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DRAFT

DEMERGER AND ACQUISITION AGREEMENT

between

Raiffeisen Zentralbank Österreich Aktiengesellschaft
with its registered office in Vienna
Am Stadtpark 9, 1030 Vienna
FN 58882 t

as the transferring company

and

Cembra Beteiligungs AG
with its registered office in Vienna
Am Stadtpark 9, 1030 Vienna
FN 125395 f

as the acquiring company

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Preamble

A. Raiffeisen Zentralbank Österreich Aktiengesellschaft, FN 58882 t, with its registered office in Vienna and its business address at Am Stadtpark 9, 1030 Vienna (hereinafter referred to as "**RZB**"), is a stock corporation established under Austrian law.

B. Cembra Beteiligungs AG, FN 125395 f, with its registered office in Vienna and its business address at Am Stadtpark 9, 1030 Vienna (hereinafter referred to as "**Cembra**"), is a stock corporation established under Austrian law.

C. RZB is the sole shareholder of Raiffeisen International Beteiligungs GmbH, FN 294941 m, with its registered office in Vienna and its business address at Am Stadtpark 9, 1030 Vienna, which in turn is the sole shareholder of Cembra. Therefore, Cembra is wholly-owned by RZB, albeit indirectly.

D. Pursuant to § 1 para. 2 no. 2 in connection with § 17 of the Demerger Act (*Spaltungsgesetz*) and based on the provisions of this demerger and acquisition agreement (*Spaltungs- und Übernahmsvertrag*), RZB intends, by means of a demerger by absorption (*Abspaltung zur Aufnahme*), to transfer its "corporate customer business" division, including any associated shareholdings, to Cembra as at the effective date of 31 December 2009 (24:00) by way of universal succession, and by taking advantage of the tax benefits provided under Article VI of the Reorganisation Tax Act (*Umgründungssteuergesetz*). (Step 1 of the reorganisation plan (*Umgründungsplans*), Annex ./1).

E. Furthermore, the intention is to merge Cembra with Raiffeisen International Bank-Holding AG, FN 122119 m, which has its registered office in Vienna and its business address at Am Stadtpark 3, 1030 Vienna (hereinafter referred to as "**RI**"), by means of a merger by absorption (*Verschmelzung durch Aufnahme*) and to transfer Cembra's corporate assets (including the assets and liabilities transferred as part of the demerger) to RI by way of universal succession (Step 2 of the reorganisation plan, Annex ./1). The demerger is a preliminary step for the planned merger of Cembra with RI. Therefore, the entry into force of the merger as a result of it being entered in the Commercial Register immediately after the demerger by absorption (*Abspaltung zur Aufnahme*) has been entered therein forms the basis of this demerger and acquisition agreement. In light of the close link which exists between the demerger and the merger, and given that it is necessary for the required majorities to vote in favour of both measures at the respective general meetings of the companies in question, (i) the validity of this demerger and acquisition agreement is, in particular, subject to the required majorities voting in favour of the merger at the general meetings of RI and Cembra, and (ii) the validity of the merger agreement is, in particular, subject to the required majorities voting in favour of the demerger at the general meetings of RZB and Cembra. If, for whatever reason, the demerger takes effect, but the subsequent merger does not, Section XI. of this agreement shall apply. Furthermore, in such a case the contracting parties will take all measures which are deemed necessary and appropriate in order to restore the original status prior to the demerger.

F. On account of the fact that the demerger and Cembra's merger with RI, as outlined in Section E., shall both take effect at 24:00 on 31 December 2009, and seeing as both concern the same assets and liabilities, either in part or in full, the reorganisation plan – a copy of which is attached to this agreement as Annex ./1 – which was drawn up in accordance with § 39 of the Reorganisation Tax Act (*Umgründungssteuergesetz*), forms the basis of this demerger and acquisition agreement.

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I. Company names and registered offices of the companies involved in the demerger (§ 2 para. 1 no. 1 of the Demerger Act)

1. RZB, with its registered office in Vienna and its business address at Am Stadtpark 9, 1030 Vienna, registered with the Commercial Register of the Commercial Court of Vienna under FN 58882 t, is the company being demerged and therefore the transferring company.

2. Cembra, with its business address at Am Stadtpark 9, 1030 Vienna, registered with the Commercial Register of the Commercial Court of Vienna under FN 125395 f, is the acquiring company.

II. The companies' articles of association (§ 2 para. 1 no. 1 of the Demerger Act)

1. Upon registration of the demerger in the Commercial Register, the articles of association of RZB will be amended to reflect the altered object of the company and the revised version of the articles of association which will apply after the demerger has taken effect is attached to this agreement as Annex ./2. RZB will continue to exist following implementation of the demerger.

2. Upon registration of the demerger in the Commercial Register, the articles of association of Cembra as the acquiring company will be amended to bring them into line with existing regulatory requirements – especially those requirements specified in the Banking Act (*Bankwesengesetz*) – on account of its acquisition of a banking business, and the name of the company will be changed to "Raiffeisen International AG". The proposed articles of association of Cembra which will apply after the demerger has taken effect are attached to this demerger and acquisition agreement as Annex ./3.

