

Mandatory publication pursuant to Section 27 para. 3 sentence 1 in conjunction with Section 34 of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz - WpÜG*)

Aareal

**Joint reasoned statement
of the Management Board and the Supervisory Board**

of

Aareal Bank AG

Paulinenstraße 15
65189 Wiesbaden
Federal Republic of Germany

regarding the

**voluntary public takeover offer
(cash offer pursuant to Section 29, Section 31 WpÜG)**

of

Atlantic BidCo GmbH

An der Welle 4
60322 Frankfurt am Main
Germany

to the shareholders of Aareal Bank AG

Aareal Shares: ISIN DE0005408116
Tendered Aareal Shares: ISIN DE000A3MQCM4

TABLE OF CONTENTS

I.	General information on this Reasoned Statement	6
1.	Legal basis of this Reasoned Statement	6
2.	Factual basis of this Reasoned Statement	7
3.	Publication of this Reasoned Statement and of additional reasoned statements in relation to amendments of the Offer.....	7
4.	Statement of the works council	8
5.	Own responsibility of the Aareal Shareholders.....	8
II.	Information about the Company and the Aareal Group.....	10
1.	Legal basis of the Company	10
2.	Overview of the Aareal Group	10
3.	Capital structure of the Company	11
4.	Overview of the business activities of the Aareal Group	12
5.	Governing bodies of the Company	12
6.	Shareholder structure.....	13
III.	Information about the Bidder	14
1.	Legal basis and capital structure of the Bidder.....	14
2.	Corporate structure of the Bidder	14
3.	Persons acting jointly with the Bidder.....	16
4.	Aareal Shares currently held by the Bidder or by persons acting jointly with the Bidder and their subsidiaries; attribution of voting rights	17
5.	Information about acquisitions of Aareal Shares	17
6.	Possible future acquisitions of Aareal Shares	17
7.	Background information on Advent International, Centerbridge and CPPIB	17
IV.	Information about the Offer	18
1.	Relevance of the Offer Document	18
2.	Implementation of the Offer.....	18
3.	Subject of the Offer and Offer Price	19
4.	Acceptance Period	19
4.1	Acceptance Period.....	19
4.2	Additional Acceptance Period	19
5.	Right to tender under takeover law.....	20
6.	Offer Conditions	20
7.	Status of merger control proceedings.....	21
8.	Status of foreign investment control proceedings.....	21
9.	Status of clearances under banking regulatory law.....	21

10.	Approval of publication of the Offer Document by BaFin.....	21
11.	Acceptance and settlement of the Offer; dividends	21
V.	Financing of the Offer	23
1.	Maximum Consideration.....	23
2.	Financing measures	23
3.	Assessment of the financing by the Management Board and the Supervisory Board	24
VI.	Type and amount of the consideration	25
1.	Type and amount of the consideration	25
2.	Statutory minimum price.....	25
2.1	Prior acquisitions.....	25
2.2	Stock exchange price.....	25
3.	Assessment of the fairness of the consideration	26
3.1	Assessment based on the stock exchange price of the Aareal Shares.....	26
3.2	Assessment based on research analyst target prices.....	27
3.3	Assessment in comparison with historical takeover premiums	28
3.4	Assessment based on valuation multiples of listed companies considered relevant.....	28
3.5	Assessment based on valuation multiples in past transactions considered relevant	29
3.6	Assessment based on a regression analysis of banks considered relevant	29
3.7	Assessment based on the discounted dividends analysis	29
3.8	Fairness opinion of Perella Weinberg Partners.....	29
3.9	Fairness Opinion by Deutsche Bank.....	31
3.10	Overall assessment of the fairness of the consideration by the Management Board and the Supervisory Board	32
VII.	Objectives and intentions pursued by the Bidder and their assessment by the Management Board and the Supervisory Board	34
1.	Statements made by the Bidder in the Offer Document	34
1.1	Background of the Offer	34
1.2	Intentions of the Bidder and Atlantic Lux HoldCo S.à r.l.	36
2.	Assessment of the intentions of the Bidder and the expected consequences for Aareal	39
2.1	Background of the Offer	40
2.2	Future business activity, assets and future obligations of Aareal Bank AG	40
2.3	Registered seat and headquarters of Aareal Bank AG, location of significant parts of the business.....	41
2.4	Employees, employee representation and employment conditions	41
2.5	Members of the Management Board and the Supervisory Board of Aareal Bank AG.....	41
2.6	Structural measures.....	42
2.7	No domination and/or profit and loss pooling agreement.....	42

NON-BINDING CONVENIENCE TRANSLATION OF THE ORIGINAL GERMAN VERSION

2.8	Tax consequences	43
2.9	Financial consequences	43
2.10	Consequences for material contractual agreements	43
VIII.	Effects on the Aareal Shareholders	44
1.	Potential effects in the event the Offer is accepted	44
2.	Potential consequences in the event of non-acceptance of the Offer	46
IX.	No mandatory offer when acquiring control over the Company	47
X.	Interests of the members of the management bodies of Aareal Bank AG	48
XI.	Intention to accept the Offer	48
XII.	Final assessment	49
	Annex 1 – Subsidiaries of Aareal Bank AG	51
	Annex 2 – Fairness Opinion Perella Weinberg Partners GmbH	55
	Annex 3 – Fairness Opinion Deutsche Bank AG	56

DEFINITIONS

Aareal Bank AG	6	GCGC.....	38
Aareal Group	6	Germany.....	6
Aareal Share.....	6	IDW	30
Aareal Shareholders.....	6	Investment Agreement	34
Aareal Shares.....	6	Maximum Consideration.....	23
Acceptance Period	19	Offer	6
Additional Acceptance Period.....	20	Offer Conditions.....	20
Advent Funds	24	Offer Consideration	19
BaFin.....	21	Offer Costs	23
Banking Day	7	Offer Document	6
Bidder	6	Offer Price	19
BörsG	38	Perella Weinberg Partners	26
Central Settlement Agent	21	Persons acting jointly.....	16
CET	7	PWP Fairness Opinion	29
Co-Investor Funds.....	24	Reasoned Statement.....	6
Company	6	Relationship Agreement	35
CPPIB.....	14	Squeeze-out	39
Custodian Bank	21	Statement.....	6
DB Fairness Opinion	31	Stock Exchange Trading Day	7
Declaration of Acceptance.....	21	Supervisory Board.....	6
Delisting.....	38	Takeover Offer.....	6
Deutsche Bank	26	Tendered Aareal Shares	21
ECLs.....	24	United States.....	8
Equity Funding.....	24	VBL.....	48
EUR	7	WpHG.....	13
Exchange Act	8	WpÜG.....	6
Funds	24	XETRA	10

I. GENERAL INFORMATION ON THIS REASONED STATEMENT

On December 17, 2021, Atlantic BidCo GmbH, a limited liability company (*Gesellschaft mit beschränkter Haftung*) organized under the laws of the Federal Republic of Germany (**Germany**) with registered seat in Frankfurt am Main, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main under registration number HRB 124165, business address: An der Welle 4, 60322 Frankfurt am Main, Germany (the **Bidder**), submitted, in accordance with Section 34, Section 29, Section 14 para. 2 sentence 1, para. 3 sentence 1 of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz, WpÜG*), through the publication of the offer document within the meaning of Section 11 WpÜG (the **Offer Document**), a voluntary public takeover offer (**Offer** or **Takeover Offer**) to the shareholders of Aareal Bank AG, a stock corporation (*Aktiengesellschaft*) organized under German law, with registered seat in Wiesbaden, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Wiesbaden under registration number HRB 13184, business address: Paulinenstraße 15, 65189 Wiesbaden, Germany (**Aareal Bank AG** or the **Company** and, together with its consolidated subsidiaries, the **Aareal Group**). The sole shareholder of the Bidder is Atlantic Lux HoldCo S.à r.l., a limited liability company formed under the laws of Luxembourg (*société à responsabilité limitée*) with registered seat in Luxembourg, registered with the commercial register of Luxembourg (*Registre de Commerce et des Sociétés*) under B 249456.

The Offer is addressed to all shareholders of the Company (the **Aareal Shareholders**) and concerns the acquisition of all no-par value bearer shares of the Company (ISIN DE0005408116) held by them, which are not directly held by the Bidder, each representing a proportionate amount of EUR 3.00 of the share capital and in each case including all ancillary rights existing at the time of settlement of the Offer, in particular the right to dividends (each an **Aareal Share** and collectively, the **Aareal Shares**), against a cash consideration of EUR 29.00 per Aareal Share (cash offer).

After its transmission by the Bidder, the Management Board of the Company forwarded the Offer Document without undue delay to the Supervisory Board of the Company (**Supervisory Board**) and the group works council of Aareal Bank AG as the competent works council.

In connection with the following reasoned statement within the meaning of Section 27 WpÜG regarding the Offer (the **Reasoned Statement** or the **Statement**), the Management Board and the Supervisory Board point out the following:

1. Legal basis of this Reasoned Statement

Pursuant to Section 27 para. 1 sentence 1, para. 3 sentence 1 WpÜG, the Management Board and the Supervisory Board of the Company must, without undue delay after transmission of the Offer Document pursuant to Section 14 para. 4 sentence 1 WpÜG, submit and publish a reasoned statement on the Offer and on each amendment thereof. The aforementioned provisions of the WpÜG are applicable pursuant to Section 34 WpÜG. The Statement can be issued jointly by the Management Board and the Supervisory Board. The Management Board and the Supervisory Board have decided to issue a joint statement in relation to the Bidder's Offer.

In their Statement, the Management Board and the Supervisory Board must, pursuant to Section 27 para. 1 sentence 2 WpÜG, comment in detail on (i) the type and amount of the consideration offered, (ii) the expected consequences of a successful Offer for the Company, the employees and their representatives, the employment conditions and the locations of the Company, (iii) the objectives pursued by the Bidder with the Offer and (iv) the intentions of the members of the Management Board and the Supervisory Board, to the extent that they are holders of securities of the Company, to accept the Offer.

2. Factual basis of this Reasoned Statement

References to time in this Reasoned Statement refer to Central European Time or, if applicable, Central European Summer Time (**CET**), unless expressly indicated otherwise. To the extent that expressions such as “currently”, “at the present time”, “at the moment”, “now”, “at present” or “today” or similar terms are used in this Reasoned Statement, they refer, except as otherwise explicitly stated, to the date of publication of this Reasoned Statement.

References to a “**Banking Day**” refer to any day (other than a Saturday or Sunday) on which banks in Frankfurt am Main, Germany, are open for general business.

References to a “**Stock Exchange Trading Day**” refer to a day on which the Frankfurt Stock Exchange is open for exchange trading.

References to “**EUR**” refer to the official currency of Germany and other member states of the European Union, which was introduced on January 1, 1999.

This Reasoned Statement includes forecasts, estimates, assessments, forward-looking statements and declarations of intent. Such statements are, in particular, indicated by terms such as “expects”, “believes”, “is of the opinion”, “attempts”, “estimates”, “intends”, “plans”, “assumes” and “endeavors”. Any such information, forecasts, assessments, valuations, forward-looking statements and expressions of intent are based on the information available to the Management Board and the Supervisory Board on the date of publication of this Reasoned Statement or, as the case may be, reflect their assessments or intentions at that time. These statements may be amended following the publication of this Reasoned Statement. Assumptions may also turn out to be incorrect in the future. The Management Board and the Supervisory Board are under no obligation to update this Reasoned Statement unless such an updating of it is required by statutory provisions.

The information in this document regarding the Bidder and the Offer is based on information provided in the Offer Document and other publicly available information (except as explicitly stated otherwise). The Management Board and the Supervisory Board point out that they are not able to verify or to fully verify the statements made by the Bidder in the Offer Document nor to guarantee the implementation of the Bidder’s intentions. To the extent that any information in this Statement refers to, quotes from or reproduces the Offer Document, such information is a mere reference by which the Management Board and the Supervisory Board do not adopt the Bidder’s Offer Document as their own, nor do they assume any warranty for its correctness or completeness.

3. Publication of this Reasoned Statement and of additional reasoned statements in relation to amendments of the Offer

The Statement and possible additions thereto as well as any statements regarding possible amendments of the Offer are or will be published on the website of the Company under “*Investors*” and there under the heading “*Equity Investors*” and there under “*Investment agreement and takeover offer*” (<https://www.aareal-bank.com/en/investors-portal/equity-investors/investment-agreement-and-takeover-offer>) in accordance with Section 27 para. 3 and Section 14 para. 3 sentence 1 WpÜG. Copies of the Reasoned Statement are also available free of charge from Aareal Bank AG, Investor Relations, Paulinenstraße 15, 65189 Wiesbaden, Germany, telephone: +49 611 348 3009, fax: +49 611 348 2637 (inquiries by email to ir@aareal-bank.com specifying the full postal address). The publication and availability of copies free of charge will be announced in the Federal Gazette (*Bundesanzeiger*).

This Reasoned Statement and possible additions thereto as well as any additional reasoned statements regarding possible amendments of the Offer are or will be published in German and as a non-binding

English translation. However, the Management Board and the Supervisory Board assume no liability for the correctness or completeness of the English translation. Only the German version is authoritative.

4. Statement of the works council

Pursuant to Section 27 para. 2 WpÜG, the competent works council of the Company may send a statement on the Offer to the Management Board, which the Management Board must, pursuant to Section 27 para. 2 WpÜG, attach to its own statement, without prejudice to its obligation pursuant to Section 27 para. 3 sentence 1 WpÜG. At the time of publication of this Statement, the competent group works council of the Company has not issued its own statement.

5. Own responsibility of the Aareal Shareholders

The Management Board and the Supervisory Board point out that the description of the Bidder's Offer in this Reasoned Statement does not claim to be exhaustive and that, as for the content and settlement of the Offer, solely the provisions of the Offer Document are authoritative.

The Management Board and the Supervisory Board point out that the statements and assessments in this Reasoned Statement are not binding on the Aareal Shareholders. Each Aareal Shareholder must make their own decision whether to accept the Offer and, if so, for how many of their Aareal Shares, taking into account the overall circumstances, their individual situation (including their personal tax situation) and their own individual assessment of the future development of the value and stock market price of the Aareal Shares.

In deciding whether or not to accept the Offer, the Aareal Shareholders should make use of all available sources of information and pay sufficient regard to their personal circumstances. In particular, the specific financial and tax situation of individual Aareal Shareholders may in individual cases result in assessments that differ from those presented by the Management Board and the Supervisory Board. The Management Board and the Supervisory Board therefore recommend that the Aareal Shareholders obtain on their own responsibility independent tax and legal advice, if necessary, and assume no liability for the decision taken by an Aareal Shareholder in respect of the Offer.

The Bidder states in Section 1.1 of the Offer Document that the Offer is exclusively submitted in accordance with German takeover law and certain applicable provisions of the securities law of the United States of America (the **United States**). Thus, according to the Bidder's statements, no other announcements, registrations, admissions or approvals of the Takeover Offer outside the Federal Republic of Germany have been filed, arranged for or granted. According to the Offer Document, any contract that is concluded on the basis of this Takeover Offer is exclusively governed by the laws of the Federal Republic of Germany and is to be interpreted in accordance with them.

Furthermore, the Bidder points out in Section 1.2 of the Offer Document that the Offer relates to shares in a German stock corporation (*Aktiengesellschaft*) and is subject to the statutory provisions of the Federal Republic of Germany regarding the implementation of such an offer. The Bidder states that the Offer will not be submitted to the review or registration procedures of any securities regulator outside of the Federal Republic of Germany and has not been approved or recommended by any securities regulator outside of the Federal Republic of Germany.

Aareal Shareholders whose place of residence, seat or place of habitual abode is in the United States are informed by the Bidder that the Offer is made in respect of securities of a company which is a foreign private issuer within the meaning of the U.S. Securities Exchange Act of 1934, as amended (the **Exchange Act**), and the shares of which are not registered under Section 12 of the Exchange Act. According to the Bidder's statements, the Offer is being made in the United States in reliance on the Tier 2 exemption from certain requirements of the Exchange Act and is principally governed by disclosure and other regulations

NON-BINDING CONVENIENCE TRANSLATION OF THE ORIGINAL GERMAN VERSION

and procedures of the Federal Republic of Germany, which are different from those of the United States. The Bidder informs that, to the extent that the Offer is subject to U.S. securities laws, such laws only apply to holders of Aareal Shares whose place of residence, seat or place of habitual abode is in the United States, and no other person has any claims under such laws.

In Section 1.2 of the Offer Document, the Bidder points out that it may acquire, or make arrangements to acquire, Aareal Shares other than in the course of the Offer on or off the stock exchange during the period in which the Offer remains open for acceptance, provided that such acquisitions or arrangements to acquire do not occur in the United States, comply with the applicable German statutory provisions, in particular the WpÜG, and the Offer Price must be increased, as necessary pursuant to the WpÜG, to match any consideration paid outside the Offer if higher than the Offer Price. According to the Bidder, information about such acquisitions or arrangements to acquire will be published pursuant to Section 23 para. 2 WpÜG. The Bidder intends to also publish such information as a non-binding English translation on the Bidder's website at www.atlantic-offer.com.

According to the Bidder's statements, it may be difficult for Aareal Shareholders whose place of residence, seat or place of habitual abode is outside of the Federal Republic of Germany to enforce rights and claims arising outside of the laws of their country of residency. According to the Offer Document, this is due to the fact that the Bidder and Aareal Bank AG are incorporated in Germany and some or all of their officers and directors may be residents of a country other than their own country of residency. According to the Bidder, it may not be possible to sue in a court in their own country of residency a foreign company or its officers or directors for violations of the laws of their own country of residency. Furthermore, according to the Bidder's statements, it may be difficult to compel a foreign company and its affiliates to subject themselves to a judgment of a court in the country of residency of the relevant shareholder.

As stated in Section 1.2 of the Offer Document, the receipt of cash pursuant to the Offer may be a taxable transaction under applicable tax laws, including those of the country of residency of the shareholder. Hence, the Bidder recommends that independent professional advisors be consulted immediately regarding the tax consequences of acceptance of the Offer. According to the Offer Document, neither the Bidder nor any persons acting jointly with the Bidder within the meaning of Section 2 para. 5 sentences 1 and 3 WpÜG nor any of their directors, officers or employees accept responsibility for any tax effects on or liabilities of any person as a result of the acceptance of the Offer. According to the Bidder, the Offer Document does not include any information in respect of foreign taxation.

According to Section 1.7 of the Offer Document, the Offer may be accepted by all domestic and foreign Aareal Shareholders in accordance with the terms outlined in the Offer Document and the applicable statutory provisions. However, the Bidder states that acceptance of the Offer outside the Federal Republic of Germany, the Member States of the European Union and the European Economic Area as well as the United States may be subject to legal restrictions. Aareal Shareholders who come into possession of the Offer Document outside the Federal Republic of Germany, the Member States of the European Union and the European Economic Area or the United States, who wish to accept the Offer outside the Federal Republic of Germany, the Member States of the European Union and the European Economic Area or the United States and/or who are subject to statutory provisions other than those of the Federal Republic of Germany, the Member States of the European Union and the European Economic Area or the United States are advised by the Bidder to inform themselves of the relevant applicable statutory provisions and to comply with them. According to the Offer Document, the Bidder assumes no responsibility for acceptance of the Offer outside the Federal Republic of Germany, the Member States of the European Union and the European Economic Area and the United States being permissible under the relevant applicable statutory provisions.

The Management Board and the Supervisory Board point out that they are not able to verify whether the Aareal Shareholders meet all the legal obligations applicable to them personally on acceptance of the Offer. The Management Board and the Supervisory Board also recommend, in particular, that anyone who receives the Offer Document or wishes to accept the Offer outside the Federal Republic of Germany but

is subject to securities laws of jurisdictions other than the Federal Republic of Germany should inform himself about these laws and comply with them.

II. INFORMATION ABOUT THE COMPANY AND THE AAREAL GROUP

1. Legal basis of the Company

Aareal Bank AG is a stock corporation organized under German law with its registered seat in Wiesbaden, Germany, registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Wiesbaden under registration number HRB 13184. The business address of Aareal Bank AG is Paulinenstrasse 15, 65189 Wiesbaden, Germany. The financial year of Aareal Bank AG corresponds to the calendar year.

The object of the Company as defined by its articles of association is:

“(1) The object of the Company is the operation of banking business (excluding investment fund business), the performance of financial and other services as well as the promotion of international business relationships. The Company’s German Pfandbrief business shall be restricted to the issue of Mortgage Pfandbriefe in accordance with section 1 (1) sentence 2 no. 1 of the German Pfandbrief Act (Pfandbriefgesetz, “PfandBG”) and of Public Sector Pfandbriefe (Öffentliche Pfandbriefe) in accordance with section 1 (1) sentence 2 no. 2 of the PfandBG.

(2) The Company may conduct business in the areas named in paragraph 1 either directly, or indirectly via its interests held in other companies.

(3) The Company shall be authorized to perform any and all measures and actions associated with the object of the Company or suitable for its promotion. The Company may perform services of whatever kind. The Company may establish branch offices in Germany or abroad, or form, acquire or hold interests in other companies, particularly in such companies whose objects include, in whole or in part, the above mentioned business areas. The Company may alter the structure of companies it holds an interest in, combine these under unified management, or limit itself to the management of these companies, or dispose of their shareholdings. Moreover, the Company may transfer its operations, in full or in part, to enterprises it holds an interest in.”

