

Press release of 29 March 2022

Successful year 2021 for the LHI Group

LHI invests 1.1 billion euros in new projects in the last financial year and launches first impact fund

In the past financial year, the LHI Group from Pullach near Munich implemented transactions totalling 1.4 billion euros. Thereof, around 1.1 billion euros were invested in new projects in 2021. The annual targets were exceeded both in the Structured Finance segment and in the investment business. At the end of 2021, the LHI Group managed assets with a value of 14.4 billion euros (AuM).

The Structured Finance segment accounted for a new business volume of 753 million euros. New construction projects as well as existing properties were implemented and financed in the form of sale-and-lease-back or buy-and-lease structures. A special highlight was the structuring of the financing for the acquisition of the traditional department store Konen in the centre of Munich, in the interest of the fashion retailer Breuninger. The deepening of the partnership with the logistics and industrial real estate developer Panattoni is also seen by the company as an important component in further expanding its market share in this segment.

In the Rolling Stock segment, LHI financed another large local passenger rail network for DB Regio as a lessor, with the Free State of Bavaria as a guarantor. Overall, the LHI Group expects increasing investments in rail infrastructure, especially in sustainable and climate-friendly drive technologies, and has therefore further expanded the Rolling Stock segment.

In the investment business, the focus was on impact and ESG strategy funds in the asset classes of real estate and renewable energies. For the first time since its foundation, the LHI Group implemented an open-ended special real estate fund in Luxembourg last year. With the acquisition of three solar parks and three wind farms, LHI increased the investment volume of its managed assets in the field of renewable energies by EUR 97 million to EUR 1.6 billion. The power generated by these projects saved more than 350,000 tonnes of CO₂ last year and supplied more than 260,000 households with electricity. In addition, receiving the Scope Award as Germany's best asset manager in the category "Alternative Investments Infrastructure Equity" was a particular success in 2021.

In the real estate asset class, a volume of 274 million euros was invested across 15 properties in 2021. The strategically intended focus was on office and infrastructure properties. With the Impact Fund "Wohnen im Alter" (Living in old age), the LHI Group has launched one of the first German investment funds in the real estate asset class that meets the requirements of Art. 9 of the Disclosure Regulation.

In the last financial year, the capital management company of the LHI Group took part in an ESG rating for the first time. It achieved a rating of "very good". This laid the essential foundation for the launch of the first impact and ESG strategy funds in the company's almost 50-year history in 2021. Another building block contributing to the rating success was the LHI Group's climate positivity, which was achieved at the end of 2020 and continued in 2021.

For the current year, the LHI Group expects a continued positive development, irrespective of the current crisis, both in the Structured Finance segment and in the investment business.

Pullach, 29 March 2022

The LHI Group consists of LHI Holding GmbH and LHI Leasing GmbH, which was founded in 1973, and their subsidiaries. The product portfolio ranges from the design of structured finance for companies, real estate management and asset management services to the conception of investment products in the asset classes real estate, renewable energy and aviation. The target group for the investment offer is primarily professional and semi-professional investors. Internationally, the LHI Group is represented in Poland and Luxembourg. The Group employs more than 250 people.