FY 2024 results

6th March 2025

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Aareal
YOUR COMPETITIVE ADVANTAGE.

Agenda

01

Highlights

Highlights

Operating profit of € 294 mn significantly above 2023, strongest since 2018

Net interest income above 2023, loan impairment charges below 2023, stable costs[1)]

Very comfortable capital, funding and liquidity positions

New business of € 10.9 bn with good margins and conservative loan-to-value ratios

Non-performing loans reduced

Net income of € 2.2 bn (incl. gain from Aareon sale), in total € 0.3 bn to be retained

Targeting operating profit[2)] of € 375 - 425 mn in 2025

Key strategic initiatives identified to drive RoE[3)] to ≥13% by 2027

1) Excl. one-off charges for efficiency enhancements
2) Adjusted, excl. expected one-off charges of € 20-25 mn in 2025
3) Post tax, adjusted, excl. one-offs, based on standardised 13.5% CET1-ratio (B4 fully phased)

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02

Financial Performance

Financial Performance – Group Profit & Loss

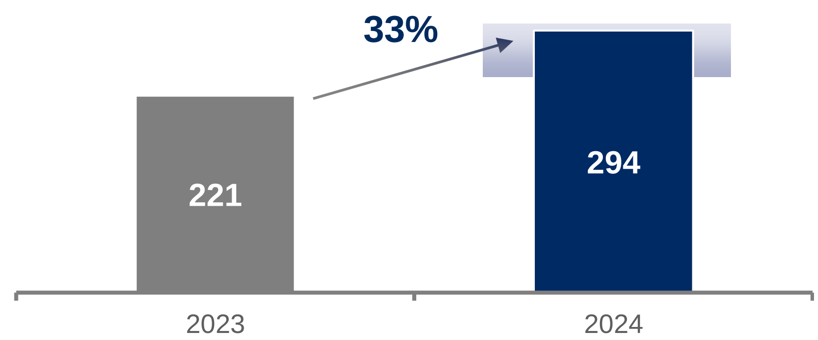
Operating profit at upper end of guidance, despite one-off charges

Results from continuing operations

Profit & loss (€ mn)	2023	2024	Δ
Net interest income	1,014	1,060	+5%
Net derecognition income	23	31	+35%
Net commission income	39	-4	-
Total income	**1,076**	**1,087**	**+1%**
Expenses[1)]	-341	-343	+1%
Efficiency enhancement one-off	-	-34	-
Loan impairment charges[2)]	-510	-396	-22%
Others	-4	-20	-
Operating profit	**221**	**294**	**+33%**
Income taxes	-94	-82	-13%
Consolidated net income	**127**	**212**	**+67%**
Return on equity (RoE)[3)]	**3.4%**	**5.9%[4)]**	**-**

Operating profit (€ mn)

Guidance 2024: € 250-300 mn



Profit & loss (€ mn)	2023	2024	Δ
Consolidated net income from continuing operations	127	212	+67%
Net income from discontinued operations	-79	2,062	-
AT1 / Minorities	-6	-33	-
Consolidated net income attributable to ordinary shareholders	**42**	**2,241**	**>100%**
Dividend proposal	**-**	**1,941**	**-**

1) Excl. one-off charges for efficiency enhancements
2) Incl. FVPL
3) Post tax, based on IFRS equity
4) 6.8% excl. one-off charges for efficiency enhancements

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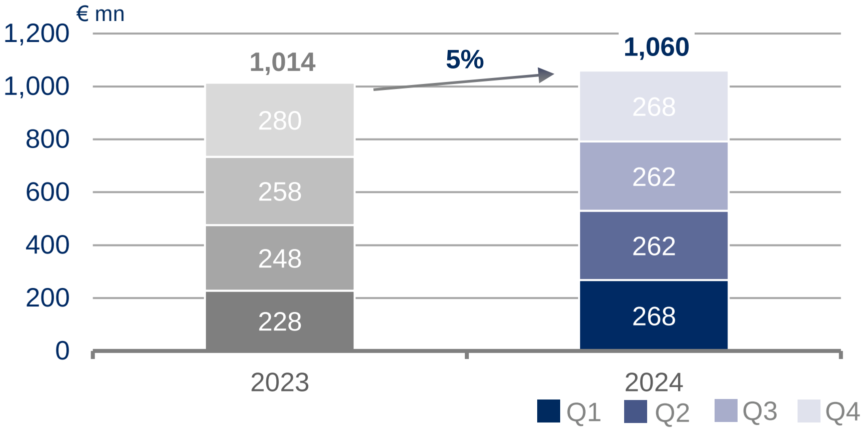
Financial Performance

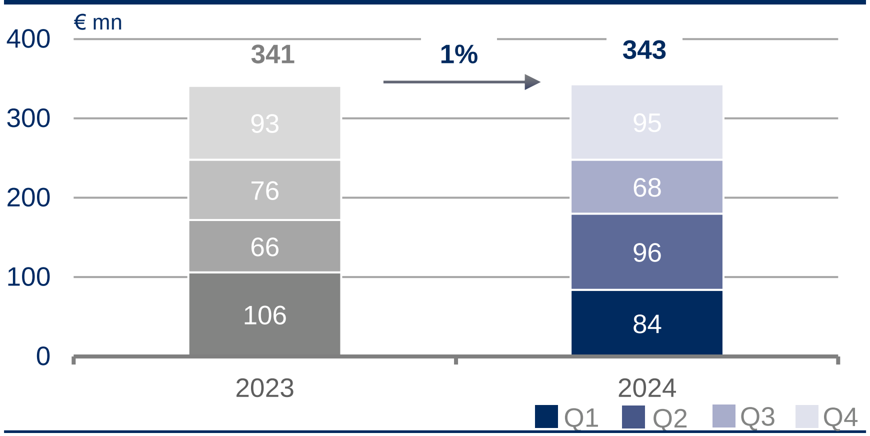
Strong net interest income, costs stable excluding one-off charges for efficiency enhancements

Net interest income



- Net interest income further increased based on
  - Increased loan portfolio
  - Good new business margins
  - Stable BDS deposit volumes
- Interest from Aareon sale proceeds reflected in Q4

Expenses excl. one-off charges



- Continuous focus on cost control
- Cost-income ratio[1)] stable at 31%

1) Cost-income ratio excl. bank levy/deposit guarantee scheme and one-off charges for efficiency enhancements

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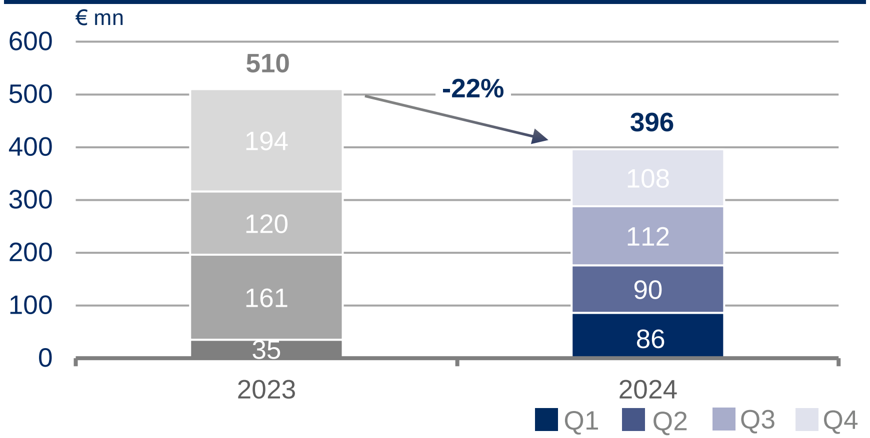
Financial Performance

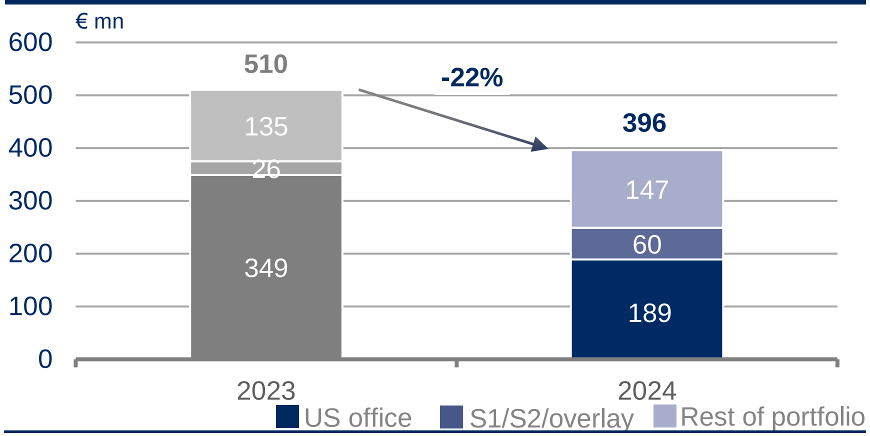
Significantly reduced loan impairment charges but still elevated

Loan impairment charges[1)]

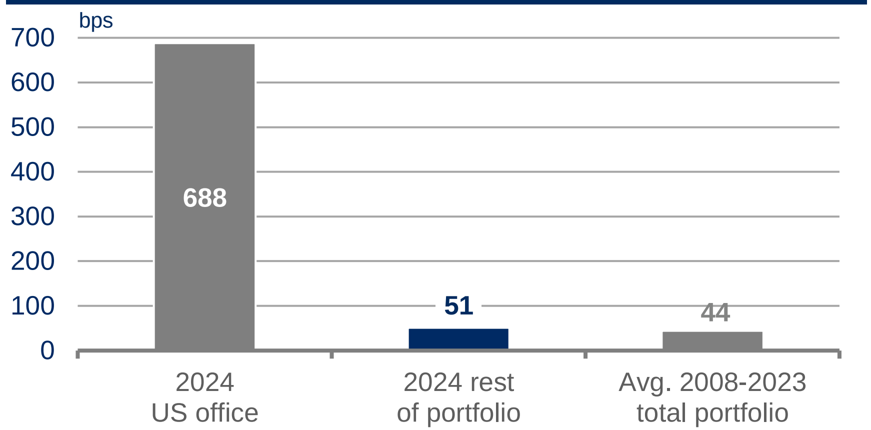


- Loan impairment charges of € 396 mn (FY/23: € 510 mn) include € 26 mn FVPL (FY/23: € 69 mn)
- Loan impairment charges reflect
  - Active NPL management
  - € 60 mn net additions to management overlays, totalling € 85 mn
- US office remained challenging with elevated cost of risk
- Cost of risk of other ~90% of portfolio at normal levels, only marginally above recent experience

Split of loan impairment charges[1)]



Cost of risk US office vs. rest of portfolio[1)2)3)]



