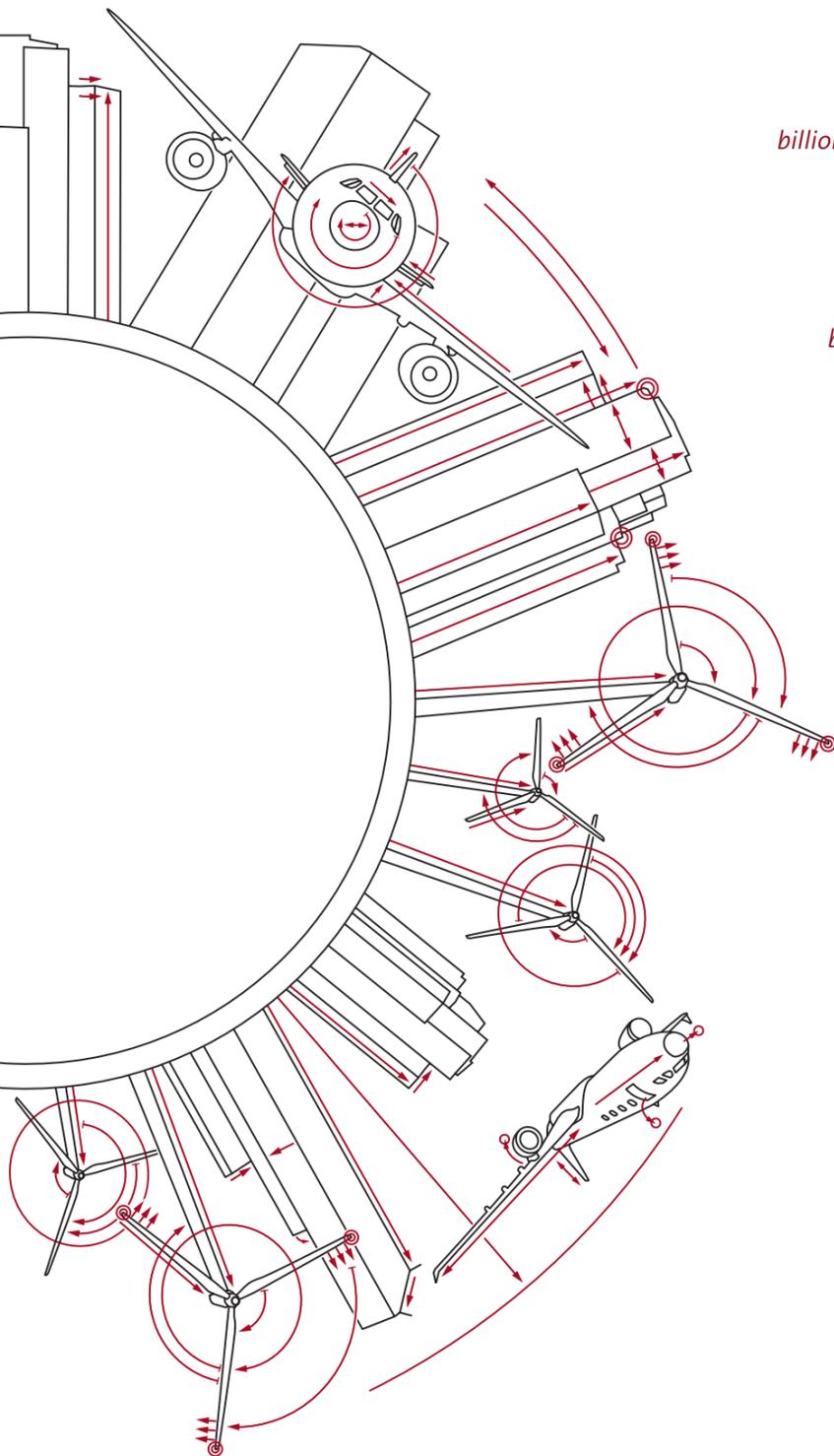


REAL ASSETS

REAL ESTATE | INFRASTRUCTURE | AVIATION

KEY FIGURES* OVERVIEW



20.5
billion euros of managed investment volume

11.56
*billion euros of total investment volume
(for all funds)*

100
million euros of KGAL equity

81
closed-ended funds

355
employees (group)

