



August 12, 2018

KKR to Acquire Ramky Enviro Engineers

Investment Supports Continued Growth of Leading Indian Environmental Services Business

MUMBAI, India--(BUSINESS WIRE)-- Global investment firm KKR and Ramky Enviro Engineers Limited ("REEL" or the "Company"), a leading provider of environmental services and solutions in India and overseas, today announced the signing of a definitive agreement under which KKR will acquire a 60% stake in the Company for approximately US\$530 million via a combination of primary and secondary investments valuing the Company at an enterprise value of US\$925 million.

This press release features multimedia. View the full release here:

<https://www.businesswire.com/news/home/20180812005038/en/>

REEL's suite of comprehensive offerings includes the management, collection, transport and processing of hazardous, municipal, biomedical and e-waste, as well as the recycling of paper, plastic and chemicals. The Company also focuses on renewable energy generation - with a strong focus on waste-to-energy processes - and offers consulting and integrated environmental services. REEL has a presence in over 60 locations across 20 Indian states, as well as in certain Southeast Asian, Middle Eastern and African markets.

KKR's investment in REEL marks one of the largest buyouts in India, in addition to being the first private equity buyout in the country's highly attractive environmental services sector. The deal comes as Prime Minister Narendra Modi's administration enhances its focus on environmental management through the Swachh Bharat (Clean India) Mission, an initiative to reduce pollution and improve critical sanitation infrastructure to boost living standards in cities, towns and rural villages nationwide.

M. Goutham Reddy, Managing Director & CEO of the Company, said, "REEL was founded by Mr. A. Ayodhya Rami Reddy with a vision that sustainable development is the key to success and with an objective of serving society through environmental management. With KKR as our new partner, we look forward to advancing our mission of responsibly addressing the environmental issues that emerging economies including India are facing today. Today marks the beginning of the next stage of REEL's evolution towards serving society."

Sanjay Nayar, Member & CEO of KKR India, said, "We are excited to partner with REEL, the only comprehensive environmental management company offering end-to-end environmental and waste management services across India. REEL's work uniquely supports the Swachh Bharat Mission, and our team is pleased to invest in the growth of a company that provides critical services and infrastructure to reduce pollution and address the needs of India's expanding urban population."

"We look forward to leveraging our resources to enhance REEL's operational best practices and add value by focusing on engineering innovation, attracting managerial talent and boosting efficiency, in addition to building on REEL's rigorous focus on environmental, health and safety initiatives. We will work alongside REEL's experienced management team to enhance the Company's mission of becoming a world-class leader in environmental management at a time when implementing sustainable solutions is more important than ever," added Rupen Jhaveri, Managing Director at KKR.

REEL has established itself as a leading and trusted provider of environmental services due to its focus on sustainability and commitment to continuous improvement. As part of this commitment, REEL uses a number of systems to monitor its procedures to ensure adherence to best environmental management standards. The Company frequently samples and analyses its business' impact on the air, soil and water of the areas where it operates, and it manages community outreach and engagement programs. To date, REEL has been recognized for its safety and environmental efforts in numerous municipalities in India.

Barclays and EY are acting as REEL and KKR's M&A advisors, respectively. Link Legal serves as REEL's legal counsel, and PwC and Transaction Square act as REEL's tax advisor. Cyril Amarchand Mangaldas and Simpson Thacher & Bartlett serve as KKR's legal counsel, with Deloitte India acting as accounting and tax advisor. Environmental Resources Management serves as environmental management advisor to the deal.

KKR makes the investment from its Asian Fund III.

About KKR

KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, energy, infrastructure, real estate and credit, with strategic manager partnerships that manage hedge funds. KKR aims to generate attractive investment returns for its fund investors by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation with KKR portfolio companies. KKR invests its own capital alongside the capital it manages for fund investors and provides financing solutions and investment opportunities through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. Inc. (NYSE:KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

About Ramky Enviro Engineers

Ramky Enviro Engineers Limited ("REEL") is a leading provider of comprehensive environmental management services. Through the provision of its technical and operational expertise, REEL offers cost-effective, custom solutions to a variety of complex environmental needs across areas including Integrated Waste Management, Wastewater and Water Treatment and Remediation, among others. REEL today operates waste treatment facilities in more than 60 locations across India, Singapore, the Middle East, and Africa. The Company handles 3.5 million tons of municipal waste, 1 million tons of industrial waste, and caters to 20,000 healthcare establishments. REEL's facilities are ISO 9001-, ISO 14001-, ISO 17025- and OHSAS 18001-certified to ensure excellence in environmental and waste management. For more information, visit: <http://ramkyenviroengineers.com>.

View source version on [businesswire.com](https://www.businesswire.com/news/home/20180812005038/en/): <https://www.businesswire.com/news/home/20180812005038/en/>

Media

For KKR:

KKR Asia

Anita Davis, +852 3602 7335

Anita.Davis@KKR.com

or

KKR Americas

Kristi Huller / Cara Major, +1 212-750-8300

Media@KKR.com

or

For KKR India:

Edelman

Siddharth Panicker, +91-9820-857-522

Siddharth.Panicker@Edelman.com

Source: KKR

News Provided by Acquire Media