1) Incl. FVPL
2) Incl. management overlay
3) Calculated on year-end numbers

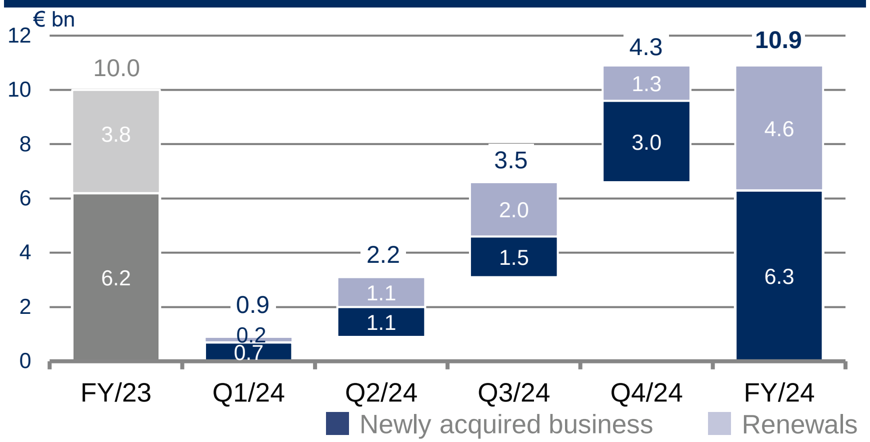
03

Business Performance

Structured Property Financing

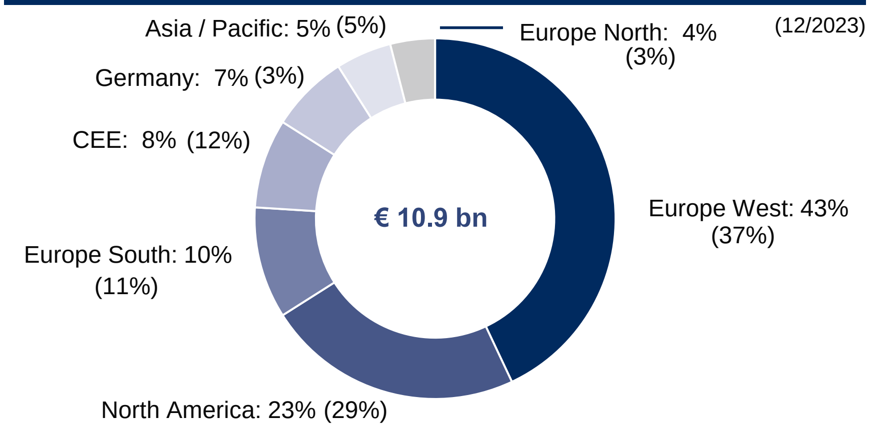
New business with good margins and conservative LTVs

New business by quarter

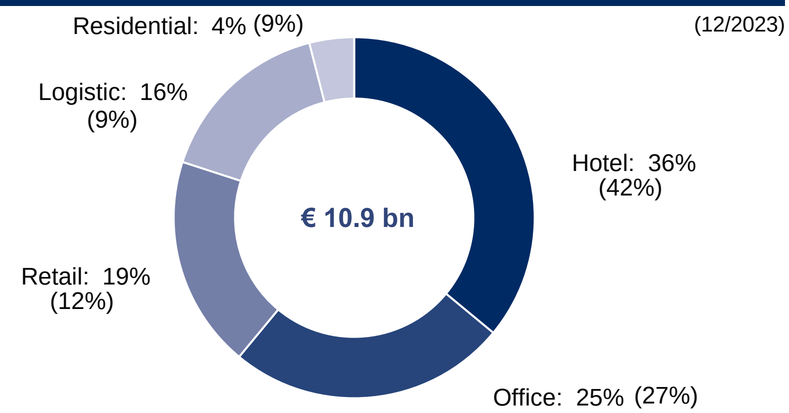


- Strong new business generation despite still muted market transaction volume
- Shift from North America to Europe
- Newly acquired business
  - Very conservative avg. LTV of 54%
  - Avg. margin of 271 bps
- New business includes € 3.9 bn green loans[1)]

New business by region



New business by property type



1) Governed by “Green Finance Framework”

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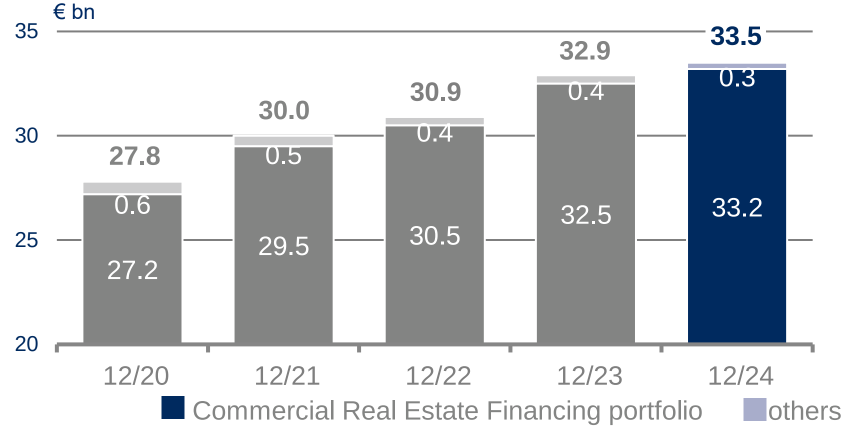
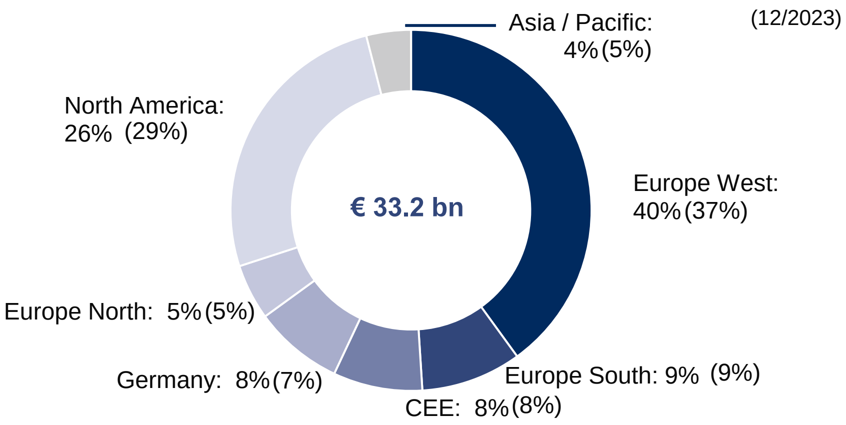
Structured Property Financing
Loan portfolio further increased

Real Estate Financing Portfolio

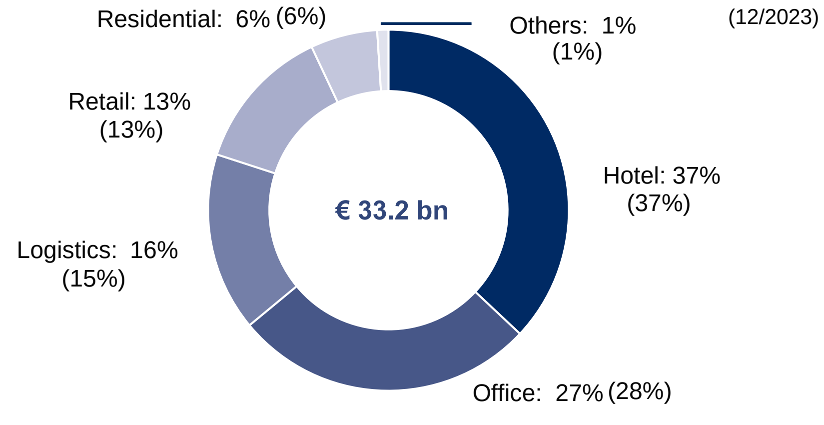


- Portfolio highly diversified by region and property type
  - Focus on major global metropolitan areas
  - No new construction financings
  - Limited exposure in Germany (8% of commercial real estate financing portfolio)
  - No exposure to Russia, China, Middle East
- Slight shift from US to Europe
- Financing of refurbishments to foster green transition
- Green loan volume of € 7.6 bn (12/23: € 4.8 bn)

Commercial Real Estate Financing Portfolio by region

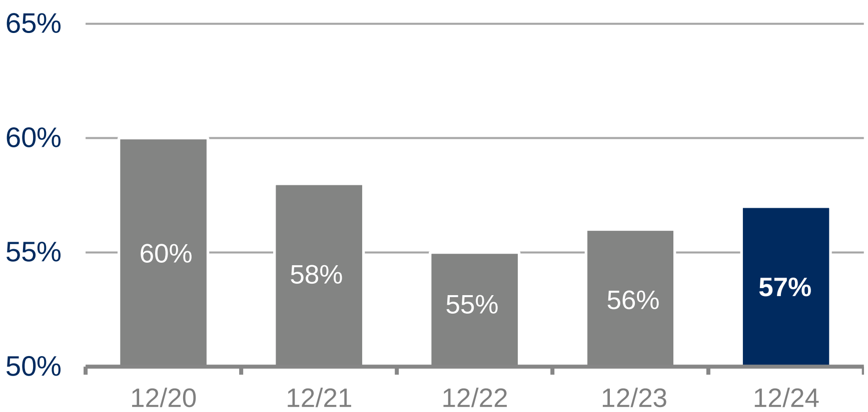


Commercial Real Estate Financing Portfolio by type



Structured Property Financing
Conservative risk parameters

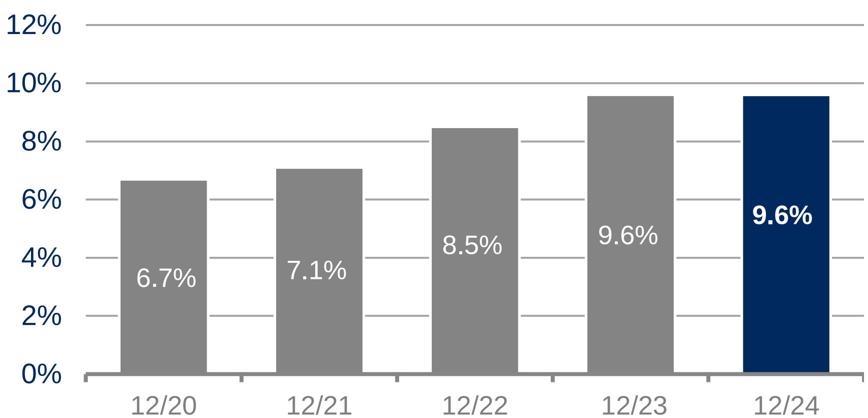
Performing portfolio loan-to-value (LTV)



Loan-to-value (LTV)[1] by property type

%	12 ’20	12 ’21	12 ’22	12 ’23	12 ’24
Hotel	62	60	56	54	53
Logistics	56	55	52	55	58
Office	58	58	57	62	64
Retail	61	59	56	58	56

Performing portfolio yield-on-debt (YoD)



Yield-on-debt (YoD)[1] by property type

%	12 ’20	12 ’21	12 ’22	12 ’23	12 ’24
Hotel	3.0	5.0	9.0	10.6	10.4
Logistics	9.2	8.7	9.0	9.3	9.4
Office	8.1	7.6	6.9	7.5	7.6
Retail	8.8	9.1	9.8	11.3	12.0

