

Invitation to the Annual General Meeting of Shareholders

Dear Shareholders,

We are pleased to invite you to our Annual General Meeting of Shareholders to be held on Wednesday, 23 May 2012, at 10:30 a.m., at the "Kurhaus", Kurhausplatz, 65189 Wiesbaden, Germany.

We have convened this year's General Meeting by way of publication in the electronic German Federal Gazette (Bundesanzeiger) dated 12 April 2012, publishing the agenda set out below.

This version of the Notice to Shareholders (invitation to the Annual General Meeting) is a translation of the German original, provided for the convenience of English-speaking readers. The German text shall be authoritative and binding for all purposes.



Aareal Bank

Agenda

1. Presentation of the confirmed annual financial statements and the approved consolidated financial statements, of the management report for the Company and the Group (including the information in accordance with sections 289 (4) and 315 (4) of the German Commercial Code (HGB)) as well as the Report by the Supervisory Board for the 2011 financial year

In accordance with sections 172, 173 of the German Public Limited Companies Act (AktG), on 28 March 2012 the Supervisory Board approved the annual financial statements and the consolidated financial statements prepared by the Management Board; the financial statements have thus been confirmed. The passing of a resolution on this agenda item No. 1 is therefore not required.

The documents specified under this agenda item will be available for inspection by shareholders at the Company's offices (Paulinenstrasse 15, 65189 Wiesbaden) from the day on which the Annual General Meeting is convened. The report will also be available at the Annual General Meeting. These statements and reports will be explained at the beginning of the meeting. Upon request, these documents will be sent to every shareholder, without delay and free of charge. The documents are also available on the internet at <http://www.aareal-bank.com>.

2. Passing of a resolution on the appropriation of net retained profit for the 2011 financial year

The Management Board and the Supervisory Board recommend that the net retained profit of € 10,000,000 for the financial year 2011 be allocated to other retained earnings.

3. Passing of a resolution on the formal approval of the members of the Management Board for the 2011 financial year

The Management and Supervisory Boards propose that formal approval be granted, for the 2011 financial year, for the members of the Management Board who were in office during that period.

4. Passing of a resolution on the formal approval of the members of the Supervisory Board for the 2011 financial year

The Management Board and the Supervisory Board propose that formal approval be granted, for the 2011 financial year, for the members of the Supervisory Board who were in office during that period.

5. Appointment of External Auditors

Based on the recommendation of the Accounts and Audit Committee, the Supervisory Board proposes that auditors PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Frankfurt/Main, be appointed as the external auditors for the 2012 financial year, and as the external auditors for the review of the condensed financial statements and the interim management report as at 30 June 2012.

6. Passing of a resolution on the cancellation of the existing Authorised Capital and creation of new Authorised Capital, and on the amendment of Article 5 (4) of the Company's Memorandum and Articles of Association

The 2010 Authorised Capital in the amount of € 64,132,500 was used during the previous financial year and currently accounts for € 12,826,314 (Article 5 (4) of the Company's Memorandum and Articles of Association). In order to safeguard flexibility through further capital measures by the Management Board, the Authorised Capital shall be increased to meet the limitations prescribed by applicable law. For this purpose, the existing authorisation shall be replaced by new Authorised Capital covering an amount of € 89,785,830 with a term until 22 May 2017, having essentially the same terms and conditions. In line with the existing Authorised Capital, the new Authorised Capital is to be used for capital increases against contributions in cash or in kind. It is proposed that any exclusion of shareholders' subscription rights, in the event of said authorisation being exercised, be restricted to a total of 20 per cent (20 %) of the Company's registered share capital.

The Management and Supervisory Boards propose the following resolutions:

- I. The current Authorised Capital pursuant to Article 5 (4) of the Company's Memorandum and Articles

of Association shall be cancelled at the time the new 2012 Authorised Capital pursuant to paragraphs 2 to 4 hereinafter enters into effect by way of entry in the Commercial Register of the revised version of Article 5 (4).

2. The Management Board shall be authorised to increase, on one or more occasions, the Company's registered share capital by up to a maximum total amount of € 89,785,830 (Authorised Capital 2012) 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 22 May 2017.

