



Press Release

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Future dividend policy of Aareal Bank AG: Higher distribution ratios planned

Wiesbaden, 24 February 2016 – The Management Board and the Supervisory Board of Aareal Bank AG resolved to enhance the Bank's dividend policy today. According to this, the Bank plans to continue to distribute an ordinary dividend of approximately 50% of the earnings per share (EpS) for the financial years from 2016 onwards. For the financial years 2016 until 2018 it is planned to add a supplementary dividend, increasing from 10% to between 20 and 30% of the EpS, respectively. Thus, the Bank aims to pay a dividend of approximately 60% of EpS for the 2016 financial year, and of approximately 70 to 80% of EpS for the 2017 and 2018 financial years, respectively. The basis for calculating the dividend generally is the EpS. This corresponds to consolidated net income (after taxes) according to IFRSs after deduction of net income/loss attributable to non-controlling interests and after servicing hybrid financial instruments.

In accordance with the existing dividend policy, the Management Board and the Supervisory Board of Aareal Bank AG will propose to the Annual General Meeting on 25 May 2016 to distribute a dividend of EUR 1.65 per share for the 2015 financial year.

Additional information

Important note:

The future dividend policy applies provided that the dividend payments resulting from it are consistent with a long-term and sustained business development of Aareal Bank AG. This policy reflects the fundamental objectives of the Management Board for the years to come and may be adjusted (e.g. in case of a potential extraordinary dividend). In addition, dividend payments are subject to the proviso that corresponding dividend proposals have been made by the Management Board and the Supervisory Board for the respective year; however, any of these governing bodies may differ from this dividend policy under the circumstances prevailing at that time. Dividend payments are subject to the decision of the Annual General Meeting.

Reservations regarding statements about the future

Insofar as we make forecasts or express expectations or make statements regarding the future in this document, these might be linked to known and unknown risk and uncertainty factors. The actual results and developments could differ materially from the stated expectations or assumptions.

In addition to other reasons not specified here, deviations are possible due to (i) changes to the general economic and competitive situation, especially in core business segments and markets of Aareal Bank AG, (ii) legal and other regulatory changes, especially regarding supervisory regulations, (iii) developments of financial markets (especially market volatility, liquidity and credit events), (iv) changes to the borrower default rate, (v) interest rate changes, (vi) changes to exchange rates, including the euro-dollar exchange rate (vii) acquisitions including successive integration and restructuring measures and (viii) general competitive factors. Terrorist attacks and their consequences could increase the probability and the extent of deviations.

No obligation to update information

The Company does not assume any obligation to update the information and statements about the future contained in this disclosure, unless inconsistent with legal provisions.

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.