



KKR and Allegro join forces to acquire portfolio of loans from BOS International

Leading global investment firm Kohlberg Kravis Roberts & Co L.P. (together with its affiliates, “KKR”) and independently-owned Australian fund manager Allegro Funds announced that KKR through its Special Situations business and Allegro Funds last night signed an agreement to acquire a portfolio of commercial loans from BOS International.

The acquisition for an undisclosed amount follows a competitive process run by BOS International, a subsidiary of Lloyds International Pty Limited, following a review of its Australian and New Zealand commercial loan portfolio.

Jamie Weinstein, Global Co-Head of Special Situations at KKR said: “As banks are deleveraging around the world, we continue to see opportunities to acquire some of their non-core portfolios. Our goal is to provide a solution that also represents an opportunity to deliver attractive risk-adjusted returns for our investors.”

Chester Moynihan, Managing Director of Allegro Funds, said: “As an independent fund manager, with capital from Australian superannuation funds, we have a responsibility to seek the best opportunities for our clients. Our partnership with KKR is exciting and taking this opportunity is another step in the ongoing evolution of the Allegro business.”

KKR has been investing in credit since 2004 and has approximately \$16.5 billion in assets under management as of September 30, 2012.

Herbert Smith Freehills provided legal counsel to KKR and Allegro.

About KKR

Founded in 1976 and led by Henry Kravis and George Roberts, KKR is a leading global investment firm with \$66.3 billion in assets under management as of September 30, 2012. 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). For additional information, please visit KKR’s website at www.kkr.com.

About Allegro Funds

Established in 2004, Allegro Funds is an independently-owned Australian fund manager investing primarily in private mid-market businesses within Australia and New Zealand. Allegro currently manages more than \$300 million in committed capital from Australian superannuation funds and the Allegro team. Backed by a team of experienced investment professionals, Allegro deploys capital, expertise and a distinctly hands-on approach to investing in businesses requiring transformation. For more information visit www.allegrofund.com.au.