Shareholders shall generally be granted a subscription right. The statutory subscription rights may be granted in such a way that the new shares are subscribed by one or more banks, subject to the obligation of offering these to the shareholders for subscription (a so-called "indirect subscription right"). However, subject to approval by the Supervisory Board, the Management Board may exclude shareholders' subscription rights in the following cases:

- a. in the event of a capital increase against cash contributions, provided that the issue price of the new shares is not significantly below the prevailing stock exchange price of the Company's listed shares at the time of the final determination of the issue price. However, this authorisation shall be subject to the proviso that the aggregate value of shares sold to the exclusion of shareholders' subscription rights, in accordance with section 186 (3) sentence 4 of the AktG, shall not exceed ten per cent (10 %) of the registered share capital at the time said authorisation comes into effect or – in case such amount is lower – is exercised. Any shares that were issued or sold during the term and prior to the exercising of said authorisation, in direct or analogous application of section 186 (3) sentence 4 of the AktG, shall count towards the above threshold of ten per cent (10 %) of the registered share capital. Said ten-per-cent threshold shall also include shares, the issuance of which is required under the terms of debt securities with embedded conversion or option rights on shares issued pursuant to section 186 (3) sentence 4 of the AktG

(excluding shareholders' subscription rights), which were (or may be) issued during the validity of this authorisation;

- b. for fractional amounts arising from the determination of the applicable subscription ratio;
- c. where this is necessary to grant subscription rights to the holders of bonds with warrants or convertible bonds issued (or to be issued) by the Company or its affiliated companies, which subscription rights are required to entitle these holders to the same extent as they would have been entitled to upon exercising their conversion or option rights or upon performance of a conversion obligation, if any, thus protecting such holders against dilution;
- d. up to an amount of € 4,000,000 in order to offer employees (of the Company or its affiliated companies) shares for subscription;
- e. in the event of capital increases against contributions in kind.

The aggregate value of shares issued – to the exclusion of shareholders' subscription rights – shall not exceed twenty per cent (20 %) of the registered share capital at the time said authorisation comes into effect or – in case such amount is lower – is exercised.

3. The Management Board is authorised to determine any further details of the capital increase and its implementation, subject to the Supervisory Board's approval.
4. Article 5 (4) of the Memorandum and Articles of Association shall be amended to read as follows (cancelling its former version):

"The Management Board is authorised to increase, on one or more occasions, the Company's registered share capital by up to a maximum total amount of € 89,785,830 (Authorised Capital 2012) 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 22 May 2017.

Shareholders shall generally be granted a subscription right. The statutory subscription rights may be granted in such a way that the new shares are subscribed by one or more banks, subject to the obligation of offering these to the shareholders for subscription (so-called "indirect subscription right"). However, subject to approval by the Supervisory Board, the Management Board may exclude shareholders' subscription rights in the following cases:

- a. in the event of a capital increase against cash contributions, provided that the issue price of the new shares is not significantly below the prevailing stock exchange price of the Company's listed shares at the time of the final determination of the issue price. However, this authorisation shall be subject to the proviso that the aggregate value of shares sold to the exclusion of shareholders' subscription rights, in accordance with section 186 (3) sentence 4 of the AktG, shall not exceed ten per cent (10 %) of the registered share capital at the time said authorisation comes into effect or – in case such amount is lower – is exercised. Any shares that were issued or sold during the term and prior to the exercising of said authorisation, in direct or analogous application of section 186 (3) sentence 4 of the AktG, shall count towards the above threshold of ten per cent (10 %) of the registered share capital. Said ten-per-cent threshold shall also include shares the issuance of which is required under the terms of debt securities with embedded conversion or option rights on shares issued pursuant to section 186 (3) sentence 4 of the AktG (excluding shareholders' subscription rights), which were (or may be) issued during the validity of this authorisation;
- b. for fractional amounts arising from the determination of the applicable subscription ratio;
- c. where this is necessary to grant subscription rights to the holders of bonds with warrants or convertible bonds issued (or to be issued) by the Company or its affiliated companies, which subscription rights are required to entitle these holders to the same extent as they would have been entitled to upon exercising their conversion or option rights or upon performance

of a conversion obligation, if any, thus protecting such holders against dilution;

- d. up to an amount of € 4 million in order to offer employees (of the Company or its affiliated companies) shares for subscription;
- e. in the event of capital increases against contributions in kind.

The Management Board is authorised to determine any further details of the capital increase and its implementation, subject to the Supervisory Board's approval."

