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KKR to Partner with Dixon Hospitality

Partnership to strengthen Dixon's position in Australia's food, beverage and hospitality sector

MELBOURNE, Australia & SYDNEY--(BUSINESS WIRE)-- Leading Australian hospitality and leisure group Dixon Hospitality Limited ("Dixon Hospitality" or the "Company") and global investment firm KKR today announced a partnership under which KKR will acquire a majority stake in the Company.

This Smart News Release features multimedia. View the full release here:

<http://www.businesswire.com/news/home/20170630005152/en/>

Dixon Hospitality is one of the largest and fastest-growing food and beverage-focused operators in the Australian hospitality industry. The Company has a strategy of acquiring well-run venues and function spaces with a focus on providing patrons with an exceptional experience and unique atmosphere. Today, Dixon Hospitality operates a portfolio of more than 40 high-quality venues located across Australia. The majority of venues operate as a standalone pub, bar or restaurant with their own defined brand, service proposition and target clientele. Across the Dixon Hospitality portfolio, there is a focus on premium food and beverage offerings and an attractive range of function and event facilities.

The Company's management team, led by Founder and Executive Chairman Bruce Dixon and CEO Paul Waterson, has in-depth knowledge and extensive experience in the hospitality industry. Through its portfolio of leading venues, Dixon Hospitality is well-positioned to meet patrons' expectations at a time when consumers are increasingly dining outside of the home, watching more sports in pub, bar and restaurant venues, and consuming more craft beer and premium food and beverage products. Dixon Hospitality's growth strategy includes a brownfield development program to improve patron experience and adapt to changing consumer trends.

Bruce Dixon said, "We are extremely pleased to welcome KKR as an experienced partner. We have known and held the KKR team in high regard for a long time, and their investment is a strong endorsement of the outlook for our business. We're confident this partnership will position the company for long-term success."

Paul Waterson added, "We have always focused on ensuring that excellent service, quality dining and unique atmospheres are at the heart of our business. KKR's operational expertise and knowledge of global industry best practices will help us deliver an even better experience to customers across our growing portfolio of venues."

Scott Bookmyer, Member of KKR and Head of KKR Australia, said, "KKR is proud to partner with Dixon Hospitality, a leading player in the Australian hospitality industry with a strong focus on delivering a differentiated dining experience to customers across the country. We are excited to work together with Dixon Hospitality's experienced team. This exemplifies our focus on partnering with proven entrepreneurs to help create an exciting future for the business."

Gareth Woodbridge, Principal at KKR Australia, said, "We are impressed by the strength of Dixon Hospitality's team, business model and operations across its diverse portfolio of food and beverage venues. This is an exciting time for Australia's hospitality sector, and KKR is committed to supporting the business to achieve its long-term growth ambitions."

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. KKR has been investing in Australia through its pan-regional private equity funds since 2006, and opened its office in Sydney in 2007. As the Australian economy offers opportunities to invest in high-quality companies poised for expansion domestically and overseas, the country plays an important role in KKR's Asia Pacific strategy. To date, KKR has deployed more than AUD 3 billion across its Private Equity, Credit, Energy & Resources and Real Estate businesses. KKR's existing private equity investments include Latitude Financial Services, Santanol and Sundrop Farms.

KKR will make the proposed investment from its recently closed US\$9.3 billion Asian Fund III. The transaction is subject to customary approvals. Further details of the transaction were not disclosed.

About Dixon Hospitality Limited

Dixon Hospitality is one of the largest and fastest-growing food and beverage-focused operators in the Australian hospitality industry with a portfolio of 40 high quality venues located primarily across Melbourne, Sydney and Brisbane. Dixon

Hospitality has evolved through a series of disciplined acquisitions of quality venues in attractive locations. The majority of venues operate as a standalone pub, bar or restaurant with their own defined brand, service proposition and target clientele. Across the Dixon Hospitality portfolio, there is a focus on premium food and beverage offerings and an attractive range of function and event facilities.

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).

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