



Private Banking in Austria



Lipper Fund Awards Austria 2006
Bond Small – Best Group over past 3 years



Lipper Fund Awards Austria 2009
Bond Small – Best Group over past 3 years

Vienna, 2012



Who we are

What we offer

Banking in Austria

Working with You

Boutique private bank in the heart of Europe

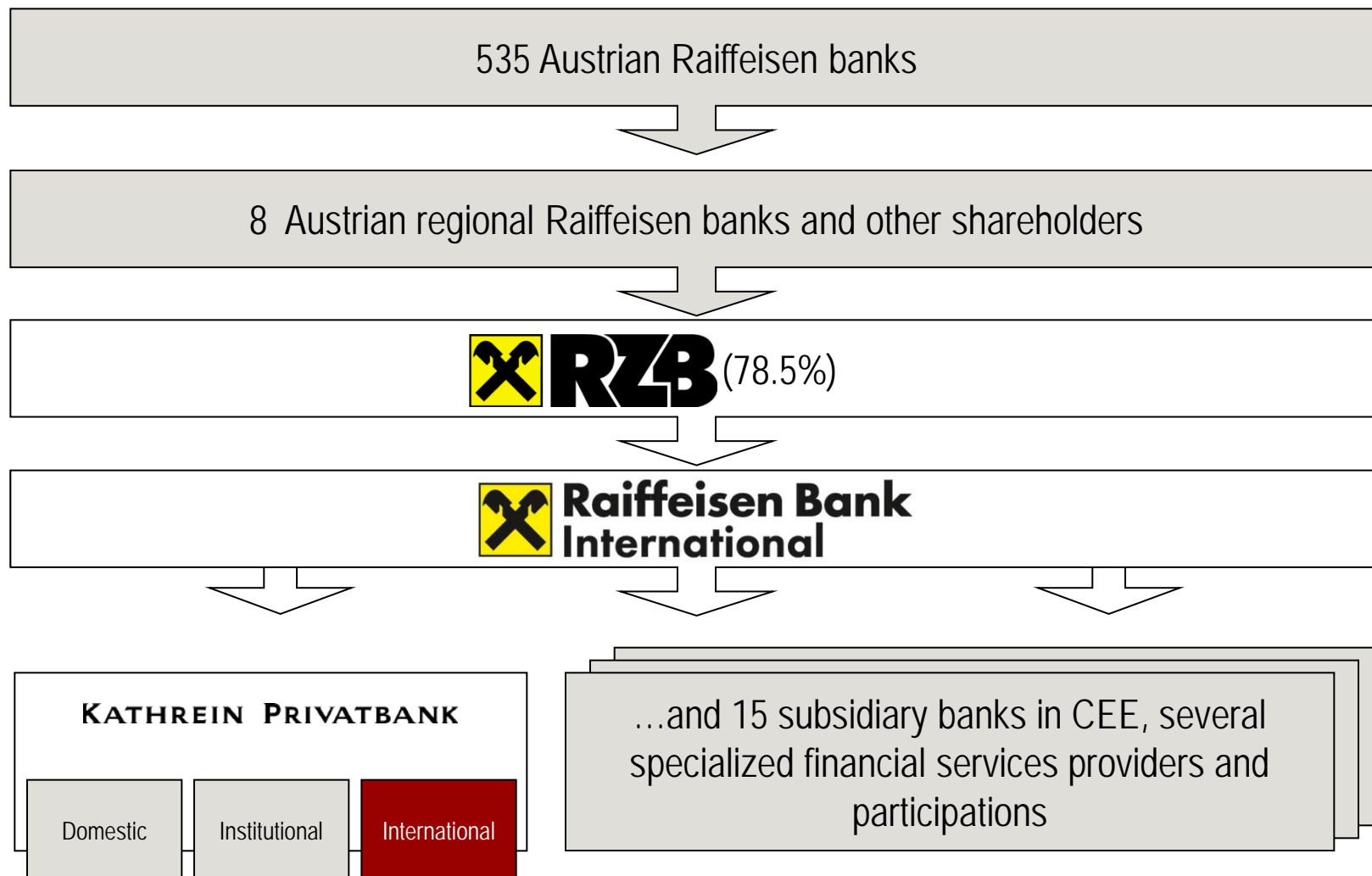


KATHREIN PRIVATBANK



- Kathrein Privatbank is a boutique private bank operating from Vienna, Austria
- The bank was founded in 1923 and since the very beginning was focused on wealth and portfolio management
- Today Kathrein Privatbank serves institutional, Austrian and international high net worth clients
- In 1974 Kathrein was purchased by Raiffeisen Group and now it is wholly owned subsidiary of RBI
- In 2008 Kathrein was awarded “Best Private Bank” in Austria by Euromoney
- Kathrein Privatbank continues the long tradition of an independent private banking institution and combines the advantages of a small, service oriented private bank with the security of a large banking institution

Part of the powerful Raiffeisen Group



Our Private Banking approach



Focus on you

Being a private bank, we are about exceptional level of service and attention to our clients. Being a small private bank means that every client is of paramount importance for us. We think through every client's circumstances to find the best tailored solution for his or her particular situation and always put client's interests first.