1) Including undrawn commitments, performing only

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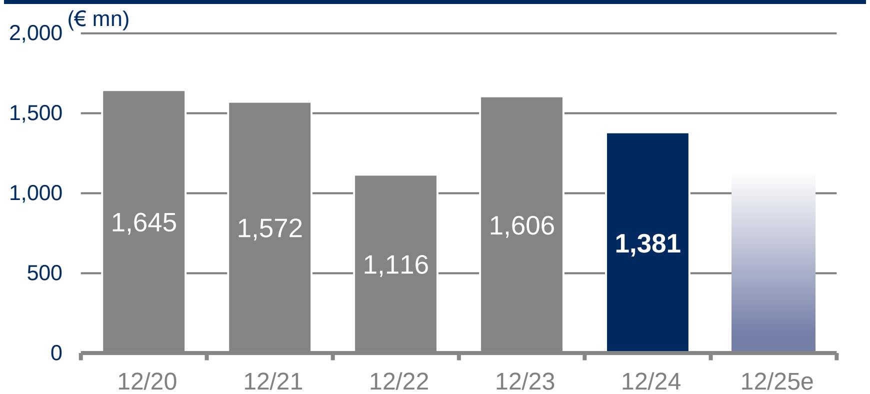
Structured Property Financing

Non-performing loans reduced, coverage ratios increased

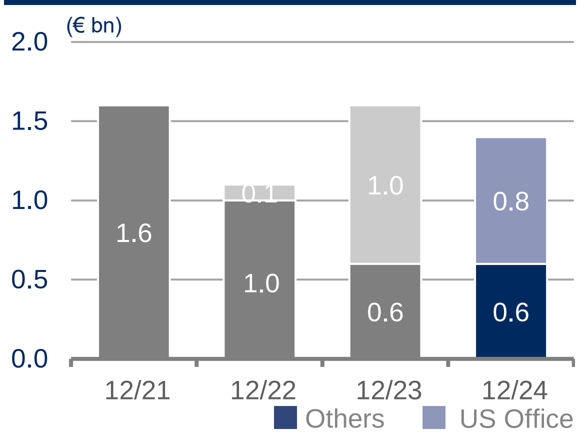
Non-performing loan development



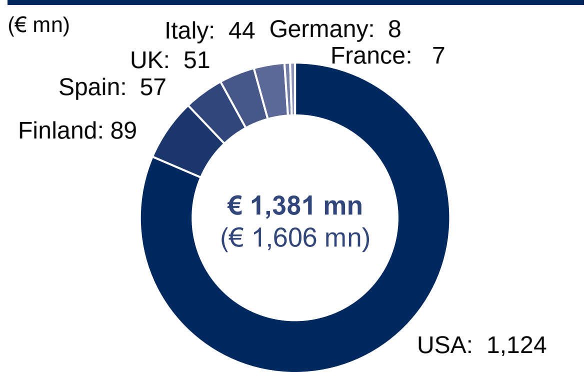
US Office remained challenging rest of the portfolio behaved normally

- US office (11% of CREF portfolio) accounts for 60% of total non-performing loans
- Non-performing exposure ratio acc. to EBA methodology[1)]: 2.8% (12/23: 3.4%)
- Coverage ratio (incl. FVPL) of 28% (12/23: 24%)
- Significant further reduction of non-performing loans planned

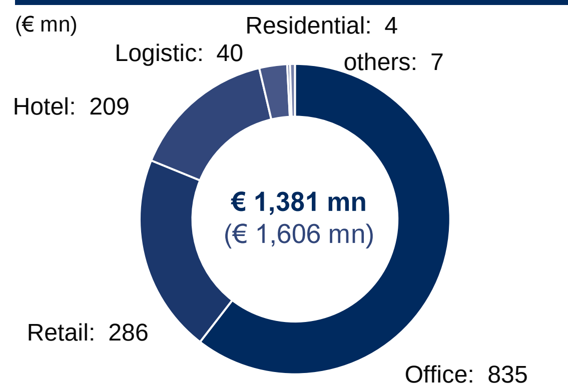
NPL split: US office vs others



NPLs by country



NPLs by property type



1) NPE ratio according to EBA Risk Dashboard definition

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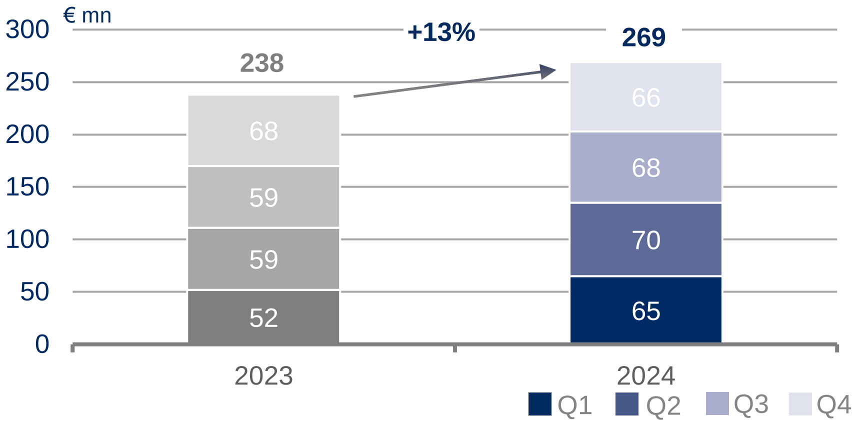
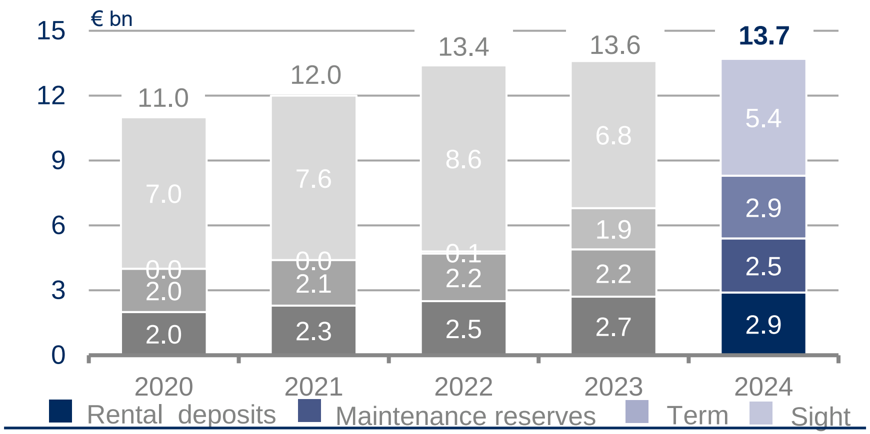
Banking & Digital Solutions

BDS deposits stable, contributing well to group net interest income

Net interest income



Average Housing Industry (BDS) deposits by type[1)]



1) Average on annual

- Strong segment net interest income due to high deposit volume
- Joint Venture with Aareon attracting new clients, which further enhance deposit volumes
- Interest sensitivity led to a shift from sight into term deposits, extending average deposit duration

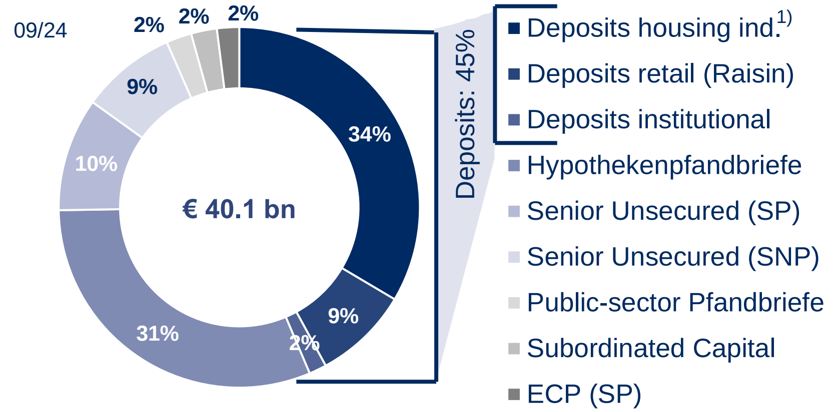
04

Funding, Liquidity & Capital

Funding & Liquidity

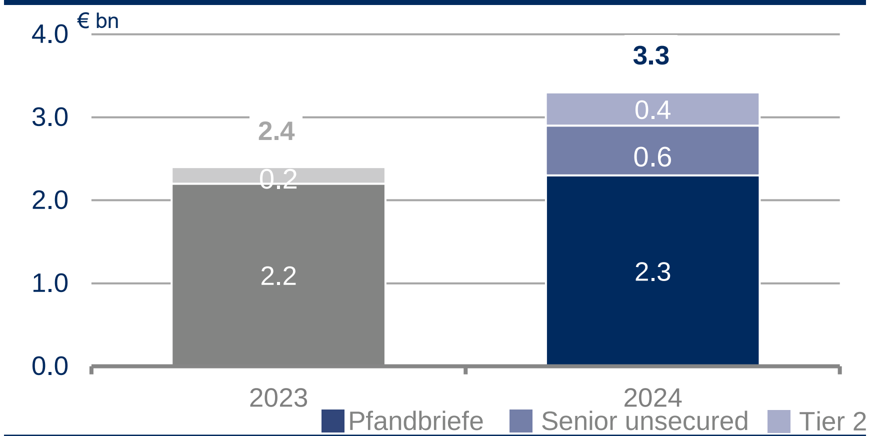
Strong market response to recent issuance of SNP, T2 and AT1

Liability structure



- Comfortable liquidity position
- Solid liquidity ratios:
  - NSFR 117%[2)]
  - LCR 230%[1)]
- Total deposits of € ~18 bn

Capital market funding activities



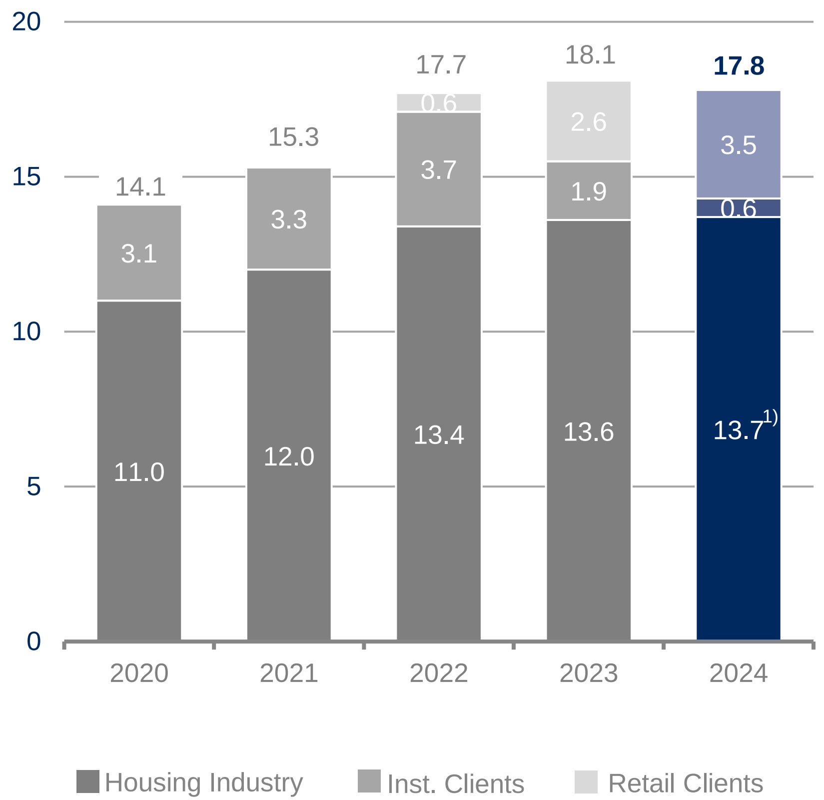
- 2024 funding plan concluded
  - Tier 2 benchmark
  - Inaugural green Senior non-preferred benchmark
  - EUR and GBP benchmark Pfandbriefe
- Successful start in 2025
  - AT1 capital increased net ~€ 100 mn by replacement of outstanding € 300 mn with new USD 425 mn
  - EUR 100 mn Tier 2
  - EUR 750 mn Pfandbrief benchmark (6.5Y)
  - SEK 750 mn Pfandbrief (first since 2006)
- Remaining 2025 funding plan includes Pfandbrief and potentially SNP issues

