arising from compensation for armed robberies, bonuses for clients, etc. For all types of other provisions, the Group assesses the risk and probability of performance. This item includes the effect of changes in foreign currency rates on provisions denominated in foreign currencies.

In the years ended 31 December 2012 and 2013, the Group recognised no provision for restructuring.

Provisions are recognised when it is possible to estimate the amount of the future performance. In most types of risk, the Group recognises a provision equal to 100% of the anticipated repayments and payments.

31. OTHER LIABILITIES

CZK thousand	2013	2012
Liabilities arising from non-banking activities	416 485	574 689
Estimated payables for payroll costs	211 200	223 631
Accrued expenses and deferred income	69 817	43 766
Liabilities from securities trading	2 968	141 804
Local settlement and suspense clearing account	864 580	1 090 530
Other	841 550	910 521
Total	2 406 600	2 984 941

32. SUBORDINATED LIABILITIES

(a) Subordinated Loan

CZK thousand	2013	2012
Raiffeisen Bank International AG (parent company)	3,948,646	1,230,741
Raiffeisen Malta Bank Plc (fellow subsidiary)	-	2,556,566
Total	3,948,646	3,787,307
<i>of which: repayable within one year</i>	52,728	49,312
<i>repayable in more than one year</i>	3,895,918	3,737,995

During 2013, the Group repaid the subordinated loan from Raiffeisen Malta Bank Plc and increased the subordinated loan from od Raiffeisen Bank International AG.

(b) Issue of Subordinated Bonds

CZK thousand							
Date of issue	Date of maturity	ISIN	Cur-rency	Nominal value		Net book value	
				2013	2012	2013	2012
21.9.2011	21.9.2016	CZ0003702953	CZK	125,000	125,000	128,160	128,689
21.9.2011	21.9.2018	CZ0003702961	CZK	125,000	125,000	126,083	126,252
Total				250,000	250,000	254,243	254,941

33. SHARE CAPITAL

The shareholder structure of the Bank as of 31 December 2012:

Name	Registered office	Number of ordinary shares	Nominal value (CZK thousand)	Ownership Percentage* (in %)
Raiffeisen CEE Region Holding GmbH	Austria	701,775	7,017,750	75
RB Prag Beteiligungs GmbH	Austria	233,925	2,339,250	25
		935,700	9,357,000	100

* Direct investment in the share capital

On 27 June 2013, the share capital of the Bank was increased by CZK 835,400 thousand (issue of 83,540 shares) from CZK 9,357,000 thousand to CZK 10,192,400 thousand. The aggregate nominal value of all the shares was fully paid. All shares are book-entered, registered, they are not listed and their nominal value is CZK 10,000. The increase in the share capital did not impact the shareholder structure, i.e. all existing shareholders participated in the increase in the share capital in a proportionate manner according to the amount of the investment in the share capital and voting rights.

The shareholder structure and the nominal value of their investments as of 31 December 2013 is as follows:

Name	Registered office	Number of ordinary shares	Nominal value (CZK thousand)	Ownership Percentage* (in %)
Raiffeisen CEE Region Holding GmbH	Austria	764,430	7,644,300	75
RB Prag Beteiligungs GmbH	Austria	254,810	2,548,100	25
		1,019,240	10,192,400	100

* Direct investment in the share capital

34. CASH AND CASH EQUIVALENTS

Cash and cash equivalents at the end of the year as shown in the statements of cash flows are composed of the following balances:

CZK thousand	2013	2012
Cash and accounts with central banks (Note 16)	3,836,447	4,964,518
Required minimum reserves (Note 16)	(554,899)	(1,731,310)
Placements with other financial institutions (Note 18)	556,527	689,393
Total cash and cash equivalents	3,838,075	3,922,601

35. CONTINGENT LIABILITIES

(a) Legal Disputes

The Group conducted a review of legal proceedings outstanding against it as of 31 December 2013. Pursuant to the review of significant litigation matters in terms of the risk of potential losses and the probability of payment, the Group recognised provisions (Note 30) for significant litigations in the aggregate amount CZK 5,400 thousand (2012: CZK 13,900 thousand).

(b) Irrevocable Commitments, Guarantees and Issued Letters of Credit

CZK thousand	2013	2012
Banks		
Provided commitments (irrevocable)	1,043,439	512,500
Guarantee commitments	209,681	70,140
Letters of credit issued	100,705	15,492
Total	1,353,825	598,132
Customers		
Provided commitments (irrevocable)	20,626,696	16,516,380
Guarantee commitments	13,854,226	12,039,351
Letters of credit issued	585,943	445,928
Total	35,066,865	29,001,659
Total	36,420,690	29,599,791

In addition, the Group provides the clients with revocable credit commitments and guarantee commitments.

(c) Refinancing Agreements

During 2011 and 2012, the Group used EUR 100,000 thousand from EIB. During 2013, the Bank used another EUR 100,000 thousand. As of 31 December 2013, the Group used the loan with the nominal amount of CZK 5,384,665 thousand (2012: CZK 2,514,000 thousand).

36. FINANCIAL DERIVATIVES

(a) Analysis of Derivative Financial Instruments – Contractual Amounts (nominal value)

CZK thousand	Contractual amounts (nominal value)	
	2012	2011
Financial derivatives (non-hedging)		
Cross currency swaps	570,087	562,703
Currency forwards and swaps	33,258,492	33,701,578
Interest rate swaps (IRS)	124,799,686	109,622,515
Forward rate agreements (FRA)	17,000,000	26,262,600
Option contracts (purchase)	14,304,185	6,408,312
Option contracts (sale)	14,301,405	6,412,363
Total trading instruments	204,233,855	182,970,071
Hedging derivatives		
Interest rate swaps (IRS)	17,619,000	2,011,200
Total hedging derivatives	17,619,000	2,011,200
Financial derivatives - total contractual amount	221,852,855	184,981,271

The Group has started to use hedge accounting upon a fair value hedge of the portfolio of receivables from mortgage loans provided to clients in 2013. The Group has used hedge accounting upon a fair value hedge of term deposits since 2012.

(b) Analysis of Derivative Financial Instruments – Fair Value

CZK thousand	Fair value in 2013		Fair value in 2012	
	Positive	Negative	Positive	Negative
Financial derivatives (non-hedging)				
Cross currency swaps	19,270	(16,654)	4,268	(1,003)
Currency forwards and swaps	549,609	(178,818)	175,078	(240,650)
Interest rate swaps (IRS)	1,663,581	(1,412,303)	2,064,764	(2,152,371)
Forward rate agreements (FRA)	3,567	(5,865)	14,419	(10,568)
Option contracts (purchase)	450,855	-	104,870	-
Option contracts (sale)	-	(457,028)	-	(104,696)
Total trading instruments	2,686,882	(2,070,668)	2,363,399	(2,509,288)
Hedging derivatives				
Interest rate swaps (IRS)	187,788	(93,696)	235,244	-
Total hedging derivatives	187,788	(93,696)	235,244	-
Financial derivatives - total fair value	2,874,670	(2,164,364)	2,598,643	(2,509,288)

(c) Remaining Maturity of Financial Derivative Instruments - Contractual Amounts (Nominal Value)

CZK thousand	Up to 1 year	From 1 to 5 years	Over 5 years	Total
At 31 December 2013				
Financial derivatives (non-hedging)				
Cross currency swaps	-	570,087	-	570,087
Currency forwards and swaps	29,665,104	3,593,388	-	33,258,492
Interest rate swaps (IRS)*	30,834,925	72,790,917	21,173,844	124,799,686
Forward rate agreements (FRA)	13,000,000	4,000,000	-	17,000,000
Option contracts (purchase)	10,481,087	3,805,525	17,573	14,304,185
Option contracts (sale)	10,478,307	3,805,525	17,573	14,301,405
Total trading instruments	94,459,423	88,565,442	21,208,990	204,233,855
Hedging derivatives				
Interest rate swaps (IRS)	2,000,000	12,925,000	2,694,000	17,619,000
Total hedging derivatives	2,000,000	12,925,000	2,694,000	17,619,000
Total financial derivatives	96,459,423	101,490,442	23,902,990	221,852,855

*The nominal value reported by the final transaction maturity.

CZK thousand	Up to 1 year	From 1 to 5 years	Over 5 years	Total
At 31 December 2012				
Financial derivatives (non-hedging)				
Cross currency swaps	-	562,703	-	562,703
Currency forwards and swaps	32,426,750	1,274,828	-	33,701,578
Interest rate swaps (IRS)*	28,983,691	64,594,157	16,044,667	109,622,515
Forward rate agreements (FRA)	25,262,600	1,000,000	-	26,262,600
Option contracts (purchase)	5,769,228	622,975	16,109	6,408,312
Option contracts (sale)	5,767,928	628,326	16,109	6,412,363
Total trading instruments	98,210,197	68,682,989	16,076,885	182,970,071
Hedging derivatives				
Interest rate swaps (IRS)	-	-	2,011,200	2,011,200
Total hedging derivatives	-	-	2,011,200	2,011,200
Total financial derivatives	98,210,197	68,682,989	18,088,085	184,981,271

*The nominal value reported by the final transaction maturity.

(d) Summary of Future Cash Flows of Net Settled Derivatives

CZK thousand	Future Cash Inflows			Future Cash Outflows		
	Up to 1 year	From 1 to 5 years	Over 5 years	Up to 1 year	From 1 to 5 years	Over 5 years
31 December 2013						
Financial derivatives (non-hedging)						
Interest rate swaps (IRS)	140,156	1,112,993	410,432	(171,713)	(776,284)	(464,306)
Forward rate agreements (FRA)	2,430	1,137	-	(5,272)	(593)	-
Option contracts (purchase)	450	37,516	185	-	-	-
Option contracts (sale)	-	-	-	(6,624)	(37,516)	(185)
Total trading instruments	143,036	1,151,646	410,617	(183,609)	(814,393)	(464,491)
Hedging derivatives						
Interest rate swaps (IRS)	-	16,226	171,562	(1,229)	(92,467)	-
Total hedging derivatives	-	16,226	171,562	(1,229)	(92,467)	-
Financial derivatives - total contractual payments	143,036	1,167,872	582,179	(184,838)	(906,860)	(464,491)

CZK thousand	Future Cash Inflows			Future Cash Outflows		
	Up to 1 year	From 1 to 5 years	Over 5 years	Up to 1 year	From 1 to 5 years	Over 5 years
31 December 2012						
Financial derivatives (non-hedging)						
Interest rate swaps (IRS)	89,604	1,356,551	618,609	(315,227)	(1,027,655)	(809,489)
Forward rate agreements (FRA)	13,880	539	-	(10,568)	-	-
Option contracts (purchase)	-	-	583	-	-	-
Option contracts (sale)	-	-	-	-	-	(622)
Total trading instruments	103,484	1,357,090	619,192	(325,795)	(1,027,655)	(810,111)
Hedging derivatives						
Interest rate swaps (IRS)	-	-	235,244	-	-	-
Total hedging derivatives	-	-	235,244	-	-	-
Financial derivatives - total contractual payments	103,484	1,357,090	854,436	(325,795)	(1,027,655)	(810,111)

(e) Summary of Future Cash Flows of Gross Settled Derivatives

CZK thousand	Future Cash Inflows			Future Cash Outflows		
	Up to 1 year	From 1 to 5 years	Over 5 years	Up to 1 year	From 1 to 5 years	Over 5 years
31 December 2013						
Financial derivatives (non-hedging)						
Cross currency swaps	-	570,087	-	-	(570,087)	-
Currency forwards and swaps	29,665,104	3,593,388	-	(29,388,013)	(3,477,061)	-
Option contracts (purchase)	10,481,088	975,045	-	(10,415,621)	(925,076)	-
Option contracts (sale)	10,415,621	925,076	-	(10,478,307)	(975,045)	-
Total financial derivatives (non-hedging)	50,561,813	6,063,596	-	(50,281,941)	(5,947,269)	-
Financial derivatives - total contractual payments	50,561,813	6,063,596	-	(50,281,941)	(5,947,269)	-

CZK thousand	Future Cash Inflows			Future Cash Outflows		
	Up to 1 year	From 1 to 5 years	Over 5 years	Up to 1 year	From 1 to 5 years	Over 5 years
31 December 2012						
Trading instruments						
Cross currency swaps	-	562,703	-	-	(562,703)	-
Currency forwards and swaps	32,426,750	1,274,828	-	(32,477,583)	(1,293,919)	-
Option contracts (purchase)	5,769,228	622,975	-	(5,690,334)	(621,636)	-
Option contracts (sale)	5,690,334	628,281	-	(5,767,928)	(628,326)	-
Total trading instruments	43,886,312	3,088,787	-	(43,935,845)	(3,106,584)	-
Financial derivatives - total contractual payments	43,886,312	3,088,787	-	(43,935,845)	(3,106,584)	-

37. OTHER OFF BALANCE SHEET ASSETS - OTHER

(a) Assets Provided for Management, Administration and Custody

In the years ended 31 December 2013 and 2012, the Group provided no assets for management, administration and custody.

(b) Assets Accepted for Management, Administration and Custody

CZK thousand	2013	2012
Assets accepted for management	11,249,120	3,675,659
Assets accepted for administration	19,399,090	15,452,875
Total	30,648,210	19,128,534

38. SEGMENT ANALYSIS

(a) Segments

The base for the segment analysis according to IFRS 8 are internal reports of the Group which are based on management accounts and serve as the principal financial information for decision-making of the Group's management.

Management accounts are maintained on a margin basis. For this reason, the interest income and expenses and fee and commission expense of individual operating segments are not reported separately, but on a net basis.

Operating segments are represented as follows:

- Corporate banking;
- Retail banking;
- Treasury; and
- Other.

The Corporate banking segment involves transactions with corporate clients, public sector institutions and financial institutions.

The Retail banking segment generally includes all private individuals including VIP clients, individuals - entrepreneurs and the Group's own employees.

The Treasury segment includes interbank transactions and securities.

The "Other" segment mainly includes equity investments and other non-interest bearing assets and liabilities of the Group that cannot be allocated to segments referred to above, i.e. capital, subordinated deposit, assets, other assets/liabilities, capital investments.

The Group monitors amounts of net interest income and net fee and commission income, net profit/(loss) from financial operations, movements in provisions, general operating expenses, income tax, and volume of client and non-client assets and liabilities by segment. Other profit and loss items are not monitored by segment.

A predominant part of the Group's income is generated in the Czech Republic from transactions with clients who have their permanent residence or place of business in the Czech Republic or from trading with financial instruments issued by Czech entities. The income generated outside the Czech Republic is immaterial for the Group.

The Group has no client or a group of related parties where the income from transactions with it would account for more than 10 percent of the Group's total income.

(b) Selected items by segment (2013)

CZK thousand						
At 31 December 2013	Corporate entities	Retail clients	Treasury	Other	Reconciliation to the statement of comprehensive income	Total
Profit and loss account:						
Net interest income	2,390,126	3,299,021	(99,485)	176,634	(61,381)	5,704,915
Net fee and commission income	1,339,379	1,966,180	(13,107)	(29,795)	(1,060,156)	2,202,501
Net profit/(loss) from financial operations	82,620	1,201	190,342	(60,450)	1,082,812	1,296,525
Movements in provisions	(433,980)	(840,640)	(36)	-	-	(1,274,656)
Other operating expenses	(2,173,709)	(4,399,197)	(276,875)	(117,431)	-	(6,967,212)
Dividend income	-	-	-	-	73,692	73,692
Losses from impairment of equity investments	-	-	-	-	89,151	89,151
Profit before tax	1,204,436	26,565	(199,161)	(31,042)	124,118	1,124,916
Income tax	(170,191)	(3,584)	26,872	4,189	-	(142,714)
Profit after tax	1,034,245	22,981	(172,289)	(26,853)	124,118	982,202
Assets and liabilities:						
Total assets	77,483,851	73,101,598	38,411,744	8,021,786	-	197,018,979
Total liabilities	69,365,186	81,468,138	19,906,770	7,984,273	(982,202)	177,742,165

(c) Selected items by segment (2012)

CZK thousand						
At 31 December 2012	Corporate entities	Retail clients	Treasury	Other	Reconciliation to the statement of comprehensive income	Total
Profit and loss account:						
Net interest income	2,476,343	3,675,843	(131,741)	162,468	63,667	6,246,580
Net fee and commission income	1,151,755	1,973,558	21,408	-	(959,461)	2,187,260
Net profit/(loss) from financial operations	19,216	-	580,171	-	865,110	1,464,497
Movements in provisions	(906,248)	(891,793)	-	-	-	(1,798,041)
Other operating expenses	(1,641,786)	(3,609,739)	(199,667)	(191,169)	-	(5,642,361)
Dividend income	-	-	-	-	30,684	30,684
Losses from impairment of equity investments	-	-	-	-	37,069	37,069
Profit before tax	1,099,280	1,147,869	270,171	(28,701)	37,069	2,525,688
Income tax	(222,180)	(233,841)	(55,063)	5,847	-	(505,237)
Profit after tax	877,100	914,028	215,108	(22,854)	37,069	2,020,451
Assets and liabilities:						
Total assets	72,782,331	71,106,360	44,601,571	9,068,015	-	197,558,277
Total liabilities	63,162,549	87,793,414	20,308,564	9,995,239	(2,020,451)	179,239,315

Differences between individual lines of the segment analysis and information in the consolidated statement of comprehensive income

The difference in "Net interest income" arises primarily from the different presentation of the dividend income, and expense fees of synthetic securitisation.

The difference in "Net fee and commission income" arises from the different presentation of income and expenses from commissions from foreign currency transactions and expense fees of synthetic securitisation.

The difference in "Net profit/(loss) from financial operations" arises from the different presentation of the income and expenses from foreign currency transactions.

"Other operating expenses" includes "Other operating income/(expenses), net" and "General administrative expenses" presented in the statement of comprehensive income in separate lines.

The differences referred to above between the segment analysis and the statement of comprehensive income arise from the different classification of selected profit and loss items.

The difference in liabilities arises from the different presentation of the profit for the reporting period.

39. FINANCIAL INSTRUMENTS – MARKET RISK

The Group takes on exposure to market risks arising from open positions of transactions with interest rate, equity and currency instruments which are sensitive to the changes of conditions on financial markets.

(a) Trading

The Group holds trading positions in certain financial instruments including financial derivatives.

These positions are also held for the purpose of speculation on the expected future development of financial markets and thus represent speculation on this development. The majority of the Group's trading activities are conducted on the basis of the requirements of the Group's clients. The Group maintains the admission to the financial markets through the quoting of bid and ask prices and by trading with other market makers. The Group's business strategy is thus affected by the speculative expectation and market making and its goal is to maximise net income from trading.

The Group manages risks associated with its trading activities on the level of individual types of risks and types of financial instruments. The key risk management tools are the limits for individual transaction volumes and individual position volumes, stop loss limits and Value at Risk (VaR) limits. The quantitative methods applied to market risk management are described in "Risk Management Methods" in Note 39 (d).

(b) Risk Management

The selected risks exposures resulting from the Group's activities, management of positions arising from these activities and its risk management approach are described below. More detailed policies applied in measuring and managing these risks are included in "Risk Management Methods" in Note 39 (d).

Liquidity Risk

Liquidity risk arises from the type of funding of the Group's activities and the management of its positions. It includes both the risk of the inability to raise funds to cover the Group's assets using instruments with appropriate maturity and the Group's ability to sell assets at a reasonable price within a reasonable time frame.

The Group has access to diversified sources of funding, which comprise deposits and other savings, issued securities, loans accepted including subordinated loans, and also the Group's equity. This diversification makes the Group flexible and reduces its dependency on one source of funding. The Group regularly evaluates its liquidity exposures, in particular by monitoring the changes in the structure of financing and comparing these changes with the Group's liquidity risk management strategy, which is approved by the Group's Board of Directors. As part of its liquidity risk management strategy, the Group also holds a portion of its assets in highly liquid funds, such as government treasury bills and similar bonds and repurchase transactions with the Czech National Bank. The Group uses internal statistical models for diversification of the maturity of client deposits. These models are reassessed on a regular basis.

The following table shows the remaining maturity of contractual cash flows arising from financial liabilities. Contractual cash flows from derivatives are analysed in the tables in Notes 36 (d) and 36 (e).

Analysis of financial liabilities according to remaining maturity (undiscounted cash flows)

2013 (CZK thousand)	Total contractual liability	Up to 3 months	3 - 12 months	1 - 5 years	Over 5 years
Amounts owed to financial institutions	10,455,816	4,508,283	124,568	-	5,822,965
Amounts owed to customers	147,462,863	131,375,349	9,752,448	2,824,626	3,510,440
Debt securities issued	13,022,701	566,435	3,463,664	8,992,602	-
Subordinated liabilities	5,325,287	63,177	96,302	2,026,978	3,138,830
Other liabilities	2,406,600	2,406,600	-	-	-
Off-balance sheet items	20,762,029	20,685,067	70,111	6,851	-

2012 (CZK thousand)	Total contractual liability	Up to 3 months	3 - 12 months	1 - 5 years	Over 5 years
Amounts owed to financial institutions	7,021,859	3,838,303	314,875	159,082	2,709,599
Amounts owed to customers	145,154,411	124,941,025	5,316,634	10,866,522	4,030,230
Debt securities issued	19,901,248	947,655	4,926,778	14,026,815	-
Subordinated liabilities	5,903,334	110,700	106,392	1,000,234	4,686,008
Other liabilities	3,488,524	3,488,524	-	-	-
Off-balance sheet items	17,316,622	17,316,622	-	-	-

Off-balance sheet items include all irrevocable credit commitments provided to the Group's clients and guarantees and letters of credit provided to clients classified as default. In 2013 and 2012, the Group did not record any letters of credit provided to clients that are classified as default.

Foreign Currency Risk

The foreign currency risk is the risk arising from currency markets. The source of this risk is the Group's foreign currency position which arises from the mismatch of the Group's assets and liabilities in various currencies, including the currency-sensitive off balance sheet items. The majority of foreign currency gains or losses is due to changes in foreign currency rates in currency positions of the Group denominated in EUR and USD. The foreign currency risk is managed by setting trading limits. More detailed policies applied in managing this risk are included in "Risk Management Methods" in Note 39 (d).

Interest Rate Risk

The Group is exposed to interest rate risk since the interest-bearing assets and liabilities have different maturity dates, periods of interest rate changes/adjustments and volumes during these periods. In the case of variable interest rates, the Group is exposed to a basis risk arising from the difference in the mechanism of adjusting individual types of interest rates, such as PRIBOR, announced interest on deposits, etc. The interest rate risk of the Group is primarily impacted by the development in interbank PRIBOR, EURIBOR and LIBOR interest rates. The Group's interest rate risk management activities are aimed at optimising the Group's net interest income in accordance with its strategy approved by the Bank's Board of Directors. In managing the interest rate risk, the Group uses (as in the case of liquidity management) statistical models for distribution of those items where it is unable to determine the exact moment of repricing of interest rates (for example on current accounts).

The Group mostly uses interest rate derivatives to manage the mismatch between the interest rate exposure profile of assets and liabilities. These derivative transactions are entered into in accordance with the asset and liability management strategy as approved by the Board of Directors.

Part of the Group's income is generated through a targeted mismatch between rate-sensitive assets and rate-sensitive liabilities. In managing the interest rate risk, the carrying amounts of these assets and liabilities and the nominal (notional) values of interest rate derivatives are included either in the period in which they are due or in which the interest rate changes, whichever occurs first. Certain assets or liabilities are allocated to individual periods on the basis of an expert estimate due to the anticipated preliminary repayment or undefined maturity dates.

Equity Risk

Equity risk is the risk of fluctuations of the prices of equity instruments held in the Group's portfolio and financial derivatives related to these instruments. This risk predominantly arises from trading with equity instruments although a portion of equity exposure is also attributable to non-trading activities of the Group. Equity risk is managed by trading limits. The equity risk management methods are described in "Risk Management Methods" in Note 39 (d).

(c) Fair values of financial assets and liabilities

In disclosing the estimates of fair values of financial assets and liabilities, the Group used the following methods and estimates.

i) Cash and balances with central banks

Carrying amounts of cash and short-term instruments in principle approximate their fair values.

ii) Loans and advances to financial institutions

Carrying amounts of loans and advances to financial institutions due within 180 days in principle approximate their fair values. Fair values of other loans and advances to financial institutions are estimated using discounted cash flows based on common rates in similar types of investments (market rates adjusted by the credit risk). Fair values of default loans of financial institutions are estimated on the basis of discounted cash flows, fair values of loss loans are equal to their collateral values.

iii) Loans and advances to customers

Fair values of loans with variable interest rate which are frequently remeasured and the change of the credit risk is insignificant in Fair values of loans with variable interest rates which are frequently remeasured or loans with the final maturity within one year, and the change of the credit risk is insignificant, in principle approximate their carrying amounts. Fair values of loans with fixed interest rates are estimated based on the discounted cash flows using the interest rate common for loans with similar conditions and due dates and provided to debtors with similar risk rating, including the impact of collateral (the discounted rate technique according to IFRS 13). Fair values of default loans are estimated based on the discounted cash flows including potential collateral realisation.

iv) Securities held to maturity

Fair values of securities carried in the held to maturity portfolio are estimated based on discounted cash flows using the interest rate common as of the consolidated balance sheet date.

v) Amounts owed to financial institutions and customers

Fair values reported in respect of loans on request match amounts payable on demand (i.e. their carrying amounts) at the balance sheet date. Carrying amounts of term deposits with variable rate are principally equal to their fair values as of the balance sheet date. Fair values of deposits with fixed interest rate are estimated based on discounting of cash flows using market interest rates. The fair value of total amounts owed to financial institutions and customers does not significantly differ from the carrying amounts as of the balance sheet date.

vi) Debt securities issued

Fair values of debt securities issued by the Group are determined on the basis of updated market prices. If market prices are not available, fair values are estimates of the Group.

vii) Subordinated liabilities

Fair values of the subordinated loan are estimated based on discounting cash flows using market interest rates and reflecting liquid costs of the Group.