7. Approval of Management Board's remuneration system

The German Act on the Appropriateness of Management Board Remuneration (VorstAG) (31 July 2009) introduced the possibility of having the Management Board's remuneration system approved by the Annual General Meeting (section 120 (4) of the AktG). It is intended to make use of this option.

In December 2011, against the background of regulatory requirements, the Supervisory Board approved a new remuneration system for members of the Management Board with effect from 1 January 2012. The new remuneration system to which the proposed resolution under this agenda item refers, is described in detail in the remuneration report in accordance with the German Ordinance on Remuneration in Financial Institutions (Instituts-Vergütungsverordnung). This report is accessible on the Company's website (www.aareal-bank.com) from the time of convening the Annual General Meeting. It will also be available for inspection by shareholders at the Company's offices (Paulinenstrasse 15, 65189 Wiesbaden, Germany) as well as at the Annual General Meeting from the day on which the Annual General Meeting is convened and will be sent, upon request, to every shareholder, without delay and free of charge.

The Management and Supervisory Boards propose that the system for the remuneration of the Management Board members in force since 1 January 2012 be approved.

8. Passing of a resolution on the amendment of the Memorandum and Articles of Association to allow for postal votes

The German Act Implementing the Shareholders' Rights Directive (ARUG) with effect from 30 July 2009 amended the provisions of the AktG regarding the casting of votes, among other things. Section 118 (2) of the AktG now allows for absentee votes, i.e. exercising voting rights for shareholders without personally attending the Annual General Meeting or attending through a proxy. After first positive experiences were gained with the new way of exercising voting rights by postal votes, the Company's Memorandum and Articles of Association are to be amended in order to enable the Management Board to make use of this option.

The Management and Supervisory Boards propose the following amendment of the Memorandum and Articles of Association:

Following Article 16 (2) of the Memorandum and Articles of Association, paragraph (3) shall be inserted as follows:

"(3) The Management Board may grant the shareholders the possibility of casting their votes in writing or by electronic communication (postal vote) without personally attending the Annual General Meeting or attending through a proxy. The Management Board may also define specific procedures to be observed in case a shareholder exercises absentee votes. When exercising this authorisation, the Management Board will provide detailed information in the notice convening the Annual General Meeting."

Report of the Management Board to the Annual General Meeting regarding the authorisation and the exclusion of pre-emptive rights proposed under agenda item No. 6 in accordance with section 203 (2) sentence 2 in conjunction with section 186 (4) sentence 2 of the AktG

In accordance with section 203 (2) in conjunction with section 186 (4) sentence 2 of the AktG, the Management Board has submitted a written report regarding agenda item No. 6 on the reasons for the exclusion of

subscription rights and the proposed issue price. The report is hereby published as follows:

The 2010 Authorised Capital pursuant to the resolution dated 19 May 2010 adopted by the Annual General Meeting in the amount of € 64,132,500 was used during the previous financial year and currently accounts for € 12,826,314 (Article 5 (4) of the Company's Memorandum and Articles of Association). In order to safeguard flexibility through further capital measures by the Management Board, the Authorised Capital shall be increased up to the limitation prescribed by applicable law. It is intended that the existing authorisation be replaced by a new authorisation covering an amount of € 89,785,830 ("Authorised Capital 2012").

The Management and Supervisory Boards propose to the Annual General Meeting that new Authorised Capital be created, having essentially the same terms and conditions as the existing Authorised Capital. As with the existing authorisation –, the new 2012 Authorised Capital shall – be used for capital increases against contributions in cash or in kind.

In the case of utilisation of the new Authorised Capital 2012, shareholders in principle have a subscription right. The shares may also be subscribed by one or more banks, subject to the obligation of offering these to the shareholders for subscription (so-called "indirect subscription right"). However, subscription rights may be excluded where this is in the interest of the Company in the following cases.

