



Apple Leisure Group to Be Acquired By KKR and KSL Capital Partners

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PHILADELPHIA--(BUSINESS WIRE)-- Apple Leisure Group, a leading hospitality company, today announced that KKR and an affiliate of KSL Capital Partners (KSL) have entered into a definitive agreement to acquire the company from Bain Capital Private Equity. Financial terms of the transaction were not disclosed.

Apple Leisure Group is North America's top seller of all-inclusive vacation packages, with a vertically integrated business model that leverages its capabilities and expertise to deliver exceptional value to travelers, and distribution reach and resort management expertise for hotel owners. Apple Leisure Group's collection of leading subsidiaries includes AMResorts (hotel management and marketing services), Amstar (the largest destination management company for Mexico and the Dominican Republic), a portfolio of travel distribution brands (Apple Vacations®, Travel Impressions®, CheapCaribbean.com®), and the exclusive Unlimited Vacation Club travel program.

"We are pleased to be partnering with KKR and KSL for our next phase of growth," said Alex Zozaya, Chief Executive Officer of Apple Leisure Group. "They share our commitment to the vision of Apple Leisure Group as we continue to deliver great results to travelers, guests and hotel owners. We are extremely appreciative of Bain Capital Private Equity's partnership and support in executing our growth mission and helping us strengthen our leadership position over the past four years."

"Apple Leisure Group is a unique franchise with a differentiated market position as well as an impressive management team," said KKR Members Paul Raether and Tagar Olson. "We are pleased to be partnering with KSL to continue to grow the company and build upon its already premier reputation in the travel industry."

"Apple Leisure Group has emerged as a truly differentiated market leader, with a strong management team executing a strategic growth plan while continuing to deliver exceptional service and real value to leisure travelers," said Phil Loughlin a Managing Director at Bain Capital Private Equity. "It has been a privilege to work side-by-side with this talented team as we have invested to build the business for the long-term by creating more effective collaboration among the various companies in the group and integrating several acquisitions which added value to the company's product offerings," added Ryan Cotton a Managing Director at Bain Capital Private Equity.

"Nearly 25 years ago, KSL first partnered with KKR to acquire premier hospitality businesses, and we are delighted to once again partner with them to invest in Apple Leisure Group," said Richard Weissmann, a Partner of KSL. "We have spent several years searching for the right opportunity in the Caribbean, and could not be more pleased to partner with Apple Leisure Group and its talented management team and employees. With a devoted customer base and thousands of loyal members, we believe Apple Leisure Group has tremendous potential for future growth."

The transaction is expected to close during the first quarter of 2017, and is subject to customary regulatory approvals. KKR's investment is being made principally from its eleventh Americas Private Equity investment fund.

Credit Suisse and Kirkland & Ellis LLP served as advisors to Bain Capital Private Equity. Simpson Thacher & Bartlett LLP and Dentons served as advisors to KKR and KSL.

About Apple Leisure Group

Philadelphia-based Apple Leisure Group® is a leading hospitality company in the North American travel industry. Its vertically integrated business model and robust infrastructure leverages the expertise of six innovative subsidiaries to deliver exceptional value to savvy travelers and strong resort performance to owners. ALG's award-winning subsidiaries include: AMResorts®, provider of hotel management services under six luxury resort brands; Apple Vacations®, the world's largest tour operator to Mexico and the Dominican Republic; Travel Impressions®, a prominent U.S. wholesaler possessing an extensive global portfolio; CheapCaribbean.com®, a popular online travel agency specializing in luxury vacation packages and resort accommodations in Mexico and the Caribbean; Amstar DMC, a destination management company offering premium airport transfers, tours and excursions; and Unlimited Vacation Club®, AMResorts' popular guest loyalty program for discerning travelers who expect the very best in a vacation experience. For more information on Apple Leisure Group®, visit www.appleleisuregroup.com.

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 and on Twitter [@KKR_Co](https://twitter.com/KKR_Co).

About KSL

KSL is a private equity firm specializing in travel and leisure enterprises in five primary sectors: hospitality, recreation, clubs, real estate and travel services. KSL has offices in Denver, CO; Stamford, CT; and London. Since 2005, KSL has raised approximately \$7.4 billion in equity

capital commitments. KSL's current portfolio includes some of the premier properties in travel and leisure. For more information, please visit www.kslcapital.com

About Bain Capital Private Equity

Bain Capital Private Equity (www.baincapitalprivateequity.com) has partnered closely with management teams to provide the strategic resources that build great companies and help them thrive since our founding in 1984. Our team of more than 220 investment professionals creates value for our portfolio companies through our global platform and depth of expertise in key vertical industries including consumer/retail, financial and business services, healthcare, industrials, and technology, media and telecommunications. In addition to private equity, Bain Capital invests across asset classes including credit, public equity and venture capital, and leverages the firm's shared platform to capture opportunities in strategic areas of focus.

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