

**3rd Supplement
to the Prospectus**

3rd supplement dated 6 March 2023 (the "**3rd Supplement**") to the base prospectus dated 8 June 2022 (the "**Prospectus**") in relation to the

Aareal Bank AG

Federal Republic of Germany, Wiesbaden

Euro 20,000,000,000

Debt Issuance Programme

(the "**Programme**")

Aareal Bank AG (the "**Issuer**") with its registered office in Wiesbaden, Federal Republic of Germany, is solely responsible for the information given in this 3rd Supplement. The Issuer hereby declares that, having taken all reasonable care to ensure that such is the case, the information contained in this 3rd Supplement is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

SUPPLEMENT TO THE PROSPECTUS

This 3rd Supplement constitutes a supplement to the Prospectus for the purposes of Article 23 (1) of Regulation (EU) 2017/1129 of the European Parliament and the Council of 14 June 2017, as amended (the "**Prospectus Regulation**").

This 3rd Supplement supplements and updates the Prospectus as supplemented by the 1st supplement to the Prospectus dated 16 August 2022 (the "**1st Supplement**") and the 2nd supplement to the Prospectus dated 14 November 2022 (the "**2nd Supplement**") and is to be read in conjunction therewith.

This 3rd Supplement has been approved by the *Commission de Surveillance du Secteur Financier* of the Grand Duchy of Luxembourg (the "**CSSF**") in its capacity as competent authority for the purpose of the Prospectus Regulation.

The Issuer has requested the CSSF to provide the competent authority in the Federal Republic of Germany with a certificate of approval attesting that this 3rd Supplement has been drawn up in accordance with the Prospectus Regulation ("**Notification**"). The Issuer may request the CSSF to provide competent authorities in additional host member states within the European Economic Area with a Notification.

Terms defined in the Prospectus have the same meaning when used in this 3rd Supplement. This 3rd Supplement shall only be distributed in connection with the Prospectus as supplemented by the 1st Supplement and the 2nd Supplement.

Aareal

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SUPPLEMENTAL INFORMATION

The amendments set out below shall be made to the Prospectus:

Changes relating to the section "Aareal Bank AG"

- (a) Under the heading "**Recent Developments**" on page 382 of the Prospectus, the following text shall be added after the last paragraph:

"On 2 March 2023, Aareal Bank has published its preliminary results for the full 2022 financial year.

According to the preliminary, unaudited figures, Aareal Bank Group concluded the 2022 financial year with a consolidated operating profit of EUR 239 million (2021: EUR 155 million), of which EUR 82 million (Q4 2021: EUR 32 million) was attributable to the fourth quarter.

Taking taxes of EUR 86 million into account, consolidated net income was EUR 153 million (2021: EUR 68 million). Consolidated net income allocated to ordinary shareholders amounted to EUR 138 million (2021: EUR 53 million). Earnings per share improved to EUR 2.32 (2021: EUR 0.89).

Net interest income increased by 18 per cent to EUR 702 million in the financial year under review, hence exceeding the previous year's figure (2021: EUR 597 million). In the fourth quarter, net interest income rose by 16 per cent to EUR 188 million (Q4 2021: EUR 162 million).

Net commission income increased by 13 per cent to EUR 277 million (2021: EUR 245 million), largely reflecting the solid sales revenue development at the Aareal Bank's software subsidiary, Aareon. Net commission income rose by 10 per cent. in the fourth quarter to EUR 78 million (Q4 2021: EUR 71 million).

Loss allowance in 2022 totalled EUR 192 million (2021: EUR 133 million), whereby the largest share of this (EUR 134 million) was attributable to Aareal Bank's remaining exposure to Russia. In the fourth quarter, loss allowance was a modest EUR 22 million (Q4 2021: EUR 54 million).

Administrative expenses increased to EUR 571 million (2021: EUR 528 million) reflecting Aareon's growth- and acquisition-related expenses. At Aareal Bank, expenses were kept stable thanks to strict cost discipline, considering transaction costs arising from the takeover offer of Atlantic BidCo GmbH. Administrative expenses in the fourth quarter totalled to EUR 148 million (Q4 2021: EUR 135 million).

The preliminary results for the 2022 financial year have been prepared in accordance with the International Financial Reporting Standards (IFRS), as adopted by the EU and have been compiled and prepared on a basis which is comparable with the historical financial information and consistent with Aareal Bank's accounting policies. However, the consolidated financial statements as at and for the fiscal year ended 31 December 2022 have not been formally drawn up (*aufgestellt*) by the Issuer's Management Board (*Vorstand*). Accordingly, they have also not yet been approved (*gebilligt*) by the Issuer's Supervisory Board (*Aufsichtsrat*) which is, under the German Stock Corporation Act (*Aktiengesetz*), responsible for the audit (*Prüfung*) as well as the approval (*Billigung*) of the Issuer's annual consolidated financial statements. In light of the foregoing, the information included in the Prospectus in relation to the preliminary results of Aareal Bank Group for the 2022 financial year is subject to change, and the Issuer's final annual consolidated financial statements for the 2022 financial year may substantially deviate from the preliminary results for the 2022 financial year.

The final audited results for the 2022 financial year are expected to be published on 30 March 2023."