8.45
billion euros of equity (for all funds)

72,000
investors (incl. multiple subscriptions)

*As at: 31.12.2018

FOREWORD



GERT WALTENBAUER
CHAIRMAN OF THE BOARD OF
MANAGING DIRECTORS (CEO),
KGAL GMBH & CO. KG

KGAL is back. Surprised? That's fair enough, given that we never went away! On the contrary in fact, as in 2018 – another successful year for us – we actually celebrated our 50th birthday. Throughout the anniversary celebrations, I was keen to emphasise that half a century of KGAL is less an occasion for looking back than the perfect moment for looking forward, to the future. We want to enable our customers to be successful in capital investments, in new markets, and with advanced tools.

We have comprehensive expertise in Real Estate, Infrastructure and Aviation, and where once these benefits were offered exclusively to institutional investors, we are delighted to now work with private investors as well. Our new online platform physibile is also live, and private investors can already use it to subscribe to the first available product: the physibile Enterprise I 18/23 bond issue. KGAL's new open-ended real estate, immoSUBSTANZ, also has shares available for immediate purchase. The intention with this product is that we support savers on their path to becoming investors; whereas fixed-interest investments make little contribution to capital preservation and value growth in a persistent low-interest environment, we believe that investors can utilise the positive development of international real estate markets to achieve long-term wealth accumulation with our open-ended property fund.

We are on course for growth in our key markets and sectors. In an exciting development, our sales company, KGAL Capital, was granted approval in February 2019 by the British Financial Conduct Authority (FCA) to operate a fully regulated branch in London. We will have a team of four employees based there, driving forward the internationalisation of our business. The new team will supplement the 355 personnel that KGAL Group currently employs, of whom more than 10 % already have an international background.

CONTENT

KEY FIGURES OVERVIEW	2
FOREWORD	3
KGAL GROUP	4
SALES AND CAPITAL MANAGEMENT	5
SUBSIDIARIES AND HOLDINGS	6
STRENGTHS	6
INTEGRATED FUND MANAGEMENT	7
MEGA TRENDS IN THE EXPANDING MARKET	7
ASSET CLASSES	8
REFERENCES FROM OUR FUNDS	9
MILESTONES OF COMPANY DEVELOPMENT	10

KGAL GROUP

KGAL Group is a leading independent investment and asset manager with an investment volume of 20.5 billion euros, across 72,000 investors. The Group, founded in 1968, operates across Europe and has its registered office in Grünwald near Munich, Germany. It focuses on long-term capital investments for institutional investors in the real estate, infrastructure and aviation asset classes. 355 employees contribute to achieve earnings that are stable in the long term, taking into account aspects of risk and return.

(As at: 31 December 2018)

THE MANAGEMENT OF KGAL GMBH & CO. KG



The Board of Managing Directors is responsible for the strategic control and leadership of the entire KGAL Group.



GERT WALTENBAUER
CHAIRMAN

Gert Waltenbauer is Chief Executive Officer (CEO) and is responsible for Human Resources, Marketing & Communications, Audit, General Counsel and Compliance/Anti-Money Laundering. He joined KGAL Group in 1993.



DR. THOMAS SCHRÖER
CHIEF FINANCIAL OFFICER

Dr Thomas Schröder is Chief Financial Officer (CFO). In this role, he is responsible for all financial topics at KGAL Group, including the areas of Financial Controlling, Treasury, Group Accounting, Accounting, IT & Corporate Services and Taxes. He joined KGAL Group in 1999.



DR. KLAUS WOLF
CHIEF INVESTMENT OFFICER

As Chief Investment Officer (CIO), Dr Klaus Wolf is responsible for the areas of Legal, Structured Finance and Structuring. He joined KGAL Group in 1992.

