

Successful voluntary public takeover offer by Atlantic BidCo – 60 per cent minimum acceptance level exceeded

- **Atlantic BidCo will be the new majority owner of Aareal Bank AG, subject to regulatory approvals**
- **Statutory additional acceptance period is expected to start on 31 May 2022 and end on 13 June 2022.**
- **Chief Executive Officer Jochen Klösges: “The required majority of our shareholders decided in favour of a takeover of Aareal Bank by Atlantic BidCo. For us, this means that as a result, we will be able to expedite implementation of our strategy in all three business segments, with the support of the new investors. We see the new, stable ownership structure as an advantage, especially in pursuing our sustainable long-term objectives.”**

Wiesbaden, 25 May 2022 – Atlantic BidCo GmbH („BidCo“ or the “Bidder”), a bidder company indirectly held by funds managed and advised by Advent International Corporation (“Advent”) and Centerbridge Partners (“Centerbridge”) as well as CPP Investment Board Europe S.à.r.l., a wholly-owned subsidiary of Canada Pension Plan Investment Board („CPP Investments“) and further minority shareholders, today announced that the minimum acceptance level of 60 per cent set out in the course of the voluntary public takeover offer was exceeded by the end of the acceptance period on 24 May 2022, 24:00 hours CEST. According to the Bidder, the result of the offer is expected to be announced on 30 May 2022.

Shareholders who have not tendered their shares may still accept the offer during the statutory additional acceptance period, which is expected to commence on 31 May 2022, and to expire on 13 June 2022, 24:00 hours CEST. In their statutory joint reasoned statement on the takeover offer made by Atlantic BidCo GmbH, the Management Board and the Supervisory Board of Aareal Bank AG described the offer price of € 33 per share as fair and adequate and recommended the shareholders to accept the offer. Closing of the takeover offer is subject to regulatory approvals and is expected to take place in the fourth quarter of 2022 or in the first quarter of 2023.

Jochen Klösges, Chief Executive Officer of Aareal Bank, commented: “The required majority of our shareholders decided in favour of a takeover of Aareal Bank by Atlantic BidCo. For us, this means that as a result, we will be able to expedite implementation of our strategy in all three business segments, with the support of the new investors. We see the new, stable ownership structure as an advantage, especially in pursuing our sustainable long-term objectives.”

Future cooperation will be based on the Investment Agreement concluded between Aareal Bank and the Bidder in conjunction with the transaction. In the Investment Agreement, the Bidder commits to supporting Aareal Bank AG’s strategic ambitions to strengthen its position as a leading international provider of property financings, as well as software, digital solutions and payments services – based on the “Aareal Next Level” strategy – and to

expedite growth in all of the Group's segments. Accelerated growth will be facilitated, in particular, by combining the extensive joint experience in the financial services, software, and payments sectors, and by retaining profits in the next few years. Based on a business plan supported by the Bidder, this would generate significant additional funds for attractive growth opportunities in all three segments.

The parties have identified the banking business as one main area for growth potential. In the Structured Property Financing segment, additional capital available would allow Aareal Bank to broaden and diversify the volume of its portfolio, in a market phase that offers manifold opportunities for attractive new business to an even greater extent than is projected at present, whilst maintaining its conservative risk policy. The Investment Agreement aims to increase the credit portfolio to up to € 40 billion over the next five years approximately, subject to corresponding market conditions. The consensus view amongst management and the financial investors is that the Banking & Digital Solutions segment harbours considerable potential for further capital-efficient growth in net commission income. The focus here shall be on the expansion and a wider international footprint of the core offering in payment services – through further M&A activities, and supported by the investors' market access and attractive cooperation models, including with the investors' portfolio companies and Aareon.

The Value Creation Programme for Aareon – jointly developed with Advent as minority shareholder of the Aareon software subsidiary – is expected to be accelerated. It aims for significant earnings growth by 2025. With the Bidder's support, Aareon will be able to access additional funds for M&A activities, thus accelerating its successful M&A roadmap even further.

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About 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 Group's business strategy focuses on sustainable business success, with environmental, social and governance aspects as an integral part of this strategy. Aareal Bank AG, whose shares are included in Deutsche Börse's SDAX index, is the Group's parent entity. It manages the various entities organised in the Group's business segments: Structured Property Financing, Banking & Digital Solutions, and Aareon. The Structured Property Financing segment encompasses all of Aareal Bank Group's property financing and funding activities. Here, the Bank supports its clients in making large-volume commercial property investments. The investment properties mostly comprise office buildings, hotels, shopping centres, logistics and residential property, as well as student apartments. In the Banking & Digital Solutions segment, Aareal Bank Group supports businesses from the housing, property management and energy industries as a digitalisation partner – combining extensive advisory services and product solutions with traditional corporate banking services and deposit-taking. Its subsidiary Aareon, the leading supplier of ERP software and digital solutions for the European property sector and their partners, represents the third business segment. Aareon is digitalising the property industry by offering user-oriented software solutions that simplify and automate processes, support sustainable and energy-efficient operations, and interconnect all process participants.