- (b) The paragraphs under the heading "Supervisory Board" up to, but excluding, the heading "Conflict of interests" on page 383 *et seqq.* of the Prospectus shall be deleted in their entirety and replaced by the following:

The Supervisory Board of the Bank comprises 12 members. According to a co-determination agreement concluded between the Bank and a special negotiation body elected by its employees according to the Act on employee co-determination at cross-border mergers in the EU (*Gesetz über die Mitbestimmung der Arbeitnehmer bei einer grenzüberschreitenden Verschmelzung*), eight members are elected by the shareholders and four members are elected by the employees.

Members of the Supervisory Board are appointed for a term of office not exceeding the period until the end of the next General Shareholders' Meeting that resolves on the formal approval of their actions for the fourth fiscal year following the commencement of their term of office. The financial year in which the term of office begins is not included.

The members of the Supervisory Board are currently as follows:

Name:	Significant Principal Activities outside Aareal Bank AG:
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Prof. Dr. Hermann Wagner, Chairman of the Supervisory Board

German Chartered Accountant and Tax Consultant

- | | |
|--|---|
| <ul style="list-style-type: none"> • PEH Wertpapier AG • capsensixx AG (subsidiary of PEH Wertpapier AG) • Squadra Immobilien GmbH & Co. KGaA | <ul style="list-style-type: none"> Member of the Supervisory Board Member of the Supervisory Board Chairman of the Supervisory Board |
|--|---|

Barbara Antonia Knoflach, Deputy Chairwoman of the Supervisory Board

Former Global Head, BNP Paribas Real Estate Investment Management (REIM) and Deputy CEO, BNP Paribas Real Estate S.A.

- | | |
|--|---|
| <ul style="list-style-type: none"> • Landmarken AG • Swiss Prime Site AG • CTP N.V. | <ul style="list-style-type: none"> Member of the Supervisory Board Member of the Board of Directors (<i>Verwaltungsrat</i>) Chairwoman of the Board of Directors |
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Klaus Novatius(*), Deputy Chairman of the Supervisory Board

Aareal Bank AG

- No significant principal activities outside Aareal Bank

José Sevilla Álvarez

Former Chief Executive Officer, Bankia S.A.

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| <ul style="list-style-type: none"> • Renta 4 Banco S.A. • Teide Ltd. | <ul style="list-style-type: none"> Member of the Board of Directors Member of the Board of Directors |
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Henning Giesecke

Former Chief Risk Officer, UniCredit S.p.A. and UniCredit Bank AG

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| <ul style="list-style-type: none"> • The Social Chain AG • Linde+Wiemann Holding SE • Erste Abwicklungsanstalt AöR | <ul style="list-style-type: none"> Deputy Chairman of the Supervisory Board Deputy Chairman of the Supervisory Board Member of the Board of Directors (<i>Verwaltungsrat</i>) |
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Denis Hall

Former Chief Risk Officer, Global Consumer Banking,
GE Capital EMEA

- Auxmoney Europe Holdings Ltd Member of the Board of Directors
- Moneta Money Bank A.S. Member of the Supervisory Board
- Skipton Building Society Member of the Board of Directors

Thomas Hawel(*)

Aareon Deutschland GmbH

- Aareon Deutschland GmbH Deputy Chairman of the Supervisory Board

Petra Heinemann-Specht(*)

Aareal Bank AG

- No significant principal activities outside Aareal Bank

Jan Lehmann(*)

Aareon Deutschland GmbH

- Aareon Deutschland GmbH Member of the Supervisory Board

Hans-Hermann Lotter

Independent consultant for private equity investments,
mergers, takeovers and restructuring as well as Managing
Director of Atlantic BidCo GmbH

- Hermes Germany GmbH Member of the Supervisory Board
- TK Elevator GmbH Chairman of the Supervisory Board
- Vertical Topco S.à. r.l. Member of the Board of Directors
(*Verwaltungsrat*)

Marika Lulay

Chief Executive Officer and Managing Director, GFT
Technologies SE

- EnBW AG Member of the Supervisory Board
- GFT Technologies SE Member of the Board of Directors
(*Verwaltungsrat*)

Sylvia Seignette

Former CEO for Germany and Austria, Crédit Agricole CIB
(formerly Calyon)

- No significant principal activities outside Aareal Bank

(*) Elected by the employees of Aareal Bank.

GENERAL PROVISIONS

Save as disclosed on pages 1 to 3 of this 3rd Supplement, there has been no other significant new factor, material mistake or material inaccuracy since the publication of the Prospectus, as supplemented by the 1st Supplement and the 2nd Supplement.

To the extent that there is any inconsistency between (a) any statement in this 3rd Supplement and (b) any other statement in or incorporated by reference into the Prospectus as supplemented by the 1st Supplement and the 2nd Supplement, the statement referred to in (a) will prevail.

To the extent permitted by the laws of any relevant jurisdiction neither the Arranger nor any Dealer accepts any responsibility for the accuracy and completeness of the information contained in the Prospectus, as supplemented by this 3rd Supplement.

This 3rd Supplement is also available for viewing in electronic form on the website of the Luxembourg Stock Exchange (www.luxse.com) and on the website of the Issuer (www.aareal-bank.com). Copies of this 3rd Supplement may also be inspected and are available free of charge during normal business hours at the registered office of Aareal Bank AG at Paulinenstrasse 15, 65189 Wiesbaden, Federal Republic of Germany.