

Munich, 14.04.2020

KfW IPEX-Bank and MEAG invest in PPP financing for expansion of the A3 motorway in northern Bavaria

- Expansion of the Trans-European Transport Network (TEN-T)
- PPP according to the availability model

As part of an international consortium, KfW IPEX-Bank and MEAG are financing the six-lane expansion of federal motorway 3 (A3) between interchanges Biebelried and Fürth/Erlangen as well as its operation and maintenance for 30 years together with the European Investment Bank (EIB), DEKA Bank, DZ BANK AG, Helaba, LBBW and MUFG. In cooperation with MEAG, KfW IPEX-Bank is contributing EUR 340 million to the total financing volume of around EUR 1.2 billion for this large-scale German infrastructure project.

The A3 is an international E-road network road and part of the Trans-European Transport Network. The section between interchanges Biebelried and Fürth/Erlangen is also one of the most important transport arteries in northern Bavaria. The traffic load is up to 90,000 vehicles per day. Implementation of the project will create an effective transport connection that will satisfy today's requirements. In addition to expansion of the highway over a length of about 76 kilometres, it includes construction of noise barriers along a total distance of about 28 kilometres, new construction of eight motorway entrances and the creation or expansion of five car parks. The motorway is scheduled for completion at the end of 2025.

French company Eiffage and the German construction company JOHANN BUNTE based in Papenburg were awarded the contract to implement the largest Public-Private-Partnership (PPP) motorway project to date in Germany. It was preceded by an international public invitation to tender by the Federal Government. The Federal Government will make payments to the private contractors under this PPP pursuant to the A-model (availability model) based on the availability of the lanes.

"We are happy to be able to contribute to a further important German PPP," said Andreas Ufer, Member of the Management Board of KfW IPEX-Bank. "Through the financing and our underwriting for MEAG we are proving that we are a reliable partner even in times of crisis and highlighting our competence in structuring financing for commercially realised infrastructure projects in Germany and Europe once again."

Holger Kerzel, Member of the Board of Management at MEAG: "Even in times of general uncertainty, we adhere to our schedule for expanding our infrastructure financing and are a reliable cooperation and project partner with regard to provision of long-term financing. We are very happy to contribute financing to this major infrastructure project in Germany together with our cooperation partner KfW IPEX-Bank. For MEAG customers, financing PPP projects is an attractive investment opportunity due to the availability model with straightforward risks and sufficient long-term returns."

MEAG MUNICH ERGO
AssetManagement GmbH
Dr. Josef Wild
Spokesperson
Phone +49 | 89 | 24 89 - 20 72
jwild@meag.com
www.meag.com

With this financing, KfW IPEX-Bank continues to expand its expertise in the area of infrastructure and thus now also offers registered bonds as a financing product. As a specialist bank, it is taking on leading functions in this project as the common agent, security agent and documentation bank and is incorporating MEAG as an experienced international investor in the PPP project.

MEAG manages the assets of Munich Re and ERGO. It has representations in Europe, Asia and North America and also offers its extensive know-how to institutional and private clients from outside the company group. MEAG currently manages assets to the value of Euro 297 billion.