Safety and confidentiality

We are fully owned by Raiffeisen Bank International. As a part of a strong group, we provide an extra level of financial security through our parent company. We adhere to the highest level of confidentiality in our work which is reinforced by Austrian banking secrecy law. Austria guarantees full discretion regarding your investments and offers a degree of confidentiality which is unsurpassed in the European Union.

Integrity and transparency

We have been in the business for almost 90 years and our reputation is one of our key assets. Integrity, honesty and confidentiality is a part of our DNA. Therefore, whenever we are developing an investment advice for you, we base it on your particular situation and requirements and we make special effort to advise you objectively on opportunities and risks.

Fact-based approach to investment

Our investment team, together with leading international research firms, has developed sophisticated quantitative models to support our investment decision making. The models continuously monitor and analyse market and companies and deliver signals to buy and sell specific securities, markets, currencies and interest rates. Our investment managers implement those signals in a disciplined manner.

Our team



Christoph Kraus

Chairman of the Management Board

One of Austria's most renowned bankers and experts on foundations.

40 years of banking experience across USA, France and Austria. Chairman of the Board of Directors of Kathrein Privatbank since 1999.



Michael Antoni Wodzicki

Member of the Management Board

Head of International Private Banking

With Raiffeisen Group since 2007, with Kathrein Privatbank since 2011.

Experienced banker, 8 years in top management positions in financial institutions across Eastern Europe and Austria. Former McKinsey Associate Principal, Harvard MBA.



Harald P. Holzer

Member of the Management Board

Chief Investment Officer

With Kathrein Privatbank since 1999

MBA in investments from University of Illinois and president of CFA Austria since 2001.

More than 20 years of portfolio management experience.

International Private Banking team

- Experienced private bankers
- Nationals of different countries within CEE with deep understanding of local markets
- Giving consultation in 7 languages



Who we are

What we offer

Banking in Austria

Working with You

We propose a range of investment management solutions tailored to your particular situation



Discretionary management

Kathrein Privatbank develops and implements investment strategy according to the client's objectives and risk preferences.

- Investment strategy customization in line with customer objectives and risk profile.
- Implementation of strategy and active asset management. Minimization of risk / optimization of earnings through a quantitative investment approach.
- Regular presentation of performance and trends (reports).
- Tax and cost optimization of investment (compositions and models).
- Expert pool of Kathrein Privatbank (advisory services).

Kathrein Privatbank responsible for performance

Advisory

Kathrein Privatbank provides advice on selection of investment vehicles according to client's objectives and risk profile, client decides on investment in particular assets.

- Information on current market trends.
- Analyst opinions and information from Bloomberg.
- Invitations to investment updates hosted by Kathrein Privatbank.

Client responsible for performance

Execution only

Kathrein Privatbank executes client investment decisions as instructed by client.

- Clearing and account management.

Client responsible for performance

A wide range of products is available to implement your investment strategy



Funds

- Money Market Funds
- Bond Funds
- Equity Funds
- Asset Allocation (Mixed) Funds
- Closed / open end funds

Structured Products

- Capital guarantee products
- Certificates

Single securities

- Bonds
- Equities
- ETFs

Alternative Investments

- Physical gold (bars and coins)
- Special edition funds (hedge funds, art funds, ethical investment funds, etc)

Selection of in-house award winning investment products (1/2)



Safety-driven funds

- **Money market** Kathrein Yield + (EUR)
- **Capital Guaranteed**
 - Kathrein Opportunity Protect 2012 (EUR)
 - Kathrein Opportunity Protect 2013 (USD)

Low risk funds

- **Bond funds**
 - Kathrein Euro Bond (Government bonds in EUR)
 - Kathrein Corporate Bond (Corporate bonds in EUR)
 - Kathrein Global Bond (Int'l government bonds in local currency)
 - Kathrein USD Bond (Government bonds in USD)
 - Kathrein Duration Flex Euro Gov. Bond
 - Kathrein Euro Core Government Bond
- **Mixed Funds**
 - Kathrein Q.I.K.15 USD (Conservative diversified asset management in USD)
 - Kathrein Q.I.K. 25 (Conservative diversified asset management in EUR)
- **Inflation-linked** Kathrein Euro Inflation Linked Bond

