

PRESS RELEASE

Takeover offer by financial investors unsuccessful – Aareal Bank continues to drive its growth strategy forward

- **Aareal Bank Group will tap additional growth potential in all segments from its own strengths**
- **Next ordinary General Meeting to vote on dividend for 2021, as well as on the retained second tranche of € 1.10 per share**
- **Jochen Klösges: “Our shareholders wish to continue supporting us on our path of sustainable value creation – which we will pursue from our own strengths.”**

Wiesbaden, 4 February 2022 – Atlantic BidCo GmbH (“BidCo” – the “Bidder”), a bidder company held indirectly by financial investors Advent International Corporation and Centerbridge Partners, L.P. as well as other co-investors – including the Canada Pension Plan Investment Board (CPPIB) – today announced that its voluntary public takeover offer for all shares in Aareal Bank AG was not successful: according to the Bidder’s announcement, the minimum acceptance level of 60 per cent was not reached by the end of the acceptance period on 2 February 2022, 24:00 hours (Frankfurt/Main local time). Accordingly, the takeover offer will lapse; existing shareholders will retain title to their tendered shares, which will be re-posted to the original class of shares.

Jochen Klösges, Chief Executive Officer of Aareal Bank, said: “We supported the offer because from a strategic perspective, it was in the best interests of the Company and its stakeholders. However, our shareholders have decided not to sell their shares to the extent required. Instead, they wish to continue supporting us on our path of sustainable value creation. We will now continue to pursue the implementation of our successful strategy from own strengths. Aareal Bank Group has significant growth potential across all of its segments, which we want to consistently pursue in the years to come. As a matter of course, we will maintain in-depth dialogue with our investors.”

Specifically, for instance, Aareal Bank plans to continue the growth path already expedited in the past financial year, and to exploit available opportunities for attractive new property finance business to an even stronger extent than originally communicated in early 2021. Portfolio volume, which already reached the € 30 billion level at the end of 2021 – one year ahead of plan – is set to rise further, by € 1 billion per annum over the next three years, and hence to € 33 billion by 2024, with correspondingly positive effects on net interest income. To support this growth, Aareal Bank will leverage its solid capital position for forward-looking investments. Chief Financial Officer Marc Hess: “In the current environment, we have good opportunities to take very profitable new business onto our books. As in 2021, we want to seize these opportunities – and we are confident that we will be able to create sustainable added value for our shareholders.”

Growth initiatives are also set to be expedited in the Group’s other segments: for example, IT subsidiary Aareon is set to further intensify its M&A activities, which were already very

successful during recent years. Funds available for this purpose are set to be increased further.

Aareal Bank thus affirms its stated target for 2023 consolidated operating profit of around € 300 million; given successful implementation of the growth plans, a markedly higher figure is possible for 2024. In fact, despite continued elevated loss allowance required due to the pandemic, Aareal Bank is confident that it will be able to generate consolidated operating profit for the current 2022 financial year that will approximately reach pre-pandemic levels (2019: € 248 million).

Furthermore, as already indicated, Aareal Bank plans to put the second dividend tranche of € 1.10 per share, which was retained in the course of the takeover offer, to the vote at the next Annual General Meeting. In addition, the General Meeting is set to vote on the dividend proposal – yet to be determined – for the 2021 financial year.

Aareal Bank Group will provide more details of its growth plans in all segments when presenting its results for 2021 on 24 February. In the past financial year, the Company reported a significant swing in results, despite the burdens of the second year of the coronavirus pandemic, exceeding material strategic objectives within the framework of its “Aareal Next Level” programme. Its forecast of a clearly positive consolidated operating profit in a range between € 100 million and € 175 million – last affirmed upon the presentation of third-quarter results – remains intact.

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About 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 SDAX index, is the Group's parent entity. It manages the various entities organised in the Group's business segments: Structured Property Financing, Banking & Digital Solutions, and Aareon. The Structured Property Financing segment encompasses all of Aareal Bank Group's property financing and funding activities. Here, the Bank supports its clients in making large-volume commercial property investments. The investment properties mostly comprise office buildings, hotels, shopping centres, logistics and residential property, as well as student apartments. In the Banking & Digital Solutions segment, Aareal Bank Group supports businesses from the housing, property management and energy industries as a digitalisation partner – combining extensive advisory services and product solutions with traditional corporate banking services and deposit-taking. Its subsidiary Aareon, the leading supplier of ERP software and digital solutions for the European property sector and their partners, represents the third

business segment. Aareon is digitalising the property industry by offering user-oriented software solutions that simplify and automate processes, support sustainable and energy-efficient operations, and interconnect all process participants.