1) Q4 average
2) As at 31.12.2024

Funding & Liquidity

Strong deposit franchise reduces dependence on capital markets

Total deposit volume by client groups



1) Annual average

Deposit base consistently increased

- Total deposit base significantly improved over time
- Granular and sticky Housing Industry (BDS) deposit structure from ~4,000 clients managing more than 9 mn units
- Institutional clients adjusted their deposits caused by reform of the German deposit protection
- Duration of liabilities successfully extended by adding € 3.5 bn retail deposits, ~98% with a maturity ≥ 2 years

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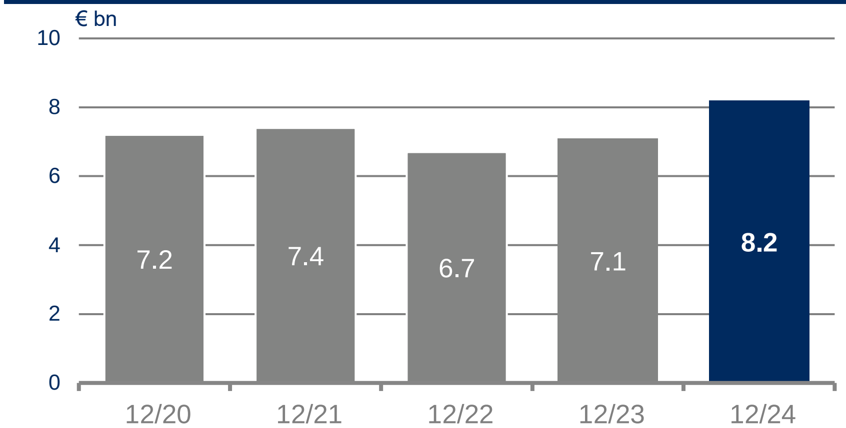
Funding & Liquidity

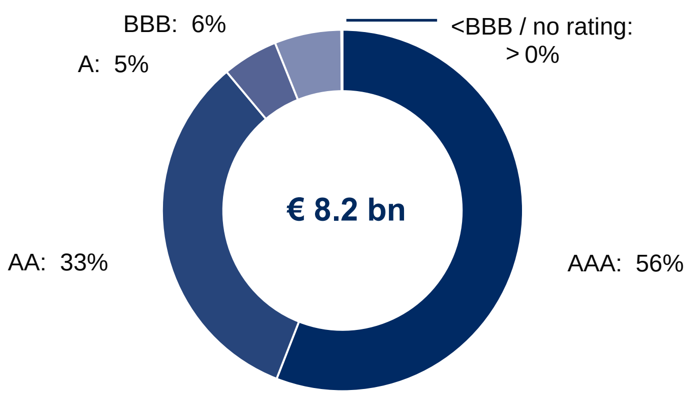
Treasury portfolio of € 8.2 bn ensures comfortable liquidity buffer

Treasury portfolio development

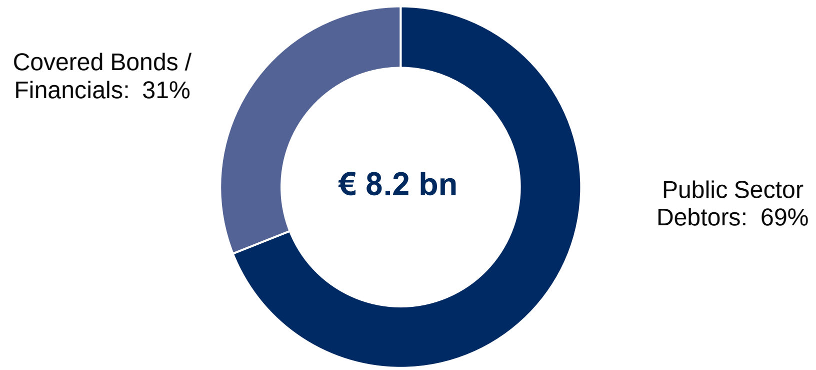


- Strong liquidity profile due to highly-rated SSAs and Covered Bond focus
- Cash shifted into HQLAs
- Asset-swap purchases ensure low interest-rate risk exposure
- Well-balanced maturity profile

Treasury portfolio by rating[1)]



Treasury portfolio by asset class



As of 31.12.2024 – all numbers refer to nominal amounts

1) Composite Rating

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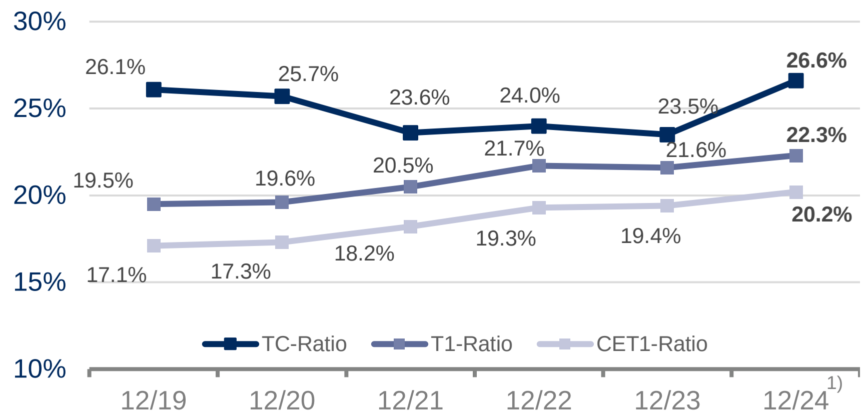
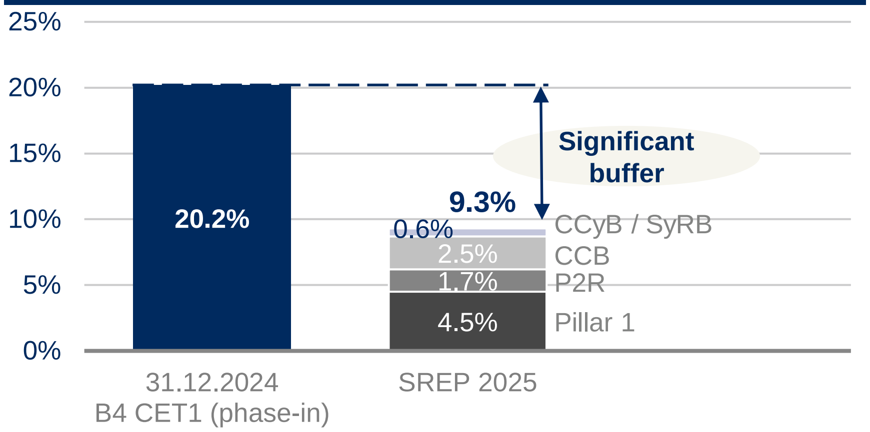
Capital
Strong capital ratios

B4 (phase in) capital ratios

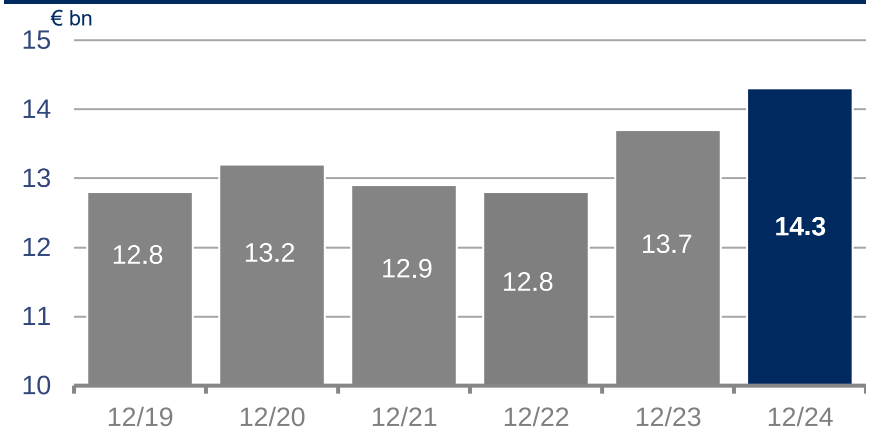


- Capital ratios further increased due to retained earnings (€ 0.3 bn) and Tier 2 issue, overcompensating RWA increase from portfolio growth
- B4 CET1 (fully phased) ratio at 15.2% (12/23: 13.4%)
- Capital ratios significantly above SREP requirements
- T1-Leverage ratio at 6.8% (12/23: 6.6%)

CET1 ratio vs. SREP (CET1) requirements



B4 (phase in) RWA[2)3)]



1) B4 (phase in) CET1-Ratio for Atlantic Group at 20.3% and for Atlantic Group Germany at 20.2%
2) Based on the European Commission’s final version for implementation of Basel IV (CRR III) on the Regulation 2024/1623 of 31 May 2024
3) B4 (phase-in) capital ratios are based on RWA calculation taking the higher-of RWAs from Advanced Internal Rating Based Approach (A-IRBA) and B4 Revised Credit Risk Standard Approach (CRSA@50% output floor)