Fair values of subordinated bonds issued by the Group are determined by reference to current market prices.

The following table shows the carrying amounts and fair values of financial assets and liabilities that are not reported at fair value in the statement of financial position:

CZK thousand	2013		2012	
	Carrying amount	Fair value	Carrying amount	Fair value
Assets				
Cash and balances with central banks	3,836,447	3,836,447	4,964,518	4,964,518
Loans and advances to financial institutions	19,338,131	19,338,131	14,452,117	14,423,664
Loans and advances to customers*	148,241,770	153,609,943	143,480,214	150,627,323
Securities held to maturity	12,410,743	12,819,444	13,977,382	14,493,905
Liabilities				
Amounts owed to financial institutions	9,959,098	9,963,238	6,818,953	6,814,573
Amounts owed to customers	146,490,936	147,124,545	143,757,971	144,474,241
Debt securities issued	12,043,515	12,595,596	17,983,102	16,477,049
Subordinated liabilities	4,202,889	4,203,468	4,042,248	4,048,975

*including allowances

Financial instruments at fair value

CZK thousand	Fair value at 31 Dec 2013			Fair value at 31 Dec 2012	
	Level 1	Level 2	Level 3	Level 1	Level 2
Positive fair values of financial derivative instruments	-	2,874,670	-	-	2,598,643
Securities at fair value through profit or loss	2,537,048	629,054	1,777,859	4,759,369	6,698,071
Securities available for sale	-	905	-	-	842
Total	2,537,048	3,504,629	1,777,859	4,759,369	9,297,556

CZK thousand	Fair value at 31 Dec 2013			Fair value at 31 Dec 2012	
	Level 1	Level 2	Level 3	Level 1	Level 2
Negative fair values of financial derivative instruments	-	2,164,364	-	-	2,509,288
Total	-	2,164,364	-	-	2,509,288

Securities available for sale of CZK 516,106 thousand, not included in the above table, are measured at cost due to the impossibility to reliably determine their fair value and the Group performs regular impairment testing.

Level 1 category is the category of financial instruments measured at fair value quoted on an active market.

Level 2 category is the category of financial instruments measured at fair value determined based in prices derived from market data. For financial derivatives, the fair values are determined based on discounted future cash flows that are estimated according to market interest rate and currency forward curves and contractual interest rate and currency rates by individual contracts. The discount factor is derived from market rates. For securities at fair value through profit or loss, the fair value is calculated on the basis of discounted future cash flows. The discount factor is derived from market rates.

Level 3 category is the category of financial instruments measured at fair value determined using the techniques based on input information not based on data observable on the market.

The reconciliation of financial instruments measured at fair value determined using the techniques based on the input information not based on the data observable on the market (Level 3 instruments).

2013 CZK thousand	Securities at fair value through profit or loss	Total
Balance at the beginning of the period	-	-
Transfer to Level 3	141,752	141,752
Purchases	3,000,000	3,000,000
Comprehensive income/(loss) - in the income statement	(11,684)	(11,684)
Sales/settlement	(1,352,209)	(1,352,209)
Transfer from Level 3	-	-
Balance at the end of the period	1,777,859	1,777,859

In 2012, the Group had no financial instruments remeasured at fair value that would fall into the category of the Level 3 financial instruments.

The Group measures securities at fair value through profit or loss using the technique of discounted future cash flows. In respect of securities that fall into the Level 3 category, the Group uses the discount factor for the calculation that is derived from the internal price for liquidity that is determined by the Group and concurrently reflects the credit risk of the security issuer. The price of the Group for liquidity and credit risk of the security issuer are inputs that are not observable from the data available on the market. The price of the Group for liquidity determined in the calculation is based on the resolution of the Group's ALCO Committee and reflects the level of available sources of financing of the Group and their price. In the event of a negative development of the Group's liquidity position or changes in the interbank market, the price for liquidity may increase and consequently the price of the financial instrument may decline. The credit risk of the issuer is determined on the basis of the rating of the securities issuer in the Group's rating scale. If the issuer was attributed a worse rating, the price of the financial instrument could decline by 0-10%.

(d) Risk Management Methods

The Group uses a set of limits for individual positions and portfolios as part of the appropriate methodologies to facilitate effective market risk management. The set of limits consist of limits determined by the regulator which are complemented by the limits set by the parent bank in a standardised way for the whole CEE region. In some cases, the set of limits is complemented by other internal limits that reflect the specifications of local markets to which the Group is exposed.

The Group monitors both aggregate and individual market risks using the Value at Risk method. Value at Risk represents the potential loss arising from an adverse movement on the market within a certain time period with a certain confidence level. Value at Risk is measured based on a one-day holding period with a 99 percent confidence level. The calculation reflects mutual correlations of individual risk factors (currency rates, interest rates and equity market prices).

CZK thousand	At 31 December 2013	Average in 2013	At 31 December 2012	Average in 2012
Total market risk VaR	61,489	27,397	57,380	15,169

Interest Rate Risk

The Group monitors interest rate risk of the banking book and the trading book separately, at the level of individual currencies. The interest rate position is monitored based on a gap analysis method, in combination with the sensitivity of the overall position to the shift in the interest rate curve (BPV). The gap analysis is based on the net position of notional values presented in a yearly equivalent (that is, the position converted to the risk of the yearly interest rate instrument using a duration coefficient). The BPV technique (basis point value) involves determining the change of the present value of the portfolio when interest rates shift by one basis point (0.01 percent). These techniques are complemented by monitoring interest rate risks using Value at Risk.

CZK thousand	At 31 December 2013	Average in 2013	At 31 December 2012	Average in 2012
Total interest rate risk VaR	61,186	26,969	57,787	14,742
Interest rate risk VaR - banking book	27,235	28,179	37,733	15,169
Interest rate risk VaR - trading book	40,148	19,935	20,784	8,673

Currency Risk

The Group uses a set of limits established by reference to the standards of the Raiffeisen Group. The limits are set for individual currencies and for the overall currency position. Internal currency position limits fully respect the limits set by the local regulatory body. These techniques are complemented by monitoring currency risks using Value at Risk.

CZK thousand	At 31 December 2013	Average in 2013	At 31 December 2012	Average in 2012
Currency risk VaR	1,877	2,372	1,691	1,871

Equity Risk

Market risks arising from the Group's equity trading activities are managed using the Value at Risk method. Value at Risk represents the potential loss arising from an adverse movement on the market within a certain time period with a certain confidence level.

CZK thousand	At 31 December 2013	Average in 2013	At 31 December 2012	Average in 2012
Equity risk VaR	-	838	395	497

Stress Testing

The Group performs regular stress testing of interest rate risk inherent in the banking and trading portfolios, the currency risk and the equity risk. The results of stress tests are submitted to the Assets and Liabilities Committee (ALCO) on a regular basis.

Operational Risk

In accordance with Basel II, operational risk is defined as the risk of the Group's loss arising from the inappropriateness or failure of internal processes, human errors or failures of systems or the risk of loss arising from external events. The Group monitors, tracks and assesses these risks on a regular basis and undertakes measures aimed at minimising these risks. The Group applies the standardised approach to calculating capital adequacy, it intends to implement the advanced (AMA) approach in the future.

The basic principal is the responsibility of each employee for the identification and escalation of the operational risk which is within his/her responsibility and for timely and accurate reporting of incidents.

The Group has a central operational risk management function in place, which is responsible for the setting of the methodology, measurements or analyses and which provides methodical support to managers.

Operational risk management primarily draws upon collection of data on losses caused by operational risks, risk self-assessment and key risk indicators.

The objective of collecting data on operational risk events is not just to accumulate information but predominantly to analyse the causes of such events. More serious cases are presented to and discussed by the Operational Risk Management Committee. Through the Operational Risk Management Committee, the Group also presents, discusses and approves measures aimed at minimising or fully eliminating further occurrence of similar events. Specific responsibilities are determined for the implementation of proposed changes and their fulfilment is reviewed by the Operational Risk Management Committee. Other cases are dealt with by the relevant departments.

Risk self-assessment - RSA is designed to identify areas with high operational risk. The results of RSA impact the Group's priorities in eliminating operational risks. The assessment is performed no less than once in 15 months. Subsequently, risk and control self-assessments (RCSA) are performed for areas with high operational risk. The deliverable is a list of measures and key risk indicators (KRI).

These indicators monitor the development of the risk in specific areas, the effectiveness of the set controls of the performance of the introduced measures. The Group gradually extends and adjusts the list of these indicators depending on the development of the situation. In setting KRI, the Group cooperates with, and shares the results within, the Raiffeisen Group.

Capital Risk Management

The main tools used to manage capital risk include pertaining to minimum capital adequacy requirements.

The Group additionally manages its capital to ensure that the Group and its subsidiaries and jointly controlled entities are able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy has remained unchanged since 2006.

40. FINANCIAL INSTRUMENTS – CREDIT RISK

The Group takes on exposure to credit risks resulting from its trading activities, provision of loans, hedging transactions, investment activities and agency services.

Credit risks associated with trading and investment activities of the Group are managed using the methods and instruments applied by the Group in managing its market risk exposures.

(a) Assessment and Classification of Receivables

The Group assesses its receivables in accordance with the principles determined by the CNB's Regulation dated 15 May 2007 on the rules of prudent business of banks, savings and lending associations and securities traders (Collection of Laws No. 123/2007), as amended (hereinafter the "Regulation of the Czech National Bank"), and also in accordance with IFRS 9 and IAS 39 and internal regulations.

The Group assesses receivables based on the fulfilment of the criteria. Individual receivables are classified into five categories according to the Regulation of the Czech National Bank. For each client, each criterion is evaluated individually and the receivable is subsequently classified on the basis of the worst rating of the criteria to one of the following categories: standard, watch, sub-standard, doubtful, and loss. Substandard, doubtful and loss receivables are aggregately designated as receivables with debtor's default. If the Group records more receivables from one client, they are all classified in the same category, based on the receivable with the least favourable rating. This rule does not apply to retail receivables where the default and sub-categories are allocated on the level of receivables rather than the client.

The classification is performed on an annual basis, with the key criteria being:

- Number of days past maturity;
- Financial position of the debtor – client/transaction rating;
- Implementation of enforced restructuring;
- Resolution on insolvency; and
- Other individually assessed events relating to the anticipated customer's compliance with contractual obligations.

(b) Provisioning for Receivables

The Group determines impairment of individual receivables or the portfolio of receivables with similar characteristics in terms of credit risk.

The Group applies the portfolio approach in respect of individually assessed receivables where no impairment was noted individually. In this case, the Group also determines impairment of the portfolio of similar individually unimpaired loans.

Portfolio provisions are calculated pursuant to the anticipated development in the loan portfolio (probability of default, default loss, etc).

The amount of the individual provision is determined based on the anticipated cash flows. Future cash flows are estimated pursuant to the assessment of all available information, including the estimated collateral value, possibility of the sale of a receivable, proceeds from the bankruptcy and anticipated length of the recovery process.

Problematic receivables from the SME and Corporate segments are dealt with by the Workout division. Significant (in terms of volume) loans are assessed by the Problem Loan Committee.

The value of the future cash flows of retail receivables is estimated on the basis of the historical behaviour of similar receivables and historical success of the recovery process.

The Group determines provisions for receivables on a monthly basis.

(c) Evaluation of Collateral

Generally, the Group requires collateral for loans granted to certain debtors prior to the issuance of the loan. For the purpose of calculating provisioning levels, the Group considers the following types of collateral as eligible collateral which reduces gross credit exposure:

- Cash;
- Real estate;
- First-class receivables;
- Bank guarantees;
- Guarantee provided by a reputable third party;
- Machinery and equipment – movable assets;
- First-class securities; and
- Inventory and commodities.

In arriving at the realisable value of collateral of immovable and movable assets, the Group refers to estimates of usual prices supervised by a specialised department of the Group or internal assessments prepared by this department. In other types of hedging instruments, their value including the recalculated value is determined in line with the internal standards of the Group. The realisable value of collateral is subsequently determined by discounting the appraised value using a correction coefficient which reflects the Group's ability to realise the collateral as and when required. The Group regularly reviews and updates collateral values and correction coefficients depending on the type and quality of the collateral, usually on an annual basis.

(d) Credit Risk Measurement Methods

The principal credit risk management methods in retail and SME include rating based on the application and behavioural scoring. The risks are managed on a portfolio level through the portfolio management approach, through the management of the approval process based on the regular monitoring of the portfolio quality development, and prediction of potential future loss development.

In the corporate segment, the Group measures the credit risk through rating scales (see below) and each rating category is allocated a certain risk rate (default probability and a coefficient for determining risk weighted assets); the risk measured using this method can be mitigated through collateral according to effective regulations of the Czech National Bank

(e) Concentration of Credit Risk

The Group maintains a system of internal limits for individual countries, sectors and clients (or groups of economically connected clients) in order to prevent significant concentration of credit risk. As of the balance sheet date, the Group recorded no significant credit risk concentration exposure to an individual client or an economically connected entity that would exceed limits set by the Czech National Bank.

The credit risk concentration analysis by sectors/industry and concentration by geographical areas is provided in Notes 19(c) and 19(d).

(f) Recovery of Receivables

The Group has special functions in place which are responsible for the recovery and administration of distressed receivables. These functions undertake legal steps, perform the restructuring of receivables, communicate with problematic clients etc. in order to achieve maximum recovery, including collateral recovery, and representing the Group in creditors' committees under insolvency proceedings.

(g) Securitisation

Since March 2006, the Group undertook a synthetic securitisation of its loan portfolio from the Corporate Banking segment. During the year ended 31 December 2013, the Group prematurely terminated this securitisation (refer to Note 19 g). The substance of the transaction involves transferring part of the credit risk to the investor which was Kreditanstalt für Wiederaufbau (KfW).

The Group entered into the securitisation transaction jointly with Raiffeisen Bank Polska S.A. and the process was coordinated by Raiffeisen International Bank-Holding AG. Kreditanstalt für Wiederaufbau (KfW), with the involvement of the European Investment Fund. Dresdner Bank AG acted as the arranger and Clifford Chance acted as the legal counsel. The rating of the loan portfolio was established by Moody's. The entire transaction was supposed to mature in 2016. The total volume was EUR 450 million, of which EUR 183 million and EUR 267 million relate to the Group and Raiffeisen Bank Polska S.A., respectively, in March 2006.

(h) Portfolio quality

The rating which represents the portfolio quality is an internal rating used by the Raiffeisen Group. For retail clients, the rating is in the interval from 0.5 to 5, where 0.5 represents highly excellent credit standing and 5 represents default. The rating in the interval from 6.1 to 6.5 is used for project financing where 6.1 represents excellent credit standing and 6.5 represents default.

Before December 2013, the Group used retail rating for other corporate clients, financial institutions and public sector institutions. In 2013, the Group introduced new rating for these groups. Rating in the interval from 1A to 10C, where 10A, 10B, and 10C mean default. The Group uses rating in the interval from A1 to D, where D is default, for financial institutions and public sector institutions.

CZK thousand	Rating	2013
Retail clients:		
Highly excellent credit rating	0.5	6,452,209
Excellent credit rating	1.0	17,497,743
Very good credit rating	1.5	15,927,876
Good credit rating	2.0	11,774,348
Healthy credit rating	2.5	7,820,055
Acceptable credit rating	3.0	4,891,325
Limit credit rating	3.5	2,971,673
Weak credit rating	4.0	1,801,788
Very weak credit rating /monitored	4.5	2,223,841
Default	5.0	4,896,948
Project financing:		
Excellent project profile - very low risk	6.1	17,396,811
Good project profile - low risk	6.2	3,464,450
Acceptable project profile - average risk	6.3	395,527
Bad project profile - high risk	6.4	121,464
Default	6.5	1,283,946
Corporate clients:		
Highly excellent credit rating	1C	801,683
Excellent credit rating	2A	1
Excellent credit rating	2B	500,313
Excellent credit rating	2C	1,597,407

Very good credit rating	3A	167,128
Very good credit rating	3B	184,705
Very good credit rating	3C	1,954,059
Good credit rating	4A	811,355
Good credit rating	4B	1,128,555
Good credit rating	4C	1,525,412
Healthy credit rating	5A	1,593,888
Healthy credit rating	5B	3,263,502
Healthy credit rating	5C	3,120,360
Acceptable credit rating	6A	4,040,305
Acceptable credit rating	6B	5,125,150
Acceptable credit rating	6C	5,129,032
Limit credit rating	7A	4,292,310
Limit credit rating	7B	3,060,857
Limit credit rating	7C	3,231,213
Weak credit rating	8A	2,539,975
Weak credit rating	8B	985,208
Weak credit rating	8C	614,950
Very weak credit rating /monitored	9A	1,004,961
Very weak credit rating /monitored	9B	799,172
Very weak credit rating /monitored	9C	244,805
Default	10A	3,875,462
Financial institutions and public sector institutions:		
Very good credit rating	A3	786,081
Good credit rating	B1	604,673
Healthy credit rating	B2	944,803
Acceptable credit rating	B3	1,266,878
Limit credit rating	B4	57,651
Weak credit rating	B5	156,404
Very weak credit rating /monitored	C	2,422
Clients without rating: before due date	-	410,500
Clients without rating: past due date	-	47,229
Total		154,788,413

Information for 2012 according to the rating scale applicable in 2012

CZK thousand	Rating	2012
Retail clients, corporate clients, financial institutions and public sector institutions:		
Highly excellent rating	0.5	10,147,843
Excellent credit rating	1.0	15,736,282
Very good credit rating	1.5	16,575,778
Good credit rating	2.0	19,481,817
Healthy credit rating	2.5	17,374,458
Acceptable credit rating	3.0	15,484,678
Limit credit rating	3.5	12,851,885
Weak credit rating	4.0	4,710,096
Very weak credit rating /monitored	4.5	3,879,819
Default	5.0	9,462,649
Project financing:		
Excellent project profile - very low risk	6.1	20,165,313
Good project profile - low risk	6.2	1,512,170
Acceptable project profile - average risk	6.3	660,906
Bad project profile - increased risk	6.4	577,093
Default	6.5	886,715
Clients without rating: past due date	-	281,641
Clients without rating: before due date	-	73,168
Total		149,862,311

(i) Credit Quality of Undue and Individually Unimpaired Loans to Customers

The Group has the following undue and individually unimpaired financial assets according to its rating:

CZK thousand	Rating	2013
Retail:		
Highly excellent credit rating	0.5	6,439,502
Excellent credit rating	1	17,463,136
Very good credit rating	1.5	15,877,767
Good credit rating	2	11,695,751
Healthy credit rating	2.5	7,601,976
Acceptable credit rating	3	4,683,723
Limit credit rating	3.5	2,662,398
Weak credit rating	4	1,326,950
Very weak credit rating /monitored	4.5	562,573
Default	5	60,609
Project financing:		
Excellent project profile - very low risk	6.1	16,211,263
Good project profile - low risk	6.2	3,452,309
Acceptable project profile - average risk	6.3	381,117
Bad project profile - high risk	6.4	121,464
Default	6.5	230,995

Corporate clients:		
Highly excellent credit rating	1C	801,683
Excellent credit rating	2A	1
Excellent credit rating	2B	500,313
Excellent credit rating	2C	1,597,407
Very good credit rating	3A	167,128
Very good credit rating	3B	184,705
Very good credit rating	3C	1,941,580
Good credit rating	4A	811,355
Good credit rating	4B	1,128,271
Good credit rating	4C	1,522,070
Healthy credit rating	5A	1,593,879
Healthy credit rating	5B	3,189,721
Healthy credit rating	5C	3,119,490
Acceptable credit rating	6A	3,975,727
Acceptable credit rating	6B	5,072,289
Acceptable credit rating	6C	5,033,659
Limit credit rating	7A	4,251,685
Limit credit rating	7B	3,007,930
Limit credit rating	7C	3,124,415
Weak credit rating	8A	2,298,482
Weak credit rating	8B	965,620
Weak credit rating	8C	592,595
Very weak credit rating /monitored	9A	989,733
Very weak credit rating /monitored	9B	757,794
Very weak credit rating /monitored	9C	244,633
Default	10A	212,226
Financial institutions and public sector institutions:		
Very good credit rating	A3	786,081
Good credit rating	B1	604,673
Healthy credit rating	B2	944,803
Acceptable credit rating	B3	1,266,878
Limit credit rating	B4	57,651
Weak credit rating	B5	156,404
Very weak credit rating /monitored	C	2,422
No rating	-	385,755
Total loans to clients not due and not individually impaired		140,060,591

Information for 2012 according to the rating scale applicable in 2012

CZK thousand	Rating	2012
Retail clients, corporate clients, financial institutions and public sector institutions:		
Highly excellent rating	0.5	10,147,110
Excellent credit rating	1.0	15,709,624
Very good credit rating	1.5	16,424,101
Good credit rating	2.0	18,803,168
Healthy credit rating	2.5	16,746,158
Acceptable credit rating	3.0	15,043,658
Limit credit rating	3.5	12,078,497
Weak credit rating	4.0	3,866,683
Very weak credit rating /monitored	4.5	1,231,313
Default	5.0	114,436
Project financing:		
Excellent project profile - very low risk	6.1	19,766,044
Good project profile - low risk	6.2	1,370,407
Acceptable project profile - average risk	6.3	490,859
Bad project profile - increased risk	6.4	399,180
Default	6.5	8,625
Clients without rating	-	279,553
Total		132,479,416

(j) Maximum Exposure to Credit Risk

2013	On-balance sheet exposure (carrying amount)	Off-balance sheet exposure (carrying amount)	Aggregate exposure (carrying amount)	Allocated collateral - balance sheet	Allocated collateral - off balance sheet	Aggregate allocated collateral
CZK thousand						
Cash and balances with central banks	3,836,447	-	3,836,447	-	-	-
Loans and advances to financial institutions	19,338,131	1,353,825	20,691,956	89,389	1,540	90,929
Loans and advances to customers	154,788,413	35,066,865	189,855,278	135,228,274	19,370,557	154,598,831
Positive fair value of financial derivative transactions	2,874,670	-	2,874,670	-	-	-
Securities held to maturity	12,410,743	-	12,410,743	-	-	-
Securities at fair value through profit or loss	4,943,961	-	4,943,961	-	-	-
Securities available for sale	517,011	-	517,011	-	-	-
Income tax receivable	321,885	-	321,885	-	-	-
Other assets	788,685	-	788,685	-	-	-

Exposures are presented on a gross basis without the impact of provisioning.

2012	On-balance sheet exposure (carrying amount)	Off-balance sheet exposure (carrying amount)	Aggregate exposure (carrying amount)	Allocated collateral - balance sheet	Allocated collateral - off balance sheet	Aggregate allocated collateral
CZK thousand						
Cash and balances with central banks	4,964,518	-	4,964,518	-	-	-
Loans and advances to financial institutions	14,452,117	598,132	15,050,249	17,952	1,412	19,364
Loans and advances to customers	149,862,311	29,001,659	178,863,970	121,789,686	21,912,610	143,702,296
Positive fair value of financial derivative transactions	2,598,643	-	2,598,643	-	-	-
Securities held to maturity	13,977,382	-	13,977,382	-	-	-
Securities at fair value through profit or loss	11,457,440	-	11,457,440	-	-	-
Securities available for sale	536,948	-	536,948	-	-	-
Income tax receivable	148,425	-	148,425	-	-	-
Other assets	1,097,697	-	1,097,697	-	-	-

Exposures are presented on a gross basis without the impact of provisioning.

(k) Offset of Financial Assets and Financial Liabilities

The following table shows the impact of master netting agreements on assets and liabilities that are not offset in the statement of financial position.

CZK thousand	Amount of an asset/liability reported in the statement of financial position	Amount of an asset/liability offset in the statement of financial position	Relevant amount not offset in the statement of financial position			
			Net amount reported in the statement of financial position	Financial instrument	Received cash collateral	Total
2013						
Assets						
Positive values of financial derivatives	1,690,302	-	1,690,302	1,269,464	268,217	152,621
Loans and advances to financial institutions	5,119,126	-	5,119,126	5,021,799	-	97,326
Total assets	6,809,428	-	6,809,428	6,291,263	268,217	249,947
Liabilities						
Negative values of financial derivatives	1,791,467	-	1,791,467	1,269,464	255,435	266,567
Amounts owed to customers	1,008,813	-	1,008,813	1,006,453	-	2,360
Total liabilities	2,800,280	-	2,800,280	2,275,917	255,435	268,927

CZK thousand	Amount of an asset/liability reported in the statement of financial position	Amount of an asset/liability offset in the statement of financial position	Relevant amount not offset in the statement of financial position			
			Net amount reported in the statement of financial position	Financial instrument	Received cash collateral	Total
2012						
Assets						
Positive values of financial derivatives	2,028,157	-	2,028,157	1,507,148	465,341	55,668
Loans and advances to financial institutions	8,562,772	-	8,562,772	8,425,083	-	137,689
Total assets	10,590,929	2,028,157	10,590,929	9,932,231	465,341	193,357
Liabilities						
Negative values of financial derivatives	2,024,235	-	2,024,235	1,507,148	209,805	307,282
Amounts owed to customers	-	-	-	-	-	-
Total liabilities	2,024,235	-	2,024,235	1,507,148	209,805	307,282

41. CHANGES IN THE CONSOLIDATION GROUP

(a) Newly Consolidated Entities in the Year Ended 31 December 2013

In 2013, the Group did not acquire any entities that would be included in the consolidation using the full method. The acquisitions of associates are discussed in Note 23.

