Capital adequacy and liquidity disclosure of the Raiffeisen Group as of 30 June 2018

RAIFFEISEN

Table of contents

The FINMA Circular 2016/01 "Disclosure – banks" stipulates the scope of the capital adequacy and liquidity disclosure. At year end all tables relevant to an institute must be disclosed. The scope of disclosure reduces significantly for the quarterly and half-yearly disclosure. The present document corresponds to the regulatory quarterly disclosure requirements for the Raiffeisen group.

Introduction

The Raiffeisen Group, in its capacity as the central organisation, is obligated to comply with capital adequacy rules and is thus required by supervisory law to make risk, capital adequacy and liquidity disclosures.

This disclosure is based on FINMA Circular 2016/1 'Disclosure – banks’.

Quantitative information has been disclosed in accordance with the requirements laid down in the Capital Adequacy Ordinance. Some of this information cannot be directly compared with that provided in the consolidated accounts, which is reported in line with the accounting requirements for banks laid down in FINMA Circular 2015/1.

Capital adequacy calculations are based on the same group of consolidated companies as the consolidated accounts. The key Group companies that are fully consolidated or consolidated according to the equity method can be found in the Raiffeisen Group’s Annual Report (Notes to the consolidated annual accounts: Section “Information on the balance sheet”, Table 7 “Companies in which the bank holds a permanent direct or indirect significant participation”).

On 16 June 2014, the Swiss National Bank (SNB) issued an order classifying the Raiffeisen Group as systemically important. The provisions covering systemic importance require an additional capital adequacy disclosure. The corresponding information on risk-weighted capital adequacy and unweighted capital adequacy (leverage ratio) are available at the end of this disclosure.

Minimum disclosure requirements

		30.6.2018 in CHF million
1	**Minimum capital based on risk-based requirements**	**7,875**
2	**Eligible capital**	**16,651**
3	of which "hard" core capital (CET1)	15,391
4	of which core capital (T1)	16,376
5	**Risk-weighted positions (RWA)**	**98,436**
6	**CET1 ratio (Common Equity Tier 1 capital as % of RWA)**	**15.64%**
7	**Core capital ratio (core capital as % of RWA)**	**16.64%**
8	**Total capital ratio (as % of RWA)**	**16.92%**
9	Countercyclical capital buffer (as % of RWA)	1.16%
10	CET1 target ratio (as %) pursuant to note 8 of the CAO plus countercyclical capital buffer [1]	10.36%
11	T1 target ratio (as %) pursuant to note 8 of the CAO plus countercyclical capital buffer [1]	12.56%
12	Total capital target ratio (as %) pursuant to note 8 of the CAO plus countercyclical capital buffer [1]	15.56%
13	**Basel III leverage ratio (core capital as % of overall exposure)**	**7.01%**
14	Exposure	233,522
21	**Short-term liquidity coverage ratio, LCR (as %) in Q2**	**115.35%**
22	Numerator of LCR: Total high-quality liquid assets	21,413
23	Denominator of LCR: Total net cash outflows	18,564
24	**Short-term liquidity coverage ratio, LCR (as %) in Q1**	**124.10%**
25	Numerator of LCR: Total high-quality liquid assets	22,537
26	Denominator of LCR: Total net cash outflows	18,160

1 Derived from the CAO and the FINMA decision of July 2015, the CET1 target ratio is 9.2%, the T1 target ratio is 11.4% and the total capital target ratio is 14.4%, plus a countercyclical buffer of 1.14% in each case.

Composition of eligible capital - reconciliation

	30.6.2018 in CHF million	Reference[1]	31.12.2017 in CHF million	Reference[1]
Balance sheet				
Assets				
Liquid assets	19,603		20,523	
Amounts due from banks	6,464		8,332	
Amounts due from securities financing transactions	240		232	
Amounts due from customers	8,605		7,916	
Mortgage loans	176,262		172,622	
Trading portfolio assets	3,975		3,879	
Positive replacement values of derivative financial instruments	1,574		1,677	
Financial investments	7,499		7,593	
Accrued income and prepaid expenses	326		278	
Non-consolidated participations	640		650	
Tangible fixed assets	2,897		2,803	
Intangible assets	352		372	
of which goodwill	347	(I)	372	(I)
Other assets	1,014		852	
Total assets	**229,450**		**227,728**	
Liabilities				
Amounts due to banks	11,045		12,603	
Liabilities from securities financing transactions	2,760		2,201	
Amounts due in respect of customer deposits	165,563		164,085	
of which subordinated time deposits, eligible as supplementary capital (T2)	61	(II)	68	(II)
Trading portfolio liabilities	116		134	
Negative replacement values of derivative financial instruments	1,627		1,692	
Liabilities from other financial instruments at fair value	2,924		2,580	
Cash bonds	698		836	
Bond issues and central mortgage institution loans	26,558		25,939	
of which subordinated bond, eligible as additional core capital (AT1)	985	(III)	1,134	(III)
of which subordinated bond, eligible as supplementary capital (T2) – phase out	214	(IV)	268	(IV)
Accrued expenses and deferred income	880		851	
Other liabilities	150		160	
Provisions	965		949	
of which deferred taxes for untaxed reserves	922		907	
Reserves for general banking risks	80	(VI)	80	(VI)
Cooperative capital	2,051		1,957	
of which eligible as "hard" core capital (CET1)	2,051	(V)	1,957	(V)
Retained earnings reserve	13,611	(VI)	12,746	(VI)
Currency translation reserve	0	(VI)	0	(VI)
Group profit	416	(VII)	917	(VII)
Minority interests in equity	5		-0	
of which eligible as "hard" core capital (CET1)	-	(VIII)	-	(VIII)
Total equity capital (with minority interests)	**16,164**		**15,700**	
Total liabilities	**229,450**		**227,728**	

