

KGAL sells solar power plants in Spain

Active portfolio management ensures return

Grünwald, 06.08.2019 – KGAL GmbH & Co. KG is to sell five photovoltaic plants in Spain by the end of the year. KGAL successfully implemented a structured sales process in order to take advantage of the currently optimal market environment and high demand on behalf of its investors.

KGAL acquired five solar farms in the autonomous province of Castilla la Mancha between 2007 and 2011 for several mutual funds (Infra Class Energy 3, 4 and 5). Two solar farms, each with a nominal capacity of five megawatts, were sold to a Spanish fund in July 2019. The transfer of ownership of three further parks, with a total nominal capacity of 31 megawatts, to the same investor is planned for the fourth quarter of 2019.

At the end of 2011, the Spanish government decided to retroactively reduce the feed-in tariffs. Thus, the originally planned revenue could not be achieved. “The sale enabled us to secure an attractive return for investors,” explains Michael Ebner, Managing Director of Infrastructure at KGAL Investment Management GmbH & Co. KG. He went on to say that this was accomplished thanks to active asset management and optimally timed sale, even despite the severe cuts in feed-in tariffs.

Regardless of this sale, KGAL intends to continue to grow and become the market leader for investments in renewable energy assets in selected countries. In photovoltaics, the company is focused on the sunniest countries, Portugal, Italy and Spain, and on wind and hydro power in Scandinavia.

The KGAL Group is a leading independent investment and asset manager with an investment volume of €20.5 billion. The investments focus on long-term capital investments for institutional and private investors in the real estate, infrastructure and aviation asset classes. 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 return and risk, 355 employees help achieve stable yields on a sustainable basis. (As at 31/12/2018)



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