(b) Newly Consolidated Entities in the Year Ended 31 December 2012

CZK thousand	Fair value as of the date of inclusion in the consolidation group			Total
	Raiffeisen Penzijní Společnost a.s.*	Raiffeisen IS a.s.*	Flex-space Plzeň II., s.r.o.**	
Assets				
Cash and balances with central banks	-	-	2	2
Loans and advances to financial institutions	153,000	40,000	-	193,000
Tangible and intangible fixed assets	-	-	3,247	3,247
Other assets	-	-	-	-
Loans and advances to customers	-	-	-	-
Other liabilities	-	-	(2 650)	(2 650)
Fair value of identifiable net assets	153,000	40,000	600	193,600
Goodwill / (Negative goodwill)	-	-	-	-
Cost of investment	(153 000)	(40 000)	600	(192 400)
Cash and cash equivalent	153,000	40,000	4	193,004
Cash inflow/(outflow) from the acquisition	-	-	(596)	(596)

* Formation of the entity in 2012

** Acquisition of the entity in 2012

(c) Disposals for the Year Ended 31 December 2013

Joint ventures:

CZK thousand	Fair value at the sale date
	DEBITUM dluhová agentura, a.s.
Assets	
Loans and advances to financial institutions	320
Tangible and intangible fixed assets	601
Other assets	1,883
Liabilities	
Other liabilities	4,362
Amounts owed to financial institutions	1,186
Fair value of identifiable net assets	(2,746)
Selling price of the investment	50
Gain/(loss) from the sale	2,796
Cash and cash equivalents	320
Increase in receivables from customers	(270)

Associates:

CZK thousand	Fair value at the sale date
	CCRB group
Investment as of the sales date	33,498
Selling price of the investment	55,321
Gain/(loss) from the sale	21,823
Cash inflow/(outflow) from the sale of an acquisition	55,321

(d) Disposals for the Year Ended 31 December 2012

In 2012, the Group sold the 100% equity investment in RLRE Taurus Property s.r.o. The following table summarises the assets and liabilities of the companies disposed of at the disposal date.

CZK thousand	Fair value at the sale date
	RLRE Taurus Property s.r.o.
Assets	
Loans and advances to financial institutions	-
Tangible and intangible fixed assets	95,807
Other assets	234
Liabilities	
Other liabilities	(1,633)
Amounts owed to financial institutions	-
Fair value of identifiable net assets	94,408
Selling price of the investment	112,278
Gain/(loss) from the sale	17,870
Cash and cash equivalents	-
Increase in receivables from customers	(92,150)
Cash inflow/(outflow) from the sale of the acquisition	20,128

42. RELATED PARTY TRANSACTIONS

At 31 December 2013

For related party transaction purposes, the Group considers Raiffeisen CEE Region Holding GmbH (direct parent company) and Raiffeisen Zentralbank Österreich AG, Raiffeisen Bank International AG and Raiffeisen-Landesbanken-Holding GmbH (entities with controlling influence on the Bank exercised indirectly) to be its parent companies.

CZK thousand	Parent companies	Entities with significant influence over the Group	Associates	Board of Directors, Supervisory Board and other managers	Other related parties	Total
Receivables	774,562	-	1,690,219	130,204	53,310	2,648,295
Positive fair value of financial derivatives	678,955	-	59,372	-	1,478	739,805
Payables	2,024,467	45,545	868,044	6,822	3,828,848	6,773,726
Negative fair value of financial derivatives	417,558	-	594	-	1,084	419,236
Subordinated loan	3,948,645	-	-	-	-	3,948,645
Guarantees issued	203,139	-	-	-	36,617	239,756
Guarantees received	52,293	337,000	-	-	453,456	842,749
Nominal values of financial derivatives (off-balance sheet receivables)	65,745,048	-	3,180,657	-	1,387,282	70,312,987
Nominal values of financial derivatives (off-balance sheet payables)	65,805,005	-	3,178,268	-	1,375,442	70,358,715
Provided irrevocable loan commitments	987,300	-	-	10,575	4,417	1,002,292
Interest income	54,072	447	60,811	3,215	3,607	122,152
Interest expense	(32,060)	(4,945)	(3,423)	(46)	(188,465)	(228,939)
Fee and commission income	10,501	28	2,830	-	7,000	20,359
Fee and commission expense	(567)	-	-	-	(32,829)	(33,396)
Net profit or loss on financial operations	(83,989)	-	(36,416)	-	29,762	(90,643)
General administrative expenses	(130,029)	-	(5)	(173,892)	(13,597)	(317,523)
Other operating income, net	(18,002)	-	9,736	-	2,714	(5,552)

The receivables are principally composed of the following deposits with:

Term deposit:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 413,510 thousand.

Credit balances on the current account maintained at:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 358,297 thousand.

Provided loans:

- Raiffeisen leasing, s.r.o. (associate) in the amount of CZK 786,081 thousand
- Exit 90 SPV s.r.o. (subsidiary Raiffeisen Leasing Real Estate) in the amount of CZK 136,046 thousand;
- Photon SPV 11 s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 133,875 thousand;
- Photon SPV 8 s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 122,923 thousand;
- Photon SPV 10 s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 110,879 thousand;
- Onyx Energy s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 91,383 thousand;
- Onyx Energy projekt II s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 87,338 thousand;
- Photon SPV 6 s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 78,784 thousand;
- Photon SPV 4 s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 77,259 thousand; and
- Photon SPV 3 s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 59,068 thousand.

Nominal values of financial derivatives - off-balance sheet receivables:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 65,745,048 thousand; and
- Raiffeisen Leasing (associate) in the amount of CZK 3,180,657 thousand.

The payables are principally composed of:

Credit balances on the current account of the Group from:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 1,531,209 thousand;
- Raiffeisen Leasing, s.r.o. (associate) in the amount of CZK 271,967 thousand;
- Raiffeisen Fincorp, s.r.o. (subsidiary of Raiffeisen Leasing Real Estate) in the amount of CZK 207,780 thousand; and
- Raiffeisenlandesbank Niederösterreich (entity holding indirect investment in the share capital of the parent company) in the amount of CZK 45,545 thousand.

Term deposits:

- UNIQA Personenversicherung AG (associate of the parent company Raiffeisen Zentralbank Österreich AG) in the amount of CZK 1,138,316 thousand;
- Raiffeisen Versicherung AG (associate of the parent company Raiffeisen Zentralbank Österreich AG) in the amount of CZK 1,138,316 thousand;
- Tatrabanka a.s. (fellow subsidiary) in the amount of CZK 601,877 thousand;
- Raiffeisen Bank International AG (parent company) in the amount of CZK 210,414 thousand; and
- Centrobank (fellow subsidiary) in the amount of CZK 32,149 thousand.

Received collateralising deposit:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 252,310 thousand.

Issued debt securities of the Group:

- Centrobank (fellow subsidiary) in the amount of CZK 529,362 thousand; and
- Raiffeisen Stavební Spořitelna a.s. (fellow subsidiary) in the amount of CZK 253,215 thousand.

Nominal values of financial derivatives - off-balance sheet payables:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 65,805,005 thousand; and
- Raiffeisen Leasing (associate) in the amount of CZK 3,178,268 thousand.

Subordinate loans:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 3,948,645 thousand.

–

Provided irrevocable loan commitments:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 987,300 thousand.

At 31 December 2012

For related party transaction purposes, the Bank considers Raiffeisen CEE Region Holding GmbH (direct parent company) and Raiffeisen Zentralbank Österreich AG, Raiffeisen Bank International AG and Raiffeisen-Landesbanken-Holding GmbH (entities with controlling influence on the Bank exercised indirectly) to be its parent companies.

CZK thousand	Parent company	Entities with significant influence over the Bank	Associates	Board of Directors, Supervisory Board and other managers	Other related parties	Total
Receivables	688,739	300,219	122,004	102,356	311,099	1,524,417
Positive fair value of financial derivatives	801,832	-	96,652	-	353	898,837
Payables	1,915,383	40,466	582,253	53,169	2,783,255	5,374,526
Negative fair value of financial derivatives	325,893	-	786	-	4,192	330,871
Subordinated loan	1,230,741	-	-	-	2,556,566	3,787,307
Guarantees issued	63,457	-	10,000	-	41,649	115,106
Guarantees received	52,293	330,000	-	-	43,253	425,546
Nominal values of financial derivatives (off-balance sheet receivables)	45,125,219	-	3,301,525	-	1,520,515	49,947,259
Nominal values of financial derivatives (off-balance sheet payables)	45,117,036	-	3,302,315	-	1,478,583	49,897,934
Provided irrevocable loan commitments	512,500	-	836	9,354	-	522,690
Interest income	3,340	1,233	30,483	2,528	5,135	42,719
Interest expense	(978)	(23,505)	54,051	(357)	(230,578)	(201,367)
Fee and commission income	17,582	27	5,152	-	7,246	30,007
Fee and commission expense	(351)	-	-	-	(33,710)	(34,061)
Net profit or loss on financial operations	206,563	-	20,909	-	35,337	262,809
General administrative expenses	(144,191)	-	(14)	(149,017)	(13,437)	(306,659)
Other operating income, net	894	-	14,891	-	2,209	17,994

The receivables are principally composed of the following deposits with:

Term deposit:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 472,375 thousand;
- Raiffeisenlandesbank Niederösterreich (a company holding an indirect share of the parent company's share capital) in the amount of CZK 300,219 thousand;
- Raiffeisen Bank Polska (fellow subsidiary) in the amount of CZK 123,498 thousand;
- Raiffeisen Bank RT Hungary (fellow subsidiary) in the amount of CZK 73,132 thousand; and
- Raiffeisenbank Austria d.d. (Croatia - fellow subsidiary) in the amount of CZK 36,674 thousand.

Credit balances on the current account maintained at:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 152,109 thousand.

Debit balances on the current account of the Bank from:

- Raiffeisen Leasing Real Estate (subsidiary of Raiffeisen Leasing) in the amount of CZK 70,417 thousand.

Nominal values of financial derivatives - off-balance sheet receivables:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 45,125,219 thousand; and
- Raiffeisen Leasing (associate) in the amount of CZK 3,301,525 thousand.

Debt securities:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 63,360 thousand.

The payables are principally composed of:

Credit balances on the current account of the Bank from:

- Raiffeisen - Leasing (associate) in the amount CZK 106,194 thousand;
- ZUQ Czech (subsidiary of CCRB) in the amount CZK 58,035 thousand;
- Michalka - Sun (subsidiary of Raiffeisen Leasing Real Estate) in the amount CZK 54,513 thousand; and
- Raiffeisenlandesbank Niederösterreich (a company holding an indirect share of the parent company's share capital) in the amount CZK 40,465 thousand.

Short-term term deposits:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 1,270,414 thousand; and
- Centrobank (fellow subsidiary) in the amount of CZK 30,956 thousand.

Term deposits:

- UNIQA Personenversicherung AG (associate of the parent company Raiffeisen Zentralbank Österreich AG) in the amount of CZK 1,080,046 thousand; and
- Raiffeisen Versicherung AG (associate of the parent company Raiffeisen Zentralbank Österreich AG) in the amount of CZK 1,080,046 thousand.

Received collateralising deposit:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 456,542 thousand.

Issued debt securities:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 128,405 thousand.
- Centrobank (fellow subsidiary) in the amount of CZK 520,091 thousand.

Subordinate loans from:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 1,230,741 thousand; and
- Raiffeisen Malta Bank (fellow subsidiary) in the amount of CZK 2,556,566 thousand.

Nominal values of financial derivatives - off-balance sheet payables:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 45,117,036 thousand; and
- Raiffeisen Leasing (associate) in the amount of CZK 3,302,315 thousand.

Provided irrevocable loan commitments:

- Raiffeisen Bank International AG (parent company) in the amount of CZK 512,500 thousand.

Members of Board of Directors held no shares of the Group, share are held by corporate entities, refer to Note 33. Remuneration of the members of the Board of Directors is disclosed in Note 13.

43. POST BALANCE SHEET EVENTS

On 27 February 2014, the Group and Penzijní společnost České pojišťovny, a.s. agreed on the transfer of the portfolio of insurance policies concluded as part of the second and third supplementary pension insurance pillars. The agreement is subject to the approval by the Czech National Bank. It has no significant impact on the consolidated financial statements as of 31 December 2013.

No other events that would have a material impact on the consolidated financial statements for the year ended 31 December 2013 has occurred subsequent to the balance sheet date.

Information about capital

(CZK thousand)	individual	consolidated
Information about capital	31. 12. 2013	31. 12. 2013
Aggregate amount of original capital (Tier 1)	15,901,500	20,094,026
of which: aggregate amount of all deductible items only from Tier 1	(1,851,460)	(1,919,348)
Aggregate amount of additional capital (Tier 2) before deductible items	4,020,917	4,020,917
Aggregate amount of capital designed to cover market risks (Tier 3)	-	-
Aggregate amount of all deductible items from Tier 1 and Tier 2	(1,617,397)	(1,616,906)
Aggregate amount of capital after the consideration of deductible items and stipulated limits applicable to additional capital	18,305,020	22,498,037
Internal capital	18,822,516	-
Economic capital	10,537,795	-

(CZK thousand)	individual	consolidated
Information about capital requirements	31. 12. 2013	31. 12. 2013
Amount of capital requirements		
Aggregate amount of capital requirements	11,076,829	13,125,340
a) related to credit risks	9,497,565	11,318,143
b) related to settlement risk	-	-
c) related to position, foreign exchange and commodity risks	260,349	260,349
d) related to operational risks	1,318,916	1,546,848
e) related to exposure risk in the trading portfolio	-	-
f) related to other instruments in the trading portfolio	-	-
g) temporary capital adequacy	-	-

	individual	consolidated
Ratio indicators		
Capital adequacy ratio	13.22%	13.71%
Return of average assets (ROAA)	0.5%	-
Return of average equity (ROAE)	5.1%	-
Assets per one employee	73,227	-
General administrative expenses per one employee	2,423	-
Net profit or loss per one employee	320	-

Report on Related Parties

prepared in accordance with Section 66a (9) of Act No. 513/1991 Coll., the Commercial Code, for the reporting period from 1 January 2013 to 31 December 2013

Raiffeisenbank a.s., having its registered office at: Hvězdova 1716/2b, Prague 4, 140 78, corporate ID: 49240901, entered in the Commercial Register maintained by the Municipal Court of Prague on 25 June 1993, section B, insert 2051 (hereinafter referred to as the "Bank") is part of the Raiffeisen Zentralbank Österreich AG group, in which relations between the Bank and controlling entities and between the Bank and entities controlled by the same controlling entities (hereinafter referred to as the "related parties") exist.

This report on relations among the below entities was prepared in accordance with the provisions of Section 66a (9) and with regard to the legal definition of business secret according to Section 17 of Act No. 513/1991 Coll., the Commercial Code, as amended.

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1. CONTROLLING PARTIES

The indirectly controlling entity is **Raiffeisen-Landesbanken-Holding GmbH**, having its registered office at Friedrich-Wilhelm-Raiffeisen-Platz 1, 1020 Vienna, Republic of Austria.

The indirectly controlling entity is **R-Landesbanken-Beteiligung GmbH**, having its registered office at Friedrich-Wilhelm-Raiffeisen-Platz 1, 1020 Vienna, Republic of Austria.

The indirectly controlling entity is **Raiffeisen Zentralbank Österreich AG** (hereinafter "RZB"), having with its registered office at Am Stadtpark 9, 1030 Vienna, Republic of Austria.

The indirectly controlling entity is **Raiffeisen International Beteiligungs GmbH** (hereinafter "RIB"), having its registered office at Am Stadtpark 9, 1030 Vienna, Republic of Austria.

The indirectly controlling entity is **Raiffeisen Bank International AG** (hereinafter "RBI"), having its registered office at Am Stadtpark 9, 1030 Vienna, Republic of Austria.

The indirectly controlling entity is **Raiffeisen RS Beteiligungs GmbH**, having its registered office at Am Stadtpark 9, 1030 Vienna, Republic of Austria.

The directly controlling entity is **Raiffeisen CEE Region Holding GmbH**, having its registered office at Am Stadtpark 9, 1030 Vienna, Republic of Austria.

2. OTHER RELATED PARTIES

Czech Republic

Raiffeisen stavební spořitelna a.s. Prague 3, Koněvova 2747/99, 130 00	Raiffeisen – Leasing, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Raiffeisen – Leasing Real Estate, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Raiffeisen finanční poradenství, s.r.o. Prague 3, Koněvova 2747/99, 130 00 Note: merger with Raiffeisen stavební spořitelna a.s. as of 1 January 2013
Real Invest Vodičkova, spol. s r.o. Prague 1, Vodičkova 38, 110 00	Raiffeisen Investment, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
KHD a.s. Prague 5, Karla Engliše 3219/4, 150 00	ZUNO BANK AG, organizační složka Prague 4, Hvězdova 1716/2b, 140 78
Raiffeisen Property Management, s.r.o. Prague 1, Vodičkova 1935/38, 110 00	Hotel Maria Prag Besitz s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
KONEVOVA s.r.o. Prague 3, Koněvova 2747/99, 130 45	Raiffeisen penzijní společnost a.s. Prague 4, Hvězdova 1716/2b, 140 78
Raiffeisen investiční společnost a.s. Prague 4, Hvězdova 1716/2b, 140 78	Transaction System Servis s.r.o. Prague 4, Hvězdova 1716/2b, 140 78

Related parties controlled indirectly through Raiffeisen - Leasing Real Estate, s.r.o.:

RLRE Alpha Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	RLRE HOTEL ELLEN, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
RLRE Beta Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	RLRE Gamma Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
RLRE Eta Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Luna Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78

RLRE Jota Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Phoenix Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
RLRE Epsilon Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Perseus Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78 Note: company sold as of 10 May 2013
RLRE Lyra Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Athena Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Raines Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Green Energie větrný park Bílčice, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Dione Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Chronos Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Gaia Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Impuls Tuchoměřice, s.r.o. Prague 1, Dlouhá 26, 110 00
ALT POHLEDY s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Metis Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78 Note: company sold as of 7 March 2013
Iris Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Sirius Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Pyrit Property, s.r.o. Prague 4-Nusle, Hvězdova 1716/2b, 140 78 Note: company in liquidation	Dionysos Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78 Note: company liquidated in 2013
Raiffeisen FinCorp s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Maharal Hotels, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Orchideus Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	RLRE Ypsilon Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
T.L.S. building construction s.r.o. Prague 2, Karlovo náměstí 557/30, 120 00	Viktor Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Holečkova Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Appolon Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Euros Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Pontos Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Dike Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Nike Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Hermes Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Rheia Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Kalypso Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Logistický areál Hostivař, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
RESIDENCE PARK TŘEBEŠ, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	RLRE Orion Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
UPC Real, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Photon SPV 3, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
CRISTAL PALACE Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Bondy Centrum s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Photon Energie s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	RLRE EDEN INVEST s.r.o. Prague 4, Hvězdova 1716/2b, 140 78 Note: company sold as of 1 August 2013
RLRE Carina Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	JIHOČESKÁ EKO-ENERGETIKA s.r.o. Prague 4, Hvězdova 1716/2b, 140 78 Note: company sold as of 2 July 2013
Michalka – Sun s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	FORZA SOLE s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Exit 90 SPV s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Elektrárna Dynín s.r.o. Prague 4, Hvězdova 1716/2b, 140 78

Photon SPV 4 s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Photon SPV 8 s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Photon SPV 6 s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Photon SPV 11 s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Photon SPV 10 s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	GS55 Sazovice s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
DBK Energy s.r.o. Prague 4, Hvězdova 1716/2b, 140 78 Note: company sold as of 27 June 2013	Onyx Energy s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Credibilis a.s. Prague 4, Hvězdova 1716/2b, 140 78	FVE Cihelna s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Onyx Energy projekt II s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Tyche Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Selene Property s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Trojské výhledy s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
MATĚJKOVA s.r.o. Prague 4, Hvězdova 1716/2b, 140 78 Note: company sold as of 6 August 2013	VILLA ATRIUM BUBENEČ s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
RLRE Dorado Property, s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	PZ PROJEKT a.s. Prague 4, Hvězdova 1716/2b, 140 78
Zefyros Property s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Sky Solar Distribuce s.r.o. Staré Hodějovice, Hodějovická 329, 370 08
Létó Property s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Hebe Property s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Thetis Property s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Epaf Trading s.r.o. Prague 4, Hvězdova 1716/2b, 140 78
Prag Trading s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Appollon Property, uzavřený investiční fond, a. s. Prague 4, Hvězdova 1716/2b, 140 78
Eris Property s.r.o. Prague 4, Hvězdova 1716/2b, 140 78	Blažíček J+M s.r.o. Prague 4, Hvězdova 1716/2b, 140 78

Other countries:

Raiffeisen Bank Zrt. Akadémia utca 6, Budapest, Hungary	Raiffeisen Bank Polska S.A. Piekna ulica 20, Warsaw, Poland
Raiffeisen banka a.d. Dorda Stanojevića 16, Novi Beograd, Serbia	Raiffeisen Bank S.A. Sky Tower Building, 246C Calea Floreasca, Bucharest, Romania
Raiffeisenbank Austria d.d. Petrijnska 59, Zagreb, Croatia	Tatra Asset Management, správ. spol., a.s. Hodžovo námestie 3, 850 05 Bratislava, Slovakia
Tatra Banka, a.s. Hodžovo námestie 3, 811 06, Bratislava, Slovakia	Raiffeisen Centrobank AG Tegetthoffstrasse 1, 1020, Vienna, Republic of Austria
Centralised Raiffeisen International Services and Payments S.R.L. Dimitre Pompei Bld. No. 9-9A, 020335 Bucharest Romania	Raiffeisen Banka d.d. (former Raiffeisen Krekova Banka d.d.) Zagrebska cesta 76, Maribor, Slovenia
RZB Finance LLC 1133 Avenue of the Americas, 16th Floor, New York, NY 10036, USA	Raiffeisen-Leasing International GmbH Am Stadtpark 3, 1030 Vienna, Republic of Austria

Raiffeisen Malta Bank PLC 52, Il Piazzetta, Tower Road, SLM 1607 Sliema, Malta	Raiffeisen-Leasing Bank AG Am Stadtpark 3, 1030 Vienna, Republic of Austria
ZUNO BANK AG Muthgasse 26, 1190 Vienna Republic of Austria (note: former Raiffeisen International Direct Bank AG)	ZAO Raiffeisenbank Smolenskaya-Sennaya 28, Moscow, Russian Federation
Regional Card Processing Centre, s.r.o. Hodžovo námestie 3, 811 06 Bratislava, Slovakia	Raiffeisen Informatik Consulting GmbH Lillienbrunnngasse 7-9, A-1020 Vienna, Republic of Austria
RB International Finance LLC 1133 Avenue of the Americas, 16th Floor, New York, NY 10036, USA	Raiffeisen Kapitalanlage-Gesellschaft m.b.H (Raiffeisen Kag) Schwarzenbergplatz 3, 1010 Vienna, Republic of Austria

3. LIST OF CONTRACTS

3.1. List of Contracts with Controlling Parties

In the 2013 reporting period, Raiffeisenbank a.s. had relations with the following controlling entities.

Raiffeisen Zentralbank Österreich AG

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Confidentiality Agreement	Raiffeisen Zentralbank Österreich AG	2 April 2010	Confidentiality agreement as part of potential mutual cooperation

Raiffeisenbank a.s. also had subordinated debt agreements concluded with Raiffeisen Zentralbank Österreich AG, which have been transferred to Raiffeisen Bank International AG in October 2010 as a result of merger of Raiffeisen Zentralbank Österreich AG and Raiffeisen Bank International AG. In 2013, Raiffeisenbank a.s. paid contractual interest under these agreements.

