



KKR Closes US\$9.3 Billion Asian Fund III

June 1, 2017

HONG KONG--(BUSINESS WIRE)-- Leading global investment firm KKR today announced the final closing of KKR Asian Fund III ("the Fund"), a US\$9.3 billion fund focused on investments in private equity transactions across the Asia Pacific region.

"The Asia market offers many compelling investment opportunities in private equity given its secular growth and attractive valuations," said Joseph Bae, KKR Member and Managing Partner of KKR Asia. "This flagship fund is a testament to KKR's ability to drive meaningful growth and value creation in our investee companies as a partner of choice to leading Asian businesses, families and management teams."

Ming Lu, KKR Member and Head of Asia Private Equity, added, "We see a diverse set of opportunities across Asia Pacific stemming from rising consumption and urbanization trends in key markets as well as larger carve-out and cross-border transactions in countries such as Japan. We look forward to partnering with companies to provide unique value-add capabilities beyond capital investment alone which generate positive results for our stakeholders."

The Fund surpasses KKR's US\$6 billion Asian Fund II to become the largest private equity fund dedicated to investing in the region, according to Preqin. It received strong backing from a diverse group of new and existing global investors, including public and corporate pensions, sovereign wealth funds, insurance companies, endowments, family offices and high net worth individual investors.

"The Firm, along with KKR employees, committed approximately \$800 million, marking it our second-largest commitment to a KKR fund. This highlights our focus on the alignment of KKR's interests alongside our fund investors, coupled with the excitement for the investment opportunities we are seeing across the region," added Alisa Wood, KKR Member and Head of Private Market Products Group.

KKR's Asia Pacific private equity platform takes a flexible approach to investment across both traditional control transactions as well as growth equity stakes in companies, and leverages the Firm's industry expertise and operational capabilities to add value. Since the Firm opened its first office in Asia Pacific in 2006, KKR has invested over US\$12 billion in Pan-Asia private equity investments in approximately 55 companies across 10 countries, establishing the Firm as one of the region's most active private equity investors. The predecessor fund of the Asian Fund III, KKR Asian Fund II, began investing in late 2013 and is now fully deployed. It has generated a Gross IRR of 29.1% (net IRR of 20.6%) and a Gross Multiple of 1.5x (net multiple of 1.3x) as of March 31, 2017.

KKR's Pan-Asia private equity portfolio is diversified by country, industry and sector, giving KKR the ability to pivot investment themes between both emerging and developed Asia. KKR focuses on long-term business fundamentals, looking for companies that are market leaders in their sectors and that would benefit from partnering with KKR for greater growth. This strategy is led by a team of approximately 60 investment professionals — and is supported by operational executives in KKR Capstone and capital markets executives in KKR Capital Markets — based across KKR's seven offices in Beijing, Hong Kong, Mumbai, Seoul, Singapore, Sydney and Tokyo.

With the closing of this fund, KKR's private equity business manages over US\$68 billion in assets under management worldwide (using valuations for existing funds as of March 31, 2017).

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). KKR Capstone is not a subsidiary or affiliate of KKR.

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