1 The references refer to table «Composition and presentation of eligible regulatory capital».

Composition and presentation of eligible regulatory capital

	in CHF million	30.6.2018	Reference [1]	31.12.2017	Reference [1]
	Common equity (CET1)				
1	Issued and paid-in capital, fully eligible	2,051	(V)	1,957	(V)
2	Retained earnings reserve (inclusion reserves for general banking risks)	13,691	(VI)	12,826	(VI)
2	Group profit [2]	-	(VII)	864	(VII)
5	Minority interests	-	(VIII)	-	(VIII)
6	**Total "hard" core capital (CET1) before adjustments**	**15,743**		**15,647**	
	= Common Equity Tier 1 capital before regulatory adjustments				
8	Goodwill	-347	(I)	-365	(I)
9	Other intangibles	-5	(I)	-7	(I)
28	**= Total regulatory adjustments to CET1**	**-352**		**-372**	
29	**= Common Equity Tier 1 capital (net CET1)**	**15,391**		**15,275**	
	Additional Tier 1 capital (AT1)				
30	Issued and paid in instruments, fully eligible	985	(III)	1,134	(III)
31	of which: classified as equity under applicable accounting standards	-		-	
32	of which: classified as liabilities under applicable accounting standards	985		1,134	
36	**= Additional Tier 1 capital before regulatory adjustments**	**985**		**1,134**	
43	= Total regulatory adjustments to AT1	-		-	
44	**= Additional Tier 1 capital (net AT1)**	**985**		**1,134**	
45	**= Tier 1 capital (net Tier 1)**	**16,376**		**16,409**	
	Tier 2 capital (T2)				
46	Issued and paid in instruments, fully eligible	61	(II)	68	(II)
47	Issued and paid in instruments, subject to phase-out	214	(IV)	268	(IV)
51	**= Tier 2 capital before regulatory adjustments**	**275**		**335**	
57	= Total regulatory adjustments to T2	-		-	
58	**= Tier 2 capital (net T2)**	**275**		**335**	
59	**= Regulatory capital (net T1 & T2)**	**16,651**		**16,744**	
60	**Total risk-weighted assets**	**98,436**		**96,343**	
	Capital ratios				
61	**CET1 ratio (item 29, as a percentage of risk-weighted assets)**	**15.6%**		**15.9%**	
62	**T1 ratio (item 45, as a percentage of risk-weighted assets)**	**16.6%**		**17.0%**	
63	**Regulatory capital ratio (item 59, as a percentage of risk-weighted assets)**	**16.9%**		**17.4%**	
64	CET1 requirements in accordance with the Basel minimum standards (minimum requirements + capital buffer + counter-cyclical buffer) plus the capital buffer for systemically important banks (as a percentage of risk-weighted assets) [3]	7.0%		7.0%	
65	of which, capital buffer in accordance with Basel minimum standards (as a percentage of risk-weighted assets)	2.5%		2.5%	
66	of which, countercyclical buffer in accordance with the Basel minimum standards (as a percentage of risk-weighted assets) [3]	0.0%		0.0%	
67	of which, capital buffer for systemically important institutions in accordance with the Basel minimum standards (as a percentage of risk-weighted assets)	0.0%		0.0%	
68	CET1 available to meet minimum and buffer requirements as per the Basel minimum standards, after deduction of the AT1 and T2 requirements met by CET1 (as a percentage of risk-weighted assets) [4]	13.4%		13.9%	
	Amounts below the thresholds for deduction (before risk-weighting) [5]				
72	Non-qualified participation in the financial sector	137		196	
73	Other qualified participations in the financial sector (CET1)	524		530	

1 The references refer to table «Composition of eligible capital – reconciliation».

2 As of june 30 without group profit

3 Without considering the national countercyclical buffer

4 The CET1 capital available according to this presentation (line 68) and the requirements (lines 64-67) are presented without consideration of transitional provisions.

5 The major participations pursuant to note 7.2 «Participations valued using the equity method» and note 7.3 «Other non-consolidated participations» of the Raiffeisen Group's annual report are risk-weighted for calculating capital adequacy.

OV1: Overview of risk-weighted assets

	in CHF million	30.06.2018	31.12.2017	30.06.2018
		a	b	c
		RWA	RWA	Minimum Capital Requirement [1]
1	**Credit risk (excluding counterparty credit risk) (CCR)**	**88,203**	**85,701**	**7,056**
2	Of which standardised approach (SA)	88,203	85,701	7,056
3	Of which internal rating-based (IRB) approach	-	-	-
4	**Counterparty credit risk**	**581**	**529**	**47**
5	Of which standardised approach for counterparty credit risk (SA-CCR)[2]	581	529	47
6	Of which internal model method (IMM)	-	-	-
7	**Equity positions in banking book under market-based approach**	**-**	**-**	**-**
8	**Equity investments in funds – look-through approach**	**-**	**-**	**-**
9	**Equity investments in funds – mandate-based approach**	**-**	**-**	**-**
10	**Equity investments in funds – fall-back approach**	**-**	**-**	**-**
11	**Settlement risk**	**-**	**0**	**-**
12	**Securitisation exposures in banking book**	**-**	**-**	**-**
13	Of which IRB ratings-based approach (RBA)	-	-	-
14	Of which IRB Supervisory Formula Approach (SFA)	-	-	-
15	Of which SA/simplified supervisory formula approach (SSFA)	-	-	-
16	**Market risk**	**2,603**	**3,110**	**208**
17	Of which standardised approach (SA)	2,603	3,110	208
18	Of which internal model approaches (IMM)	-	-	-
19	**Operational risk**	**5,737**	**5,677**	**459**
20	Of which Basic Indicator Approach	5,737	5,677	459
21	Of which Standardised Approach	-	-	-
22	Of which Advanced Measurement Approach	-	-	-
23	**Amounts below the thresholds for deduction (subject to 250% risk weight)**	**1,311**	**1,325**	**105**
24	**Floor adjustment**	**-**	**-**	**-**
25	**Total**	**98,436**	**96,343**	**7,875**

1 The required capital for all items amounts to 8% of the risk-weighted assets (RWA).

2 The current exposure method is used to measure the counterparty credit risk of derivative transactions for the purposes of determining capital adequacy requirements.

CR1: Credit risk - credit quality of assets

	in CHF million	30.6.2018			
		a	b	c	d
		Gross carrying values		Allowances / impairments	Net values
		Defaulted exposures [1]	Non-defaulted exposures		
1	Loans (excluding debt securities)	960	190,063	217	190,806
2	Debt securities	-	7,399	-	7,399
3	Off-balance sheet exposures	2	9,866	11	9,857
4	**TOTAL**	**962**	**207,327**	**228**	**208,061**
	TOTAL 31.12.2017	1,042	204,764	222	205,585

1 An exposure is considered 'defaulted' when it is classified as either 'impaired' or 'past due' as defined by financial reporting rules.

