

PRESS RELEASE

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AEW and Kintyre acquire German retail asset for opportunistic investment partnership

AEW announces that it has acquired a 9,988sqm mixed use asset in Haldensleben, in the German state of Saxony-Anhalt. The acquisition is the latest transaction on behalf of **AEW's** opportunistic investment partnership with a US investor, which was launched in May 2015 and targets German retail assets valued between €5 and €15mn.

The asset, of which 70% of the surface area relates to retail, is 85% let with a WALT of 3.4 years to tenants including Edeka, Kik and Bundesagentur für Arbeit and produces an annual rental income of €1.2mn. Well located on the high street of Haldensleben's city centre, it offers a range of opportunities to drive value through an active asset management programme, including the letting of void space and the re-gearing of existing leases.

AEW has partnered with local operator and asset manager Kintyre, which specialises in the German retail market, to support the implementation of this strategy, with 10 assets acquired to date for the programme.

Russell Jewell, Head of Private Equity Funds for AEW in Europe commented: "We first established this opportunistic partnership to utilise our European platform to identify relative value for our clients in what are increasingly competitive investment markets, and this most recent acquisition is an endorsement of this strategy. We continue to see good value in this size of transaction, as well as in this sector away from the major German cities. Paired with the potential upside through asset management and Kintyre's local expertise, we believe we can continue to access a range of compelling investment opportunities."

Paul Shiels, Partner at Kintyre added: "This acquisition provides all the attributes we are seeking with this venture, being the dominant value shopping destination in Haldensleben with a diverse tenant line-up. Importantly, the acquisition provides the ability to add value through active asset management."

AEW has completed over 65 value add and opportunistic transactions over the past 6 years with a total value of €3bn.

ABOUT AEW

AEW is one of the world's largest real estate asset managers, with more €60.0bn of assets under management as at 31 December 2016. AEW has over 600 employees, with its main offices located in Boston, London, Paris and Hong Kong and offers a wide range of real estate investment products including comingled funds, separate accounts and securities mandates across the full spectrum of investment strategies. AEW represents the real estate asset management platform of Natixis Global Asset Management, one of the largest asset managers in the world.

As at 31 December 2016, AEW managed €26.0bn of real estate assets in Europe on behalf of a number of funds and separate accounts. AEW has over 350 employees based in 10 offices across Europe and has a long track record of successfully implementing core, value-add and opportunistic investment strategies on behalf of its clients. In the last five years, AEW has invested and divested a total volume of over €17.5bn of real estate across European markets.

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