The Aareal Shares (ISIN DE0005408116) are admitted to trading on the Frankfurt Stock Exchange in the sub-segment of the regulated market (*Regulierter Markt*) with additional post-admission obligations (Prime Standard). In addition, the Aareal Shares may be traded on the Exchange Electronic Trading System (*XETRA*) of Deutsche Börse AG, Frankfurt am Main, Germany. Further, the Aareal Shares are traded on the regulated market (*Regulierter Markt*) of the stock exchange in Munich and on the open market (*Freiverkehr*) of the stock exchanges in Berlin, Düsseldorf, Hamburg, Hanover, Munich and Stuttgart, as well as on the Tradegate Exchange in Berlin. The Aareal Shares are currently included in the SDAX.

2. Overview of the Aareal Group

A list of all subsidiaries of Aareal Bank AG is attached to this Statement as **Annex 1**. Pursuant to Section 2 para. 5 sentence 3 WpÜG, these are persons considered to be acting jointly with Aareal and with each other.

3. Capital structure of the Company

Section 6.1 of the Offer Document accurately summarizes the legal basis and share capital of the Company, which amounts to EUR 179,571,663 and is divided into 59,857,221 no-par value bearer shares.

Authorized capital

According to Article 5 para. 4 of the articles of association of Aareal Bank AG, the Management Board is authorized to increase, on one or more occasions, the Company's registered share capital by up to a maximum total amount of EUR 89,785,830 via the issuance of new bearer shares for contribution in cash or in kind, subject to the approval of the Supervisory Board; this authority will expire on May 30, 2022 (Authorized Capital 2017).

The Aareal Shareholders shall be granted a subscription right unless the Management Board of Aareal Bank AG may, subject to approval by the Supervisory Board, exclude such right in the cases set out in Article 5 para. 4 of the articles of association of Aareal Bank AG.

At the time of publication of this Statement, the Management Board of Aareal Bank AG has not made use of this authorization.

Conditional capital

Furthermore, according to Article 5 para. 5 of the articles of association of Aareal Bank AG, the Company's registered share capital is subject to a conditional capital increase not exceeding EUR 71,828,664 by issuance of up to 23,942,888 new no-par value bearer shares (Conditional Capital 2019). This conditional capital increase shall only be implemented insofar as (i) the holders of convertible debt securities issued by the Company (or by an enterprise in which the Company either directly or indirectly holds a majority interest) until May 21, 2024 on the basis of the general meeting's authorization resolution of May 22, 2019 exercise conversion rights under these convertible debt securities or (ii) the holders of convertible debt securities issued by the Company (or by an enterprise in which the Company either directly or indirectly holds a majority interest) until May 21, 2024 on the basis of the general meeting's authorization resolution of May 22, 2019 and who are obliged to exercise those rights fulfill their obligation or (iii) the Company makes use of alternative performance; insofar as treasury shares are not used to service the rights or, in the aforementioned cases (i) and (ii), no cash compensation is granted. The new shares shall be entitled to a share in the profits from the beginning of the financial year in which they come into existence through the exercise of conversion rights or the fulfillment of conversion obligations.

At the time of publication of this Statement, Aareal Bank AG has not issued any debt securities with conversion rights or any debt securities that establish conversion obligations.

Treasury shares

By resolution of the general meeting on May 27, 2020, the Management Board of Aareal Bank AG was authorized pursuant to Section 71 para. 1 no. 7 AktG, until May 26, 2025, to acquire and sell treasury shares for the purposes of securities trading, at a price not falling below or exceeding the average closing price of the Company's shares in XETRA trading (or a comparable successor system) of the Frankfurt Stock Exchange on the last three Stock Exchange Trading Days prior to the relevant purchase, or assumption of an obligation to purchase, by more than 10%. The volume of shares acquired for this purpose must not exceed 5% of the share capital of Aareal Bank AG at the end of any day.

Furthermore, by resolution of the general meeting on May 27, 2020, the Management Board of Aareal Bank AG was authorized pursuant to Section 71 para. 1 no. 8 AktG to purchase on or before May 26, 2025 treasury shares for any valid purpose up to a maximum volume of 10% of the share capital. The shares may be purchased via the stock exchange or by means of a public offer to buy, directed to all shareholders

at the purchase prices specified in more detail in the resolution, which are based on the stock exchange price of the Company's shares.

At the time of publication of this Statement, Aareal Bank AG has not made use of this authorization and does not hold any treasury shares.

4. Overview of the business activities of the Aareal Group

The Aareal Group is an international provider of smart financing, software products, digital solutions and payment transaction applications in the property sector and related industries. Aareal Bank AG is the group's parent entity and is headquartered in Wiesbaden.

Structured Property Financing

In the Structured Property Financing segment, the Aareal Group supports its clients in making large-volume commercial property investments. The investment properties mostly comprise office buildings, hotels, shopping centers, logistics and residential property, as well as student apartments. The clients of the Aareal Group include institutional investors, private equity firms, family offices, financial institutions, private individuals, listed property companies, pension funds, and investors with a focus on a particular sector.

Banking & Digital Solutions

In the Banking & Digital Solutions ("B&DS") segment, the Aareal Group supports businesses from the housing, property management and energy industries as a digitalization partner, combining extensive product solutions and advisory services with traditional corporate banking services and deposit-taking. This offering also ensures that these clients have optimized and efficient business processes and payment transaction systems.

Aareon

Aareal Bank AG's subsidiary Aareon AG, a leading provider of software and digital solutions for the European property industry and its partners, forms the third business segment. Aareon AG is digitalizing 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. Aareon Smart World, an integrated digital ecosystem, connects property companies and their employees with clients, business partners and technical equipment in flats and buildings through various digital solutions. Advent International currently holds an indirect stake of approximately 30% of the shares in Aareon AG.

According to the annual report 2020, the consolidated operating profit amounted to EUR -75 million in the 2020 financial year (2019: EUR 248 million). After taxes, the consolidated net income allocated to ordinary shareholders was EUR -90 million (2019: EUR 145 million). As at September 30, 2021, the Aareal Group had 3,115 employees.

5. Governing bodies of the Company

The Company has two governing bodies, namely the Management Board and the Supervisory Board.

In accordance with the articles of association, the Management Board is responsible for the management and representation of the Company. The Management Board of Aareal Bank AG currently comprises the following members: Jochen Klösger (Chief Executive Officer), Marc Hess (Chief Financial Officer), Christiane Kunisch-Wolff (Chief Risk Officer) and Christof Winkelmann (Chief Market Officer).

The Supervisory Board of the Company, which performs supervisory and advisory duties, consists of twelve members in accordance with Section 9 para. 1 of the articles of association of the Company. It currently has five shareholder representatives and four employee representatives, i.e. a total of nine members. The members of the Supervisory Board currently are Prof. Dr Hermann Wagner (chairman), Klaus Novatius* (deputy chairman), Richard Peters (deputy chairman), Jana Brendel, Thomas Hawel*, Petra Heinemann-Specht*, Jan Lehmann*, Sylvia Seignette, and Elisabeth Stheeman (* employee representatives).

By resolution of the extraordinary general meeting held on December 9, 2021, Ms Marija Korsch and Messrs Christof von Dryander and Dietrich Voigtländer were removed from office as members of the Supervisory Board. The resulting vacant positions on the Supervisory Board are intended to be filled swiftly by way of court appointment within the statutory time limits.

6. Shareholder structure

According to the voting rights notifications which Aareal Bank AG has received pursuant to Sections 33 et seqq. of the German Securities Trading Act (*Wertpapierhandelsgesetz – WpHG*) as of the date of publication of the Reasoned Statement and which are published on the website of the Company at <https://www.aareal-bank.com> under the heading “Company” and there under “Corporate Governance” and there under “Share Voting Rights Disclosures” and according to own data surveys, the following shareholders hold, directly or indirectly, 3.00% or more of the voting rights attached to shares in Aareal Bank AG:

Shareholder	Percentage of voting rights held (in %) ⁽¹⁾
Morgan Stanley ⁽²⁾	10.11
Deka of which VBL	9.60 (6.50)
Daniel Křetínský	7.80
Klaus Umek (Petrus Advisers Ltd.) Till Hufnagel (Petrus Advisers Ltd.)	5.35
Igor Kuzniar Teleios Global Opportunities Master Fund Ltd. ⁽³⁾	5.06
Janus Henderson Group Plc	4.96
Talomon Capital Limited	3.46
Dimensional Fund	3.13
Total	49.47

(1) Based on the voting rights attached to shares notified to the Company in accordance with Section 33 WpHG until December 16, 2021, calculated on the basis of the current share capital of the Company.

(2) Shares are held in safe custody by Morgan Stanley, i.e. are part of the trading book. Nevertheless, the shareholding had to be notified as the 5% threshold was exceeded.

(3) Shares are also attributed to Igor Kuzniar and therefore correspond to his shareholding.

III. INFORMATION ABOUT THE BIDDER

The Bidder has published the following information in the Offer Document, unless otherwise specified. The Management Board and the Supervisory Board have not been able to verify or to fully verify this information. The Management Board and the Supervisory Board therefore assume no responsibility for its correctness.

1. Legal basis and capital structure of the Bidder

In respect of the legal basis of the Bidder, the Offer Document contains the following information in Section 5.1:

The Bidder, Atlantic BidCo GmbH, is a limited liability company organized under German law with registered seat in Frankfurt am Main and is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Frankfurt am Main under HRB 124165. The address of the Bidder is: An der Welle 4, 60322 Frankfurt am Main, Germany. The share capital of the Company amounts to EUR 25,000. The Bidder was incorporated on July 9, 2021 and was registered with the commercial register on August 16, 2021.

The business purpose of the Bidder is the holding and the management of participations in other companies, domestic or abroad, irrespective of their legal form. The Bidder may enter into all transactions and take all actions which are intended to directly or indirectly serve its purpose. The Bidder may establish branch offices, domestic or abroad, establish acquire, participate in and/or conduct the business of other entities or entities with the same or a similar purpose. The Bidder may, in particular, render management, financial, business and other services to companies in which it holds direct or indirect participations or which are directly or indirectly controlled by the same shareholder(s) as the Bidder; in doing so, the Bidder may render the services using its own or third-party staff.

The financial year of the Bidder is the calendar year.

The Bidder has four managing directors: Martijn Bosch, Aurélie Comptour, Hans Lotter and Frank Peter Mattern. The managing directors each represent the Bidder jointly with another managing director or an authorized officer (*Prokurist*).

The Bidder currently holds no shares in other entities and has no employees.

2. Corporate structure of the Bidder

According to Section 5.3 of the Offer Document, the sole shareholder of the Bidder is Atlantic Lux HoldCo S.à r.l., a limited liability company (*société à responsabilité limitée*) formed under the laws of Luxembourg with registered seat in Luxembourg, registered with the commercial register of Luxembourg (*Registre de Commerce et des Sociétés*) under B 249456.

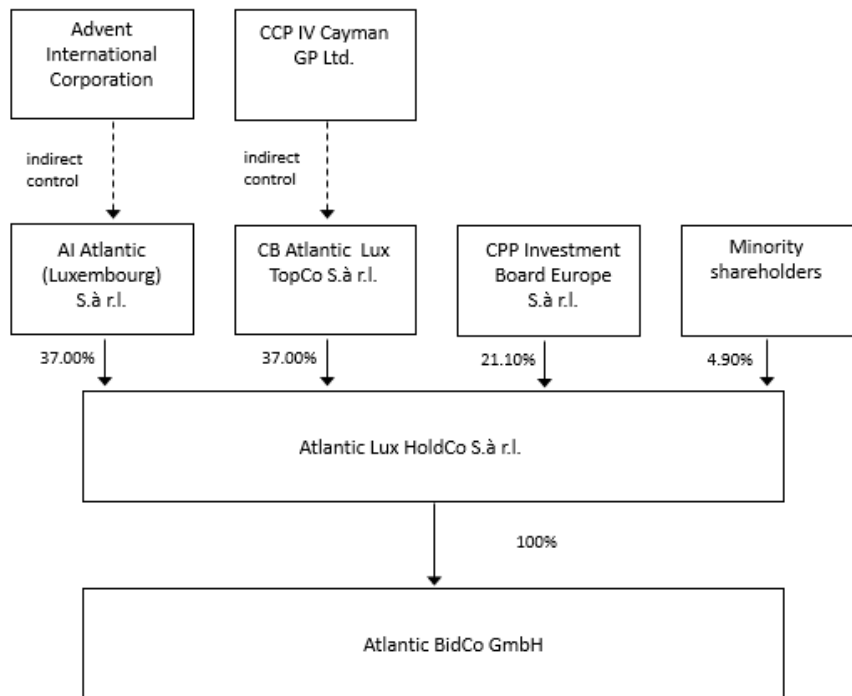
As stated in the Offer Document, the shareholders of Atlantic Lux HoldCo S.à r.l. are AI Atlantic (Luxembourg) S.à r.l. (an entity indirectly controlled by Advent International Corporation), a limited liability company (*société à responsabilité limitée*) formed under the laws of Luxembourg with registered seat in Luxembourg, registered with the commercial register of Luxembourg (*Registre de Commerce et des Sociétés*) under B 261252, CB Atlantic Lux TopCo S.à r.l. (an entity indirectly controlled by CCP IV Cayman GP, Ltd.), a limited liability company (*société à responsabilité limitée*) formed under the laws of Luxembourg with registered seat in Luxembourg, registered with the commercial register of Luxembourg (*Registre de Commerce et des Sociétés*) under B 248616, CPP Investment Board Europe S.à r.l. (an entity controlled by Canada Pension Plan Investment Board (**CPPIB**) through CPPIB, Luxembourg branch), a limited liability company (*société à responsabilité limitée*) formed under the laws of Luxembourg with

NON-BINDING CONVENIENCE TRANSLATION OF THE ORIGINAL GERMAN VERSION

registered seat in Luxembourg, registered with the commercial register of Luxembourg (*Registre de Commerce et des Sociétés*) under B 111828 and further minority shareholders.

According to the Bidder's statements, AI Atlantic (Luxembourg) S.à r.l. and CB Atlantic Lux TopCo S.à r.l. each hold approximately 37.00% of the shares and the voting rights in Atlantic Lux HoldCo S.à r.l. According to the Offer Document, CPP Investment Board Europe S.à r.l. holds approximately 21.10% of the shares and the voting rights in Atlantic Lux HoldCo S.à r.l. According to the Bidder, the other minority shareholders in total hold approximately 4.90% of the shares and the voting rights in Atlantic Lux HoldCo S.à r.l. According to the statements in the Offer Document, it is intended that the minority shareholders will subscribe to additional shares without voting rights in Atlantic Lux HoldCo S.à r.l. in connection with the consummation of the Takeover Offer. At the time of the consummation of the Takeover Offer, AI Atlantic (Luxembourg) S.à r.l. and CB Atlantic Lux TopCo S.à r.l. would thus each hold approximately 35.05% of the shares and 37.00% of the voting rights in Atlantic Lux HoldCo S.à r.l. CPP Investment Board Europe S.à r.l. would hold approximately 20.00% of the shares and 21.10% of the voting rights and the other minority shareholders in total approximately 9.90% of the shares and approximately 4.90% of the voting rights in Atlantic Lux HoldCo S.à r.l. According to the statements in the Offer Document, the shareholders in Atlantic Lux HoldCo S.à r.l. are independent of each other and do not jointly control Atlantic Lux HoldCo S.à r.l. and are also not acting in concert within the meaning of Section 30 para. 2 WpÜG. According to the statements in the Offer Document, each shareholder holds a participation of less than 40% and as a result none of the shareholders has sole control. Further, the shareholders do not coordinate the exercise of their shareholders' rights with the other shareholders so that none of them has, together with another shareholder, joint control.

The shareholder structure of the Bidder described above is illustrated as follows in Section 5.2 of the Offer Document:



The Offer Document states that, on November 23, 2021 (as amended on December 5, 2021), each of AI Atlantic (Luxembourg) S.à r.l. and CB Atlantic Lux TopCo S.à r.l. and, on December 5, 2021, CPP

Investment Board Europe S.à r.l. has entered into a separate interim transaction agreement with Atlantic Lux HoldCo S.à r.l. setting forth certain agreements relating to the financing of the Offer by way of equity commitment letters (see Section V.2) and the coordination of the Takeover Offer process with Atlantic Lux HoldCo S.à r.l. and the Bidder. According to the statements in the Offer Document, each of such shareholders (i) were to review and comment on the Offer Document, (ii) shall endorse and support the Offer in all publications and communications and (iii) were to provide the Bidder without undue delay any information reasonably requested to prepare the Offer Document. Further, according to Section 5.2 of the Offer Document, each of such shareholders has certain consultation and consent rights with respect to the submission and conditions of the Offer.

The Offer Document states that, on November 23, 2021, each of the other minority shareholders has entered into a separate equity financing agreement with Atlantic Lux HoldCo S.à r.l. solely regarding the financing of the Offer by way of equity commitment letters (see Section V.2).

In addition, according to the Bidder, on December 5, 2021, the shareholders of Atlantic Lux HoldCo S.à r.l. have entered into a term sheet which sets forth the key terms of a lock-up and exit agreement among the shareholders. The parties agreed to negotiate and enter into a long form lock-up and exit agreement based on the term sheet relating to certain transfer restrictions regarding their shareholding in Atlantic Lux HoldCo S.à r.l. and provisions for a later sale of their shares (Exit).

3. Persons acting jointly with the Bidder

In respect of the persons acting jointly with the Bidder, Section 5.3 of the Offer Document contains the following statements:

The entities set forth in Appendix 1 to the Offer Document are persons acting jointly with the Bidder within the meaning of Section 2 para. 5 sentence 1 WpÜG at the time of publication of the Offer Document (collectively, the **persons acting jointly**). The entity listed in Part A of Appendix 1 to the Offer Document is Atlantic Lux HoldCo S.à r.l. as the sole shareholder of the Bidder. The entities listed in Part B of Appendix 1 to the Offer Document are the entities which coordinate their conduct with the Bidder, directly or indirectly, with regard to the acquisition of Aareal Shares by way of the Takeover Offer but which, in each case, are not persons that control the Bidder. AI Atlantic (Luxembourg) S.à r.l., CB Atlantic Lux TopCo S.à r.l. and CPP Investment Board Europe S.à r.l. are considered persons acting jointly with the Bidder based on the interim transaction agreements entered into with Atlantic Lux HoldCo S.à r.l. as they coordinate their conduct with the Bidder with regard to the acquisition of Aareal Shares by way of the Takeover Offer through these agreements (see Section III.2 of this Statement). Advent International Corporation ultimately manages the funds invested in AI Atlantic (Luxembourg) S.à r.l. and is thus considered a person acting jointly with the Bidder with regard to the Takeover Offer as this entity also takes part in the coordination of the conduct with regard to the acquisition of Aareal Shares by way of the Takeover Offer. CCP IV Cayman GP Ltd. indirectly controls CB Atlantic Lux TopCo S.à r.l. and is thus considered a person acting jointly with the Bidder with regard to the Takeover Offer as this entity also takes part in the coordination of the conduct with regard to the acquisition of Aareal Shares by way of the Takeover Offer. CPP Investment Board Europe S.à r.l. has own valid and binding investment decision making authority so no further persons acting jointly with the Bidder with regard to the Takeover Offer exist in the case of CPP Investment Board Europe S.à r.l.

Apart from that, according to the Bidder's statements, there are no other persons acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG.

4. Aareal Shares currently held by the Bidder or by persons acting jointly with the Bidder and their subsidiaries; attribution of voting rights

Section 5.4 of the Offer Document states that, at the time of publication of the Offer Document, neither the Bidder nor persons acting jointly with the Bidder nor their subsidiaries held any Aareal Shares or voting rights based on Aareal Shares, and no voting rights attached to Aareal Shares are attributable to them pursuant to Section 30 WpÜG.

Further, according to the Bidder's statements, neither the Bidder nor persons acting jointly with the Bidder nor their subsidiaries directly or indirectly held at that time any instruments or voting rights to be disclosed pursuant to Section 38 or Section 39 WpHG with regard to Aareal Bank AG.

5. Information about acquisitions of Aareal Shares

In respect of the acquisition of Aareal Shares, the Offer Document contains the following statements in Section 5.5:

Neither the Bidder nor the persons acting jointly with the Bidder within the meaning of Section 2 para. 5 sentence 1 and sentence 3 WpÜG nor their subsidiaries have acquired Aareal Shares on the stock exchange or outside the stock exchange or have entered into agreements to acquire Aareal Shares during the last six months before publication of the decision to launch the Takeover Offer according to Section 10 para. 1 sentence 1 WpÜG on November 23, 2021, and from November 23, 2021 until publication of the Offer Document.

6. Possible future acquisitions of Aareal Shares

In respect of the possible future acquisition of Aareal Shares, the Offer Document contains the following statements in Section 5.6:

The Bidder reserves the right, within the limits of applicable law, to, during the Offer, directly or indirectly acquire Aareal Shares outside of the Offer, whether on or off the stock exchange. Any such purchases or arrangements will be made outside the United States and in compliance with applicable law.

To the extent such acquisitions should occur, information about them, including the number of, and the price for, the acquired Aareal Shares will be published according to the applicable statutory provisions, in particular Section 23 para. 2 WpÜG in conjunction with Section 14 para. 3 sentence 1 WpÜG, in the Federal Gazette and on the Internet at www.atlantic-offer.com. Corresponding information will also be published as a non-binding English translation on the Internet at www.atlantic-offer.com

7. Background information on Advent International, Centerbridge and CPPIB

Section 5.7 of the Offer Document contains the following background information on Advent International, Centerbridge and CPPIB:

Founded in 1984, Advent International group is one of the largest and most experienced global private equity investors. The firm has invested in over 380 private equity investments across 42 countries and, as of June 30, 2021, had USD 81 billion (approximately EUR 68 billion based on an exchange rate of USD 1.1884 = EUR 1.00 as of June 30, 2021 (source: European Central Bank)) in assets under management. With 15 offices in 12 countries, Advent has established a globally integrated team of over 245 private equity investment professionals across North America, Europe, Latin America and Asia. The firm focuses on investments in five core sectors, including business and financial services; health care; industrial; retail, consumer and leisure; and technology. After 35 years dedicated to international investing, Advent remains

committed to partnering with management teams to deliver sustained revenue and earnings growth for its portfolio companies.

