



KKR Adds Lean Six Sigma Leader to its Portfolio Operations Team

Arthur (A.J.) Brohinsky to Lead Group's Lean Six Sigma Efforts, Joining Functional Experts Todd Cooper, Director of Procurement, and Jeff Smith, Director of IT

New York, April 14, 2009 – KKR today announced the appointment of Arthur (A.J.) Brohinsky, former Executive Vice President of software and consulting services company SmartOps, as a Director responsible for leading the Firm's Lean Six Sigma efforts. Brohinsky will join KKR's portfolio operations team, KKR Capstone.

KKR Capstone, which is comprised of a combination of highly experienced functional specialists and general executive managers, works in partnership with KKR's private equity investment professionals and portfolio company management teams to improve portfolio company operations. Mr. Brohinsky joins the group's existing team of functional experts, which includes recent hires Todd Cooper, Director responsible for procurement, and Jeffrey R. Smith, Director responsible for information technology.

Dean B. Nelson, Founder of KKR Capstone, said, "Central to KKR's private equity investing approach is the long-held belief that value is created by improving the operations and performance of the companies in which we invest. At KKR Capstone, our mission is to address, over the lifetime of an investment, the most important operational value-creation levers in order to improve the performance of a portfolio company."

KKR Capstone executives work side-by-side with management teams to help identify and implement operational improvements in functional areas such as pricing, organizational design, sales force effectiveness, and operational efficiency.

Lean Six Sigma is a disciplined, data-driven approach to improving a company's business processes, resulting in higher margins, revenue growth, cost management, and more efficient use of capital.

Mr. Brohinsky, who is based in New York, started his career at Shell Oil Company in manufacturing engineering, supply chain, and risk management positions. After graduating from Harvard Business School, he worked at McKinsey & Company before joining SmartOps, a leading provider of manufacturing and supply chain software and consulting services, where he was most recently the Executive Vice President. Mr. Brohinsky earned a B.S. degree in Mechanical Engineering from Cornell University.

Mr. Cooper, who is based in Menlo Park, spent several years leading procurement activities at Honeywell Aerospace before joining KKR Capstone in 2008. At Honeywell Aerospace, Mr. Cooper managed a team of over 900 people and a budget of approximately \$5 billion. As KKR Capstone's procurement lead, Mr. Cooper is focused on driving procurement transformation in select companies, as well as aggregating and negotiating indirect spend contracts across all of KKR's companies.

Mr. Smith, who joined KKR Capstone in 2008, is a 29-year veteran of Accenture, where he held a number of leadership positions, including Global Managing Partner for Retail and Consumer Goods, Managing Partner for Technology Innovation and Research, and Managing Partner for North America SAP-Consumer Industries. His responsibilities included serving as a contract CIO for a 400-store retail chain, as well as leading large IT-based business performance programs for companies including Sara Lee, Wal-Mart, Novartis, and Sainsbury's, among others. Smith's role as IT leader for KKR Capstone is to focus on value creation, working with portfolio company management in areas where IT makes a major impact on the investment case. This includes large-scale program management, IT restructuring, change management, and risk containment. Mr. Smith is based in New York.

About KKR

Established in 1976, KKR is a leading global alternative asset manager. KKR's franchise is sponsoring and managing funds that make investments in private equity, fixed income and other assets in North America, Europe, Asia and the Middle East. Throughout its history, KKR has brought a long-term investment approach, focusing on working in partnership with management teams of its portfolio companies and investing for future competitiveness and growth. Funds that KKR sponsors include traditional private equity funds and KKR Private Equity Investors, L.P. (Euronext Amsterdam: KPE), a permanent capital fund that invests in KKR-identified investments; two credit strategy funds, KKR Financial Holdings LLC (NYSE: KFN) and the KKR Strategic Capital Funds, which make investments in debt transactions; and separately managed accounts focused on a variety of asset classes. KKR has offices in New York, Menlo Park, San Francisco, Houston, Washington D.C., London, Paris, Hong Kong, Tokyo, Beijing, Mumbai and Sydney. More information about KKR is available at: www.kkr.com.

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