Raiffeisen Bank International AG

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Amendment No. 1 to the Insurance Refund Agreement	Raiffeisen Bank International AG	20 December 2010	Change of contractual terms
Group Marketing Cooperation Agreement	Raiffeisen Bank International AG	1 January 2011	Provision of marketing services/ payment of contractual remuneration
General Agreement on Cooperation in Risk Management and Reporting	Raiffeisen Bank International AG	1 January 2011	Definition of terms of cooperation in Risk Management and Reporting/ payment of contractual fees
4x Service Agreement related to the General Agreement on Cooperation in Risk Management and Reporting	Raiffeisen Bank International AG	1 January 2011	Detailed description of cooperation in the areas
Service Agreement	Raiffeisen Bank International AG	3 January 2011	Agreement on the provision of defined services in selected areas/ payment of contractual remuneration
Agreement to Open a Correspondent Loro Account	Raiffeisen Bank International AG	28 March 2011	Opening of a correspondent account/ payment of contractual fees
JIRA Application Communication Agreement	Raiffeisen Bank International AG	4 May 2011	Agreement to allow for mutual commu- nication through a shared application

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
General IT Cooperation Agreement	Raiffeisen Bank International AG	31 October 2011	Definition of terms of cooperation in IT services/payment of contractual fees
7x Service Description related to the General IT Cooperation Agreement	Raiffeisen Bank International AG	31 October 2011	Detailed description of cooperation in respect of specific IT applications
STEP2 Indirect Participation Contract	Raiffeisen Bank International AG	7 November 2011	Definition of the terms of use of STEP2 services
Project Contract	Raiffeisen Bank International AG	11 November 2011	Analysis of the supply of software application/payment of contractual remuneration
Agreement to Open a Correspondent Loro Account	Raiffeisen Bank International AG	18 November 2011	Opening of a correspondent account/payment of contractual fees
Amendment No. 2 to the Insurance Refund Agreement	Raiffeisen Bank International AG	20 December 2011	Change of contractual terms
Project Contract	Raiffeisen Bank International AG	29 December 2011	Analysis of the supply of software application/payment of contractual remuneration
7 partial amendments to Service Descriptions related to the General IT Cooperation Agreement of 31 October 2011	Raiffeisen Bank International AG	23 February 2012 - 26 March 2012	Detailed description of cooperation in respect of specific IT applications for 2012
General Project and Consultancy Agreement	Raiffeisen Bank International AG	23 March 2012	Consulting in project management/payment of contractual price
Implementing Agreement to the General IT Cooperation Agreement of 31 October 2011 on support for the Everest project in 2012	Raiffeisen Bank International AG	23 March 2012	Agreement on mutual cooperation and support as part of a running IT project in 2012
Financial Risk Insurance Policy (Crime Insurance)	Raiffeisen Bank International AG	1 April 2012	Financial risk insurance policy (Crime Insurance)/payment of contractual remuneration
Group Marketing Cooperation Agreement	Raiffeisen Bank International AG	23 May 2012	Marketing services/payment of contractual remuneration
Service Agreement	Raiffeisen Bank International AG	30 May 2012	Agreement to provide defined services in selected areas/payment of contractual remuneration
Amendment to partial Service Agreement related to the General Agreement on Cooperation in Risk Management and Reporting of 1 January 2011	Raiffeisen Bank International AG	12 June 2012	Stipulation of detailed terms for Rating Model Validation and Methods
Service Level Agreement	Raiffeisen Bank International AG	25 June 2012	Definition of cooperation within the competence centre in Fixed Income/payment of contractual fees
Amendment to the General Project and Consultancy Agreement and Service Agreement	Raiffeisen Bank International AG	30 June 2012	Definition of contractual terms
Amendment to the Project Contract of 11 November 2011	Raiffeisen Bank International AG	1 July 2012	Definition of contractual terms
Service Agreement	Raiffeisen Bank International AG	14 August 2012	Agreement to provide services in OTC Transactions/payment of contractual remuneration
Implementing Agreement to the General Project Consultancy Agreement of 23 March 2012	Raiffeisen Bank International AG	27 August 2012	Detailed definition of terms of a payment system project

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Project Contract	Raiffeisen Bank International AG	11 September 2012	Analysis of the supply of a software application/payment of contractual remuneration
General Placement Agreement	Raiffeisen Bank International AG	21 September 2012	Stipulation of general terms for offering securities issued by RBI
Placement Agreement	Raiffeisen Bank International AG	21 September 2012	Detailed definition of terms for offering securities issued by RBI/payment of contractual fees
General Service Agreement	Raiffeisen Bank International AG	30 September 2012	Agreement to provide defined transaction services/payment of contractual remuneration
Service Agreement	Raiffeisen Bank International AG	2 October 2012	Agreement on consulting services in recruitment of top managers/payment of contractual remuneration
Partial Service Agreement related to the General Agreement on Cooperation in Risk Management and Reporting of 1 January 2011	Raiffeisen Bank International AG	16 October 2012	Definition of detailed contractual terms for Workout
Project Contract	Raiffeisen Bank International AG	24 October 2012	Analysis of the supply of a software application/payment of contractual remuneration
Partial Service Agreement related to the General Agreement on Cooperation in Risk Management and Reporting of 1 January 2011	Raiffeisen Bank International AG	7 November 2012	Definition of detailed contractual terms for Credit Management Corporate
Cost Compensation Agreement	Raiffeisen Bank International AG	6 December 2012	Agreement to compensate for costs of a client survey
Amendment of Service Description Corporate Network International	Raiffeisen Bank International AG	1 January 2013	CNI system operation / payment of contractual remuneration + fees
Amendment of Service Description T.I.G.E.R. OPERATING	Raiffeisen Bank International AG	1 January 2013	TIGER system operation / payment of contractual fees
Amendment of Service Description RBI Midas Support Service	Raiffeisen Bank International AG	1 January 2013	MIDAS system support / payment of contractual fees
Amendment of Service Description Secunia VIM	Raiffeisen Bank International AG	1 January 2013	Secunia system operation / payment of contractual remuneration
Amendment of SERVICE AGREEMENT 2012	Raiffeisen Bank International AG	1 January 2013	Change of contractual terms
Service Description Group Customer Product Profitability Solution	Raiffeisen Bank International AG	1 January 2013	Agreement on common use of the Group Customer Product Profitability Solution / payment of contractual fees
Service Description RIAH Raiffeisen International Access Hub	Raiffeisen Bank International AG	1 January 2013	New group remote access / payment of contractual fees
Risk Participation Confirmation	Raiffeisen Bank International AG	25 January 2013	Participation in credit risk/payment of contractual fees
Risk Participation Confirmation	Raiffeisen Bank International AG	31 July 2013	Participation in credit risk/payment of contractual fees

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Services to Support International Operations in RBI Group	Raiffeisen Bank International AG	1 March 2013	Agreement on mutual support in Operations/payment of contractual remuneration
Agreement for rendering the Project FATCA between RBI and RBCZ	Raiffeisen Bank International AG	10 April 2013	Agreement on mutual cooperation in the FATCA project/payment of contractual fees and remuneration
Agreement (market research Wave 3 2013)	Raiffeisen Bank International AG	16 April 2013	Agreement to compensate for costs associated with a marketing research conducted by RBI in the Czech Republic/payment of contractual fees
International Group Marketing Agreement	Raiffeisen Bank International AG	14 May 2013	Regular agreement on marketing services/payment of contractual remuneration
Service Agreement - Building a Best Fit Operations Target Operating Model	Raiffeisen Bank International AG	29 May 2013	Services to support international operations in RBI Group/payment of contractual fees
FATCA Support Services	Raiffeisen Bank International AG	20 November 2013	Norkom infrastructure use for FATCA process identification/payment of contractual fees
Transfer Agreement - Subordinate Loan Transfer	Raiffeisen Bank International AG	26 November 2013	Subordinate loan transfer from Raiffeisenbank Malta
Agreement (market research Wave 4 2013) - Regional Client Survey	Raiffeisen Bank International AG	29 November 2013	Agreement to compensate for costs associated with a marketing research conducted by RBI in the Czech Republic/payment of contractual fees
HR Survey Provided by Hay	Raiffeisen Bank International AG	2 December 2013	Agreement on an employee survey/payment of contractual fees
Agreement for rendering the Project CAD Pool Balance in Midas and Payhub Interface	Raiffeisen Bank International AG	18 December 2013	Implementation of change request - "CAD Pool Balance in Midas and Payhub Interface" - ITDMIDAS-562/payment of contractual remuneration
Agreement for rendering the Project Sender's Reference in MT950 for Outgoing Payment	Raiffeisen Bank International AG	18 December 2013	Implementation of change request - "Sender's Reference in MT950 for Outgoing Payment" - ITDMIDAS-544/payment of contractual remuneration
ISLA Global Master Securities Lending Agreement - Schedule	Raiffeisen Bank International AG	19 December 2013	Master agreement on lending investment instruments/payment of contractual remuneration

In addition to the contracts referred to above, the Bank and the controlling entities entered into other bank transactions in the course of 2013, predominantly loans and borrowings in the money market and fixed-term transactions, under which the Bank received or paid interest and fees.

In the reporting period, the controlled entity received or provided no other performance or counter-performance in the interest or at the initiative of the controlling entity or entities controlled by the controlling entity outside the scope of performance or counter-performance, which is customary within the controlled entity's relations with the controlling entity as the shareholder of the controlled entity.

3.2. List of Contracts with Other Related Parties

In the 2013 reporting period, Raiffeisenbank a.s. had relations with the following related parties:

Raiffeisen stavební spořitelna a.s.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Cooperation Contract	Raiffeisen stavební spořitelna a.s.	31 May 2002	Mediation of the sale of building saving schemes/payment of contractual commissions
Contract for the Provision of Call Centre Services	Raiffeisen stavební spořitelna a.s.	23 June 2005	Provision of call centre services to Raiffeisen stavební spořitelna/contractual fee
Amendment No. 5 to the Cooperation Contract of 31 May 2002	Raiffeisen stavební spořitelna a.s.	27 March 2009	Change of conditions of cooperation in mutual offering of products
Amendment No. 6 to the Cooperation Contract of 31 May 2002	Raiffeisen stavební spořitelna a.s.	23 December 2009	Change of conditions of cooperation in mutual offering of products
Cooperation Contract	Raiffeisen stavební spořitelna a.s.	7 June 2010	Change of mutual cooperation in providing payment cards/payment of contractual commission
Amendment to the Cooperation Contract of 7 June 2010	Raiffeisen stavební spořitelna a.s.	15 November 2011	Change of contractual terms for the purpose of addressing clients with a new offer
Treasury Master Agreement	Raiffeisen stavební spořitelna a.s.	29 February 2012	Agreement on rights and obligations related to transactions in the financial market
Personal Data Processing and Confidentiality Agreement	Raiffeisen stavební spořitelna a.s.	5 April 2012	Agreement on the processing of personal data and confidentiality as part of mutual business cooperation
Agreement on Further Terms of Cooperation	Raiffeisen stavební spořitelna a.s.	16 April 2012	Agreement on further cooperation in mutual offering of products to clients (according to the Cooperation Agreement of 31 May 2002)
General Cooperation Agreement	Raiffeisen stavební spořitelna a.s.	24 April 2012	General stipulation of terms of a planned business transaction
Sales Representation Agreement concluded based on the General Cooperation Agreement of 24 April 2012	Raiffeisen stavební spořitelna a.s.	24 April 2012	Stipulation of detailed terms of a planned business transaction
Guarantee Agreement concluded based on the General Cooperation Agreement of 24 April 2012	Raiffeisen stavební spořitelna a.s.	24 April 2012	Stipulation of detailed terms of a planned business transaction
Amendment No. 1 to the General Cooperation Agreement of 24 April 2012	Raiffeisen stavební spořitelna a.s.	27 June 2012	Stipulation of detailed terms of a planned business transaction
Amendment No. 1 to the Cooperation Agreement of 1 December 2012	Raiffeisen stavební spořitelna a.s./ Vodafone Czech Republic, a.s.	29 June 2012	Change of contractual terms
FTP Access Agreement	Raiffeisen stavební spořitelna a.s.	15 February 2013	Agreement on mutual data exchange using an FTP server (see Agreement on Further Terms of Cooperation of 16 April 2012)

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Appendix 2 to the Sales Representation Agreement	Raiffeisen stavební spořitelna a.s.	7 March 2013	Specification of the Personal Account product and its offering/payment of contractual commissions
Amendment No. 3 to the Sales Representation Agreement	Raiffeisen stavební spořitelna a.s.	7 March 2013	Changed Appendix 2 - Personal Account product specification
Marketing Research Agreement	Raiffeisen stavební spořitelna a.s.	1 April 2013	Marketing research - investment products/payment of contractual fee
Appendix 3 to the Sales Representation Agreement	Raiffeisen stavební spořitelna a.s.	18 July 2013	Changed Appendix 3 - EASY credit card product specification/payment of contractual commissions
Amendment No. 4 to the Sales Representation Agreement	Raiffeisen stavební spořitelna a.s.	18 July 2013	Changed Appendix 2 - EASY credit card product specification
Agreement to Terminate the Cooperation Agreement	Raiffeisen stavební spořitelna a.s.	23 July 2013	Termination of the Cooperation Agreement
Amendment No. 7 to the Cooperation Contract of 31 May 2002	Raiffeisen stavební spořitelna a.s.	24 July 2013	Definition of activities of RBCZ for Raiffeisen stavební spořitelna a.s. concerning online client service
Amendment No. 1 to the Agreement to Buy or Sell Securities	Raiffeisen stavební spořitelna a.s.	25 September 2013	Change of contractual terms
Direct Banking Service Agreement	Raiffeisen stavební spořitelna a.s.	15 November 2013	Agreement on direct banking services/payment of contractual fees

Raiffeisen – Leasing, s.r.o.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Loan Contract	Raiffeisen – Leasing, s.r.o.	28 November 2005	Provision of a loan facility/payment of contractual interest
Contract for the Sublease of Non-Residential Premises	Raiffeisen – Leasing, s.r.o.	28 August 2008	Sublease of non-residential premises/payment of
Bank Guarantee Agreement	Raiffeisen – Leasing, s.r.o.	12 June 2009	Provision of a bank guarantee/payment of contractual fees
Amendment No. 1 to the Contract for the Sublease of Non-Residential Premises of 28 August 2008	Raiffeisen – Leasing, s.r.o.	15 June 2009	Change of contractual terms
Bank Guarantee Agreement	Raiffeisen – Leasing, s.r.o.	30 September 2009	Provision of a bank guarantee/payment of contractual fees
Amendment No. 2 to the Contract for the Sublease of Non-Residential Premises of 28 August 2008	Raiffeisen – Leasing, s.r.o.	1 December 2009	Change of contractual terms
Cooperation Agreement	Raiffeisen – Leasing, s.r.o.	13 December 2010	Definition of mutual cooperation in the provision of payment cards/payment of contractual commission
Amendment No. 3 to the Contract for the Sublease of Non-Residential Premises of 28 August 2008	Raiffeisen – Leasing, s.r.o.	28 March 2011	Change of contractual terms
Amendment No. 7 to the Bank Guarantee Agreement of 30 September 2009	Raiffeisen – Leasing, s.r.o.	29 March 2011	Change of contractual terms

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Amendment No. 7 to the Loan Contract of 28 November 2005	Raiffeisen - Leasing, s.r.o.	26 January 2011	Change of contractual terms
Amendment No. 8 to the Loan Contract of 28 November 2005	Raiffeisen - Leasing, s.r.o.	27 January 2011	Change of contractual terms
Amendment No. 9 to the Loan Contract of 28 November 2005	Raiffeisen - Leasing, s.r.o.	28 March 2011	Change of contractual terms
Loan Contract	Raiffeisen - Leasing, s.r.o.	28 March 2011	Provision of a loan facility/payment of contractual interest
Cash Pooling Agreement	Raiffeisen - Leasing, s.r.o.	28 April 2011	Automatic transfers of account balances
Amendment No. 3 to the Bank Guarantee Agreement of 12 June 2009	Raiffeisen - Leasing, s.r.o.	4 May 2011	Change of contractual terms
Amendment No. 4 to the Bank Guarantee Agreement of 12 June 2009	Raiffeisen - Leasing, s.r.o.	10 June 2011	Change of contractual terms
Amendment No. 8 to the Bank Guarantee Agreement of 30 September 2009	Raiffeisen - Leasing, s.r.o.	1 July 2011	Change of contractual terms
Risk Management Cooperation Contract	Raiffeisen - Leasing, s.r.o.	11 July 2011	Provision of credit risk analyses/payment of fees and costs according to the contract
Agreement on Accounts	Raiffeisen - Leasing, s.r.o.	21 July 2011	Agreement to open special accounts for clients of Raiffeisen - Leasing, s.r.o.
Agreement on Accounts	Raiffeisen - Leasing, s.r.o.	8 August 2011	Agreement to open special accounts for clients of Raiffeisen - Leasing, s.r.o.
Agreement on Accounts	Raiffeisen - Leasing, s.r.o.	11 July 2011	Agreement to open special accounts for clients of Raiffeisen - Leasing, s.r.o.
Amendment No. 9 to the Bank Guarantee Agreement of 30 September 2009	Raiffeisen - Leasing, s.r.o.	9 September 2011	Change of contractual terms
Amendment No. 10 to the Bank Guarantee Agreement of 30 September 2009	Raiffeisen - Leasing, s.r.o.	12 December 2011	Change of contractual terms
Treasury Master Agreement	Raiffeisen - Leasing, s.r.o.	20 February 2012	Agreement on rights and obligations related to transactions in the financial market
Personal Data Processing and Confidentiality Agreement	Raiffeisen - Leasing, s.r.o.	1 March 2012	Agreement on the processing of personal data and confidentiality as part of mutual business cooperation
Amendment No. 10 to the Loan Contract of 28 November 2005	Raiffeisen - Leasing, s.r.o.	20 March 2012	Change of contractual terms
Amendment No. 1 to the Risk Management Cooperation Contract of 11 July 2011	Raiffeisen - Leasing, s.r.o.	13 April 2012	Change of contractual terms
Amendment No. 4 to the Contract for the Sublease of Non-Residential Premises of 28 August 2008	Raiffeisen - Leasing, s.r.o.	29 June 2012	Change of contractual terms

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement on Cooperation in Client Data Exchange	Raiffeisen – Leasing, s.r.o.	6 August 2012	Stipulation of rights and obligations in exchanging data for the purpose of business cooperation
FTP Access Agreement	Raiffeisen – Leasing, s.r.o.	6 August 2012	Agreement on the use of a server for mutual exchange of data
Loan Contract No. 110157/2012/01	Raiffeisen – Leasing, s.r.o.	27 September 2012	Provision of a credit limit/payment of contractual interest
Amendment No. 1 to Loan Contract No. 110157/2012/01 of 27 September 2012	Raiffeisen – Leasing, s.r.o.	16 November 2012	Change of contractual terms
Amendment No. 1 to the Agreement on Cooperation in Client Data Exchange S/2012/02973	Raiffeisen – Leasing, s.r.o.	27 March 2013	Stipulation of rights and obligations of contracting parties in exchanging information
Agreement on Non-Exclusive Sales Representation	Raiffeisen – Leasing, s.r.o.	18 April 2013	Stipulation of rights and obligations under non-exclusive sales representation/payment of contractual commissions
Amendment No. 5 to the Contract for the Sublease of Non-Residential Premises	Raiffeisen – Leasing, s.r.o.	28 June 2013	Change of contractual terms/payment of rent

Raiffeisen – Leasing Real Estate, s.r.o.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Contract for the Use of Electronic Banking	Raiffeisen – Leasing Real Estate, s.r.o.	19 January 2004	Installation of the electronic banking system/contractual fee
Escrow Account Agreement	Raiffeisen – Leasing Real Estate, s.r.o. FONTÁNA HOTEL, s.r.o.	19 October 2004	Agreement to open an escrow account for depositing funds/payment of contractual fees
Amendment No. 1 to the Contract for the Use of Electronic Banking of 19 January 2004	Raiffeisen – Leasing Real Estate, s.r.o.	26 October 2005	Change of the contractual fee
Contract for the Opening and Maintenance of a Current Account	Raiffeisen – Leasing Real Estate, s.r.o.	19 April 2004	Opening and maintenance of a current account/payment of contractual fees
Amendment No. 1 to the Escrow Account Agreement of 19 October 2004	Raiffeisen – Leasing Real Estate, s.r.o. FONTÁNA HOTEL, s.r.o.	1 February 2006	Change of contractual terms
Amendment No. 1 to the Agreement on Sublease of Non-Residential Premises	Raiffeisen – Leasing Real Estate, s.r.o.	1 December 2009	Change of contractual terms
Loan Contract	Raiffeisen – Leasing Real Estate, s.r.o.	26 February 2010	Provision of a loan facility/payment of contractual interest
Amendment No. 1 to the Loan Contract of 26 February 2010	Raiffeisen – Leasing Real Estate, s.r.o.	23 August 2010	Change of contractual terms
Loan Contract	Raiffeisen – Leasing Real Estate, s.r.o.	21 June 2010	Provision of a loan facility/payment of contractual interest
Amendment No. 1 to the Loan Contract of 21 June 2010	Raiffeisen – Leasing Real Estate, s.r.o.	24 June 2010	Change of contractual terms
Loan Contract	Raiffeisen – Leasing Real Estate, s.r.o.	23 August 2010	Provision of a loan facility/payment of contractual interest

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Amendment No. 1 to the Loan Contract of 23 August 2010	Raiffeisen – Leasing Real Estate, s.r.o.	25 August 2010	Change of contractual terms
Amendment No. 1 to the Credit Risk Cooperation Contract	Raiffeisen – Leasing Real Estate, s.r.o.	21 December 2010	Change of contractual terms
Treasury Master Agreement	Raiffeisen – Leasing Real Estate, s.r.o.	26 January 2011	Agreement on rights and obligations related to transactions in the financial market
Amendment to the Loan Contract of 26 February 2010	Raiffeisen – Leasing Real Estate, s.r.o.	31 March 2011	Change of contractual terms
Agreement to open a special account to pay up contributions in a founded company	Raiffeisen – Leasing Real Estate, s.r.o.	17 June 2011	Opening a special account/payment of contractual fees
Termination of the Agreement on Sublease of Non-Residential Premises between RLRE and RBCZ	Raiffeisen – Leasing Real Estate, s.r.o.	29 June 2012	Termination of the Agreement on Sublease of Non-Residential Premises between RLRE and RBCZ
Agreement to open a special account to pay up contributions in a founded company	Raiffeisen – Leasing Real Estate, s.r.o.	22 September 2011	Opening a special account/payment of contractual fees
Amendment No. 1 to the Escrow Account Agreement of 19 October 2004	Raiffeisen – Leasing Real Estate, s.r.o. FONTÁNA HOTEL, s.r.o.	7 October 2011	Change of contractual terms
Loan Contract	Raiffeisen – Leasing Real Estate, s.r.o.	4 October 2011	Provision of a loan facility/ payment of contractual interest
Loan Contract No. 112485/2012/01	Raiffeisen – Leasing Real Estate, s.r.o.	26 September 2012	Provision of a credit limit/payment of contractual interest
Amendment No. 1 to Loan Contract No. 112485/2012/01 of 26 September 2012	Raiffeisen – Leasing Real Estate, s.r.o.	16 November 2012	Change of contractual terms
Amendment No. 2 to Loan Contract No. 112485/2012/01 of 26 September 2012	Raiffeisen – Leasing Real Estate, s.r.o.	20 December 2012	Change of contractual terms
Escrow Account Agreement	Raiffeisen – Leasing Real Estate, s.r.o./Cann, s.r.o./Metropolitní spořitelní družstvo	18 October 2012	Agreement to open an escrow account for depositing funds/payment of contractual remuneration
Agreement to Open a Special Account for Payment of Contribution upon Foundation of a Company	Raiffeisen – Leasing Real Estate, s.r.o.	27 November 2012	Agreement to open a special account/payment of a contractual fee
Agreement to Open a Special Account for Payment of Contribution upon Foundation of a Company	Raiffeisen – Leasing Real Estate, s.r.o.	27 November 2012	Agreement to open a special account/payment of a contractual fee
Guarantor's Statement	Raiffeisen – Leasing Real Estate, s.r.o.	19 December 2012	Security to a liability
Guarantor's Statement	Raiffeisen – Leasing Real Estate, s.r.o.	21 December 2012	Security to a liability
Escrow Account Agreement	Raiffeisen – Leasing Real Estate, s.r.o./PSJ, a.s.	28 December 2012	Agreement to open an escrow account for depositing funds/payment of contractual remuneration
Agreement to Terminate the Credit Risk Cooperation Contract of 12 January 2004	Raiffeisen – Leasing Real Estate, s.r.o.	31 December 2012	Termination of contractual relationship
Amendment No. 3 to Loan Contract	Raiffeisen – Leasing Real Estate, s.r.o.	31 January 2013	Change of contractual terms
Amendment No. 4 to Loan Contract	Raiffeisen – Leasing Real Estate, s.r.o.	12 August 2013	Change of contractual terms

In 2013, Raiffeisenbank a.s. was related to a total of 82 companies (see list in Chapter 2) indirectly through Raiffeisen – Leasing Real Estate, s.r.o., with which companies it held concluded contracts for the opening and maintenance of a current account, based on which it received standard contractual fees from and paid standard contractual interest to the above companies. Also, Raiffeisenbank a.s. held concluded contracts for the use of electronic banking, or authorisation to use electronic banking, with these companies, based on which it received standard contractual fees from the above companies.

In 2012, Raiffeisenbank a.s. entered into a total of 9 Treasury Master Agreements with the above companies (Photon SPV 3 s.r.o., Photon SPV 4 s.r.o., Photon SPV 6 s.r.o., Photon SPV 8 s.r.o., Photon SPV 10 s.r.o., Photon SPV 11 s.r.o., Exit 90 SPV s.r.o., Onyx Energy s.r.o., Onyx Energy projekt II s.r.o.), the subject-matter of which agreements is the provision of trades concluded in the money and capital markets / payment of contractual fees.

On 12 November 2012, Raiffeisenbank a.s. entered into an Escrow Account Agreement with Luna Property, s.r.o., the subject-matter of which agreement is opening of an escrow account for depositing funds / payment of contractual remuneration. The agreement was settled and the escrow account closed in February 2013.

On 2 March 2012, Raiffeisenbank a.s. entered into a Payment Card Acquiring Agreement with Hermes Property, s.r.o., the subject-matter of which agreement is the provision of services related to acquiring of payment cards / payment of contractual fees.

KHD, a.s.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement to Open and Maintain a Current Account	KHD, a.s.	13 February 2009	Opening and maintenance of a current account/payment of contractual fees

Transaction System Servis s.r.o.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement to Open and Maintain a Current Account	Transaction System Servis s.r.o.	17 December 2008	Opening and maintenance of a current account/payment of contractual fees
Agreement on Direct Banking	Transaction System Servis s.r.o.	1 December 2010	Setting up direct banking services
Agreement on Cooperation in Preparation of Tax Returns for VAT Group	Transaction System Servis s.r.o.	25 February 2013	Cooperation in preparation of group tax returns for VAT group

Real Invest Vodičkova, spol. s r.o.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Contract for Lease of Non-Residential Premises	Real Invest Vodičkova, spol. s r.o.	26 November 2002	Lease of non-residential premises/contractual fee
Amendment No. 1 to the Contract for Lease of Non-Residential Premises of 26 November 2002	Real Invest Vodičkova, spol. s r.o.	30 November 2007	Change of contractual terms
Amendment No. 2 to the Contract for Lease of Non-Residential Premises of 26 November 2002	Real Invest Vodičkova, spol. s r.o.	13 June 2012	Change of contractual terms

Raiffeisen finanční poradenství, s.r.o.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Sales Representation Agreement	Raiffeisen finanční poradenství s.r.o.	1 October 2005	Product offering, advertising and promotion/contractual fee
Sales Representation Agreement	Raiffeisen finanční poradenství s.r.o.	10 October 2008	Product offering, advertising and promotion/contractual fee
Sales Representation Agreement	Raiffeisen finanční poradenství s.r.o.	13 May 2009	Product offering, advertising and promotion/contractual fee

Amendment No. 1 to the Sales Representation Agreement	Raiffeisen finanční poradenství s.r.o.	20 May 2011	Change of contractual terms
Amendment – Product Specifications to the Sales Representation Agreement	Raiffeisen finanční poradenství s.r.o.	20 May 2011	Change of contractual terms
Amendment No. 4 to the Sales Representation Agreement + Appendix 3 "Product Specification"	Raiffeisen finanční poradenství s.r.o.	23 July 2013	Change of contractual terms

Raiffeisen finanční poradenství, s.r.o. was terminated as of 31 December 2013 by merger with Raiffeisen stavební spořitelna a.s.