Centerbridge group is a private investment management firm employing a flexible approach across investment disciplines – private equity, private credit and real estate – in an effort to develop the most attractive opportunities for its investors. The firm was founded in 2005 and, as of August 31, 2021, had approximately USD 32 billion (approximately EUR 27 billion based on an exchange rate of USD 1.1834 = EUR 1.00 as of August 31, 2021 (source: European Central Bank)) in capital under management with offices in New York and London. Centerbridge is dedicated to partnering with world-class management teams across targeted industry sectors and geographies.

CPPIB is a Canadian Crown corporation established by way of the 1997 Canada Pension Plan Investment Board Act to oversee and invest the funds contributed and held by the Canada Pension Plan. CPPIB is a professional investment management organization that invests the funds transferred to it by the Canada Pension Plan that are not needed by the Canada Pension Plan to pay current benefits on behalf of 20 million contributors and beneficiaries. In order to build a diversified portfolio of assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. There is no third-party funding. CPP Investment Board Europe S.à r.l. is the European private investment platform for CPPIB. As such, CPP Investment Board Europe S.à r.l. takes its own investment decisions and, based thereon, invests out of CPPIB's assets. As of September 30, 2021, CPPIB had approximately C\$541.5 billion (approximately EUR 367 billion based on an exchange rate of C\$ 1.4750 = EUR 1.00 as of September 30, 2021 (source: European Central Bank)) of assets under management.

IV. INFORMATION ABOUT THE OFFER

1. Relevance of the Offer Document

The following is a description of selected information from the Bidder's Offer. For more information and details (in particular, details of the Offer Conditions, the Acceptance Periods, the acceptance procedures and the withdrawal rights), Aareal Shareholders are referred to the statements in the Offer Document. The information below merely summarizes information included in the Offer Document. The Management Board and the Supervisory Board point out that the description of the Offer in the Statement does not claim to be exhaustive and that, as for the content and settlement of the Offer, solely the provisions of the Offer Document are relevant. It is the responsibility of all Aareal Shareholders to read the Offer Document and to take measures that are appropriate for them.

The Offer Document was published on December 17, 2021 by (i) announcement on the Internet at www.atlantic-offer.com and (ii) keeping available copies of the Offer Document for distribution free of charge at Morgan Stanley Europe SE, New Issues Operations, Große Gallusstraße 18, 60312 Frankfurt am Main, Germany (order by fax at +49 69 21667676 or by email at newissues_germany@morganstanley.com). The announcement of (i) the Internet address under which the Offer Document was published and (ii) the availability of the Offer Document at Morgan Stanley Europe SE was published in the Federal Gazette on December 17, 2021. In addition, a non-binding English translation of the Offer Document, that has not been reviewed by BaFin, has been made available at www.atlantic-offer.com. Further details regarding the publication and dissemination of the Offer Document can be found in Sections 1.4, 1.5 and 1.6 of the Offer Document.

2. Implementation of the Offer

The Offer is implemented by the Bidder in the form of a voluntary public takeover offer (cash offer) for the acquisition of all Aareal Shares under German takeover law and certain applicable provisions of U.S. securities law.

3. Subject of the Offer and Offer Price

Subject to the terms and conditions set forth in the Offer Document, the Bidder offers to all Aareal Shareholders to acquire their no-par value bearer shares in Aareal Bank AG (ISIN DE0005408116), which are not directly held by the Bidder, each with a proportionate amount in the share capital of EUR 3.00, including all ancillary rights existing at the time of settlement of the Offer, in particular the right to dividends,

against a cash consideration of

EUR 29.00 in cash per Aareal Share

(the **Offer Price** or the **Offer Consideration**).

4. Acceptance Period

4.1 Acceptance Period

The period for acceptance of the Offer, as set out in Section 4.3 of the Offer Document (including any extensions in accordance with Section 4.4 - for further details, see below - the **Acceptance Period**), began upon publication of the Offer Document on December 17, 2021 and will end on January 19, 2022, 24:00 hrs (CET). In accordance with Section 21 para. 1 WpÜG, the Bidder can amend the Offer up to one business day before the end of the Acceptance Period. In the circumstances set out below, the period for acceptance of the Offer will in each case be extended automatically as follows according to Section 4.4 of the Offer Document:

- In case of an amendment of this Offer pursuant to Section 21 para. 1 WpÜG, the Acceptance Period will automatically be extended by two weeks (Section 21 para. 5 WpÜG), if the amendment is published within the last two weeks prior to the expiration of the Acceptance Period. The Acceptance Period would then end on February 2, 2022, 24:00 hrs (local time Frankfurt am Main) / 18:00 hrs (local time New York). This applies even if the amended Offer violates legal provisions.
- If a competing offer for the acquisition of the Aareal Shares is made by a third party during the Acceptance Period of the Takeover Offer, the end of the Acceptance Period of the Takeover Offer will automatically be extended to correspond to the end of the acceptance period for the competing offer if the Acceptance Period for the Takeover Offer ends before the end of the acceptance period for the competing offer (Section 22 para. 2 sentence 1 WpÜG). This applies even if the competing offer is amended or prohibited or violates legal provisions.
- If a general meeting of Aareal Bank AG is convened in connection with the Offer following the publication of the Offer Document, the Acceptance Period, without prejudice to Section 21 para. 5 WpÜG and Section 22 para. 2 WpÜG, will be ten weeks from publication of the Offer Document (Section 16 para. 3 WpÜG). The Acceptance Period would then end on February 25, 2022, 24:00 hrs (local time Frankfurt am Main) / 18:00 hrs (local time New York).

With regard to the right of withdrawal in the event the Offer is amended or a competing offer is launched, please refer to the statements contained in Section 15 "Rights of withdrawal" of the Offer Document.

4.2 Additional Acceptance Period

Those Aareal Shareholders who have not accepted the Offer during the Acceptance Period can still accept it within two weeks following publication of the preliminary results of the Offer by the Bidder according to

Section 23 para. 1 sentence 1 no. 2 WpÜG (the **Additional Acceptance Period**), provided that none of the Offer Conditions set forth in Section 10.1 have ultimately lapsed as at the end of the Acceptance Period and such Offer Conditions have not been previously effectively waived (see Section IV.6 of this Statement).

Subject to an extension of the Acceptance Period according to Section 4.4 of the Offer Document, the Additional Acceptance Period is expected to commence on January 25, 2022 and to end on February 7, 2022, 24:00 hrs (local time Frankfurt am Main) / 18:00 hrs (local time New York).

5. Right to tender under takeover law

If the Bidder holds at least 95% of the issued Aareal Shares after completion of the Offer, Aareal Shareholders have, pursuant to Section 39c WpÜG, the right to demand the Bidder to acquire their respective Aareal Shares. The details and the procedure to exercise such right to tender are described in Section 14(g) of the Offer Document.

6. Offer Conditions

Pursuant to Section 10.1 of the Offer Document, the Offer and the contracts with the Aareal Shareholders which come into existence as a result of its acceptance will generally only be consummated if the conditions precedent described in detail in Section 10.1.1 (Merger control clearances), Section 10.1.2 (Foreign investment control clearance), Section 10.1.3 (Clearances under banking regulatory law), Section 10.1.4 (Minimum acceptance threshold), Section 10.1.5 (No material compliance breach), Section 10.1.6 (No capital measures), Section 10.1.7 (No moratorium, no insolvency), Section 10.1.8 (No dividend, no share buy-back, no measure under the German Transformation Act) and 10.1.9 (No prohibition of the Offer) of the Offer Document (the **Offer Conditions**) have been satisfied within the time periods specified in the Offer Document; these time periods generally expire at the end of the initial Acceptance Period except that the conditions pursuant to Sections 10.1.1, 10.1.2 and 10.1.3 of the Offer Document have to be satisfied by January 19, 2023.

As stated in Section 10.3 of the Offer Document, the Bidder reserves the right to waive in advance all or individual Offer Conditions – to the extent permitted – up to one business day before the end of the Acceptance Period in accordance with Section 21 para. 1 sentence 1 no. 4 WpÜG. A waiver is equivalent to satisfaction of the relevant Offer Condition. In case of a waiver of an Offer Condition, the Acceptance Period will automatically be extended by two weeks (Section 21 para. 5 WpÜG), to the extent the waiver is published within the last two weeks prior to the expiration of the Acceptance Period.

If the Offer Conditions specified in Section 10.1 of the Offer Document have either not been satisfied until the applicable date or have definitively lapsed before these dates and the Bidder has not effectively waived them in advance, the Offer shall lapse. In this case, the contracts which come into existence as a result of accepting the Offer will not become valid and will not be consummated (conditions precedent), and an unwinding pursuant to Section 11.9 of the Offer Document will take place.

According to Section 10.4 of the Offer Document, the Bidder will promptly make an announcement if an Offer Condition has been satisfied. As part of the publication in accordance with Section 23 para. 1 sentence 1 no. 2 WpÜG, the Bidder will promptly announce after the end of the Acceptance Period which Offer Conditions have been satisfied up to that point. Furthermore, the Bidder will announce (i) the waiver of Offer Conditions, whereas such a waiver has to be declared one business day before the end of the Acceptance Period at the latest, (ii) the fact that all Offer Conditions have either been satisfied or have effectively been waived and (iii) the fact that an Offer Condition can no longer be satisfied. The aforementioned announcements will be published by the Bidder on the Internet at www.atlantic-offer.com and in the Federal Gazette.

7. Status of merger control proceedings

As set out in Section 9.1 of the Offer Document, the planned acquisition of Aareal Shares by the Bidder pursuant to the Offer will require mandatory pre-merger clearance by several competition authorities. This includes merger control clearances by the competent authorities in Germany and Austria or, in the event of jurisdiction of the European Commission, by the European Commission, and by the competent authority in the United States.

For further details regarding the merger control proceedings, please refer to Section 9.1 of the Offer Document.

8. Status of foreign investment control proceedings

As set out in Section 9.2 of the Offer Document, the planned acquisition of the Aareal Shares by the Bidder in accordance with the Offer is subject to approvals under foreign trade law or the expiration of certain waiting periods according to the applicable foreign trade laws of Germany and Spain.

For further details regarding the foreign investment control proceedings, please refer to Section 9.2 of the Offer Document.

9. Status of clearances under banking regulatory law

As set out in Section 9.3 of the Offer Document, the planned acquisition of Aareal Shares by the Bidder pursuant to the Offer is furthermore subject to clearances under banking regulatory law by the European Central Bank, the Deposit Guarantee Fund of the Association of German Banks (*Einlagensicherungsfonds des Bundesverbands Deutscher Banken e.V.*), and the Monetary Authority of Singapore.

For further details regarding clearances under banking regulatory law, please refer to Section 9.3 of the Offer Document.

10. Approval of publication of the Offer Document by BaFin

According to Section 9.4 of the Offer Document, the Federal Financial Supervisory Authority (**BaFin**) approved the publication of the Offer Document on December 17, 2021.

11. Acceptance and settlement of the Offer; dividends

Section 11 of the Offer Document describes the acceptance and settlement of the Offer including the legal consequences of acceptance (Section 11.4 of the Offer Document).

According to Section 11.1 of the Offer Document, the Bidder has engaged Morgan Stanley Europe SE, Frankfurt am Main, Germany, as central settlement agent for the settlement of the Offer (the **Central Settlement Agent**).

According to Section 11.2 of the Offer Document, Aareal Shareholders can accept the Offer only by doing the following within the Acceptance Period: (i) declare acceptance of the Offer in text form or electronically to their respective custodian securities services company (the **Custodian Bank**) (the **Declaration of Acceptance**); and (ii) instruct their Custodian Bank to effect the booking of the Aareal Shares in their securities deposit account for which they want to accept the Offer (the **Tendered Aareal Shares**) into ISIN DE000A3MQCM4 at Clearstream Banking AG.

NON-BINDING CONVENIENCE TRANSLATION OF THE ORIGINAL GERMAN VERSION

According to the Bidder's statements, the Declaration of Acceptance will become effective only if the Tendered Aareal Shares have been booked into ISIN DE000A3MQCM4 at Clearstream Banking AG by no later than 18:00 hrs (local time Frankfurt am Main) / 12:00 hrs (local time New York) on the second Banking Day (inclusive) after the end of the Acceptance Period. According to the Bidder, such bookings must be effectuated by the relevant Custodian Bank after receipt of the Declaration of Acceptance without undue delay.

With regard to the legal consequence of acceptance, the Bidder explains in Section 11.4 of the Offer Document in particular that, as a result of acceptance of the Takeover Offer, an agreement regarding the sale and transfer of the Tendered Aareal Shares in accordance with the terms and conditions of the Offer Document will be entered into between the accepting Aareal Shareholder and the Bidder. According to the Bidder, transfer of title to the Tendered Aareal Shares will be effected, subject to the terms and conditions of the Offer Document, upon consummation of the Offer. All ancillary rights of the Tendered Aareal Shares existing at the time of settlement (including all dividend rights) will be transferred to the Bidder upon transfer of ownership of the Tendered Aareal Shares. According to Section 11.3(d) of the Offer Document, the assignment of the dividend rights is declared by accepting the Offer. At the same time, the shareholders accepting the Takeover Offer instruct Aareal Bank AG to pay any dividends only after the settlement or lapse of the Takeover Offer. In case of the consummation of the Offer, dividends resolved until the consummation of the Offer are thus paid to the Bidder. The assignment of the dividend rights is, according to Section 11.3(d) of the Offer Document, subject to the condition subsequent that the Offer Conditions set forth in Section 10.1 of the Offer Document have not been satisfied within the time periods set forth therein in each case and the Bidder has not effectively waived the Offer Conditions during the Acceptance Period – to the extent permitted – in advance. In this case, the Offer would not be consummated and dividends resolved until the unwinding of the Offer would be paid to the Aareal Shareholders who had accepted the Offer. For further details and for the further declarations and assurances of the accepting Aareal Shareholders, please refer to Sections 11.3 and 11.4 of the Offer Document.

As regards the settlement of the Offer, the Bidder states in Section 11.6 that the payment of the Offer Price owed by the Bidder to the respective Aareal Shareholder will be made to the accounts of the Custodian Banks of the accepting Aareal Shareholders at Clearstream Banking AG in accordance with the terms and conditions of the Offer concurrently and contemporaneously with the transfer of the Tendered Aareal Shares into the securities deposit account of the Central Settlement Agent at Clearstream Banking AG for the purpose of transferring these shares to the Bidder.

The Bidder states that, if upon expiry of the Additional Acceptance Period the Offer Conditions are satisfied or – to the extent legally permitted – have been waived effectively in advance pursuant to Section 21 para. 1 sentence 1 no. 4 WpÜG, the Central Settlement Agent will transfer the Offer Price to the account of the relevant Custodian Bank at Clearstream Banking AG without undue delay and at the latest by the tenth Banking Day after the end of the Additional Acceptance Period. If the Offer Conditions pursuant to Sections 10.1.1 to 10.1.3 are not satisfied by the time of expiry of the Additional Acceptance Period and have not been effectively waived in advance by the time of expiry of the Acceptance Period, payment of the respectively owed Offer Price will be made, according to the Bidder, to the respective Custodian Bank without undue delay, but at the latest on the tenth Banking Day, after the day on which the Bidder announces pursuant to Section 10.4 of the Offer Document that the last Offer Condition has been satisfied.

In Section 11.6 of the Offer Document, the Bidder states that the settlement of the Takeover Offer and payment of the Offer Price to the accepting Aareal Shareholders may be delayed until the tenth Banking Day following January 19, 2023, i.e. February 2, 2023, at the latest due to proceedings to be conducted under merger control law and other regulatory proceedings or may not take place at all if the Offer Conditions are not satisfied. The Bidder states, however, that it will seek to complete the merger control proceedings and other regulatory proceedings in the second half of 2022 (see Sections 9.3, 10.1.1 to 10.1.3 and 11.6 of the Offer Document). However, according to the Bidder, it is not possible to make a binding forecast concerning the date such proceedings will be completed because of the comprehensive information requirements of such proceedings and the multiple parties involved.

According to Section 11.6 of the Offer Document, the Bidder has satisfied its obligation to pay the Offer Price vis-à-vis the respective Aareal Shareholder upon payment of the Offer Price into the account of the respective Custodian Bank at Clearstream Banking AG. The Bidder states that it will be the responsibility of the respective Custodian Bank to credit the owed Offer Price to the account of the respective accepting Aareal Shareholder.

Furthermore, the Bidder states in Section 11.2 of the Offer Document that Aareal Shareholders who wish to accept the Offer should contact their custodian bank or their other custodian securities services company with seat or branch in Germany with any questions they may have about acceptance of the Offer and the technical aspects of settlement. According to the Bidder's statements, these have been informed separately about the modalities for acceptance and settlement of the Offer and are required to inform customers who hold Aareal Shares in their securities deposit account about the Offer and the steps necessary to accept it.

For further details regarding the acceptance and settlement of the Offer, please refer to Section 11 of the Offer Document.

V. FINANCING OF THE OFFER

Pursuant to Section 13 para. 1 sentence 1 WpÜG, the Bidder must, before publishing the Offer Document, take the measures necessary to ensure that it has at its disposal the necessary financial means to completely satisfy the Offer at the time the cash consideration will be due. Based on the Bidder's statements in Section 12 of the Offer Document, the Management Board and the Supervisory Board believe that the Bidder has met this obligation.

1. Maximum Consideration

According to Section 12.1 of the Offer Document and the calculations set out therein, the total amount the Bidder would need for the completion of the Offer, if the Offer was accepted by all Aareal Shareholders, would amount to a total of EUR 1,735,859,409.00 (**Maximum Consideration**).

Moreover, in accordance with the statements in Section 12.1 of the Offer Document, the Bidder expects that it will incur transaction costs in the amount of a maximum of EUR 40 million in connection with the preparation and implementation of the Offer. Therefore, based on the Maximum Consideration, the maximum offer costs will amount to EUR 1,775,859,409.00 (the **Offer Costs**).

2. Financing measures

According to Section 12.2 of the Offer Document, the Bidder took the necessary measures before the publication of the Offer Document to ensure that it has at its prompt disposal the necessary financial means to completely satisfy the Offer. According to the Bidder, the following measures were taken for this purpose:

According to the Bidder, Advent International GPE IX Limited Partnership, George Town, Cayman Islands, Advent International GPE IX-B Limited Partnership, George Town, Cayman Islands, Advent International GPE IX-C Limited Partnership, George Town, Cayman Islands, Advent International GPE IX-F Limited Partnership, George Town, Cayman Islands, Advent International GPE IX-G Limited Partnership, George Town, Cayman Islands, Advent International GPE IX-H Limited Partnership, George Town, Cayman Islands, Advent International GPE IX-I Limited Partnership, George Town, Cayman Islands, Advent Partners GPE IX Cayman Limited Partnership, George Town, Cayman Islands, Advent Partners GPE IX-A Cayman Limited Partnership, George Town, Cayman Islands, Advent Partners GPE IX-B Cayman Limited Partnership, George Town, Cayman Islands, Advent International GPE IX-A Scsp, Luxembourg, Luxembourg, Advent International GPE IX-D Scsp, Luxembourg, Luxembourg, Advent International GPE

IX-E Scsp, Luxembourg, Luxembourg, Advent International GPE IX Strategic Investors Scsp, Luxembourg, Luxembourg, Advent Partners GPE IX Limited Partnership, Wilmington, DE, USA, Advent Partners GPE IX-A Limited Partnership, Wilmington, DE, USA (collectively, the **Advent Funds**), Centerbridge Capital Partners IV (Cayman), L.P., George Town, Cayman Islands, as well as West Street Strategic Solutions Fund I, L.P., New York, NY, USA, West Street Strategic Solutions Offshore Fund I, L.P., George Town, Cayman Islands, and West Street Strategic Solutions Europe Fund I, SLP, Luxembourg, Luxembourg, the latter three funds (collectively, the **Co-Investor Funds**) being funds invested in the minority shareholders in Atlantic Lux HoldCo S.à r.l. (the Advent Funds, Centerbridge Capital Partners IV (Cayman), L.P. and the Co-Investor Funds collectively, the **Funds**) on November 23, 2021 (as amended on December 5, 2021) and CPP Investment Board Europe S.à r.l. on December 5, 2021 undertook to the Bidder in the form of equity commitment letters (the **ECLs**) to provide the Bidder, directly or indirectly, with an aggregate amount of up to EUR 1,790,000,000.00 in the form of equity or similar instruments to enable the Bidder to fulfill its payment obligations under the Offer (the **Equity Funding**). According to the statements in the Offer Document, the Equity Funding will be provided by the Advent Funds, Centerbridge Capital Partners IV (Cayman), L.P., the Co-Investor Funds and CPP Investment Board Europe S.à r.l. pro rata to their indirect shareholding in the Bidder at the time of the consummation of the Takeover Offer (see Section 5.2 of the Offer Document), i.e. the Advent Funds will provide approximately 35.05%, Centerbridge Capital Partners IV (Cayman), L.P. approximately 35.05%, CPP Investment Board Europe S.à r.l. approximately 20.00% and the Co-Investor Funds approximately 9.90%. According to the Bidder's statements, the Funds as investment funds are financed by their investors, which are in turn obligated to the Funds to provide them with additional funds upon request. According to Section 12.2 of the Offer Document, at the time of the publication of the Offer Document, the available capital of each Fund for investment exceeds the amount committed by the respective Fund under the respective ECL. According to the Offer Document, no amounts under the ECLs have been provided so far to the Bidder at the time of publication of the Offer Document.