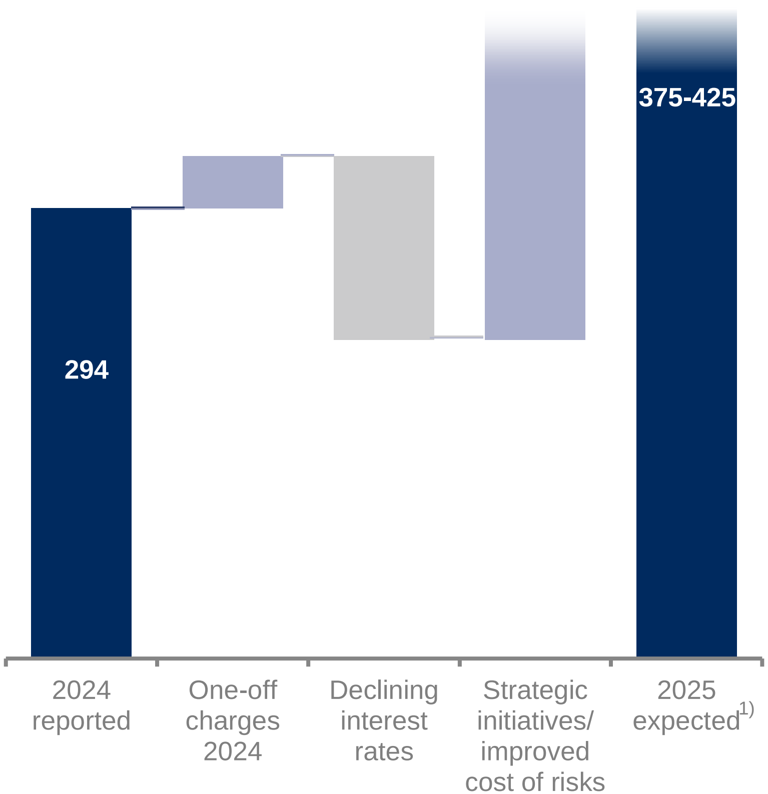
05

Outlook

Outlook 2025

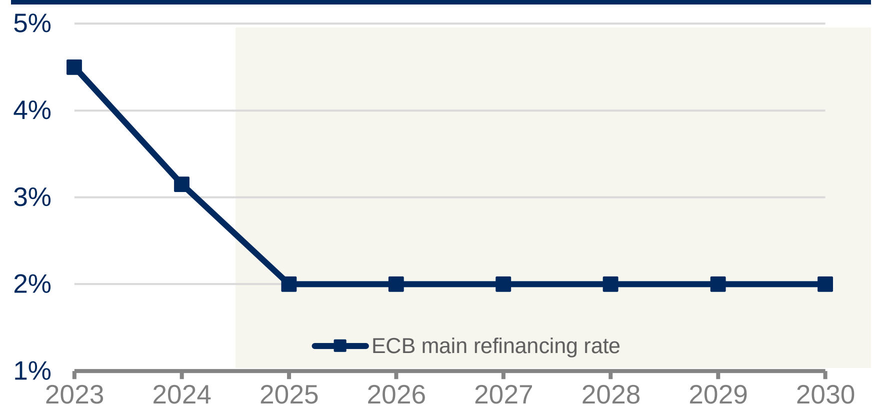
Further strong profit growth expected despite declining interest rates

Operating profit (€ mn)



- Targeting operating profit of € 375-425 mn in 2025 excl. expected € 20-25 mn one-off charges
- Interest rates expected to further decline affecting net interest income
- Effect overcompensated by
  - Further growth at low marginal costs
  - Normalization of risk costs
  - Positive effects from efficiency measures

ECB main refinancing rate[2)]



1) Excl. expected one-off charges of € 20-25 mn in 2025
2) Source: Oxford Economics

Outlook 2025

Targeting operating profit of € 375 - 425 mn[1)]

	METRIC	2024	OUTLOOK 2025
Structured Property Financing	▪ REF Portfolio ▪ New business	€ 33.5 bn € 10.9 bn	€ 34 - 35 bn[2)] € 9 - 10 bn
Banking & Digital Solutions	▪ Deposit volume	€ 13.7 bn	€ 13 - 14 bn
Operating profit		**€ 294 mn**	**€ 375 - 425 mn[1)]**
Return on equity (RoE)[3)]		5.9%	7% - 8%[1)]

1) Adjusted, excl. expected one-off charges of € 20-25 mn in 2025
2) Subject to FX development
3) Post tax, based on IFRS equity

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06

Aareal AMBITION

Aareal AMBITION

Four strategic targets are the foundation for our growth and efficiency initiatives

Strategic targets

- **Strengthening the core**
- **Expanding beyond**
- **Enhancing efficiency**
- **Maintaining discipline**

We are the leading real estate experts with global reach and local expertise

SPF
Deliver focused growth for on- and off-balance sheet business

BDS
Increase share of wallet and expand into adjacent markets

People
Drive high performance

Infrastructure
Exploit scalability

Risk, funding & capital
Maintain discipline on capital and liquidity ratios

Aareal AMBITION

SPF: Deliver focused growth for on- and off-balance sheet business

Accelerate **expansion of our capital light business**

Grow and further diversify our CRE loan book in future-oriented asset classes and regions within attractive margins

Revised US strategy targeting stable balance sheet volumes while **shifting towards more value-accretive asset classes** and improve efficiency

Sustainability: Meeting regulatory requirements and being a **trusted partner** to our **customers** in implementing their **ESG agenda**

KPIs 2027E

vs 2024

	2027E	vs 2024
On-balance volume	€ ~37 bn	€ ~33 bn
Off-balance volume	€ ~9 bn	€ ~7 bn

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BDS: Increase share of wallet and expand into adjacent markets

- **Leverage our strong market position** and unique combination of banking and software products **to keep our deposit volume**
- **Increase share of wallet with existing customer base** and gain market share through new ERP cooperations
- **Expand customer base** with value-added offers for **further B2B segments** in Germany and **internationally**
- **Investments to achieve digitized end-to end bank processes** and a digital product offering

KPIs 2027E

	vs 2024
Deposits € >13 bn	€ >13 bn

Aareal AMBITION

Risk, Funding & Capital: Maintain discipline on capital and liquidity ratios

Preserve our conservative risk appetite and pro-active credit risk management **to maintain a fortress balance sheet** from a risk, funding and capital perspective

Further diversify funding sources with structured funding products and building an own retail deposit platform; maintain strong liquidity ratios

Balancing capital return to our shareholders with regulatory capital requirements, growth of our businesses and expectations of our debt investors

Continue to **manage our financial resources prudently**, complying with and anticipating regulatory standards

KPIs 2027E

	KPIs 2027E	vs 2024
CET1 ratio (B4 fully phased)	≥13.5%	n.a.
NPE ratio (acc. to EBA Dashboard)	<3%	<3%

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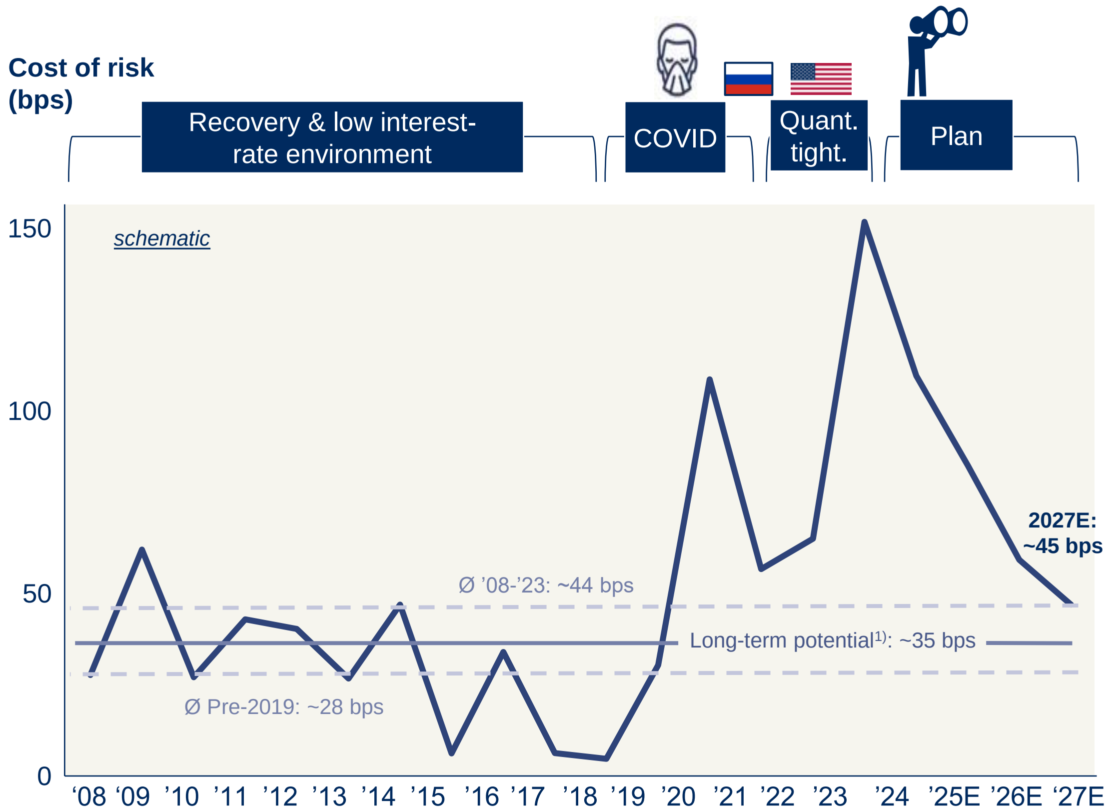
Aareal AMBITION

Normalization of cost of risk expected going forward



LTV and seniority
Focus on senior loans within targeted 55-65% LTV risk bucket

Country risk
Presence primarily in low-risk emphasizing diversification of portfolio

Asset type
Focus on core and core-plus RE asset types with value-add on case-by-case basis

Value chain
Emphasis on low-risk stages and no standalone developments

ESG
Deep integration of ESG in financing, funding, business, credit and risk

1) Assumes that the entire loan portfolio is "rolled over" in the long-term scenario, applying the cost of risk for new business in the "steady state" to the entire stable portfolio of € 37 bn

Aareal AMBITION
Infrastructure: Exploit scalability

Continue to realize our growth initiatives at low marginal costs within the current and adjacent scope of our business model

Execute an efficiency program addressing organizational structure, IT architecture & platform, processes and our campus set-up

New COO division implemented that will bundle all “bank platform components”

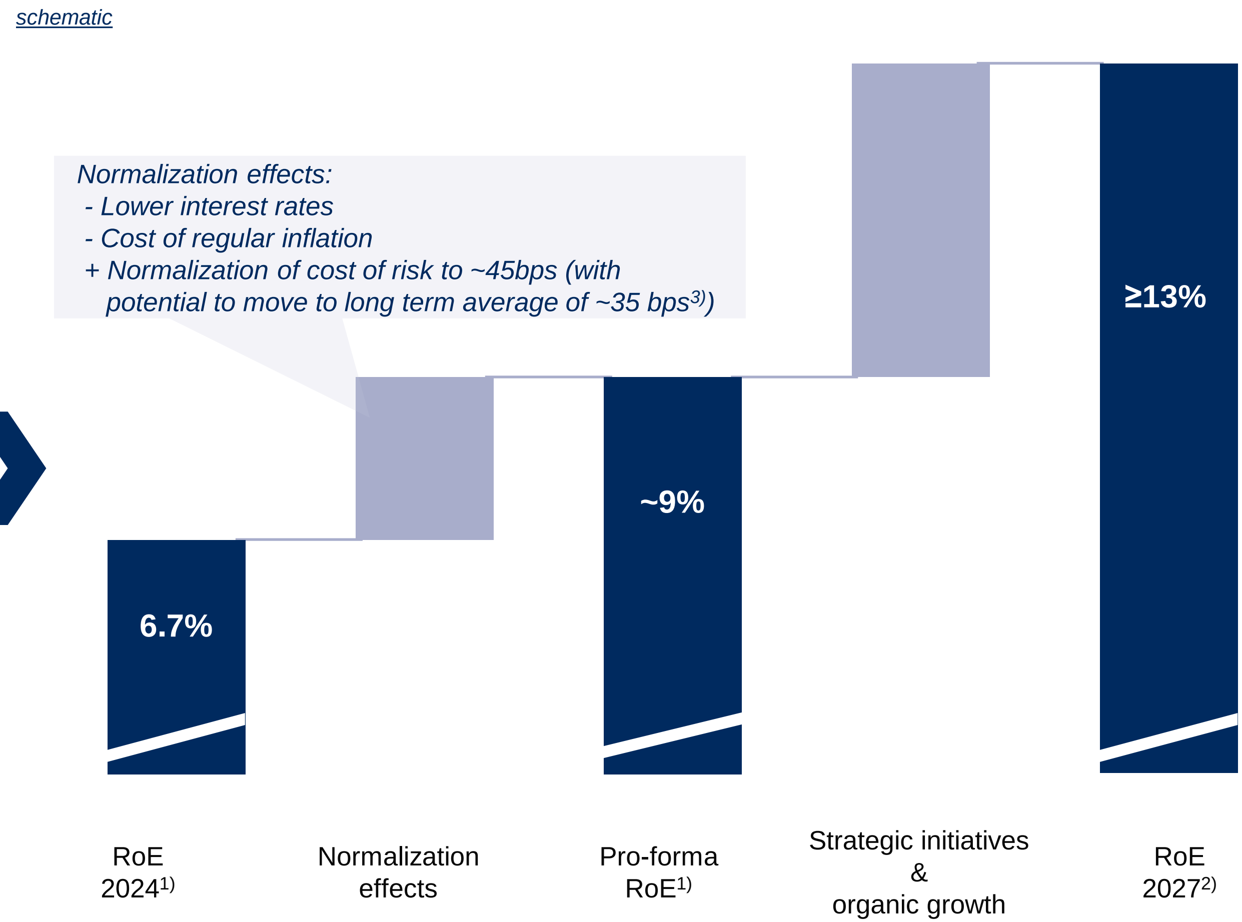
Evaluation of additional cost savings in new COO division started

KPIs 2027E

	vs 2024
Gross savings (p.a.)	€ ~40 mn
	n.a.