Raiffeisen Investment, s.r.o.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement on the Use of Electronic Banking	Raiffeisen Investment, s.r.o.	2 December 2008	Installation of the electronic banking system/contractual fee
Agreement to Open and Maintain a Current Account	Raiffeisen Investment, s.r.o.	1 October 2009	Opening and maintenance of a current account/payment of contractual fees
Contract for Sublease of Non-Residential Premises	Raiffeisen Investment, s.r.o.	31 May 2013	Sublease of non-residential premises/payment of contractual rent

Raiffeisen penzijní společnost a.s.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement to Open a Special Account for Payment of Contribution	Raiffeisen penzijní společnost a.s.	4 May 2012	Opening an account for payment of the contribution upon foundation of a company/payment of contractual fee
Agreement to Open and Maintain a Current Account	Raiffeisen penzijní společnost a.s.	10 December 2012	Opening and maintenance of a current account/payment of contractual fees
Agreement on the Use of Electronic Banking	Raiffeisen penzijní společnost a.s.	10 December 2012	Installation of an electronic banking system/contractual remuneration
5 Agreements to Issue a Debit Card	Raiffeisen penzijní společnost a.s.	10 December 2012	Issued debit card/payment of contractual fees
3 Term Deposit Agreements	Raiffeisen penzijní společnost a.s.	13 December 2012	Agreement to open a term deposit/payment of contractual interest/payment of contractual fees
Agreement to Assign Rights and Obligations	Raiffeisen penzijní společnost a.s./ SOFTIP a.s.	31 December 2012	Agreement to assign rights under a contract for work without compensation
Sales Representation Agreement	Raiffeisen penzijní společnost a.s.	1 January 2013	Agreement on sales representation/payment of commissions
Risk Management Agreement	Raiffeisen penzijní společnost a.s.	1 January 2013	Agreement on risk management/payment of contractual fees
Agreement on the Sublease of Non-Residential Premises	Raiffeisen penzijní společnost a.s.	11 January 2013	Agreement on the sublease of non-residential premises/payment of rent
Asset Management Agreement	Raiffeisen penzijní společnost a.s.	15 January 2013	Management of assets in funds/payment of contractual remunerations
Agreement to Buy a Motor Vehicle	Raiffeisen penzijní společnost a.s.	21 January 2013	Sale of a vehicle owned by the bank/payment of contractual price
Agreement to Open a Special Account for Registered Capital Increase	Raiffeisen penzijní společnost a.s.	1 February 2013	Opening a special account for an increase of registered capital/payment of contractual fee

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement on Cooperation in Preparation of Tax Returns for VAT Group	Raiffeisen penzijní společnost a.s.	13 March 2013	Stipulation of mutual rights and obligations of VAT group members
Agreement to Issue a Debit Card	Raiffeisen penzijní společnost a.s.	14 May 2013	Issued debit card/payment of contractual fees
Amendment No. 1 to the Asset Management Agreement	Raiffeisen penzijní společnost a.s.	30 May 2013	Change of contractual terms
Treasury Master Agreement	Raiffeisen penzijní společnost a.s.	17 July 2013	Agreement on rights and obligations related to transactions in the financial market
General Agreement on RPS Services	Raiffeisen penzijní společnost a.s.	22 July 2013	Provision of RPS services/payment of contractual remunerations and fees
Confidentiality Agreement	Raiffeisen penzijní společnost a.s.	15 August 2013	Confidentiality agreement
Agreement on Information System and Technology Services	Raiffeisen penzijní společnost a.s.	19 September 2013	Agreement on IS and IT services/ payment of contractual fees

Raiffeisen investiční společnost a.s.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
General Agreement on RIS Services	Raiffeisen investiční společnost a.s.	1 January 2013	Provision of RIS services / payment of contractual remunerations and fees
Agreement to Open and Maintain a Current Account	Raiffeisen investiční společnost a.s.	23 January 2013	Current account maintenance / payment of contractual fees
Agreement on Cooperation in Preparation of Tax Returns for VAT Group	Raiffeisen investiční společnost a.s.	14 February 2013	Stipulation of mutual rights and obligations of VAT group members
Agreement on the Sublease of Non-Residential Premises	Raiffeisen investiční společnost a.s.	29 March 2013	Agreement on the sublease of non-residential premises / payment of rent
Confidentiality Agreement	Raiffeisen investiční společnost a.s.	17 June 2013	Confidentiality agreement
Agreement to Issue a Debit Card	Raiffeisen investiční společnost a.s.	14 May 2013	Agreement to issue a debit card / payment of contractual fees
Risk Management Agreement	Raiffeisen investiční společnost a.s.	30 June 2013	Risk management related to funds / payment of contractual fees
Cooperation Agreement	Raiffeisen investiční společnost a.s.	17 June 2013	Agreement on cooperation (distribution of RIS funds) / payment of contractual remuneration
Service Agreement	Raiffeisen investiční společnost a.s.	17 June 2013	Provision of services - settlement of trades / payment of contractual remuneration
Agreement to Open and Maintain a Current Account	Raiffeisen investiční společnost a.s.	13 June 2013	Current Account maintenance / payment of contractual fees
Agreement on Direct Banking	Raiffeisen investiční společnost a.s.	18 June 2013	Setting up direct banking services / payment of contractual fees
Treasury Master Agreement	Raiffeisen investiční společnost a.s.	17 July 2013	Agreement on rights and obligations related to transactions in the financial market
FDP Loan Agreement	Raiffeisen investiční společnost a.s.	30 August 2013	Loan for financing bond opportunity fund client settlements / payment of contractual interest and principal

FEC Loan Agreement	Raiffeisen investiční společnost a.s.	30 August 2013	Loan for financing economic cycle fund client settlements / payment of contractual interest and principal
Agreement on Information System and Technology Services	Raiffeisen investiční společnost a.s.	19 September 2013	Agreement on the provision of IT services to RIS / payment of contractual remuneration
Agreement to Open and Maintain a Current Account	Raiffeisen investiční společnost a.s.	27 September 2013	Current account maintenance / payment of contractual fees

Raiffeisen Property Management, s.r.o.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement to Open and Maintain a Current Account	Raiffeisen Property Management, s.r.o. (dříve pod názvem Raiffeisen Property Invest, s.r.o.)	12 May 1997	Current account maintenance/ payment of contractual fees
Agreement to Open and Maintain a Current Account	Raiffeisen Property Management, s.r.o. (dříve pod názvem Raiffeisen Property Invest, s.r.o.)	16 December 2008	Current account maintenance/ payment of contractual fees

Hotel Maria Prag Besitz s.r.o.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement on Maintenance of a Current Account	Hotel Maria Prag Besitz s.r.o.	19 October 2006	Vedení běžného účtu/ placení smluvních poplatků

Raiffeisen Bank Zrt.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement to Open a Nostro Account	Raiffeisen Bank Zrt.	2 August 2001	Maintenance of a nostro account/ payment of contractual fees
Agreement to Open and Maintain a Securities Account	Raiffeisen Bank Zrt.	11 July 2005	Definition of conditions of maintenance of RBCZ's securities account in Hungary/ payment of contractual fees
ISDA Master Agreement	Raiffeisen Bank Zrt.	29 April 2011	General agreement stipulating mutual terms and conditions of money marking trading
Amendment - Schedule to the ISDA Master Agreement	Raiffeisen Bank Zrt.	29 April 2011	Definition of detailed terms and conditions of money market trading

Raiffeisen banka a.d.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Loan Contract	Raiffeisen banka a.d.	21 December 2004	Provision of a loan facility/ payment of contractual interest
Amendment No. 1 to the Loan Contract of 21 December 2004	Raiffeisen banka a.d.	30 March 2005	Change of contractual relationships until 30 April 2005
Loan Contract	Raiffeisen banka a.d.	14 June 2005	Provision of a loan facility/ payment of contractual interest

Raiffeisenbank Austria d.d.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement to Open a Nostro Account	Raiffeisenbank Austria d.d.	21 May 2001	Maintenance of a nostro account/ payment of contractual fees
ISDA Master Agreement	Raiffeisenbank Austria d.d.	8 June 2011	General agreement stipulating mutual terms and conditions of money marking trading
Amendment - Schedule to the ISDA Master Agreement	Raiffeisenbank Austria d.d.	8 June 2011	Definition of detailed terms and conditions of money market trading
Agreement to open a correspondent account	Raiffeisenbank Austria d.d.	18 May 2011	Maintenance of a correspondent account/payment of contractual fees

Tatra Banka, a.s.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement on Shared Use of Banker 's Almanac On-line	Tatra Banka, a.s.	15 June 2004	Agreement on joint ordering and use of an electronic database/agreement on proportional payment of the price
Risk Participation Agreement	Tatra Banka, a.s.	18 May 2005	Credit risk participation/payment of contractual fees
Risk Participation Agreement	Tatra Banka, a.s.	18 August 2005	Credit risk participation/payment of contractual fees
Risk Participation Agreement	Tatra Banka, a.s.	16 November 2005	Credit risk participation/payment of contractual fees
Contract for Pledge on Government Bonds	Tatra Banka, a.s.	19 May 2005	Establishment of pledge on bonds
Amendment No. 1 to the Contract for Pledge on Bonds of 19 May 2005	Tatra Banka, a.s.	16 November 2005	Adjustment of rights and obligations
Syndicated Investment Facility Agreement	Tatra Banka, a.s.	12 December 2005	Provision of a loan facility/payment of contractual interest
Risk Participation Confirmation	Tatra Banka, a.s.	30 October 2006	Credit risk participation/payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	30 October 2006	Credit risk participation/payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	30 October 2006	Credit risk participation/payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	7 December 2006	Credit risk participation/payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	18 December 2006	Credit risk participation/payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	21 December 2006	Credit risk participation/payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	21 December 2006	Credit risk participation/payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	30 October 2007	Credit risk participation/payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	22 November 2007	Credit risk participation/payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	27 February 2008	Credit risk participation/payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	8 December 2008	Credit risk participation/payment of contractual fees

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Risk Participation Confirmation	Tatra Banka, a.s.	19 December 2008	Credit risk participation/payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	19 December 2008	Credit risk participation/payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	26 August 2008	Credit risk participation/payment of contractual fees
Amendment No. 5 to the Agreement on Shared Use of Banker 's Almanac On-line of 15 June 2004	Tatra Banka, a.s.	8 June 2009	Prolongation of the agreement
Amendment No. 6 to the Agreement on Shared Use of Banker 's Almanac On-line of 15 June 2004	Tatra Banka, a.s.	16 December 2009	Agreement on joint order
Confidentiality Agreement	Tatra Banka, a.s.	4 May 2010	Agreement on confidentiality as part of potential mutual cooperation
Cooperation Agreement	Tatra Banka, a.s.	1 August 2010	Agreement on conditions for transfer of information and access to premises
JIRA Application Communication Agreement	Tatra Banka, a.s.	6 October 2010	Agreement to allow for mutual communication through a shared application.
ISDA Master Agreement	Tatra Banka, a.s.	5 October 2011	General agreement stipulating mutual terms and conditions of money marking trading
Amendment - Schedule to the ISDA Master Agreement	Tatra Banka, a.s.	5 October 2011	Definition of detailed terms and conditions of money market trading
Risk Participation Confirmation	Tatra Banka, a.s.	5 February 2013	Credit risk participation/payment of contractual fees
Risk Participation Confirmation	Tatra Banka, a.s.	26 September 2013	Credit risk participation/payment of contractual fees
Amendment No.7 to the Agreement on Shared Use of Banker 's Almanac On-line of 15 June 2004	Tatra Banka, a.s.	19 December 2013	Amendment No.7 to the Agreement on Shared Use of Banker 's Almanac/ payment of contractual remuneration
Risk Participation Confirmation	Tatra Banka, a.s.	20 December 2013	Credit risk participation/payment of contractual fees

Tatra Asset Management, správ. spol., a.s.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement on Communication via Sharepoint Portal	Tatra Asset Management, správ. spol., a.s.	15 July 2012	Agreement on enabling mutual communication via a shared application

Regional Card Processing Centre, s.r.o.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Statement of Work	Regional Card Processing Centre, s.r.o.	10 February 2010	Agreement on mutual cooperation as part of the bank's project/payment of contractual fee
General Agreement on Payment Card Processing	Regional Card Processing Centre, s.r.o.	1 January 2011	Provision of payment card processing/payment of contractual fee
Statement of Work	Regional Card Processing Centre, s.r.o.	1 January 2011	Agreement on mutual cooperation as part of the bank's project/payment of contractual fee
Amendment No. 1 to the Statement of Work	Regional Card Processing Centre, s.r.o.	6 June 2012	Change of contractual terms

Raiffeisen Bank Polska S.A.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Contract for the Establishment of Pledge on Receivables from Deposits	Raiffeisen Bank Polska S.A./ OFO Polska Sp. Z o.o.	25 August 2005	Establishment of pledge on receivables from deposits
Risk Participation Confirmation	Raiffeisen Bank Polska S.A.	22 December 2006	Credit risk participation/payment of contractual fees
ISDA Master Agreement	Raiffeisen Bank Polska S.A.	27 May 2011	General agreement stipulating mutual terms and conditions of money marking trading
Amendment - Schedule to the ISDA Master Agreement	Raiffeisen Bank Polska S.A.	27 May 2011	Definition of detailed terms and conditions of money market trading

Raiffeisen Bank S.A.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement to Open a Nostro Account	Raiffeisen Bank S.A.	19 August 2005	Maintenance of a nostro account/payment of contractual fees

Raiffeisen Centrobank AG

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement to Open and Maintain a Current / Correspondent Account	Raiffeisen Centrobank AG	23 October 2007	Opening and maintenance of a current/correspondent account/payment of contractual fees
Distribution Agreement	Raiffeisen Centrobank AG	27 June 2012	Agreement on joint distribution of structured products/payment of contractual commission
Amendment No. 1 to the Distribution Agreement of 27 June 2012	Raiffeisen Centrobank AG	9 October 2012	Change of contractual terms
Amendment No. 1 to the Distribution Agreement of 27 June 2012	Raiffeisen Centrobank AG	9 October 2012	Change of contractual terms
Cost Sharing Agreement	Raiffeisen Centrobank AG	9 October 2012	Agreement on sharing costs of joint distribution

Raiffeisen Banka d.d. (former Raiffeisen Krekova Banka d.d.)

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Loan Contract	Raiffeisen Krekova Banka d.d.	3 June 2005	Provision of a loan facility/payment of contractual interest
Additional contractual arrangement to the Loan Contract of 3 June 2005	Raiffeisen Krekova Banka d.d.	3 June 2005	Determination of the loan amount
Amendment No. 1 to the Loan Contract of 3 June 2005	Raiffeisen Krekova Banka d.d.	26 August 2005	Adjustment of the method of payment of interest
Loan Contract	Raiffeisen Krekova Banka d.d.	14 September 2005	Provision of a loan facility/payment of contractual interest
Additional contractual arrangement to the Loan Contract of 14 September 2005	Raiffeisen Krekova Banka d.d.	6 September 2005	Determination of the volume of drawn funds
Amendment No. 1 to the Loan Contract of 14 September 2005	Raiffeisen Krekova Banka d.d.	1 December 2005	Prolongation of the loan drawdown term

Raiffeisen – Leasing International GmbH

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Creditor Agreement	Raiffeisen – Leasing International GmbH	10 March 2005	Agreement on joint steps towards debtors
Syndicate Agreement	Raiffeisen – Leasing International GmbH	3 May 2004	Agreement on cooperation in corporate governance
Amendment to the Creditor Agreement of 10 March 2005	Raiffeisen-Leasing International GmbH/ RLRE Kappa Property, s.r.o./ RLRE Lambda Property s.r.o.	24 June 2005	Amendment of the contractual relationships
Agreement on Joint Refinancing	Raiffeisen-Leasing International GmbH/ RLRE Kappa Property, s.r.o./ RLRE Lambda Property s.r.o.	21 October 2005	Agreement on participation in loan refinancing
Escrow Account Agreement	Raiffeisen-Leasing International GmbH/ RLRE Kappa Property, s.r.o./ RLRE Lambda Property s.r.o.	24 October 2005	Opening of an account with specific conditions of disposal of funds
Creditor Agreement	Raiffeisen-Leasing International GmbH/ RLRE Kappa Property, s.r.o./ RLRE Lambda Property, s.r.o.	29 December 2004	Agreement on joint future steps
Escrow Account Agreement	Raiffeisen-Leasing International GmbH/ RLRE Kappa Property, s.r.o./ RLRE Lambda Property s.r.o.	29 December 2004	Opening of an account with specific conditions of disposal of funds

Raiffeisen – Leasing Bank AG

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Contract for the Establishment of Pledge on Receivables from Deposits	Raiffeisen-Leasing Bank AG	27 January 2005	Establishment of pledge on receivables from deposits

Centralised Raiffeisen International Services and Payments S.R.L.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
General Cooperation Agreement	Centralised Raiffeisen International Services and Payments S.R.L.	18 June 2007	SWIFT access settings/payment of contractual fees
Agreement on Data Processing and Protection	Centralised Raiffeisen International Services and Payments S.R.L.	18 June 2007	Agreement on the handling and protection of data
Annex No. 3 to the General Cooperation Agreement	Centralised Raiffeisen International Services and Payments S.R.L.	8 February 2008	Cooperation in the FiSa group programme determining fees for scanning of transactions to sanctioned parties
Annex No. 4a to the General Cooperation Agreement	Centralised Raiffeisen International Services and Payments S.R.L.	12 August 2009	Specification of services for the use of a common platform for international payments
Confidentiality Agreement	Centralised Raiffeisen International Services and Payments S.R.L.	20 January 2010	Agreement on confidentiality as part of potential mutual cooperation
Annex No. 4 to the General Cooperation Agreement	Centralised Raiffeisen International Services and Payments S.R.L.	12 November 210	Specification of services for the use of a common platform for international payments

Annex No. 5 to the General Cooperation Agreement	Centralised Raiffeisen International Services and Payments S.R.L.	27 August 2010	Specification of services for the use of a common platform for international payments
Annex No. 1 to Amendment No. 4 to the General Cooperation Agreement	Centralised Raiffeisen International Services and Payments S.R.L.	6 December 2012	Detailed description of services for using a common international payments platform

RZB Finance LLC

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
General Risk Participation Agreement	RZB Finance LLC	12 September 2007	Agreement on participation in credit risk, based on which the below risk participation confirmations were issued/payment of contractual fees
Risk Participation Confirmation	RZB Finance LLC	12 September 2007	Credit risk participation/payment of contractual fees
Risk Participation Confirmation	RZB Finance LLC	6 December 2007	Credit risk participation/payment of contractual fees

Raiffeisen Malta Bank PLC

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Subordinated Loan Contract	Raiffeisen Malta Bank PLC	15 September 2008	Provision of a subordinated loan/ payment of contractual interest
Subordinated Loan Contract	Raiffeisen Malta Bank PLC	28 March 2011	Provision of a subordinated loan/ payment of contractual interest

ZUNO BANK AG (former Raiffeisen International Direct Bank AG)

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Confidentiality Agreement	Raiffeisen International Direct Bank AG	23 October 2009	Agreement on confidentiality as part of potential mutual cooperation
Service Agreement	Raiffeisen International Direct Bank AG	3 March 2010	Cooperation in establishing the structural unit/payment of contractual fee
Amendment No. 1 to the Service Agreement of 3 March 2010	ZUNO BANK AG	1 August 2010	Change of contractual terms
Service Agreement	ZUNO BANK AG	1 October 2010	Cooperation in human resources/ payment of contractual fee
Agreement on the Sublease of Non-Residential Premises	ZUNO BANK AG	2 September 2013	Agreement on the sublease of non-residential premises/payment of rent
Amendment No. 1 and No. 2 to the Agreement on the Sublease of Non-Residential Premises of 2 September 2013	ZUNO BANK AG	31 December 2013	Change of contractual terms

ZUNO BANK AG, organizační složka

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Agreement on Maintenance of a Current/Correspondent Account	ZUNO BANK AG, organizační složka	22 September 2010	Maintenance of a current/correspondent account/payment of contractual fees
Cooperation Agreement	ZUNO BANK AG, organizační složka	31 October 2012	Agreement on mutual cooperation in ATM use

ZAO Raiffeisenbank

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Correspondent Account Agreement	ZAO Raiffeisenbank	3 September 2008	Maintenance of a correspondent account/payment of contractual fees
ISDA Master Agreement	ZAO Raiffeisenbank	8 September 2011	General agreement stipulating mutual terms and conditions of money marking trading
Amendment - Schedule to the ISDA Master Agreement	ZAO Raiffeisenbank	8 September 2011	Definition of detailed terms and conditions of money market trading

Raiffeisen Informatik Consulting GmbH

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Purchase Agreement for Oracle Cap-Limit Licence and Maintenance Services	Raiffeisen Informatik Consulting GmbH	8 September 2010	Provision of licenses/payment of contractual fees
Amendment No. 1 to the Purchase Agreement for Oracle Cap-Limit Licence and Maintenance Services	Raiffeisen Informatik Consulting GmbH	1 June 2011	Change of contractual obligations

RB International Finance LLC

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Risk Participation Confirmation	RB International Finance LLC	26 February 2013	Credit risk participation/payment of contractual fees

Raiffeisen Kapitalanlage-Gesellschaft m.b.H (Raiffeisen Kag)

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Investment Management Agreement (Raiffeisen CZK Balanced Fund)	Raiffeisen Kapitalanlage-Gesellschaft m.b.H / Raiffeisen Zentralbank Österreich AG	30 November 2007	Agreement to appoint an investment manager and to stipulate rights and obligations in management of the fund in question
Investment Management Agreement (Raiffeisen CZK Liquid Fund)	Raiffeisen Kapitalanlage-Gesellschaft m.b.H / Raiffeisen Zentralbank Österreich AG	30 November 2007	Agreement to appoint an investment manager and to stipulate rights and obligations in management of the fund in question
Investment Management Agreement (Raiffeisen CZK Aktien Fund)	Raiffeisen Kapitalanlage-Gesellschaft m.b.H / Raiffeisen Zentralbank Österreich AG	30 November 2007	Agreement to appoint an investment manager and to stipulate rights and obligations in management of the fund in question
Investment Management Agreement (Raiffeisen Czech Click Fund)	Raiffeisen Kapitalanlage-Gesellschaft m.b.H	3 October 2010	Agreement to appoint an investment manager and to stipulate rights and obligations in management of the fund in question
Investment Management Agreement (Raiffeisen CZK LifeCycle Fund 2040)	Raiffeisen Kapitalanlage-Gesellschaft m.b.H	3 November 2010	Agreement to appoint an investment manager and to stipulate rights and obligations in management of the fund in question
Investment Management Agreement (Raiffeisen Czech Bonds Fund)	Raiffeisen Kapitalanlage-Gesellschaft m.b.H	8 August 2011	Agreement to appoint an investment manager and to stipulate rights and obligations in management of the fund in question

Management Agreement (Raiffeisen Czech Click Fund II)	Raiffeisen Kapitalanlage-Gesellschaft m.b.H	24 November 2011	Agreement to appoint an investment manager and to stipulate rights and obligations in management of the fund in question
Memorandum of Understanding	Raiffeisen Kapitalanlage-Gesellschaft m.b.H / Raiffeisen investiční společnost a.s.	6 January 2013	Memorandum of understanding in transferring fund management to Raiffeisen investiční společnost a.s.
Termination Agreement	Raiffeisen Kapitalanlage-Gesellschaft m.b.H	30 June 2013	Agreement to terminate the investment management agreements for the individual CZK funds above

In addition to contracts concluded in 2013 referred to above, the Bank and other related parties entered into other transactions in the reporting period, particularly loans and borrowings in the money market and fixed-term transactions, under which the Bank received or paid interest and fees.

4. LIST OF OTHER LEGAL ACTS

4.1 List of Other Legal Acts with Controlling Parties

Raiffeisen CEE Region Holding GmbH

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Resolution of Regular General meeting of Raiffeisenbank a.s. - Payment of Dividends for 2012	Raiffeisen CEE Region Holding GmbH	25 April 2013	Payment of dividends based on resolution of the regular general meeting

4.2 List of Other Legal Acts with Other Related Parties

Raiffeisen stavební spořitelna a.s.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Resolution of Regular General meeting of Raiffeisen stavební spořitelna a.s. - Payment of Dividends for 2012	Raiffeisenbank a.s.	25 April 2013	Acceptance of dividends based on resolution of the general meeting

Raiffeisen - Leasing, s.r.o.

Legal act	Counterparty	Date concluded	Performance/ Counter-performance
Resolution of General Meeting of Raiffeisen-Leasing, s.r.o. - Payment of a Share in the Company's Profits	Raiffeisenbank a.s.	19 December 2013	Acceptance of a share in profits based on resolution of the general meeting

5. LIST OF OTHER FACTUAL MEASURES

5.1 List of Measures Adopted at the Initiative of Controlling Parties

None.

General Limits

The Bank has approved general limits for transactions with related parties that apply to current and term deposits, loans, repurchase transactions, treasury shares, letters of credit, provided and received guarantees at request or to the benefit of the controlling party or other parties controlled by the same controlling entity.

5.2 List of Measures Adopted in the Interest of Other Related Parties

None.

6. FINAL STATEMENT OF THE BOARD OF DIRECTORS OF RAIFFEISENBANK A.S.

We hereby represent that to our best knowledge, the Report on relations between the related parties of Raiffeisenbank a.s. prepared in accordance with Section 66a (9) of the Commercial Code for the reporting period from 1 January 2013 to 31 December 2013 includes all of the below, concluded or effected in the reporting period and known to us as at the date of signing of this report:

- Contracts between related parties;
- Performance and counter-performance provided to related parties;
- Other legal acts made in the interest of these parties; and
- All other factual measures adopted or made in the interest or at the initiative of these parties.

