

Equity consortium agrees to acquire stakes in New York's Astoria Energy facilities

1.2 GW facilities provide crucial power to New York City

New York City, January 17, 2020

A consortium of equity investors including APG, MEAG (Munich Re's asset manager acting for investors from within Munich Re Group), and Clal Insurance Company, alongside other US institutional investors have agreed to acquire 100% of Astoria Energy I and a 55% interest in Astoria Energy II. Located in Queens, New York, the facilities total 1.2 GW of combined-cycle generation. The plants are expected to provide reliable and required power as New York transforms its energy sector in the decades to come.

The assets are two of the most efficient natural gas plants in New York City. Astoria I provides merchant energy and capacity into the New York power market, while Astoria Energy II operates under a long-term tolling agreement with the New York Power Authority through mid-2031. The transaction is subject to regulatory approval and is expected to close in the first half of 2020.

Steven Hason, Head of Americas Real Estate & Infrastructure at APG said, "As a pension investor, we are continuously looking for attractive infrastructure investments that help us realize stable and long-term returns for our pension clients. This transaction represents an opportunity to invest in facilities that provide reliable baseload electricity to New York City and will provide system stability through New York's energy transition. We look forward to working with our partners who share our long-term investment goals with regard to this critical infrastructure asset."

Holger Kerzel, Member of the Board of Management at MEAG, stated, "We are keen to invest in the United States, given the large US share of Munich Re's insurance portfolio. Electricity supply for New York City is an attractive investment opportunity for Munich Re, given the moderate risks and stable and sustainable returns. The high level of long-term income stability will cover the liabilities in the insurance business of our clients. We are pleased to have teamed up with professional partners in this investment project to form a successful long-term relationship."

Yossi Dory, Clal's Chief Investment Officer, said, "We are proud to invest alongside reputable investors such as APG and MEAG in long-term, high-quality assets with a proven track record and excellent performance. The Astoria projects, which are the backbone of the New York City electric power system, will create long-term, sustainable returns for our pension, provident, and insurance members."

Holland & Knight and Sidley Austin LLP acted as legal counsel to the equity consortium.

About APG

APG is the largest pension delivery organization in the Netherlands; its approximately 3,000 employees provide executive consultancy, asset management, pension administration, pension communication, and employer services. APG performs these services on behalf of pension funds and employers in the sectors of education, government, construction, cleaning and window cleaning, housing associations, energy and utility companies, sheltered employment organizations, and medical specialists. APG manages approximately €532 billion (November 2019) in pension assets for the pension funds in these sectors. APG works for approximately 21,000 employers, providing the pension for one in five families in the Netherlands



MEAG

A Munich Re company

(about 4.6 million participants). APG has offices in Heerlen, Amsterdam, Brussels, New York, and Hong Kong.

APG has been an active infrastructure investor since 2004, investing approximately €14.0 billion to date and managing 32 direct stakes in portfolio companies. APG's investments include assets within energy and utilities, telecommunications, and transport infrastructure. APG's Global Infrastructure team is comprised of 32 investment professionals.

For more information, please go to <https://www.apg.nl/en/news>

About MEAG

MEAG manages the assets of Munich Re and ERGO. MEAG located in Munich, Germany, has representations in Europe (Luxemburg, Malta), North America (New York), Asia (Hong Kong) and offers its extensive know-how to institutional and private investors. MEAG manages an overall investment portfolio valued at €278 billion including virtually all important asset classes such as bonds, equities, real estate, and direct infrastructure equity and debt.

Among MEAG's recently closed US infrastructure investments are a 25% stake in SouthWest Water Company as well as a debt investment in the 527 MW Carlsbad Energy Center in California. MEAG also advised on the acquisition of 330 Madison Avenue in New York City and Washington Building at 1440 New York Avenue. Last year, MEAG invested in 91,000 hectares of forest land in Texas and Louisiana.

More at www.meag.com

About Clal

Clal Insurance Company (together with its subsidiaries) is primarily engaged in the insurance industry and the management of different long-term saving plans.

Clal is one of the largest insurance companies in Israel, managing approximately \$65 billion, with approximately 4,200 employees, and in cooperation with approximately 1,800 insurance agents. The group's activities are focused primarily on three segments: long-term savings, life insurance, non-life insurance and health insurance.

Clal has extensive experience in the infrastructure market with a special focus on the power sector. Clal has been active across several U.S. power markets, including PJM, NYISO, ISO-NE, and ERCOT, participating as a lender and as an equity investor in transactions for a total capacity of over 6.5 GW.

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