



KKR Announces Plans for Investments in Global Infrastructure Assets

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George Bilicic to Join KKR as Head of Infrastructure John Bookout and Clint Johnstone to serve as Senior Advisors to Infrastructure Effort **New York, NY, May 16, 2008** - Kohlberg Kravis Roberts & Co. today announced plans to begin a new initiative to invest in infrastructure assets on a global basis, to be led by George Bilicic, who is joining the firm as a Managing Director and Head of Infrastructure. Mr. Bilicic, who will be based in KKR's New York office, joins KKR from Lazard where he has been a Managing Director and head of the firm's global efforts in the power, energy and infrastructure sectors.

KKR is building an investment team to focus specifically on global infrastructure opportunities and will work with Mr. Bilicic to identify highly experienced investment and operating executives in support of the initiative. The team, which will have a presence in Europe, Asia, and the U.S., will collaborate with KKR's other industry groups, capitalizing on the firm's considerable experience strengthening the operations of companies and investing in complex and regulated businesses. Johannes Huth, head of the firm's European operations, and Marc Lipschultz and Fred Goltz, co-heads of the firm's energy, power and natural resources industry group, will oversee the new initiative.

KKR also announced that KKR Senior Advisors John F. Bookout III and Clint Johnstone will be focused on the infrastructure initiative. Messrs. Bookout and Johnstone will work closely with Mr. Bilicic and the infrastructure team to seek, evaluate and oversee investments. Mr. Bookout was a Director of McKinsey & Company for 28 years where he headed the firm's North American and European Energy practices, and most recently was responsible for the firm's 17 global industry practices. Mr. Johnstone was a long-time executive with Bechtel Group, one of the world's leaders in developing, managing, and constructing civil infrastructure, where he served as Chief Financial Officer, President of the divisions serving the global systems, U.S. infrastructure and global telecommunications industry sectors, and a Director of the company.

Henry R. Kravis and George R. Roberts, Co-Founders of KKR, said: "Infrastructure is a multi-trillion dollar global marketplace with enormous need for private investment. KKR recognizes the important role infrastructure investing plays in the growth of both developed and developing economies. This new initiative is a logical extension of our business, building on the significant expertise we have established by investing in large, complex and regulated businesses and our record of driving operational improvements in a wide range of industries.

"We look forward to supporting George as he builds a team that will partner with private sector businesses as well as governments around the world to improve and expand the infrastructure assets and services on which we all rely."

KKR's investment experience in regulated businesses involving significant infrastructure includes Energy Future Holdings (formerly TXU), which owns transmission and distribution, electricity generation and retail businesses; and ITC Holdings Corp., the largest transmission only company in the United States.

Mr. Bilicic joined Lazard as a Managing Director in March 2002. He recently completed a term as the Head of Lazard's Midwest Advisory business, in addition to his work in power, energy and infrastructure, and also has worked with selected companies in other sectors. Recently, Mr. Bilicic advised TXU in the acquisition of the company by KKR and TPG, Duke Energy in a spin-off transaction, KeySpan in its acquisition by National Grid, the City of New York in PlaNYC, Duke Energy in its merger with Cinergy, and also advised clients regarding alternative energy financings. Prior to joining Lazard, Mr. Bilicic was a Partner in the law firm of Cravath, Swaine & Moore, where he focused on mergers and acquisitions, but also provided counsel on bank financings, joint ventures, public offerings, project finance, and swaps and other derivatives.

Mr. Bilicic received a B.A. (summa cum laude) from DeSales University and a J.D. (magna cum laude) from Georgetown University Law Center. Mr. Bilicic's senior thesis at DeSales was entitled "The Federal Role in Infrastructure Revitalization" which, among other things, considered fiscally prudent measures to address the nation's decaying infrastructure.

About KKR

Established in 1976, KKR is a leading global alternative asset manager. The core of the Firm's franchise is sponsoring and managing funds that make private equity investments in North America, Europe, and Asia. Throughout its history, KKR has brought a long-term investment approach to portfolio companies, focusing on working in partnership with management teams and investing for future competitiveness and growth. Additional funds that KKR sponsors include KKR Private Equity Investors, L.P. (NYSE Euronext Amsterdam: KPE), a permanent capital fund that invests in KKR-identified investments; and two credit strategy funds, KKR Financial (NYSE: KFN) and the KKR Strategic Capital Funds, which make investments in debt transactions. KKR has offices in New York, Menlo Park, San Francisco, London, Paris, Hong Kong, Beijing and Tokyo. More information about KKR is available at: www.kkr.com.

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