

TRANSACTION ANNOUNCEMENT

Aareal Bank finances seven logistics assets in France and Germany together with Boreal IM

Wiesbaden, 8 October 2024 – Aareal Bank is proud to announce the closing of a €170 million cross-border loan with Boreal IM, a pan-European real estate investment manager. The portfolio, spanning 309,000 sqm, includes six standing assets and a development plot in France and Germany, acquired between 2022 and 2024 as part of Boreal's joint venture (JV) with Ontario Teachers' Pension Plan. The tenants comprise various international manufacturers, distributors, and third-party logistics.

The senior loan has been provided as financing in recognition of the JV's brown-to-green business plan for the portfolio. Each asset targets a BREEAM rating, with sustainability-oriented capex, refurbishment, and development programs underway or completed across the portfolio.

The financing agreement includes an additional debt facility of €130 million of uncommitted funds for future acquisitions. Aareal Bank played a pivotal role in this transaction, acting as the sole arranger, facility agent, and security agent.

"We are pleased to have completed this transaction with Boreal, supporting the growth of its portfolio with Ontario Teachers' Pension Plan across Europe," said Severin Schoettmer, Managing Director Special Property Finance at Aareal Bank. "The European logistics market is structurally supported by e-commerce growth, urbanisation, and new supply chain dynamics, and we have conviction in assets with strong sustainability credentials."

Peter Bingel, Partner and CFO, Boreal IM, commented: "Securing a facility of this size with a partner like Aareal speaks of the quality of our growing portfolio and confidence in our strategy. We are capitalising on the logistics sector's robust structural tailwinds, defensive qualities, and opportunities for long-term value creation through improvement of the sustainability profile of the assets."

Founded in 2022, Boreal IM is a pan-European investment management firm headquartered in London. The team is committed to actively shaping the transformation of the commercial property sector towards greater sustainability. The collaboration underscores Aareal Bank's unique positioning in the financing of cross-border portfolios in the commercial real estate sector and contributes to expanding the "green asset pool".

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About Aareal Bank Group

Aareal Bank Group, headquartered in Wiesbaden, is a leading international property specialist. The Bank uses its expertise to identify trends, challenges and opportunities at an early stage, and to exploit them for the benefit of its stakeholders. Aareal Bank Group provides financing, banking and payment

solutions for the property sector and related industries, and is present across three continents, Europe, North America and the Asia/Pacific region. Aareal Bank Group's business strategy focuses on sustainable business success, with environmental, social and governance (ESG) aspects as an integral part of this strategy.

Aareal Bank AG comprises the business segments Structured Property Financing and Banking & Digital Solutions. 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.