The proposed authorisation will enable the Management Board to exclude shareholders' pre-emptive subscription rights in the event of a capital increase against cash contributions, subject to approval by the Supervisory Board and provided that the issue price is not significantly lower than the prevailing market price of the Company's shares already listed at a stock exchange at the time of the final determination of the issue price. Section 203 (1) and 2 and section 186 (3) sentence 4 of the AktG specifically provide for the possibility of excluding subscription rights. This enables the management to take advantage of favourable opportunities on the stock market whenever they arise and to react quickly to price developments on the market, thereby achieving a high issue price and thus the optimisation of own funds. Moreover, the exclusion of subscription rights is designed to facilitate a placement close to prevailing market price levels, without

the issuing discount commonly applied to a rights issue. The amount to be authorised will not exceed the statutory limit of ten per cent (10 %) of the registered share capital. Where, in connection with an increase in registered share capital, the Company makes use of the possibility of excluding subscription rights, the management will minimise any discounts from the issue price in relation to the market price and is expected to limit any such discounts to five per cent (5 %) as a maximum. This will ensure that any economic dilution of shareholdings will be kept to a minimum. In the event of subscription rights being excluded when issuing new shares against cash contributions close to the prevailing market price, the capital increase must not exceed ten per cent (10 %) of the share capital outstanding at the time of the authorisation entering into effect or – if this value is lower – at the time of exercising the authorisation. Given the existence of a liquid market and the amount of freely floating shares, this ensures that shareholders would be able to purchase shares on the stock exchange at similar prices, effectively protecting their shareholding against dilution.

The threshold of ten per cent (10 %) of the issued share capital mentioned above also includes any shares that were issued or sold during the term and prior to the exercising of this authorisation, in direct or analogous application of section 186 (3) sentence 4 of the AktG, and by virtue of other authorisations granted to the Management Board for the issue or sale of shares. Said ten-per-cent threshold shall particularly include shares the issuance of which is required under the terms of debt securities with embedded conversion or option rights on shares issued pursuant to section 186 (3) sentence 4 of the AktG (excluding shareholders' subscription rights), which were (or may be) issued during the validity of this authorisation. This ensures that no treasury shares are sold (excluding shareholders' subscription rights) in accordance with section 186 (3) sentence 4 of the AktG where this could result in shareholders' subscription rights being excluded for a total of more than ten per cent (10 %) of the registered share capital in direct or analogous application of section 186 (3) sentence 4 of the AktG for no specific justifiable reason. The proposed authorisation therefore ensures that shareholders' financial and voting interests are appropriately taken into account when exercising Authorised Capital to the exclusion of subscription rights, whilst expanding the Company's flexibility in the interest of all shareholders. The legal concepts embodied in section 186 (3) sentence 4

of the AktG have thus been properly considered and complied with.

Furthermore, the proposed authorisation allows the Management Board to exclude shareholders' subscription rights for fractional amounts (subject to approval by the Supervisory Board). In case of capital increases against contributions in cash, the purpose of this exclusion is to permit the exercising of the authorisation in even amounts in order to facilitate the technical settlement of issuing shares. As freely marketable fractions, the shares excluded from the shareholders' subscription rights will either be sold at the stock exchange or other-wise disposed of on a "best efforts" basis.

Moreover, the proposed authorisation will permit the Management Board to exclude shareholders' subscription rights, subject to approval by the Supervisory Board, where this is necessary to grant subscription rights to the holders of bonds with warrants or convertible bonds issued (or to be issued) by Aareal Bank AG or its affiliated companies, which subscription rights are required to entitle these holders to the same extent as they would have been entitled upon exercising their conversion or option rights, or upon performance of a conversion obligation, if any, thus protecting such holders against dilution. Hence, this exclusion of subscription rights allows the Company, in the event of a capital increase, to offer subscription rights to holders of existing option rights or convertible bonds, in lieu of reducing the relevant exercise or conversion price in line with the terms of issue. The authorisation allows the Company to achieve this objective without having to resort to treasury shares.

A further event that, according to the proposed authorisation, would permit the Management Board to exclude shareholders' subscription rights is the issue of new shares to staff members of Aareal Bank AG or its subsidiaries. As reflected in section 202 (4) of the AktG, the legislative intent is geared towards the issue of employee shares, as this supports the retention of staff by the Company, facilitates the assumption of joint responsibility and helps to maintain a stable workforce. Thus, issuing shares to employees is in the best interest of the Company and its shareholders. The proposed volume of € 4 million has been determined by taking into account the number of eligible staff, expected subscription results and the term of the authorisation. When setting the issue price, a discount

may be granted in line with common practice when issuing employee shares.