SALES AND CAPITAL MANAGEMENT

KGAL INVESTMENT MANAGEMENT GMBH & CO. KG

KGAL Investment Management is a regulated capital management company and full subsidiary of KGAL GmbH & Co. KG. It acts as the investment manager for new funds in the asset areas of real estate, infrastructure and aviation.



MICHAEL EBNER
MANAGING DIRECTOR (SPEAKER)
ASSET CLASS INFRASTRUCTURE

Michael Ebner is Speaker of the Board of Managing Directors and responsible for Infrastructure and Human Resources.



DR MARTIN BARANOWSKI
MANAGING DIRECTOR RISK
MANAGEMENT

Dr Martin Baranowski is member of the Board of Managing Directors and responsible for Risk Management, Fund Controlling, Outsourcing, Auditing, Law and Compliance.



JOCHEN HÖRGER
MANAGING DIRECTOR ASSET
CLASS AVIATION

Jochen Hörger is member of the Board of Managing Directors and responsible for Aviation and Finance.



ANDRÉ ZÜCKER
MANAGING DIRECTOR ASSET
CLASS REAL ESTATE

André Zücker is member of the Board of Managing Directors and responsible for Real estate, IT and Sales.

KGAL CAPITAL GMBH & CO. KG

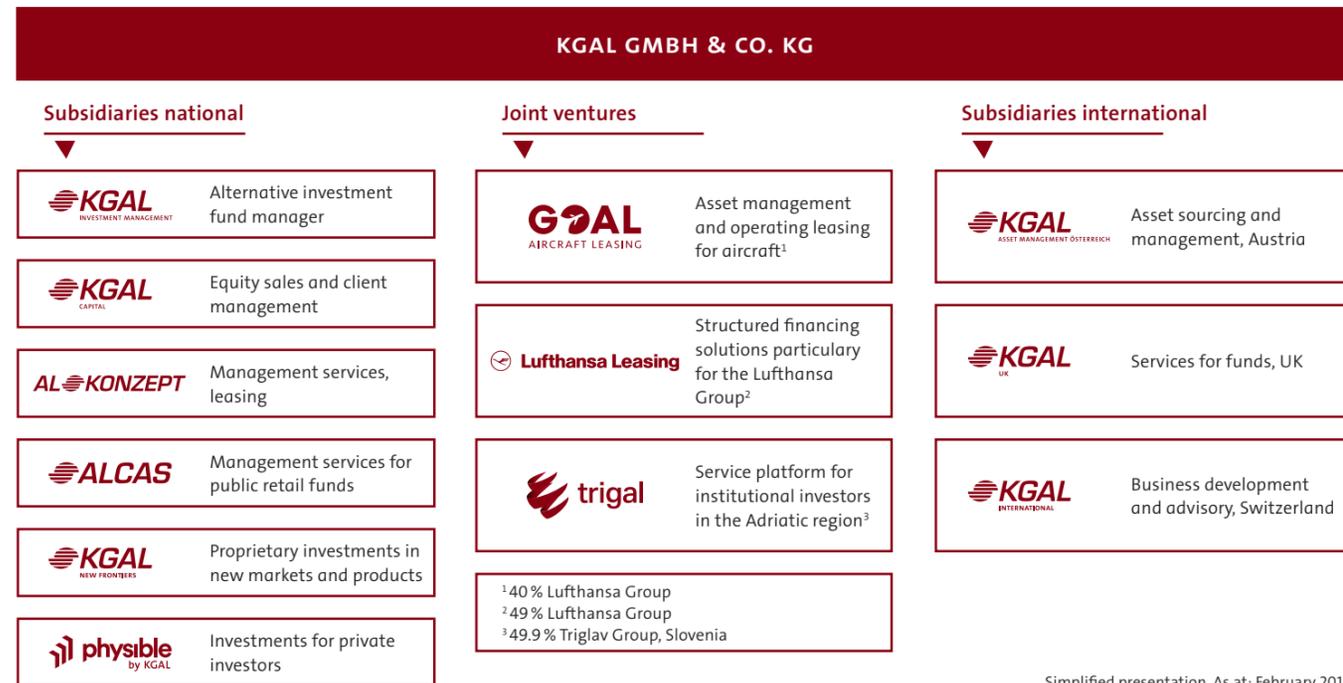
KGAL Capital is also a full subsidiary of KGAL GmbH & Co. KG and responsible for overall relations with professional and semi-professional investors, both in Germany and abroad.



