KKR to Become Shareholder of TPSF

July 22, 2013

JAKARTA, Indonesia--(BUSINESS WIRE)-- The controlling shareholders of PT Tiga Pilar Sejahtera Food Tbk ("TPSF" or the "Company") have signed a definitive agreement (subject to certain conditions for closing) with KKR, a leading global investment firm with more than US$78 billion in assets under management, under which the controlling shareholders would sell approximately 9.5 % stake in TPSF to certain funds advised by KKR Asset Management LLC. Terms of the transaction were not disclosed.

"With a strong, long-term partner in KKR, we have a shareholder who not only has deep expertise in the food and retail industry but a partner who shares our vision and will be able to help us grow TPSF as a leading company in foods and food-related businesses," said Joko Mogoginta, CEO of Tiga Pilar Sejahtera ("TPS") Group.

TPSF is controlled by TPS Group which was founded over five decades ago in Central Java. The Company is a major player in the food business in Indonesia; its products include well-known Indonesian brands Taro Snack, Mie Kremezz, Ayam Dua Telor, Superior, Tanam Jagung, Gulas Candy, and Ayam Jago Rice. TPSF also has a joint venture in its subsidiaries engaging in the palm oil plantation business with Bunge Agribusiness, a global player in agriculture commodities.

Ridha Wirakusumah, Director, KKR Asia added: "Indonesia's economic trajectory places it on pace to become a top-10 economy by 2030 and its consumer economy could become the third largest by 2050, trailing only China and India. This is a large and attractive growth market, and we have been looking to back a consumer-related company like TPSF for quite some time. We recognize that this is a great company with ambitions to grow, and we are pleased to partner with a skilled management team to help fuel that growth in an important market."

Upon closing of the transaction, which is expected to occur in August, KKR will be the Company's second largest shareholder after TPS. KKR will also have the right to nominate a member of the Board of Commissioners, which includes Anton Apriyantono (former Minister of Agriculture), Kang Hongkie Widjaja (founder of PT Asia Inti Selera), Haryadi (Professor of Agriculture University of Gadjah Mada), Bondan Haryo Winarno (Indonesia's prominent culinary expert) and Hengky Koestanto (former TPSF director).

Rabobank International Singapore Branch and PT Rothschild Indonesia acted as joint advisors/arrangers to TPS Group for this transaction.

ABOUT TPS

Started as a family business, TPS Group, the majority shareholders of TPSF, was founded in 1959 in Central Java. TPSF was registered as a public company at the Indonesia Stock Exchange in 2003. TPSF is a food and food-related businesses company which has three business lines, namely food manufacturing (TPS Food), rice processing and distribution (TPS Rice), and palm oil and plantation businesses (TPS Agro).

In the food manufacturing sector, TPSF has 5 factories located in Central Java, Tangerang and Bogor. The last 2 acquisitions were Taro Snack from Unilever in 2011, and PT Subafood Pangan Jaya in 2012 with its well-known corn vermicelli brands of Tanam Jagung and Pilihan Bunda.

TPSF entered into the rice industry in 2010 through the acquisition of 2 rice mills with its heritage brand Ayam Jago, and several well-known brands such as Desa Cianjur, Istana Bangkok, and Rumah Adat. TPSF also entered the palm oil and plantation business in 2008. Bungee became TPSF's partner in 2011, and it has several plantations in Kalimantan and Sumatra islands.

ABOUT KKR

Founded in 1976 and led by Henry Kravis and George Roberts, KKR is a leading global investment firm with $78.3 billion in assets under management as of March 31, 2013. With offices around the world, including seven in Asia Pacific, KKR manages assets through a variety of investment funds and accounts covering multiple asset classes. KKR seeks to create value by bringing operational expertise to its portfolio companies and through active oversight and monitoring of its investments. KKR complements its investment expertise and strengthens interactions with fund investors through its client relationships and capital markets platform. KKR & Co. L.P. is publicly traded on the New York Stock Exchange (NYSE: KKR), and "KKR," as used in this release, includes its subsidiaries, their managed investment funds and accounts, and/or their affiliated investment vehicles, as appropriate.

ABOUT KKR ASSET MANAGEMENT

Launched by KKR in 2004, KAM invests on behalf of its managed funds, clients and accounts across long/short equities and the corporate credit spectrum, including secured credit, bank loans and high yield securities and alternative assets such as mezzanine financing, special situations investing and structured finance. With more than 100 employees, including 50 investment professionals, KAM's investment teams are closely aligned with KKR's wealth of private equity investment and industry resources. KAM has $27.9 billion in assets under management as of March 31, 2013.

For additional information, please visit KKR's website at www.kkr.com.

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