CR2: Credit risk - changes in stock of defaulted loans and debt securities

	in CHF million	30.06.2018
		a
1	Defaulted loans and debt securities at end of the previous reporting period	1,042
2	Loans and debt securities that have defaulted since the last reporting period	223
3	Returned to non-defaulted status	-296
4	Amounts written off	-7
5	Other changes	-
6	**Defaulted loans and debt securities at end of the reporting period**	**962**

CR3: Credit risk - overview of mitigation techniques

in CHF million	a	b	c	d	e	f	g
	Exposures unsecured: carrying amounts	Exposures secured by collateral	Exposures secured by collateral, of which: secured amount	Exposures secured by financial guarantees	Exposures secured by financial guarantees, of which: secured amount	Exposures secured by credit derivatives	Exposures secured by credit derivatives, of which: secured amount
Loans [1]	33,465	179,055	166,479	218	287	-	-
Debt securities	5,798	1,601	1,601	-	-	-	-
Off-balance sheet	3,770	6,099	5,672	19	19	-	-
TOTAL	**43,032**	**186,754**	**173,752**	**237**	**305**	**-**	**-**
Of which defaulted	116	847	747	6	6	-	-

1 Loans according to the regulatory disclosure definitions

CR4: Credit risk - exposure and credit risk mitigation (CRM) effects under the standardised approach

	in CHF million	a	b	Carrying values	d	e	f
		Exposures before CCF and CRM		Exposures post-CCF and CRM			
	Asset classes	**On-balance sheet amount**	**Off-balance sheet amount**	**On-balance sheet amount**	**Off-balance sheet amount**	**RWA**	**RWA density**
1	Sovereigns and their central banks	1,369	0	1,403	1	1	0.0%
2	Banks and securities traders	6,777	307	6,863	150	614	8.8%
3	Public-sector entities and multilateral developments banks	4,677	1,307	4,789	581	2,268	42.2%
4	Corporate	9,441	1,411	9,444	731	5,030	49.4%
5	Retail	177,807	6,833	177,377	1,879	77,085	43.0%
6	Equity securities	198	-	198	-	270	136.8%
7	Other assets [1]	22,583	9	22,591	2	2,937	13.0%
8	**TOTAL**	**222,851**	**9,868**	**222,664**	**3,343**	**88,203**	**39.0%**

1 The 'other assets' line includes the balance sheet item 'liquid assets' amounting to CHF 19.6 billion and non-counterparty risks.

CR5: Credit risk - exposures by exposure category and risk weights under the standardised approach

	in CHF million	a	b	c	d	e
	Asset classes / Risk weight	**0%**	**10%**	**20%**	**35%**	**50%**
1	Sovereigns and their central banks	1,368	-	0	-	0
2	Banks and securities traders	4,760	-	1,670	-	459
3	Public-sector entities and multilateral developments banks	86	-	1,871	398	2,412
4	Corporate	56	-	5,115	777	240
5	Retail	2	-	-	149,421	1
6	Equity securities	16	-	-	-	-
7	Other assets[1]	19,650	-	-	-	-
8	**TOTAL**	**25,938**	**-**	**8,656**	**150,596**	**3,111**
9	Thereof receivables secured by real estate	-	-	-	150,596	-
10	Thereof receivables past due	-	-	-	-	-

1 The 'other assets' line includes the balance sheet item 'liquid assets' amounting to CHF 19.6 billion and non-counterparty risks.

	in CHF million	f	g	h	i	j
	Asset classes / Risk weight	**75%**	**100%**	**150%**	**Andere**	**Total der Kreditrisiko-positionen nach CCF und CRM**
1	Sovereigns and their central banks	2	33	0	-	1,404
2	Banks and securities traders	36	82	7	-	7,013
3	Public-sector entities and multilateral developments banks	29	566	8	-	5,370
4	Corporate	45	3,933	8	-	10,175
5	Retail	18,654	10,972	206	-	179,256
6	Equity securities	-	3	178	-	198
7	Other assets[1]	3	2,940	0	-	22,593
8	**TOTAL**	**18,770**	**18,529**	**407**	**-**	**226,008**
9	Thereof receivables secured by real estate	5,253	9,080	-	-	164,929
10	Thereof receivables past due	-	330	167	-	497

1 The 'other assets' line includes the balance sheet item 'liquid assets' amounting to CHF 19.6 billion and non-counterparty risks.

CCR1: Counterparty credit risk - analysis by approach

	in CHF million	30.6.2018					
		a	b	c	d	e	f
		Replacement cost	Potential future exposure	EEPE	Alpha used for computing regulatory EAD	EAD post-CRM	RWA
1	SA-CCR (for derivatives)[1]	275	598			873	357
2	Internal Model Method (for derivatives and SFTs)			-	-	-	-
3	Simple Approach for credit risk mitigation (for SFTs)					0	0
4	Comprehensive Approach for credit risk mitigation (for SFTs)					-	-
5	VaR for SFTs					-	-
6	**TOTAL**					**873**	**357**

1 The current exposure method is used to measure the counterparty credit risk of derivative transactions for the purposes of determining capital adequacy requirements.

CCR2: Counterparty credit risk - credit valuation adjustment (CVA) capital charge

	in CHF million	30.6.2018	30.6.2018	31.12.2017	31.12.2017
		a	b	a	b
		EAD post CRM	RWA	EAD post CRM	RWA
	Total portfolios subject to the Advanced CVA capital charge	-	-	-	-
1	VaR component (including the 3×multiplier)	-	-	-	-
2	Stressed VaR component (including the 3×multiplier)	-	-	-	-
3	All portfolios subject to the Standardised CVA capital charge	530	214	553	155
4	**Total subject to the CVA capital charge**	**530**	**214**	**553**	**155**

CCR3: Counterparty credit risk - standardised approach to CCR exposures by exposure category and risk weights

	in CHF million	30.6.2018								
		a	b	c	d	e	f	g	h	i
		0%	10%	20%	50%	75%	100%	150%	Others	Total credit exposure
1	Sovereigns and their central banks	0	-	-	-	-	-	-	-	0
2	Banks and securities traders	-	-	789	428	-	-	-	-	1,217
3	Public-sector entities and multilateral developments banks	-	-	-	-	-	0	-	-	0
4	Corporates	-	-	-	-	-	72	-	-	72
5	Retail	-	-	-	-	1	65	0	-	66
6	Equity securities	-	-	-	-	-	-	0	-	0
7	Other assets	-	-	-	-	-	1	-	-	1
8	**TOTAL**	**0**	**-**	**789**	**428**	**1**	**137**	**0**	**-**	**1,357**

