



KKR to Invest in Torq Energy Logistics, Ltd.

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NEW YORK & CALGARY, Alberta--(BUSINESS WIRE)-- Torq Energy Logistics, Ltd. ("Torq"), an affiliate of Torq Transloading Inc., and KKR announced that they have entered into a definitive agreement, pursuant to which KKR has committed to invest a total of C\$250 million to fund Torq's capital program and acquisition strategy.

Jarrett Zielinski, President and CEO of Torq commented: "We are honored and excited to be partnering with KKR. The shared vision between us in conjunction with the reputational and capital backing of KKR is expected to provide a long runway for growth. Today is an extremely active and exciting time to be in the energy logistics space. New technologies continue to unlock oil and gas reserves previously deemed uneconomic. The unexpected increase in energy production is reshaping the landscape of how we move energy from wellhead to market. Torq has been compelled to rethink conventional means and innovate new modes of energy transportation and storage infrastructure so as to provide premium economics for its customers and facilitate continued exploration and production."

Founded in 2011, Torq is a private company that provides transportation solutions for producers seeking to transport crude oil by rail car in Western Canada. Torq operates six transloading terminals and provides a fully-integrated crude handling and transportation service from the wellsite to the rail car.

Brandon Freiman, Director of KKR and senior member of the firm's energy and infrastructure team, said: "We believe that continued growth in the Canadian energy sector is dependent on new infrastructure solutions to bring production to market. The team at Torq has taken a creative, entrepreneurial approach to providing safe, reliable, and flexible logistics solutions to Canadian producers, and we look forward to partnering with them to support their continued growth."

The transaction, which is subject to customary closing conditions and regulatory approvals, is expected to close in January 2014. Upon close, three members of KKR's Energy & Infrastructure business, Raj Agrawal, Brandon Freiman, and Frank Spelman will join the Board of Directors.

The investment is being made by KKR North American Fund XI and other funds and accounts managed by KKR.

About Torq Energy Logistics, Ltd.

Torq Energy Logistics, Ltd. is a private company formed to provide transloading services in Western Canada. The Company has established a network of terminals in partnership with several key railway operators. The Company is led by President/CEO Jarrett Zielinski, EVP/President of Transloading Steve Smith, and EVP/President of Goulet Trucking Dean Weinkauff.

About KKR

Founded in 1976 and led by Henry Kravis and George Roberts, KKR is a leading global investment firm with \$90.2 billion in assets under management as of September 30, 2013. With offices around the world, 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 investors through its client relationships and capital markets platform. KKR 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. For additional information, please visit KKR's website at www.kkr.com.

Photos/Multimedia Gallery Available: <http://www.businesswire.com/multimedia/home/20131224005038/en/>

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