Each of Advent International GPE IX Limited Partnership, Advent International GPE IX-B Limited Partnership, Advent International GPE IX-C Limited Partnership, Advent International GPE IX-F Limited Partnership, Advent International GPE IX-G Limited Partnership, Advent International GPE IX-H Limited Partnership, Advent International GPE IX-I Limited Partnership, Advent Partners GPE IX Cayman Limited Partnership, Advent Partners GPE IX-A Cayman Limited Partnership, Advent Partners GPE IX-B Cayman Limited Partnership, Advent International GPE IX-A Scsp, Advent International GPE IX-D Scsp, Advent International GPE IX-E Scsp, Advent International GPE IX Strategic Investors Scsp, Advent Partners GPE IX Limited Partnership, Advent Partners GPE IX-A Limited Partnership, Centerbridge Capital Partners IV (Cayman), L.P., West Street Strategic Solutions Fund I, L.P., West Street Strategic Solutions Offshore Fund I, L.P., West Street Strategic Solutions Europe Fund I, SLP, and CPP Investment Board Europe S.à r.l. are, according to the Bidder's statements, entitled under certain conditions to syndicate their respective portion of the Equity Funding to minority co-investors without providing control rights.

As stated in Section 12.2 of the Offer Document, the ECLs have neither been terminated nor does the Bidder have reasons to believe that grounds for a termination of the ECLs may exist. Therefore, the Bidder has, according to its statements, an aggregate amount exceeding the Offer Costs available for use in connection with the payment of the Offer Costs.

According to Section 12.3 of the Offer Document, Morgan Stanley Europe SE has issued a financing confirmation, which is attached as Appendix 3 to the Offer Document, in accordance with Section 13 para. 1 sentence 2 WpÜG.

3. Assessment of the financing by the Management Board and the Supervisory Board

The Management Board and the Supervisory Board also have no reason to doubt the accuracy and completeness of the presentation of the Equity Funding as stated in the Offer Document. In the opinion of the Management Board and the Supervisory Board, due to the Equity Funding in the total amount of

EUR 1,790,000,000.00 described in Section 12.2 of the Offer Document (and on the assumption that this description is correct), it can be assumed that it is sufficiently ensured that the Bidder has at its disposal the necessary financial means to completely satisfy the Offer at the time the cash consideration will be due.

VI. TYPE AND AMOUNT OF THE CONSIDERATION

1. Type and amount of the consideration

The Bidder is offering an Offer Price of EUR 29.00 in cash per Aareal Share, with each such share including all ancillary rights existing at the time of settlement of the Offer, in particular the right to dividends (see Section IV.11).

2. Statutory minimum price

To the extent that the Management Board and the Supervisory Board are able to verify this on the basis of the information available, the Offer Price of Aareal Shares complies with the provisions of Section 31 WpÜG and Sections 3 et seqq. of the German Ordinance on the Content of the Offer Document, Consideration for Takeover Offers and Mandatory Offers and the Release from the Obligation to Publish and Issue an Offer (*WpÜG-AV*) concerning the statutory minimum price, which is determined based on the higher of the following thresholds:

2.1 Prior acquisitions

Pursuant to Section 4 WpÜG-AV (in conjunction with Section 31 para. 6 WpÜG), the consideration must at least be equal to the highest consideration paid or agreed to be paid by the Bidder, any person acting jointly with the Bidder within the meaning of Section 2 para. 5 WpÜG or their subsidiaries for the acquisition of Aareal Shares (or the conclusion of corresponding agreements which give rise to an entitlement to acquire Aareal Shares) within the last six months prior to publication of the Offer Document on December 17, 2021.

Section 8.1 of the Offer Document states that, during the period of six months before December 17, 2021 (the date of publication of the Offer Document), neither the Bidder nor persons acting jointly with it or their subsidiaries have acquired any Aareal Shares or entered into agreements within the meaning of Section 31 para. 6 sentence 1 WpÜG as a result of which the transfer of ownership of Aareal Shares may be demanded.

2.2 Stock exchange price

If the shares of Aareal Bank AG are admitted to trading on a German stock exchange, then pursuant to Section 5 para. 1 sentence 1 WpÜG-AV the consideration must, in the case of a voluntary public takeover offer, be at least equal to the weighted average domestic stock exchange price of the Aareal Shares during the last three months prior to the publication of the decision to launch the Offer pursuant to Section 10 para. 1 sentence 1 WpÜG.

According to Section 8.1 of the Offer Document, BaFin notified the Bidder that the weighted average three-month price on the reference date, November 22, 2021, the day prior to publication of the Bidder's decision to launch the Offer on November 23, 2021, was EUR 25.84 per Aareal Share. The Offer Price of EUR 29.00 per Aareal Share exceeds this amount by EUR 3.16 and thus by approximately 12%.

3. Assessment of the fairness of the consideration

The Management Board and the Supervisory Board have carefully and thoroughly examined and analyzed the fairness of the consideration offered by the Bidder for Aareal Shares in financial terms and on the basis of the Company's current strategy and financial planning, the historical share prices of Aareal Shares and certain other assumptions, information and considerations (also including the current geopolitical and macroeconomic situation). In their independent assessments, the Management Board was advised by Perella Weinberg GmbH, Munich, and its affiliates (**Perella Weinberg Partners**) and the Supervisory Board was advised by Deutsche Bank AG, Frankfurt am Main (**Deutsche Bank**).

The Management Board and the Supervisory Board expressly point out that each of them has assessed the fairness of the consideration independently of the other.

3.1 Assessment based on the stock exchange price of the Aareal Shares

In the opinion of the Management Board and the Supervisory Board of Aareal Bank AG, the stock exchange prices of the Aareal Share have also been influenced by takeover speculation at the latest since it was confirmed that Aareal Bank AG was in talks with financial investors on the possible acquisition of a majority interest at an indicative offer price of EUR 29.00 per Aareal Share by means of an ad-hoc release on October 7, 2021.

In the opinion of the Management Board and the Supervisory Board, the stock exchange prices of the Aareal Share are a relevant criterion in assessing the fairness of the Offer Price; this applies in particular to the stock exchange prices from the period before the talks became publicly known. The Aareal Shares are admitted to trading in the Prime Standard segment of the regulated market (*Regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). The Management Board and the Supervisory Board further believe that, in the relevant period under review, there has been functioning stock market trading with sufficient trading activity in Aareal Shares.

In assessing the fairness of the Offer Price, the Management Board and the Supervisory Board therefore used, inter alia, the historical stock exchange prices of the Aareal Share, which are also reflected in Section 8.2.1 of the Offer Document.

In relation to the share price prior to the confirmation of talks with financial investors by way of an ad-hoc release by Aareal Bank AG on October 7, 2021, the Offer Price pursuant to Section 8.2.1 of the Offer Document contains the following premiums:

- On October 6, 2021, the last Stock Exchange Trading Day prior to the ad-hoc release by Aareal Bank AG regarding talks with financial investors, the stock exchange price (XETRA-closing price) of the Aareal Shares was EUR 23.60 per Aareal Share. In relation to this stock exchange price, the Offer Price contains a premium of EUR 5.40 or approximately 23%.
- The volume-weighted average stock exchange price for the three-month period prior to (and including) October 6, 2021, the last Stock Exchange Trading Day prior to the ad-hoc release by Aareal Bank AG regarding talks with financial investors, amounted to approximately EUR 21.48 per Aareal Share. In relation to this average share price, the Offer Price contains a premium of EUR 7.52 or approximately 35%.
- The volume-weighted average stock exchange price for the six-month period prior to (and including) October 6, 2021, the last Stock Exchange Trading Day prior to the ad-hoc release by Aareal Bank AG regarding talks with financial investors, amounted to approximately EUR 21.59 per Aareal Share. In relation to this average share price, the Offer Price contains a premium of EUR 7.41 or approximately 34%.

- The volume-weighted average stock exchange price for the twelve-month period prior to (and including) October 6, 2021, the last Stock Exchange Trading Day prior to the ad-hoc release by Aareal Bank AG regarding talks with financial investors, amounted to approximately EUR 20.73 per Aareal Share. In relation to this average share price, the Offer Price contains a premium of EUR 8.27 or approximately 40%.

According to Section 8.2.1 of the Offer Document, notwithstanding the fact that the stock exchange price of the Aareal Share was already influenced by takeover speculation, the Offer Price of EUR 29.00 also contains the following premiums in relation to the stock exchange price of the Aareal Share immediately before the announcement of the decision to launch the Offer on November 23, 2021:

- On November 22, 2021, the last Stock Exchange Trading Day prior to the announcement of the decision to launch the Takeover Offer, the stock exchange price (XETRA-closing price) of the Aareal Shares was EUR 28.10. In relation to this stock exchange price, the Offer Price contains a premium of EUR 0.90 or approximately 3%.
- The volume-weighted average stock exchange price for the six-month period prior to (and including) November 22, 2021, the last Stock Exchange Trading Day prior to the publication of the decision to launch the Takeover Offer, amounted to approximately EUR 23.22. In relation to this average share price, the Offer Price contains a premium of EUR 5.78 or approximately 25%.
- The volume-weighted average stock exchange price for the twelve-month period prior to (and including) November 22, 2021, the last Stock Exchange Trading Day prior to the publication of the decision to launch the Takeover Offer, was approximately EUR 22.36. In relation to this average share price, the Offer Price contains a premium of EUR 6.64 or approximately 30%.

The Offer Document states that the source for all stock exchange prices is Bloomberg.

Overall, the Offer Price represents a significant premium over the historical stock exchange prices of the Aareal Shares prior to publication of the decision to launch the Offer and, in particular, prior to the confirmation of talks with financial investors. In view thereof, the Management Board and the Supervisory Board also consider the fairness of the consideration to be confirmed by a comparison with historical stock exchange prices.

3.2 Assessment based on research analyst target prices

In assessing the fairness of the Offer Price, the Management Board and the Supervisory Board have also considered the target prices for the Aareal Share available to the Company and issued by selected financial analysts prior to publication of the Bidder's decision to launch the Offer pursuant to Section 10 para. 1 sentence 1 WpÜG on November 23, 2021.

The Management Board and the Supervisory Board point out that, in view of the confirmation given on October 7, 2021 of talks between Aareal Bank AG and financial investors, it cannot be excluded that target price expectations published after this date could also be influenced by expectations regarding a possible takeover offer.

Therefore, the target price expectations by equity research analysts for the Aareal Share that were published on Bloomberg prior to (and including) October 6, 2021, the last Stock Exchange Trading Day prior to the confirmation of talks with financial investors by way of an ad-hoc release by Aareal Bank AG on October 7, 2021 were also included in the assessment (see also Section 8.2.2 of the Offer Document in this regard):

Analyst	Date	Target Price
Baader Bank	September 30, 2021	EUR 26.10
M.M. Warburg	September 6, 2021	EUR 28.00
Bankhaus Metzler	September 6, 2021	EUR 18.10
Deutsche Bank	September 3, 2021	EUR 22.00
Pareto Securities	August 19, 2021	EUR 21.00
Independent Research	August 17, 2021	EUR 18.50
Landesbank Baden-Württemberg	August 16, 2021	EUR 22.00
Kepler Cheuvreux	August 16, 2021	EUR 18.90
NORD/LB	August 13, 2021	EUR 22.00
HSBC	August 12, 2021	EUR 28.00
DZ Bank AG	August 12, 2021	EUR 24.00
Average		EUR 22.60

The analysts' assessments are always the individual assessment made by each relevant analyst. Their views of the value of a share naturally differ. Nevertheless, the Management Board and the Supervisory Board believe that at least the calculated average value can be a relevant indicator for the fairness of the Offer Price. Compared to the average of the target prices published up to and including October 6, 2021, i.e. EUR 22.60, the Offer Price contains a premium of EUR 6.40 per Aareal Share or approximately 28%. The Offer Price is also higher than any of the target prices expected by analysts.

As is stated in Section 8.2.2 of the Offer Document, the Bidder did not use any other valuation methods.

3.3 Assessment in comparison with historical takeover premiums

The Management Board and the Supervisory Board have also analyzed historical takeover premiums for public cash offers with a transaction volume of more than EUR 100 million in Germany for the last 15 years. With a premium of 23% on the closing price of the Aareal Shares on October 6, 2021, the last Stock Exchange Trading Day prior to the confirmation of talks with financial investors by way of an ad-hoc release by Aareal Bank AG on October 7, 2021, the premium contained in the Offer Price is in line with the takeover premiums usually paid in those transactions.

3.4 Assessment based on valuation multiples of listed companies considered relevant

In assessing the fairness of the Offer Consideration, the Management Board and the Supervisory Board each took into account also a valuation based on earnings multiples determined for listed companies that the Management Board and the Supervisory Board considered fundamentally relevant.

The earnings reference figure used, inter alia, was earnings after taxes as expected for the financial years ending December 31, 2022 and December 31, 2023. The earnings reference figures for the Company are based on the current business plan adopted in September 2021, taking into account further adjustments which have been made since then.

The Offer Price significantly exceeds each of the midpoints for the value per Aareal Share determined on the basis of the valuation multiples.

Therefore, the Management Board and the Supervisory Board consider the fairness of the Offer Consideration to be confirmed by the valuation using valuation multiples of listed companies considered relevant.

3.5 Assessment based on valuation multiples in past transactions considered relevant

The Management Board and the Supervisory Board each took into account also a valuation based on earnings multiples determined for past transactions the Management Board and the Supervisory Board considered fundamentally relevant. The earnings reference figure used was earnings after taxes as expected for the financial year ending December 31, 2022.

The midpoints of the valuation ranges determined are each below the Offer Price.

Therefore, the Management Board and the Supervisory Board also consider the fairness of the Offer Consideration to be confirmed by the valuation using valuation multiples in past transactions considered relevant.

3.6 Assessment based on a regression analysis of banks considered relevant

The Management Board and the Supervisory Board took into account also a valuation based on the regression between the current price-to-book multipliers and the expected after-tax return on equity for the financial year ending December 31, 2022, based on a selection of banks that the Management Board and the Supervisory Board consider to be fundamentally relevant.

The valuation range determined by this methodology is below the Offer Price.

Therefore, the Management Board and the Supervisory Board also consider the fairness of the Offer Consideration to be confirmed by the valuation using a regression analysis of banks considered relevant.

3.7 Assessment based on the discounted dividends analysis

The Management Board and the Supervisory Board each satisfied themselves, based on the assumptions considered realistic by the Management Board and the Supervisory Board and taking due account of the risks and rewards inherent in business planning, that the Offer Price is within the value ranges determined on the basis of the discounted dividends analysis and thus fairly reflects the value of the Company.

The stand-alone business planning underlying the discounted dividends analyses reflects the Company's business plan for the 2022 and 2023 financial years adopted in September 2021, taking into account further adjustments which have been made since then.

3.8 Fairness opinion of Perella Weinberg Partners

For the purposes of preparing this Statement, Areal Bank AG commissioned Perella Weinberg Partners to provide the Management Board with a written opinion on the fairness of the Offer Price to the Areal Shareholders from a financial point of view. Perella Weinberg Partners gave a detailed presentation and explanation to the Management Board on the analyses performed by them and the conclusions drawn on their basis and provided the original of their opinion letter on November 22, 2021; this opinion letter was updated and the updated version provided again on December 23, 2021 (this opinion letter in the latter version the **PWP Fairness Opinion**).

NON-BINDING CONVENIENCE TRANSLATION OF THE ORIGINAL GERMAN VERSION

Perella Weinberg Partners concludes that, subject to the restrictions, including the various assumptions and limitations, made in the PWP Fairness Opinion, the Offer Price of EUR 29.00 per Aareal Share was fair and adequate to the Aareal Shareholders (other than the Bidder, and any of its affiliates or persons acting jointly with the Bidder) from a financial point of view on the day the PWP Fairness Opinion was issued. The full wording of the PWP Fairness Opinion is attached to this Statement as **Annex 2**.

As part of the preparation of the PWP Fairness Opinion, Perella Weinberg Partners performed a number of financial analyses, as are carried out in comparable transactions and appear appropriate to provide the Management Board with a sound basis for its own assessment of the fairness of the Offer Price from a financial point of view. The methods adopted by Perella Weinberg Partners are described in the PWP Fairness Opinion.

As explained in more detail in the PWP Fairness Opinion, the analyses performed by Perella Weinberg Partners are based, inter alia, on the Offer Document and other information available to the public, on data, planning, financial forecasts and explanatory documents provided by Aareal Bank AG, and on conversations with members of the Management Board of Aareal Bank AG and certain other representatives of Aareal Bank AG. In preparing the PWP Fairness Opinion, various studies and analyses were made and other factors taken into consideration that Perella Weinberg Partners considered as appropriate. The methods applied in the PWP Fairness Opinion are, in the opinion of the Management Board, internationally customary and recognized ones, whose application is regarded as appropriate by the Management Board also in the present case.

The PWP Fairness Opinion includes, among other things, statements regarding certain underlying assumptions, information on which Perella Weinberg Partners relied, methods applied, aspects considered, and limits to the review performed by Perella Weinberg Partners. These statements in the PWP Fairness Opinion should be read in their entirety to understand the scope of, and conclusion reached in, the PWP Fairness Opinion. The PWP Fairness Opinion does not constitute, and is not intended, and should not be interpreted or deemed, to be, a valuation as is typically prepared by auditors based on the requirements of German corporate and trade law. In particular, the PWP Fairness Opinion does not constitute a valuation in accordance with the Principles for the Performance of Business Valuations (IDW S1) published by the German Institute of Auditors (*Institut der Wirtschaftsprüfer, IDW*) (such as a valuation for the purposes of concluding a domination and profit and loss transfer agreement). In addition, the Principles for the Preparation of Fairness Opinions (IDW S8) issued by the IDW were not taken into consideration in the preparation of the PWP Fairness Opinion. A fairness opinion of the type provided by Perella Weinberg Partners for assessing financial fairness differs in many important respects from assessments by auditors or from financial assessments in general. The Management Board points out that it has not carried out its own enterprise valuation of Aareal Bank AG based on the IDW S1 principles either.

The PWP Fairness Opinion exclusively relates to the financial fairness of the Offer Price to the Aareal Shareholders (other than the Bidder, and any of its affiliates or persons acting jointly with the Bidder) on the date the PWP Fairness Opinion was issued. It does not relate to any other aspects of the Offer, nor does it make any recommendation as to how any third party should act in connection with the Offer, in particular whether any third party should acquire or dispose of any Aareal Shares or whether any Aareal Shareholder should or should not tender their Aareal Shares into the Offer.

The Management Board expressly points out that Perella Weinberg Partners has issued the PWP Fairness Opinion exclusively for the information and support of the Management Board in connection with, and for the purpose of, the assessment of the Offer Price in purely financial terms by the Management Board. The PWP Fairness Opinion is not addressed to, nor does it give rise to any rights or protection on the part of, any third parties. Neither the fact that the PWP Fairness Opinion was submitted to the Management Board of the Company, nor the consent given by Perella Weinberg Partners for the PWP Fairness Opinion to be attached to the Reasoned Statement as an annex, entitles third parties (including the Aareal Shareholders) to rely on the PWP Fairness Opinion or derive rights from the PWP Fairness Opinion. Perella Weinberg Partners is not liable to any third parties (including any Aareal Shareholders) for the PWP Fairness Opinion.

The PWP Fairness Opinion is, in particular, not addressed to the Aareal Shareholders, nor does it constitute a recommendation as to whether the Aareal Shareholders should or should not accept the Offer.

For its services as commissioned financial adviser of Aareal Bank AG in connection with the Bidder's Offer, Perella Weinberg Partners receives from Aareal Bank AG a remuneration, a portion of which became payable already upon delivery of a fairness opinion issued by Perella Weinberg Partners in connection with the decision made by the Management Board on November 23, 2021 to enter into an investment agreement with the Bidder (or would have become payable if Perella Weinberg Partners had advised Aareal Bank AG that it were unable to render the fairness opinion issued at that time) and a substantial portion of which is dependent, among others, on the outcome of the Offer. In addition, Aareal Bank AG has agreed to reimburse Perella Weinberg Partners for certain expenses and indemnify Perella Weinberg Partners for certain liabilities that may arise out of its engagement.

It should be noted that Perella Weinberg Partners or entities affiliated with Perella Weinberg Partners may have provided, or may now or in the future provide, consulting or other financial services to Aareal Bank AG, the Bidder, entities affiliated with them or to other parties involved in the Offer and may have received or will receive remuneration for such services.

On the basis of its own experience, the Management Board of Aareal Bank AG has convinced itself of the plausibility and appropriateness of the procedures, methods and analyses used by Perella Weinberg Partners.

3.9 Fairness Opinion by Deutsche Bank

For the purposes of preparing this Statement, Aareal Bank AG commissioned Deutsche Bank to provide the Supervisory Board with a written opinion on the fairness of the Offer Price to the Aareal Shareholders from a financial point of view. Deutsche Bank gave a detailed presentation and explanation to the Supervisory Board on the analyses performed by them and the conclusions drawn on their basis on November 18, 2021 and provided the original of their opinion letter on November 21, 2021; this opinion letter was updated and the updated version provided again on December 23, 2021 (this opinion letter in the latter version the **DB Fairness Opinion**).

