

Press Release

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Aareal Bank integrates Corealcredit's operating business

Subsidiary's banking operations to be converted into a branch of Aareal
Bank – two-year guarantee agreed for the Frankfurt branch

Wiesbaden, 15 April 2015 – Aareal Bank will integrate the banking operations of COREALCREDIT BANK AG (Corealcredit) into the parent entity, just over one year after the acquisition by Aareal Bank Group. The Management Boards of both institutions have resolved a corresponding plan, which is still subject to approval by the respective governing bodies. From a legal perspective, the plan is to achieve integration through splitting off Corealcredit's operative banking business, and merging it into Aareal Bank AG. Corealcredit's Frankfurt office will then turn into Aareal Bank's new Frankfurt branch. Following this split-of, Corealcredit will turn into a subsidiary with no operative activities. Completion of the split-of process is scheduled for the end of the first half of 2015, following entry into the Commercial Register and the transfer of operations.

Irrespective of the now-resolved integration under company law, which will not trigger any additional reduction in workforce at Corealcredit, the Management Board and employee representatives have agreed upon an additional reconciliation of interests. This reconciliation of interests will regulate the impact on the staffing situation – especially through the integration of IT systems, which is already in progress, as well as due to the marked decline in business volumes at Corealcredit, which focuses on the highly competitive German market. Following the implementation of the associated organisational changes, around half of the current approximately just under 120 jobs are set to remain at Aareal Bank's new Frankfurt branch. As part of this reconciliation of interests, which will come into force following the split-of of operations now decided upon, the continued existence of the Frankfurt branch has been guaranteed until 31 March 2017.

Aareal Bank Group

Aareal Bank Group, headquartered in Wiesbaden, Germany, is one of the leading international property specialists. It is active across three continents - in Europe, North America and Asia. 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. In the Consulting/Services segment, Aareal Bank Group offers clients – particularly from the housing industry and the commercial property sector – services and products for managing residential property portfolios and processing payment flows.