

Live diversity from



**Raiffeisen-Holding NÖ-Wien –
The year 2010 at a glance**

**Raiffeisen-Holding
Niederösterreich-Wien**





Friedrich Wilhelm Raiffeisen

Mit. Einander

We live diversity.

Diversity has characterized the Raiffeisen Banking Group in every stage of its history. This is also the case at Raiffeisen-Holding NÖ-Wien, which is a one-of-a-kind institution in Austria thanks to its highly diversified portfolio. As an investment bank, Raiffeisen-Holding NÖ-Wien holds major stakes in approximately 720 companies. The organization's primary objective in this context is to manage and to serve as a central hub for those companies, which have enjoyed great success in Austria and abroad.

Raiffeisen-Holding NÖ-Wien is well aware of its responsibility to its members and owners, group companies, customers and partners as well as its employees. One of the group's key duties is to optimize value creation for the Raiffeisen family. Raiffeisen-Holding NÖ-Wien's portfolio of investments comprises six core business areas, namely universal finance, industry, renewable energies, media, services and real estate.

Despite persistent and formidable challenges, the group generated highly satisfactory results in 2010, with profit before taxes and distributions amounting to EUR 367.3 million (2009: 210.0 million). During the reporting period, a total of 123 companies were fully consolidated in the group, while 14 were consolidated at equity. In addition, the group's total assets increased by 3.2% to EUR 34.6 billion in 2010.

PORTFOLIO STRUCTURE AT A GLANCE.



UNIVERSAL FINANCIAL SERVICES

Raiffeisen-Holding NÖ-Wien's most important subsidiary is Raiffeisenlandesbank NÖ-Wien AG (RLB NÖ-Wien), the lead institution for the Raiffeisen Banking Group in Lower Austria and Vienna, with 74 independent Raiffeisen banks in Lower Austria. RLB NÖ-Wien is also the main shareholder in Raiffeisen Zentralbank Österreich AG and thus holds a substantial indirect stake in Raiffeisen Bank International AG. With a share of 75.8%, Raiffeisen-Holding NÖ-Wien owns a qualified majority of that institution's shares. The remaining shares are held by the Lower Austrian Raiffeisen banks. Together with the 74 independent Raiffeisen banks, which are organized in a cooperative structure, RLB NÖ-Wien has a total of 3,627 employees at 552 locations serving some 1.2 million customers, primarily in the eastern region of Austria.

Thanks to the growth initiative entitled "Conquering Vienna", RLB NÖ-Wien has managed to boost its market share in Austria's capital city substantially in recent years. RLB NÖ-Wien has also enjoyed great success in corporate banking operations throughout the entire Centropoe region, with its lending portfolio growing by a full 11% in 2010.



INDUSTRIAL INVESTMENTS



Raiffeisen-Holding NÖ-Wien's portfolio of industrial investments mainly focuses on the food industry, which in turn serves as a partner to agricultural businesses. These companies include AGRANA Beteiligungs-AG and Südzucker AG Mannheim/Ochsenfurt in the sugar, starch and fruit sector, LEIPNIK LUNDENBURGER INVEST Beteiligungs AG in the core business areas of flour & milling and vending, as well as NÖM AG in the milk and dairy industry. The group's fourth major industrial investment is STRABAG SE, which is among Europe's leading construction companies. Despite challenging circumstances – especially due to volatile raw materials prices and unfavorable weather for the construction industry – Raiffeisen-Holding NÖ-Wien's industrial investments generated sound returns. This can mainly be attributed to the companies' high level of customer orientation as well as their targeted cost-cutting measures and well-considered risk policies. Thanks to these positive results, Raiffeisen-Holding NÖ-Wien's dividend income from industrial investments has risen markedly.

RENEWABLE ENERGY

As climate protection requirements become more and more stringent and resources increasingly scarce, the market for renewable energy is growing fast. As a result, Raiffeisen-Holding NÖ-Wien has defined this business segment as a key growth area. All of the group's activities in this field are bundled in RENERGIE Raiffeisen Managementgesellschaft für erneuerbare Energie GmbH, a wholly owned subsidiary of Raiffeisen-Holding NÖ-Wien. With due consideration of the available raw materials and resources, RENERGIE has been working together with partners in Austria and abroad since 2007 and developing projects in the fields of photovoltaic cells, biogas, wind and small-scale hydro power. As of December 31, 2010, a total of ten renewable energy plants – which represent a total investment volume of some EUR 45 million – were in operation in Austria, Germany and the Czech Republic. One small-scale hydro power plant in Austria and one biogas facility in Germany have reached the implementation stage, and a wind farm with 70 to 80 turbines in Austria is now in the project development stage.