Deutsche Bank concludes that, subject to the assumptions and restrictions made in the DB Fairness Opinion, the Offer Price of EUR 29.00 per Aareal Share was fair to the Aareal Shareholders (other than the Bidder, and any of its affiliates or persons acting jointly with the Bidder) from a financial point of view on the day the DB Fairness Opinion was issued. The full wording of the DB Fairness Opinion is attached to this Statement as **Annex 3**.

As part of the preparation of the DB Fairness Opinion, Deutsche Bank performed a number of financial analyses, as are carried out in comparable transactions and appear appropriate to provide the Supervisory Board with a sound basis for their own assessment of the fairness of the Offer Price from a financial point of view. The methods used by Deutsche Bank are described in the DB Fairness Opinion.

As explained in more detail in the DB Fairness Opinion, the analyses performed by Deutsche Bank are based, inter alia, on the Offer Document and other information available to the public, on data, planning, financial forecasts and explanatory documents provided by Aareal Bank AG, and on conversations with Senior Management at Aareal Bank AG. In preparing the DB Fairness Opinion, various studies and analyses were made and other factors taken into consideration that Deutsche Bank considered as appropriate. In the opinion of the Supervisory Board, the methods applied in the DB Fairness Opinion are customary and recognized international methods, whose application is regarded appropriate by the Supervisory Board in the present case.

The DB Fairness Opinion includes, among other things, statements regarding certain underlying assumptions, information relied upon by Deutsche Bank, methods applied, aspects considered, and limits

to the review performed by Deutsche Bank. These statements in the DB Fairness Opinion should be read in their entirety to understand the scope of, and conclusion reached in, the DB Fairness Opinion. The DB Fairness Opinion does not constitute, and is not intended, and should not be interpreted or deemed, to be, a valuation as is typically prepared by auditors based on the requirements of German corporate and trade law. In particular, the DB Fairness Opinion does not constitute a valuation in accordance with the Principles for the Performance of Business Valuations (IDW S1) published by the IDW (such as a valuation for the purposes of concluding a domination and profit and loss transfer agreement). In addition, the Principles for the Preparation of Fairness Opinions (IDW S8) issued by the IDW were not taken into consideration in the preparation of the DB Fairness Opinion. A fairness opinion of the type provided by Deutsche Bank for assessing financial fairness differs in many important respects from an enterprise valuation carried out by an auditor or from valuations for accounting purposes in general. The Supervisory Board points out that it has not carried out its own enterprise valuation of Aareal Bank AG based on the IDW S1 principles either.

The DB Fairness Opinion exclusively relates to the financial fairness of the Offer Price to the Aareal Shareholders (other than the Bidder, and any of its affiliates or persons acting jointly with the Bidder) on the date the DB Fairness Opinion was issued. It does not relate to any other aspects of the Offer, nor does it make any recommendation as to how any third party should act in connection with the Offer, in particular whether an Aareal Shareholder should or should not tender their Aareal Shares into the Offer.

The Supervisory Board expressly notes that Deutsche Bank has issued the DB Fairness Opinion exclusively for the information and support of the Supervisory Board in connection with, and for the purpose of, the assessment of the Offer Price in financial terms by the Supervisory Board. The DB Fairness Opinion is not addressed to, nor does it give rise to any rights or protection on the part of, any third parties. Neither the fact that the DB Fairness Opinion was submitted to the Supervisory Board of the Company, nor the consent given by Deutsche Bank for the DB Fairness Opinion to be attached to the Reasoned Statement as an annex, entitles third parties (including the Aareal Shareholders) to rely on the DB Fairness Opinion or derive rights from the DB Fairness Opinion. Deutsche Bank is not liable to any third parties (including any Aareal Shareholders) for the DB Fairness Opinion. The DB Fairness Opinion is, in particular, not addressed to the Aareal Shareholders, nor does it constitute a recommendation as to whether the Aareal Shareholders should or should not accept the Offer.

Deutsche Bank receives standard market remuneration for its activities as financial adviser to the Aareal Bank AG Supervisory Board in connection with the Offer, having been commissioned to provide an opinion to assess the Offer Price in financial terms. Moreover, Aareal has undertaken to release Deutsche Bank from certain liability risks in connection with the submission of the DB Fairness Opinion. The remuneration payable to Deutsche Bank does not depend on the success of the takeover.

It should be noted that Deutsche Bank or entities affiliated with Deutsche Bank may have provided, or may now or in the future provide, consulting or other financial services to Aareal Bank AG, the Bidder, entities affiliated with them or to other parties involved in the Offer and may have received or will receive remuneration for such services.

On the basis of its own experience, the Supervisory Board of Aareal Bank AG has convinced itself of the plausibility and appropriateness of the procedures, methods and analyses used by Deutsche Bank.

3.10 Overall assessment of the fairness of the consideration by the Management Board and the Supervisory Board

The Management Board and the Supervisory Board have carefully and intensively analyzed and assessed the fairness of the consideration offered. The Management Board and the Supervisory Board have both made their own assessments and taken into account the content of the two fairness opinions, and have convinced themselves on the basis of their own experience of the plausibility of the procedure of Perella Weinberg Partners and Deutsche Bank, respectively.

NON-BINDING CONVENIENCE TRANSLATION OF THE ORIGINAL GERMAN VERSION

In their respective assessments, the aspects taken into account by the Management Board and the Supervisory Board include, but are not limited to the following:

- The Offer Price of EUR 29.00 contains a premium on the closing price of Aareal Shares on October 6, 2021, the last Stock Exchange Trading Day prior to the ad-hoc release by Aareal Bank AG regarding talks with financial investors, of EUR 5.40 or approximately 23%.
- The volume-weighted average stock exchange price for the three-month period prior to (and including) October 6, 2021, the last Stock Exchange Trading Day prior to the ad-hoc release by Aareal Bank AG regarding talks with financial investors, amounted to approximately EUR 21.48 per Aareal Share. In relation to this average share price, the Offer Price contains a premium of EUR 7.52 or approximately 35%.
- The premiums contained in the Offer Price determined in this way are in line with takeover premiums usually paid in takeover transactions with a transaction volume of more than EUR 100 million in Germany during the past fifteen years.
- The Offer Price is also higher than the average of the target price expectations by equity research analysts for the Aareal Share that were published prior to (and including) October 6, 2021, the last Stock Exchange Trading Day prior to the confirmation of talks with financial investors by way of an ad-hoc release by Aareal Bank AG on October 7, 2021, with this average being determined in the manner illustrated above.
- Depending on the earnings reference figure applied, the Offer Consideration significantly exceeds the valuation midpoints determined in a valuation using valuation multiples of listed companies that are considered relevant.
- The Offer Consideration exceeds the valuation midpoints determined in a valuation using valuation multiples in past transactions that are considered relevant.
- The Offer Consideration exceeds the valuation range determined by a regression analysis of banks considered relevant.
- The Offer Consideration is within the valuation ranges determined on the basis of discounted dividends analyses and therefore adequately reflects the value of the Company.
- Subject to the occurrence of the Offer Conditions or their valid waiver by the Bidder, the consideration allows the shareholders to realize value in a secure and timely manner, especially in times of the current uncertainties in the market environment caused by the COVID-19 pandemic.

On the basis of an overall assessment of, in particular, the aspects described above, the overall circumstances of the Offer and of the respective Fairness Opinion used by the Management Board and the Supervisory Board (among other things) as a basis for each of their assessments, the Management Board and the Supervisory Board have come to the following conclusion, independently of each other, with regard to the question of the fairness (within the meaning of Section 31 para. 1 WpÜG) of the consideration offered by the Bidder for the Aareal Shares to which the Offer relates:

The Management Board and the Supervisory Board believe that the amount of the Offer Price is fair and adequate.

VII. OBJECTIVES AND INTENTIONS PURSUED BY THE BIDDER AND THEIR ASSESSMENT BY THE MANAGEMENT BOARD AND THE SUPERVISORY BOARD

In Section 7 of the Offer Document, the Bidder explains the background of the Offer and the intentions of the Bidder and of Atlantic Lux HoldCo S.à r.l. with respect to the future business activities of Aareal Bank AG and the Bidder. According to the Bidder, the intentions and undertakings described have their legal basis in an investment agreement entered into between Aareal Bank AG and the Bidder on November 23, 2021 (the *Investment Agreement*). The shareholders of Aareal Bank AG are advised to read these sections of the Offer Document carefully. The following summary is intended to provide an overview of the background of the Offer described in the Offer Document (see Section VII.1.1 of this Statement) and the intentions of the Bidder and of Atlantic Lux HoldCo S.à r.l. (see Section VII.1.2 of this Statement), and does not claim to be exhaustive. The Management Board and the Supervisory Board state their position after the summary (see Section VII.2 of this Statement).

With regard to the expected effects of a successful Offer on the assets, liabilities, financial position and results of the Bidder as well as on Atlantic Lux HoldCo S.à r.l., please refer to Section 13 of the Offer Document.

1. Statements made by the Bidder in the Offer Document

1.1 Background of the Offer

Sections 7.1 and 7.2 of the Offer Document describe the economic and strategic background of the Offer, as well as the Investment Agreement between Aareal Bank AG and the Bidder.

1.1.1 Economic and strategic background to the Offer

According to Section 7.1 of the Offer Document, the economic and strategic rationale of the Offer is the objective to support the strategic ambitions of Aareal Bank AG to strengthen its position as an international provider of real estate and other property-based financings and of software, digital solutions and payment services in particular for the property sector and related industries on the basis of its strategy “Aareal Next Level” and to accelerate growth in all three segments of the Aareal Group.

According to the Bidder, accelerated growth shall be achieved, in particular, by sharing the significant joint experience of Aareal Bank AG and the Bidder’s indirect shareholders in the financial services, software and payments sectors, and by retaining profits of Aareal Bank AG for investment in future growth.

1.1.2 Investment Agreement between Aareal Bank AG and the Bidder

In Section 7.2 of the Offer Document, the Bidder states that the Investment Agreement stipulates the principal terms and conditions of the Offer and the parties’ common objectives in relation thereto and the parties’ understanding in relation to Aareal Bank AG’s future organizational and management structure as well as the business strategy pursued with the investment. The Bidder summarizes the material terms of the Investment Agreement as follows:

According to Section 7.2.1 of the Offer Document, the Bidder agreed in the Investment Agreement to submit a voluntary public takeover offer for the acquisition of all Aareal Shares based on the cash consideration set out in Section 4.2 of the Offer Document and the Offer Conditions set out in Section 10.1 of the Offer Document.

According to Section 7.2.3 of the Offer Document, the parties to the Investment Agreement agreed on certain principles in relation to the proposed cooperation between the Bidder and Aareal Bank AG. For example, the Bidder agreed in the Investment Agreement to use its commercially reasonable efforts to support management of Aareal Bank AG in further promoting the "Aareal Next Level" program and in increasing growth potential in all three segments of the Aareal Group.

According to Section 7.2.3 of the Offer Document, this shall be achieved, inter alia, by (i) new business origination through the support by the Bidder regarding market access to new object types or new asset classes, knowledge sharing and underwriting support on the lending side, (ii) optimizing the Company's funding and capitalization structure with the support of the Bidder, including, inter alia, by earnings retention within the framework of and to achieve the business plan, (iii) accelerating the Company's organic growth and implementing an M&A roadmap for B&DS and the Bidder's support in the implementation of such roadmap, with a clear focus on expanding the offer around its core competences of payment transactions, supported by significant M&A activities and market access as well as attractive cooperation models through the network of the Bidder, (iv) continuing the value enhancement plan and the M&A roadmap for further developing Aareon AG as a software and digital platform, (v) sharing best practices to enhance the Company's organization, processes, and use of technology, and (vi) cooperating in relation to NPL topics.

The Investment Agreement is based on the prerequisite that until consummation of the Takeover Offer there will be no distribution in cash or in kind by Aareal Bank AG (see also Section 7.2.3 of the Offer Document). In the Investment Agreement, the parties agreed to use all efforts legally available and reasonably practical to them to ensure that no such distribution occurs. In addition, the Bidder has committed to continue the Aareal Group in its current structure.

According to Section 7.2.3 of the Offer Document, the Bidder has, as agreed in the Investment Agreement, no intention to sell its shareholding in Aareal Bank AG without the prior consent of Aareal Bank AG, such consent not to be unreasonably withheld, for a period of three (3) years after the consummation of the Takeover Offer.

According to Section 7.2.3 of the Offer Document, the parties to the Investment Agreement furthermore agreed to enter into a relationship agreement following the consummation of the Takeover Offer which sets forth additional aspects of the future governance and the relationship between Aareal Bank AG and the Bidder (the **Relationship Agreement**). It is intended that, in accordance with the provisions of the Relationship Agreement, Aareal Bank AG shall establish an advisory board (*Beirat*) on the basis of Section 13 para. 2 of its articles of association which is to include representatives of the Bidder and independent industry experts. The Bidder shall provide sector expertise and advice to Aareal Bank AG through the advisory board, thus contributing to achieving the objectives pursued by the parties with the Bidder's planned acquisition of the Aareal Shares.

According to Section 7.2.4 of the Offer Document, the Investment Agreement has a fixed term ending three (3) years after the consummation of the Takeover Offer. Furthermore, according to the Bidder, the Investment Agreement provides the parties with termination rights in certain defined circumstances.

The Management Board and the Supervisory Board consider the summary of the key points and essential provisions of the Investment Agreement contained in Section 7.2 of the Offer Document to be accurate.

In addition, the Management Board would like to point out that, as set out in Section 7.2.2 of the Offer Document, it has undertaken in the Investment Agreement in particular, subject to its fiduciary duties and the further conditions set forth therein, to consider the Offer Consideration as fair and adequate, to support the Offer and to recommend that the Aareal Shareholders accept the Offer.

As stated in Section 7.2.2 of the Offer Document, the parties to the Investment Agreement have also agreed to cooperate with each other in all material respects relating to the Offer, in particular with regard to merger control and other regulatory approvals.

The Management Board and the Supervisory Board (the latter after intensive preparation by its Executive and Nomination Committee) had each independently assessed and reviewed the contents of the Investment Agreement and decided to enter into it.

1.2 Intentions of the Bidder and Atlantic Lux HoldCo S.à r.l.

Section 7.3 of the Offer Document describes the shared intentions of the Bidder and Atlantic Lux HoldCo S.à r.l. with regard to (i) the future business activity, assets and future obligations of Aareal Bank AG, (ii) the registered seat and headquarters of Aareal Bank AG and the location of significant parts of the business, (iii) the employees, employee representation and employment conditions, (iv) members of the Management Board and the Supervisory Board of Aareal Bank AG, (v) structural measures and (vi) a domination and/or profit and loss pooling agreement. Intentions with respect to the business activities of the Bidder and Atlantic Lux HoldCo S.à r.l. are then described in Section 7.3.7 of the Offer Document. As stated in Section 7.3 of the Offer Document, neither the Bidder nor Atlantic Lux HoldCo S.à r.l. have any intentions deviating from or going beyond the intentions set forth in Sections 7.3.1 to 7.3.7 of the Offer Document.

1.2.1 Future business activity, assets and future obligations of Aareal Bank AG

According to the information contained in Section 7.3.1 of the Offer Document, the Bidder supports the mutually reinforcing business segments of Aareal Bank AG and does not intend to pursue any plans to break up the Aareal Group. The Bidder acknowledges in particular that Aareon AG forms an integral part of the Aareal Group's strategy.

With regard to the future business activity of Aareal Bank AG, the Bidder intends, according to Section 7.3.1 of the Offer Document, to achieve organic and inorganic growth of Aareal Bank AG in line with the business plan and the "Aareal Next Level" strategy established by the management of Aareal Bank AG. As stated in Section 7.3.1 of the Offer Document, it intends to reinvest earnings into growth and hence take a conservative approach to distributions, maintaining the targets in the business plan including a capitalization in line with regulatory requirements and recommendations.

According to Section 7.3.1 of the Offer Document, the Bidder intends to finance further growth of the Aareal Group and to maintain a sound capitalization and long-term rating of Aareal Bank AG's senior preferred debt by Fitch Ratings of at least A-. With regard to the future obligations of Aareal Bank AG resulting therefrom, the Bidder intends to provide to Aareal Bank AG additional equity financing, if and when needed according to the management board of Aareal Bank AG's reasonable assessment, taking into particular account the envisaged strategy, subject to any customary internal and external approvals.

According to Section 7.3.1 of the Offer Document, the Bidder acknowledges that Aareal Bank AG owns multiple strong brands in certain countries, with the relevant countries and customers having a high level of brand awareness. With regard to the use of the assets of Aareal Bank AG, the Bidder intends to retain the Aareal Group's brands as independent brands (including as trademarks on the Aareal Group's products and services) and to support the Aareal Group in increasing brand awareness. The Bidder respects the intellectual property of Aareal Bank AG and all entities in the Aareal Group. The Bidder acknowledges that the intellectual property of the Aareal Group shall remain with the entities of the Aareal Group and be used by them.

According to Section 7.3.1 of the Offer Document, the Bidder has, as agreed in the Investment Agreement, no intention to change the company name of Aareal Bank AG.

1.2.2 Registered seat and headquarters of Aareal Bank AG, location of significant parts of the business

According to Section 7.3.2 of the Offer Document, there are no intentions by the Bidder with respect to relocating the registered seat or relocating or closing sites of significant parts of the business. The Bidder states that it intends, as agreed in the Investment Agreement, not to (i) relocate Aareal Bank AG's registered office (*Satzungssitz*) and headquarters or (ii) cause the relocation of the location of any important operations and assets (*wesentliche Unternehmensteile*) of the Aareal Group.

1.2.3 Employees, employee representation and employment conditions

According to the statements in Section 7.3.3 of the Offer Document, the Bidder recognizes that the dedicated staff of the Aareal Group are the foundation of the continued success of Aareal Bank AG. Furthermore, according to its statements, the Bidder recognizes that the success of the transaction, and in particular the continued success of Aareal Bank AG, depends on the creativity and performance of the staff of the Aareal Group and their potential to innovate.

According to Section 7.3.3 of the Offer Document, the Bidder also has no intention to cause Aareal Bank AG to take or initiate any action aimed at the amendment or termination of existing shop agreements (*Betriebsvereinbarungen*), collective bargaining agreements (*Tarifverträge*) or similar agreements in Germany, in particular relating to work conditions, of the Aareal Group. According to its statements, the Bidder intends to respect the rights of the employees and works councils (*Betriebsräte*) in the Aareal Group, including the current structures established in connection therewith. The Bidder has no intention to cause Aareal Bank AG to take actions that would result in a change of the agreed pension plans or similar commitments to employees or to cause Aareal Bank AG to leave the employers' association (*Arbeitgeberverband*).

As stated in Section 7.3.3 of the Offer Document, the Bidder does not have any intention to cause Aareal Bank AG to reduce the current staffing levels of the Aareal Group beyond the reduction in staffing levels planned by the Management Board as part of its existing strategy, unless deemed necessary by the Management Board as part of normal management of the business in accordance with the strategy pursued by the Management Board. According to its statements, the Bidder rather supports an increase of the current staffing levels of the Aareal Group in the relevant segments in a manner that supports the business plan.

Further, according to Section 7.3.3 of the Offer Document, the Bidder has, as agreed in the Investment Agreement, no intention to cause Aareal Bank AG to take any actions that would lead to a change of the existing level or the status of co-determination in the Supervisory Board save for any changes required by law.

Apart from this, the Bidder states that it has no intentions that could affect the employees of Aareal Bank AG, their representation or their employment conditions.

1.2.4 Members of the Management Board and the Supervisory Board of Aareal Bank AG

According to the statements in Section 7.3.4 of the Offer Document, the Bidder has full confidence in the present members of the Management Board and intends that the Management Board continues in its current composition to lead Aareal Bank AG. The Bidder states that it has no intention to effect or initiate a change of the composition of the Management Board. According to its statements in the Offer Document, the Bidder also has no intention to initiate, and has no intention to otherwise support, any action aiming at the removal of the current members of the Management Board or the termination of any corresponding service agreement.

Further, according to Section 7.3.4 of the Offer Document, the Bidder intends that the members of the Management Board will continue to have basically the same areas of responsibility with regard to Aareal Bank AG's business after the implementation of the Takeover Offer.

According to its statements, the Bidder acknowledges that the Supervisory Board of Aareal Bank AG shall continue to consist of twelve (12) members, including four (4) employee representatives, save for any changes required by law provided that the size of the Supervisory Board may be increased, to the extent legally permissible, if otherwise the number of representatives elected by shareholders would be reduced below eight (8) members. According to Section 7.3.4 of the Offer Document, the Bidder intends to effect a change on the part of the shareholder representatives on the Supervisory Board following consummation of the Takeover Offer which appropriately reflects the Bidder's holding in Aareal Bank AG at this time and which shall include the chairperson of the Supervisory Board.

According to Section 7.3.4 of the Offer Document, the Bidder acknowledges that the Supervisory Board (i) in accordance and compliance with the relevant recommendations of the German Corporate Governance Code (**GCGC**) shall have at least two (2) independent members (including the chair of the audit committee), and (ii) in accordance with the expectations of the regulatory authorities, particularly the applicable EBA guidelines, shall have a sufficient number of independent members who shall be actively involved in the work of the Supervisory Board committees.

Apart from this, the Bidder states that it has no intentions with respect to the members of the Management Board and Supervisory Board.

