

## KGAL Group expands international presence

€1.9 billion of new business in 2018

**Grünwald, 07.03.2019 – KGAL GmbH & Co. KG had a successful jubilee year in 2018, with achieving new business volume of around €1.9 billion, and managing an investment volume of €20.5 billion. In the 2019 financial year, KGAL Group plans to further expand its presence outside Germany.**

“We have been consistently internationalising our business across all asset classes,” explains Gert Waltenbauer, CEO of KGAL GmbH Co. KG. The company has received initial subscriptions from five new countries (France, the United Kingdom, Italy, the Netherlands and Spain), as well as having invested in five countries for the first time (Bulgaria, Ireland, the Netherlands, Poland and Slovenia), thereby successfully stabilising high results. Gert Waltenbauer: “We have a very healthy business model.” In 2019, KGAL plans to secure €1 billion in equity and an investment volume of €1.8 billion.

### **Making KGAL expertise accessible to private customers**

In 2018, KGAL launched its online platform, physibile. The physibile Enterprise I 18/23 bond issue is the first product to which private investors can subscribe: it has a five-year term and bears interest at 3% per annum. The second product offered on the online platform will be the KGAL immoSUBSTANZ open-ended property fund.

### **Real Estate – first purchases in Ireland, Poland and the Netherlands**

In 2018, in the Real Estate asset class, transactions were completed on 30 properties in total, worth well over €900 million. Six transactions took place outside Germany, with first-time acquisitions in Dublin, Haarlem (near Amsterdam) and Warsaw, while in Germany and Austria, the company extended its market leadership in the retail park sector. Across the entire portfolio, the already-high tenancy rate saw a slight increase to 98.4%, and the total managed investment volume increased to €7.2 billion. The company also developed the KGAL Walkability Fund, a new fund for institutional investors, established in response to the megatrend of urbanisation.

### **Infrastructure – KGAL ESPF 4 succeeds abroad**

The 2018 business year was successful for the Infrastructure asset class, as attractive projects were secured for the current KGAL ESPF 4 fund and the international investor base expanded, while investment in greenfield and brownfield projects also earned the Infrastructure division a leading position on



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the European renewable energies market. By the end of 2018, the KGAL ESPF 4 renewable energies fund had already secured equity commitments in the amount of €411 million, primarily from foreign investors based in France, the Netherlands, Italy, Luxembourg and the United Kingdom. The fund has already invested around €500 million in wind and photovoltaic projects in Italy, Sweden, Germany and Bulgaria. Total managed investment volume was around €2.9 billion as at the end of 2018.

**Aviation – new fund concepts for institutional investors**

KGAL Group’s Aviation asset class strengthened its position on the German market, as total managed investment volume increased to €2.1 billion. Aviation Portfolio Fund 1 is now fully invested at a total investment volume of €800 million; over €220 million in equity had also been raised by the end of 2018 for the follow-up product, Aviation Portfolio Fund 3. In 2019, KGAL Investment Management GmbH & Co. KG is planning two new fund concepts, aimed primarily at international institutional investors. One of the planned fund products will pursue a core strategy with long lease periods and highly marketable aircraft, offering stable long-term yields. The second planned fund will invest in core plus and value-add transactions, and as such will have a higher target yield.

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

In 2018, KGAL Group trialled a cutting-edge working time concept that involved 100 employees working on a mobile basis for up to ten days every month. Named Working 5.0, the scheme is intended to contribute to making KGAL a more modern, sustainable employer. KGAL plans to hire around 20 new employees in 2019. Of 355 KGAL employees, more than 1 in 10 has an international background.

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 revenue and risk, 355 employees help achieve stable yields on a sustainable basis (as at 31 December 2018).



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