



KKR Closes \$2.24 Billion Global Private Credit Fund

January 8, 2018

NEW YORK--(BUSINESS WIRE)-- KKR, a leading global investment firm, today announced the final closing of KKR Private Credit Opportunities II ("PCOP II" or the "Fund"), a \$2.24 billion global fund that seeks to take advantage of the attractive fundamentals KKR sees in the market for privately negotiated subordinated debt securities, corporate mezzanine investments as well as asset-backed and specialty finance investments.

"We continue to lean in to this strategy because global capital markets have evolved and created a permanent need for long-term capital providers to support financing activities. Specifically, we see significant opportunities for junior capital in asset-backed financing transactions. In addition, we expect the traditional corporate mezzanine opportunity set to be active in the coming years on the heels of increased M&A, corporate liquidity and available private equity capital," said Daniel Pietrzak, Member of KKR.

The Fund is focused on private corporate debt and mezzanine lending, financial assets, hard assets and structured credit.

PCOP II exceeded its target and is more than twice the size of its predecessor fund, KKR Mezzanine Partners I L.P., which completed its investment period in March 2015 with \$1.0 billion in capital commitments. The Fund is backed by a diverse group of new and existing global investors, including public pensions, sovereign wealth funds, insurance companies, insurance and banking platforms, family offices, and high net worth individual investors.

"We are pleased by the encouragement we have seen from so many new and existing Limited Partners. This strategy has and will continue to be an area of focus and growth for our credit business," said Matthieu Boulanger, Member of KKR.

As of September 30, KKR's global credit business, which includes both publicly traded and alternative credit and is led by Chris Sheldon and Nat Zilkha, respectively, had \$41 billion in assets under management. The private credit business, part of the alternative credit business, is co-led by Matthieu Boulanger and Daniel Pietrzak and supported by 35 dedicated individuals in New York, San Francisco, London and Dublin. With this new fund, the Firm's Private Opportunistic Credit strategy manages approximately \$5.0 billion in capital.

Representative current or past private credit investments include Central Park Leasing, a global aircraft leasing transaction, Toorak Capital, a loan purchasing program and platform to acquire and administer single family and small multi-family real estate bridge loans and PQ, a global producer of specialty inorganic performance chemicals and catalysts.

About KKR

KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, energy, infrastructure, real estate, credit, and, through its strategic manager partnerships, hedge funds. KKR aims to generate attractive investment returns 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 its partners' capital 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. L.P. (NYSE:KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

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Media:

KKR

Kristi Huller or Cara Kleiman Major

+1 212-750-8300

media@kkr.com

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