III. The transfer of assets and liabilities and the assignment of certain assets (§ 2 para. 1 nos. 2 and 10 of the Demerger Act)

1. RZB shall transfer its "corporate customer business" division, as well as those shareholdings it holds which are connected with the operations of the "corporate customer business" division, to Cembra by way of universal succession on the basis of the closing balance sheet of RZB (*Schlussbilanz*) as at 31 December 2009 (Annex ./4), together with all rights and obligations in accordance with § 1 para. 2 no. 2 of the Demerger Act (*Spaltungsgesetz*). The "sector business" and "investment management" business divisions, as outlined in detail in Section III. 6. of this agreement, are to be retained by RZB and are not the subject of this demerger.

   RZB will continue to exist following the demerger, and in accordance with § 224 para. 2 no. 1 of the Stock Corporation Act (*Aktiengesetz*), no shares will be issued by the acquiring company. The demerged business division is deemed to constitute assets within the meaning of § 32 para. 1 in connection with § 12 para. 2 no. 1 of the Reorganisation Tax Act (*Umgründungssteuergesetz*).

2. RZB and Cembra undertake to perform all legal acts and to take all measures, both in Austria and abroad, which are deemed to be expedient and/or necessary for the proper implementation of the transfer of assets to Cembra under the demerger.

3. Insofar as it proves impossible to transfer individual assets belonging to RZB's "corporate customer business" division, especially the external transfer of contractual relationships, receivables and payables (especially where this is due to laws applicable in foreign jurisdictions), or such transfer does not make sense in economic terms vis-à-vis a third party, RZB undertakes to

act as trustee in respect of such assets and receivables and payables, holding them in its own name, but for the account and risk of Cembra.
Internally between RZB and Cembra, it is agreed that even in such cases, irrespective of the external representation in legal relationships, the economic result from these contractual relationships and receivables and payables shall be for the account of Cembra and this economic result shall be settled between Cembra and RZB in an appropriate form in accordance with the aforementioned result.

With respect to RZB's "Euro Medium Term Note Programme" ("EMTN Programme"), including all bonds issued under this EMTN Programme and those bonds still outstanding (the "EMTN Bonds"), the following shall apply:

On the basis of the assignment of assets agreed upon in this demerger and acquisition agreement by RZB and Cembra (see, in particular, this Section III.), all economic rights and obligations, as between the contracting parties, arising from or in connection with the EMTN Bonds, shall in any event be transferred to Cembra.

Furthermore, RZB's rights and obligations under civil law relating to the EMTN Programme and RZB's status as the issuer of the EMTN Bonds, shall also be transferred to Cembra provided the contracting parties (or their legal successors) expressly inform the creditors of this in accordance with the notification rules applicable under the EMTN Programme.

In the event that only the economic rights and obligations are transferred, the terms of issue for the outstanding EMTN Bonds shall remain unchanged and under these terms, RZB shall continue to be the debtor liable under civil law for claims brought by the creditors in respect of these EMTN Bonds. By virtue of the transfer of economic rights and obligations, Cembra shall, in any event, be obliged to pay vis-à-vis RZB all claims made against RZB by creditors in respect of the outstanding EMTN Bonds.

Settlement between RZB as the issuer in external relationships and Cembra and/or its legal successors shall be performed by offsetting the mutual claims arising from this arrangement, save where another method or approach is agreed upon for individual cases.

4. With regard to the exact description and assignment of the assets and liabilities which can be included in the balance sheet and which will be transferred to Cembra and those which will be retained by RZB and/or assigned to it, reference is made to the balance sheets in Annexes ./4, ./5 and ./11 and Section III. 5. and 6. below.

5. *Description of the demerged assets and liabilities ("corporate customer business" division and associated shareholdings):*

All receivables and payables, rights and obligations, contractual relationships, and legal positions including all burdens, encumbrances and obligations of a non-contractual nature belonging RZB's existing banking business which have not been assigned to the "sector business" and "investment management" divisions, are assigned to the demerged "corporate customer business" division and, as such, are the subject of the demerger and transfer. Thus, the demerged assets and liabilities neither include these business divisions, which are to be retained by the company being demerged, nor do the demerged assets and liabilities include the assets assigned to these business divisions, detailed descriptions of which are provided in Section III. 6.

Therefore, as a non-exhaustive list, the demerged "corporate customer business" division includes, in particular:

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a) The assets of RZB, as shown in the transfer balance sheet (*Übertragungsbilanz*), drawn up in accordance with company law, as at 1 January 2010 (Annex ./5), having regard to the changes which have occurred in the period from 1 January 2010 up until the moment the demerger takes effect upon being entered in the Commercial Register and which either result from the accounting records belonging to RZB's accounts department or from the assignment rules specified under this demerger and acquisition agreement. Furthermore, all agreements, rights and obligations, pending legal proceedings and administrative procedures, and issuances, form part of said assets even if they are not explicitly shown in the transfer balance sheet, insofar as they are functionally assigned to the assets to be transferred and/or relate thereto.

