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Aareal Bank announces repayment of the Aareal Bank Capital Funding Trust

Wiesbaden, 1 March 2017 – The Aareal Bank Capital Funding Trust will terminate its outstanding Trust Preferred Securities (ISIN: XS0138973010) today, and redeem all of the 10,000,000 Trust Preferred Securities on the next scheduled repayment date of 31 March 2017, at a redemption price of 100%, equivalent to a total of €250 million, plus accrued interest.

"With this measure, we consistently pursue our goal of permanently optimising Aareal Bank Group's capital structure. We are in a position to take this step thanks to our very good capitalisation and liquidity position", said Hermann J. Merkens, Chairman of the Management Board of Aareal Bank AG. The European Central Bank has granted its required approval of the redemption.

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.