FLORIAN MARTIN
MANAGING DIRECTOR

Florian Martin is Managing Director and responsible for the business with institutional and private customers. He is also responsible for the areas of finance, compliance, strategy and human resources.

SUBSIDIARIES AND HOLDINGS



Simplified presentation. As at: February 2019

STRENGTHS

CLEAR FOCUS ON CORE BUSINESS



KGAL has established itself as a leading, bank-independent European asset manager in the real asset sector. Its focus is on individual, tailored investment solutions. The fund's compliance with INREV guidelines ensures international acceptance.

WIDE-RANGING, FUTURE-ORIENTED INVESTMENT SPECTRUM



The product portfolio of KGAL comprises investments from the equity, debt, core, core+, value added and opportunistic segments. As a pioneer with innovative investment solutions for institutional investors, KGAL opens up future-oriented investment markets.

SUSTAINED PERFORMANCE COMMITMENT



Fund Management pursues the goal of performance with substance, i.e. achieving attractive and sustainable returns even in a volatile environment. For 50 years, this has made us an attractive and stable partner for our clients.

POWERFUL RESOURCES



KGAL has a full-service platform with significant transaction capacities. Strong partnerships, for example two joint ventures with Lufthansa, ensure market access and create additional acquisition and marketing opportunities.

EXTENSIVE COMMITMENT TO SUSTAINABILITY



KGAL takes into account mega trends such as climate change, mobility and urbanisation with its investment behaviour, thus contributing to sustainable development. Social commitment is deeply rooted in the company's values.

INTEGRATED FUND MANAGEMENT

The quality of KGAL funds is based on the experience of in-house experts. They professionally assess risks and appreciation potential, and actively and continuously supervise the tangible assets throughout the life of the fund – from acquisition to marketing.

The KGAL asset classes are clearly divided into the areas of transaction management, portfolio management, risk management and asset management. Portfolio management assumes full responsibility for the investments.

1 TRANSACTION MANAGEMENT

- Continuous market presence and monitoring
- Purchase and sale of investment properties
- Ensuring access to relevant markets
- Implementation of individual transactions

1 TRANSACTION MANAGEMENT

3 RISK MANAGEMENT

- On-going identification, measurement, control and reporting of relevant risks
- Regular monitoring of key parameters at market, fund and investment levels
- Development of recommended actions

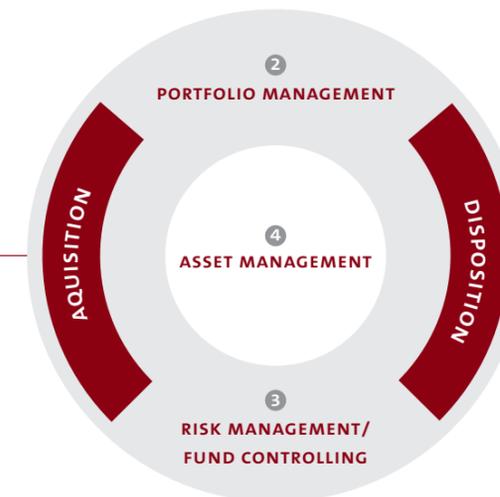
2 PORTFOLIO MANAGEMENT

- Clear strategic specifications for funds
- Monitoring compliance with targets
- Research and reaction to market changes
- Active composition of the portfolio

1 TRANSACTION MANAGEMENT

4 ASSET MANAGEMENT

- Technical responsibility for professional management as well as performance at property level
- Implementation of efficient measures to maintain performance



MEGA TRENDS IN THE EXPANDING MARKET

GLOBAL AND LASTING REVOLUTIONS IN THE ECONOMY AND SOCIETY

DEMOGRAPHIC CHANGE

- The UN 2030 forecast: approx. 390 million more people over 65 years
- High life expectancy increases the need for personal pension schemes

