



KKR, IGIS and NPS to Acquire Prime Real Estate Asset in Seoul's Gangnam Business District

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SEOUL, South Korea--(BUSINESS WIRE)-- KKR, a leading global investment firm, together with IGIS Asset Management ("IGIS"), the largest real estate fund manager in Korea, announced today that they have made an investment along with the National Pension Service of Korea ("NPS") to acquire a mixed-use real estate project (the "Asset") under development in the Gangnam Business District ("GBD") in Seoul, South Korea. The project, to be purchased from a consortium led by local engineering firm Daor E&C, is expected to cost approximately KRW 2.1 trillion (US\$ 1.9 billion) in total, inclusive of purchase price and further costs to complete. Additional terms of the transaction were not disclosed.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20181009006196/en/>

The Asset is located in the heart of the GBD at the intersection of Teheran-ro and Eonju-ro on the former Renaissance Hotel site. Currently under construction, the property will primarily consist of prime grade office space, amenity retail space and a five-star hotel, with a gross floor area of 239,188 square meters and net leasable area of 121,707 square meters. A 20-year master lease agreement for the 263-room hotel has been signed with Shinsegae Chosun, an experienced and best-in-class hotel operator.

"We are thrilled to be investing in what we believe will be an iconic property in an excellent location, and to be teaming up with outstanding partners including IGIS and NPS to do so. We look forward to continue building on our global real estate platform by making quality real estate investments in South Korea and throughout Asia Pacific more broadly," said John Pattar, Member & Head of Real Estate Asia at KKR.

"We are excited to make this investment along with world-class investment firms KKR and NPS. We expect to develop the property not just as the best real estate asset in South Korea, but also as a landmark building in the global real estate market," said Sock-woo Jung, President of Domestic Investment at IGIS.

KKR's investment is being funded from KKR Asian Fund III. The investment is KKR's third real estate investment in South Korea. Previously KKR invested in The-K Twin Towers, a prime office complex located in Seoul's Central Business District, in June 2014. The-K Twin Towers was sold to Samsung SRA in January 2018 at a record price.

Since 2011, KKR has committed approximately US\$ 2 billion in equity and debt across nearly 50 real estate transactions in Asia Pacific markets including South Korea, Australia, China, India, New Zealand and Singapore. The firm has a dedicated team of approximately 20 real estate professionals based in Asia Pacific spanning both the equity and credit strategies.

About KKR

KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, energy, infrastructure, real estate and credit, with strategic manager partnerships that manage hedge funds. KKR aims to generate attractive investment returns for its fund investors by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation with KKR portfolio companies. KKR invests its own capital alongside the capital it manages for fund investors and provides financing solutions and investment opportunities through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. Inc. (NYSE: KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

About IGIS

IGIS, the largest integrated real estate investment and asset management firm in Korea, currently manages real estate assets valued at more than KRW 22.6 trillion (US\$ 20 billion; gross asset value). In August 2018, the Institutional Real Estate, Inc. (IREI) named IGIS as the fourth largest real estate manager in Asia in terms of assets under management.

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