CCR5: Counterparty credit risk - composition of collateral for CCR exposure

in CHF million	a	b	c	d	e	f
	Collateral used in derivative transactions				Collateral used in SFTs	
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received	Fair value of posted collateral
	Segregated [1]	Unsegregated	Segregated [1]	Unsegregated		
Cash – domestic currency (CHF)	153	-	341	-	-	-
Cash – other currencies	84	-	156	-	-	-
Domestic sovereign debt	-	-	-	-	11	335
Other sovereign debt	153	-	-	-	23	-
Government agency debt	-	-	-	-	-	-
Corporate bonds	-	-	256	-	99	1,975
Equity securities	-	-	-	-	-	-
Other collateral	103	-	-	-	115	359
TOTAL	**494**	**-**	**753**	**-**	**248**	**2,669**

1 Segregated refers to collateral which is held in a bankruptcy-remote manner.

CCR6: Counterparty credit risk - credit derivatives exposures[1]

in CHF million	30.6.2018	30.6.2018	31.12.2017	31.12.2017
	a	b	a	b
	Protection bought	Protection sold	Protection bought	Protection sold
Notionals				
Single-name credit default swaps	-	-	-	-
Index credit default swaps	544	320	528	313
Total return swaps	-	-	-	-
Credit options	-	-	-	-
Other credit derivatives	-	-	-	-
TOTAL NOTIONALS	**544**	**320**	**528**	**313**
Fair values	**532**	**319**	**527**	**311**
Positive replacement values (assets)	13	7	17	8
Negative replacement values (liabilities)	-25	-9	-17	-9

1 Credit derivatives are used to hedge the structured products issued by Raiffeisen.

CCR8: Counterparty credit risk - exposures to central counterparties

	in CHF million	30.6.2018	30.6.2018	31.12.2017	31.12.2017
		a	b	a	b
		EAD post CRM	RWA	EAD post CRM	RWA
1	Exposures to QCCPs[1] (total)	428	10	403	41
2	Exposures for trades at QCCPs (excluding initial margin and default fund contributions)	310	6	261	5
3	of which OTC derivatives	-	-	-	-
4	of which exchange-traded derivatives	-	-	-	-
5	of which securities financing transactions	-	-	-	-
6	of which netting sets where cross-product netting has been approved	310	6	261	5
7	Segregated initial margin	88	-	112	-
8	Non-segregated initial margin	-	-	-	-
9	Pre-funded default fund contributions[2]	10	4	10	36
10	Unfunded default fund contributions	20	-	20	-
11	Exposures to non-QCCPs (total)[3]	-	-	-	-
12	Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions)	-	-	-	-
13	of which OTC derivatives	-	-	-	-
14	of which Exchange-traded derivatives	-	-	-	-
15	of which securities financing transactions	-	-	-	-
16	of which netting sets where cross-product netting has been approved	-	-	-	-
17	Segregated initial margin	-	-	-	-
18	Non-segregated initial margin	-	-	-	-
19	Pre-funded default fund contributions	-	-	-	-
20	Unfunded default fund contributions	-	-	-	-

1 Raiffeisen clears certain derivative transactions centrally through Eurex Clearing AG.

2 Since january 1 2018 the capital adequacy calculation for pre-funded default fund contributions is done in accordance with margin 565 of the FINMA Circular 2017/7.

3 It does not have any exposures to non-qualifying counterparties.

MR1: Market risk - minimum capital requirements under standardised approach

	in CHF million	30.6.2018	31.12.2017
		a	a
		RWA	RWA
	Outright products		
1	Interest rate risk (general and specific)	1,980	2,010
2	Equity risk (general and specific)	73	506
3	Foreign exchange risk	112	134
4	Commodity risk	424	444
	Options		
5	Simplified approach	-	-
6	Delta-plus method	14	16
7	Scenario approach	-	-
8	**Securitisation**	**-**	**-**
9	**TOTAL** [1]	**2,603**	**3,110**

1 In the reporting period the stock of shares in trading portfolio assets decreased, resulting in a strong reduction of market risks.

Presentation of material features of regulatory capital instruments

Cooperative share certificates

1	Issuer	All Raiffeisen banks
2	Identification	-
3	Law applicable to the instrument	Swiss law
4	Taken into account under Basel lll transitional arrangements	CET1 capital
5	Taken into account after the Basel lll transitional phase	CET1 capital
6	Level of eligibility	Eligible at the level of individual Raiffeisen banks and at the level of the Raiffeisen Group
7	Product	Share certificate
8	Amount attributable to regulatory equity capital (according to latest statement of equity capital)	CHF 2,051,492,700
9	Par value	CHF 2,051,492,700
10	Balance sheet item according to financial statement	Cooperative capital
11	Original issue date	Various
12	Repayment date	Perpetual
13	Original maturity date	-
14	Premature repayment	The share certificates do not have a fixed maturity period.
15	Selectable redemption date / repayment amount	Exiting cooperative members or their heirs are entitled to repayment of the intrinsic value or nominal value of the share certificate, whichever is lower. The repayment may only be made after the approval of the annual report covering the fourth financial year after the membership is dissolved, unless the member pays in the same amount for new share certificates.
16	Subsequent redemption dates	-
17	Interest calculation type	Coupon according to the resolution of the general meeting
18	Nominal coupon	Interest rates may not exceed 6% gross; however, there is no right to receive the maximum interest rate.
19	Suspension of interest payment	If the general meeting decides not to pay interest in any given financial year, the right to receive interest will lapse and not be carried over to the next financial year. This applies accordingly to a reduction in the interest rate in any given financial year.
20	Interest calculation	Interest payments are defined each year by the supreme governing body of the Raiffeisen bank, which is the general meeting as a rule.
21	Repayment incentive for the issuer	-
22	Accumulation coupons	Not cumulative
23	Convertibility	Not convertible
30	Write-down	-
31	Trigger for the write-down	-
32	Scope of the write-down	-
34	Entitlement to write-up if financial situation improves	-
35	Position in the ranking order in the event of liquidation (higher-ranking instrument)	Subordinated to the Additional Tier-1 Bond 2015 and 2018
36	Attributes that prevent full recognition under Basel lll	The cooperative share certificates qualify as common equity Tier 1 under CAO Art. 21 - 26.