(b) The demerged assets and liabilities of RZB, as shown in the transfer balance sheet as at 1 January 2010, also include, in particular: (save any contracts concluded after 30 May 2010, which expressly state that they will not be transferred):

(i) all receivables and payables and all contingent assets and liabilities from RZB's banking business (including interbank transactions) vis-à-vis clients, unless excluded under Section III. 6, and all related subsidiary agreements such as, in particular, liens, mortgages, guarantees, letters of comfort, escrow agreements, insurance contracts, sub-participation agreements and other collateral agreements;

(ii) all agreements entered into by RZB in respect of its banking business under which software licences are granted, related maintenance agreements and agreements regarding the provision of operational support;

(iii) all contractual relationships with RSC Raiffeisen Daten Service Center GmbH, SWIFT, Euroclear and other infrastructure agreements concluded with service providers for processing and settling banking transactions;

(iv) all subsidiary agreements related to the demerged shareholdings and shares in affiliated undertakings (Annex ./6 and Annex ./7), such as shareholder agreements, option rights or obligations, preemption and acquisition rights and obligations, escrow agreements, improvement agreements and similar covenants, as well as collateral agreements in relation thereto;

(v) all of the assets of foreign branches, offices and representative offices of RZB, as outlined in Annex ./8, including all legal relationships and licences under public law functionally assigned to these representative offices.

(c) Supplementary capital with a nominal value of EUR 800,000,000, which is connected with the issuance of hybrid capital by RZB, is also assigned to the "corporate customer business" division in addition to other supplementary capital bonds with a nominal value of EUR 675,000,000. In this regard, Cembra assumes the obligation both for itself and its legal successors to forward the amounts from the supplementary capital assigned to it as a result of this demerger to RZB as the higher-ranking credit institution under the terms and conditions specified in Annex ./9, in accordance with § 24 para. 2 no. 6 of the Banking Act (*Bankwesengesetz*).

(d) The following form part of RZB's banking business and are connected with the "corporate customer business" division and, as such, will also be transferred:

– all of RZB's contractual relationships with rating agencies, in particular, Fitch Ratings Ltd, Moody's Investors Service and Standard & Poor's, A Division of The McGraw-Hill Companies GmbH;

– all contractual relationships with public funding bodies or companies working on an administrative mandate which are necessary for processing and settling loans or which are otherwise required for processing and settling banking transactions;

– all memberships and licences under public law required for processing and settling banking transactions connected with the banking operations of the "corporate customer business" division, inasmuch as they are not expressly excluded under Section III. 6., in particular:

(i) membership of the "Raiffeisen-Kundengarantie-Gemeinschaft Österreich", the Loan Market Association, the International Forfaiting Association and the International Capital Markets Association;

(ii) the other memberships belonging to the banking business and legal relations with stock exchanges and other trading platforms and settlement systems;

(iii) certifications related to RZB's banking business;

(iv) permits and licences under public law in connection with business operations and the processing and settlement of transactions for the operational banking business connected with the "corporate customer business" division (including authorisation to maintain a stamp duty register (*Gebührenjournal*) and ongoing settlement vis-à-vis the Tax Office for Stamp Duties and Transfer Taxes (*Finanzamt für Gebühren und Verkehrssteuern*) for banking business connected with the "corporate customer business" division).

With respect to its banking licence under § 1 of the Banking Act (*Bankwesengesetz*), it should be noted that upon registration of the demerger in the Commercial Register, (i) RZB shall, on the one hand, retain its banking licence in its current form (insofar as necessary), and on the other hand (ii) the licence in respect of the banking business of the "corporate customer business" division shall (also) be transferred to Cembra.

(e) The fixed assets used by the "sector business" and "investment management" business divisions (in particular, the office furniture and equipment) belong to the fixed assets of RZB shown in the transfer balance sheet which will consequently be transferred to Cembra. An appropriate user fee will be agreed upon in a separate agreement in respect of the physical assets used by RZB's "sector business" and "investment management" business divisions, which will accrue from the day on which the demerger is entered in the Commercial Register.

(f) The leases for the business premises used by RZB will be transferred to Cembra in their entirety and these offices will continue to be used by RZB for the "sector business" and "investment management" business divisions which are to be retained by RZB. Consequently, from the day on which the demerger is entered in the Commercial Register onwards, RZB shall be the subtenant of Cembra in respect of those parts of the offices used by RZB's "sector business" and "investment management" business divisions. An appropriate user fee will be agreed upon in a separate agreement with retroactive effect to 1 January 2010.

Furthermore, the demerged assets and liabilities also include those participations and demerged shares in affiliated undertakings (Annex ./6 and Annex ./7) held by RZB which are connected with the business operations of the "corporate customer business" division.

