



## KKR Closes \$2.1 Billion Asset-Based Finance Fund

July 13, 2022

*First Dedicated Fund to Pursue Compelling Asset-Backed Opportunities Globally*

NEW YORK--(BUSINESS WIRE)-- KKR, a leading global investment firm, today announced the final close of KKR Asset-Based Finance Partners (“ABFP” or the “Fund”), KKR’s first fund dedicated to asset-based finance investments “ABF.” The approximately \$2.1 billion fund will commit capital globally to privately originated and negotiated credit investments that are backed by large and diversified pools of financial and hard assets, with attractive risk-adjusted returns.

“The \$4.5 trillion ABF market is one of the most compelling and fastest-growing opportunities within our private credit business today,” said Dan Pietrzak and Matthieu Boulanger, Partners and Co-Heads of Private Credit at KKR. “At the same time, investors are increasingly looking for solutions that can deliver collateral-based cash flows with attractive yield and downside protection in today’s highly volatile and inflationary environment. We are seeing growing recognition of ABF as a standalone asset class that can deliver attractive risk-adjusted returns. Through the close of ABFP, we are pleased to play a leading role in meeting this demand while also serving the financing needs of consumers and businesses globally.”

“There are significant and growing opportunities for scaled private capital across the ABF universe,” said Avi Korn, Chris Mellia, and Varun Khanna, Managing Directors who oversee the ABF investment strategy at KKR. “Demand has been driven by global bank deleveraging, the need for fast and sophisticated credit solutions and the inability of traditional capital to provide them. We believe that the global footprint and breadth of our ABF strategy positions us well to serve this need and to source differentiated opportunities with compelling risk-adjusted returns.”

ABFP received strong support from a diverse group of new and existing investors, including public and corporate pensions, sovereign wealth funds, commercial banks, insurance companies, asset managers, and family offices. KKR invested approximately \$150 million alongside external investors through its balance sheet and employee commitments.

“We are thrilled with the demand and support that we’ve seen from new and existing Limited Partners. There is clearly excitement around this strategy and the benefits that it can provide, especially in today’s environment,” said Kevin McMahon, a Managing Director who leads capital raising and business development for KKR’s credit business.

KKR has deployed more than \$6 billion across 54 ABF investments globally since 2016 through a combination of portfolio acquisitions, platform investments and structured investments. The Firm has approximately \$35 billion in ABF assets under management and a team of approximately 35 dedicated ABF investment professionals globally.

KKR’s ABF portfolio focuses on four key themes: Consumer/Mortgage Finance, Hard Assets, Small-Medium Enterprise and Contractual Cash Flows. KKR has established lending businesses in partnership with experienced industry management teams to pursue opportunities in lending markets that the firm finds attractive. ABF platforms and partnerships today provide KKR with access to lending opportunities across a diverse range of industries, including aviation, real estate, automotive finance, mortgages, royalties and equipment leasing, among others.

KKR established its credit platform in 2004, and made its first private credit investment in 2005. Over the past 17 years, KKR has built one of the largest private credit platforms globally with the ability to invest across the capital structure and liquidity spectrum. These capabilities are paired with KKR’s approach to proprietary sourcing, capital preservation and active portfolio management to seek out long-term capital appreciation and attractive risk-adjusted returns. Today, KKR manages approximately \$184 billion of credit assets globally, including approximately \$71 billion in private credit, approximately \$102 billion in leveraged credit and approximately \$10 billion in strategic investments, as of March 31, 2022. KKR has a team of approximately 170 credit investment professionals across nine cities in seven countries, including approximately 90 private credit investment professionals globally.

### **About KKR**

KKR is a leading global investment firm that offers alternative asset management as well as capital markets and insurance solutions. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and supporting growth in its portfolio companies and communities. KKR sponsors investment funds that invest in private equity, credit and real assets and has strategic partners that manage hedge funds. KKR’s insurance subsidiaries offer retirement, life and reinsurance products under the management of Global Atlantic Financial Group. References to KKR’s investments may include the activities of its sponsored funds and insurance subsidiaries. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR’s website at [www.kkr.com](http://www.kkr.com) and on Twitter @KKR\_Co.

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