



Press release

Contacts:

Sven 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 Group: Reversal of provisions set aside within the scope of the acquisition of Corealcredit Bank AG

Wiesbaden, 20 April 2017 – Following the final settlement of contractual issues with a third party that were still unsolved at the time Aareal Bank Group acquired Corealcredit Bank AG and following the receipt of tax assessment notices, Aareal Beteiligungen AG (previously Corealcredit Bank AG), a subsidiary of Aareal Bank AG included in the consolidated financial statements of Aareal Bank Group, has reversed provisions of € 66 million which are recognised in income. These are offset by corresponding expenses totalling € 42 million, of which € 16 million will be recognised in operating profit and € 26 million in the tax item. The positive effect on consolidated operating profit of Aareal Bank Group in the second quarter of 2017 will thus total € 50 million before taxes and € 24 million after taxes. For this reason, Aareal Bank AG raises its consolidated operating profit forecast for the current year from between € 260 and € 300 million, as published on 23 February 2017, to a range between € 310 to € 350 million. At the same time, the earnings per share forecast for the 2017 financial year is raised from between € 2.45 and € 2.90 to € 2.85 and € 3.30.

Within the context of announcing the takeover of Corealcredit Bank AG on 22 December 2013, Aareal Bank Group communicated that Corealcredit Bank's legal, tax and credit risks existing at that time have been valued conservatively and comprehensively ring-fenced within the framework of an extensive due diligence.

Aareal Bank Group

Aareal Bank Group, headquartered in Wiesbaden, is a leading international property specialist. The Group offers smart financings, software products and digital solutions for the property sector and related industries, and is represented on three continents: 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 business segment, clients from the European property and energy sectors optimise their business processes and enhance efficiency through Aareal Bank Group's unique combination of specialised banking services and innovative digital products and services.