Aareal AMBITION

Growth and efficiency initiatives to reach and exceed cost of capital…



1) Post tax, based on standardised 13.5% CET1-ratio (B4 fully phased)
2) Post tax, adjusted, excl. one-offs, based on standardised 13.5% CET1-ratio (B4 fully phased)
3) Assumes that the entire loan portfolio is "rolled over" in the long-term scenario, applying the cost of risk for new business in the "steady state" to the entire stable portfolio of € 37 bn

Aareal AMBITION

… and to achieve ambitious group financial targets with a ≥13% RoE[1)] by 2027

≥13%	**≥13.5%**
RoE[1)]	**CET1 ratio** (B4 fully)
<30%	**~45 bps**
Cost-Income Ratio[2)]	**Cost of Risk**

1) Post tax, adjusted, excl. one-offs, based on standardised 13.5% CET1-ratio (B4 fully phased)
2) Cost-income ratio excl. bank levy/deposit guarantee scheme and one-offs

07

Key Takeaways

Key takeaways

- ✓ Diversified business model based with two strong segments – high yielding and resilient
- ✓ Significant improvements led to the best result since 2018
- ✓ Strong income enables further growth
- ✓ Well positioned for sentiment change towards sector
- ✓ New initiatives ‘Aareal AMBITION‘ targeting RoE[1)] ≥13 by 2027

1) Post tax, adjusted, excl. one-offs, based on standardised 13.5% CET1-ratio (B4 fully phased)

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Appendix

Aareal AMBITION

Aareal AMBITION

Growth and efficiency initiatives targeting ≥13% RoE after tax[1) by 2027

SPF	▪ Accelerate expansion of **capital light business to € ~9bn** while growing **CRE loan book** moderately **to € ~37bn** ▪ Further portfolio diversification at attractive margins; focus on future-oriented asset classes and regions ▪ Revised US strategy targeting stable balance sheet volumes while shifting towards more value-accretive asset classes
BDS	▪ Leverage our strong market position to keep our **deposit volumes € >13bn by…** ▫ … increasing market penetration within our existing customer base ▫ … expanding our customer base into further B2B segments in Germany and internationally
Risk, funding & capital	▪ Preserve conservative risk appetite and fortress balance sheet with **NPE ratio <3%** and a **CoR normalization to ~45 bps** ▪ Further diversify funding sources with structured funding products and own retail deposit platform ▪ Retain strong capital ratios with a **CET1 ratio[2) of ≥13.5%**
Infrastructure	▪ Improve best-in-class **cost-income ratio[3) to <30% by…** ▫ … continuing to realize our growth and strategic initiatives at low marginal costs ▫ … executing an efficiency program addressing organizational structure, IT architecture and processes
People	▪ Strengthen leadership, invest in experienced experts, continuation of our young talents program and foster diversity along every dimension

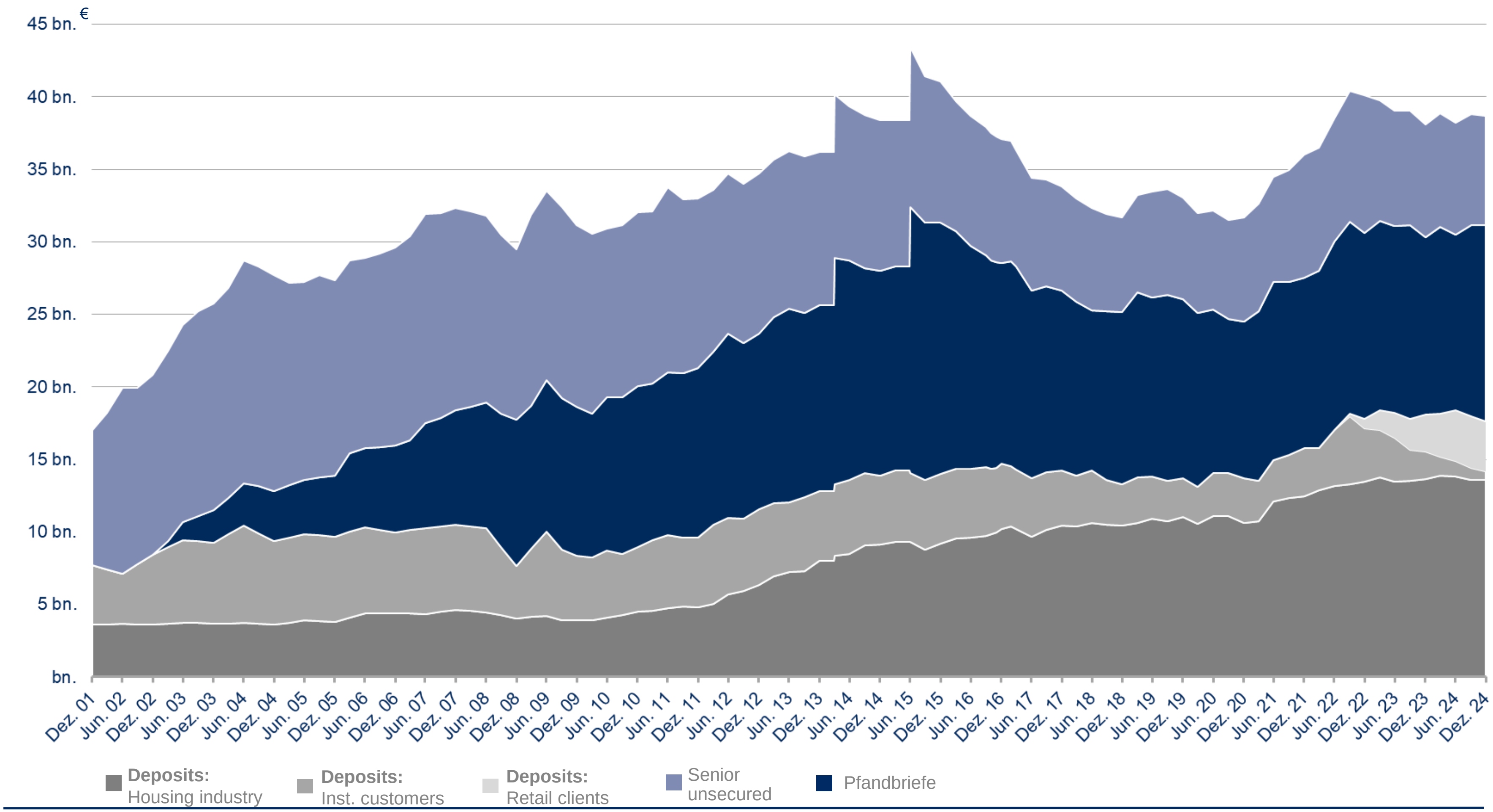
1) Post tax, based on standardised 13.5% CET1-ratio (B4 fully phased)
2) B4 fully phased CET1 ratio
3) Cost-income ratio excluding bank levy/deposit guarantee scheme and one-off costs

Appendix

Funding, Liquidity & Capital

Funding & Liquidity

Diversified funding sources and distribution channels



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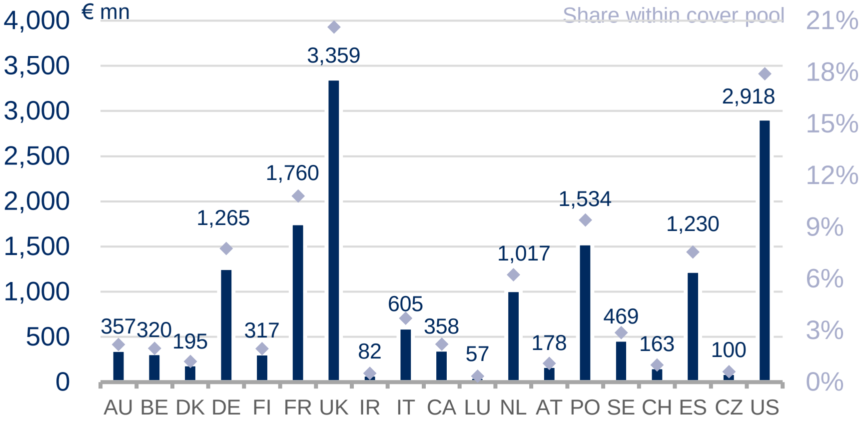
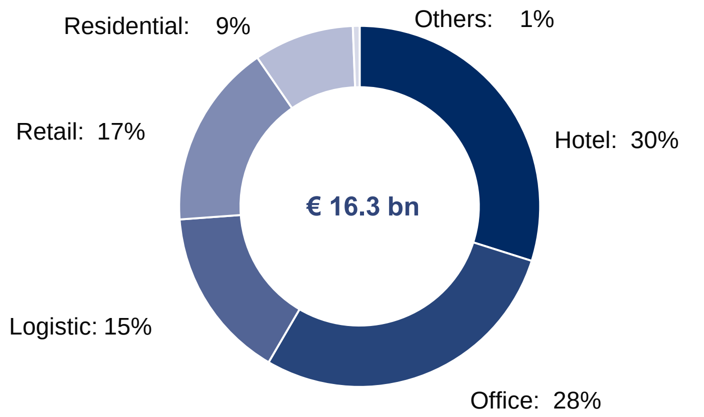
Funding & Liquidity

