

PRESS RELEASE

Next steps for Aareal

London, 4 February 2022: We welcome Advent/Centerbridge (“**Atlantic Bidco**”)’s failure to gain control of Aareal Bank AG („**Aareal**“).

Petrus Advisers confirm our long-term commitment to Aareal. As the lead investor, we look forward to change at the top of Aareal and value creation for all shareholders.

Our experience has taught us that a successful European bank must combine trust, stability and careful decision-making. Banking should be based on frugality, undisputed business ethics and a clear sense of service to shareholders and the community. At Aareal, prior to our involvement, we found evidence of a self-serving leadership style and excesses in compensation, overhead cost and inconclusive consulting work. We invested with a mandate to change this. But when asked to work hard for their star compensation, the bank’s managers sold parts of Aareon to Advent and now tried to sell the entire group by teaming up with their private equity friends. In turning down the latest under-bid, shareholders have expressed their loss of trust in a leadership team who had unanimously backed a deal without merit.

The demands of Aareal’s shareholders should now be implemented swiftly. A new era has arrived for the banking group:

1) **2020 dividend payout**

We expect an immediate payment of the €1.10/share in dividends related to 2020, which had been held up by Atlantic Bidco’s under-bid.

2) **Commitment to future dividend policy**

We demand that Aareal commit to maintaining its dividend policy including announcing the proposed 2021 dividend together with the preliminary results on 24 February 2022.

3) **Remuneration structure**

Back in May 2021, the AGM ordered Aareal unmistakably to propose an ethical remuneration policy. Some nine months later, shareholders have still not seen any initiatives, while the unethical compensation and cost excess culture at Aareal has continued. We demand that a sustainable proposal for future remuneration at Aareal be made to shareholders immediately.

4) **Supervisory Board**

In light of the failure of their recommended bid, we expect that Hermann Wagner and Richard Peters resign from the Supervisory Board. We will propose independent successors who meet the highest ethical criteria and expect that Aareal nominate those candidates to avoid further senseless proxy battles.

We equally expect that Aareal replace Messrs. Friedrich Munsberg, Holger Giese and Ulrich Theileis with the independent candidates we had proposed at the December 2021 EGM.

5) **Strategic review**

Aareal shareholder value is best created by (i) spinning off Aareon to shareholders and (ii) implementing cost measures to ensure the sustainable profitability of Aareal’s bank operations,

combined with (iii) a sale of the Wiesbaden headquarters, while also (iv) hiving-off Aareal's bloated and inefficient pension schemes.

Back in September 2021, Jochen Klösger promised his strategic review of Aareal and Aareon for Q1 2022 at the latest. This schedule must be honoured via an assessment of all options for both Aareon and Aareal's bank operations. If Jochen Klösger and CFO Marc Hess are not capable or willing to do the hard work that is now required, this is their last chance to step down and hand the bank to other managers.

For more information, please visit www.reviveaareal.de.