Perpetual subordinated AT-1 bond 2018

1	Issuer	Raiffeisen Switzerland Cooperative, St. Gallen
2	Identification	CH0411559377
3	Law applicable to the instrument	Swiss law
4	Taken into account under Basel lll transitional arrangements	Additional Tier 1 capital
5	Taken into account after the Basel lll transitional phase	Additional Tier 1 capital
6	Level of eligibility	Eligible at the level of Raiffeisen Switzerland and at the level of the Raiffeisen Group
7	Product	Perpetual subordinated bond
8	Amount attributable to regulatory equity capital (according to latest statement of equity capital)	CHF 400,000,000
9	Par value	CHF 400,000,000
10	Balance sheet item according to financial statement	Bonds and Pfandbriefdarlehen
11	Original issue date	2 May 2018
12	Repayment date	Perpetual
13	Original maturity date	-
14	Premature repayment	The bond has no fixed maturity and is not redeemable by the Bondholders under any circumstances. With the exception of the following, repayment of this bond is not possible.
15	Selectable redemption date / repayment amount	With the approval of the Swiss Financial Market Supervisory Authority (FINMA), Raiffeisen Switzerland is entitled to redeem the bond on 2 May 2023 or the same date in each of the subsequent years. The bond may also be redeemed if it no longer qualifies as additional core capital.
16	Subsequent redemption dates	-
17	Interest calculation type	Fixed coupon for periods of 5 years in each case
18	Nominal coupon	2.00% p.a. for the first 5 years up to maturity on 2 May 2023. The interest rate for the next 5 years is thereafter calculated as the total of the then valid swap rate (at least zero percent) plus the margin of 1.9575%.
19	Suspension of interest payment	Interest payments are only made if distributable reserves are available to Raiffeisen Switzerland. If required by the financial situation of Raiffeisen Switzerland, all or some of the interest payment may not be made. If no interest is paid in a specific year, the issuer shall not pay any interest on either the cooperative shares or any other distributions of the income to its cooperative members.
20	Interest calculation	The interest is fixed for 5-year periods in each case.
21	Repayment incentive for the issuer	-
22	Accumulation coupons	Not cumulative
23	Convertibility	Not convertible
30	Write-down	A write-down is possible in the following situations:
31	Trigger for the write-down	The Raiffeisen Group falls below a "hard" core capital ratio of 7.0% Raiffeisen Switzerland requires assistance from the public sector, either for itself or for the Raiffeisen Group The Swiss Financial Market Supervisory Authority (FINMA) orders a write-down as a protective measure if Raiffeisen Switzerland is faced with insolvency.
32	Scope of the write-down	A full or partial write-down is possible.
34	Entitlement to write-up if financial situation improves	No entitlement if the financial situation of Raiffeisen Switzerland improves
35	Position in the ranking order in the event of liquidation (higher-ranking instrument)	Subordinate to subordinated Tier2 bonds
36	Attributes that prevent full recognition under Basel lll	This bond qualifies as additional core capital (additional Tier 1 capital) under CAO Art. 27 - 29.

Perpetual subordinated AT-1 bond 2015

1	Issuer	Raiffeisen Switzerland Cooperative, St. Gallen
2	Identification	CH0272748754
3	Law applicable to the instrument	Swiss law
4	Taken into account under Basel lll transitional arrangements	Additional Tier 1 capital
5	Taken into account after the Basel lll transitional phase	Additional Tier 1 capital
6	Level of eligibility	Eligible at the level of Raiffeisen Switzerland and at the level of the Raiffeisen Group
7	Product	Perpetual subordinated bond
8	Amount attributable to regulatory equity capital (according to latest statement of equity capital)	CHF 585,410,000
9	Par value	CHF 600,000,000
10	Balance sheet item according to financial statement	Bonds and Pfandbriefdarlehen
11	Original issue date	2 April 2015
12	Repayment date	Perpetual
13	Original maturity date	-
14	Premature repayment	The bond has no fixed maturity and is not redeemable by the Bondholders under any circumstances. With the exception of the following, repayment of this bond is not possible.
15	Selectable redemption date / repayment amount	With the approval of the Swiss Financial Market Supervisory Authority (FINMA), Raiffeisen Switzerland is entitled to redeem the bond on 2 Octobre 2020 or the same date in each of the subsequent years. The bond may also be redeemed if it no longer qualifies as additional core capital.
16	Subsequent redemption dates	-
17	Interest calculation type	Fixed coupon for periods of 5 years in each case
18	Nominal coupon	3.00% p.a. for the first 5 years until maturity as of 2 October 2020. The interest rate for the next 5 years is thereafter calculated as the total of the then valid swap rate (at least zero percent) plus the margin of 3.00%.
19	Suspension of interest payment	Interest payments are only made if distributable reserves are available to Raiffeisen Switzerland. If required by the financial situation of Raiffeisen Switzerland, all or some of the interest payment may not be made. If no interest is paid in a specific year, the issuer shall not pay any interest on either the cooperative shares or any other distributions of the income to its cooperative members.
20	Interest calculation	The interest is fixed for 5-year periods in each case.
21	Repayment incentive for the issuer	-
22	Accumulation coupons	Not cumulative
23	Convertibility	Not convertible
30	Write-down	A write-down is possible in the following situations:
31	Trigger for the write-down	The Raiffeisen Group falls below a "hard" core capital ratio of 7.0% Raiffeisen Switzerland requires assistance from the public sector, either for itself or for the Raiffeisen Group The Swiss Financial Market Supervisory Authority (FINMA) orders a write-down as a protective measure if Raiffeisen Switzerland is faced with insolvency
32	Scope of the write-down	A full or partial write-down is possible.
34	Entitlement to write-up if financial situation improves	No entitlement if the financial situation of Raiffeisen Switzerland improves
35	Position in the ranking order in the event of liquidation (higher-ranking instrument)	Subordinate to subordinated Tier2 bonds
36	Attributes that prevent full recognition under Basel lll	This bond qualifies as additional core capital (additional Tier 1 capital) under CAO Art. 27 - 29.

