

## KGAL ESPF 4 closes at €750 million

Renewable energies fund sees KGAL Group expand its international network of investors

**Grünwald, 08/10/2019 – KGAL Investment Management GmbH & Co. KG successfully closed its KGAL ESPF 4 renewable energies fund on 30 September 2019, with equity commitments totalling €750 million. The fund has already allocated €280 million of equity for projects in six countries. KGAL ESPF 4 held its first closing in mid-2017 and acquired its first project in mid-2018.**

Asset manager KGAL had originally intended to close the fund at the end of 2018, with an equity target of €500 million. “Institutional investors’ interest far exceeded our expectations,” says Florian Martin, Managing Director of KGAL Capital GmbH & Co. KG, explaining why the placement period was extended and the hard cap increased to €750 million. A total of 32 institutional investors subscribed as of 30 September 2019. Martin adds: “With almost €600 million of commitments from international institutional investors, our investor base has now expanded significantly.” The fund is able to invest up until mid-2022 and its term ends in 2026; with the possibility of two two-year extensions.

### **€280 million already allocated in six countries, with a well-filled pipeline**

KGAL ESPF 4 invests predominantly in wind, solar and hydroelectric power in Europe. It is also able to invest in additional technologies relating to renewable energy and storage, as well as network infrastructure. KGAL is pursuing a core-plus strategy, which combines greenfield and brownfield investments in a targeted manner. “We benefit from being able to cover the entire value chain on a flexible basis,” explains Michael Ebner, Spokesperson for the Executive Board of KGAL Investment Management, adding that the fund has to date allocated €280 million in equity capital for six projects: two currently in operation, two in construction, and two in project development. This corresponds to a capacity of around 350 megawatts.

Alexander Rietz, Portfolio Manager for KGAL ESPF 4, reports that the fund’s pipeline is very strong: “We have signed exclusivity agreements to secure access to an additional 1,000 megawatts of renewable energy projects in various countries.” It is the fund’s strategy to create a geographically and technologically diverse portfolio with additional diversification dimensions along the value chain. The portfolio also reflects the aim of creating a “hybrid” return structure for the fund, achieving attractive net total returns in conjunction with stable distributions.



**KGAL GMBH & Co. KG**  
 Ursula Schwarz  
 Head of  
 Marketing & Communications

Tölzer Str. 15  
 82031 Grünwald  
 Germany

T +49 89 64143-533  
 M +49 172 839 1642

ursula.schwarz@kgal.de  
 www.kgal.de  
 www.kgal-group.com

### **Investors from 13 European and Asian countries**

KGAL has significantly expanded its international network of investors. “We are proud of the fact that we have brought on board a total of 32 institutional investors from 13 countries, including many “blue chip” investors,” explains Senior Sales Director Tim van den Brande. Around a quarter of the investors are based in Germany and three quarters are from elsewhere, with Dutch and French investors particularly strongly represented.

KGAL Group is a leading independent investment and asset manager with an investment volume of around €20.5 billion. The investment focus is 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 aspects of revenue and risk, 355 employees help achieve stable yields on a sustainable basis. (As at 31 December 2018)



**KGAL GMBH & Co. KG**  
Ursula Schwarz  
Head of  
Marketing & Communications

Tölzer Str. 15  
82031 Grünwald  
Germany

T +49 89 64143-533  
M +49 172 839 1642

ursula.schwarz@kgal.de  
www.kgal.de  
www.kgal-group.com