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6. *Description of the assets and liabilities which shall not be transferred ("sector business" and "investment management" business divisions):*

The "sector business" and "investment management" business divisions, being part of RZB's existing banking business, will not be demerged and transferred. These divisions include business connected with the Austrian Raiffeisen banking group and its function as the central institution of the Austrian Raiffeisen sector and as the central institution of the credit institution group, as well as the investment management of the shareholdings retained as part of RZB, as follows:

a) The "sector business" and "investment management" business divisions were primarily overseen by the organisational units Sector Office, Audit, and Participations Management & Controlling. The employees and/or independent contractors shown in Annex ./10 were or are part of these business divisions. Therefore, the following will not be transferred:

(i) the employment contracts attributable to employees, including pension agreements or pension rights and other contractual and subcontractual rights arising from employment contracts, and associated duties and other encumbrances or obligations under public law (regardless of the provisions or reserves already established in respect thereof);

(ii) contractual relationships in connection with reinsurance cover for the employees retained by RZB, pursuant to this item;

b) Furthermore, those assets and liabilities shown in the remaining assets (demerger) balance sheet (*Restvermögens(Spaltungs)bilanz*) of RZB as at 1 January 2010, which is attached to this agreement as Annex ./11, shall be retained as part of RZB's "sector business" and "investment management" business divisions, having regard to the changes which have occurred in the period between 1 January 2010 and the moment at which the demerger takes effect upon being entered in the Commercial Register, and which result from the accounting records belonging to RZB's accounts department, such as a register of assets and a list of creditors and debtors. This also includes all legal relationships from the following individually listed asset and liability items (in each case including the associated legal relationships, and in particular, the collateral relating thereto):

(i) "Cash in hand and balances at central banks" (Assets Item 1)

A balance at the Austrian National Bank in the amount of EUR 2,281,949,501.09 as of 31 December 2009, as well as (i) the credit balance at the Austrian National Bank from 1 January 2010 until this demerger takes effect, which corresponds to (a) the minimum reserve of the institutions affiliated with RZB as the central institution, and (b) the minimum reserve for the liabilities for which a minimum reserve must be maintained with regard to the demerged "corporate customer business" division, and (ii) the credit balance of the settlement account with Cembra which has developed from transfers of the excess amount over the required minimum reserve;

(ii) "Loans and advances to credit institutions" (Assets Item 3)

The interbank receivables listed in Attachment 1 to Annex ./11, including interbank receivables from 1 January 2010 until this demerger takes effect from those credit institutions which are affiliated to RZB as the central institution. It should be noted that no trading book transactions (interbank deposits, repo and loan transactions) and no receivables from the clearing business form part of the retained interbank receivables. Likewise, no loans which are or were only booked via GEBOS and not in the "Wallstreet" settlement system managed by RZB;

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(iii) "Equity participations" (Assets Item 7)

The participations listed in Attachment 2 of Annex ./11, including all subsidiary agreements in relation to these participations, such as shareholder agreements, option rights or obligations, preemption and acquisition rights and obligations, escrow agreements, improvement agreements and similar covenants, as well as collateral agreements in relation thereto;

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(iv) "Shares in affiliated undertakings" (Assets Item 8)

The shares held by RZB in affiliated undertakings, as set out in Attachment 3 of Annex ./11, including all subsidiary agreements in relation to these participations, such as shareholder agreements, option rights or obligations, preemption and acquisition rights and obligations, escrow agreements, improvement agreements and similar covenants, as well as collateral agreements in relation thereto;

(v) "Intangible fixed assets and tangible fixed assets" (Assets Items 9 and 10)

RZB's tangible fixed assets and intangible fixed assets, as outlined in Attachments 4 and 5 of Annex ./11;

(vi) "Other fixed assets and prepayments and accrued income" (Assets Items 11 and 12)

RZB's other fixed assets and prepayments and accrued income, set out in Attachments 6 and 7 of Annex ./11;

(vii) "Amounts owed to credit institutions" (Liabilities Item 1)

The amounts owed by RZB to credit institutions, as set out in Attachment 8 of Annex ./11, including minimum reserve deposits from 1 January 2010 until this demerger takes effect, owed to those credit institutions which are affiliated to RZB as the central institution. It should be noted that no trading book transactions (interbank deposits, repo and loan transactions) and no payables from the clearing business form part of the retained interbank payables. Likewise, no borrowed funds form part of the retained interbank payables which are or were only booked via GEBOS and not in the "Wallstreet" settlement system managed by RZB;

(viii) "Other liabilities and accruals and deferred income" (Liabilities Items 4 and 5)

RZB's other liabilities and accruals and deferred income, set out in Attachments 9 and 10 of Annex ./11;

(ix) "Provisions for liabilities and charges" (Liabilities Item 6)

RZB's provisions for liabilities and charges, as outlined in Attachment 11 of Annex ./11;

(x) "Participation capital" (Liabilities Item 9)

The participation capital from the issuance "Perpetual non-cumulative non-voting Participation Capital Notes 2008/1" in the amount of EUR 250 million, as outlined in Attachment 12 of Annex ./11;

(xi) "Equity" (Liabilities Items 10 to 17)

All of RZB's equity components, as outlined in Attachment 13 to Annex ./11.