Fixed-term subordinated bond 2011 - 2021

1	Issuer	Raiffeisen Switzerland Cooperative, St. Gallen
2	Identification	CH0143708870
3	Law applicable to the instrument	Swiss law
4	Taken into account under Basel lll transitional arrangements	Tier 2 capital
5	Taken into account after the Basel lll transitional phase	Eligible as gone concern funds under the new regulation on capital adequacy rules
6	Level of eligibility	Eligible at the level of Raiffeisen Switzerland and at the level of the Raiffeisen Group
7	Product	Subordinated bond with a fixed term
8	Amount attributable to regulatory equity capital (according to latest statement of equity capital)	CHF 213,542,000
9	Par value	CHF 535,000,000
10	Balance sheet item according to financial statement	Bonds and Pfandbriefdarlehen
11	Original issue date	21 December 2011
12	Repayment date	21 December 2021
13	Original maturity date	21 December 2021
14	Premature repayment	Repayment is made as at 21 December 2021 at the par value. With the exception of the following, premature repayment of this bond is not possible.
15	Selectable redemption date / repayment amount	Premature repayment is only possible for tax reasons and if this bond no longer qualifies as capital within the meaning of the regulations governing the financial markets, at the par value at all times. Bonds may only be called with the consent of FINMA.
16	Subsequent redemption dates	-
17	Interest calculation type	Fixed coupon
18	Nominal coupon	3.875% p.a.
19	Suspension of interest payment	-
20	Interest calculation	Fixed interest for the whole period of investment
21	Repayment incentive for the issuer	-
22	Accumulation coupons	Not cumulative
23	Convertibility	Not convertible
30	Write-down	-
31	Trigger for the write-down	-
32	Scope of the write-down	-
34	Entitlement to write-up if financial situation improves	-
35	Position in the ranking order in the event of liquidation (higher-ranking instrument)	Subordinate to all other obligations, Pari-passu to equal-ranking tier2 instruments such as subordinated time deposits.
36	Attributes that prevent full recognition under Basel lll	This bond is treated in accordance with Capital Adequacy Ordinance (CAO) Art. 140 Para. 3. In comparison with a subordinated bond issued under the full Basel III stipulations, only the contractual provisions in the event that the Issuer is faced with insolvency (CAO Art. 29) are not included.

Subordinated time deposits

1	Issuer	Individual Raiffeisen banks
2	Identification	--
3	Law applicable to the instrument	Swiss law
4	Taken into account under Basel lll transitional arrangements	Tier 2 capital
5	Taken into account after the Basel lll transitional phase	Eligible until december 31, 2018
6	Level of eligibility	Eligible at the level of individual Raiffeisen banks and at the level of the Raiffeisen Group
7	Product	Subordinated time deposits
8	Amount attributable to regulatory equity capital (according to latest statement of equity capital)	CHF 61,068,400
9	Par value	CHF 76,120,000
10	Balance sheet item according to financial statement	Medium-term notes
11	Original issue date	Various
12	Repayment date	Maturities between 8 and 15 years
13	Original maturity date	Various
14	Premature repayment	There is no provision for premature repayment
15	Selectable redemption date / repayment amount	--
16	Subsequent redemption dates	--
17	Interest calculation type	Fixed coupon
18	Nominal coupon	Various
19	Suspension of interest payment	--
20	Interest calculation	Fixed interest for the whole period of investment
21	Repayment incentive for the issuer	--
22	Accumulation coupons	Not convertible
23	Convertibility	Not cumulative
30	Write-down	A write-down is possible in the following situation:
31	Trigger for the write-down	The Raiffeisen Group requires assistance from the public sector The Swiss Financial Market Supervisory Authority (FINMA) orders a write-down as a protective measure if the Raiffeisen Group is faced with insolvency
32	Scope of the write-down	A full or partial write-down is possible.
34	Entitlement to write-up if financial situation improves	No entitlement if the financial situation of the Raiffeisen Group improves
35	Position in the ranking order in the event of liquidation (higher-ranking instrument)	Subordinate to all other obligations, Pari-passu to equal-ranking tier2 instruments such as fixed-term subordinated bonds. time deposits 2011-2021.
36	Attributes that prevent full recognition under Basel lll	These subordinated time deposits qualify as supplementary capital (Tier 2 capital) under CAO Art. 30.

Leverage Ratio - comparison of accounting assets versus leverage ratio exposure measure

Line item		30.06.2018 in CHF milion	31.12.2017 in CHF milion
a)	**Comparison between recognized assets and overall exposure for leverage ratio**		
1	Total assets according to published financial reports	229,450	227,728
2	Adjustments for investments in banking, financial, insurance and commerce companies that are subject to accounting consolidation but not regulatory consolidation, and adjustments for assets that are deducted from core capital [1]	-352	-372
3	Adjustments for fiduciary assets that are recognized in the financial statements but are excluded from the leverage ratio calculation	-	-
4	Adjustments for derivatives [2]	-469	-543
5	Adjustments for securities financing transactions (SFT)	812	795
6	Adjustments for off-balance-sheet transactions (conversion of off-balance-sheet transactions into credit equivalents)	4,082	4,106
7	Other adjustments	-	-
8	**Overall exposure for the leverage ratio**	**233,522**	**231,715**

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

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

Leverage Ratio - detailed presentation

Line item		30.06.2018 in CHF milion	31.12.2017 in CHF milion
b)	**Detailed presentation of the leverage ratio**		
	Balance sheet items		
1	Balance sheet items (excluding derivatives and SFT but including collateral)[1]	227,637	225,819
2	Assets that must be deducted from eligible core capital[2]	-352	-372
3	**= Total balance sheet items for the leverage ratio calculation, ex derivatives and SFT**	**227,285**	**225,448**
	Derivate		
4	Positive replacement values for all derivatives transactions including those vis-à-vis CCPs, including margin payments received and netting agreements	392	367
5	Add-ons for all derivatives	778	834
6	Re-inclusion of collateral provided in connection with derivatives, provided their accounting treatment leads to a reduction in assets	-	-
7	Deduction of receivables resulting from margin payments provided	-289	-282
8	Deduction for exposure to qualified central counterparties (QCCPs) if there is no responsibility to the client if the QCCP defaults	-	-
9	Actual nominal values of issued credit derivatives, after deducting negative replacement values	544	528
10	Netting against actual nominal values of offsetting credit derivatives and deduction of add-ons for issued credit derivatives	-320	-313
11	**= Total exposure from derivatives[3]**	**1,105**	**1,134**
	Securities financing transactions (SFT)		
12	Gross assets related to securities financing transactions ex netting (except for novations with a QCCP) including those booked as a sale, less any items stated in FINMA Circular 15/3 par. 58	240	232
13	Netting of cash liabilities and receivables with respect to SFT counterparties	-	-
14	Exposure to SFT counterparties	812	795
15	SFT exposure with the bank acting as a commission agent	-	-
16	**= Total exposure from securities financing transactions**	**1,051**	**1,027**
	Other off-balance-sheet items		
17	Off-balance-sheet items as gross nominal values before the application of any credit conversion factors	17,242	16,823
18	Adjustments for the conversion into credit equivalents	-13,161	-12,717
19	**= Total off-balance-sheet items**	**4,082**	**4,106**
	Eligible equity capital and overall exposure		
20	Core capital (Tier 1)[4]	16,376	16,409
21	Overall exposure	233,522	231,715
	Leverage ratio		
22	Leverage ratio	7.01%	7.08%

