

Country-by-Country Reporting 2013

Preface

The new country-by-country reporting requirements in section 89 of the Capital Requirements Directive (Directive 2013/36/EU – "CRD IV") were transposed into German law by the German Banking Act (Kreditwesengesetz – "KWG").

Pursuant to section 64r (15) sentence 1 of the transitional provisions to the CRD IV Implementation Act, the disclosure requirements in section 26a sentence 2 nos. 1 to 3 of the KWG must be published for the first time as at 1 July 2014.

Disclosure requirements comprise details on the registered office, revenues and employees of Aareal Bank AG's foreign branch offices.

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The unconsolidated information contained in this report, which is based on the scope of consolidation in the statement of financial position, reflects the data as at the reporting date 31 December 2013.

For this purpose, the Bank's entities – subsidiaries as well as Aareal Bank AG's foreign branches – are allocated to our two business segments, Structured Property Financing and Consulting/Services.

In the Structured Property Financing segment, we finance commercial property – in particular, office buildings, hotels, shopping centres as well as logistics properties and residential property – in Germany, Europe, North America and Asia.

In the Consulting/Services segment, we offer specialised banking services to housing and commercial property management sector customers in our core market of Germany. Through Aareon AG, the leading consultancy and systems house to the property management sector, we offer IT consulting, software and IT services in several European countries.

Aareal Bank defines the branch offices' operating profit, which is used as a proxy for revenue, as the sum of the following consolidated income statement items (in accordance with IFRSs):

- Net interest income before allowance for credit losses;
- Net commission income;
- Net result on hedge accounting;
- Net trading income/expenses;
- Results from non-trading assets;
- Results from investments accounted for using the equity method;
- Results from investment properties;
- Net other operating income/expenses;
- Impairment of goodwill.

The following overview lists all of Aareal Bank AG's foreign branches, as well as the biggest foreign subsidiaries, which together account for 98 % of aggregate operating profit of all foreign subsidiaries.

	Registered office	Revenues € mn	Number of employees full-time equivalents
Structured Property Financing segment			
Belgium			
Aareal Bank AG, Brussels branch	Brussels	4	4.00
Jomo S.p.r.l.	Brussels	-1	-
France			
Aareal Bank AG, Paris branch	Paris	5	6.00
United Kingdom			
Aareal Bank AG, London branch	London	3	7.00
Italy			
Aareal Bank AG, Rome branch	Rome	43	28.40
IMMO Consulting S.r.l.	Rome	1	3.75
La Sessola S.r.l.	Rome	-11	-
La Sessola Service S.r.l.	Rome	-1	-
Mercadea S.r.l.	Rome	1	1.00
Ireland			
Aareal Bank AG, Dublin branch	Dublin	2	10.40
Netherlands			
Aareal Property Services B.V.	Amsterdam	1	-
Poland			
Aareal Bank AG, Warsaw branch	Warsaw	6	7.00
Sweden			
Aareal Bank AG, Stockholm branch	Stockholm	5	6.70
Singapore			
Aareal Bank Asia Ltd.	Singapore	2	5.00
USA			
Aareal Bank Capital Funding LLC	Wilmington	18	-
Aareal Bank Capital Funding Trust	Wilmington	18	-
Aareal Capital Corporation	Wilmington	7	28.20
Consulting/Services segment			
France			
Aareon France S.A.S.	Meudon La Forêt	15	152.80
United Kingdom			
Aareon UK Ltd.	Coventry	5	61.00
1st Touch Ltd.	Southampton	4	28.10
Netherlands			
SG Automatisering B.V.	Emmen	15	141.50
SG Facilitor B.V.	Enschede	2	11.20
Sweden			
Incit AB	Mölnadal	4	63.90