RECONSTRUCTION OF SOCIAL SYSTEMS

- From contribution-financed to equity-financed pension schemes
- Greater private initiative is required
- Personal savings rates for pension schemes must increase

CLIMATE CHANGE

- Populations in developed national economies have high levels of awareness
- KGAL offers capital investments in renewable energies
- KGAL pursues a clear sustainability strategy (ESG)

URBANISATION

- Level of urbanisation worldwide in 2014: 53 %
- Germany: 74 %; France: 85 %; Italy: 68 %
- KGAL is a first mover for market trends: Launch of "Walkability" fund

DIGITALISATION

- Unlocking new distribution channels and customer groups
- Developing new channel- and target-group-specific products
- Establishing the leading online platform in Germany for real assets

LOW-INTEREST PHASE

- Risk spreading is even more important
- Value add strategy: creating value along the entire value add chain

ASSET CLASSES



REAL ESTATE

The increased demand for security for investors and the favourable investment environment continue to ensure a strong demand for German real estate. KGAL mainly focuses on selected European locations for its investments. KGAL combines transaction management, portfolio management, asset management and risk management as part of an integrated approach.



INFRASTRUCTURE

Climate change and the global focus on aspects of sustainability, e.g. for transport and in the heating sector, are the drivers of growth for sustainable energies. KGAL invests in diversified portfolios comprising wind, water and solar energy, and utilizes return opportunities through early entry into the value chain of projects while simultaneously continuing to manage risks.



AVIATION

Low oil prices and programmes for increasing efficiency and renewing fleets have contributed to improving the profit situation of aviation companies and increasing the attractiveness of investments in aviation. KGAL's Aviation Portfolio Funds (APF) are widely diversified aircraft funds, whereby the technical asset management is handled by GOAL German Operation Aircraft Leasing.

REAL ASSETS

	REAL ESTATE 	INFRASTRUCTURE 	AVIATION 
In the market since	1968	2003	1979
Number of fund and leasing companies	168	160	82
Managed active investment volume in EUR million	7,153	2,892	2,104
of which are assets under administration in EUR million	2,920	0	103
of which are assets under management in EUR million	4,233	2,892	2,001
New business volume in 2018 in EUR million	608	435	764
Key figures	1,474,303 m ² assets under management	70 photovoltaic investments in Bulgaria, France, Germany, Italy, Spain, UK	> 800 transactions
	98.4 % leasing level	54 wind parks in Germany, France, Finland, Sweden	2 joint ventures with Deutsche Lufthansa AG
		4 hydroelectric power plants in Norway and Italy	
		1,120 MW total output	

As at: 31.12.2018

REFERENCES FROM OUR FUNDS



GOLDEN LANE, DUBLIN

The Golden Lane office building was completely renovated in 2017/18 and is located in the Dublin's city centre. The micro-location within Dublin's vibrant Creative Quarter meets significant contemporary investment criteria for KGAL, including direct proximity to the public transport network, shopping facilities, restaurants and green areas for recreation.

"As well as open-plan office areas, which are already let on a long-term basis, and the outstanding economic and demographic prospects for Dublin as a financial centre, the investment also presents an opportunity to leverage potential added value over the long term."



AIRBUS A320-200/ FRONTIER AIRLINES

The manufacturer delivered two new Airbus A320-200 aircraft between June and August 2016. The transaction volume is around 77 million euros. The leasing agreements with Frontier Airlines have a duration of eight years from delivery.

"We are delighted to add another solid building block to the well-balanced aircraft portfolio of APF 1 with this transaction."

