



**Preliminary results of the financial year 2018 (unaudited,  
in accordance with IFRSs)**

	1 Jan- 31 Dec 2018	1 Jan - 31 Dec 2017 <sup>1)</sup>	Change
	€ mn	€ mn	%
Net interest income	535	584	-8
Loss allowance	72	82	-12
Net commission income	215	206	4
Net derecognition gain or loss	24	50	-52
Result from financial instruments (fvpl)	-2	14	
Net result on hedge accounting	-2	-7	
Results from investments accounted for using the equity method	0	-	
Administrative expenses	462	511	-10
Net other operating income/expenses	25	74	-66
Negative goodwill from acquisitions	55	-	
<b>Operating profit</b>	<b>316</b>	<b>328</b>	<b>-4</b>
Income taxes	90	115	-22
<b>Consolidated net income</b>	<b>226</b>	<b>213</b>	<b>6</b>
Consolidated net income attributable to non-controlling interests	2	6	-67
Consolidated net income attributable to shareholders of Aareal Bank AG	224	207	8
<b>Earnings per share (Eps)</b>			
Consolidated net income attributable to shareholders of Aareal Bank AG <sup>2)</sup>	224	207	8
of which: allocated to ordinary shareholders	208	191	9
of which: allocated to AT1 investors	16	16	0
Earnings per ordinary share (in €) <sup>3)</sup>	3.48	3.20	9
Earnings per AT1 unit (€) <sup>4)</sup>	0.16	0.16	0

1) Comparative amounts reclassified according to the new classification format.

2) The allocation of earnings is based on the assumption that net interest payable on the AT1 bond is recognised on an accrual basis.

3) Earnings per ordinary share are determined by dividing the earnings allocated to ordinary shareholders of Aareal Bank AG by the weighted average of ordinary shares outstanding during the financial year (59,857,221 shares). Basic earnings per ordinary share correspond to (diluted) earnings per ordinary share.

4) Earnings per AT1 unit (based on 100,000,000 AT1 units with a notional amount of € 3 each) are determined by dividing the earnings attributable to AT1 investors by the weighted average of AT1 units outstanding during the financial year. Earnings per AT1 unit (basic) correspond to (diluted) earnings per AT1 unit.

**Segment Results of Aareal Bank Group**  
**Preliminary results for the 2018 financial year**  
**(unaudited, in accordance with IFRSs)**

	Structured Property Financing		Consulting/Services		Consolidation/Reconciliation		Aareal Bank Group	
	1 Jan - 31 Dec 2018	1 Jan - 31 Dec 2017 <sup>1)</sup>	1 Jan - 31 Dec 2018	1 Jan - 31 Dec 2017	1 Jan - 31 Dec 2018	1 Jan - 31 Dec 2017	1 Jan - 31 Dec 2018	1 Jan - 31 Dec 2017 <sup>1)</sup>
€ mn								
Net interest income	547	596	0	0	-12	-12	535	584
Loss allowance	73	82	-1				72	82
Net commission income	9	7	200	191	6	8	215	206
Net derecognition gain or loss	24	50					24	50
Result from financial instruments (fvpl)	-2	14	0				-2	14
Net gain or loss from hedge accounting	-2	-7					-2	-7
Results from investments accounted for using the equity method	0						0	
Administrative expenses	241	296	227	220	-6	-5	462	511
Net other operating income/expenses	21	69	4	6	0	-1	25	74
Negative goodwill from acquisitions	55						55	
<b>Operating profit</b>	<b>338</b>	<b>351</b>	<b>-22</b>	<b>-23</b>	<b>0</b>	<b>0</b>	<b>316</b>	<b>328</b>
Income taxes	99	123	-9	-8			90	115
<b>Consolidated net income</b>	<b>239</b>	<b>228</b>	<b>-13</b>	<b>-15</b>	<b>0</b>	<b>0</b>	<b>226</b>	<b>213</b>
Consolidated net income attributable to non-controlling interests	0	4	2	2			2	6
Consolidated net income attributable to shareholders of Aareal Bank AG	239	224	-15	-17	0	0	224	207

1) Comparative amounts reclassified according to the new classification format.

