KKR Credit Launches a Platform to Support Italian Companies

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BINDING AGREEMENT WITH INTESA SANPAOLO AND UNICREDIT SIGNED

The Italian platform is 100% privately funded with capital and expertise committed to Italian companies

The Italian platform will be led by Andrea Giovanelli

MILAN--(BUSINESS WIRE)-- KKR Credit, part of KKR & Co. L.P. a leading global investment firm, announced today jointly with Intesa Sanpaolo and UniCredit the launch of a platform that aims to provide long-term capital and operational expertise to Italian companies, thereby supporting Italian banks in managing assets.

The platform is intended to help Italian companies stabilise, grow and create value for the benefit of all stakeholders, including the companies' existing shareholders and the banks who will share in the upside of the recovery in performance of the businesses and the value of the related assets on their balance sheet.

The announcement follows an agreement reached with Intesa Sanpaolo and UniCredit on 25 June 2015 to transfer the banks' exposures to a portfolio of assets selected by the banks and KKR Credit of initially up to 1 billion euros to a vehicle managed by the Italian platform, subject to completion of certain conditions precedent. Intesa Sanpaolo and UniCredit are the first banks to join this initiative. The platform is open to other lenders and companies who would benefit from fresh capital and additional operational support.

Johannes P. Huth, Head of KKR Europe, Africa and Middle East, said: "This is the first large scale initiative of this kind in Italy and in Europe and the first operation established by the pan-European platform launched by KKR Credit. The platform is fully privately funded and we look forward to the opportunity to make long-term capital and industrial expertise available to Italian companies".

The platform is a continuation of KKR's investment commitment to Europe and will be funded by investments from certain funds managed or advised by KKR or its affiliates. Since 1996, KKR has invested in more than 100 companies across industrial sectors in Europe representing approximately $25 billion in invested long-term capital.

Mubashir Mukadam, KKR's European head of Special Situations, said: "We are excited to have Andrea Giovanelli as the CEO of the Italian platform. Andrea and his experienced team will be based in Milan and bring strong backgrounds in the Italian industrial, turnaround, and financial sectors. The team will aim to invest new long-term capital into the businesses, while calling on KKR's global resources and expertise in turning around companies".

Andrea Giovanelli said: "I am proud to be leading the Italian platform and to be contributing to the successful recovery of Italian companies. Our platform offers Italian companies the new financial resources and managerial support to enable them to deliver on their potential for the benefit of all stakeholders, including the banks contributing assets to the scheme. It is time to unblock the credit channel to the benefit of Italian companies and banks. We are already considering a number of other situations in the context of the partnership with Intesa Sanpaolo and UniCredit and beyond."

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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