1.2.5 Structural measures

In Section 7.3.5 of the Offer Document, the Bidder sets out in detail that, apart from the following intentions, it has no intentions with respect to structural measures.

Depending on the size of the Bidder's shareholding in Aareal Bank AG after the successful completion of the Takeover Offer as well as the prevailing market conditions, the economic situation and regulatory framework at the time, the Bidder intends to assess, according to Section 7.3.5 of the Offer Document, one or more of the following measures.

(1) Delisting

According to its statements in Section 7.3.5(a) of the Offer Document, the Bidder intends, subject to market conditions and only insofar as economically reasonable at the relevant time, to assess the effectuation of a withdrawal of the admission to trading of the Aareal Shares on the regulated market (**Delisting**) following the settlement of the Takeover Offer, or at any future date. Pursuant to the Investment Agreement, the Management Board of Aareal Bank AG will (subject to its duties of care and fiduciary duties), according to the Bidder's statements, support the Bidder if and once the Bidder has decided to initiate such measure.

As stated under Section 7.3.5(a) of the Offer Document, as a requirement of a Delisting, a delisting offer pursuant to Section 39 para. 2 of the German Stock Exchange Act (**BörsG**) would have to be made to all minority shareholders of Aareal Bank AG. The Bidder states that the offer price for such delisting offer could be equivalent to the Offer Price but could also be higher or lower. However, according to its statements, the Bidder has no intention to launch a delisting offer at a price higher than the Offer Price.

The Bidder states in Section 7.3.5(a) of the Offer Document that, following a Delisting, the Aareal Shares would be discontinued from trading on the regulated market, which could make the Aareal Shares effectively illiquid. According to the Bidder, a Delisting would also terminate the comprehensive capital markets oriented reporting obligations of Aareal Bank AG.

(2) Squeeze-out

If, following the settlement of the Takeover Offer, or at any future date, the Bidder holds a number of Aareal Shares that a shareholder of a stock corporation must hold in order to demand a transfer of the shares of the outside shareholders to the principal shareholder in exchange for a fair cash compensation (**Squeeze-out**), the Bidder intends, according to Section 7.3.5(b) of the Offer Document, subject to market conditions and only insofar as it is economically reasonable, to assess the effectuation of a squeeze-out of the outside Aareal Shareholders.

The Bidder points out that the implementation of a squeeze-out of the minority shareholders would result in a Delisting.

1.2.6 No domination and/or profit and loss pooling agreement

As stated in Section 7.3.6 of the Offer Document, the Bidder has no intention to conclude a domination and/or profit and loss pooling agreement with Aareal Bank AG and undertook in the Investment Agreement not to cause Aareal Bank AG to conclude a domination and/or profit and loss pooling agreement with the Bidder or any affiliated company to the Bidder. According to the Bidder's statements, this undertaking is in line with the usual regulatory expectation not to enter into such agreement and to achieve clearance of the transaction from the banking regulators.

1.2.7 Intentions with respect to the business activities of the Bidder and Atlantic Lux HoldCo S.à r.l.

According to the statements in Section 7.3.7 of the Offer Document, the Bidder and Atlantic Lux HoldCo S.à r.l. have no intentions that could have consequences for the registered office or the location of significant parts of the Bidder's or Atlantic Lux HoldCo S.à r.l.'s business or the employees, their representation and employment conditions, or the members of the management bodies of Atlantic Lux HoldCo S.à r.l. or the Bidder. Following the settlement of the Takeover Offer, the Bidder and Atlantic Lux HoldCo S.à r.l. intend, according to their statements, to assess the change of the legal form of the Bidder, in particular a form change into a limited partnership. With the exception of the consequences for the assets, liabilities, financial position and results of the Bidder which are set out in Section 13 of the Offer Document, there are, according to the Bidder, no intentions of the Bidder and Atlantic Lux HoldCo S.à r.l. that could have consequences for the use of assets or the future obligations of Atlantic Lux HoldCo S.à r.l. or the Bidder. According to the statements in Section 7.3.7 of the Offer Document, the Bidder and Atlantic Lux HoldCo S.à r.l. have no further intentions with respect to the future business activities of Atlantic Lux HoldCo S.à r.l. or the Bidder.

2. Assessment of the intentions of the Bidder and the expected consequences for Aareal

The Management Board and the Supervisory Board have each separately and independently of one another duly and thoroughly assessed the intentions of the Bidder and Atlantic Lux HoldCo S.à r.l. stated in the Offer Document. The intended measures and objectives have already been agreed to a material extent in the Investment Agreement, in which the Bidder and Aareal Bank AG have, in particular, agreed on more detailed terms of their future cooperation (see Section VII.1.1.2 of this Statement), and will also be specified in more detail in the Relationship Agreement.

The Management Board and the Supervisory Board expressly welcome the fact that, in concluding the Investment Agreement and the proposed Relationship Agreement, the Bidder has established a sound and reliable contractual basis for its objectives and intentions regarding the Offer. This creates the clarity and orientation required for the future cooperation.

The Management Board and the Supervisory Board are of the opinion that the intentions stated in the Offer and their possible consequences are beneficial for the future of the Company and its business activities and, therefore, support them.

2.1 Background of the Offer

The Management Board and the Supervisory Board welcome the interest of the Bidder and Atlantic Lux HoldCo S.à r.l. in Aareal Bank AG and believe that the economic and strategic intentions pursued by the Bidder and Atlantic Lux HoldCo S.à r.l. with regard to the strategy of the Company are promising and in the interests of the Company's stakeholders.

The Management Board and the Supervisory Board share the assessment of the economic and strategic background to the Offer by the Bidder and Atlantic Lux HoldCo S.à r.l. They welcome in particular the outlined strategic intentions and plans of the Bidder and Atlantic Lux HoldCo S.à r.l. to support the strengthening of Aareal Bank AG's position as an international provider of real estate and other property-based financings and of software, digital solutions and payment services in particular for the property sector and related industries on the basis of the strategy "Aareal Next Level" pursued by the Management Board and the Supervisory Board and to accelerate growth in all three segments of the Aareal Group.

The Management Board and the Supervisory Board consider it as plausible that the shareholding of the Bidder and Atlantic Lux HoldCo S.à r.l. in Aareal Bank AG will improve the implementation and achievement of the Company's strategic objectives and plans, in particular on the basis of the "Aareal Next Level" strategy. This applies in particular to the objective of increasing the lending book of Aareal Bank AG from EUR 30 billion at the end of 2021 to up to EUR 40 billion in 2026, including new object classes and, as appropriate, related asset classes.

2.2 Future business activity, assets and future obligations of Aareal Bank AG

The Management Board and the Supervisory Board welcome the Bidder supporting the Company's existing long-term strategy. In particular the continuation of the Aareal Group in its current form, maintaining its mutually reinforcing business segments, combined with organic and inorganic growth in line with the business plan and the "Aareal Next Level" strategy established by the management of Aareal Bank AG, and the reinvestment of earnings are, in the view of the Management Board and the Supervisory Board, key success factors for the future cooperation in the Aareal Group, and for the future business activity of the Aareal Group. The Bidder's confirmation of Aareal Bank AG's long-term strategy thus also underlines the fundamentally good positioning and proper strategic orientation of the Aareal Group.

According to the Investment Agreement, the Bidder acknowledges that Aareon forms an integral part of the Aareal Group's strategy. The Bidder thus undertook in the Investment Agreement not to (i) take any measures as a result of which Aareal Bank AG would relinquish control of Aareon, (ii) exert pressure on Aareal Bank AG to amend the shareholders' agreement between AI Atlantic (Luxembourg) S.à r.l. and Aareal Bank AG concerning Aareon, or (iii) cause Aareal Bank AG to divest of any other material part of the Aareal Group's businesses. In particular, the Bidder confirms in the Investment Agreement that it is not intended that CB Atlantic Lux TopCo S.à r.l. and/or any co-investors become direct shareholders in Aareon.

The Management Board and the Supervisory Board also take a positive view of the Bidder's intention to finance further growth of the Aareal Group, subject to customary internal and external approvals, and to maintain a sound capitalization and long-term rating of Aareal Bank AG's senior preferred debt by Fitch Ratings of at least A-. A capitalization in line with regulatory requirements and recommendations is of essential importance for the Aareal Group, in particular in view of the future obligations of Aareal Bank AG.

The Management Board and the Supervisory Board also welcome that, with regard to the use of the assets, the Bidder intends to retain the brands of Aareal Bank AG as independent brands in their respective countries. This aspect, too, underlines the strong position of the Aareal Group in various markets and countries.

2.3 Registered seat and headquarters of Aareal Bank AG, location of significant parts of the business

The Management Board and the Supervisory Board welcome the fact that the Bidder has no intentions with respect to relocating the registered seat or the headquarters or relocating or closing sites of significant parts of the business.

2.4 Employees, employee representation and employment conditions

The Management Board and the Supervisory Board share the Bidder's conviction that Aareal Group's dedicated staff is the foundation of Aareal Bank AG's continued success and that Aareal Bank AG's ongoing success depends on the creativity and performance of the staff of the Aareal Group and their potential to innovate. They therefore expressly welcome the fact that, according to the Bidder's statements, it has no intention to cause Aareal Bank AG to take or initiate any action aimed at the amendment or termination of existing shop agreements (*Betriebsvereinbarungen*), collective bargaining agreements (*Tarifverträge*) or similar agreements in Germany, in particular relating to work conditions, of the Aareal Group.

The Management Board and the Supervisory Board note positively that the Bidder intends to respect the rights of employees and works councils of the Aareal Group and not to cause Aareal Bank AG to take actions that would lead to a change in the agreed pension plans or similar commitments to employees, or to leave the employers' association (*Arbeitgeberverband*).

The Management Board and the Supervisory Board also welcome that, according to its statements, the Bidder generally does not intend to reduce the current staffing levels of the Aareal Group beyond the reduction in staffing levels planned by the Management Board as part of its existing strategy, and supports an increase of the staffing levels in relevant segments in a manner that supports the business plan.

Moreover, the Management Board and the Supervisory Board note positively that the Bidder does not intend to change the existing level or the status of co-determination in the Supervisory Board.

The Management Board and the Supervisory Board therefore each assume that the completion of the transaction will not have any adverse effects on the employees of Aareal Bank AG and the Aareal Group with regard to their employment contracts and work conditions. Furthermore, the Management Board and the Supervisory Board each assume that the completion of the transaction will not have any consequences for the employee representative bodies, in particular the works councils, in the Aareal Group.

2.5 Members of the Management Board and the Supervisory Board of Aareal Bank AG

The Management Board and the Supervisory Board note that the Bidder has full confidence in the present members of the Management Board and intends that the Management Board continues in its current composition to lead Aareal Bank AG. They welcome that the Bidder has no intention to initiate any action aiming at the removal of the current members of the Management Board or the termination of any corresponding service agreement, or to materially change their areas of responsibility with respect to the business of Aareal Bank AG.

Furthermore, the Management Board and the Supervisory Board welcome that the Bidder generally accepts the size and composition of the Supervisory Board and thus the requirements of the GCGC and the expectations of the regulatory authorities with regard to the number and involvement of independent Supervisory Board members. The Management Board and the Supervisory Board consider as normal and appropriate and acknowledge and agree that, following consummation of the Takeover Offer, the Bidder wishes to be appropriately represented by shareholder representatives on the Supervisory Board and to have one of such representatives appointed as chairperson of the Supervisory Board.

2.6 Structural measures

The Management Board and the Supervisory Board welcome that, following the settlement of the Takeover Offer and depending on the size of the Bidder's shareholding in the Company as well as the prevailing market conditions, the economic situation and regulatory framework at the time, the Bidder intends to assess the effectuation of a Delisting and/or Squeeze-out.

In this context, the Management Board and the Supervisory Board note that the Bidder intends, subject to market conditions and only insofar as it is economically reasonable at the relevant time, to effect a Delisting in connection with a delisting offer pursuant to Section 39 para. 2 BörsG to all minority shareholders of the Company following the settlement of the Takeover Offer, or at any future date. In addition, it cannot be ruled out that, after a successful completion of the Offer, Aareal Bank AG may no longer be included in the SDAX because the requirements of this index for the number of Aareal Shares in free float can no longer be met. Against this background, too, the Bidder may consider a Delisting as appropriate. The Management Board and the Supervisory Board note that, due to the discontinuation of trading on the regulated market as a result of a Delisting, the liquidity of the shares in Aareal Bank AG may considerably decrease. The Management Board and the Supervisory Board also note that the Bidder has no intention to launch a delisting offer at a price higher than the Offer Price.

Furthermore, the Management Board and the Supervisory Board note that if, following the settlement of the Takeover Offer, the Bidder holds a number of Aareal Shares that a shareholder of a stock corporation must hold in order to effect a squeeze-out, the Bidder intends, subject to market conditions and only insofar as it is economically reasonable at the relevant point in time, to assess the effectuation of a Squeeze-out of the outside Aareal Shareholders. According to the Bidder's statements, the effectuation of the Squeeze-out would as well result in a delisting of the Aareal Shares.

Under the conditions described above, the Management Board and the Supervisory Board consider the assessment of such a measure as reasonable and also commercially justified. If the Bidder achieves a level of shareholding that entitles it to perform a Squeeze-out, the trading in Aareal Shares might no longer be sufficiently liquid. In addition, the outside Aareal Shareholders are protected by the provisions of law applicable to such structural measures, especially the judicial appraisal proceedings in which the offered cash compensation can be reviewed.

For the consequences of the structural measures for the Aareal Shareholders, please refer to Section VIII.2 of this Statement.

2.7 No domination and/or profit and loss pooling agreement

The Management Board and the Supervisory Board of Aareal Bank AG welcome that the Bidder has no intention to conclude a domination and/or profit and loss pooling agreement with Aareal Bank AG as the controlled company and undertook in the Investment Agreement not to cause Aareal Bank AG to conclude a domination and/or profit and loss pooling agreement with the Bidder or any affiliated company to the Bidder. In the view of the Management Board and the Supervisory Board, this increases the transaction certainty with regard to obtaining the approval of the Takeover Offer from the banking regulators. Without the conclusion of a domination and/or profit and loss pooling agreement, Aareal Bank AG will also retain

a higher degree of legal independence than otherwise, and the Management Board and the Supervisory Board take positive note of this fact.

2.8 Tax consequences

As of December 31, 2020, Aareal Bank AG and the Aareal Group entities domiciled in Germany recognized, in total, corporate income tax loss carryforwards of approximately EUR 73.3 million and trade tax loss carryforwards of approximately EUR 82.2 million. The Management Board and the Supervisory Board point out that, in the event of a transfer of more than 50% of the Aareal Shares to the Bidder ('harmful acquisition of shares' (*schädlicher Beteiligungserwerb*)), these tax loss carryforwards (or parts thereof) may be lost and existing current tax losses (if any) incurred until the harmful acquisition of shares may only be usable to a limited extent, in particular if the tax balance sheets of the respective entities concerned include no hidden reserves taxable in Germany. The loss of these tax loss carryforwards would, due to the elimination of deferred tax assets, result in an expense of approximately EUR 5.5 million in the consolidated financial statements of the Aareal Group in accordance with IFRS.

In contrast, foreign tax loss carryforwards should, in the opinion of the Management Board and the Supervisory Board, essentially continue to exist in the event of a change of control.

With regard to the properties of Aareal Group entities located in Germany, the Management Board and the Supervisory Board point out that a real estate transfer tax liability under Section 1 para. 2b or Section 1 para. 3 of the German Real Estate Transfer Tax Act (*Gründerwerbsteuergesetz - GrEStG*) in the amount of approximately EUR 6 million could arise if at least 90% of the Aareal Shares will be transferred to or held by the Bidder as a result of the Takeover Offer. Due to recent changes in legislation, it is unclear who is the person liable for the payment of the real estate transfer tax; in the opinion of the Management Board and the Supervisory Board, this is expected to be the Aareal Group entity which owns the relevant property.

2.9 Financial consequences

With regard to the consequences of a successful Offer for existing financing agreements of the Aareal Group, the Management Board and the Supervisory Board point out that there are no material financing agreements in respect of which the counterparty has a termination right in the event of a change of control.

2.10 Consequences for material contractual agreements

With regard to the consequences of a successful Offer for material contractual agreements of the Aareal Group, the Management Board and the Supervisory Board point out that there are no material contractual agreements in respect of which the counterparty has a termination right in the event of a change of control.

The employment contracts of individual members of the Management Board of Aareal Bank AG provide that, in the event of a change of control, Management Board members who resign from office within a certain period receive a severance payment in the amount of the fixed remuneration plus the contractual ancillary benefits for the remaining term of the Management Board employment contract. In contrast, the performance-related remuneration must only be taken into account if the loss of the Management Board position is due to the change of control, which is defined in more detail in the respective Management Board employment contract. In this case, the severance payment is subject to the general terms and conditions of the Management Board employment contract, that is, in particular, the deferral periods, holding periods and penalty rules are applicable. In cases like these, the extent to which individual and sectional targets were achieved on average during the last three financial years prior to the termination of the Management Board position is used as a basis to determine the target achievement level for the individual and sectional targets for the remaining term of the contract.

The total amount of payments made to a Management Board member who has left due to a change of control is limited in the sense of a severance cap.

For further details, please refer to the Remuneration Report included in the Company's Annual Report for the 2020 financial year.

VIII. EFFECTS ON THE AAREAL SHAREHOLDERS

The following remarks are intended to provide the Aareal Shareholders with information concerning the assessment of the effects of the acceptance or non-acceptance of the Offer. The following considerations do not claim to be exhaustive. It is the own responsibility of each Aareal Shareholder to evaluate the effects of an acceptance or non-acceptance of the Offer. The Management Board and the Supervisory Board therefore recommend that Aareal Shareholders seek professional advice, if necessary.

The Management Board and the Supervisory Board further point out that they do not and cannot assess whether Aareal Shareholders might be exposed to possible tax disadvantages (especially any tax liability on capital gains) or if tax benefits could be forfeited as a result of accepting or not accepting the Offer. The Management Board and Supervisory Board recommend that, before deciding to accept or not accept the Offer, Aareal Shareholders should seek tax advice, taking into consideration the personal circumstances of the Shareholder in question.

1. Potential effects in the event the Offer is accepted

Aareal Shareholders intending to accept the Bidder's Offer should, in particular, consider the following in the light of the statements made above:

- Aareal Shareholders who accept or have accepted the Offer will in future no longer be able to benefit from any positive performance of the stock exchange price of the Aareal Shares, or from any positive development of the business of the Company and its subsidiaries. It cannot be ruled out, *inter alia*, that, as occurred in the past, the Company will in the future again generate value potential through the acquisition of companies (mergers and acquisitions), and that the stock exchange price will correspondingly perform positively; Aareal Shareholders who accept or have accepted the Offer would not participate in such performance. On the other hand, Aareal Shareholders who accept or have accepted the Offer are no longer exposed to the risks that may result from negative developments of the Company or of the market environment.
- The Offer will only be settled following the fulfillment of all Offer Conditions, or if the Bidder has effectively waived them. Whether the Offer Conditions have been fulfilled may only become evident following the expiry of the Acceptance Period.
- According to the WpÜG, the Bidder is entitled to modify the Offer Consideration up to one business day prior to the end of the Acceptance Period. However, the Bidder may not reduce the Offer Consideration. In the event of an amendment of the Offer, those Aareal Shareholders who have accepted the Offer have a right of withdrawal.
- With the transfer of the Aareal Share upon the settlement of the Offer, all ancillary rights existing at the time of the settlement will be transferred to the Bidder and individual claims, in particular the right to dividends, assigned to the Bidder. For details, please refer to Section IV.11.
- A withdrawal from acceptance of the Offer is only possible under the narrow conditions set out in Sections 15.1 and 15.2 of the Offer Document, and only until the end of the Acceptance Period. Pursuant to Section 11.8 of the Offer Document, the Tendered Aareal Shares will be admitted to

trading on the regulated market of the Frankfurt Stock Exchange (Prime Standard) under ISIN DE000A3MQCM4. Trading will presumably start as of the third Stock Exchange Trading Day after publication of the Offer Document. Trading with the Tendered Aareal Shares on the regulated market (Prime Standard) of the Frankfurt Stock Exchange is expected to be discontinued (i) at the end of the last day of the Additional Acceptance Period if all Offer Conditions according to Section 10 of the Offer Document have been satisfied or have been effectively waived, or (ii) at the end of the third Stock Exchange Trading Day directly preceding the settlement or rebooking of this Offer. The date as of which trading ends will be published by the Bidder without undue delay via an electronically operated information dissemination system within the meaning of Section 10 para. 3 sentence 1 no. 2 WpÜG or in the Federal Gazette (*Bundesanzeiger*).