Finally, the proposed authorisation allows for the potential exclusion of shareholders' subscription rights in the event of capital increases against contributions in kind. Aareal Bank AG is exposed to competition on a global scale. The bank must be able, at all times, to act quickly and flexibly on both the local and international markets in the best interest of its shareholders. This includes the ability to acquire enterprises, parts thereof or participating interests at short notice, in order to boost the bank's competitive position. Obviously, the acquisition of enterprises (or parts thereof) concerns sizeable entities, where the consideration payable may be very large indeed. Granting the Company's shares as consideration may be in its best interests for the purpose of maintaining an optimum financing mix, in order to avoid tying up liquidity or to match the taxation framework in certain countries. The authorisation to issue shares against contributions in kind, as proposed within the scope of the new Authorised Capital 2012, is in line with the authorisation under the existing types of Authorised Capital. Its purpose is to enable Aareal Bank AG, subject to approval by the Supervisory Board, to offer the Company's shares in order to settle contractual or statutory claims arising from the acquisition of enterprises, or parts thereof, without having to tap into the stock market. The option of using the Company's shares as an "acquisition currency" provides the Company with an edge in the competition for attractive acquisition targets. The issue price, at which the new shares will be issued in this case, depends on the individual circumstances and the timing. In the price determination, the Management and Supervisory Boards will be guided by the Company's interests. At present, there are no concrete plans for using this authorisation. The Management and Supervisory Boards will carefully examine in each individual case whether the exclusion of subscription rights is in the interests of the Company.

When exercising this authorisation, the Management Board will restrict the exclusion of shareholders' preemptive rights to a total of 20 per cent (20 %) of the Company's registered share capital. Accordingly, the aggregate exclusion of shareholders' subscription rights upon exercise of this authorisation must not exceed 20 per cent (20 %) of the registered share capital at the time said authorisation comes into effect or – in case such amount is lower – is exercised.

The proposed term of the 2012 Authorised Capital (until 22 May 2017) is in accordance with the limitations prescribed by applicable law.

Where these authorisations are utilised, the Management Board will report on this at the next Annual General Meeting.

The report of the Management Board regarding agenda item No. 6 on the reasons for the authorisations provided thereunder for the exclusion of shareholders' subscription rights will be available for inspection by shareholders at the Company's offices (Paulinenstrasse 15, 65189 Wiesbaden) from the day on which the Annual General Meeting is convened. The report will also be available at the Annual General Meeting. Upon request, said report will be sent to every shareholder, without delay, free of charge. The report is also available on the internet on <http://www.aareal-bank.com>

Company website and documents available for download

The invitation to the Annual General Meeting, the documents to be made available to the Annual General Meeting as well as further information in connection with the Annual General Meeting, will be available on the Company's website at <http://www.aareal-bank.com> as from the time the Annual General Meeting has been convened.

Any counter-proposals, nominations or requests for amendments by shareholders that are received by the Company will also be made available via the above website. After the Annual General Meeting, the voting results will also be published on the same website.

The documents to be provided will be available for inspection by shareholders at Aareal Bank AG's offices (Paulinenstrasse 15, 65189 Wiesbaden) from the day on which the Annual General Meeting is convened, and will also be available at the Annual General Meeting on 23 May 2012. Upon request, these documents will be sent to shareholders, without delay and free of charge.

Total number of shares and voting rights

At the time of convening the Annual General Meeting, the Company's share capital amounts to € 179,571,663 and is divided into 59,857,221 no-par value bearer shares. Each share carries one vote at a General Meeting. Therefore, at the time of convening the Annual General Meeting, the total number of voting rights amounts to 59,857,221. At the time of convening the Annual General Meeting, the Company does not hold any treasury shares.

Preconditions for the right to take part in the Annual General Meeting and the right to vote

Those shareholders who register with the Company for this purpose prior to the Annual General Meeting and provide the Company with evidence of their shareholding issued by their custodian institution are entitled to attend and to vote at the Annual General Meeting. Registration to attend and evidence of the shareholding must be submitted to the Company no later than **16 May 2012 (24:00 hours [CEST])** at the following address:

Aareal Bank AG
c/o Computershare HV-Services AG
Prannerstrasse 8
80333 Munich, Germany
Fax: +49 89 30903 74675
E-mail: anmeldestelle@computershare.de

Registration and evidence of shareholding must be supplied in written form (as defined in section 126b of the German Civil Code ("BGB")). Evidence of shareholding must be supplied in either German or English, and refer to **2 May 2012 (00:00 hours [CEST])**, the record date for submission of proof.

