
Incus Capital increases its commitment to energy transition in Europe

Madrid, September 26th, 2023 – Incus Capital (“Incus”), the Madrid based real assets investment advisory firm, announces the launch of its second senior credit fund, a €500 million European renewables credit fund (“European Renewables Credit Fund”). The firm held its first closing for €300 million in committed capital, reaching 60% of the fund target size. Incus’ European Renewables Credit Fund is a successor investment vehicle to the €300 million European Real Assets Senior Credit Fund (“Senior Credit Fund I”) raised in 2019.

The first close for the European Renewables Credit Fund received significant support from existing Incus investors. Martin Pommier, Partner and COO, said, *“We are delighted to have raised this dedicated renewable energy fund, and particularly pleased with the strong interest received from our long-standing investors. We believe that the attractive risk-adjusted returns and the focus on clean energy transition across Europe offers a compelling investment proposition for investors”*.

The European renewables energy credit fund is an SFDR Article 9 Fund, with sustainable investment and carbon emissions reduction as its main objective. Incus Capital is committed to providing flexible financial solutions for European energy transition away from traditional fossil fuels. *“Private Capital is an important part of the solution, but it will not provide the complete answer. Continued support and efforts from National governments who are willing to make difficult decisions for the benefit of future generations is also required. It will also require the support of consumers and citizens who are willing to make small sacrifices to ensure that energy transition is real and effective”*, said Andrew Newton, managing partner of Incus Capital.

Energy transition is one of the fastest growing asset classes within the broader infrastructure market. There is significant investment in new renewable energy capacity required over the next decades to achieve the transition to low-emission sources of energy. The EU emission targets for 2030 can only be met through concerted efforts of increasing zero emission renewable energy generation and building a viable and robust transmission network across Europe. To achieve these targets, the European Commission estimates that at least €16 billion of new investments per year are required in Southern Europe alone.

Incus has established a strong reputation in the renewables space thanks to its local presence across Southern Europe. The firm has been an active participant in providing financing for renewable assets since the firm’s inception in 2012. *“The timing is critical to provide flexible credit solutions to companies and renewable projects in this underserved sector. Bank financing continues to be a significant bottleneck for mid-market players. Companies benefit from partnering with a local partner like Incus – we provide solutions and flexible capital to help build this critical energy infrastructure”*, said Estanislao Carvajal, head of the renewables credit team at Incus. This new dedicated Renewables Credit Fund will target Senior financing for greenfield and brownfield renewables projects throughout the Eurozone.

About Incus Capital

Founded in 2012, Incus Capital is a real assets investment advisory firm with offices in Madrid, Lisbon, Milan and Paris. The firm focuses on providing flexible capital solutions to mid-market companies in Europe. The Incus investment strategy includes a strong focus on downside protection and asset-backed collateral with target investment sizes between €20 million and €100 million. Incus Capital acts as the investment advisor to funds with €2.2 billion in assets under management (“AUM”).

The Incus funds have successfully invested over €2.5 billion across more than 115 equity and credit transactions in the firm’s core markets of Spain, Portugal, Italy, France and Benelux. The Incus funds investor base includes Public & Private Pension Plans, Insurance Companies, Sovereign Wealth Funds, Endowments, Foundations, Family Offices in the US, Canada, and Europe.

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