In identifying other related parties, the Board of Directors of Raiffeisenbank a.s. used information provided by Raiffeisen Zentralbank Österreich AG, Raiffeisen Bank International AG and other controlling parties.

Furthermore, we represent that we are not aware of any detriment to assets caused as a result of contracts, other legal acts and other factual measures concluded, made or adopted by the Bank in the reporting period from 1 January 2013 to 31 December 2013.

Given in Prague, on 31 March 2014



Mario Drosc
Chairman of the Board of Directors
and CEO



Rudolf Rabiňák
Member of the Board of Directors
and Executive Director I

General Information about the Issuer

Company name:

Raiffeisenbank a.s.

Registered office:

Hvězdova 1716/2b, 140 78 Praha 4

Company registration number:

49240901

Incorporated:

25 June 1993

Court of registration and number under which the issuer is registered at this court:

Commercial Register maintained at the Municipal Court in Prague, Section B, Insert 2051

The issuer was established in accordance with the legislation of the Czech Republic, pursuant to Act No. 513/1991 Coll., the Commercial Code, and Act No. 21/1992 Coll., the Act on Banks. The issuer is a joint-stock company.

The issuer's registered business activities under Article 2 of the issuer's Articles of Association are banking and financial transactions and other operations listed in the banking licence, granted in accordance with Act No. 21/1992 Coll. The issuer is also entitled to set up branches or other company units in the Czech Republic and abroad, and to establish subsidiaries and hold capital interests provided that generally binding legal regulations are respected.

As of 31 December 2013, Raiffeisenbank a.s. owns the following real estate:

In the land registry area of Hradec Králové, parcel number: construction parcel No. 103, additional land area No. 76, Title Deed No. 20767, Identification Code: 646873, Address: V Kopečku 75, 500 02 Hradec Králové.

Raiffeisenbank a.s. (the issuer) is not party to any court, administrative, or arbitration proceedings instituted during the past two accounting periods which had or could have a significant effect on the issuer's financial position. The issuer does not depend on patents or licences, industrial, commercial, or financial agreements, or new production processes which could be of fundamental significance for the issuer's business activities or profitability.

Information in accordance with Section 118(4) of Act no. 256/2004 Coll., the Capital Market Act

Section 118(4) letter b:

Internal Control is defined as a process carried out/influenced by the bank's Board of Directors, the executive body, and other employees, devised in such a way as to provide adequate assurance in reaching objectives in three areas:

- Effectiveness, efficiency, and economy (the 3 "Es")
- Reliability of internal management and controls, including the protection of assets
- Harmonisation with the rules and regulations

Key concepts of Internal Control:

- Internal control is a process (a means of reaching objectives, not an objective in and of itself),
- Internal control is carried out by people (it does not involve only forms and manuals, but people at each level of organisation),
- Internal control can only achieve a proportional level of certainty (not absolute certainty, with respect to the management of the organisation).

Control activities are an integral part of the everyday activities of the bank. The objective is to ensure that the risk undertaken was kept within the tolerance level set out by the management risk process.

Control activities include, in particular:

- Inspecting the management structure,
- Adequate control of mechanisms for the individual processes at the bank,
- Physical control.

The control system consists of, in particular:

- Control implemented by each employee when carrying out their work activities,
- Control implemented by the head employee when carrying out management activities,
- Compliance activities,
- Internal Audit activities.

The procedures for control activities are contained in the internal regulations of the bank and consist of approval procedures, authorisation, verification, approval, reconciliation, control of performance, securing assets, separation of obligations, or establishing rights and obligations. Compliance with the established procedures and their adequacy is regularly verified.

Section 118(4) letter c:

The executive body of the bank is the Board of Directors. The bank's Board of Directors has seven members. The members of the Board of Directors are elected and recalled by the Supervisory Board. One of the members of the Board of Directors is elected as the chair of the Board of Directors and one as the vice-chair. The first term of office is three years, and if re-elected, the term of office is five years. Each member of the Board of Directors is also the executive director for a certain area of management. The Board of Directors constitutes a quorum if at least more than half of its members are present at a meeting. The Board of Directors makes decisions through voting, and the votes of a majority of all board members are required to adopt a resolution. In the event of a tied vote, the vote of the chair of the Board is decisive. In addition to meetings, the Board of Directors may also make decisions through per-rollam voting.

The Supervisory Board is the supervisory body of the company. The Supervisory Board has nine members, six of which are elected and recalled by the General Meeting of the company, and three of which are elected and recalled by the employees of the company. Members serve a term of five years. One of the members of the Supervisory Board is also elected chair of the Supervisory Board. The Supervisory Board constitutes a quorum if the majority of its members are present. A simple majority of votes of all Supervisory Board members is required to adopt resolutions. In addition to meetings, the Supervisory Board may also make decisions through per-rollam voting.

Additional executive and supervisory bodies of the issuer include the Executive Committee and the Audit Committee.

The Executive Committee has four members, who are elected and recalled by the General Meeting of the company. Members of the Executive Committee may also be members of the Supervisory Board. The term of office for members of the Executive Committee is four years. One of the members of the Executive Committee is also elected chair of the Executive Committee. The Executive Committee constitutes a quorum if all of its members are present at a meeting. The agreement of all members of the Executive Committee is necessary to adopt resolutions. In addition to meetings, the Executive Committee may also make decisions through per-rollam voting.

The Audit Committee has three members who are appointed or recalled by the General Meeting of the company. They are appointed from members of the Supervisory Board or third parties. The term of office for members of the Audit Committee is five years. One of the members of the Audit Committee is elected chair of the Audit Committee. The Audit Committee constitutes a quorum if at least two of its members are present at a meeting. Agreement by a majority of all members of the Audit Committee is required to adopt resolutions. In addition to meetings, the Audit Committee may also make decisions through per-rollam voting.

A total of eleven committees established by the Board of Directors exist in the company. These are as follows:

Assets and Liabilities Committee
 Credit Committee
 Non-performing Loans Committee
 Pricing and Interest Committee
 Investment Committee for Asset Management
 Retail Credit Risk Management Committee
 Operational Risk Management Committee
 Project Committee
 Real Estate Investment Committee
 Marketing Committee
 Top Management Committee

Each committee has a set number of members who are selected from either the Board of Directors or the bank managers. Each committee has rules of procedure approved by the Board of Directors that define its competence and manner of making decisions. Each member of the Board of Directors is entitled to attend any meeting of any committee. Each member of the Board of Directors has veto power over any decision made by any committee. In such case, the specific matter is to be discussed at the following meeting of the Board of Directors.

Section 118(4) letter d:

The registered capital of the issuer is allocated to the relevant number of common bearer shares with a nominal value of CZK 10,000 each. The company's shares are dematerialised and are not quoted. The same rights and obligations are associated with all the company's shares. These rights and obligations are set out in the relevant provisions of the company's Articles of Association and the Commercial Code (mainly in Section 178 et seq.). The rights associated with the company's shares include the right to participate in the company's general meeting and to vote on matters within the competency of the general meeting, and the right to a share in the profit - dividends. Voting rights belonging to stock are based on the nominal value, with a single vote given for each CZK 10,000 (per share). None of the shares of the company have restrictions on voting rights. Each shareholder has the same rights to a share in the profit of the company - dividends - in the scope approved by the general meeting on the basis of the financial results of the company in a ratio equivalent to its share in the registered capital. Each shareholder has the same rights to participate in increasing the company's registered capital in proportion to its share in the registered capital and voting rights and also the obligation to pay up the subscribed shares by the deadline during an increase in the registered capital. There are no special rights or obligations associated with the company's shares, with the exception of those relating to the relevant provisions of the Commercial Code and the Articles of Association of the company.

Section 118(4) letter e:

The competence of the General Meeting of the company is defined in the Commercial Code and the Articles of Association of the company.

The General Meeting constitutes a quorum if shareholders are present who have stock with a nominal value of more than half of the registered capital. Voting rights belonging to stock are based on the nominal value, with a single vote given for each CZK 10,000 (per share). The company has two shareholders whose share in the registered capital and the voting rights is 75% and 25%. Decisions of the General Meeting require a two-thirds majority of the duly submitted votes of present shareholders, unless specified otherwise by law or these Articles of Association. Voting at the General Meeting is performed by a show of hands (acclamation).

The following fall under the competence of the General Meeting:

- a) Decisions about a change in the Articles of Association, unless this is a change resulting from an increase in the registered capital by the Board of Directors in accordance with Section 210 of the Commercial Code or a change which occurred based on other legal circumstances,
- b) Decisions to increase or reduce the registered capital or to authorise the Board of Directors in association with the provisions for approving an increase in the registered capital in accordance with Section 210 of the Commercial Code,
- c) Decisions to reduce the registered capital and to issue bonds in accordance with Section 160 of the Commercial Code,
- d) Election and recall of members of the Supervisory Board and other bodies specified in the Articles of Association, with the exception of members of the Supervisory Board elected and recalled by the employees,
- e) Approval of regular or exceptional accounting statements and consolidated financial statements, including, in legally mandated cases, interim financial statements, decisions on the distribution of profit, covering losses, and determining bonuses,
- f) Decisions on registration of the company's participating securities in accordance with special legal regulations, and for cancelling their registration,
- g) Decisions on liquidating the company,
- h) Decisions on mergers, transfer of equity to a single shareholder, or demergers, or change of legal form,
- i) Decisions on the conclusion of contracts for the transfer of the firm or its significant portion and/or its lease, or decisions on the conclusion of such contracts by controlled entities,
- j) Approval of actions taken in the name of the company until its establishment in accordance with Section 64 of the Commercial Code,
- k) Approval of controlling contracts (Section 190b of the Commercial Code), contracts for the transfer of profit (Section 190a of the Commercial Code) and contracts for silent partnerships and their modification,
- l) Approval of the conclusion of contracts, based upon which the company is to acquire or appropriate assets, if the value of the assets acquired or appropriated during a single accounting period exceeds one third of the equity capital based upon the most recent duly compiled accounting statements of the company, or the consolidated financial statement, respectively,
- m) Appointment and recall of members of the Audit Committee,
- n) Decisions on other matters which the Commercial Code, other generally binding legal regulations, or the Articles of Association place under the competence of the General Meeting.

Section 118(4) letter f:

Monetary and natural income received by top management from the issuer and from entities controlled by the issuer during the accounting period:

Section 118(4) letter g:

The top managers of the issuer or closely related individuals shall not own stock or similar securities representing a share in the issuer, nor hold any options or similar investment instruments related to the stock or similar security representing a share in the issuer, nor be the contracting parties of such contracts or have such contracts concluded in their favour.

CZK thousand			monetary income	natural income
Board	from issuer	total wages for CEO and executive directors	32,670	62%
		others	19,606	38%
			52,336	674
	from entities controlled by the issuer		0	0
Supervisory Board	from issuer	total wages for CEO and executive directors	6,781	100%
		others	0	0%
			6,781	157
	from entities controlled by the issuer		0	0
Other Management	from issuer	total wages for CEO and executive directors	27,254	100%
		others	0	0%
			27,254	385
	from entities controlled by the issuer		0	

Section 118(4) letter h:

Principles of remuneration for the top managers of the issuer

Remuneration for the members of the Board of Directors

In accordance with Act no. 21/1992 Coll., on Banks, board members are in the position of head employees of the bank (Chief Executive Officer and Executive Directors) and have fixed wages for performing this function (see below). The board members are remunerated by the issuer for performing the activities of the statutory body in accordance with the agreement on performance of the function of board member. The principles contained in the agreement on performance of the function of board member are:

- Fixed wage for performance as a board member (paid by the issuer and approved by the majority shareholder),
- Flexible wage for performance as a board member upon fulfilment of the financial and non-financial criteria (paid by the issuer, approved by the majority shareholder),
- Financial criteria: reaching the set amount of profit after tax, the ratio of costs to operating revenue, return on risk-weighted capital, complying with the operating costs and meeting the limit for weighted assets, and
- Non-financial criteria: meeting the goals relating to the strategic projects of the issuer, attaining quality with respect to providing products and services and relating to the activities of units under the direct management of the board member.

Payment of the flexible component of salaries is duly regulated by the provisions of Annex 1a to Decree no. 123/2007 Coll., as amended by the regulations on the prudent business undertakings of banks, savings banks, and credit institutions and securities traders, the application of which is contained in the Basic Regulations for Remuneration approved by the Supervisory Board on 2 September 2011. A substantial part of the remuneration, a minimum of 40%, is distributed over a period of three years. 50% of the flexible remuneration is paid in the form of a non-monetary instrument – a phantom stock plan.

The majority shareholder monitors and assesses fulfilment of the financial and non-financial criteria for the flexible wage and also proposes the amount of the flexible wage and approves payment. The board members have company cars at their disposal for a total purchase price of CZK 5,196,959.

Remuneration of the Chief Executive Officer

- Fixed wage for performance as the CEO (paid by the issuer, approved by the supervisory board of the issuer).

Remuneration of Executive Directors

- Fixed wage for performance as an Executive Director (paid by the issuer, approved by the majority shareholder).

The above-mentioned principles of remuneration for board members who are also top managers are valid as of April 2007.

Remuneration of supervisory board members

The supervisory board members are:

- a) appointed by the general meeting of the issuer (six members), and
- b) elected from among the employees of the company (three members).

The supervisory board members do not receive any monetary or natural income from the issuer for performance as supervisory board members.

Remuneration of supervisory board members elected from among the employees

- Fixed wage for their work performance as employees of the issuer (paid by the issuer, approved by the issuer),
- Flexible wage for their work performance as employees upon fulfilment of the financial and non-financial criteria (paid by the issuer, approved by the issuer),
- Financial criteria: reaching the set amount of profit after tax, the financial results influenced by the employees and relating to the employee's work performance,
- Non-financial criteria: meeting the goals relating to employee's work performance,
- The supervisory board members have company cars at their disposal for a total purchase price of CZK 1,257,444.

The supervisory board members elected from among the employees do not receive any monetary or natural income from the issuer for performance as supervisory board members. The supervisory board members receive remuneration from the entity controlled by the issuer due to their employment relationship to this entity.

Remuneration of other top managers of the issuer

- Monetary or natural income only for work performance of the employee of the issuer, and not for activities of other top managers,
- Fixed wage for work performance as an employee of the issuer (paid by the issuer, approved by the issuer),
- Flexible wage for work performance as an employee upon fulfilment of the financial and non-financial criteria (paid by the issuer, approved by the issuer),
- Financial criteria: reaching the set amount of profit after tax, the ratio of costs to operating revenue, return on risk-weighted capital,
- Non-financial criteria: meeting the goals relating to employee's work performance,
- Other top managers have company cars at their disposal for a total purchase price of CZK 1,813,351.

The principles of remuneration for the top managers of the issuer and the members of the supervisory board are established in the Basic Principles of Remuneration, approved by the Supervisory Board of the issuer on 13 December 2013. An amount equal to 1% of the purchase price of the cars used for private purposes times the number of months used and superior life insurance are included in natural income.

Identification of top managers of the issuer and description of their job function, duties associated and executive authority:

Mario Drosc, Chairman of the Board of Directors
Rudolf Rabiňák, Member of the Board of Directors
František Ježek, Member of the Board of Directors
Jan Kubín, Member of the Board of Directors (until 31 December 2013)
Vladimír Kreidl, Member of the Board of Directors (since 1 October 2013)
Jan Pudil, Member of the Board of Directors (since 1 October 2013)
Milan Hain, Member of the Board of Directors

Petr Vitásek, Executive Director of Private Banking
Karel Soukeník, Executive Director of Finance (until 30 June 2013)
Tomáš Jelínek, Executive Director of Finance (since 1 July 2013)
Jaromír Sladkovský, Head of Strategy

Herbert Stepic, Member of the Supervisory Board
Peter Lennkh, Member of the Supervisory Board (since 16 October 2013)
Aris Bogdaneris, Member of the Supervisory Board (since 16 October 2013)
Reinhard Schwendtbauer, Member of the Supervisory Board (since 25 April 2013)
Kurt Bruckner, Member of the Supervisory Board
Peter Novák, Member of the Supervisory Board
Michal Přádka, Member of the Supervisory Board
Tomáš Jabůrek, Member of the Supervisory Board
Petr Rögner, Member of the Supervisory Board
Kurt Hütter, Member of the Supervisory Board (until 25 April 2013)
Karl Sevelda, Member of the Supervisory Board (until 16 October 2013)
Razvan Munteanu, Member of the Supervisory Board (until 16 October 2013)

Section 118(4) letter j:

The bank was one of the first to fully comply with the Code of the Czech Banking Association – Standard no.19/2005, which institutes uniform guidelines governing the behaviour of banks towards their clients, especially with regard to the clients' right to access information. The Code in its entirety is available at www.rb.cz/O.

The bank must also comply with the RZB Code of Conduct – an ethics code valid for all employees belonging to the Raiffeisen Group. The RZB Code of Conduct sets out the basic values of the bank and presents the framework for the firm's culture, which is in accordance with law and focuses on ethical principles. The Code of Conduct is available in Czech at www.rb.cz/O.

As a full member of the Czech Capital Market Association (AKAT), the bank is bound by the Code of Ethics of the Capital Market Association. The AKAT Code of Ethics is a collection of rules, principles, guidelines and standards governing the provision of investment and related services in the field of investment management by AKAT members. The Code is based on the business activities of AKAT and creates rules formulating and developing the ethical behaviour and commercial culture on the market, while also attempting to ensure equal conditions for individual market players within the scope of competition. The Code in its entirety is available at www.akatcr.cz/dokumenty.

The bank is a member of the Coalition for Transparent Business, which is an association geared to cultivating the business environment in the Czech Republic and which brings together Czech and international companies operating in the Czech Republic across all branches of business.

Section 118(4) letter k:

Information on remuneration charged by the auditors during the accounting period, shown by individual type of service and separately for the issuer and the consolidated whole:

	2013	2012
Consolidated	CZK thousand	CZK thousand
audit	7,243	7,260
tax consulting	0	14,107
other consulting	563	1,655
Individually for RB	CZK thousand	CZK thousand
audit	7,063	7,142
tax consulting	0	14,107
other consulting	563	1,655

Information about securities

Raiffeisenbank a.s. bond programme

Maximum volume of unpaid bonds:

CZK 20,000,000,000

Duration of programme: 15 years

The bond programme for Raiffeisenbank a.s. with a maximum unpaid bond volume of CZK 20,000,000,000 and a programme duration of 15 years. The prospectus for the bond programme containing the general issue terms was approved by a decision of the Czech National Bank dated 7 September 2006, no. 45/N/108/2006/3 2006/7164/540, coming into legal force on 8 September 2006.

The following is a list of bonds issued as a part of the programme that have not yet reached maturity:

RBCZ Bond ZERO/14

ISIN:	CZ0003701302
Issue date:	21 May 2007
Class:	bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 300,000,000
Par value per security:	CZK 10,000
Quantity:	30,000

Interest on bonds and maturity dates for interest or other yield: the yield on the Bonds is calculated as the difference between the issue rate and the principal of each Bond (discount yield). Method of transferring the bonds: the bonds are freely transferrable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Olbrachtova 2006/9, 140 21 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of the bonds: the bonds will be paid in the amount of their principal on 21 May 2014.

Raiffeisenbank a.s. mortgage bond 5.10/17

ISIN:	CZ0002001670
Issue date:	12 December 2007
Class:	mortgage bond
Form:	bearer
Type:	dematerialised
Total issue volume:	CZK 5,500,000,000
Par value per security:	CZK 10,000
Quantity:	550,000

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 5.10% p.a., payable once a year retrospectively to 12 December

Method of transferring the bonds: transferability is not restricted; bonds are transferred on registration of the transfers at Centrální depozitář cenných papírů, a.s. in accordance with the valid regulations of Centrální depozitář cenných papírů, a.s. Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Olbrachtova 2006/9, 140 21 Prague 4

Names of the public markets on which the securities are accepted for trading: Prague Stock Exchange

Bond currency: CZK

Maturity of bonds: the mortgage bonds are payable in their par value on 12 December 2017.

Raiffeisenbank a.s. mortgage bond 5.50/17

ISIN:	CZ0002001928
Issue date:	20 December 2007
Class:	mortgage bond
Form:	bearer
Type:	dematerialised
Total issue volume:	CZK 2,000,000,000
Par value per security:	CZK 10,000
Quantity:	200,000

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 5.50% p.a., payable once a year retrospectively to 20 December

Method of transferring the bonds: transferability is not restricted; bonds are transferred on registration of the transfers at Centrální depozitář cenných papírů, a.s. in accordance with the valid regulations of Centrální depozitář cenných papírů, a.s. Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Olbrachtova 2006/9, 140 21 Prague 4

Names of the public markets on which the securities are accepted for trading: Prague Stock Exchange

Bond currency: CZK

Maturity of bonds: the mortgage bonds are payable in their par value on 20 December 2017.

Rights associated with the bonds:

All rights and obligations associated with the Bonds are governed by and construed in accordance with the laws of the Czech Republic. These rights and obligations are stipulated in the conditions for each issue.

Raiffeisenbank a.s. bond programme

Maximum volume of unpaid bonds: CZK 50,000,000,000
Duration of the programme: 15 years

The bond programme for Raiffeisenbank a.s. with a maximum unpaid bond volume of CZK 50,000,000,000 and a programme duration of 15 years. The prospectus for the bond programme containing the general issue terms was approved by a decision of the Czech National Bank dated 20 November 2008, no. 2008/13442/570 under file no. Sp/2008/330/572, coming into legal force on 20 November 2008.

The following is a list of bonds issued as a part of the programme that have not yet reached maturity.

RBCZ ZERO II/14 bond

ISIN: CZ0003702409
 Issue date: 15 July 2010
 Class: bond
 Form: bearer
 Type: certificated (collective bond)
 Total issue volume: CZK 400,000,000
 Par value per security: CZK 10,000
 Quantity: 40,000

Interest on bonds and maturity dates for interest or other yield: the yield on the Bonds is calculated as the difference between the issue rate and the principal of each Bond (discount yield).
 Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.
 Issue administrator: Raiffeisenbank a.s.
 Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4
 Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.
 Bond currency: CZK
 Maturity of the bonds: the bonds will be payable in their par value on 15 July 2014.

GARANTINVEST XIV premium bond VAR/14

ISIN: CZ0003702482
 Issue date: 12 November 2010
 Class: bond
 Form: bearer
 Type: certificated (collective bond)
 Total issue volume: CZK 100,000,000
 Par value per security: CZK 10,000
 Quantity: 10,000

Interest on bonds and maturity dates for interest or other yield: flexible interest rate calculated with the minimum guaranteed yield plus the premium yield, which will be calculated according to the EUR/CZK exchange rate. Interest will be paid biannually on 12 May and 12 November of each year retrospectively.

Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of bonds: the mortgage bonds are payable in their par value on 12 November 2014.

GARANTINVEST XV mortgage bond 2.80/14

ISIN: CZ0002002272
 Issue date: 19 January 2011
 Class: mortgage bond
 Form: bearer
 Type: certificated (collective bond)
 Total issue volume: CZK 250,000,000
 Par value per security: CZK 10,000
 Quantity: 25,000

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 2.80% p.a., payable once a year retrospectively to 19 January

Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of the bonds: the bonds will be payable in their par value on 19 January 2014.

GARANTINVEST XVI mortgage bond 2.80/14

ISIN:	CZ0002002280
Issue date:	9 February 2011
Class:	mortgage bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 1,000,000,000
Par value per security:	CZK 10,000
Quantity:	100,000

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 2.80% p.a., payable once a year retrospectively to 9 February

Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of the bonds: the bonds will be payable in their par value on 9 February 2014.

RBCZ ZERO bond V/14

ISIN:	CZ0003702847
Issue date:	13 April 2011
Class:	bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 500,000,000
Par value per security:	CZK 10,000
Quantity:	50,000

Interest on bonds and maturity dates for interest or other yield: the yield on the Bonds is calculated as the difference between the issue rate and the principal of each Bond (discount yield)

Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of bonds: the bonds are payable in their par value on 13 April 2014.

GARANTINVEST XVII mortgage bond 3.30/16

ISIN:	CZ0002002314
Issue date:	4 May 2011
Class:	mortgage bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 500,000,000
Par value per security:	CZK 10,000
Quantity:	50,000

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 3.30% p.a., payable once a year retrospectively to 4 May

Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of the bonds: the mortgage bonds will be payable in their par value on 4 May 2016.

RBCZ ZERO bond VI/14

ISIN:	CZ0003702870
Issue date:	18 May 2011
Class:	bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 41,000,000
Par value per security:	CZK 10,000
Quantity:	4,100

Interest on bonds and maturity dates for interest or other yield: the yield on the Bonds is calculated as the difference between the issue rate and the principal of each Bond (discount yield)

Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of bonds: the bonds are payable in their par value on 2 May 2014.

RBCZ KOMB bond/2015

ISIN:	CZ0003702920
Issue date:	15 June 2011
Class:	bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 25,000,000
Par value per security:	CZK 10,000
Quantity:	2,500

Interest on bonds and maturity dates for interest or other yield: the yield on the Bonds is composed of the yield on the basis of a discount, which is calculated as the difference between the issue rate and principal of each Bond, and the supplementary yield which is calculated as a yield in the amount of 7% of the par value of each security, paid once on 4 June 2012. For the sake of clarity, the supplementary yield is not per annum yield. Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of bonds: the bonds are payable in their par value on 29 May 2015.

RBCZ bond 4.45/16

ISIN:	CZ0003702938
Issue date:	1 July 2011
Class:	bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 200,000,000
Par value per security:	CZK 50,000,000
Quantity:	4

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 4.45% p.a., payable once a year retrospectively on 1 July

Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time;

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of bonds: the bonds are payable in their par value on 1 July 2016.