- The acquirers of Aareal Shares traded under ISIN DE000A3MQCM4 assume all rights and duties arising from the agreements concluded by accepting the Takeover Offer with respect to these shares. In the Offer Document, the Bidder points out that the trading volumes and the liquidity of the Tendered Aareal Shares depend on the specific acceptance rate and therefore may not exist at all or may be low and may be subject to heavy fluctuations. It cannot be ruled out that in the absence of demand it will be impossible to sell the Tendered Aareal Shares on the stock exchange.
- Any Aareal Share not tendered for sale will continue to be traded under ISIN DE0005408116.
- Since, according to the Bidder's statements, the settlement of the Offer may, as a result of the various proceedings under merger control, foreign investment control and banking regulatory laws to which the Offer is subject (for more details, see Section 9 as well as Section 10.1 of the Offer Document and Sections IV.7, IV.8 and IV.9 of this Statement), not take place at all, the aforementioned restrictions and uncertainties relating to the trading volume and the liquidity of the Tendered Aareal Shares may remain in place for a longer period of time.
- If the Bidder or any of the persons acting jointly with it or their subsidiaries acquire, within one year of the publication of the number of Aareal Shares to which it or they are entitled following the expiry of the Acceptance Period and resulting from the acceptance of the Offer (Section 23 para. 1 sentence 1 no. 2 WpÜG), Aareal Shares off the exchange, and the value of the consideration granted or agreed in this respect is higher than that specified in the Offer, the Bidder shall be obliged to pay to the Aareal Shareholders who have accepted the Offer a consideration corresponding to the applicable difference. On the other hand, there is no such claim to the subsequent improvement of the consideration under the Offer for acquisitions made off the exchange made in return for higher consideration following the expiry of this subsequent acquisition period of one year. Such a claim to improvement also does not exist in the case of share acquisitions in connection with a statutory obligation to pay a compensation to Aareal Shareholders. The Bidder can, moreover, also purchase Aareal Shares on the stock exchange at a higher price during the aforementioned one-year subsequent acquisition period without having to adjust the consideration in favour of those Aareal Shareholders who have already accepted the Offer.
- Aareal Shareholders who accept the Offer will not participate in a cash compensation of whatever type that is legally payable in the case of certain structural measures implemented following the settlement of the Offer (for more details, see the statements in Section 7.3.5 of the Offer Document). As a rule, compensation payments made (if any) will be determined on the basis of the total value of an enterprise, and may be reviewed in judicial proceedings. Such compensation payments may be equal to the amount of the Offer Price, but may also be higher or lower. The Management Board and the Supervisory Board are of the opinion that it cannot be ruled out that compensation payments made at a future point in time could exceed the Offer Price. Even if this

is the case, the Shareholders of Aareal Bank AG accepting the Offer will not be entitled to such compensation payments or to any additional payments.

2. Potential consequences in the event of non-acceptance of the Offer

Aareal Shareholders who do not accept the Offer and who do not otherwise dispose of their Aareal Shares will remain shareholders of Aareal Bank AG as before. However, they should pay attention, inter alia, to the Bidder's statements in Section 14 of the Offer Document as well as to the following aspects:

- They will bear the risks and rewards of the future performance of the Aareal Shares in respect of which they do not accept the Offer.
- The current stock exchange price of the Aareal Share also reflects the fact that the Bidder published its decision to launch this Offer on November 23, 2021 as well as the fact that Aareal Bank AG confirmed by way of an ad-hoc release on October 7, 2021 that it has entered into talks with financial investors regarding a possible acquisition of a majority interest and that there had been takeover speculation in the market since then. It is uncertain whether, following the completion of the Offer, the stock exchange price of the Aareal Shares will remain at its present level or rise above or fall below it.
- The completion of the Offer will result in a reduction of the free float of the issued Aareal Shares. It is also expected that the supply of and demand for Aareal Shares will be less than today after settlement of the Offer, and therefore that the liquidity of the Aareal Shares will decrease. It would then be possible that buy and sell orders with respect to Aareal Shares cannot be executed or cannot be executed in a timely fashion. Moreover, the possible limitation of the liquidity of Aareal Shares could result in substantially heavier price fluctuations of the Aareal Shares in the future.
- The Aareal Share is currently included in the SDAX index, meaning that institutional funds and investors, which invest in components of indexes such as the SDAX, are currently obliged to hold Aareal Shares, if they wish to reflect the performance of the SDAX. The Aareal Shares could be excluded from the SDAX as a consequence of the settlement of the Takeover Offer, in particular due to the reduction of the free float. Index investors still holding Aareal Shares following the completion of the Takeover Offer may then possibly sell them on the market. This could then result in an excessive supply of Aareal Shares on a comparatively illiquid market, which can, in turn, result in price decreases for the Aareal Shares.
- After settlement of the Offer, the Bidder will presumably have the voting majority at the general meeting and could, depending on the acceptance rate, also have the necessary voting majority to enforce all important structural measures or other measures under corporate law at the general meeting of Aareal Bank AG. This includes, for example, the election and the dismissal of shareholder representatives of the Supervisory Board, election of the statutory auditor, granting or rejecting discharge of the members of the Management Board and the Supervisory Board, amendments to the articles of association (unless a larger majority is required by law for the relevant subject-matter of the resolution), capital increases, demands for transfer of the Aareal Shares of the outside shareholders to the principal shareholder in exchange for a fair cash compensation (squeeze-out) and, if the majority requirements under statutory law and articles of association have been satisfied, the exclusion of subscription rights for shareholders in capital measures as well as reorganizations, mergers, the approval of a domination and profit and loss transfer agreement, as well as the liquidation of Aareal Bank AG. Only in the case of some of the aforementioned measures there would be an obligation on the part of the Bidder under German law to submit to the minority shareholders, on the basis of a company valuation of Aareal Bank AG, an offer to acquire their Aareal Shares in exchange for a reasonable compensation or to grant other compensation (for more details, see Section 7.3.5 of the Offer Document). Because

such a company valuation would have to be based on the circumstances existing at the time of the resolution adopted by the Company's general meeting for the respective measure, such compensation offered could be equivalent in value to the Offer Price but it could also be lower or higher. The implementation of some of these measures could also result in the delisting of the Aareal Shares.

- The Bidder could demand the transfer of the Aareal Shares of the outside shareholders to the principal shareholder in exchange for a fair cash compensation (Squeeze-out), if it directly or indirectly holds the required number of Aareal Shares (see, in particular, Section 7.3.5 and Section 14(e) of the Offer Document as well as Section VII.2.6 of this Statement).
- After successful completion of the Takeover Offer, the Bidder could seek to have Aareal Bank AG request the Delisting of the Aareal Shares (see, in particular Sections 7.3.5 and Section 14(f) of the Offer Document as well as Section VII.2.6 of this Statement). In the case of a full delisting pursuant to Section 39 para. 2 BörsG, the Bidder would make a delisting offer to all minority Aareal Shareholders to acquire the Aareal Shares held by them in exchange for the granting of appropriate cash compensation pursuant to Section 39 para. 2 BörsG. Pursuant to Section 39 para. 3 BörsG, the WpÜG would apply mutatis mutandis for the determination of the consideration, provided that the consideration must consist of a cash payment in euros and must correspond to the weighted average domestic stock exchange price during the last six months prior to the publication pursuant to Section 10 para. 1 sentence 1 WpÜG. The amount of appropriate cash compensation could be equal to the Offer Price, but could also be higher or lower. Furthermore, pursuant to Section 39 para. 3 BörsG, the offer must not be made subject to conditions. A delisting offer can therefore only be made after the regulatory approvals have been obtained. In case of a revocation of the admission to the sub-segment of the regulated market of the Frankfurt Stock Exchange with additional listing obligations (Prime Standard), the Aareal Shareholders would no longer benefit from the more stringent reporting obligations of the Prime Standard segment.

Alternatively, the Bidder could seek to have Aareal Bank AG change the stock exchange segment in order to reduce costs and disclosure requirements of Aareal Bank AG related to the listing of the Aareal Shares in the Prime Standard.

- If the Bidder holds at least 95% of the share capital of Aareal Bank AG following the settlement of the Takeover Offer, the Aareal Shareholders who have not accepted the Takeover Offer by the end of the Acceptance Period or by the end of the Additional Acceptance Period are, in accordance with Section 39c WpÜG, entitled to accept the Takeover Offer within a period of three months after the Acceptance Period (right to tender). The tender period will not commence until the Bidder has fulfilled its publication obligations pursuant to Section 23 para. 1 no. 4 WpÜG.

IX. NO MANDATORY OFFER WHEN ACQUIRING CONTROL OVER THE COMPANY

Section 17 of the Offer Document states that, if, as a result of the Offer, the Bidder and, indirectly, Atlantic Lux HoldCo S.à r.l. acquire control of Aareal Bank AG according to Section 29 para. 2 WpÜG, neither the Bidder nor Atlantic Lux HoldCo S.à r.l. will, as a result of Section 35 para. 3 WpÜG, be obliged to launch a mandatory offer for Aareal Shares.

X. INTERESTS OF THE MEMBERS OF THE MANAGEMENT BODIES OF AAREAL BANK AG

The Bidder and the persons acting jointly with it within the meaning of Section 2 para. 5 WpÜG have not exerted any influence on Aareal Bank AG or its management bodies in connection with the Offer and this Statement.

No cash payments, cash-equivalent benefits or other benefits, including any compensation incentives, were granted or suggested to the members of the Management Board and the members of the Supervisory Board of Aareal Bank AG in the Investment Agreement or otherwise in connection with this transaction.

The Management Board and the Supervisory Board also point out that the employment contracts of individual members of the Management Board of Aareal Bank AG provide, subject to certain conditions, for severance payments upon resignation in the event of a change of control (for more information, please refer to Section VII.2.10 of this Statement). In the opinion of the Management Board and the Supervisory Board, these severance payment provisions do not constitute a conflict of interest with regard to the resolution of Aareal Bank AG's Management Board on this Statement but enable the members of the Management Board to assess the Offer without being influenced by potential financial consequences of a successful Offer for their own work. It is a standard market clause in the event of a change of control.

Finally, the Management Board and the Supervisory Board point out the following: in the opinion of the Supervisory Board, the shareholder representatives on the Company's Supervisory Board are all independent within the meaning of the recommendations of the GCGC. The shareholder representative on the Supervisory Board Mr Richard Peters is also Chairman of the Management Board of the shareholder "Versorgungsanstalt des Bundes und der Länder" (**VBL**), which holds 6.5% in Aareal Bank AG, i.e. less than the 10% threshold set by the Company for independence issues. Mr Peters has declared that appropriate "Chinese walls" have been established within VBL to prevent, in view of his parallel position as member of the Supervisory Board of Aareal Bank AG, that he participates in deliberations and votings of the Management Board of VBL on decisions relating to Aareal Bank AG or the Takeover Offer, in particular with regard to the acceptance or non-acceptance of the Takeover Offer, and that he has access to information relating thereto. In the opinion of the Management Board and the Supervisory Board, this does not constitute a conflict of interest with regard to the resolution of the Supervisory Board on this Statement.

XI. INTENTION TO ACCEPT THE OFFER

At the time of publication of this Statement, none of the members of the Management Board of Aareal Bank AG hold any Aareal Shares; therefore, they cannot make any decision on the acceptance of the Offer.

The member of the Supervisory Board Mr Jan Lehmann holds one Aareal Share at the time of publication of this Statement and intends to accept the Offer for this Aareal Share. As a precautionary measure, it is pointed out that such an intention to accept the Offer also exists for a total of 500 Aareal Shares held by related parties of Mr Lehmann. Other than as described above, the members of the Supervisory Board do not hold any Aareal Shares at the time of the Offer; therefore, they cannot make any decision on the acceptance of the Offer.

In addition, the following is pointed out as a precautionary measure: The Supervisory Board member Mr Richard Peters has no access to information relating to the Takeover Offer at VBL and does not participate in the passing of resolutions relating thereto (see Section X of this Statement). Therefore, Mr Peters has no knowledge of any intention of VBL to accept the Offer and he cannot make any decision or have any intentions in that regard.

XII. FINAL ASSESSMENT

The Management Board and the Supervisory Board welcome the objectives and intentions described by the Bidder in the Offer Document for the further strategic development of the business of the Aareal Group on the basis of the Company's "Aareal Next Level" strategy and the opportunities offered by the Investment Agreement with the Bidder, especially because the Investment Agreement and the proposed Relationship Agreement secure key interests of the Company and its material stakeholders. On the basis of their respective assessment carried out separately and independently of one another, the Management Board and the Supervisory Board believe that the amount of the Offer Price is fair and adequate. The Management Board and the Supervisory Board therefore support the Bidder's Offer, which they consider to be in the best interests of the Company, and recommend that the Aareal Shareholders accept the Offer.

Notwithstanding this recommendation, each Aareal Shareholder in each individual case is responsible for making their own decision on whether or not to accept the Offer, taking into account the overall circumstances, their personal situation and their own assessment of the possible future performance of the value and stock exchange price of the Aareal Shares. Subject to statutory provisions, the Management Board and the Supervisory Board accept no liability, should an Aareal Shareholder suffer any economic disadvantages as a result of accepting or not accepting the Offer. In particular, the Management Board and the Supervisory Board do not make any assessment as to whether a higher or lower consideration than that in the Offer could be determined in the future, for example in the implementation of a structural measure (e.g. squeeze-out, delisting), to which shareholders who accept the Offer will then not be entitled.

The Management Board and the Supervisory Board of the Company have each unanimously approved the contents of this joint Statement. The Management Board and the Supervisory Board last discussed the contents of this Statement on December 27, 2021.

Wiesbaden, December 27, 2021

Aareal Bank AG

The Management Board

The Supervisory Board

NON-BINDING CONVENIENCE TRANSLATION OF THE ORIGINAL GERMAN VERSION

- Annex 1** List of all subsidiaries of Aareal Bank AG
- Annex 2** Fairness Opinion of Perella Weinberg Partners GmbH, Munich, dated December 23, 2021
- Annex 3** Fairness Opinion of Deutsche Bank AG, Frankfurt am Main, dated December 23, 2021

Annex 1 – Subsidiaries of Aareal Bank AG

Persons acting jointly with Aareal Bank AG within the meaning of Section 2 para. 5 WpÜG

No.	Company	Seat
1.	Aareal Bank Asia Ltd.	Singapore
2.	Aareal Beteiligungen AG	Frankfurt, Germany
3.	Aareal Capital Corporation	Wilmington, DE, USA
4.	Aareal Estate AG	Wiesbaden, Germany
5.	Aareal First Financial Solutions AG	Mainz, Germany
6.	Aareal Gesellschaft für Beteiligungen und Grundbesitz Erste mbH & Co. KG	Wiesbaden, Germany
7.	Aareal Holding Realty LP	Wilmington, DE, USA
8.	Aareal Immobilien Beteiligungen GmbH	Wiesbaden, Germany
9.	Aareon AG	Mainz, Germany
10.	Aareon Deutschland GmbH	Mainz, Germany
11.	Aareon Finland Oy	Helsinki, Finland
12.	Aareon France S.A.S.	Meudon-la-Forêt, France
13.	Aareon GAP Beteiligungsgesellschaft mbH	Mainz, Germany
14.	Aareon Holding France SAS	Meudon-la-Forêt, France
15.	Aareon Nederland B.V	Emmen, The Netherlands
16.	Aareon Norge AS	Oslo, Norway
17.	Aaeron Planungs- und Bestandsentwicklungs GmbH	Mainz, Germany
18.	Aareon RELion GmbH	Augsburg, Germany
19.	Aareon SMB HUB UK Limited	Kenilworth, United Kingdom
20.	Aareon Sverige AB	Mölnådal, Sweden
21.	Aareon UK Ltd.	Coventry, United Kingdom
22.	Alexander Quien Nova GmbH	Bremen, Germany

NON-BINDING CONVENIENCE TRANSLATION OF THE ORIGINAL GERMAN VERSION

No.	Company	Seat
23.	Arthur Online Ltd.	London, United Kingdom
24.	AV Management GmbH	Mainz, Germany
25.	BauContact Immobilien GmbH	Wiesbaden, Germany
26.	BauGrund Immobilien-Management GmbH	Bonn, Germany
27.	BauGrund Solida Immobilien GmbH	Frankfurt, Germany
28.	BauGrund TVG GmbH	Munich, Germany
29.	BauSecura Versicherungsmakler GmbH	Hamburg, Germany
30.	BriqVest B.V.	Amsterdam, The Netherlands
31.	BVG - Grundstücks- und Verwertungsgesellschaft mit beschränkter Haftung	Frankfurt, Germany
32.	CalCon Austria GmbH	Vienna, Austria
33.	CalCon Deutschland GmbH	Munich, Germany
34.	CalCrom S.R.L.	Iasi, Romania
35.	Cave Nuove S.p.A.	Rome, Italy
36.	Curo Software Ltd.	Warrenpoint, Northern Ireland
37.	DBB Inka	Düsseldorf, Germany
38.	Deutsche Bau- und Grundstücks-Aktiengesellschaft	Berlin, Germany
39.	Deutsche Structured Finance GmbH	Wiesbaden, Germany
40.	DSF Flugzeugportfolio GmbH	Wiesbaden, Germany
41.	DHB Verwaltungs AG	Wiesbaden, Germany
42.	FIRE B.V.	Utrecht, The Netherlands
43.	GAP Gesellschaft für Anwenderprogramme und Organisationsberatung mbH	Bremen, Germany
44.	GEV Besitzgesellschaft mbH	Wiesbaden, Germany
45.	GEV Beteiligungsgesellschaft mbH	Wiesbaden, Germany
46.	GVN-Grundstücks- und Vermögensverwaltungsgesellschaft mit beschränkter Haftung	Frankfurt, Germany
47.	Houses2021 Management Beteiligungs GmbH	Frankfurt, Germany

NON-BINDING CONVENIENCE TRANSLATION OF THE ORIGINAL GERMAN VERSION

No.	Company	Seat
48.	Houses2021 Management Beteiligungs GmbH & Co KG	Frankfurt, Germany
49.	Houses2021 MEP Verwaltungs GmbH	Frankfurt, Germany
50.	ImmoProConsult GmbH	Leverkusen, Germany
51.	IV Beteiligungsgesellschaft für Immobilieninvestitionen mbH	Wiesbaden, Germany
52.	Izalco Spain S.L.	Madrid, Spain
53.	Jomo S.p.r.l.	Brussels, Belgium
54.	Konsortium BauGrund/TREUREAL	Bonn, Germany
55.	La Sessola Holding GmbH	Wiesbaden, Germany
56.	La Sessola S.r.l.	Rome, Italy
57.	La Sessola Service S.r.l.	Rome, Italy
58.	Manager Realty LLC	Wilmington, DE, USA
59.	Mercadea S.r.l.	Rome, Italy
60.	Mirante S.r.l.	Rome, Italy
61.	Northpark Realty LP	Wilmington, DE, USA
62.	Participation Achte Beteiligungs GmbH	Wiesbaden, Germany
63.	Participation Elfte Beteiligungs GmbH	Wiesbaden, Germany
64.	Participation Zehnte Beteiligungs GmbH	Wiesbaden, Germany
65.	phi-Consulting GmbH	Bochum, Germany
66.	Pisana S.p.A.	Rome, Italy
67.	plusForta GmbH	Düsseldorf, Germany
68.	RentPro Ltd.	Warrenpoint, Northern Ireland
69.	Terrain-Aktiengesellschaft Herzogpark	Wiesbaden, Germany
70.	Terrain Beteiligungen GmbH	Wiesbaden, Germany
71.	Tintoretto Rome S.r.l.	Rome, Italy
72.	Tactile Limited	London, United Kingdom
73.	Twinq Facilitair B.V.	Oosterhout, The Netherlands
74.	Twinq Holding B.V.	Oosterhout, The Netherlands

NON-BINDING CONVENIENCE TRANSLATION OF THE ORIGINAL GERMAN VERSION

No.	Company	Seat
75.	Twinq Uitwijk en Escrow B.V.	Oosterhout, The Netherlands
76.	Twinq Verkoop en Service B.V.	Oosterhout, The Netherlands
77.	Westdeutsche Immobilien Servicing AG	Mainz, Germany
78.	wohnungshelden GmbH	Munich, Germany
79.	WP Galleria Realty LP	Wilmington, DE, USA

Annex 2 – Fairness Opinion

Perella Weinberg Partners GmbH

ONLY THE SIGNED GERMAN VERSION OF THIS LETTER SHALL BE CONTROLLING AND BINDING. THIS UNSIGNED ENGLISH LANGUAGE TRANSLATION IS FOR CONVENIENCE ONLY.

For the attention of the Management Board (*Vorstand*) of

Aareal Bank AG
Paulinenstraße 15
65189 Wiesbaden
Germany

23 December 2021

Public takeover offer by Atlantic BidCo GmbH

Dear Members of the Management Board:

On 17 December 2021, Atlantic BidCo GmbH (formerly, Blitz F21-475 GmbH) (the “**Bidder**”), a wholly owned subsidiary of Atlantic Lux HoldCo, S.à r.l. (the “**Parent**”), has made a voluntary public takeover offer (the “**Offer**”) to the shareholders of Aareal Bank AG (“**Aareal**” or the “**Company**”) to acquire, subject to certain conditions, all of the outstanding no-par value bearer shares of the Company (the “**Aareal Shares**”) in accordance with § 29 German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz – “WpÜG”*) for a cash consideration in the amount of EUR 29.00 per Aareal Share (the “**Offer Consideration**”) (the “**Transaction**”). The Bidder published the offer document on 17 December 2021 (the “**Offer Document**”) pursuant to § 14 para. 3 WpÜG.

Aareal has requested Perella Weinberg GmbH (“**Perella Weinberg Partners**” or “**we**”) to assess, for you in your capacity as Management Board, the fairness (in German “*Angemessenheit*”) of the Offer Consideration from a financial point of view, to the shareholders of the Company (other than the Bidder, the Parent and any of their affiliates or persons acting jointly with the Bidder and/or the Parent) and to issue to the Management Board a respective opinion (the “**Opinion**”), which is contained in this letter.