With regard to the issuances from hybrid capital, Attachment 14 to Annex ./11, which are attributable to RZB on a consolidated basis as the leading credit institution of the credit institution group, it should be noted that the undertakings given by RZB in this regard under what are called "support agreements" will also be retained by RZB.

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c) Furthermore, the following assets, contractual relationships, rights and memberships which are not shown in the balance sheet, or not shown separately, also form part of the "sector business" and "investment management" divisions:

(i) the "Agreement to safeguard the stability of the financial markets by participating in a system of joint liquidity equalisation" (*Übereinkommen zur Sicherung der Finanzmarkt-stabilität an einem System des gemeinsamen Liquiditätsausgleiches teilzunehmen*) dated 17 September 2008 which was concluded between RZB and the institutions affiliated with it in accordance with § 25 para. 13 of the Banking Act (*Bankwesengesetz*);

(ii) the "netting agreements" concluded with the Raiffeisen-Landesbanken for the purposes of processing and settling "sector business", as specified in Annex ./12;

(iii) the insurance contracts specified in Annex ./13 concluded with the UNIQA insurance group by RZB as the leading institution, but which cover all of its affiliated group companies. The amount to be paid in future for the demerged "corporate customer business" division will be fixed in a separate agreement;

(iv) lease agreements for the vehicles used as company cars, as specified in Annex ./14;

(v) the rights and obligations arising from or in connection with pension agreements under active employment contracts of former employees and current or former members of the administrative bodies of RZB;

(vi) all legal relationships entered into by RZB in connection with its function as the body responsible for "Raiffeisen's central advertising service", in particular, the agreements set out in Annex ./15;

(vii) the contractual relationships related to the activities of the internal audit/group audit, as set out in Annex ./16;

(viii) the trademark rights attributable to RZB as the holder or other beneficiaries and the internet domain names registered on their behalf;

(ix) all of the works of art belonging to RZB, in particular, RZB's collection of water colours and paintings;

(x) the offices of the RZB Group in Brussels as well as all related employment contracts and other agreements;

(xi) RZB's membership of the Association of Banks and Bankers, of Österreichischen Raiffeisen Einlagensicherung, of the Unico banking group, as well as the other associations listed in Annex ./17, or organisations;

(xii) all IT contracts concluded by RZB after 30 May 2010 in respect of the "sector business" and "investment management" divisions;

(xiii) the sponsoring and cooperation agreements with the legal entities specified in Annex ./18.

d) Furthermore, if assets (assets and liabilities), rights, obligations, contractual relationships, as well as rights, liabilities and other legal relationships which cannot be included in the balance sheet, unambiguously and comprehensively belong or belonged to the retained "sector business" or "investment management" divisions or to the assets or legal relationships

assigned to these divisions on the basis of this Section III. 6 on the effective date of the demerger or at the time the demerger takes effect (i.e. when it is entered in the Commercial Register of the Commercial Court of Vienna), they shall also be retained by RZB.

IV. Rules for assigning the "Raiffeisen participation capital 2008/2009"

The issuance "Raiffeisen participation capital 2008/2009" is functionally connected with the "corporate customer business" division and will therefore be transferred to Cembra as part of the demerger. Therefore, upon registration of the demerger in the Commercial Register, all of the provisions set forth in the terms of this issuance which refer to RZB shall, by virtue of universal succession, henceforth refer to Cembra and any potential legal successor. Likewise, by virtue of universal succession, Cembra and any potential legal successor shall succeed RZB in the agreement reached with the Republic of Austria regarding subscription for "Raiffeisen participation capital 2008/2009".

Due to its specific form, the "Raiffeisen participation capital 2008/2009" issuance is assigned "nominal character" (*Nominalcharakter*). In connection with this demerger, no adjustment or other precautionary measure, within the meaning of anti-dilution (*Verwässerungsschutz*) pursuant to § 23 para. 5 of the Banking Act (*Bankwesengesetz*), will be made or taken. Equivalent rights will not be newly granted in connection with this demerger, nor will rights be changed or the rights themselves be compensated within the meaning of § 15 para. 5 of the Demerger Act (*Spaltungsgesetz*).

V. Positive fair market value of the "corporate customer business" division

The transferred assets at their book values as at 31 December 2009 in the amount of approximately EUR 75,710 million exceed the transferred liabilities (liabilities, accruals and deferred income, provisions for liabilities and charges, subordinated liabilities, supplementary capital) in the amount of approximately EUR 73,342 million (also given at their book values as at 31 December 2009), meaning that positive equity capital will be transferred. Furthermore, the management boards of the companies involved in the demerger have established that the fair market value of the transferred assets and liabilities is also positive even if the participation capital and the risk reserve (*Haftrücklage*) are not included in the equity capital. The transferred participation capital and the transferred risk reserve are covered by the transferred assets and liabilities on account of the higher fair market value of the transferred assets.

