

# BMW/VOLKSWAGEN EXPRESS (HUF)

## **INVESTMENT PRODUCT** WITHOUT CAPITAL PROTECTION EXPRESS CERTIFICATE

- Two shares as underlyings: BMW AG and Volkswagen AG
- Yield opportunity between 8% and 32%\*
- Early redemption possible each year, maximum term of 4 years
- Annually declining termination level for early redemption
- Barrier at 59% of each share, active only at the end of the term
- Market risk, issuer risk
- Further opportunities/risks on the following pages

\*Excluding transaction fees.



*Certificates by*



**Raiffeisen  
CENTROBANK**

# REACH YOUR TARGET BY EXPRESS

## In short:

The BMW/Volkswagen Express (HUF) offers the opportunity for an early redemption each year and thus enables investors to obtain an annual profit of 8%\* if both underlying shares quote at or above the termination level at the annual valuation date. If one of the shares quotes below the termination level, the term extends by another year – up to a maximum of four years. If the barrier is violated at the end of the term, the investor is entirely subject to market risk of the worst performing share.

### KEY FACTS

Issuer	Raiffeisen Centrobank AG**
Offer	continuous issuing
ISIN	AT0000A1ZTK4
Issue price	100%
Nominal value	HUF 10,000
Subscr. period <sup>1</sup>	Jan 29 - Feb 16, 2018
Initial valuation date	Feb 19, 2018
Issue value date	Feb 20, 2018
Annual valuation dates	Feb 18, 2019; Feb 18, 2020; Feb 18, 2021; Feb 17, 2022
Final valuation date	Feb 17, 2022
Early maturity dates	Feb 21, 2019; Feb 21, 2020; Feb 23, 2021
Maturity date	Feb 22, 2022
Starting value	closing price of the shares at the initial valuation date
Termination levels as % of the starting value	2019: 100%, 2020: 90%, 2021: 85%, 2022: 80%

Observation of the termination levels  
at each annual valuation date

**Barrier**  
59% of the starting value of each share,  
observation only at the end of the term

**Redemption**  
Provided that the closing prices of the  
underlying shares quote at or above the  
termination level at the annual valuation  
date, (early) redemption is effected  
according to the predefined termination  
price. Redemption is dependent on the  
solvency of Raiffeisen Centrobank\*\*.

**Listing** Vienna, Frankfurt, Stuttgart  
**Quotes** [www.rcb.at](http://www.rcb.at)

\*\* Raiffeisen Centrobank AG is a  
100% owned subsidiary of Raiffeisen Bank  
International AG – rating of RBI:  
[www.rbinternational.com/ir/ratings](http://www.rbinternational.com/ir/ratings)

<sup>1</sup> Early closing or extension of the subscription period is  
within the sole discretion of Raiffeisen Centrobank AG.

The BMW/Volkswagen Express Certificate combines the opportunity to generate attractive yield with the possibility for early redemption. The two German bluechips BMW AG and Volkswagen AG serve as underlyings for this certificate. For investors who expect the underlying shares to quote at, above or even slightly below their current levels within the upcoming four years, the Express Certificate offers the opportunity for an annual yield of 8%\* on the nominal value. The certificate has a term of at least one and not more than four years. Further details regarding opportunities and risks are presented on the following page.

### FUNCTIONALITY

At the **initial valuation date** the **starting values** of the BMW AG share and the Volkswagen AG share are fixed (closing price) and the **barrier** (59% of the respective starting value) is determined. Additionally, the annually declining termination levels are determined. At the respective **annual valuation date** the **closing prices** of the two underlying shares are **compared** with the respective **termination level**. If the closing prices of the shares quote at or above the termination level at the respective valuation date, (early) redemption of the certificate is effected at the predefined termination price:

TERM	TERMINATION LEVEL	TERMINATION PRICE*	YIELD*
1 <sup>st</sup> year:	100% = starting value	108% of the nominal value	1 x 8%
2 <sup>nd</sup> year:	90% of starting value	116% of the nominal value	2 x 8%
3 <sup>rd</sup> year:	85% of starting value	124% of the nominal value	3 x 8%
4 <sup>th</sup> year:	80% of starting value	132% of the nominal value	4 x 8%

→ **THE LONGER THE TERM, THE LOWER THE TERMINATION LEVEL  
AND THE HIGHER THE TERMINATION PRICE**

\*Excluding transaction fees.