Only those shareholders who have provided proof of their shareholdings will be deemed a shareholder of the Company for the purposes of attending the Annual General Meeting and exercising their voting rights. The Company shall be entitled to demand suitable additional evidence in the case of doubt regarding the correctness or authenticity of the proof submitted. Where no such evidence is provided, or evidence is not provided in an appropriate form, the Company may deny the shareholder attendance to the meeting.

Importance of the record date

The right to attend and the extent of voting rights depend solely on the shareholding in existence as at the record date for submission of proof (the "Record Date"). However, this Record Date does not in any way restrict the disposability of shareholdings. Even where shareholdings are sold, in whole or in part, after the Record Date, attendance and extent of voting rights will be based solely on the shareholding of the relevant shareholder on the Record Date. This means that the disposal of shares after the Record Date does not in any way affect the right to attend or the extent of voting rights. The same applies to the initial or further acquisition of shares after the Record Date. Anyone who does not own Company shares at the Record Date, but only becomes a shareholder of the Company afterwards, may only attend and vote at the Annual General Meeting (and shareholders who acquire further shares after the Record Date are only entitled to vote for such additional shares) to the extent that they have been authorised to act as a proxy. The Record Date has no importance for the bearing on dividend rights. Following receipt of registration and proof of shareholding by the Company, admission tickets for the Annual General Meeting will be forwarded to the shareholders. To ensure timely receipt of the admission ticket, shareholders should request them from their custodian bank at their earliest convenience.

Voting procedure/voting by proxy

Shareholders can exercise their vote through an authorised proxy, which may be a credit institution, a shareholders' association or a voting proxy nominated by the Company, or another third party. However, even when acting through a proxy, shareholders must register their attendance and submit specific evidence of their shareholdings by the prescribed deadline. If a shareholder appoints several persons as proxies, the Company is entitled to reject one or several of these proxies.

The granting of a voting proxy, its revocation and the submission of proof thereto vis-à-vis the Company, require written form as defined in section 126b of the German Civil Code (BGB). In case a credit institution, a shareholders' association or any other individual or entity of equivalent standing under section 135 (8) and (10) of the AktG shall be authorised to act as a proxy, section 134 (3) sentence 3 of the AktG as well

as the provisions in the Company's Memorandum and Articles of Association do not require written form as defined in section 126b of the German Civil Code (BGB). It should be noted, however, that the individual, entity or institution to be authorised may request that they be issued with a specific form of proxy in these cases, as section 135 of the AktG requires them to record any proxy in a verifiable manner. If you wish to authorise a credit institution, a shareholders' association or any other individual or entity of equivalent standing under section 135 (8) and (10) of the AktG to act as a proxy, you should check with them as to what kind of proxy they require.

The granting of the voting proxy may be effected vis-à-vis the proxy or the Company.

Proof of proxy authorisation may be provided by the proxy handing over proof of the proxy (e.g. the original proxy document, or a copy thereof) at the entrance to the General Meeting. When forwarding proof of proxy by regular mail or fax, shareholders or shareholder representatives should use the registration address provided above. Alternatively, where proof is forwarded electronically, the Company would require the proof of proxy to be e-mailed to Aarealbank-HV2012@computershare.de. The options of transfer are also available where it is intended to grant a proxy to the Company; in this case, separate proof of proxy will not be required. Similarly, the Company may also be notified of the revocation of an existing proxy via one of the above transfer channels. Proof of proxy authorisation granted during the Annual General Meeting may be provided by the shareholder handing over proof of the proxy at the exit from the Annual General Meeting.

Shareholders wishing to appoint a proxy should use the proxy form provided by the Company for this purpose. This form will be forwarded to duly registered persons together with the admission ticket and can be requested from the above registration address, either by regular mail, fax or e-mail. In addition, proxy forms may be downloaded from the Company's website on <http://www.aareal-bank.com>.

The granting of a proxy is also possible via electronic communication, using the Company's internet-based proxy system. Specific details regarding this proxy system are available for shareholders at the Company's website on <http://www.aareal-bank.com>.

Where a proxy is granted, proof of such proxy provided, or a proxy revoked by way of a declaration made vis-à-vis the Company by regular mail or by fax, the Company must receive such declaration no later than by **18:00 hours [CEST] on 22 May 2012**, for organisational reasons. Transmission of such declaration by e-mail, as well as the granting of a proxy via the Company's internet-based proxy system will also be possible on the day of the Annual General Meeting, as will be the presentation of such proxy form at the entrance.