1 The difference between the reported figure and total assets as shown in the published financial statements amounts to CHF 1,909 million, relating to positive replacement values of derivative financial instruments and amounts due from securities financing transactions.
2 This item takes account of intangible assets (goodwill) that are deducted from core capital.
3 This item takes account of counterparty netting of OTC derivatives based on the existing netting agreements
4 without considering result of the period

Notes on the leverage ratio
Due to the growth in total assets (+CHF 1.7 billion or +0.8%), the overall exposure (row 21) increased to CHF 233.5 billion (+0.8%). Due to the repayment of the old subordinated AT-1 bond with a low trigger (550 mio.) and the issuance of a new subordinated AT-1 bond with a high trigger (400 mio.) in May, the AT-1 capital sligthly decreased. Without taking account of net profit for the period, the leverage ratio marginally decreased to 7.01%.

Informationen about the liquidity coverage ratio

		Q1 2018 [1]		Q2 2018 [1]	
		Unweighted values in CHF millions	**Weighted values in CHF millions**	**Unweighted values in CHF millions**	**Weighted values in CHF millions**
High-quality liquid assets (HQLA)					
1	Total high-quality liquid assets (HQLA)		22,537,332		21,413,212
Cash outflows					
2	Retail deposits	90,468,738	8,922,219	91,471,524	9,035,521
3	of which stable deposits	6,000,000	300,000	6,000,000	300,000
4	of which less stable deposits	84,468,738	8,622,219	85,471,524	8,735,521
5	Unsecured business-client or wholesale funding	12,684,532	7,332,273	12,967,595	7,787,594
6	of which operational deposits (all counterparties) and deposits with the central institution of a cooperative bank network	32,561	8,140	20,163	5,041
7	of which non-operational deposits (all counterparties)	12,434,183	7,106,344	11,884,433	6,719,554
8	of which unsecured debt securities	217,788	217,788	1,062,999	1,062,999
9	Secured business client or wholesale funding and collateral swaps		373		29,163
10	Other cash outflows	7,680,276	2,089,026	7,480,795	1,942,781
11	of which cash outflows related to derivative exposures and other transactions	804,587	804,587	828,931	828,931
12	of which cash outflows related to loss of funding on asset-backed securities, covered bonds, other structured finance, asset-backed commercial paper, conduits, securities investment vehicles and other such financing facilities	114,494	114,494	52,775	52,775
13	of which cash outflows from committed credit and liquidity facilities	6,761,196	1,169,946	6,599,088	1,061,074
14	Other contractual funding obligations	3,412,001	2,108,048	3,208,771	1,974,742
15	Other contingent funding obligations	2,091,804	104,590	2,151,265	107,563
16	**Total cash outflows**		**20,556,529**		**20,877,363**
Cash inflows					
17	Secured funding transactions (e.g. reverse repo transactions)	113,603	10,368	164,939	52,076.45
18	Inflows from fully performing exposures	3,724,584	2,174,510	3,544,320	2,046,344.17
19	Other cash inflows	211,702	211,702	214,813	214,813.36
20	**Total cash inflows**	**4,049,889**	**2,396,580**	**3,924,073**	**2,313,234**

			Adjusted value		**Adjusted value**
21	**Total high-quality liquid assets (HQLA)**		**22,537,332**		**21,413,212**
22	**Total net cash outflows**		**18,159,949**		**18,564,129**
23	**Liquidity coverage ratio (LCR) (%)**		**124.10%**		**115.35%**

1 Average daily closing averages of all business days in the reporting quarters (62 data points taken into account in the first quarter, 60 data points taken into account in the second quarter).

Notes on the liquidity coverage ratio

Art. 12 of the Liquidity Ordinance requires the Raiffeisen Group to comply with the liquidity coverage ratio (LCR). The LCR is intended to ensure that banks hold sufficient high-quality liquid assets (HQLA) in order to cover, at all times, the net cash outflow that could be expected in a standard stress scenario for 30 days, as defined by outflow and inflow assumptions. The published LCR metrics are based on the daily closing averages of all business days in the corresponding reporting quarters.

Raiffeisen focuses on the domestic savings and mortgage market. Due to its low degree of dependence on major clients and broad diversification among private clients, its funding sources are minimally concentrated.

Loans to clients are funded largely by customer deposits (90%) and additionally through central mortgage institution loans and Raiffeisen bonds. The money market is used solely for tactical management of the liquidity buffer. This maximises the immunisation against risks on the money market.

Of the portfolio of high-quality liquid assets (HQLA), 78% consist of category 1 assets, 91% of which are held as liquid funds. The remaining category 1 assets are mainly public sector bonds with a minimum rating of AA-. Of the category 2 assets, which account for 22% of the HQLA portfolio, 83% consist of Swiss mortgage bonds. The remaining 17% are primarily public sector bonds and covered bonds rated at least A-.

Net cash outflows (no. 22) have slightly increased over the last reporting period. In the same time the HQLA portfolio (no. 1) was slightly decreased, resulting in a decrease in the short-term liquidity coverage ratio (no. 23). Cash outflows relating to the derivatives portfolio (no. 11) have declined because of lower market fluctuations in the last two years and remained stable on a lower level over the reporting period. The remaining positions have continuously developed within the scope of the growth in total assets.

The Raiffeisen Group does not have any significant foreign exchange operations resulting from its core business. Due to the low level of lending business in foreign currencies, foreign currency liabilities are transferred to Swiss francs using the matched-period method.

The Raiffeisen Group has centralised liquidity risk management, which is performed by Raiffeisen Switzerland's Treasury department. It manages the liquidity of the Raiffeisen Group based on regulatory requirements and internal target parameters. The individual Raiffeisen banks are required to deposit their portion of the liquidity requirements with Raiffeisen Switzerland. Raiffeisen Switzerland's Treasury department manages the liquidity reserve centrally and organises the liquidity transfer within the Group.