RBCZ ZERO bond VII/14

ISIN:	CZ0003702946
Issue date:	20 July 2011
Class:	bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 76,000,000
Par value per security:	CZK 10,000
Quantity:	7,600

Interest on bonds and maturity dates for interest or other yield: the yield on the Bonds is calculated as the difference between the issue rate and the principal of each Bond (discount yield). Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of bonds: the bonds are payable in their par value on 27 June 2014.

GARANTINVEST XVIII mortgage bond 2.80/14

ISIN:	CZ0002002371
Issue date:	27 July 2011
Class:	mortgage bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 1,715,000,000
Par value per security:	CZK 10,000
Quantity:	171,500

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 2.80% p.a., payable once a year on 27 July

Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of the bonds: the mortgage bonds will be payable in their par value on 27 July 2014.

GARANTINVEST XIX mortgage bond 3.20/16

ISIN:	CZ0002002363
Issue date:	27 July 2011
Class:	mortgage bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 500,000,000
Par value per security:	CZK 10,000
Quantity:	50,000;

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 3.20% p.a., payable once a year retrospectively to 27 July

Method of transferring the bonds: The bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of the bonds: the mortgage bonds will be payable in their par value on 27 July 2016.

Raiffeisenbank a.s. subordinated bond 4.75/16

ISIN:	CZ0003702953;
Issue date:	21 September 2011
Class:	subordinated bond
Form:	bearer
Type:	dematerialised
Total issue volume:	CZK 125,000,000
Par value per security:	CZK 10,000
Quantity:	12,500

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 4.75% p.a., payable once a year retrospectively to 21 September

Method of transferring the bonds: transferability is not restricted; bonds are transferred on registration of the transfers at Centrální depozitář cenných papírů, a.s. in accordance with the valid regulations of Centrální depozitář cenných papírů, a.s.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the subordinated bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of the bonds: the subordinated bonds will be payable in their par value on 21 September 2016.

Raiffeisenbank a.s. subordinated bond VAR/18

ISIN:	CZ0003702961
Issue date:	21 September 2011
Class:	subordinated bond;
Form:	bearer;
Type:	dematerialised;
Total issue volume:	CZK 125,000,000
Par value per security:	CZK 10,000
Quantity:	12,500

Interest on bonds and maturity dates for interest or other yield: interest is paid biannually, always on 21 September and 21 March. The interest rate for the first yield period, i.e. from 21 September to 21 March 2012, is 4% p.a. For the remainder of the yield periods, the interest rate is calculated based on the 6M PRIBOR plus 2.5% p.a.

Method of transferring the bonds: transferability is not restricted; the subordinated bonds are transferred on registration of the transfers at Centrální depozitář cenných papírů, a.s. in accordance with the valid regulations of Centrální depozitář cenných papírů, a.s.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the subordinated bonds are not tradable on the regulated market or in the multilateral trading system;

Bond currency: CZK

Maturity of the bonds: the subordinated bonds are payable in their par value on 21 September 2018.

Raiffeisenbank a.s. mortgage bond 3.00/16

ISIN:	CZ0002002405
Issue date:	26 September 2011
Class:	mortgage bond
Form:	bearer
Type:	dematerialised
Total issue volume:	CZK 1,000,000,000
Par value per security:	CZK 10,000
Quantity:	100,000

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 3.00% p.a., payable once a year retrospectively on 26 September

Method of transferring the bonds: transferability is not restricted; bonds are transferred on registration of the transfers at Centrální depozitář cenných papírů, a.s. in accordance with the valid regulations of Centrální depozitář cenných papírů, a.s.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: Prague Stock Exchange

Bond currency: CZK

Maturity of bonds: the mortgage bonds are payable in their par value on 26 September 2016.

GARANTINVEST XX mortgage bond 2.70/17

ISIN:	CZ0002002439
Issue date:	11 January 2012
Class:	mortgage bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 285,000,000
Par value per security:	CZK 10,000
Quantity:	28,500;

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 2.70% p.a., payable once a year retrospectively to 11 January

Method of transferring the bonds: The bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of the bonds: the mortgage bonds will be payable in their par value on 11 January 2017.

RBCZ bond - FWR VAR/17

ISIN:	CZ0003703175;
Issue date:	8 February 2012
Class:	bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 250,000,000
Par value per security:	CZK 1
Quantity:	250,000,000

Interest on bonds and maturity dates for interest or other yield: flexible 12M PRIBID interest rate plus 1% p.a., payable once a year retrospectively to 8 February

Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of the bonds: the bonds will be payable in their par value on 8 February 2017.

RBCZ bond - FWR Step-Up/15

ISIN:	CZ0003703167
Issue date:	8 February 2012
Class:	bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 250,000,000
Par value per security:	CZK 1
Quantity:	250,000,000

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 1.50% p.a. for a period of one year after the issue date (i.e. for the first yield period from 8 February 2012 to 7 February 2013), fixed interest rate of 2.20% p.a. for the second year after the issue date (i.e. for the second yield period from 8 February 2013 to 7 February 2014), fixed interest rate of 3.50% p.a. for the third year after the issue date (i.e. for the third yield period from 8 February 2014 to 7 February 2015); payable once a year retrospectively to 8 February

Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4;

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of the bonds: the bonds will be paid in the amount of their principal on 8 February 2015.

RBCZ ZERO bond VIII/15

ISIN:	CZ0003703191
Issue date:	14 March 2012
Class:	bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 100,000,000
Par value per security:	CZK 10,000
Quantity:	10,000

Interest on bonds and maturity dates for interest or other yield: the yield on the Bonds is calculated as the difference between the issue rate and the principal of each Bond (discount yield).

Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of bonds: the bonds are payable in their par value on 25 February 2015.

RBCZ bond – FWR II Step-Up/15

ISIN:	CZ0003703266
Issue date:	25 April 2012
Class:	bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 150,000,000
Par value per security:	CZK 1
Quantity:	150,000,000;

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 1.50% p.a. for a period of one year after the issue date (i.e. for the first yield period from 25 April 2012 to 24 April 2013), fixed interest rate of 2.20% p.a. for the second year after the issue date (i.e. for the second yield period from 25 April 2013 to 24 April 2014), fixed interest rate of 3.50% p.a. for the third year after the issue date (i.e. for the third interest period from 25 April 2014 to 24 April 2015); payable once a year retrospectively to 25 April.

Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of bonds: the bonds are payable in their par value on 25 April 2015.

RBCZ GARANTINVEST XXI bond 2.40/15

ISIN:	CZ0003703274
Issue date:	2 May 2012
Class:	bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 100,000,000
Par value per security:	CZK 1
Quantity:	100,000,000

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 2.40% p.a., payable once a year retrospectively to 2 May;

Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of the bonds: the bonds will be payable in their par value on 2 May 2015.

RBCZ bond ZERO IX/15

ISIN:	CZ0003703365
Issue date:	3 July 2012
Class:	bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 60,000,000
Par value per security:	CZK 10,000
Quantity:	6,000

Interest on bonds and maturity dates for interest or other yield: the yield on the Bonds is calculated as the difference between the issue rate and the principal of each Bond (discount yield). Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of the bonds: the bonds will be payable in their par value on 3 July 2015.

RBCZ KOMB bond II/14

ISIN:	CZ0003703373
Issue date:	30 May 2012
Class:	bond
Form:	bearer
Type:	certificated (collective bond)
Total issue volume:	CZK 50,000,000
Par value per security:	CZK 10,000
Quantity:	5,000

Interest on bonds and maturity dates for interest or other yield: the yield on the Bonds is composed of the yield on the basis of a discount, which is calculated as the difference between the issue rate and principal of each Bond, and the supplementary yield which is calculated as a yield in the amount of 6.24% p.a. of the par value of each security for the first yield period from 30 May 2012 to 29 April 2013, and a yield in the amount of 5.70% p.a. of the par value of each security for the second yield period from 30 April 2013 to 29 April 2014 paid once a year retrospectively to 29 April.

Method of transferring the bonds: the bonds are freely transferable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of the bonds: the bonds are payable in their par value on 29 April 2014.

RBCZ bond - FWR III VAR/19

ISIN: CZ0003703670
 Issue date: 28 December 2012
 Class: bond
 Form: bearer
 Type: dematerialised
 Total issue volume: CZK 5,000,000,000
 Par value per security: CZK 1
 Quantity: 5,000,000,000

Úročení dluhopisů a termíny splatnosti úroků nebo jiného výnosu: the yield on the Bonds is composed of the flexible 6M PRIBOR interest rate and the supplementary yield which is calculated as a yield in the amount of 0.75% p.a., paid biannually always by 28 December and 28 June retrospectively each year.

Method of transferring the bonds: the bonds are freely transferrable only to the Issuer with no restrictions. The transferability of the Bonds by a bond holder who is not the Issuer to an entity other than the Issuer is not permitted. After ownership rights to any Bond are transferred to the Issuer, it is authorised to transfer such Bond back to any third party at any time.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Hvězdova 1716/2b, 140 78 Prague 4

Names of the public markets on which the securities are accepted for trading: the bonds are not tradable on the regulated market or in the multilateral trading system.

Bond currency: CZK

Maturity of bonds: the bonds are payable in their par value on 28 December 2019.

Rights associated with the bonds:

All rights and obligations associated with the Bonds are governed by and construed in accordance with the laws of the Czech Republic. These rights and obligations are stipulated in the conditions for each issue.

International bond programme for raiffeisenbank mortgage bonds

Maximum volume of unpaid bonds: EUR 5,000,000,000

The bond programme consists of a maximum unpaid bond volume of EUR 5,000,000,000. The prospectus for the bond programme containing the general issue terms is registered at the Commission de Surveillance du Secteur Financier in Luxembourg and was announced by the Czech National Bank.

The following is a list of bonds issued as a part of the programme that have not yet reached maturity.

RBCZ VAR 5/12/2017

ISIN: XS0861195369;
 Issue date: 5 December 2012;
 Class: mortgage bond
 Form: bearer
 Type: dematerialised
 Total issue volume: EUR 500,000,000
 Par value per security: EUR 1,000
 Quantity: 500,000

Interest on bonds and maturity dates for interest or other yield: the yield on the Bonds is composed of the flexible 6M EURIBOR interest rate and the supplementary yield in the amount of 1.15% p.a., paid biannually always by 5 December and 5 June retrospectively each year.

Method of transferring the securities: transferability is not restricted; mortgage bonds are transferred on registration of the transfers at Clearstream Banking société anonyme Luxembourg and/or Euroclear Bank SA/NV in accordance with the valid regulations.

Issue administrator: Citibank N.A.

Designated premises of the administrator: Citibank N.A., Citi Centre, Canada Square, Canary Wharf, London E14 5LB, United Kingdom

Names of the public markets on which the securities are accepted for trading: Luxembourg Stock Exchange;

Bond currency: EUR

Maturity of bonds: the mortgage bonds are payable in their par value on 5 December 2017.

Rights associated with the bonds:

All rights and obligations associated with the Bonds are governed by and construed in accordance with the laws of Great Britain. The rights and obligations of the block of mortgage bonds is governed by the laws of the Czech Republic.

Raiffeisenbank a.s. bond programme

Maximum volume of unpaid mortgage bonds: CZK 3,000,000,000

Duration of the programme: 5 years

A bond programme with a maximum unpaid volume of mortgage bonds of CZK 3,000,000,000 with a programme duration of five years and with a maximum maturity for any bonds issued in the programme of seven years. The prospectus for the bond programme containing the general issue terms was approved by a decision of the Securities Commission, no. 45/N/47/2005/1, dated 10 May 2005, coming into legal force on 13 May 2005.

The following is a list of bonds issued as a part of the programme that have not yet reached maturity.

eBanka, a. s. mortgage bond 5.30/14

ISIN:	CZ0002001316;
Issue date:	14 November 2007
Class:	mortgage bond
Form:	bearer
Type:	dematerialised
Total issue volume:	CZK 500,000,000
Par value per security:	CZK 10,000
Quantity:	50,000

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 5.30% p.a., payable once a year retrospectively to 14 November

Method of transferring the bonds: transferability is not restricted; bonds are transferred on registration of the transfers at Centrální depozitář cenných papírů, a.s. in accordance with the valid regulations of Centrální depozitář cenných papírů, a.s.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Olbrachtova 2006/9, 140 21 Prague 4

Names of the public markets on which the securities are accepted for trading: Prague Stock Exchange

Bond currency: CZK

Maturity of bonds: the mortgage bonds are payable in their par value on 14 November 2014.

Rights associated with the bonds:

All rights and obligations associated with the Bonds are governed by and construed in accordance with the laws of the Czech Republic. These rights and obligations are stipulated in the conditions for each issue.

In addition, Raiffeisenbank a.s. (as the legal successor of eBanka, a.s.) issued the following individual mortgage bonds:

eBanka, a. s. mortgage bond 6.00/17

ISIN:	CZ0002001696
Issue date:	12 December 2007
Class:	mortgage bond
Form:	bearer
Type:	dematerialised
Total issue volume:	CZK 500,000,000
Par value per security:	CZK 10,000
Quantity:	50,000

Interest on bonds and maturity dates for interest or other yield: fixed interest rate of 6.00% p.a., payable once a year retrospectively to 12 December

Method of transferring the bonds: transferability is not restricted; bonds are transferred on registration of the transfers at Centrální depozitář cenných papírů, a.s. in accordance with the valid regulations of Centrální depozitář cenných papírů, a.s.

Issue administrator: Raiffeisenbank a.s.

Designated premises of the administrator: Raiffeisenbank a.s., Olbrachtova 2006/9, 140 21 Prague 4

Names of the public markets on which the securities are accepted for trading: Prague Stock Exchange

Bond currency: CZK

Maturity of bonds: the mortgage bonds are payable in their par value on 12 December 2017.

Rights associated with the bonds:

All rights and obligations associated with the Bonds are governed by and construed in accordance with the laws of the Czech Republic. These rights and obligations are stipulated in the conditions for each issue.



Persons Responsible for the Annual Report

We hereby declare that, to the best of our knowledge, the annual report and the consolidated annual report provides a true and accurate picture of the financial situation, business activities, and financial results of the issuer and its consolidated whole for the previous accounting period and of the outlook for the future development of the financial position, business activities and financial results.

Prague, 31 March 2014



Mario Drosc
Chairman of the Board of Directors
and Chief Executive Officer Raiffeisenbank a.s.



Tomáš Jelínek
Executive Director and Head of the
Finance Division Raiffeisenbank a.s.

Raiffeisen Bank International at a glance

A leading bank in Central and Eastern Europe, including Austria

Raiffeisenbank a.s. is a subsidiary of Raiffeisen Bank International AG (RBI), which regards Central and Eastern Europe (including Austria), as its home market. For more than 25 years, RBI has been operating in the Central and Eastern Europe (CEE) region, where today it maintains a closely knit network of subsidiary banks, leasing companies and numerous specialized financial service providers in 15 markets. As a universal bank, RBI ranks among the leading banks in the region. The powerful role played by the bank is supported by the Raiffeisen brand, which is one of the most widely recognized brands in the region. Over time, RBI has positioned itself as a fully integrated corporate and retail banking group in CEE. The bank not only has good access to retail and corporate customers, but also boasts a comprehensive product offering. At the end of 2013 around 58,000 staff served approximately 14.6 million customers in around 3,000 business outlets in CEE.

In Austria, RBI is one of the top corporate and investment banks. It primarily serves Austrian customers, but also international as well as major multinational clients operating in CEE. Moreover, RBI is represented in the world's financial centres and operates branches and representative offices in Asia. All in all, RBI employs about 58,000 staff and has total assets of around CZK 130,6 billion.

RBI operates subsidiary banks in the following CEE markets:

- | | |
|--------------------------|---|
| • Albania | Raiffeisen Bank Sh.a. |
| • Belarus | Priorbank JSC |
| • Bosnia and Herzegovina | Raiffeisen Bank d.d.
Bosna i Hercegovina |
| • Bulgaria | Raiffeisenbank (Bulgaria) EAD |
| • Croatia | Raiffeisenbank Austria d.d. |
| • Czech Republic | Raiffeisenbank a.s. |
| • Hungary | Raiffeisen Bank Zrt. |
| • Kosovo | Raiffeisen Bank Kosovo J.S.C. |
| • Poland | Raiffeisen Bank Polska S.A. |
| • Romania | Raiffeisen Bank S.A. |
| • Russia | ZAO Raiffeisenbank |
| • Serbia | Raiffeisen banka a.d. |
| • Slovakia | Tatra banka, a.s. |
| • Slovenia | Raiffeisen Banka d.d. |
| • Ukraine | Raiffeisen Bank Aval JSC |

As the parent company of these banks, RBI's shareholding in them is at or near to 100 per cent in most cases.

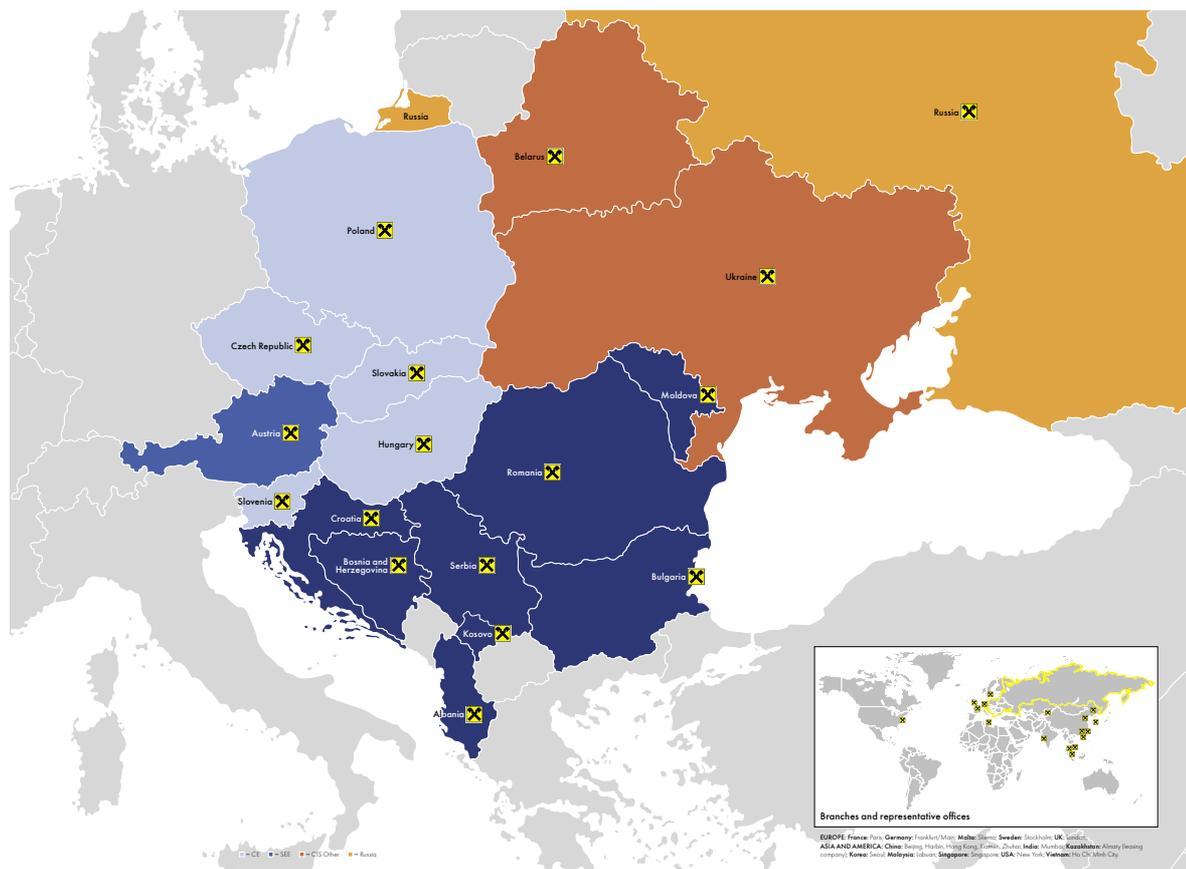
RBI's development

RZB was founded in 1927 as "Genossenschaftliche Zentralbank". Raiffeisen established its first subsidiary bank in Central and Eastern Europe already back in 1987. Other own subsidiaries have since been established. From 2000 onward, Raiffeisen's expansion into CEE countries has mainly been achieved by acquiring existing banks and subsequently combining them into a holding company that from 2003 operated under the name Raiffeisen International. In April 2005 Raiffeisen International was listed on the stock exchange in order to finance its future growth efficiently. Today's RBI was established in 2010 through the merger of Raiffeisen International with the principal business areas of Raiffeisen Zentralbank Österreich AG (RZB).

RBI has been listed on the Vienna stock exchange since 25 April 2005 (as Raiffeisen International up until 12 October 2010). RZB, which functions as the central institution of the Austrian Raiffeisen Banking Group (RBG), remained the majority shareholder following the merger, holding approximately 78.5 per cent of the shares as of 31 December 2013. The remaining approximate 21.5 per cent of RBI's shares were in free float. Due to the capital increase at the beginning of 2014, the free float rose significantly to about 39.3 per cent after RZB waived its subscription rights and participated in the amount of just EUR 750 million. As of the editorial deadline RZB held 60.7 per cent of RBI's shares.

For more information please refer to www.rbinternational.com and www.rzb.at.

Addresses



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Banking network

Albania

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 Bulevardi "Bajram Curri"
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 Fax: +355-4-22 755 99
 SWIFT/BIC: SGSBALTX
 www.raiffeisen.al

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 Fax: +375-17-28 9-9191
 SWIFT/BIC: PJCBBY2X
 www.priorbank.by

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 SWIFT/BIC: RZBABA2S
 www.raiffeisenbank.ba

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 www.raiffeisen.hu

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 www.raiffeisen-kosovo.com

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 SWIFT/BIC: RZBRROBU
 www.raiffeisen.ro

Leasing companies

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Alexandru cel Bun 51
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Phone: +373-22-27 931 3
Fax: +373-22-22 838 1
www.raiffeisen-leasing.md

Poland

Raiffeisen-Leasing Polska S.A.

Ul. Prosta 51
00-838 Warsaw
Phone: +48-22-32 636-66
Fax: +48-22-32 636-01
www.rl.com.pl

Romania

Raiffeisen Leasing IFN S.A.

246 D Calea Floreasca 014476 Bucharest
Phone: +40-21-36 532 96
Fax: +40-37-28 799 88
www.raiffeisen-leasing.ro

Russia

OOO Raiffeisen-Leasing

Stanislavskogo Str. 21/1
109004 Moscow
Phone: +7-495-72 1-9980
Fax: +7-495-72 1-9572
www.raiffeisen-leasing.ru

Serbia

Raiffeisen Leasing d.o.o.

Djordja Stanojevic 16
11070 Novi Beograd
Phone: +381-11-220 7400
Fax: +381-11-228 9007
www.raiffeisen-leasing.rs

Slovakia

Tatra-Leasing s.r.o.

Hodžovo námestie 3
81106 Bratislava
Phone: +421-2-59 19-3168
Fax: +421-2-59 19-3048
www.tatraleasing.sk

Slovenia

Raiffeisen Leasing d.o.o.

Zagrebska cesta 76
2000 Maribor
Phone: +386-1-28 162 00
Fax: +386-1-24 162 68
www.rl-sl.si

Ukraine

LLC Raiffeisen Leasing Aval

9, Moskovskiyi Av.
Build. 5 Office 101
04073 Kiev
Phone: +38-044-59 024 90
Fax: + 38-044-20 004 08
www.rla.com.ua

Real estate leasing companies

Czech Republic

Raiffeisen Leasing Real Estate s.r.o.

Hvězdova 1716/2b
14078 Prague 4
Phone: +420-221-511-610
Fax: +420-221-511-641
www.rlre.cz

Branches and representative offices - Europe

France

RBI Representative Office Paris

9-11 Avenue Franklin D. Roosevelt
75008 Paris
Phone: +33-1-45 612 700
Fax: +33-1-45 611 606

Germany

RBI Frankfurt Branch

Mainzer Landstraße 51
60329 Frankfurt
Phone: +49-69-29 921 918
Fax: +49-69-29 921 9-22

Sweden

RBI Representative Office Nordic Countries

Drottninggatan 89, 14th floor
113 60 Stockholm
Phone: +46-8-440 5086
Fax: +46-8-440 5089

UK

RBI London Branch

10 King William Street
London EC4N 7TW
Phone: +44-20-79 33-8000
Fax: +44-20-79 33-8099

Branches and representative offices – Asia and America

China

RBI Beijing Branch

Beijing International Club Suite 200
2nd floor
Jianguomenwai Dajie 21
100020 Beijing
Phone: +86-10-65 32-3388
Fax: +86-10-65 32-5926

RBI Representative Office Harbin

Room 1104, Pufa Plaza No. 209
Chang Jiang Street
Nang Gang District
150090 Harbin
Phone: +86-451-55 531 988
Fax: +86-451-55 531 988

RBI Hong Kong Branch

Unit 2102, 21st Floor,
Tower One, Lippo Centre
89 Queensway, Hong Kong
Phone: +85-2-27 30-2112
Fax: +85-2-27 30-6028

RBI Xiamen Branch

Unit B, 32/F, Zhongmin Building,
No. 72 Hubin North Road,
Xiamen, Fujian Province
361013, P.R. China
Phone: +86-592-26 2-3988
Fax: +86-592-26 2-3998

RBI Representative Office Zhuhai

Room 2404, Yue Cai Building
No. 188, Jingshan Road, Jida,
Zhuhai, Guangdong Province
P.R. China
Phone: +86-756-32 3-3500
Fax: +86-756-32 3-3321

India

RBI Representative Office Mumbai

803, Peninsula Heights
C.D. Barfiwala Road, Andheri (W)
400 058 Mumbai
Phone: +91-22-26 230 657
Fax: +91-22-26 244 529

Korea

RBI Representative Office Korea

1809 Le Meilleur Jongno Tower
24 Jongno 1-ga
Seoul 110-888
Republic of Korea
Phone: +82-2-72 5-7951
Fax: +82-2-72 5-7988

Malaysia

RBI Labuan Branch

Licensed Labuan Bank No. 110108C
Level 6 (1E), Main Office Tower
Financial Park
Labuan
Malaysia
Phone: +607-29 1-3800
Fax: +607-29 1-3801

Singapore

RBI Singapore Branch

One Raffles Quay
#38-01 North Tower
Singapore 048583
Phone: +65-63 05-6000
Fax: +65-63 05-6001

USA

RB International Finance (USA) LLC

1133 Avenue of the Americas,
16th Floor
10036 New York
Phone: +01-212-84 541 00
Fax: +01-212-94 420 93

RZB Austria Representative Office New York

1133 Avenue of the Americas,
16th Floor
10036 New York
Phone: +01-212-59 3-7593
Fax: +01-212-59 3-9870

Vietnam

RBI Representative Office Ho-Chi-Minh-City

35 Nguyen Hue Str.,
Harbour View Tower
Room 601A, 6th Floor, Dist 1
Ho-Chi-Minh-City
Phone: +84-8-38 214 718, +84-8-38 214 719
Fax: +84-8-38 215 256

Raiffeisen Zentralbank AG

Austria

Am Stadtpark 9
1030 Vienna
Phone: +43-1-26 216-0
Fax: +43-1-26 216-1715
www.rzb.at

Selected Raiffeisen Specialist Companies

F.J. Elsner Trading GmbH

Am Heumarkt 10
1030 Vienna
Phone: +43-1-79 736-0
Fax: +43-1-79 736-230
www.elsner.at

Kathrein Privatbank Aktiengesellschaft

Wipplingerstraße 25
1010 Vienna
Phone: +43-1-53 451-300
Fax: +43-1-53 451-8000
www.kathrein.at

Raiffeisen Centrobank AG

Tegetthofstraße 1
1015 Vienna
Phone: +43-1-51 520-0
Fax: +43-1-51 343-96
www.rcb.at

ZUNO BANK AG

Muthgasse 26
1190 Vienna
Phone: +43-1-90 728 88-01
www.zuno.eu



Raiffeisen in the CZ

ZUNO BANK AG



The online bank ZUNO opened in 2010 in Slovakia and started operating in the Czech Republic in mid-2011. It is one of the first online banks to operate in the region of Central and Eastern Europe. ZUNO is founded on the low-cost standardised banking model. Clients can manage all of their financial transactions comfortably and quickly from their computer (via online banking) or through the use of smart phones (mobile banking application for iOS and Android), without physically visiting a branch office.