If at least one of the shares quotes below the termination level at the annual valuation date, the term extends by another year, the **potential termination price rises by 8% annually**, and the annual termination level declines at the same time.

If no early redemption was effected from the first to the third year and provided that at least one of the underlying shares quotes below the termination level at the fourth and **final valuation date**, an additional safety mechanism applies: if the closing price of both shares is above the barrier of 59% of the starting value, **redemption is effected at 100%**. This means, if none of the shares declined by 41% or more compared to its starting value at the end of the term, investors obtain the nominal value of HUF 10,000 at the maturity date. In case the closing prices of at least one share quotes at or below the barrier at the end of the term, redemption is effected 1:1 analogue to the performance of the worst performing share (percentage performance from the starting value to the closing price at the final valuation date).

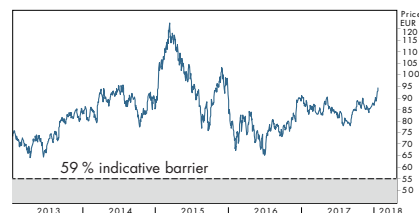
## TERMINATION LEVEL

If the termination level is reached at an annual valuation date, the Express Certificate is redeemed prior to the maturity date.

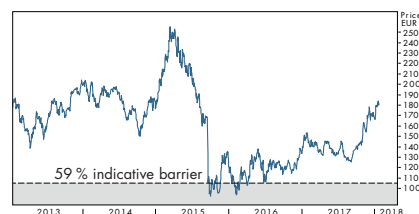
## BARRIER

With the BMW/Volkswagen Express Certificate the barrier is observed only at the end of the term.

## BMW AG



## VOLKSWAGEN AG



as of Jan 18, 2018 Source: Reuters. Please note that past performance is no reliable indicator of future results.

