

Redemption Notice

Aareal Bank Capital Funding Trust

ISIN: XS0138973010 // Common Code: 013897301 // WKN: 778998

Pursuant to and in accordance with Sections 7.03 and 7.04 of the Amended and Restated Trust Agreement (the "Agreement") dated and effective as of 20 November 2001, among Aareal Bank Aktiengesellschaft (the "Bank"), Aareal Bank Capital Funding Trust (the "Trust"), Aareal Bank Capital Funding LLC (the "Company"), the regular trustees named therein, Deutsche Bank Trust Company Americas as property trustee (the "Property Trustee") and Deutsche Bank Trust Company Delaware as Delaware trustee, the Trust will redeem all 10,000,000 of its outstanding Trust Preferred Securities on 31 March 2017 (the "Redemption Date"), at the redemption price of 100% of their liquidation amount, in an aggregate amount of EUR 250,000,000, together with accumulated and unpaid capital payments thereon in respect of the payment period from and including 31 December 2016 to but excluding the Redemption Date (the "Redemption Price").

The Trust has received notice that the Bank will redeem its Initial Debt Obligation and the Company will redeem its Class B Preferred Securities in whole on 31 March 2017. The redemption of the Trust Preferred Securities is a result of the concurrent redemption by the Company of all of the Company Class B Preferred Securities, all of which are held by the Trust.

On the Redemption Date, the Redemption Price will become due and payable on the Trust Preferred Securities. Once the funds are deposited and instructions and authority are given to pay the Redemption Price as required by the Trust Agreement, then, upon the date of such deposit, the rights of holders of such Trust Preferred Securities shall cease, except the right to receive the Redemption Price but without interest on such Redemption Price. The Redemption Price will be distributed to the holders of the Trust Preferred Securities via the relevant clearing systems on the Redemption Date.

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