

KGAL acquires two further aircraft for institutional aviation fund

Grünwald, 24.02.2016 – Asset and investment manager KGAL's Aviation Portfolio Fund 1 (APF 1) has concluded sale and leaseback transactions for the acquisition of two additional Airbus A320-200 aircraft, which will be leased to US airline Frontier Airlines.

This deal marks the fourth transaction for the institutional aviation fund APF 1 and was completed at the end of 2015. It involves two new Airbus A320-200 aircraft for US airline Frontier Airlines which the manufacturer is scheduled to deliver between June and August 2016. The transaction volume is around EUR 77 million. The lease agreements with Frontier Airlines will run for eight years from the date of delivery. The transaction has expanded the regional scope of APF 1's portfolio to include the USA.

APF 1's placement period runs until autumn 2016. Nine aircraft with a total investment volume of around EUR 255 million have already been acquired for the fund.

"We are delighted that this transaction is adding another solid building block to our balanced APF 1 aviation portfolio", explained Jochen Hörger, Managing Director Aviation at KGAL Investment Management GmbH & Co. KG.

APF 1, an institutional AIF, invests in a broadly diversified portfolio of different types of marketable passenger aircraft which are leased to established international airlines.

As technical asset manager, GOAL German Operating Aircraft Leasing GmbH & Co. KG, a joint venture of KGAL and Deutsche Lufthansa AG, also contributes its expertise to the fund. In terms of number of aircraft, it is Germany's largest aircraft operating leasing company. GOAL is responsible for technical management and marketing of the aircraft. Its team of aviation engineers and technicians boasts extensive market expertise. They perform regular inspections and provide detailed document management to ensure the aircraft maintain their value and to facilitate their subsequent sale.

approx. 1,883 characters (incl. spaces)

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KGAL GmbH & Co. KG, a German based asset- and investment manager, with registered offices in Grünwald near Munich (Germany) has been initiating and managing long-term real capital investments with sustainable and stable yields since 1968. The company's portfolio of services comprises the design and management of funds for institutional investors. The quality of KGAL products in the main asset categories of real estate, aviation and infrastructure is based on the experience of its in-house experts.

As of December 31st 2015, the KGAL Group manages an investment volume of EUR 21.7 billion. KGAL currently manages capital for 99,000 investors (incl. multiple subscriptions) with equity investments in a total of 116 active limited partnership funds. Investors have entrusted EUR 7.3 billion in equity capital to KGAL for these funds. The KGAL Group has 337 employees (as of 31.12.2015).

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