

Consolidated Income Statement of Aareal Bank Group
Preliminary results for the financial year 2015
(unaudited, in accordance with IFRSs)

	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014	Change
	€ mn	€ mn	%
Net interest income	781	688	14
Allowance for credit losses	128	146	-12
Net interest income after allowance for credit losses	653	542	20
Net commission income	175	164	7
Net result on hedge accounting	8	5	60
Net trading income / expenses	13	2	550
Results from non-trading assets	-17	2	
Results from investments accounted for using the equity method	0	0	
Administrative expenses	553	439	26
Net other operating income / expenses	41	6	583
Negative goodwill from acquisitions	150	154	-3
Operating profit	470	436	8
Income taxes	96	101	-5
Consolidated net income	374	335	12
Consolidated net income attributable to non-controlling interests	19	19	0
Consolidated net income attributable to shareholders of Aareal Bank AG	355	316	12
Earnings per share (EPS)			
Consolidated net income attributable to shareholders of Aareal Bank AG ¹⁾	355	294	21
of which: allocated to ordinary shareholders ²⁾	339	292	16
of which: allocated to AT1 investors ²⁾	16	2	700
Earnings per ordinary share (in €) ³⁾	5.66	4.87	16
Earnings per AT1 unit (in €) ⁴⁾	0.16	0.02	700

- 1) SoFFin's silent participation was repaid on 30 October 2014. To facilitate comparison, and for the purposes of economic analysis, net interest payable on the SoFFin silent participation was deducted when determining the comparative figure as at 31 December 2014 (€22 million) in the RoE calculation.
- 2) The allocation of earnings is based on the assumption that net interest payable on the AT1 bond is recognised on an accrual basis.
- 3) Earnings per ordinary share are determined by dividing the earnings attributable to ordinary shareholders of Aareal Bank AG by the weighted average of ordinary shares outstanding during the financial year (59,857,221 shares). Basic earnings per ordinary share correspond to diluted earnings per ordinary share.
- 4) Earnings per AT1 unit (based on 100,000,000 AT1 units with a notional amount of €3 each) are determined by dividing the earnings attributable to AT1 investors by the weighted average of AT1 units outstanding during the financial year. Earnings per AT1 unit (basic) correspond to (diluted) earnings per AT1 unit.

Segment Results of Aareal Bank Group
Preliminary results for the financial year 2015
(unaudited, in accordance with IFRSs)

	Structured Property Financing		Consulting / Services		Consolidation / Reconciliation		Aareal Bank Group	
	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014	1 Jan - 31 Dec 2015	1 Jan - 31 Dec 2014
€ mn								
Net interest income	783	687	0	0	-2	1	781	688
Allowance for credit losses	128	146					128	146
Net interest income after allowance for credit losses	655	541	0	0	-2	1	653	542
Net commission income	6	4	169	163	0	-3	175	164
Net result on hedge accounting	8	5					8	5
Net trading income / expenses	13	2	0				13	2
Results from non-trading assets	-17	2					-17	2
Results from investments accounted for using the equity method	0	0	0	0			0	0
Administrative expenses	359	255	197	187	-3	-3	553	439
Net other operating income / expenses	37	3	5	4	-1	-1	41	6
Negative goodwill from acquisitions	150	154					150	154
Operating profit	493	456	-23	-20	0	0	470	436
Income taxes	106	109	-10	-8			96	101
Consolidated net income	387	347	-13	-12	0	0	374	335
Consolidated net income attributable to non-controlling interests	16	16	3	3			19	19
Consolidated net income attributable to shareholders of Aareal Bank AG	371	331	-16	-15	0	0	355	316

Consolidated Income Statement of Aareal Bank Group
Preliminary results for the fourth quarter 2015
(unaudited, in accordance with IFRSs)

	Quarter 4 2015	Quarter 4 2014	Change
	€ mn	€ mn	%
Net interest income	198	194	2
Allowance for credit losses	42	41	2
Net interest income after allowance for credit losses	156	153	2
Net commission income	52	48	8
Net result on hedge accounting	3	2	50
Net trading income / expenses	5	3	67
Results from non-trading assets	-2	2	
Results from investments accounted for using the equity method	0	0	
Administrative expenses	138	114	21
Net other operating income / expenses	16	-8	
Negative goodwill from acquisitions			
Operating profit	92	86	7
Income taxes	24	39	-38
Consolidated net income	68	47	45
Consolidated net income attributable to non-controlling interests	4	5	-20
Consolidated net income attributable to shareholders of Aareal Bank AG	64	42	52
Earnings per share (Eps)			
Consolidated net income attributable to shareholders of Aareal Bank AG ¹⁾	64	35	83
of which: allocated to ordinary shareholders ²⁾	60	33	82
of which: allocated to AT1 investors ²⁾	4	2	100
Earnings per ordinary share (in €) ³⁾	1.01	0.55	84
Earnings per AT1 unit (in €) ⁴⁾	0.04	0.02	100

1) SoFFin's silent participation was repaid on 30 October 2014. To facilitate comparison, and for the purposes of economic analysis, net interest payable on the SoFFin silent participation was deducted when determining the comparative figure as at 31 December 2014 (€7 million) in the RoE calculation.

2) The allocation of earnings is based on the assumption that net interest payable on the AT1 bond is recognised on an accrual basis.

3) Earnings per ordinary share are determined by dividing the earnings attributable to ordinary shareholders of Aareal Bank AG by the weighted average of ordinary shares outstanding during the financial year (59,857,221 shares). Basic earnings per ordinary share correspond to diluted earnings per ordinary share.

4) Earnings per AT1 unit (based on 100,000,000 AT1 units with a notional amount of €3 each) are determined by dividing the earnings attributable to AT1 investors by the weighted average of AT1 units outstanding during the financial year. Earnings per AT1 unit (basic) correspond to (diluted) earnings per AT1 unit.

Segment Results of Aareal Bank Group
Preliminary results for the fourth quarter 2015
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	Structured Property Financing		Consulting / Services		Consolidation / Reconciliation		Aareal Bank Group	
	Quarter 4 2015	Quarter 4 2014	Quarter 4 2015	Quarter 4 2014	Quarter 4 2015	Quarter 4 2014	Quarter 4 2015	Quarter 4 2014
€ mn								
Net interest income	199	194	0	0	-1	0	198	194
Allowance for credit losses	42	41					42	41
Net interest income after allowance for credit losses	157	153	0	0	-1	0	156	153
Net commission income	2	1	49	47	1	0	52	48
Net result on hedge accounting	3	2					3	2
Net trading income / expenses	5	3	0				5	3
Results from non-trading assets	-2	2					-2	2
Results from investments accounted for using the equity method		0	0	0			0	0
Administrative expenses	85	67	54	48	-1	-1	138	114
Net other operating income / expenses	14	-8	3	1	-1	-1	16	-8
Negative goodwill from acquisitions								
Operating profit	94	86	-2	0	0	0	92	86
Income taxes	27	41	-3	-2			24	39
Consolidated net income	67	45	1	2	0	0	68	47
Consolidated net income attributable to non-controlling interests	3	4	1	1			4	5
Consolidated net income attributable to shareholders of Aareal Bank AG	64	41	0	1	0	0	64	42