Strong Mortgage Cover Pool and Aaa Rating for Pfandbriefe

Cover Pool by Country



Cover Pool by Property Type



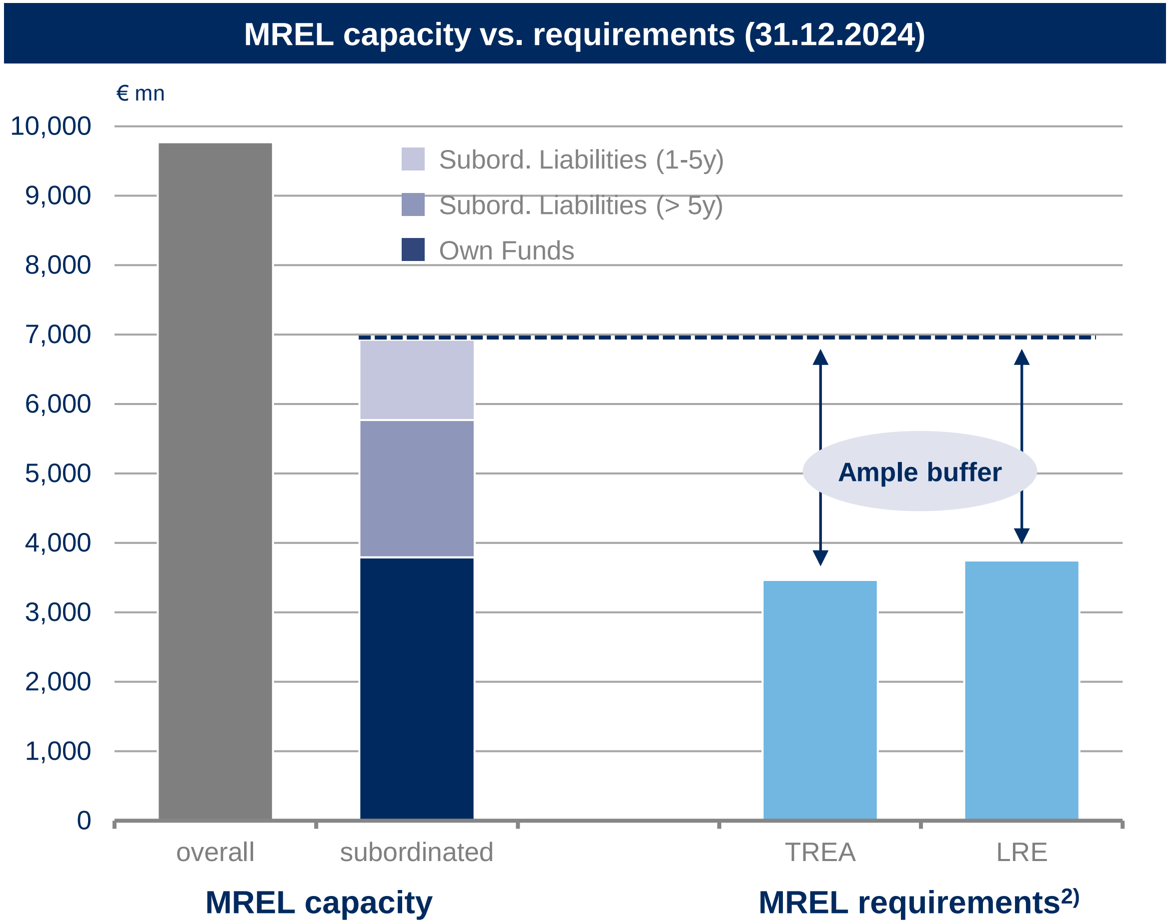
As at 31.12.2024

Pfandbrief funding cornerstone of wholesale issuance

- Cover pool of € 17.2 bn incl. € 0.9 bn substitute assets diversified over 19 countries
- High quality assets: first-class mortgage loans (mortgage-lending-value 56%)
- Mortgage-lending-value with high discount from market-value
- Avg. LTV of the mortgage cover pool 35%
- The Pfandbriefe are rated 'Aaa' by Moody`s
- Over-collateralisation on a PV basis as of 31.12.2024: 15.6%
- High diversification within property types and countries

Funding & Liquidity

MREL capacity well above regulatory requirements



- Senior Preferred have significant protection from subordinated liabilities and own funds
- Run-down of subordinated liabilities well manageable, after 5 years cet.par. still comfortably complying with requirements
- (Subordinated) MREL ratios as at 31.12.2024:

%	TREA	LRE
Actual	48.54	14.84
Requirements[1)]	24.30	8.03

1) (Subordinated) MREL Requirements came into effect as of January 21, 2025. MREL-TREA requirement includes the combined buffer requirement (CBR).
2) Based on 2025 requirements in relation to current RWAs (phase-in) and leverage ratio exposure

Funding & Liquidity

Ratings reflect strong credit profile based on solid capital and liquidity position

Financial Ratings

Fitch Ratings		Moody‘s	
Issuer default rating (Stable)	BBB	Issuer rating (stable)	Baa1
Short-term issuer rating	F2	Short-term issuer rating	P-2
Deposit rating	BBB+	**Senior preferred**	**Baa1**
Senior preferred	**BBB+**	Senior non preferred	Baa3
Senior non preferred	BBB	Bank deposit rating	Baa1
Viability rating	BBB	BCA	Ba1
Subordinated debt (Tier 2)	BB+	Mortgage Pfandbriefe	Aaa
Additional Tier 1	BB-		

ESG-Ratings

MSCI	A
ISS-ESG	prime (C)
Sustainalytics	Low (20-10)
CDP	Management Level B

Note: ESG-Ratings and Benchmarks as of 21/01/2025

Interest payments and ADI of Aareal Bank AG

Available Distributable Items (as of end of the relevant year)

€ mn	31.12. 2021	31.12. 2022	31.12. 2023	31.12. 2024
Net Retained Profit	96	61	452	2,440
▪ *Net income*	*30*	*61*	*391*	*1,988*
▪ *Profit carried forward from previous year*	*66*	*-*	*61*	*452*
▪ *Net income attribution to revenue reserves*	*-*	*-*	*-*	*-*
+ Other revenue reserves after net income attribution	840	936	936	936
= Total dividend potential before amount blocked	936	997	1.388	3.376
./. Dividend amount blocked under section 268 (8) of the German Commercial Code	386	466	487	503
./. Dividend amount blocked under section 253 (6) of the German Commercial Code	36	24	6	-
= Available Distributable Items	515	507	895	2,873
+ Increase by aggregated amount of interest expenses relating to Distributions on Tier 1 Instruments	20	21	29	33
= Amount referred to in the relevant paragraphs of the terms and conditions of the respective Notes as being available to cover Interest Payments on the Notes and Distributions on other Tier 1 Instruments	535	529	924	2,906[1)]

Note: Calculation refers to unrounded numbers

1) € 1,941 mn to be distributed in March 2025 acc. to proposed dividend distribution

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Appendix

ESG

ESG is fundamental to our business and our corporate strategy

Supporting our clients on their „Road to Paris“

Real Estate is transitioning to a more…

…sustainable digitized and connected future

We are fostering the transition…

- **Deep integration of ESG** into business, credit, investment, risk and funding strategies
- Comprehensive **Green Finance Framework** in place (for both lending and liabilities)
- Continuously **leveraging our Green product portfolio**
- Consistently **positive ESG-rating results** rewarding Aareal’s ESG performance

…because it is important to us

- We are **aware of our responsibility** for the environment and strive to make a **positive contribution to a green future**
- Our **aim** is to **integrate ESG considerations** into **all business decisions**
- We are **committed to transparency, integrity and continuous improvement and** to working together with our clients for a sustainable world

ESG in our daily business

Deep integration of ESG in our lending and funding activities

SUSTAINALYTICS
a Morningstar company
SECOND-PARTY OPINION

ESG in our lending business

Aareal Bank "Green Finance Framework – Lending" put into place

- Aareal Bank's Green Finance Framework – Lending confirmed through a Second Party Opinion (SPO) by Sustainalytics
- Ambition to extend ESG assessment in our day-to-day lending activities
- Explicit customer demand for Aareal Bank's green lending approach identified internationally and interest is high for the new product
- Green lending within a regularly updated framework provided

ESG in our funding activity

Aareal Bank "Green Finance Framework – Liabilities" forms basis for Green Bonds

- In addition to the lending framework, Aareal Bank has implemented an accompanying and regularly updated liability-side / use-of-proceeds framework - confirmed through SPO by Sustainalytics - that allows issue of green financing instruments
- "Green Finance Framework – Liabilities" is intended to not only reflect our sustainable lending activities but also our strategic approach towards sustainability
- Bond issues under this framework invite open discussion and engagement with investors on the progress we have made and, on the path, forward

Continue to enlarge climate transparency in the portfolio

- Portfolio transparency and data accumulation significantly improved for both existing and new lending and to be continued
- Publication of first detailed report on financed carbon emissions of our Commercial Real Estate Financing portfolio in 2024 (in accordance with the Partnership for Carbon Accounting Financials (PCAF) standard)

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Aareal's 'credible and impactful' Green Finance Framework

SUSTAINALYTICS
a Morningstar company
SECOND-PARTY OPINION

Aareal Green Finance Framework (GFF) in place

Green Property Financing:
Requirements to qualify as green property (as set out below under "Eligibility criteria")
- Meets EU Taxonomy criteria

and / or
- Certified with an above-average ratings

and / or
- Classified as nearly zero-energy building (nZEB) / thresholds as defined in Aareal GFF

+

Green Loan Rider:
Customer of a Green Loan agrees to
Maintaining "Aareal Green Finance Framework" requirements during the term of the loan

⇒

Green Loan:
Combination of
- Green property[1)]

and
- Agreement

Eligibility category	Eligibility criteria (alternatives)		
Green Buildings	**1. EU taxonomy compliant:** Buildings meet the EU Taxonomy criteria according to the EU Commission Delegated Regulation, Chapter 7.7 "Acquisition and ownership of existing buildings"	**2. Green building certification:** ▪ BREEAM: "Very Good" and above ▪ LEED: "Gold" and above ▪ DGNB: "Gold" and above ▪ Green Star: "5 Stars" and above ▪ NABERS: "4.5 Stars" and above ▪ HQE: "Excellent" and above ▪ Energy Star. "80" or above	**3. Energy efficiency:** Classified as a nearly zero-energy building (nZEB) **and / or** property falls **below** the maximum energy reference values 75 kWh/m² p.a. – Residential 140 kWh/m² p.a. – Office, Hotel, Retail 65 kWh/m² p.a. – Logistics
Energy efficiency upgrades	**1. EU taxonomy compliant:** Modernisation measures meet the EU Taxonomy criteria acc. EU Commission Delegated Regulation[3)]	**2. Upgrade to Green Building:** Completion of the measure brings the property up to the green building standard defined above.	**3. Energy efficiency improvement:** Completion of the measure results in an energy efficiency improvement of at least 30%.