During three years, the start-up company became an online bank with 200,000 clients offering a wide portfolio of products (a current account with a debit card, a savings account, online loans and refinancing, a credit card, or authorised overdraft). This unconventional brand focuses on simplicity, a no-fee policy, and transparent communication, in line with its motto "Less bank, more life".

For more information on the Czech branch of ZUNO BANK AG, visit www.zuno.cz



Contact address for the Czech Republic:

ZUNO BANK AG

Hvězdova 1716/2b

140 78 Prague 4

Contact Centre - tel.: 245 699 999

Raiffeisen stavební spořitelna a.s.



Raiffeisen stavební spořitelna (RSTS) was founded in 1993 as the first building society in the Czech Republic. For more than 20 years, it has arranged for clients favourable building savings, housing loans, and comprehensive financial advice based on its well-balanced and wide range of financial services. In 1998, the company became a part of the strong Raiffeisen financial group, which operates in 37 countries around the world. A milestone in the history of the company occurred in 2008. Following the merger with HYPO stavební spořitelna, RSTS became its universal legal successor. During the same year, the ownership structure of RSTS was changed for both shareholders, and currently, Raiffeisen Bausparkassen Holding GmbH owns a 90% share, and Raiffeisenbank a.s. holds the remaining 10%.

Raiffeisen stavební spořitelna is a traditional but modern bank with branches throughout the Czech Republic. In more than 200 consultancy locations and also through the branches of its business partners, RSTS offers its clients comprehensive solutions for quality housing, as well as securing families, assets and retirement.

Raiffeisen stavební spořitelna a.s.

Koněvova 2747/99

130 45 Prague 3

Tel.: 271 031 111

Fax: 222 581 156

Email: rsts@rsts.cz

www.rsts.cz

Toll-free info line: 800 11 22 11

Raiffeisen stavební spořitelna received two prestigious awards in 2013. In June, its GOLD account was awarded second place in the 11th year of the prestigious survey for the best financial products of the year, Zlatá koruna 2013. The company received a silver crown in the category of building savings. In the second half of the year, RSTS received first place for changing its web pages www.rsts.cz. In the WebTop100 awards, which evaluates the best digital projects of the year, the company placed first in the category of Corporate Web - Banks.

Raiffeisen stavební spořitelna has been engaged for many years in charity work, especially work related to households and living. It contributed close to CZK 500,000 last year to these types of projects, e.g. new tiled flooring in the dayroom and cafeteria of the St Anežka House in Týn nad Vltavou and a new shower chair for the Senior Citizen Home in Prague 3. In addition, the social centre Zlatobýl v Nové Vsi nad Popelkou will receive a contribution for refurbishment. The company also continued to cooperate with Diakonie ČCE, which received a contribution for purchasing adjustable beds for its western Bohemia centre. Most of these projects were proposed by the employees themselves who, in this respect, can be active every year in the employee charity programme. Almost CZK 2 million has been donated to charitable causes during the six years of RSTS' existence.



UNIQA pojišťovna

UNIQA pojišťovna, a.s. commenced its operations on the Czech insurance market in 1993, originally under the name Česko-rakouská pojišťovna. The company changed its name to UNIQA pojišťovna in 2001 as a part of the international strategy of the parent concern to integrate the company's identity under the UNIQA brand name. UNIQA's international concern has its headquarters in Vienna and is an important Austrian insurance company with more than one fifth of the market. With its more than 40 subsidiary companies, UNIQA operates in 19 countries throughout Europe and serves more than 9 million clients.

The sole shareholder of the Czech UNIQA pojišťovna is UNIQA International Versicherungs-Holding AG. The insurance company's registered capital amounts to CZK 500 million.

UNIQA pojišťovna holds a universal insurance licence allowing the company to carry out business in the area of both life and non-life insurance. Currently, UNIQA offers all types of insurance products covering the insurance needs of all private and corporate clients.

UNIQA pojišťovna, a.s.
Evropská 136
160 12 Prague 6
telephone: 225 393 111
fax: 225 393 777
e-mail: uniqa@uniqa.cz
Toll-free info line: 800 120 020

Raiffeisen investiční společnost

Raiffeisen investiční společnost (RIS) was founded at the end of 2012 in order to continue with the successful asset management in the Raiffeisen Group and to expand and supplement the portfolio of investment products and services, especially mutual funds for retail clients and the clients of Friedrich Wilhelm Raiffeisen private banking.

RIS started its operations in the middle of 2013 under a licence granted by the CNB, which it obtained in April of that year.

The company's management is run by managers with sufficient professional and practical experience in the area of investment management headed by the CEO Josef Beneš, the Executive Chairman of the Capital Markets Association.

Raiffeisen investiční společnost a.s.
Prague 4, Hvězdova 1716/2b,
140 78
Tel: +420 844 100 900
email: info@rb.cz
www.rfis.cz

During the eighteen years of its existence, UNIQA has always been one of the ten largest insurance companies on the Czech market. Currently, it provides its services at more than 190 business locations throughout the Czech Republic. Its portfolio includes more than 720,000 insurance policies. Annual prescribed premiums in 2013 were approximately CZK 6 billion.

UNIQA pojišťovna has closely cooperated with the Raiffeisen group for many years. This cooperation has also successfully expanded in other European countries where both brands are active on the financial market. Insurance is an integral part of financial services, and hence UNIQA pojišťovna has prepared optimal products for this purpose, such as leasing, credit and mortgage transactions.

In 2013, UNIQA continued to successfully engage in the area of exclusive life insurance for the clients of the bank under the brand Raiffeisen life insurance DIVIDENDA. During the past year, more than 3,200 new clients arranged this product, and total annual premiums reached CZK 34 million. In addition, clients responded favourably to the optional UNIQA casualty insurance offered with the most popular Raiffeisenbank account eKonto. Currently, 45,000 account holders have this insurance. Transactions associated with Raiffeisen payment cards were also significant. Increased interest in mortgages last year had a favourable impact on property insurance which Raiffeisenbank arranged at its mortgage centres in particular. Last year, 5,140 clients had arranged this insurance, and the total annual production was CZK 20 million.



During the first year of operation, RIS created three open mutual funds - Raiffeisen secured economic cycle fund, Raiffeisen bond opportunity fund, and Raiffeisen secured American prosperity fund with a limited purchase period. During this period, it also started to manage seven Austrian funds of Raiffeisen Kapitalanlage-Gesellschaft mbH, which in 2014, should merge cross-border with Czech funds, thereby supplementing the comprehensive funds offered to the different types of clients.

For the first partial business year 2013, the company managed to issue mutual funds for more than CZK 1.8 billion. In 2014, investment services will continue to develop with the goal of expanding the portfolio with other newly created funds and implementing the already mentioned cross-border merger of the Austrian funds.

The company's registered capital is CZK 40 million, consisting of 40 bearer certificated shares at CZK 1 million each. The 100% owner of the shares is Raiffeisenbank a.s.

Raiffeisen – Leasing, s.r.o.



Raiffeisen-Leasing, s.r.o., founded in 1994, offers companies and individuals comprehensive services for financing their investment needs, such as a wide range of movables as well as real estate and development projects. Raiffeisen-Leasing's partner institutions are Raiffeisenbank a.s. and Raiffeisen-Leasing International GmbH Wien. The company is a member of the Czech Leasing and Financial Association.

Since its establishment in 2001 up to 2013, Raiffeisen-Leasing Real Estate was 50% owned by Raiffeisen-Leasing, s.r.o. and 50% by Raiffeisen-Leasing International GmbH Wien. In December 2013, Raiffeisen-Leasing sold its 50% share in Raiffeisen-Leasing Real Estate to Raiffeisenbank a.s., which has clearly strengthened the client-oriented cooperation with Raiffeisenbank a.s. Also in December 2013, the shareholders significantly increased the capital of Raiffeisen-Leasing, which demonstrates the confidence of the Raiffeisen Group in its leasing activities. The capital of Raiffeisen-Leasing will be increased further in 2014 with the payment of dividends and the sale of the share in Raiffeisen-Leasing Real Estate.

In 2013, Raiffeisen-Leasing and Raiffeisen-Leasing Real Estate managed to finance commodities and real estate for a total purchase-price volume of CZK 3.378 billion, which is an increase of almost 40% year-on-year, despite the continued slump in demand for non-banking financial products on the Czech leasing market. The net profit of both companies (according to IFRS methodology) rose by 234% in comparison to 2012. It was the most successful year in the history of both companies.

Raiffeisen - Leasing, s.r.o.
 Hvězdova 1716/2b
 140 78 Prague 4
 Phone: 221 511 611, Fax: 221 511 666
 E-mail: rl@rl.cz
 www.rl.cz, www.rlre.cz

The companies continued to implement the procedural changes that were initiated after successfully integrating the management and teams of both companies in 2012 with the goal of strengthening the synergic effect and improving cooperation between the two companies. Both companies participated in the project coordinated by the headquarters Raiffeisen-Leasing International GmbH geared to optimising processes.

In 2013, Raiffeisen-Leasing strengthened its business team, focused on improving cooperation with Raiffeisenbank a.s., which helped immensely in increasing the volume of financing for banking clients through financial leasing products. The company continued to cooperate with the European Investment Bank, thanks to which it can provide long-term financing to small and medium-size enterprises with advantageous interest rates.

In the area of real estate, the company was also successful in implementing projects together with its financing partner Raiffeisen-Leasing Real Estate and development activities. For example, Building A of the commercial centre H-Park Brno was successfully put into operation in Brno in May 2013 and Building B is being constructed.

In 2014, Raiffeisen-Leasing will find additional suitable market opportunities for financing its clients' investment needs, will focus on acquisition and expanding transport financing, and will continue to improve its cooperation with Raiffeisenbank. The company will also focus on promoting the development of vendor programmes and the retention programme for existing clients and optimising processes with the goal of increasing customer satisfaction.

Raiffeisenbank branches

Branch	Address	Phone
Beroun	Husovo náměstí 45, 266 01 Beroun	311 600 026
Brno - Campus	Netroufalky 770, 625 00, Brno	518 700 711
* Brno - Česká	Česká 12, 604 46 Brno	517 545 111
Brno - Masarykova	Masarykova 30, 602 00 Brno	532 196 823
Brno - Gaute	Lidická 26, 602 00 Brno	532 195 620
* Brno - Jánská	Jánská 1/3, 601 00 Brno	542 221 370
Brno - Královo Pole	Malátova 2, 612 00 Brno - Královo Pole	517 546 153
Brno - Nám. Svobody	Nám. Svobody 2, 602 00 Brno	531 022 900
Brno - Olympia	Olympia, U dálnice 777, 664 42 Modřice	547 243 868
Brno - Union	Vídeňská 281/77, 639 00 Brno	542 424 811
Brno - Globus	Hradecká 408/40, 621 00 Brno - Ivanovice	549 122 411
Česká Lípa	Nám. T.G.M 193, 470 01 Česká Lípa	487 525 704
České Budějovice - Lannova třída	Lannova třída 51/23, 370 01, České Budějovice	383 709 011
České Budějovice - Nám. P. Otakara	Náměstí Přemysla Otakara II. 13, 370 63 České Budějovice	386 707 411
České Budějovice - Milady Horákové	Milady Horákové 1498, 370 05 České Budějovice	385 790 111
* České Budějovice - Hroznová	Hroznová 7, 370 01 České Budějovice	386 357 815
Český Krumlov	Náměstí Svornosti 15, 381 01 Český Krumlov	380 712 705
Děčín	Myslbekova 3/84, 405 01 Děčín	412 510 057
Domažlice	Msgr. B. Staška 68, 344 01 Domažlice	379 775 911
Frýdek-Místek	J. V. Sládka 84, 738 02 Frýdek Místek	558 441 310
Frýdek - Místek	Ostravská 2129, 738 02 Frýdek Místek	558 647 820
Haviřov	Hlavní třída 438/73, 736 01 Haviřov	596 808 311
* Hodonín	Národní třída 18A, 695 01 Hodonín	518 399 811
* Hradec Králové . V Kopečku	V Kopečku 75, 500 01 Hradec Králové	495 069 666
Hradec Králové - TESCO	Rašínova třída 1669, 500 02, Hradec Králové	498 511 011
Hradec Králové - S.K.Neumanna	S.K.Neumanna 487, 500 01 Hradec Králové	493 334 111
Cheb	Májová 16, 350 02 Cheb	354 433 629
* Chomutov	Žižkovo náměstí 120, 430 01 Chomutov	474 930 909
Jablonec nad Nisou	Komenského 8, 466 01 Jablonec nad Nisou	483 737 141
* Jihlava	Masarykovo náměstí 35, 586 28 Jihlava	567 578 911
* Karlovy Vary	Krále Jiřího 39, 360 01 Karlovy Vary	353 167 777
Karviná	Masarykovo nám. 28/15, 733 01, Karviná	597 497 711
Kladno	Osvobozených politických vězňů 656, 271 01 Kladno 1	312 709 412
* Kolín	Kutnohorská 43, 280 02 Kolín	321 338 982
* Liberec	Na Rybníčku 1, 460 01 Liberec	485 340 033
Liberec	Jánská 9, 460 01 Liberec	482 711 730
Liberec	Pražská 6, 460 01 Liberec	483 519 080
* Mladá Boleslav	T. G. Masaryka 1009, 293 01 Mladá Boleslav	326 700 981
Mladá Boleslav - Bondy	V. Klementa 1459, 293 01 Mladá Boleslav	326 509 611
Most	Budovatelů 1996, 434 01 Most	476 140 211
Olomouc	nám. Národních hrdinů 1, 771 11 Olomouc	585 206 900
* Olomouc	Národní dům, 8. Května 464/21, 722 00 Olomouc	582 800 400
Olomouc Horní lán	Horní lán 1328/6, 779 00 Olomouc	582 800 901
Opava	Horní náměstí 32, 746 01 Opava	553 759 311
Ostrava - Nová Karolina PARK	28.října 3348/65, 702 00 Ostrava	597 011 541
Ostrava Poruba	Opavská 6230/29a, 708 00 Ostrava - Poruba	596 912 835
* Ostrava - Dlouhá	Dlouhá 3, 702 00 Ostrava	596 111 863
Ostrava - Nová Karolina	Jantarová 3344/4, Forum Nová Karolina, 702 00 Ostrava 2	596 664 171

Branch	Address	Phone
Ostrava - Tesco	Sjízdná 2, 721 00 Ostrava	596 966 432
Ostrava - Kotva	Výškovická 114, 702 00 Ostrava	596 797 011
Ostrava - Avion	Rudná 114/3114, Avion Shopping Park, 700 30 Ostrava	558 944 011
Pardubice	K Polabinám 1893-4, 530 02 Pardubice	466 512 486
* Pardubice	17. listopadu 238, 530 02 Pardubice	466 610 016
Písek	Velké náměstí 116, 397 01 Písek	382 759 111
Plzeň	Americká 1, 306 29 Plzeň	377 236 582
Plzeň	Americká 66, 306 29 Plzeň	377 279 411
* Plzeň	Bedřicha Smetany 11, 301 00 Plzeň	377 222 830
Plzeň - Olympia	Písecká 1, 301 00 Plzeň	377 462 493
Prague 1 - Astra	Václavské náměstí 773/4, 110 00, Prague 1	234 093 311
* Prague 1 - Národní	Národní 9, 110 00 Prague 1	221 411 911
* Prague 1 - Vodičkova	Vodičkova 38, 111 21 Prague 1	221 141 261
Prague 1 - Jalta	Václavské náměstí 43, 110 00 Prague 1	222 115 590
Prague 1 - Na Poříčí	Na Poříčí 37, 110 00 Prague 1	222 311 612
Prague 1 - Palladium	Náměstí Republiky 1, 110 00 Prague 1	225 376 500
Prague 1 - Spálená	Spálená 16, 110 00 Prague 1	224 948 883
Prague 1 - Na Příkopě	Na Příkopě 24, 110 00 Prague 1	225 374 011
Prague 1 - Rytířská	Rytířská 22/400, 110 00, Prague 1	296 339 011
Prague 1 - Valentinská	Valentinská 9/57, 110 00, Prague 1	234 702 211
Prague 2 - Jugoslávská	Jugoslávská 21, 120 00 Prague 2	222 517 800
Prague 2 - Bělehradská	Bělehradská 100, 120 00 Prague 2	221 511 281
* Prague 2 - Karlovo náměstí	Karlovo náměstí 10, 120 00 Prague 2	224 900 711
Prague 2 - Hlavní nádraží	Hlavní nádraží, Wilsonova 300/8, 120 00 Prague 2	224 094 911
Prague 2 - Italská	Vinohradská 29, 120 00 Prague 2	234 702 411
Prague 3 - Flora	Chrudimská 7, 130 00 Prague 3	225 376 611
Prague 3 - Nitranská	Nitranská 988/19, 130 00, Prague 3	296 338 011
Prague 3 - Želivského	Želivského 16, 130 00 Prague 3	225 374 611
Prague 3 - Seifertova	Seifertova 29, 130 00 Prague 3	225 282 611
Prague 4 - Budějovická DBK	Olbrachtova 1946/64, 140 00, Prague 4	234 709 911
* Prague 4 - Budějovická	Olbrachtova 9, 140 21 Prague 4	225 541 011
Prague 4 - Novodvorská	Novodvorská 136, 140 00 Prague 4	241 406 914
Prague 4 - Háje	Arkalycká 4, 140 00 Prague 4	272 653 815
Prague 4 - Pankrác Gemini	Na Pankráci 1724, 140 00 Prague 4	234 261 211
Prague 4 - Pražského povstání	Na Pankráci 79, 14000, Prague 4	234 702 101
Prague 4 - Nám. Bratří Synků	Náměstí Bratří Synků 300/15, 140 00 Prague 4	234 700 912
* Prague 4 - City Tower	City Tower, Hvězdova 2b, 140 00 Prague 4	234 405 130
Prague 5 - Anděl	Lidická 42, 150 00 Prague 5	251 010 811
Prague 5 - Barrandov	Tilleho nám. 792/2, 152 00, Prague 5 - Hlubočepy	234 724 111
Prague 5 - Petržilkova	Petržilkova 2706/30, 158 00, Prague 5	296 334 011
Prague 5 - Zličín	Metropole Zličín, Řevnická 1/121, 150 00 Prague 5	226 082 264
Prague 5 - Zlatý Anděl	Nádražní 23, 150 00 Prague 5	251 510 444
* Prague 6 - Dejvická	Dejvická 11, 160 00 Prague 6	233 089 711
Prague 6 - Evropská	Evropská 136, 160 00 Prague 6	234 715 111
Prague 6 - Bělohorská	Bělohorská 71, 169 00 Prague 6	233 356 840
Prague 7 - Komunardů	Komunardů 21, 170 00 Prague 7	724 941 478
Prague 7 - Milady Horákové	Milady Horákové 10, 170 00 Prague 7	233 028 011
Prague 8 - Zenklova	Zenklova 22, 180 00 Prague 8	225 983 511

Branch	Address	Phone
Prague 8 - Thámova	Thámova 118/17, 186 00, Prague 8	234 720 911
Prague 8 - Ládví	Kyselova 1658, 180 00 Prague 8	283 880 343
Prague 9 - Centrum Černý Most	Chlumecká 765/6, 198 00, Prague 9	281 008 111
Prague 9 - Jandova	Jandova 135/2, 190 00 Prague 9	225 545 511
Prague 9 - Prosecká	Prosecká 64, 190 00 Prague 9	225 983 611
Prague 9 - Letňany	Veselská 663, 199 00 Prague 9	234 261 011
Prague 10 - Vinohradská	Vinohradská 230, 100 00 Prague 10	274 001 779
Prague 10 - Moskevská	Moskevská 43, 100 00 Prague 10	271 078 813
Prague 10 - Štěřboholy	Nákupní 389/3, 102 00, Prague 10	234 093 011
Prague 10 - Švehlova	Švehlova 32, 102 00 Prague 10	272 656 215
Prague 10 - Eden	Vršovická 68b, 100 00 Prague 10	225 282 911
Prostějov	Hlaváčkovo náměstí 3, 796 01 Prostějov	582 400 800
Přerov	Komenského 758/11, 750 02, Přerov	587 800 911
Říčany	Masarykovo nám. 155, 251 01 Říčany	323 209 011
* Šumperk	17.listopadu 9, 787 01 Šumperk	583 219 734
* Tábor	Bílková 960, 390 02 Tábor	381 201 611
Teplice	28. října 7, 415 01 Teplice	417 816 061
Teplice	Masarykova 14, 415 01 Teplice	417 534 710
* Trutnov	Horská 97, Trutnov, Lipová 524, 541 01 Trutnov	499 810 290
Třinec	Nám. Svobody 528, 739 01 Třinec	558 944 901
Uherské Hradiště	Obchodní ul. 1508, 686 01, Uherské hradiště	576 000 401
* Ústí nad Labem	Velká Hradební 3385/9, 40001 Ústí nad Labem	475 237 111
Ústí nad Labem	Forum, Bílinská 3490/6, 400 01 Ústí nad Labem	478 050 111
* Zlín	Kvítková 552, 760 01 Zlín	577 008 040
Zlín	Nám. Míru 9, 760 01 Zlín	577 011 124
Znojmo	Obroková 15, 669 02 Znojmo	515 209 711
* Žďár nad Sázavou	Náměstí Republiky 42, 591 01 Žďár nad Sázavou	566 652 711

The asterisk (*) indicates branch offices with SME Business Centres.

Mortgage centers:

Branch	Address	Phone
Brno	Česká 12, 604 46 Brno	517 545 111
České Budějovice	Náměstí Přemysla Otakara II. 13, 370 63 České Budějovice	386 707 457
Frýdek-Místek	J. V. Sládka 84, 738 02 Frýdek Místek	558 441 310
Hradec Králové	V Kopečku 75, 500 01 Hradec Králové	495 069 677
Hodonín	Národní třída 18A, 695 01 Hodonín	518 399 811
Jihlava	Masarykovo náměstí 35, 586 01 Jihlava	567 578 911
Karlovy Vary	Krále Jiřího 39, 360 01 Karlovy Vary	353 167 778
Liberec	Na Rybníčku 1, 460 01 Liberec	488 100 011
Most	Budovatelů 1996, 434 01 Most	476 140 211
Olomouc	8. května 21, Olomouc	582 800 400
Opava	Horní náměstí 32, 746 01 Opava	553 759 311
Ostrava	Dlouhá 3, 702 00 Ostrava	596 128 863
Ostrava Poruba	Opavská 6230/29a, 708 00 Ostrava - Poruba	596 912 835
Pardubice	K Polabinám 1893-4, 530 02 Pardubice	467 002 510
Plzeň	Americká 1, 306 29 Plzeň	379 305 542
Prague - Karlovo nám.	Karlovo nám. 10, 120 00 Prague 2	224 900 726
Prague - Na Příkopě	Na Příkopě 860/24, 110 00 Prague 1	225 374 059
Prague - Jandova	Jandova 135/2, 190 00 Prague 9	225 545 511
Prague - Jalta	Václavské náměstí 43, 110 00 Prague 1	222 925 855
Prague 1 - Vodičkova	Vodičkova 38, 111 21 Prague 1	221 141 261
Prague - Budějovická	Olbrachtova 9, 140 21 Prague 4	234 401 012
Prague - Gemini	Na Pankráci 1724, Prague 4, 140 00 Prague 4	234 261 211
Tábor	Bílková 960, 390 02 Tábor	381 201 611
Ústí nad Labem	Pařížská 20, 400 01 Ústí nad Labem	475 237 186
Znojmo	Obroková 15, 669 02 Znojmo	515 209 711
Zlín	Kvítková 552, 760 01 Zlín	577 008 042

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