## YOUR EXPECTED MARKET TREND

declining    sideways    rising

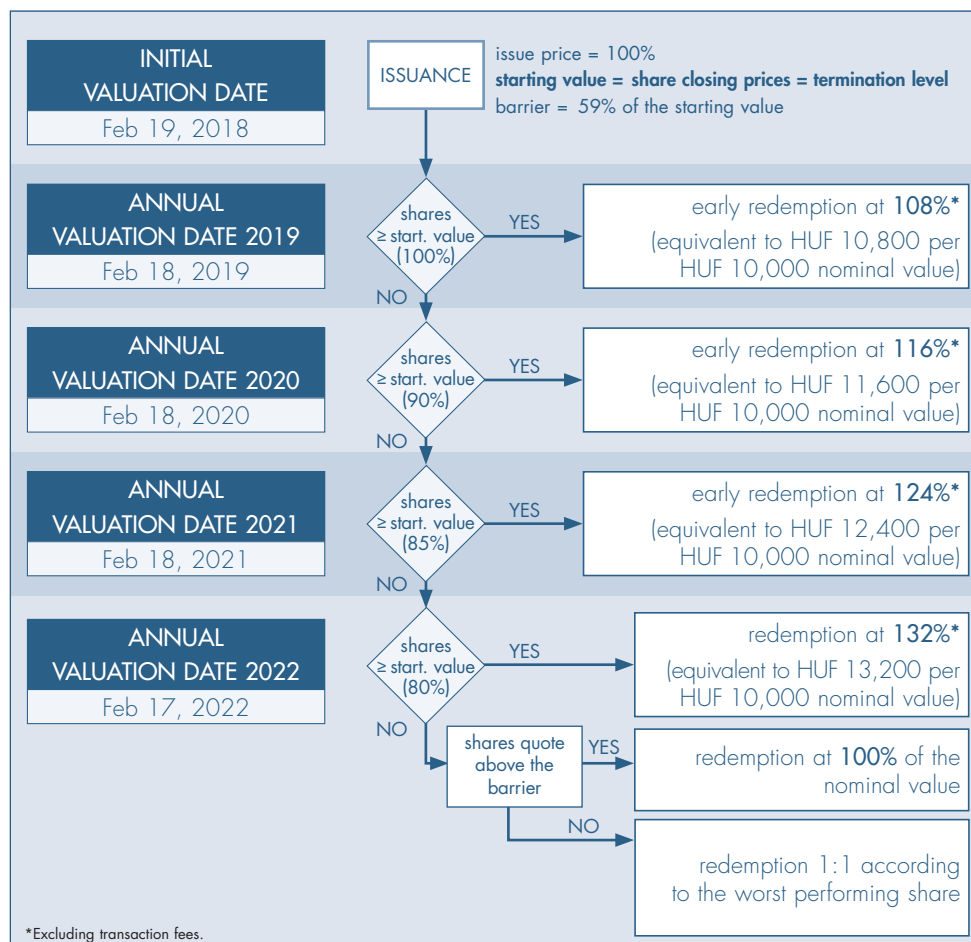
## YOUR INVESTMENT HORIZON

< 3 years    3 to 5 years    > 5 years

## NOTE

The referenced opportunities and risks represent a selection of the most important facts regarding the product.

For further information see the Base Prospectus (including possible changes and additions) – approved by the Austrian Financial Market Authority (FMA), deposited at the Oesterreichische Kontrollbank AG and published at [www.rcb.at/en/securitiesprospectus](http://www.rcb.at/en/securitiesprospectus) as well as the key information document of the presented product, also available at [www.rcb.at](http://www.rcb.at)



## OPPORTUNITIES

- Investors have the opportunity to generate yield (8%-32%)\* if both underlying shares remain at the same level, increase or even slightly decrease in value.
- Early redemption at the predefined termination price if both underlying shares quote at or above their respective termination levels at any of the valuation dates. The termination level decreases each year.
- Protection against falling prices because of the safety buffer of 41%
- Flexibility through tradability on secondary market, no management fees

## RISKS

- If any one of the underlying shares does not quote at or above the termination level at the four valuation dates no (early) redemption at the predefined termination price will be effected and investors will not generate profit.
- If the barrier of the Express Certificate is violated at the end of the term, investors are entirely subject to market risk at maturity, without any protective mechanism.
- Investors do not participate in price increases of the shares above the predefined termination price for the respective year.
- Redemption is dependent on the solvency of Raiffeisen Centrobank AG (issuer risk) or an official directive (bail-in). In case of insolvency of the issuer the investor may incur a total loss.

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Issuer Risk/Creditor Participation ("bail-in"): Any payments for structured securities during the term or at the end of the term depend on the solvency of the issuer (issuer risk). Investors are exposed to the risk that Raiffeisen Centrobank AG as an issuer might be unable to fulfil its obligations in respect of the described financial instruments, such as in the event of insolvency (inability to pay/over-indebtedness) or a legal order to initiate resolution measures. The resolution authority may also issue such an order before any insolvency proceedings if the issuer is judged to be in crisis. Under these circumstances the resolution authority has wide-ranging powers to take action (so-called "bail-in instruments"). For example, it can reduce the claims of investors in respect of the described financial instruments to zero, terminate the described financial instruments, or convert them into shares of the issuer and suspend investors' rights. A total loss of the capital invested is possible. More detailed information is available at [www.rcb.at/en/basag](http://www.rcb.at/en/basag)

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Certificates by