VI. Granting of shares and the exchange ratio, additional payments (§ 2 para. 1 no. 3 of the Demerger Act)

1. As the sole shareholder of Raiffeisen International Beteiligungs GmbH, RZB as the company being demerged indirectly holds a 100% shareholding in Cembra. In accordance with § 17 no. 5 of the Demerger Act (*Spaltungsgesetz*) in connection with § 224 para. 2 no. 1 of the Stock Corporation Act (*Aktiengesetz*), no shares will be granted by Cembra to the shareholders of RZB in light of the fact that the shareholders hold the same proportion of shares in both the acquiring company and the transferring company, either directly or indirectly.

2. This demerger by absorption (*Abspaltung zur Aufnahme*) shall be made on the basis of the ownership structure shown, thereby maintaining existing ownership ratios. No additional cash payments will be made.

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VII. Exchange and details regarding the granting of shares (§ 2 para. 1 no. 5 of the Demerger Act)

An exchange of RZB shares will not be made. Likewise, Cembra will not be issuing any new shares.

VIII. Dividend rights for new shares (§ 2 para. 1 no. 6 of the Demerger Act)

A provision regarding dividend rights is not required as no new shares will be issued and shares will also not be reassigned.

IX. Nominal capital and allocated reserves of the company being demerged and the acquiring company (§ 2 para. 1 no. 4, § 3 para. 4 of the Demerger Act)

The nominal capital of RZB will not be reduced on account of the fact that its share capital plus its allocated reserves under company law are covered by its remaining assets as specified in the remaining assets (demerger) balance sheet (*Restvermögens(Spaltungs)bilanz*) as at 1 January 2010 in Annex ./11. The provisions of § 3 para. 4 of the Demerger Act (*Spaltungsgesetz*) have been complied with. In particular, both the book value and the actual value of the remaining net assets of the company being demerged following implementation of the demerger at least correspond to the share capital plus allocated reserves. Further assessment is therefore not required under § 2 para. 1 no. 4 of the Demerger Act (*Spaltungsgesetz*).

X. Effective date of the demerger (§ 2 para. 1 no. 7 of the Demerger Act)

The annual financial statements of RZB as at 31 December 2009 form the basis of the demerger. Pursuant to § 2 para. 1 no. 7 of the Demerger Act (*Spaltungsgesetz*), the effective date of the demerger is 31 December 2009 (24:00). At midnight (24:00) on 31 December 2009, all acts taken in relation to the assets transferred shall, for internal purposes and for the purposes of financial accounting, be deemed to have been carried out for the account of Cembra. From 1 January 2010 onwards (00:00), all benefits and encumbrances arising from the transferred assets shall apply to Cembra.

XI. IT effective date / transfer of operations

1. As the validity of the demerger (and the subsequent planned merger of Cembra with RI) depends on it being entered in the Commercial Register and because the time at which this will occur can only be predicted to a limited extent, the parties hereby agree as follows:

   The contracting parties are to agree upon an effective date for completion of the IT-related measures regarding the implementation of the demerger which is close to the anticipated implementation of the demerger.

   From this point in time, the demerged “corporate customer business” division will be designated as an independent “client” in RZB’s IT systems in order to make it possible for the banking business to be transferred to Cembra (also in the course of the subsequent planned merger with RI) as smoothly as possible.

In the event that the demerger is entered in the Commercial Register before this point in time, it shall be determined that all transactions concerning the "corporate customer business" division, even to the extent that they were processed in RZB's systems, meaning that RZB can, on the surface and to the outside world, appear to be the contracting party, shall be deemed to be transactions concluded by Cembra. The attribution between RZB and Cembra (also in the course of the following planned merger with RI) has to be made, where necessary, by making the corresponding corrections, resulting neither in profit nor loss.

2. For the period beginning at the time the demerger takes legal effect up until the merger of Cembra with RI takes legal effect, which immediately follows the demerger, as specified in the reorganisation plan (*Umgründungsplan*), Cembra shall issue RZB's authorised representatives (*Prokuristen*) commercial power of attorney (*Handlungsvollmacht*) and the power to enter into and conclude agreements (*Abschlussvollmacht*) with respect to the banking business related to the demerged "corporate customer business" division in order to ensure the continuity of business operations. The appropriate IT precautions will be taken for transferring the accounting system and the reporting system required under banking laws to the legal successor and the required delimitations.

3. If, in individual cases, banking transactions connected with the "corporate customer business" division have been concluded in the name of RZB after the demerger has been entered in the Commercial Register, either due to mistakes made in implementing the changes to the IT system with respect to the demerger, or due to a lack of availability of Cembra's settlement system, or due to other operational errors made by third parties, the allocation to Cembra vis-à-vis the relevant third parties must be made as soon as possible and/or a proper allocation between RZB and Cembra must in any case be made in accordance with the provisions of this agreement by making the corresponding entry corrections.