For purposes of the Opinion set forth herein, we have:

1. reviewed certain publicly available financial statements and other publicly available business and financial information with respect to the Company, including equity research analyst reports;
2. reviewed certain internal financial statements, analyses and forecasts (the “**Company Forecasts**”) and other internal financial information relating to the business of the Company, in each case prepared and provided to us for our use by the Management Board or, at the direction of the Management Board, by certain other representatives of the Company;
3. discussed aspects concerning the past and current business, operations, financial condition and prospects of the Company with members of the Management Board and certain other representatives of the Company;



/ PERELLA WEINBERG
/ PARTNERS

4. analyzed various publicly available business, financial and share price information concerning certain publicly-traded companies which we believe to be generally relevant;
5. compared the financial terms of the Offer with the publicly available financial terms of certain transactions which we believe to be generally relevant;
6. reviewed the historical trading prices for the Aareal Shares;
7. reviewed the Offer Document;
8. conducted such other financial studies, analyses and investigations, and considered such other factors, as we have deemed appropriate; and
9. conducted our analysis based on the closing market data on Tuesday, 21 December 2021. Market data including the price of Aareal Shares and other relevant developments as of close of business on Thursday, 23 December 2021 were considered and do not affect the outcome of our analysis.

For purposes of our Opinion, we have assumed and relied upon, with your consent, without assuming any responsibility for independent verification, that all of the financial, accounting, legal, tax, regulatory and other information provided to, discussed with or reviewed by us (including information that was available from public sources) is correct and complete and accurately reflects the current state of the Company as well as its expected future business and financial performance and have further relied upon the assurances of the management of the Company that they are not aware of any facts or circumstances that would make such information inaccurate or misleading in any material respect. With respect to the Company Forecasts, we have been advised by the management of the Company and have assumed and relied upon, with your consent, without assuming any responsibility for independent verification, that they have been reasonably prepared on a basis reflecting the best currently available estimates and judgments as to the future financial performance of the Company and the other matters covered thereby. In rendering this Opinion, we assume no responsibility for and we express no view as to the reasonableness of the Company Forecasts or the assumptions on which they are based.

In arriving at our Opinion, we have not made or been provided with any independent valuation or appraisal of the assets or liabilities (including any contingent, derivative or off-balance-sheet assets or liabilities) of the Company, any of its affiliates or any other party. We have not assumed any obligation to conduct, nor have we conducted, any physical inspection of the properties or facilities of the Company, any of its affiliates or any other party. In addition, we have not evaluated the solvency of the Company, any of its affiliates or any party to the Transaction, or the impact of the Offer and/or the Transaction thereon, including under any applicable laws relating to bankruptcy, insolvency or similar matters, and were not mandated to do so. We were also not presented with any assessments or reviews in regards thereto. For purposes of our Opinion, we have also assumed, with your consent, that there will be no break-up of the Company.

We have assumed that the Offer and the Transaction will be consummated in a timely manner in accordance with the terms set forth in the Offer Document, without any modification, amendment, waiver or delay that would be material to our analysis or this Opinion. In addition, we have assumed that in connection with the receipt of all approvals and consents required in connection with the Offer or the Transaction, no delays, limitations, conditions or restrictions will be imposed that would be material to our analysis or this Opinion.

This Opinion does not address any legal, regulatory, tax or accounting matters, as to which we understand and assume the Company has received such advice as it deems necessary from qualified professionals. We did not make any assessment as to the legal obligations of the Management Board, the Supervisory Board and/or the Company, the regulatory environment in which the Company or any

other party operates and how any changes in this environment might impact their respective business. The sole question addressed in this Opinion is whether, as of the date of this letter, the Offer Consideration is fair, from a financial point of view, to the shareholders of the Company (other than the Bidder, the Parent and any of their affiliates or persons acting jointly with the Bidder and/or the Parent). In addition, we express no opinion as to the fairness of the amount or nature of any compensation to be received by any officers, directors or employees of any party to the Transaction, or any class of such persons, whether relative to the Offer or otherwise. We express no opinion as to the fairness of the Offer to the holders of any other class of securities, creditors or other constituencies of the Company or as to the underlying decision by the Company to potentially recommend to the Company's shareholders to accept or not accept the Offer.

We have not been asked to, nor do we, offer any opinion as to any other term of the Offer, the form or structure or any other detail of the Offer or the likely timeframe in which the Offer and/or the Transaction will be consummated or any other aspect or further effect of the completion or non-completion of the Offer and/or the Transaction or other agreements, arrangements and undertakings contemplated by or entered into in connection with the Offer and/or the Transaction or following its respective completion.

This Opinion does not consider the relative merits of the Offer and/or the Transaction when compared to alternative transactions, offers or strategies, which might be available to the Company. Furthermore, this Opinion does not assume any specific acceptance of the Offer, nor does it take into consideration the number of shareholders of the Company, which may or may not tender their shares into the Offer and possible consequences thereof. We do not express any opinion as to the prices at which the Aareal Shares will trade at any time, including during the offer period or following consummation of the Offer. Nor do we express any opinion as to any tax, legal or other consequences that may result from the Offer or any other transaction undertaken in the context of the Offer.

In the context of the preparation of this Opinion, Perella Weinberg Partners has given consideration to several valuation methods which are customarily considered by investment banks in the preparation of such opinions. This Opinion is however not based on a valuation as is typically carried out by auditors in accordance with German corporate and commercial law and should therefore not be deemed as such. In particular, Perella Weinberg Partners has not prepared a valuation on the basis of the Principles for the Performance of Business Valuations (*Grundsätze zur Durchführung von Unternehmensbewertungen* - IDW S 1) published by the Institute of Auditors in Germany (*Institut der Wirtschaftsprüfer e.V. - IDW*) and this Opinion also does not take into account the Principles for the Preparation of Fairness Opinions (*Grundsätze für die Erstellung von Fairness Opinions* - IDW S 8) published by the Institute of Auditors in Germany (*Institut der Wirtschaftsprüfer e.V. - IDW*). An assessment regarding the fairness, from a financial point of view, differs in several important aspects from assessments by auditors and from financial assessments in general.

Our Opinion is necessarily solely based on the information and data received up to the date of this letter and on the financial, macroeconomic, market and other conditions as they currently exist and can be considered at this moment in time. Subsequent circumstances, developments and events which occur, or information and data which we receive, after the date of this letter may have, or may have had if known at the time, an effect on our Opinion and the underlying assumptions. We do not, however, assume any obligation to update, edit or confirm our Opinion on the basis of new circumstances, developments or events, or otherwise which arise, or information and data which we receive or becomes available, after the delivery of this Opinion.

We are acting as financial advisor to the Company with respect to the Offer and this Opinion and will receive a fee for our services, a portion of which has already become payable upon delivery of an opinion by us to the Company in connection with the Management Board's decision to enter into an investment agreement with the Bidder on 23 November 2021 (or would have become payable if we had advised the Company that we were unable to render such opinion) and a substantial portion of which is dependent, among others, on the outcome of the Offer and the Transaction. In addition, the Company has agreed to reimburse us for certain expenses and indemnify us for certain liabilities that may arise out of our engagement.

It is possible that Perella Weinberg Partners or companies affiliated with Perella Weinberg Partners may have provided, provide or will provide advisory or other financial services to the Company, the Bidder, the Parent, any of their affiliates or any other party to the Offer or the Transaction and that we have received or will receive fees for such services. It is possible at any time that Perella Weinberg Partners or companies affiliated with Perella Weinberg Partners hold, in the ordinary course of their business, any kind of securities and/or financial instruments regarding the Company, the Bidder, the Parent, any of their affiliates or any other party to the Offer or the Transaction for their own account or for the account of third parties.

The issuance of this Opinion was approved by a fairness opinion committee of Perella Weinberg Partners.

This Opinion has been prepared by us solely for the Management Board of the Company in connection with, and for the purpose of its evaluation of, the Offer Consideration from a purely financial perspective. This Opinion was not prepared for any shareholder of the Company, the Bidder, the Parent, any of their affiliates, any creditor of the Company or any other person (in each case a "**Non-Addressee**") and does not contain any recommendation as to how such a Non-Addressee should act in the context of the Offer and/or the Transaction, in particular whether any such Non-Addressee should acquire or dispose of any Aareal Shares or whether or not any such Non-Addressee should tender any Aareal Shares into the Offer. This Opinion was not prepared on behalf of or in the name of any Non-Addressee and does not afford any rights or protections to any such Non-Addressee. The Management Board may attach this letter as a whole to its reasoned opinion, which is to be published in accordance with § 27 para. 1 and para. 3 WpÜG. The Management Board may also refer to this letter in documents published in the context of the publication of its reasoned opinion. With the exception of the aforementioned authorized disclosure, neither the existence nor the content of this Opinion or this letter may — as a whole or in part — be disclosed, reproduced, disseminated, quoted, summarized or referred to at any time or in any manner without our prior written consent (which will be given or withheld in our sole and absolute discretion) and it may not be used for any purpose other than the one stipulated herein. Our consent, if given, will not constitute any expansion or addition to the addressees of this Opinion or the persons who are permitted to rely on this Opinion and any such consent may not be conceived or construed as such. There is no liability towards any Non-Addressee regardless if this Opinion has been publicly disclosed with or without our consent.



Based upon and subject to the foregoing, including the various assumptions and limitations set forth herein, we are of the opinion that, as of the date of this letter, the Offer Consideration is fair and adequate, from a financial point of view, to the shareholders of the Company (other than the Bidder, the Parent and any of their affiliates or persons acting jointly with the Bidder and/or the Parent).

Yours sincerely,

PERELLA WEINBERG GMBH

Annex 3 – Fairness Opinion

Deutsche Bank AG



For use by the Supervisory Board (Mitglieder des Aufsichtsrats) of Aareal Bank AG only

23 December 2021

Members of the Supervisory Board (*Aufsichtsrat*)
Aareal Bank AG
Paulinenstrasse 15
65189 Wiesbaden

Dear Sirs and Madams,

Deutsche Bank AG, Frankfurt ("**Deutsche Bank**"), has been engaged by Aareal Bank AG (the "**Client**") to act as financial adviser to the supervisory board of the Client in connection with the voluntary public tender offer (the "**Offer**") for all of the issued and outstanding ordinary bearer shares of the Client intended to be made by Atlantic BidCo GmbH (the "**Purchaser**") upon the terms and subject to the conditions described in the offer document which has been published by the Purchaser on December 17, 2021 (the "**Offer Document**"). The Offer Document provides that, inter alia, the consideration proposed to be paid by the Purchaser to the Shareholders (as defined below) pursuant to the Offer (the "**Consideration**") is EUR 29 per ordinary share in the share capital of the Client, which Consideration is to be paid in cash. The Client has requested that Deutsche Bank provides an opinion addressed to the members of the supervisory board (*Mitglieder des Aufsichtsrats*) of the Client (the "**Board**") as to whether the Consideration proposed to be paid by the Purchaser to the Shareholders is fair, from a financial point of view, to the Shareholders. The opinion set out in this letter is further to the earlier opinion letter provided by Deutsche Bank to the Board on November 22, 2021, prior to the publication of the Purchaser's decision to launch the Offer.

For the purposes of this letter: "**Client Group**" shall mean the Client, the parent undertakings and subsidiary undertakings of the Client and any subsidiary undertakings of such parent undertakings from time to time; "**DB Group**" shall mean Deutsche Bank AG and its subsidiary undertakings from time to time; "**Shareholders**" shall mean the holders of shares in the share capital of the Client from time to time; "**subsidiary undertakings**" shall be construed in accordance with section 15 of the German Stock Corporation Act; and "**person**" shall include a reference to an individual, body corporate, association or any form of partnership (including a limited partnership).

In connection with Deutsche Bank's role as joint financial adviser to the Client, and in arriving at the opinion contained in this letter, Deutsche Bank has:

- (i) reviewed certain publicly available financial and other information concerning the Client;
- (ii) reviewed the financial projections for Client Group for 2021 to 2023 as prepared by Client;

A handwritten signature in blue ink, appearing to be a stylized 'A' or similar character.



- (iii) held discussions with members of the senior management of the Client regarding the businesses and prospects of the Client;
- (iv) reviewed the reported prices and trading activity for the ordinary shares in the share capital of the Client;
- (v) to the extent publicly available, compared certain financial and stock market information for the Client with similar financial and stock market information for certain selected companies which Deutsche Bank has considered comparable to the Client and whose securities are publicly traded;
- (vi) reviewed the financial aspects of certain selected offers and merger and acquisition transactions which Deutsche Bank has considered comparable to the Offer;
- (vii) reviewed the financial terms of the Offer;
- (viii) reviewed the investment agreement signed between the Client and the Purchaser dated 22 November 2021 (the "IA") as well as the Offer Document;
- (ix) reviewed selected paragraphs of the shareholder agreement entered into by and between AI Houses S.à.r.l ("**AI Houses**"), a subsidiary of Advent International, and the Client, in relation to the 30% minority stake acquired by AI Houses in the Client's subsidiary Aareon AG ("**Aareon**");
- (x) reviewed the dissynergies estimated by the Client in case of a sale of the Client's 70% stake in Aareon; and
- (xi) performed such other studies and analyses, and considered such other factors, as it deemed appropriate.

In conducting its analyses and arriving at the opinion contained in this letter, Deutsche Bank has utilized a variety of generally accepted valuation methods commonly used for these types of analyses. The analyses conducted by Deutsche Bank were prepared solely for the purpose of enabling Deutsche Bank to provide the opinion contained in this letter to the Board as to the fairness, from a financial point of view, to the Shareholders of the Consideration proposed to be paid by the Purchaser to the Shareholders and do not purport to be appraisals or necessarily reflect the prices at which businesses or securities may actually be sold, which are inherently subject to uncertainty.

The opinion contained in this letter is not based on a valuation as such valuations are typically prepared by auditors with regard to German corporate law requirements, and Deutsche Bank has not prepared a valuation on the basis of IDW Standard S 1 Principles for the Performance of Business Valuations (*Grundsätze zur Durchführung von Unternehmensbewertungen*) published by the Institut der Wirtschaftsprüfer in Deutschland e.V. (IDW). Also, the opinion contained in this letter has not been prepared in accordance with the IDW Standard S 8 Principles for the preparation of Fairness Opinions (*Grundsätze für die Erstellung von Fairness Opinions*).

Deutsche Bank has not assumed responsibility for, and has not independently verified, any information, whether publicly available or furnished to it, concerning the Client, including, without limitation, any financial information, forecasts or projections considered in connection with the rendering of the opinion contained in this letter. Accordingly, for the purposes of rendering the opinion contained in this letter, Deutsche Bank has, with the Client's permission, assumed and relied upon the accuracy and completeness of all such information. Deutsche Bank has not conducted a physical inspection of any of the properties or assets, and has not prepared or obtained any independent valuation or appraisal of any of the assets or liabilities (including, without limitation, any contingent, derivative, or off-balance sheet assets and liabilities), of the Client or any of its affiliates, nor has Deutsche Bank evaluated the solvency or fair value of the Client under any applicable law relating to bankruptcy, insolvency or similar matters.

A handwritten signature in blue ink, appearing to be the initials 'HJ'.



With respect to the financial forecasts and projections made available to Deutsche Bank and used in its analyses, Deutsche Bank has assumed, with the Client's permission, that they have been reasonably prepared on bases reflecting the best currently available estimates and judgements of the management of the Client as to the matters covered thereby. In rendering the opinion contained in this letter, Deutsche Bank expresses no view as to the reasonableness of any such financial information, forecasts and projections or the assumptions on which they are based.

For the purposes of rendering the opinion contained in this letter, Deutsche Bank has assumed, with the Client's permission, that the acquisition of shares of Client by the Purchaser pursuant to the Offer will, in all respects material to its analysis, be consummated in accordance with the terms of the Offer, without any material waiver, modification or amendment of any term, condition or agreement. Deutsche Bank has also assumed, with the Client's permission, that all material governmental, regulatory or other approvals and consents required in connection with the making of the Offer will be obtained and that, in connection with obtaining any necessary governmental, regulatory or other approvals and consents, no material restrictions will be imposed.

Deutsche Bank is not a legal, regulatory, tax or accounting expert and has relied on the assessments made by the Client and its professional advisers with respect to such issues.

The opinion contained in this letter is: (i) limited to the fairness, from a financial point of view, of the Consideration to the Shareholders; (ii) subject to the assumptions, limitations, qualifications and other conditions contained in this letter; and (iii) necessarily based on financial, economic, market and other conditions, and the information made available to Deutsche Bank, as of the date of this letter.

The Client has not asked Deutsche Bank to, and the opinion contained in this letter does not, address the fairness of the Offer, or any consideration received in connection with the Offer, to the holders of any class of securities, creditors or other constituencies of the Client (other than the Shareholders), nor does it address the fairness of the contemplated benefits of the Offer (other than the Consideration). Deutsche Bank expressly disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting this letter or the opinion contained in this letter of which it or any other member of the DB Group becomes aware after the date of this letter. Deutsche Bank expresses no opinion as to the merits of the underlying decision of the Shareholders to accept the Offer. In addition, Deutsche Bank does not express any view or opinion as to the fairness, financial or otherwise, of the amount or nature of any compensation payable to, or to be received pursuant to the Offer by, any of the officers, directors, or employees of any of the persons to whom the Offer is made, or any class of such persons. The opinion contained in this letter does not address the prices at which the ordinary shares in the share capital of the Client or any other securities will trade following the making or acceptance of the Offer.

It has not been requested that Deutsche Bank:(i) solicits or will solicit, and Deutsche Bank has not solicited, any third party indications of interest in the possible acquisition of any or all of the ordinary shares in the share capital of the Client; or (ii) considers or will consider, and the opinion contained in this letter does not address, the relative merits of the Offer as compared to any alternative business strategies.

In consideration for the performance by Deutsche Bank of its services as a fairness opinion provider to the Board of Client in connection with the Offer, Deutsche Bank will be paid a fee which is contingent upon the delivery of this letter. The Client has also agreed to indemnify Deutsche Bank and, *inter alia*, each other member of the DB Group against, and, at all times, hold Deutsche Bank and, *inter alia*, each other member of the DB Group harmless from and against, certain liabilities in connection with the engagement of Deutsche Bank as a financial adviser to the Client in connection with the Offer.

One or more members of the DB Group has, from time to time, provided investment banking, commercial banking (including, without limitation, extension of credit) and other financial services to the Client and/or the Purchaser or their respective affiliates for which it has received compensation, including, without

A handwritten signature in blue ink, appearing to be 'JF' or similar, located at the bottom right of the page.



limitation, acting as a bookrunner in connection with a number of covered bonds issued by the Client in October 2020, in February 2021 and in April 2021, as well as acting as financial adviser to the Client in relation to its sale of a minority stake in Aareon in 2020.

In the ordinary course of its business, one or more members of the DB Group may actively trade in the ordinary shares in the share capital or any other securities, and other instruments and obligations, of the Client and the Purchaser for its own account and/or for the account of its respective customers. Accordingly, one or more members of the DB Group may, at any time, hold a long or short position in any such ordinary shares, securities, instruments and obligations. For the purposes of rendering the opinion contained in this letter, Deutsche Bank has not considered any information that may have been provided to it in any such capacity, or in any capacity other than in its capacity as fairness opinion provider.

Based upon, and subject to, the foregoing, it is Deutsche Bank's opinion as investment bankers that, as of the date of this letter, the Consideration is fair, from a financial point of view, to the Shareholders.

This letter has been approved and authorized for issuance by a fairness opinion review committee, is addressed to, and is for the use and benefit of, the Board, and is not a recommendation to the Shareholders to accept or reject the Offer. This letter, and the opinion contained in this letter, is intended solely for the use of the Board in considering the Offer. This letter and its contents, including the opinion contained in this letter, shall not be used or relied upon by any other person or for any other purpose.

Without the prior written consent of Deutsche Bank, this letter shall not, in whole or in part, be disclosed, reproduced, disseminated, summarised, quoted or referred to at any time, in any manner or for any purpose to any other person or in any public report, public document, press release, public statement or other public communication (each, a "**Public Disclosure**"), *provided, however, that*, the Client shall be entitled to disclose this letter and its contents, including the opinion contained in this letter: (i) as expressly required by applicable law or regulation (including, without limitation, in any disclosure document expressly required by applicable law or regulation to be filed by the Client with any applicable securities regulatory authorities with respect to the Offer); or (ii) on a confidential and non-reliance basis to the professional advisers of the Client in relation to the Offer, *provided, further, that* this letter is disclosed in full, and that any description of, or reference to, Deutsche Bank or any other member of the DB Group in such Public Disclosure is in a form acceptable to Deutsche Bank and its professional advisers.

In the event that Deutsche Bank grants its prior written consent to any such disclosure, reproduction, dissemination, summary, quotation of, or reference to, this letter to any such other person (each, a "**Third Party Recipient**") or in any such Public Disclosure, or in the event that this letter or the opinion contained in this letter is otherwise disclosed to any Third Party Recipient, neither Deutsche Bank nor any other member of the DB Group assumes or will assume any liability or is or will be liable to any such Third Party Recipient, or to any person claiming through any such Third Party Recipient in relation to this letter or the opinion contained in this letter. For the avoidance of doubt, no contractual relationship shall exist or arise under any circumstances between any such Third Party Recipient and Deutsche Bank in relation to this letter or the opinion contained in this letter. Furthermore, Deutsche Bank has agreed with the Client that no such Third Party Recipient is included in the scope of protection of this letter or the opinion contained in this letter, even if this letter or the opinion contained in this letter has been disclosed to such Third Party Recipient with the prior written consent of Deutsche Bank.

A handwritten signature in blue ink, appearing to be 'HJ'.



Yours faithfully,

DEUTSCHE BANK AG

A handwritten signature in blue ink, reading "Hubert Vannier".

Name: Hubert Vannier

Title: Managing Director

A handwritten signature in blue ink, reading "Carsten Laux".

Name: Carsten Laux

Title: Managing Director