SERVICES

Raiffeisen-Holding NÖ-Wien's portfolio of service companies is widely diversified and tailored to the diverse needs of the population, especially in the Lower Austria / Vienna region. These companies include DO&CO Restaurants & Catering AG, a group which operates worldwide; Austria's largest insurance company, UNIQA Versicherungen AG, and NÖ Versicherung AG; as well as a travel agency, real estate brokerage firms and other service providers. As diverse as these companies may be, they do have one thing in common: a dedication to providing top-quality services for their customers.

One major event at DO & CO in 2010 was the company's public offering on the Istanbul stock exchange, where a total of 1,948,800 new shares and 147,078 of the company's own shares were sold. In addition, the company's two core shareholders – the Attila Dogudan Foundation and DZR Immobilien und Beteiligungs GmbH (a wholly owned subsidiary of Raiffeisen-Holding NÖ-Wien) sold over one million of their shares in the company. The percentage of free-floating shares in DO & CO thus jumped from 19% to 47%.



MEDIA

With investments in areas such as print media, private television, broadcasting and outdoor advertising, Raiffeisen-Holding NÖ-Wien maintains a very diverse media portfolio, which is largely bundled in Medicur-Holding Gesellschaft m.b.H. (Medicur). In print media, the group holds stakes in KURIER Zeitungsverlag und Druckerei GmbH, Mediaprint, Verlagsgruppe News GmbH und Niederösterreichisches Pressehaus Druck- und Verlagsgesellschaft m.b.H. As for electronic media, the group's investments include the television broadcaster SAT.1 Privatrund-

funk und Programmgesellschaft m.b.H. and the broadcasting transmission service provider Österreichische Rundfunksender GmbH & Co KG. The group's media portfolio is rounded off by EPAMEDIA (Europäische Plakat- und Aussenmedien GmbH). For Raiffeisen-Holding

NÖ-Wien, the media sector is an important strategic business area. After the formidable challenges of the year 2009, in which the economic crisis had caused profits to slide (sometimes significantly) in print

media and outdoor advertising, the situation improved to a certain extent in 2010. Cost optimization projects and restructuring measures as well as a more stable economic environment began to show their effects, which in turn improved the results in this sector.



REAL ESTATE

Raiffeisen-Holding NÖ-Wien's real estate portfolio is also characterized by a high level of diversification. The portfolio includes energy-efficient office buildings as well as spa facilities and tourist attractions. The group's real estate portfolio comprises 80 managed real estate investments with rentable space totaling 277,000 m². In this context, the group strives to maintain a balance between long-term investments and project development within three strategic business areas: office space, retail space and health care facilities. The portfolio is complemented by the group's stake in Raiffeisen Evolution as well as regional investments focusing on Lower Austria and Vienna.

Raiffeisen-Holding NÖ-Wien deliberately pursues a conservative strategy by signing long-term rental agreements with customers in good credit standing, which generates sustainable revenue streams for the group. Energy efficiency and high ecological standards are becoming increasingly important, and Raiffeisen-Holding NÖ-Wien is working to meet these demands with two ongoing projects: the addition to the Raiffeisenhaus Wien (Raiffeisen-Holding's headquarters) and the Green Worx office building complex.



IFRS CONSOLIDATED FINANCIAL STATEMENTS

RAIFFEISEN-HOLDING NÖ-WIEN

IFRS CONSOLIDATED FINANCIAL STATEMENTS	2010	Chg. (%)	2009	2008	2007
EARNINGS INDICATORS (EUR MILLIONS)					
Net interest income after risk provisions	138.4	565.4	20.8	52.2	64.0
Net commission income	67.2	22.9	54.7	59.0	70.4
Net trading income	24.2	5.2	23.0	-3.3	26.3
Net income from financial investments	-13.1	56.8	-30.3	-191.6	240.1
Net income from associates	338.7	28.1	264.5	237.4	331.1
Other operating income	321.7	-9.8	356.6	420.1	265.3
Net profit for the year before taxes	367.3	74.9	210.0	101.0	634.5
Net group profit for the year	284.1	141.4	117.7	51.2	543.6