For shareholders who have duly registered, the Company offers the option of being represented by Company representatives bound by the relevant shareholder's instructions. For this purpose, the granting of a voting proxy, its revocation and the submission of proof thereto vis-à-vis the Company, also require written form as defined in section 126b of the German Civil Code (BGB).

To authorise the proxy, shareholders can use the form that is sent out together with the admission ticket. Along with the proxy document, the proxies nominated by the Company also require voting instructions. Voting proxies are obliged to vote in accordance with instructions given to them; they cannot exercise voting rights at their discretion. Where the meeting votes on a topic, for which you did not give express instructions, your voting proxy will abstain from voting. Shareholders who wish to authorise voting proxies appointed by the Company, must forward the proxy forms plus instructions no later than **22 May 2012 (18:00 hours [CEST])** to the aforementioned registration address, either by regular mail or fax or e-mail them to Aarealbank-HV2012@computershare.de, to facilitate ease of organisation.

Authorising the voting proxies nominated by the Company is also possible using the Company's internet-based proxy system, as mentioned above, until **22 May 2012 (18:00 hours [CEST])**. Specific details on how to authorise the voting proxies nominated by the Company, using this proxy system, are available for shareholders on the Company's website <http://www.aareal-bank.com>.

Moreover, shareholders who attend the Annual General Meeting but have to leave the meeting prior to voting, will, upon leaving the Annual General Meeting, have the option of authorising a voting proxy nominated

by the Company, by using another form provided by the Company for this purpose and instructing this proxy accordingly.

Information on shareholder rights pursuant to sections 122 (2), 126 (1), 127, 131 (1) of the AktG

Requests for amendments to the agenda as per section 122 (2) of the AktG

Shareholders whose combined shareholdings add up to a one twentieth share in the registered share capital, or a proportional amount of shares amounting to € 500,000 (rounded up, this equates to 166,667 shares), may request that certain items be included in the agenda and communicated (section 122 (2) of the AktG). Each new item to be added must be accompanied by an explanation or a proposal. In accordance with section 122 (1) sentence 3, and (2) in conjunction with section 142 (2) sentence 2 of the AktG, applicants must prove that they have been holders of the relevant shares for a minimum of three months prior to the General Meeting (i.e. since 23 February 2012, 00:00 hours [CEST]).

Said application must be addressed, in writing (section 126 of the German Civil Code (BGB)) or in electronic form (qualified electronical signature (section 126a of the German Civil Code (BGB))), to the Management Board of Aareal Bank AG and must be received by the Company no later than **22 April 2012 (24:00 hours [CEST])**, at the following address:

Aareal Bank AG
For the attention of the Management Board
Paulinenstrasse 15
65189 Wiesbaden, Germany
E-mail: HV2012@aareal-bank.com

Amendments to the agenda that require publication (unless they were already communicated at the time of convocation) must be published, without undue delay following receipt of the request, in the electronic Federal Gazette and in such other media that can be assumed to distribute information throughout the entire European Union. In addition, they are also published on the internet at <http://www.aareal-bank.com>, and communicated to the shareholders.

Motions and nominations by shareholders under section 126 (1), section 127 of the AktG

Shareholders may lodge counter-proposals to the proposals submitted by the Management Board or the Supervisory Board regarding agenda items, and submit nominations for the appointment of external auditors. Any such counter-proposals must also state their reasons; nominations for elections do not require any substantiation. Counter-proposals and nominations may only be sent to the following address:

Aareal Bank AG · Corporate Development
Paulinenstrasse 15
65189 Wiesbaden, Germany
Fax: +49 611 348 2965
E-mail: HV2012@aareal-bank.com

Any counter-proposals and nominations received by the Company at the aforementioned address no later than **8 May 2012 (24:00 hours [CEST])** will be made available on the internet at <http://www.aareal-bank.com>, including the shareholder's name and the rationale behind the application. Any management statements will be published on the same website.

