

PRESS RELEASE

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European transactions exceed €5bn as beds & sheds and office investment drive AEW's growth

The total value of AEW's transactions exceeded €5 billion in 2019 as the firm's global AUM reached €70.2 billion (as at 30 September 2019), €32.3 billion of which is in Europe (31 December 2018: €30.6 billion). More than €4.5 billion of equity was raised across the European platform, a significant proportion of which was allocated to AEW's logistics and residential strategies reflecting the increasing focus on those sub-sectors for the year ahead.

The €5 billion of transactions, which is up from €4 billion in 2018, comprises 224 transactions across 11 European markets, with €2.5 billion of acquisitions and €2.5 billion of disposals. The significant programme of disposals in the year was the result of a number of investments reaching the end of their respective business plans and decisions were taken to crystallise value. Of the investments, almost 25% were value-added or opportunistic transactions, with offices seeing the biggest sector allocation followed by logistics, senior debt, residential and luxury and high footfall retail. The majority of acquisitions were undertaken in France, Germany and Spain, while Finland, Hungary, the UK and, for the first time, Portugal were also targets for investment by AEW in 2019.

Sustainability and responsible investing remains a priority for AEW, which received a personal best score in the UN Principles for Responsible Investment annual assessment (A+ for Strategy & Governance, A for Property) while six of its funds achieved a Green Star rating in GRESB reporting. In addition, in 2019 an employee initiative was established to promote sustainable initiatives across AEW's European offices and the firm worked with the French government to design an SRI (Socially Responsible Investment) label for property funds.

Rob Wilkinson, European CEO said: "While the macro backdrop saw some uncertainty in 2019, it has been another year of growth for AEW. Our activity during the year means we are well positioned going into 2020 to take advantage of market sectors where we see the opportunity to deliver returns. With the low interest rate environment expected to continue, we expect that there will be sustained appetite for real estate investment. We have a healthy pipeline which reflects the areas that we believe offer value,

particularly residential and logistics, where growth is underpinned by attractive demographic fundamentals, and we expect these two sub-sectors to be an increasing focus for our strategies in the coming months.”

AEW’s 2020 European Market Outlook paper can be accessed at www.aew.com/research

ABOUT AEW

AEW is one of the world’s largest real estate asset managers, with €70.2bn of assets under management as at 30 September 2019. AEW has over 700 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 Investment Managers, one of the largest asset managers in the world.

As at 30 September 2019, AEW managed near €32.3bn of real estate assets in Europe on behalf of a number of funds and separate accounts. AEW has over 400 employees based in 9 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 €20bn of real estate across European markets.

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