BALANCE SHEET INDICATORS (EUR MILLIONS)

Total assets	34,644.7	3.2	33,578.8	29,444.9	21,502.3
Financial assets	4,421.6	9.0	4,057.8	3,844.5	3,354.0
Investments in associated companies	3,841.0	6.1	3,619.4	3,299.6	2,481.6
Loans and advances to banks	10,742.2	-5.9	11,413.8	7,318.4	4,116.5
Loans and advances to customers	9,412.4	12.3	8,383.0	8,349.9	6,777.7
Liabilities to banks	16,178.5	0.3	16,133.0	11,578.1	7,763.9
Liabilities to customers	6,806.8	2.7	6,629.4	6,255.8	5,278.6
Equity	3,444.4	13.9	3,024.7	2,950.5	2,918.6
Equity ratio (%)	16.10	7.50	14.98	14.12	16.46

KEY OPERATIONAL FIGURES

Number of group companies	720	0	720	680	660
Locations operated by group companies ¹	3,800	-2.6	3,900	4,000	3,900
Revenues of group companies ^{1,2}	20,300	-3.3	21,000	21,600	18,000
Number of employees at group companies ¹	162,000	-0.9	163,500	165,000	150,000

¹ Group companies in which material stakes are held. ² EUR (millions)

KEY INVESTMENTS	Locations	Employees (rd.)	Investments in tangible fixed assets*	Revenues*
SÜDZUCKER Group	98	17,500	208	5,718
Amount attributable to AGRANA Group	52	7,930	48	1,989
LLI Group	52	3,630	80	882
NÖ Milch Holding	7	860	18.6	378
STRABAG SE	500	73,600	-	12,777 (output)
EPAMEDIA Group	33	450	8.8	105
DO & CO Group	31	3,540	12.9	353
RZB Group	2,970	60,360	-	136,497 (total assets)
RLB NÖ-Wien	67	1,400	-	32,683 (total assets)

* EUR (millions); figures rounded.

Using resources responsibly: For Raiffeisen-Holding NÖ-Wien, it is a matter of course that a company should use long-lasting office machines and recyclable materials. By paying travel reimbursements for using public transportation or providing electric bicycles and Citybikes (bicycles which can be borrowed for free) for work-related trips around town, the group has made efforts to raise awareness among its employees that we all need to act in an environmentally responsible manner.

In addition, the group is a founding member of the Raiffeisen Climate Protection Initiative, which aims to bundle the climate protection activities of Raiffeisen organizations and to leverage synergies in this area.



on Focusing responsibility

Raiffeisen-Holding NÖ-Wien is a modern cooperative in line with the original vision of Friedrich Wilhelm Raiffeisen. The group is owned by its 180 members, which include the Lower Austrian Raiffeisen banks as well as Raiffeisen warehouses, procurement cooperatives and numerous other cooperatives.

Responsibility, sustainability, values – for Raiffeisen-Holding NÖ-Wien, these are not empty buzzwords, but an integral part of the organization's self-concept as a cooperative. At a time when the after-effects of the financial crisis are still clearly felt, everyone needs to tighten their belts. Despite this challenging situation, Raiffeisen-Holding NÖ-Wien continues to advance its diverse social and ecological commitments.



An exemplary partnership

Raiffeisen NÖ-Wien has enjoyed successful cooperation with the Austrian army for over 30 years. Since the year 2000, Raiffeisen-Holding NÖ-Wien has also maintained a very fruitful partnership with the Lower Austrian Military Command. The core of this partnership is a disaster relief program which has been activated 15 times in the last decade, as well as being placed on alert multiple times. Over the same period, the relief program has been deployed for a total of 331 days.



Together we can make a difference

Raiffeisen's core values of solidarity, subsidiarity and a regional focus are now more important than ever. In line with those values, commitment and responsibility to people and society are high priorities at Raiffeisen-Holding NÖ-Wien. In this regard, the group's activities focus on helping people in need, be it through financial or material contributions. With the combined power of the successful companies in the Raiffeisen-Holding Group, the organization has been able to provide highly effective assistance in charity projects. One example is the Concordia project launched by Pater Georg Sporschil to help street children in Romania and Bulgaria.