



KKR to Invest in Tarena International Inc.

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Investment to Support Growth in China Professional Education Service Sector

BEIJING--(BUSINESS WIRE)-- Leading global investment firm KKR today announced a strategic investment into Tarena International, Inc. (NASDAQ:TEDU) ("Tarena" or the "Company"), a leading provider of professional education services in China.

KKR's investment recognizes the opportunities in China's professional training market. In 2014, the industry reached \$12 billion, according to IDC, representing CAGR of more than 11% over the past four years. However, the sector represents just 0.12% of China's GDP, compared to 0.32% and 0.22% in the US and Taiwan, respectively.

Tarena is an innovative education platform that combines live-distance instruction, classroom-based tutoring and online learning modules to students in China. It maintains a core focus in professional education services, and offers both part-time and full-time courses in ten IT subjects and three non-IT subjects, comprising digital art, online sales and marketing, and accounting. Tarena also offers dedicated job placement services to better enable students to achieve their career ambitions. The company was founded in 2002 and listed on the NASDAQ in 2014.

KKR intends to combine its global resources and network with local expertise to assist its investment companies by bringing value-add beyond capital. KKR's China efforts and team highlight this approach, as they have invested through different economic cycles and in a number of market leading companies in China. KKR also has extensive experience in the education sector, having partnered with global companies such as Laureate International Universities and Cognita Schools.

Shaoyun Han, founder, Chairman and CEO of Tarena, said, "Tarena's mission is to improve careers and change the lives of our students by delivering high quality professional education services. We believe that KKR's rich experience in the education sector can help Tarena in its efforts to further strengthen its market leadership and achieve its vision of becoming the world's leading and most innovative professional education service provider. We welcome KKR as a significant new shareholder and the extensive experience that it brings to our company."

Julian Wolhardt, Member of KKR, said, "Taren is a great company and a leader in its field with an excellent management team. We are very impressed with the Company's strong track record and its potential for future growth. We look forward to leveraging our global network and local experience to help Tarena capture new market opportunities."

In this transaction, KKR and Mr. Han had entered into definitive agreements to purchase an aggregate of US\$90.5 million of ordinary shares in the Company from existing pre-IPO shareholders, which are funds managed by affiliates of Goldman Sachs and IDG Technology Venture Investments, LLC (the "selling shareholders"). Pursuant to these agreements, KKR has agreed to purchase 6,826,263 Class A ordinary shares, representing an approximately 13% stake in the Company, from the selling shareholders for a total purchase price of US\$70.0 million. Mr. Han has agreed to purchase 2,000,000 Class A ordinary shares, representing an approximately 3.8% stake in the Company, from the selling shareholders for a total purchase price of US\$20.5 million, in private transactions. Mr. Han intends to fund the purchase through the issuance of a convertible bond to KKR, issued by an entity wholly owned by Mr. Han.

The share purchase and sale transactions are expected to close in July 2015, subject to customary closing conditions. KKR's investment is through its China Growth Fund. Further details of the transaction are not disclosed.

About Tarena International, Inc.

Tarena International, Inc. (NASDAQ:TEDU) is a leading provider of professional education services in China. Through its innovative education platform combining live distance instruction, classroom-based tutoring and online learning modules, Tarena offers courses in ten IT subjects and three non-IT subjects. Its courses provide students with practical education to prepare them for jobs in industries with significant growth potential and strong hiring demand. Since its inception in 2002, Tarena has trained over 200,000 students, cooperated with more than 500 universities and colleges and placed students with approximately 54,000 corporate employers in a variety of industries. For further information, please visit <http://ir.tarena.com.cn>.

About KKR

KKR is a leading global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate, credit and 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 at the asset level. KKR invests its own capital alongside its partners' capital and brings opportunities to others 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.

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For media inquiries:

KKR China (New Alliance Consulting International)

Opal Ma, +86 21 3251 2730

Opal.Ma@alliance.com.cn

or

Fanny Fang, +86 10 6580 9577

fanny@alliance.com.cn

or

KKR Asia-Pacific

Anita Davis, +852 3602 7335

Anita.Davis@KKR.com

or

KKR Americas

Kristi Huller, +1 212 230 9722

Kristi.Huller@KKR.com

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