

Press release

Aareal Bank and Allianz cooperate again on large scale pan-European loan

Wiesbaden/Paris, 19 December 2016 – Allianz is co-financing a pan-European property portfolio facility that was arranged and underwritten by Aareal Bank AG. The share of Allianz in this financing (totaling € 610 million) amounts to € 366 million and is granted for a 10 year term. The deal is being conducted by Allianz Real Estate, the strategic center of real estate expertise within Allianz Group, on behalf of Allianz Leben. The borrower is Invesco Real Estate (IRE) for a portfolio covering 27 prime locations across seven countries in Europe.

The arrangement, which was first announced on 5th December 2016¹, provides IRE with the flexibility to extend the facility by an additional € 390 million up to a maximum amount of € 1 billion, which is yet uncommitted. Aareal Bank acted as arranger and agent for this facility. The transaction is one of the biggest loan facilities and syndicated financings in the real estate industry in 2016.

“The landmark initiative is another proof for Aareal Bank’s expertise in providing high-volume, cross-border and cross-currency financings in cooperation with the insurance sector. It reflects our aim to further increase our syndication activities with strategic partners”, said Christian Schmid, Managing Director Business and Syndication Management at Aareal Bank.

“With this transaction, Allianz further expands and diversifies its European real estate debt portfolio. We appreciate the chance to accompany a like-minded investment partner such as Invesco Real Estate during the set-up of this landmark financing alongside Aareal Bank. This investment allows us to offer stable returns to Allianz insurance customers”, said Roland Fuchs, Head of European Real Estate Finance at Allianz Real Estate.

“With this investment, our customers participate in the positive development of the European real estate market. Especially in the low yield environment, investments in real estate loans are an important building block to insure an attractive yield for our customers”, said Andreas Lindner, Investment Manager at Allianz Leben.

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¹ Note to editors: Further information on the financing is available in the press release dated 05 December 2016:
<http://www.aareal-bank.com/nc/en/media-portal/newsroom/press-information/press-information/article/invesco-real-estate-mandates-aareal-bank-ag-to-arr/>

About 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.

About Allianz

Allianz represents one of the world's strongest financial communities, offering a broad range of insurance and asset management services. In 2015, Allianz employed around 142,000 staff in some 70 countries and achieved total revenues of 125.2 billion euros and an operating profit of 10.7 billion euros. Allianz Group managed an investment portfolio of around 640 billion euros. Additionally our asset managers Allianz GI and PIMCO managed 1.3 trillion euros of third party money. Allianz is active in a wide variety of sectors including real estate, infrastructure, renewable energy and equity and debt. Allianz's long-term value strategies maximize risk-adjusted returns.

About Allianz Real Estate

Allianz Real Estate is the strategic centre of expertise in real estate within the Allianz Group and a leading international real estate investment and asset manager. Allianz Real Estate develops and executes worldwide tailored portfolio and investment strategies on behalf of the Allianz companies, considering direct as well as indirect investments and real estate loans. The operational management of investments and assets is currently performed in seven international subsidiaries and hubs in Germany, France, Switzerland, Italy, USA and Asia/Pacific. Allianz Real Estate has approximately €45 bn assets under management.

About Invesco Real Estate (IRE)

IRE is a global real estate firm, which has been providing real estate investment and property asset management services since 1983, first in the US and then expanding into Europe and Asia. Globally, IRE has US\$71.3bn of assets under management and over 441 staff in 21 offices around the world. In Europe, we have eight offices in London, Munich, Milan, Madrid, Paris, Prague, Luxembourg and Warsaw, and around 140 employees. We manage 130 assets across 13 European countries and have US\$7.9bn of assets under management.