



Aareal Bank

Press Release

Contact:

Jörg Müller

Telephone: +49 611 348 2306

joerg.mueller@aareal-bank.com

Jürgen Junginger

Telephone: +49 611 348 2636

juergen.junginger@aareal-bank.com

Aareal Bank to recognise double-digit million euro profit from Interhotel transaction in 2007

Wiesbaden, 11 December 2006 - Interhotel Group, in which Aareal Bank holds a beneficial interest of approx. 33%, has concluded an agreement to sell its properties, together with related operating SPVs. The parties have agreed not to disclose the terms of the sale, which is subject to clearance by the responsible anti-trust authorities; the agreed consideration is in the three-digit million euro range.

As a result, Aareal Bank Group expects income in the upper double-digit million euro range, which it will recognise – upon realisation of profit by Interhotel Group – in its IFRS consolidated financial statements for 2007.

Commenting on the conclusion of the agreement, Mr. Hermann Josef Merkens, member of the Management Board of Aareal Bank, classified the disposal as “.. a further major milestone in Aareal Bank’s realignment. Being able to finally close an episode in the past with such a positive result is a great success. We will invest these funds – as well as the human resources and management capacity freed up – in a targeted manner, to further grow our core Structured Property Financing business.”

Aareal Bank Group has exceeded its own projections for the implementation of its six-point realignment programme so far. Merkens added: “Having exceeded our own targets, both regarding timeline and in quantitative terms, it is now time to sharpen our focus on the growth of Aareal Bank Group.”