

STEAG sells minority stake in subsidiary STEAG Fernwärme to MEAG

The new partner will enable faster growth for STEAG Fernwärme

Essen. As part of its active portfolio management, the Essen-based energy company STEAG is selling a 49 percent stake in STEAG Fernwärme GmbH to MEAG, the central asset manager of insurance companies Munich Re and ERGO. The parties signed a contract to that effect on October 23, 2017. The transaction, which will take retroactive effect as of January 1, 2017, is subject to the approval of the relevant anti-trust authority, which is expected at the end of the year. Both parties have agreed not to disclose the purchase price.

The sale of the minority stake in STEAG Fernwärme was preceded by an open, transparent and competitive bidding process in which MEAG was able to establish itself as the successful bidder. “The past few months have been very intense for our negotiating team. However, we are completely satisfied with the outcome of the transaction, especially since we have found in MEAG a reliable and renowned partner who knows the challenges in the area of grid-bound infrastructure,” said Joachim Rumstadt, Chairman of the Board of Management of STEAG GmbH. “Together with MEAG, we will now achieve our growth targets in the district heating business more quickly.”

MEAG is well acquainted with the special requirements in the infrastructure and energy sector through its management of shareholdings, for example in Amprion and Open Grid Europe. MEAG’s participation in STEAG Fernwärme complements MEAG’s involvement in the grid and utility sector. “The investment in STEAG Fernwärme further diversifies the shareholdings in the electricity and gas grid segment. We are pleased to add a sound and well-positioned business to our portfolio,” says Holger Kerzel, Managing Director of MEAG.

STEAG Fernwärme, employing around 170 people, operates an approximately 660 km long district heating network in the cities of Essen, Bottrop and Gelsenkirchen in the Ruhr area. The heat required is mainly supplied by the STEAG power plant at the Herne site. The amount of heat provided is sufficient to supply a calculated 300,000 residential units. The heat supply is secured by eight peak-load heating stations in the local areas.

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Board of Management

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Michael Baumgärtner
Dr.-Ing. Wolfgang Cieslik
Alfred Geißler

The successful sale of the minority holding in STEAG Fernwärme was preceded by two smaller transactions; the sale of the STEAG district heating network in Bonn to Stadtwerke Bonn at the end of September, and the sale of shares in Fernwärmeversorgung Niederrhein GmbH to Stadtwerke Dinslaken a few days ago.

About STEAG

STEAG GmbH has been active in power generation for 80 years now. As a business with international operations, STEAG offers its customers integrated solutions in the fields of electricity and heat production and engineering services. Our core competencies include design, construction and operation of both major power plants and distributed facilities, and the marketing of electricity from generating plants. Power generation is based on both fossil fuels and – for over a decade now – renewable energy sources.