1) All buildings within a financing have to qualify as green buildings according to Aareal GFF
2) Partnership for Carbon Accounting Financials
3) Chapter 7.2 "Renovation of existing buildings"

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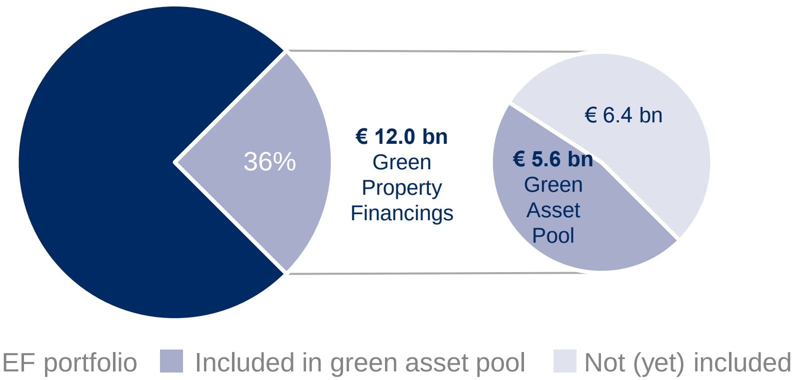
36% of CREF portfolio classified as Green Property Financings

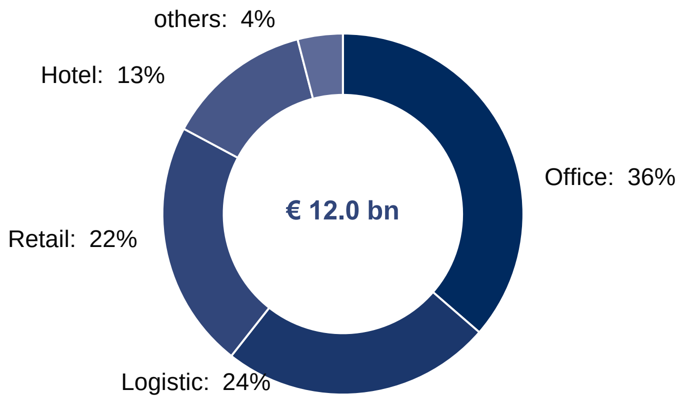
CREF[1] portfolio



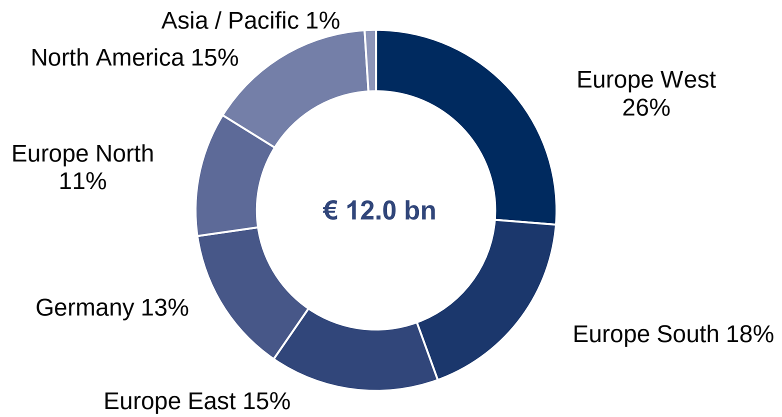
€ 12.0 bn[1] or 36% of total CREF portfolio fulfilling Aareal's Green Finance Framework and are classified as "Green Property Financings", thereof

- € 5.6 bn included in green asset pool for underlying of Green bond issues
- € 6.4 bn green property financings not (yet) included

Green Property Financings[2] by property type



Green Property Financings[2] by region



1) CREF excluding business not directly collateralized by properties
Portfolio data as at 31.12.2024 – ESG Data as at 31.12.2024
2) Valid certificate is documented

Consistently positive rating results
Rewarding Aareal's ESG performance

MSCI
since 2024

CCC — B — BB — BBB — **A** (Aareal) — AA — AAA

- "A" Rating shows strong ESG Performance in the upper midfield in relative comparison to our industry peers
- Above average score in social issues (4.6) vs. Industry average (3.8)

ISS ESG
since 2024

Prime threshold

D- — D — D+ — C- — **C** (Aareal) — C+ — B- — B — B+ — A- — A — A+

- Prime Status confirms ESG performance above sector-specific Prime threshold, which means Aareal fulfils ambitious absolute performance requirements
- Range of 125 rated companies in the Mortgage & Public Sector Finance sector between D and B, Aareal on Decile Rank 2

SUSTAINALYTICS
since 2022

SEVERE (40+) — HIGH (40-30) — MEDIUM (30-20) — **LOW (20-10)** (Aareal) — NEGLIGIBLE (10-0)

- Aareal is at low risk of experiencing material financial impacts from ESG factors, due to its medium exposure and strong management of material ESG issues (negligible or low risk rating in five out of six material ESG issues)
- Still "Low" risk classification (18.1), Rank 213 of 1027 in Sector Banks, 16 of 103 in Thrifts and Mortgages

CDP DISCLOSURE INSIGHT ACTION
since 2022

D- — D — C- — C — B- — **B** (Aareal) — A- — A

- Management Level B in CDP's Climate Change survey, which affirms Aareal addressed the environmental impacts of its business and ensure good environmental management

Note: Results and Benchmarks as of 21/01/2025

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Appendix

Group Results

Aareal Bank

Results FY 2024[1)]

€ mn	01.01.-31.12.2023	01.01.-31.12.2024	Change
Net interest income	1,014	1,060	5%
Net commission income	39	-4	-110%
Net derecognition gain or loss	23	31	35%
Net gain or loss from financial instruments (fvpl)	-71	-44	-38%
Net gain or loss from hedge accounting	1	3	200%
Net gain or loss from investments accounted for using the equity method	3	1	-67%
Expenses	-341	-343	1%
Efficiency enhancement one-off		-34	
Loss allowance	-441	-370	-16%
Net other operating income / expenses	-6	-6	
Operating profit from continuing operations	**221**	**294**	**33%**
Income taxes	-94	-82	-13%
Consolidated net income from continuing operations	**127**	**212**	
Net income from discontinued operations	-79	2,062	
Consolidated net income	**48**	**2,274**	**4638%**
Consolidated net income attributable to non-controlling interests	-23	0	
Consolidated net income attributable to shareholders of Aareal Bank AG	71	2,274	3103%

1) In accordance with IFRS 5, net income from discontinued operations is disclosed separately; the previous year‘s figures have been adjusted

Aareal Bank

Results FY 2024 by segments[1)]

€ mn	Structured Property Financing		Banking & Digital Solutions		Consolidation/ Reconciliation		Aareal Bank	
	01.01.-31.12.2023	01.01.-31.12.2024	01.01.-31.12.2023	01.01.-31.12.2024	01.01.-31.12.2023	01.01.-31.12.2024	01.01.-31.12.2023	01.01.-31.12.2024
Net interest income	776	791	238	269	0	0	1,014	1,060
Net commission income	6	1	33	-5	0	0	39	-4
Net derecognition gain or loss	23	31					23	31
Net gain or loss from financial instruments (fvpl)	-71	-43	0	-1			-71	-44
Net result from hedge accounting	1	3					1	3
Net gain or loss from investments accounted for using the equity method	1	0	2	1			3	1
Expenses	-231	-244	-110	-99		0	-341	-343
Efficiency enhancement one-off		-34						-34
Loss allowance	-441	-370	0	0			-441	-370
Net other operating income / expenses	-4	-5	-2	-1	0	0	-6	-6
Operating profit from continuing operations	**60**	**130**	**161**	**164**	**0**	**0**	**221**	**294**
Income taxes	-44	-30	-50	-52			-94	-82
Consolidated net income from continuing operations	**16**	**100**	**111**	**112**	**0**	**0**	**127**	**212**
Net income from discontinued operations					-79	2,062	-79	2,062
Consolidated net income	**16**	**100**	**111**	**112**	**-79**	**2,062**	**48**	**2,274**
Allocation of results								
Cons. net income attributable to non-controlling interests	-1	0	0	0	-22		-23	0
Cons. net income attributable to shareholders of Aareal Bank AG	17	100	111	112	-57	2,062	71	2,274

1) Presentation in line with the structure prescribed by IFRS 5

Aareal Bank

Results[1] - quarter by quarter

€ mn	Structured Property Financing					Banking & Digital Solutions					Consolidation / Reconciliation					Aareal Bank				
	Q4 '23	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q4 '23	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q4 '23	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q4 '23	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Net interest income	212	203	192	194	202	68	65	70	68	66	0	0	0	0	0	280	268	262	262	268
Net commission income	0	-1	2	1	-1	9	-1	-2	0	-2	0	0	0	0	0	9	-2	0	1	-3
Net derecognition gain or loss	5	3	6	10	12											5	3	6	10	12
Net gain or loss from financial instruments (fvpl)	-13	-17	-11	-22	7	0	-1	0	0	0						-13	-18	-11	-22	7
Net gain or loss from hedge accounting	3	8	0	-6	1											3	8	0	-6	1
Net gain or loss from investments accounted for using the equity method	1				0					1						1				1
Expenses	-58	-58	-70	-47	-69	-35	-24	-24	-25	-26			0	0	0	-93	-82	-94	-72	-95
Efficiency enhancement one-off		-2	-2	-1	-29												-2	-2	-1	-29
Loss allowance	-179	-83	-80	-94	-113	0	0	0	0	0			0	0		-179	-83	-80	-94	-113
Net other operating income/expenses	-11	0	9	2	-16	-1	-1	0	0	0	0	0	0	0	0	-12	-1	9	2	-16
Operating profit from continuing operations	**-40**	**53**	**46**	**37**	**-6**	**41**	**38**	**44**	**43**	**39**	**0**	**0**	**0**	**0**	**0**	**1**	**91**	**90**	**80**	**33**
Income taxes	-16	-12	-15	-9	6	-12	-12	-14	-14	-12						-28	-24	-29	-23	-6
Consolidated net income from continuing operations	**-56**	**41**	**31**	**28**	**0**	**29**	**26**	**30**	**29**	**27**		**0**	**0**	**0**		**-27**	**67**	**61**	**57**	**27**
Net income from discontinued operations											-29	6	-142	-25	2,223	-29	6	-142	-25	2,223
Consolidated net income	**-56**	**41**	**31**	**28**	**0**	**29**	**26**	**30**	**29**	**27**	**-29**	**6**	**-142**	**-25**	**2,223**	**-56**	**73**	**-81**	**32**	**2,250**
Cons. net income attributable to non-controlling interests	-1	0	0	0	0	0	0	0	0	0	-9	2	-32	-7	37	-10	2	-32	-7	37
Cons. net income attributable to ARL shareholders	-55	41	31	28	0	29	26	30	29	27	-20	4	-110	-18	2,186	-46	71	-49	39	2,213

1) Presentation in line with the structure prescribed by IFRS 5

Appendix

Definitions and contacts

Definitions

New Business	New business = Newly acquired business + renewals
Common Equity Tier 1 ratio	$\frac{\text{CET 1}}{\text{Risk weighted assets}}$
CIR	$\frac{\text{Admin expenses (excluding bank levy/deposit guarantee scheme and one-off costs)}}{\text{Net income}}$
Net income	Net interest income + Net commission income + Net derecognition gain or loss + Net gain or loss from financial instruments (fvpl) + Net gain or loss on hedge accounting + Net gain or loss from investments accounted for using the equity method + Net other operating income / expense
Net stable funding ratio	$\frac{\text{Available stable funding}}{\text{Required stable funding}}$
Liquidity coverage ratio	$\frac{\text{Total stock of high quality liquid assets}}{\text{Net cash outflows under stress}}$
Yield on Debt	$\frac{\text{NOI x 100 (Net operating income, 12-months forward looking)}}{\text{Outstanding incl. prior/pari-passu loans (without developments)}}$
CREF-portfolio	Commercial real estate finance portfolio excl. private client business and WIB's public sector loans
REF-portfolio	Real estate finance portfolio incl. private client business and WIB's public sector loans
Exposure (performing)	Maximum [actual commitment (performing) or Outstanding (performing)]

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