Right to disclosure, pursuant to section 131 (1) of the AktG

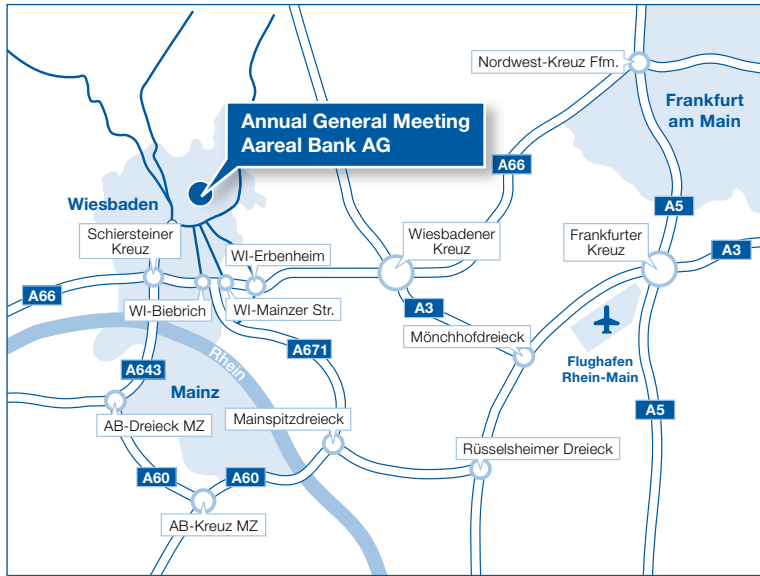
At the Annual General Meeting, every shareholder or shareholder representative may request information from the Management Board regarding the Company's affairs, its legal and business relationships with affiliated companies and the situation of the Group and the companies within the Group's scope of consolidation, provided that such information is necessary to make a reasonable assessment of the relevant agenda item. Disclosure requests at General Meetings must generally be made verbally during the debate.

Further explanations concerning shareholders' rights

Further information on shareholder rights pursuant to sections 122 (2), 126 (1), 127, 131 (1) of the AktG can be viewed on the internet at <http://www.aareal-bank.com>.

Aareal Bank AG
 The Management Board

Wiesbaden, April 2012



Venue of the Annual General Meeting

Kurhaus Wiesbaden
 Kurhausplatz 1 · 65189 Wiesbaden,
 Germany

Map and directions

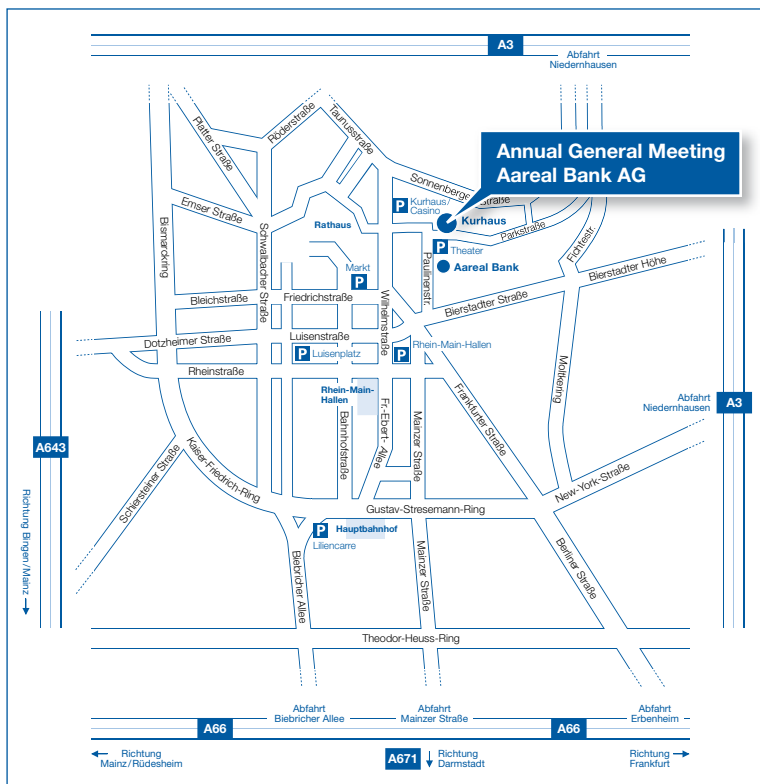
Coming via the A66 motorway from Frankfurt/Wiesbadener Kreuz:

Take the "Wiesbaden-Erbenheim" exit. Head towards Wiesbaden-Sonnenberg via Moltkering, taking the first left to "Stadtmitte/Kurhaus".

Parking facilities (subject to charges) are available at signposted on-street parking spaces (pay & display), and also at the "Theater" and "Kurhaus" car parks.

Using public transport from Wiesbaden main railway station:

Bus (lines 1 and 8) to stops "Friedrichstrasse" or "Theater/Kurhaus"



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