



Aareal Bank

Press Release

Contacts:

Press Relations:

Sven H. Korndörffer

Phone: +49 611 348-2306

sven.korndoerffer@aareal-bank.com

Christian Feldbrügge

Phone: +49 611 348-2280

christian.feldbruegge@aareal-bank.com

Aareal Bank on track for growth in Central and Eastern Europe Representative office opened in Moscow

Wiesbaden, 2 July 2008 – Aareal Bank AG opened a representative office in Moscow on 1 July 2008. Following official approval the Central Bank of the Russian Federation (CBR), the office – located in the heart of Russia's capital city – is now authorised to commence business operations. The opening of the new representative office is an important step within the framework of Aareal Bank's plans to achieve broad global diversification and to further expand its credit portfolio exposure to Central and Eastern Europe (CEE).

The business activities of Aareal Bank's Polish subsidiary – Aareal Financial Service Polska Sp. z o.o., Warsaw – were transferred to Aareal Bank's newly-established Warsaw branch, also with effect from 1 July 2008. The transfer has been approved by the Polish Financial Supervisory Authority (PFSA). The new branch office was established in order to concentrate Aareal Bank's businesses in the CEE region, and to strengthen the good position that the bank already commands in that market. Accordingly, sales activities in Poland, the Czech Republic, the Republic of Slovakia, the Russian Federation, and Romania will henceforth be concentrated at the Warsaw branch.

Norbert Kickum, member of Aareal Bank's Management Board, explained: "In line with our three-continent strategy, we will structure our distribution activities through so-called hubs – distribution centres focusing on a specific economic region." He explained that, leveraging the success of the model Aareal Bank introduced in Scandinavia, the bank has developed Singapore into its Asian hub. Concentrating sales activities for Central and Eastern Europe is the next logical step: "The structure of a hub provides us with great flexibility, which we will utilise to develop our growth potential across the entire CEE region even more efficiently", Norbert Kickum added.

With regard to the new representative office in Moscow, Karl Wilson, Managing Director of Aareal Bank and head of the new CEE hub in Warsaw, explained that Russia is one of the key growth markets in the CEE region: "Our local expertise will allow us to maintain direct, close contact with our clients and focus on their specific needs." The assets that Aareal Bank will finance in Russia comprise mainly large office buildings, hotels and shopping centres in the Greater Moscow and St Petersburg regions.

Aareal Bank has had a presence in the CEE region since 1998, and in Russia since 2003. It is one of the leading property finance houses in the CEE region. The bank was honoured as "Best Property Bank in Central and Eastern Europe" within the scope of the CEE Real Estate Quality Award in 2004 and 2006, in recognition of its success. Last year, roughly 8.5 percent of Aareal Bank's new business was generated in this region.

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Aareal Bank AG is one of the leading international specialist property banks. The Aareal Bank share is included in Deutsche Börse's mid-cap MDAX index. Aareal Bank operates on three continents: leveraging its successful European business model, the bank has established similar platforms in North America and in the Asia-Pacific region. It provides property financing solutions in more than 25 countries.