

KKR agrees to acquire majority stake in Selecta from ACP

Partnership to further strengthen the company's position in the European vending and coffee services market

CHAM, Switzerland & LONDON & MUNICH--(BUSINESS WIRE)-- KKR, a leading global investment firm, announced today the signing of a definitive agreement with Allianz Capital Partners ("ACP") to acquire their majority stake in Selecta Group ("Selecta"). The transaction is subject to, among other things, the consent of Selecta's bondholders.

Selecta is a leader in the European vending and coffee services market and geographically diversified across Europe with operations in 21 countries and a special focus on Switzerland, Sweden and France. The company operates more than 145,000 vending machines, employs approximately 4,500 people, and serves more than 6 million consumers daily. KKR has supported Selecta since 2014, when KKR Credit provided €220 million in long-term financing as part of the Group's overall refinancing.

Remo Brunswiler, CEO of Selecta, said: "We are looking forward to reinforcing our trusted partnership with KKR, an experienced and reliable long-term investor who will help us further grow our business. Together, we have the strength to create additional value for our stakeholders. We would like to thank ACP for their support over the past eight years. ACP has actively accompanied the development of our business and laid the foundation for a successful future."

Mark Brown, Director Special Situations at KKR Credit in London, said: "We have been working with Selecta since 2014 from a creditor and minority shareholder perspective and are now excited to take our partnership to the next level. With our operational experience and industry know-how as well as our extensive network of senior advisors, we will support Selecta in actively driving the company's growth strategy whilst focusing on operational and capital efficiency. Selecta is in an excellent position to benefit from the current industry dynamics such as an improving European macroeconomic environment, the outsourcing of coffee services at the workplace, and the availability of new technologies including cashless payment and telemetry."

Joerg Spanier, Managing Director at Allianz Capital Partners, said: "Over the past eight years, Selecta has been able to maintain and strengthen its market position despite a difficult overall vending market in recent years. The successful refinancing last year was a major milestone for Selecta to drive the identified growth initiatives. Today the business is well-positioned to maximise its potential and continue its growth strategy."

KKR has substantial experience in investing in European companies and in bringing the businesses to the next stage of development. Since 1996, KKR has invested in more than 100 companies across industrial sectors in Europe, representing approximately \$25 billion in invested long-term capital. It also has significant expertise in the European consumer and retail sector in general and in the vending and coffee services industry in particular. Current investments in this field include Germany-based WMF, a manufacturer of coffee machines and kitchenware, and Gruppo Argenta, Italy's second largest vending and coffee services company, which received approximately €100 million in long-term financing from KKR Credit in 2014.

Financial details of the transaction are not being disclosed. Closing is expected to take place in the fourth quarter of 2015 and is subject to the customary closing conditions, including relevant antitrust clearance. Moreover, the closing is subject to the consent of Selecta's bondholders to certain proposed amendments to the bond documentation in connection with the proposed acquisition. Lazard is acting as financial adviser to KKR.

- Ends -

About Selecta Group

Selecta is a leading vending and coffee services company in Europe with a turnover of about €714 million (for the twelve months ended 30 June 2015) and employs approximately 4,500 people. Founded and headquartered in Switzerland in 1957, Selecta has grown its geographic market presence to 21 countries across Europe. Selecta serves 6 million consumers every day at its 145,000 point of sales addressing the growing need for out of home food and beverage services at the workplace and on the go. Selecta is putting a strong focus on improving the coffee experience at workplaces through an exclusive partnership with Starbucks as well as by offering a full range of high quality coffee blends such as Selecta's own miofino brand. In addition, Selecta offers state of the art coffee machines which are serviced by its own highly professional service organisation. Selecta's Swiss roots stand for service excellence, high quality product offering and innovative concepts for out of home food and beverage services. For further information, please visit Selecta's website at www.selecta.com.

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.

About Allianz Capital Partners

Allianz Capital Partners is the Allianz Group's in-house investment manager for alternative investments. With offices in Munich, London, New York and Singapore Allianz Capital Partners manages more than € 12 billion of alternative assets. The investment focus is on direct investments in infrastructure and renewable energy as well as private equity fund investments. ACP's investment strategy is targeted to generate attractive, long-term and stable returns while diversifying the overall investment portfolio for the Allianz Group insurance companies.

www.allianzcapitalpartners.com

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