Earning / risk driven funds

- **Mixed Funds** Kathrein Q.I.K.50 (Balance diversified investment)
- **Dynamic Funds**
 - Kathrein Risk Optimizer (Balanced dynamic investment management with limited risk)
 - Kathrein Dynamic Asset Allocation (bonds, equity, cash, real estate, commodity, designed to deliver returns through the cycle)
 - Kathrein Arche Noah Fund (bonds, equity, commodities, cash, real estate; designed to preserve capital in extreme economic situations)



Selection of in-house award winning investment products (2/2)



Growth / high risk driven funds

- **Balanced Funds**
 - Kathrein Q.I.K.70 (25% bonds, 65% equity, 10% alternative investments)
 - Kathrein Q.I.K.100 (90% equity, 10% alternative)
- **Equity Funds**
 - Kathrein European Equity (European large capitalization equity stock)
 - Kathrein US equity (US large capitalization equity stock)

Alternative investments

- **Alternative Funds** Kathrein Max Return (Trend follower hedge fund; global cash, bonds and currency markets)
- **Gold Account** (accounts back-up by real gold held in Geldservice Austria (a subsidiary of OENB, the Austrian central bank))



Starting from €7m we can launch a fund developed specially for you

Investments in gold



Gold Bars and Gold Coins in the Safe

Deposit of gold bars and gold coins in Kathrein's safe



- Deposit of any kind of coin and bar in the safe
- Clearing and settlement by Kathrein
- Safes in various sizes available

Gold Account

Allocation of gold (gold bars 1,000g), which can be deposited with the ÖNB (Austria National Bank) subsidiary Geldservice Austria and can be delivered at any time.



- Management of portfolio in the same manner as securities account
- Quick purchase and sale possible
- Cost effective
- No risk of manipulation
- Transaction unit: 1,000g bar

In-house offering is complemented with extensive range of investment products from carefully selected providers



One of the world's most renowned investment consultants using high diversification (multi-style multi-manager) approach to fund creating.
Products: **investment funds**



One of leading Austrian investment banks, part of Raiffeisen Group, offering a selection of structured guaranteed or non-guaranteed certificates.

Products: **structured notes (certificates)**



Leading Austrian Asset Manager, part of the Raiffeisen Group, offering a wide selection of funds.

Products: **investment funds**

OTHER PROVIDERS

Using our open architecture approach we can provide you access to various financial instruments providers in Austria and abroad.

Products: **investment funds, notes, bonds, equities, ETFs**

To provide more flexibility for your investment solutions we can organize Lombard lending



Lombard lending – loans secured by deposit of securities in bank. In case of need we can arrange a loan collateralized with your assets.

Lombard lending gives you an opportunity to get access to a **short-term liquidity** without affecting long-term investment profits, or to **leverage your investment position**.

Assets that can be used as a collateral:

- **Liquid assets** saving accounts and deposits (in Kathrein or Raiffeisen Bank / RZB / RBI) – up to 100% of the value
- **Bonds** (minimum rating BBB-) up to 94% of the value
- **Equity** (traded on a recognised stock exchange) up to 50% of the value
- **Funds** (minimum haircut depends on underlying assets)
- Other assets (e.g. gold) may be considered.

In addition to investment services we offer a range of banking services



Multicurrency accounts and deposits for companies and private individuals



Transfers in Europe and Worldwide



Credit cards: Visa and MasterCard Platinum, American Express



Individual Bank Safe Deposit Boxes: in various sizes, for companies and private individuals

We offer our clients a selection of the most prestigious credit cards



Platinum Visa and MasterCard in Euro for individuals and companies from the world's biggest payment services providers including:

- Worldwide travel insurance of up to €750'000
- VIP lounge access in Vienna airport
- Special discounts for hotels and car rental
- 24-hour telephone assistance (medical treatment availability and information, dealing with authorities abroad, contacts with English or German- speaking lawyers and interpreters in case of need)
- Austrian Airlines co-branded card.



American Express Platinum Card in Euro, USD, Sterling for individuals and companies:

- Worldwide insurance with medical benefit of up to €3'500'000
- Special discounts for travel booking (hotels, flights and car rental)
- Priority Pass Membership to over 600 VIP airport lounges
- Dedicate 24-hour Platinum Service (travel, dining, entertainment, gift plans arrangements)
- Special Membership Rewards

American Express Gold and Green Cards also available.