XII. Special rights
(§ 2 para. 1 no. 8 of the Demerger Act)

No special rights or other rights within the meaning of § 2 para. 1 no. 8 of the Demerger Act (*Spaltungsgesetz*) shall be granted to shareholders, the holders of bonds, or other persons within the meaning of § 2 para. 1 no. 8 of the aforementioned Act. No measures within the meaning of § 2 para. 1 no. 8 in connection with § 15 para. 5 of the aforementioned Act shall be taken.

XIII. Special benefits
(§ 2 para. 1 no. 9 of the Demerger Act)

No special benefits have been granted to members of the management or supervisory boards of the companies involved in the demerger. Likewise, no special benefits have been granted to an auditor, bank auditor (*Bankprüfer*), company foundation auditor (*Gründungsprüfer*), remaining assets auditor (*Restvermögensprüfer*), reorganisation auditor (*Umwandlungsprüfer*), demerger auditor (*Spaltungsprüfer*), merger auditor (*Verschmelzungsprüfer*) or any other auditor, in accordance with § 2 para. 1 no. 9 of the Demerger Act.

The adequate fee to be paid to the demerger auditor for conducting the demerger audit does not constitute a special benefit within the meaning § 2 para. 1 no. 9 of the Demerger Act. The same shall apply to the auditor and remaining assets auditor, and to all other auditors.

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XIV. The assignment of other assets
(§ 2 para. 1 no. 11 of the Demerger Act)

If assets (assets and liabilities), rights, obligations, contractual relationships, as well as rights, liabilities and other legal relationships, which cannot be included in the balance sheet, do not or did not unambiguously and comprehensively belong to the retained "sector business" or "investment management" divisions or to the assets or legal relationships assigned to these divisions on the basis of this Section III., the assets (assets and liabilities), rights, obligations, and contractual relationships in question shall be assigned to Cembra.

XV. Balance sheets
(§ 2 para. 1 no. 12 of the Demerger Act)

The following are deemed to be intergral components of this demerger and acquisition agreement:

- the closing balance sheet (*Schlussbilanz*) of the transferring company as at 31 December 2009, Annex ./4;
- the transfer balance sheet (*Übertragungsbilanz*) of the transferring company as at 1 January 2010, showing the transferred assets and liabilities, Annex ./5; and
- the remaining assets (demerger) balance sheet (*Restvermögens(Spaltungs)bilanz*) of the transferring company as at 1 January 2010, showing the assets retained by the transferring company after the demerger, Annex ./11.

The commercial and fiscal book values for the assets and liabilities transferred as part of the demerger (including the participation capital and risk reserve) will continue to be used.

XVI. Cash settlement
(§ 2 para. 1 no. 13 of the Demerger Act)

There is no need to make an offer for cash settlement as it concerns a demerger within the legal form of a stock corporation where the existing ratios are maintained.

XVII. Mutual indemnification

1. RZB undertakes to indemnify and hold Cembra (and its legal successors) free and harmless in the event of claims arising from liabilities and other obligations which are assigned to the remaining assets not transferred to Cembra.

2. In return, Cembra undertakes to indemnify and hold RZB free and harmless regarding all liabilities and other duties which are assigned to the demerged "corporate customer business" division.

3. The Management Board of RZB and the Management Board of Cembra stress that this duty to indemnify and hold the other party free and harmless only applies between the parties internally and that this is without prejudice to the consequences of § 15 of the Demerger Act (*Spaltungsgesetz*).

XVIII. Duties, taxes, fees and costs

NOTE: This is a translation from German original into English; only the German original is valid and binding.

1. It should be noted that the "corporate customer business" division, which was demerged in accordance with Article VI of the Reorganisation Tax Act (*Umgründungssteuergesetz*), has been held as an asset by RZB within the meaning of § 38 para. 5 of the aforementioned Act for more than two years, constitutes a branch of activity (*Teilbetrieb*) within the meaning of § 6 para. 1 no. 3 of the Capital Transactions Tax Act (*Kapitalverkehrsteuergesetz*), and that the tax jurisdiction of the Republic of Austria regarding the hidden reserves (*stille Reserven*) and any possible goodwill is not affected. With respect to the business divisions retained by RZB, it should be noted that as at the effective date these divisions did not constitute independent branches of activity, but as a result of adopting the appropriate measures, such independent management has been secured since the effective date or this will have been achieved by the time the demerger is entered in the Commercial Register.

2. The regulations of Article VI of the Reorganisation Tax Act (*Umgründungssteuergesetz*) shall apply to the demerger. In respect of this demerger, advantage is taken of the tax benefits provided under Article VI of the aforementioned Act. The Reorganisation Tax Act shall be used as rules of interpretation, so that in the event of any lack of clarity or in the event of cases not considered here, those rules shall apply in addition to this agreement which lead to fulfilment of the standard requirements for and legal consequences of a demerger under Article VI of the Reorganisation Tax Act.

