



## Press Release

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### Aareal Bank Group publishes its Annual Report 2018

Wiesbaden, 28 March 2019 – Aareal Bank Group published its Annual Report 2018 today. In addition to information on its business model and its activities in the two business segments, the Annual Report includes audited consolidated financial statements for 2018 in accordance with IFRSs, and the Bank's Group Management Report.

As announced during the Bank's annual press conference on 27 February 2019 on the occasion of presenting the Group's preliminary unaudited figures, consolidated operating profit for the 2018 financial year amounted to € 316 million, after € 328 million in the previous year. Consolidated operating profit for the 2018 financial year included a positive non-recurring item (negative goodwill) in the amount of € 55 million from the acquisition of Düsseldorfer Hypothekenbank AG (DHB), a transaction that was closed at the end of 2018. Consolidated net income allocated to ordinary shareholders amounted to € 208 million in the full year (2017: € 191 million). Earnings per share were € 3.48, up by 9 per cent on the € 3.20 of 2017.

Aareal Bank wants its shareholders to participate adequately in these results. As also announced in February, the Management Board and the Supervisory Board will therefore propose a dividend of € 2.10 per share to the Annual General Meeting, which will be held on 22 May 2019. This equates to a payout ratio of 82 per cent, based on earnings per share (EPS) excluding the positive non-recurring effect (negative goodwill) from the acquisition of DHB.

"We have set the right course with our "Aareal 2020" programme for the future, and made significant progress again last year in the implementation process. We thus considerably improved our starting point for future growth in line with our strategy", CEO Hermann J. Merkens said in the Letter to Shareholders, adding: "Our earnings mix at Group level will continue to shift increasingly in favour of net commission income. Accordingly, Aareal's contribution will grow noticeably, as will the contribution of non-interest business in the Consulting/Services segment."

The full annual report for 2018 is available from Aareal Bank's website: <https://aareal-bank.com/financial-reports>. A version optimised for online display, and including additional information, is available on <https://ar.aareal-bank.com/2018>.

In addition, Aareal Bank Group today published its Online Sustainability Report, as well as the Non-Financial Report 2018 which was audited by the Supervisory Board. Both reports, alongside supplementary information and indicators showcasing Aareal Bank Group's contributions to the sustainable development of the economy and

society are available on <https://www.aareal-bank.com/en/responsibility/reporting-on-our-progress>.

**Aareal Bank Group**

Aareal Bank Group, headquartered in Wiesbaden, is a leading international property specialist. It provides smart financings, software products, and digital solutions for the property sector and related industries, and is present across three continents: Europe, North America and Asia/Pacific. Aareal Bank AG, whose shares are included in Deutsche Börse's MDAX index, is the Group's parent entity. It manages the various entities organised in the Group's two business segments: Structured Property Financing and Consulting /Services. The Structured Property Financing segment encompasses all of Aareal Bank Group's property financing and funding activities. In this segment, the Bank facilitates property investment projects for its domestic and international clients, within the framework of a three-continent strategy covering Europe, North America and Asia/Pacific. In its Consulting/Services segment Aareal Bank Group offers its European clients from the property and energy sectors a unique combination of specialised banking services as well as innovative digital products and services, designed to help clients optimise and enhance the efficiency of their business processes.