

## **KGAL Group generates business worth 1.6 billion euros in 2019**

KGAL Group makes international breakthrough within its Real Estate, Infrastructure and Aviation asset classes.

**Grünwald, 12/03/2020 – KGAL Group generated new business volume of approximately 1.6 billion euros in 2019 within its Real Estate, Infrastructure and Aviation asset classes.**

On top of this, the independent investment and asset manager made an international breakthrough by attracting new investors from 13 different countries. The managed investment volume came to 20.2 billion euros.

“We have entered the new decade on the back of an excellent financial year,” remarks Gert Waltenbauer, CEO of KGAL GmbH Co. KG. “Our institutional investors have persuasively expressed their confidence in us with equity commitments of 1.6 billion euros. The milestones we achieved included closing KGAL’s largest renewable energy fund, worth 750 million euros, and adding one billion euros of equity to a client account.” He adds that the plan for 2020 is to raise a billion euros in equity and to make investments amounting to 2.2 billion euros.

### **Real Estate: entering the Czech market – retail business picking up speed**

In 2019, the Real Estate asset class executed transactions involving 24 properties worth one billion euros and acquired its first property in the Czech Republic. This means that the investment management company is now actively invested in eight European countries. The letting rate across its entire portfolio rose to 99.4 percent, while the managed investment volume of this asset class stands at 7 billion euros.

KGAL immoSUBSTANZ, the open-ended mutual real estate fund launched just over a year ago, drew its first, shortened, financial year (up to 31 October 2019) to a successful close. At the end of the year, the fund achieved a BVI yield of 3.8 percent, a figure well above the market average (3.2 percent).

### **Infrastructure – KGAL ESPF 4 breaks all company records**

The 2019 financial year saw the Infrastructure asset class successfully close what was the largest renewable energy fund to date, with 750 million euros of equity commitments and the company’s first Luxembourg-based investment vehicle. KGAL’s ESPF 4 fund boasted investments from 32 investors from 13 countries – a milestone in terms of internationalisation. KGAL has also expanded its asset range

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to include offshore wind power with its equity interest in Veja Mate, Germany's second-largest offshore wind farm with 67 wind turbines and a total capacity of 402 megawatts. The total managed investment volume was around 2.9 billion euros as at the end of 2019.

**Aviation – KGAL aircraft funds on target**

KGAL Group's Aviation asset class held its own in 2019, despite a challenging environment. The performance of the institutional aircraft funds was stable, with a fund for private investors successfully closed.

Ten KGAL aircraft funds are featured in the list of the 15 best-rated aircraft funds published by the investor magazine FOND professionell, including claiming all of the top eight places in the ranking (source: Efonds, 22/04/2019). The Japanese operating leases business set a new record with 1.2 billion euros' worth of arranged transactions for 19 aircraft. The managed investment volume remained unchanged at around two billion euros.

**Private Equity as a fourth asset class**

With KGAL Equity Partners, the subsidiary set up in mid-2019, KGAL is offering institutional customers investments in private equity transactions involving real estate and infrastructure-related companies and rounding off its range of alternative investment options. Even after just a few months, there are plenty of transactions already in the pipeline and the first high-volume closure is imminent.

**KGAL as an employer – mobile working means modern workplaces**

KGAL set up mobile working in 2019, and new work tools and state-of-the-art workspaces designed to meet all the requirements of digitalisation will be made available in the coming weeks. IT and digitalisation are also this year's focal areas for training. The aim is to make the company's 371 employees – of whom more than one in nine has an international background – digitally fit and boost KGAL's competitive edge. Further recruitment is also planned.

KGAL Group is a leading independent investment and asset manager with an investment volume of around 20.2 billion euros. The investments focus on long-term capital investments for institutional and private investors in real estate, infrastructure and aviation. The Group, founded more than 50 years ago, operates across Europe and has its registered office in Grünwald near Munich. Taking into account

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aspects of revenue and risk, 371 employees help achieve stable yields on a sustainable basis (as at 31 December 2019).

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