Disclosure requirements for systemically important banks

Arts. 124 - 133 of the Capital Adequacy and Risk Diversification Ordinance (Eigenmittel- und Risikoverteilungsvorschriften - ERV) require systemically important banks in Switzerland to submit a calculation and disclosure of capital adequacy requirements on a quarterly basis.

The Swiss National Bank declared the Raiffeisen Group to be systemically important by a decision of 16 June 2014. Based on this decision, the Swiss Financial Market Supervisory Authority (FINMA) issued a decision on capital adequacy requirements under the regime of systemic importance. According to the international rules of the Basel Committee, transitional provisions apply to compliance with the requirements for systemically important banks up to 2019. Since the Raiffeisen Group already meets the capital adequacy requirements for systemically important banks in full, FINMA has established the requirements applicable to the Raiffeisen Group without transitional provisions. On 11 May 2016, the Federal Council adopted new too-big-to-fail provisions. For nationally system-relevant banks – such as the Raiffeisen Group – this decision defines the requirements for the bank's going concern. The issue with regard to the requirements for additional loss-absorbing funds (gone concern) is expected to be clarified for nationally system-relevant banks in 2018. Until the determination of gone-concern capital requirements for nationally system-relevant banks, the TBTF capital requirements according to the individual FINMA decision will continue to apply to Raiffeisen, which must be fulfilled in parallel to these new TBTF requirements in accordance with this disclosure report. Besides risk-weighted capital adequacy requirements, the requirements under the rules governing systemic importance also include requirements for unweighted capital adequacy requirements (leverage ratio), which are as follows:

Risk-weighted and unweighted capital requirements of the Raiffeisen Group under the rules governing system-relevant banks

Requirement on risk-weighted capital ratios (in %)	
Basic requirement	12.86
Market share component [1]	0.36
Overall exposure component [1]	-
Overall requirement (excluding anti-cyclical capital buffer)	**13.22**
Anti-cyclical capital buffer [2]	1.16
Overall requirement (including anti-cyclical capital buffer)	**14.38**
of which core capital (CET1)	10.08
of which convertible capital with a high trigger level [3]	4.30

Until the definitive determination of the TLAC rules governing nationally system-relevant banks, according to FINMA specifications the fulfilment of a total capital ratio (incl. anti-cyclical capital buffer) of 15.56% according to the old TBTF rules is also required in parallel. This requirement was met as of 30 June 2018 with a total capital ratio of 16.92%, without considering net profit for the period.

Requirement on unweighted capital ratios – leverage ratio (in %)	
Basic requirement	4.500
Market share component [1]	0.125
Overall exposure component [1]	-
Overall requirement («going-concern»)	**4.625**
of which core capital (CET1)	3.125
of which convertible capital with a high trigger level [3]	1.500

1 The market share and overall exposure components are calculated annually on the basis of the provisions set out in CAO Annex 9.

2 The latest anti-cyclical capital buffer is shown in each case.

3 This requirement can also be met with core capital (CET1).

Risk-based capital adequacy requirements on the basis of capital ratios

	Transition rules		Final rules (without transitional provisions)	
	Capital in CHF million	**Ratio (%)**	**Capital in CHF million**	**Ratio (%)**
Risk-weighted positions (RWA)	**98,436**		**98,436**	
Risk-based capital requirements («going-concern») on the basis of capital ratios				
Total	**13,798**	**14.02%**	**14,152**	**14.38%**
of which CET1: Minimum	5,316	5.40%	4,430	4.50%
of which CET1:Capital buffer	3,996	4.06%	4,351	4.42%
of which CET1: Anti-cyclical capital buffer	1,139	1.16%	1,139	1.16%
of which AT1: Minimum	2,559	2.60%	3,445	3.50%
of which AT1: Capital buffer	787	0.80%	787	0.80%

Eligible capital («going-concern»)

Core capital (Tier1)	**16,376**	**16.64%**	**16,376**	**16.64%**
of which CET1	15,391	15.64%	15,391	15.64%
of which AT1 High-trigger	985	1.00%	985	1.00%
of which AT1 Low-trigger	-	0.00%	-	0.00%
of which Tier2 High-trigger	-	0.00%	-	0.00%
of which Tier2 Low-trigger	-	0.00%	-	0.00%
Surplus	**2,578**	**2.62%**	**2,224**	**2.26%**

The Raiffeisen Group exceeds the «going-concern» requirements for risk-weighted capital requirements without applying transitional provisions as of 30 June 2018 with the value of 16,64 (requirement: 14.36%) by a total of 2.26 percentage points and a capital amount of CHF 2,224 million.

Until the definitive determination of the TLAC rules governing nationally system-relevant banks, according to FINMA specifications the fulfilment of a total capital ratio (incl. anti-cyclical capital buffer) of 15.56% according to the old TBTF rules is also required in parallel. This requirement was met as of 30 June 2018 with a total capital ratio of 16.92%, without considering net profit for the period.

	Transition rules		**Final rules (without transitional provisions)**	
	Capital in CHF million	**Ratio (%)**	**Capital in CHF million**	**Ratio (%)**
Overall exposure	**233,522**		**233,522**	
Unweighted adequacy capital requirements («going-concern») on the basis of the leverage ratio				
Total	**9,341**	**4.000%**	**10,800**	**4.625%**
of which CET1: Minimum	4,437	1.900%	3,503	1.500%
of which CET1:Capital buffer	2,335	1.000%	3,795	1.625%
of which AT1: Minimum	2,569	1.100%	3,503	1.500%
Eligible capital («going-concern»)				
Core capital (Tier1)	**16,376**	**7.01%**	**16,376**	**7.01%**
of which CET1	15,391	6.59%	15,391	6.59%
of which AT1 High-trigger	985	0.42%	985	0.42%
of which AT1 Low-trigger	-	0.00%	-	0.00%
of which Tier2 High-trigger	-	0.00%	-	0.00%
of which Tier2 Low-trigger	-	0.00%	-	0.00%
Surplus	**7,035**	**3.01%**	**5,576**	**2.39%**

The Raiffeisen Group exceeds the «going-concern» requirements for the leverage ratio without applying transitional provisions as of 30 June 2018 with the value of 7.01% (requirement: 4.625%) by a total of 2.39 percentage points.