3. All costs, taxes, fees and duties associated with the demerger by absorption (*Abspaltung zur Aufnahme*) and the preparation and implementation of this agreement are to be borne by RZB. Each party shall bear the costs it incurs for legal advice and assistance.

XIX. Applicable law

This agreement is subject to and construed in accordance with Austrian law. The application of the act on international private law (*Internationales Privatrechtsgesetz*) and other conflict-of-law rules (in particular, the Rome I Ordinance) is excluded to the extent that this is legally permissible.

XX. Dispute resolution

1. RZB and Cembra undertake to attempt to resolve all disputes arising from or in connection with this agreement by holding negotiations, such as, for instance, in the event that there are doubts in connection with the transfer of contractual relationships which are subject to the laws of a foreign jurisdiction.

2. If an agreement cannot be reached at the negotiating table, the contracting parties hereby agree that the Commercial Court of Vienna (*Handelsgerichts Wien*) shall have sole jurisdiction to settle all disputes arising from or in connection with this agreement.

XXI. Conditions, actions or applications for annulment

1. The validity of this agreement is subject to:

   - it being approved by the General Meetings of RZB and Cembra; and

   - the required majorities voting in favour of the adoption of resolutions at the General Meetings of RI and Cembra on the merger, outlined as Step 2 in the reorganisation plan (*Umgründungs-plan*) (Annex ./1).

Furthermore, pursuant to § 21 para. 1 no. 6 of the Banking Act (*Bankwesengesetz*), the approval of the Financial Market Authority (*Finanzmarktaufsicht*) is also necessary for the demerger to be entered in the Commercial Register.

2. At the General Meeting which decides on this demerger, the Management Board of the transferring company shall, in consultation with the Management Board of the acquiring company, be authorised to apply for the demerger to be entered in the Commercial Register only if no applications or actions for annulment are pending in respect of the demerger or the associated resolutions, especially the resolutions regarding the merger to be adopted at the General Meeting of RI, or only if such applications or actions will probably not be prevented after examining from a legal point of view the matter of the registration of the demerger and/or merger in the Commercial Register (and their entry into force and the entry into force of all associated resolutions).

3. In the event that registration of the demerger or the merger and all associated resolutions is delayed beyond 31 December 2010 due to pending applications and actions for annulment, the management boards of the companies are, with the approval of their respective supervisory boards, and without requiring a resolution to be adopted at a General Meeting, authorised to cancel the merger agreement not yet entered in the Commercial Register with retroactive effect to 31 December 2009 and to withdraw their application for the merger to be entered in the Commercial Register.

XXII. Final provisions

1. Changes, amendments and additions to this agreement, including this Section XXII, shall be made in the form of a notarial deed for such changes, amendments and additions to take effect.

2. Should one of the provisions of this agreement be or become invalid or unenforceable, this shall not affect the validity of the other provisions. The contracting parties shall undertake to replace the invalid or unenforceable provision with one which comes closest to the intended purpose of the invalid or unenforceable provision (salvatorian clause).

XXIII. Official copies

1. Any number of official copies of this agreement can, by unilateral request, be distributed to all contracting parties, including their legal successors, their respective management boards and any liquidators.

2. This agreement was recorded in the form of a notarial deed, the entire contents of which were read aloud to those appearing before me, a notary public, all of whom approved that said contents are in accordance with their wishes and signed this document in my presence.

NOTE: This is a translation from German original into English; only the German original is valid and binding.

Vienna, …

……..	……..
Raiffeisen Zentralbank Österreich Aktiengesellschaft	Cembra Beteiligungs AG

Attachments:

Reorganisation plan (*Umgründungsplan*) pursuant to § 39 of the Reorganisation Tax Act (Annex ./1)
New articles of association of RZB (Annex ./2)
New articles of association of Cembra (Annex ./3)
Closing balance sheet (*Schlussbilanz*) of RZB as at 31 December 2009 (Annex ./4)
Transfer balance sheet (*Übertragungsbilanz*) (Annex ./5)
Demerged participations (Annex ./6)
Demerged shares in affiliated undertakings (Annex ./7)
Assets of foreign branches, offices and representative offices of RZB (Annex ./8)
Terms and conditions pursuant to § 24 para. 2 no. 6 of the Banking Act (Annex ./9)
Employees and/or independent contractors from the "sector business" and "investment management" business divisions (by employee number) (Annex ./10)
Remaining assets (demerger) balance sheet (Restvermögens(Spaltungs)bilanz) of RZB as at 1 January 2010 (Annex ./11)
"Netting agreement" concluded with Raiffeisen-Landesbanken for the purposes of processing and settling "sector business" (Annex ./12)
Insurance contracts concluded with the UNIQA insurance group (Annex ./13)
Lease agreements for the vehicles used as company cars (Annex ./14)
Agreements entered into by RZB in connection with its function as the body responsible for "Raiffeisen's central advertising service" (Annex ./15)
Contractual relationships regarding the activities of the internal audit/group audit (Annex ./16)
Associations and organisations (Annex ./17)
Sponsoring and cooperation agreements (Annex ./18)