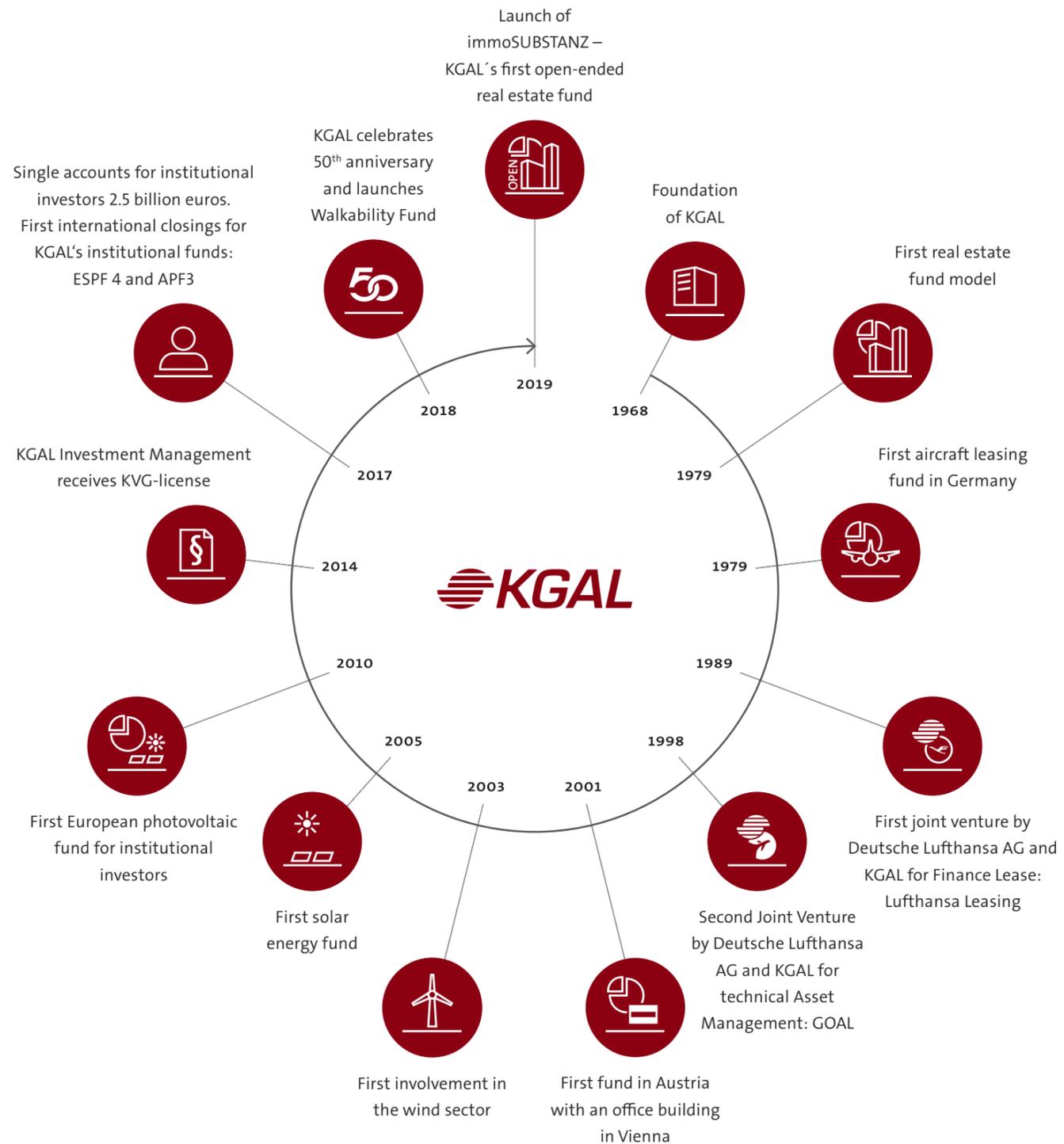


OFFSHORE WIND FARM VEJA MATE

With a total of 67 wind turbines and a total output of 402 megawatts this is the second largest Germany's offshore wind farm and is one of the ten largest parks worldwide. KGAL and further partners have invested 400 million euros in the project.

"Veja Mate will stabilize the performance of KGAL's current institutional infrastructure fund ESPF4 due to its stable, regulated cash-flows."

MILESTONES OF COMPANY DEVELOPMENT



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