**Consolidated Income Statement of Aareal Bank Group**  
**Preliminary results for the fourth quarter of 2018**  
**(unaudited, in accordance with IFRSs)**

	Q4 2018	Q4 2017 <sup>1)</sup>	Change
	€ mn	€ mn	%
Net interest income	135	135	0
Loss allowance	39	29	34
Net commission income	63	61	3
Net derecognition gain or loss	8	13	-38
Result from financial instruments (fvpl)	-1	1	
Net result on hedge accounting	0	-2	-100
Results from investments accounted for using the equity method	0	-	
Administrative expenses	118	123	-4
Net other operating income/expenses	14	10	40
Negative goodwill from acquisitions	55		
<b>Operating profit</b>	<b>117</b>	<b>66</b>	<b>77</b>
Income taxes	22	18	22
<b>Consolidated net income</b>	<b>95</b>	<b>48</b>	<b>98</b>
Consolidated net income attributable to non-controlling interests	0	0	
Consolidated net income attributable to shareholders of Aareal Bank AG	95	48	98
<b>Earnings per share (Eps)</b>			
Consolidated net income attributable to shareholders of Aareal Bank AG 2)	95	48	98
of which: allocated to ordinary shareholders	91	44	107
of which: allocated to AT1 investors	4	4	0
Earnings per ordinary share (in €) <sup>3)</sup>	1.51	0.74	104
Earnings per AT1 unit (€) <sup>4)</sup>	0.04	0.04	0

1) Comparative amounts reclassified according to the new classification format.

2) The allocation of earnings is based on the assumption that net interest payable on the AT1 bond is recognised on an accrual basis.

3) Earnings per ordinary share are determined by dividing the earnings allocated to ordinary shareholders of Aareal Bank AG by the weighted average of ordinary shares outstanding during the financial year (59,857,221 shares). (Basic) earnings per ordinary share correspond to (diluted) earnings per ordinary share.

4) Earnings per AT1 unit (based on 100,000,000 AT1 units with a notional amount of € 3 each) are determined by dividing the earnings attributable to AT1 investors by the weighted average of AT1 units outstanding during the financial year. Earnings per AT1 unit (basic) correspond to (diluted) earnings per AT1 unit.

**Segment Results of Aareal Bank Group**  
**Preliminary results for the fourth quarter**  
**2018 (unaudited, in accordance with IFRSs)**

	Structured Property Financing		Consulting/Services		Consolidation/Reconciliation		Aareal Bank Group	
	Q4	Q4	Q4	Q4	Q4	Q4	Q4	Q4
	2018	2017 <sup>1)</sup>	2018	2017	2018	2017	2018	2017 <sup>1)</sup>
€ mn								
Net interest income	138	139	0	0	-3	-4	135	135
Loss allowance	40	29	-1				39	29
Net commission income	3	3	59	55	1	3	63	61
Net derecognition gain or loss	8	13					8	13
Result from financial instruments (fvpl)	-1	1	0				-1	1
Net gain or loss from hedge accounting	0	-2					0	-2
Results from investments accounted for using the equity method	0						0	
Administrative expenses	59	62	61	63	-2	-2	118	123
Net other operating income/expenses	12	7	2	4	0	-1	14	10
Negative goodwill from acquisitions	55						55	
<b>Operating profit</b>	<b>116</b>	<b>70</b>	<b>1</b>	<b>-4</b>	<b>0</b>	<b>0</b>	<b>117</b>	<b>66</b>
Income taxes	22	19	0	-1			22	18
<b>Consolidated net income</b>	<b>94</b>	<b>51</b>	<b>1</b>	<b>-3</b>	<b>0</b>	<b>0</b>	<b>95</b>	<b>48</b>
Consolidated net income attributable to non-controlling interests	0	0	0	0			0	0
Consolidated net income attributable to shareholders of Aareal Bank AG	94	51	1	-3	0	0	95	48

1) Comparative amounts reclassified according to the new classification format.