Including American Express Centurion Card



- The **most exclusive** “by invitation only” credit card of American Express offers exceptional level of service and privileges to those who live, work and travel abroad
- **No pre-set spending limit¹** and even the most exceptional individual purchases can be authorised by phone
- Card forged in **pure titanium**
- Unlimited **“do anything” concierge** service
- Comprehensive **Worldwide Travel Insurance** with Medical Benefit of up to **€/\$10m (£5m)**
- International **Fast Track** at key international airports
- Access to **exclusive events**
- Membership to world **leading hotel programmes**

¹ purchases are approved based on a variety of factors, including credit record, account history and personal resources. Proof of personal resources may be required

We can also help with getting advice in all key areas concerning wealth and life-style management



We understand the enormous variety and complexity of our clients needs and we work with a range of external partners to help you with a range of wealth and company management questions:

- Tax and legal consultations
- Offshore companies opening and management
- Trust and foundation management, including succession planning, inheritance and endowment management
- Company sale / acquisition support
- Real estate in Austria and abroad, including deals exclusive to the market
- Concierge service



Who we are

What we offer

Banking in Austria

Working with You

Austria is a attractive location for offshore banking

Austria is a member of the European Union and **one of the most economically and politically stable countries** in the region.

Banking secrecy in Austria is guaranteed by constitutional law. Austria guarantees discretion regarding your investments and offers a **degree of confidentiality which is unsurpassed in the European Union** and does not allow any automated data exchange with foreign governments on citizens/tax subjects.

Austria is **conveniently located** in close proximity to CEE and Russia and is a attractive place to visit should you decide to come.



Taxation in Austria



Individual clients non-EU
tax residents

Taxed in the country of residence

Individual clients EU
non-Austrian tax
residents

Have a choice between:

- Applying anonymous EU withholding tax
 - 35% since July 1, 2011
 - applies only to bank interest, bond interest, and analogous income, such as income from bond funds and money-market funds
 - is levied only on individuals
 - does not apply to dividends, capital gains or other profits realised on investments
 - and
- Applying his/her own national taxation jurisdiction.

Companies

Taxed in the country of incorporation



Who we are

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Working with You

Personal Manager and supporting team are at your service



Dedicated Private Banker

As a client of our bank you will have a dedicated Private Banker who will

- Be your first contact in the bank
- Provide you with wealth management advice
- Help you with product selections and arrangement
- Discuss with you performance of your investments
- Help with any other question you may have.

Dedicated Account Manager

As a back-up for your Private Banker and the second contact you will have a dedicated Account Manager who will be able to help you with

- Day-to-day inquiries
- Transfers and operations
- Reporting.

Top Management of the Bank and specialists at request

Top management of the Bank, portfolio manager and other specialists of the Bank are there to meet you and discuss any of your concerns, special needs or situations – ask your Private Banker to arrange a meeting or reach out directly to the Bank.

You can manage your accounts through a personal contact or using remote methods



Personal Meetings

Our Private Banker regularly comes to your home region and is available to meet you in person

You are always welcome to visit our office in Vienna.



Phone

Your Private Banker and the Account Manager are reachable on the phone during the working hours.



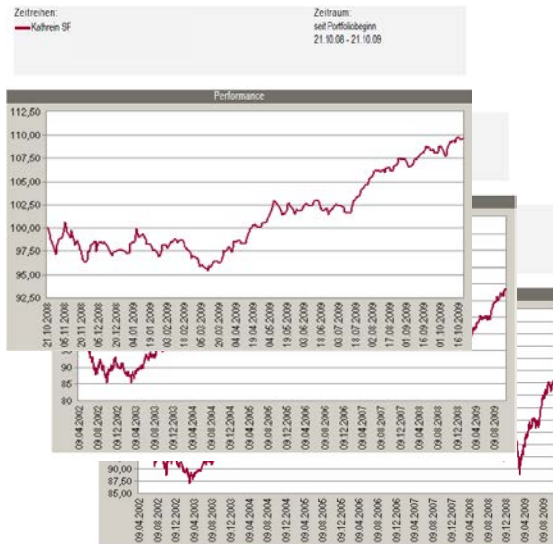
Electronic communications and mail

A variety of electronic communication methods and mail are available – you can decide and tell us how you would like to manage your account and to be contacted.

You can monitor performance of your investments anytime, anywhere – TIPAS +



In addition to traditional communications by mail and phone, our online asset information system offers the following benefits:



- Available **24/7**
- **Quick and easy** asset status, anytime
- **Tracking of performance** to date
- **One stop** retrieval of all detailed information
- **Graphic display** of your portfolio including country allocation, asset allocation and various other analytical tools
- Convenient and **secure access** over the internet.

Contacts



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