

**IR Release**

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Aareal Bank Group adopts cornerstones for medium-term strategy, accelerated de-risking pursued, earnings forecast affirmed

Wiesbaden, 13. Jan 2020 – Aareal Bank Group has set the course for continuing its successful development. Called "Aareal Next Level", the concept devised by the Management Board for the Group's medium-term strategic development, following expiry of the current "Aareal 2020" programme, has the unanimous support from the Supervisory Board. Maintaining the Group's fundamental strategic orientation, the new concept is designed to secure the Bank's leading position in Structured Property Financing whilst sharpening the independent profiles of the Group's activities within the Consulting/Services segment. In this way, Aareal Bank Group is set to be raised to a new level of development, tapping new growth potential.

In addition to the concept developed by the Management Board for the Group's medium-term strategic development, Aareal Bank has also further improved its economic position, in a market environment characterised by growing uncertainty. As announced, the Bank further expedited its programme for accelerated de-risking during the fourth quarter of 2019. According to preliminary figures, Aareal Bank has reduced its aggregate risk exposure to Italy (comprising securities and loans) by around one-third (or € 1.3 billion) during the financial year under review, to € 2.7 billion. The Bank reduced its volume of non-performing loans (NPLs) by around 40 per cent (or € 0.8 billion) compared to the mid-year point, to € 1.1 billion as at 31 December 2019. From today's perspective, Aareal Bank affirms its target for full-year 2019 consolidated operating profit of around € 240 million, which it had detailed further in November 2019.

Aareal Bank will present further details regarding the further-developed strategy, together with the full preliminary results for the 2019 financial year, on 26 February 2020.

Aareal Bank Group

Aareal Bank Group Aareal Bank Group, headquartered in Wiesbaden, is a leading international property specialist. It provides smart financings, software products, and digital solutions for the property sector and related industries, and is present across three continents: Europe, North America and Asia/Pacific. 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 threecontinent strategy covering Europe, North America and the Asia/Pacific region. In its Consulting/Services segment Aareal Bank Group offers its European clients from the property and energy sectors a unique combination of specialised banking services as well as innovative digital products and services, designed to help clients optimise and enhance the efficiency of their business processes.