



## **Fidelity® and KKR to Offer Retail Investors Access to IPOs and Follow-On Offerings**

### **Fidelity to Have Exclusive Access to Retail Securities From KKR's Capital Markets Group; KKR to Have New Retail Distribution Capabilities**

BOSTON and NEW YORK, June 8, 2009 -- Fidelity Investments® and Kohlberg Kravis Roberts & Co. (KKR) today announced an agreement that enables Fidelity's retail and institutional brokerage customers the opportunity to participate in initial public offerings (IPOs) and follow-on offerings of KKR companies, while providing KKR's capital markets business with a new retail distribution channel.

Through the new relationship, Fidelity will have exclusive access to retail securities that are allocated to KKR in all U.S. public offerings in which KKR participates as an underwriter, including IPOs and follow-on offerings. Those retail securities will be made available to Fidelity's retail brokerage customers as well as to accounts managed by Fidelity's registered investment advisor (RIA), correspondent broker-dealer and other institutional clients. KKR will act as the underwriter of all retail securities that are distributed by Fidelity under the arrangement.

"While it's no secret that the IPO market has slowed over the last couple of years, we are beginning to see signs that it may be picking up momentum," said Mark Haggerty, president of Fidelity Capital Markets, the institutional trading division of Fidelity Investments. "Our new relationship with KKR gives Fidelity the ability to offer our retail, RIA and broker-dealer clients unique access to new issue equity offerings of KKR portfolio companies and the potential for more meaningful allocations in those offerings. We believe that with a portfolio of nearly 50 companies that generate more than \$200 billion in annual revenues, KKR will provide a significant source of investment opportunities for our customers over the coming years and be an important strategic relationship for our company."

Craig Farr, member of KKR and head of KKR Capital Markets, said, "Over the past two years, we have built a global capital markets platform that includes institutional placement capabilities, meaningful underwriting capacity and a team of experienced capital markets and structuring professionals. Our alliance with Fidelity creates a new retail distribution channel for our capital markets business and allows us to provide a broader range of investors with greater access to our offerings. This is another important step in the continued development of KKR."

As part of the alliance, Fidelity and KKR also may offer directed share programs (DSPs) to issuers who wish to place securities directly to employees and other investors in connection with a new issue equity offering.

#### **About Fidelity Investments**

Fidelity Investments is one of the world's largest providers of financial services, with custodied assets of nearly \$2.7 trillion, including managed assets of \$1.3 trillion as of April 30, 2009. Fidelity offers investment management, retirement planning, brokerage, and human resources and benefits outsourcing services to over 20 million individuals and institutions as well as through 5,000 financial intermediary firms. The firm is the largest mutual fund company in the United States, the No. 1 provider of workplace retirement savings plans, the largest mutual fund supermarket and a leading online brokerage firm. For more information about Fidelity Investments, visit [www.fidelity.com](http://www.fidelity.com).

#### **About Fidelity Capital Markets**

Fidelity Capital Markets (FCM) is the institutional trading arm of Fidelity Investments providing trading, products and services to a wide array of clients and Fidelity businesses. FCM executes domestic and international equity securities including block and portfolio trading, listed options and foreign exchange. It also offers securities lending, commission management and transition management. FCM trades fixed-income in a wide range of taxable and tax-exempt securities and underwrites municipal and government agency debt. The company has its own distribution channel, Fidelity Prime Services®, focused on servicing hedge funds and a full suite of Electronic Brokerage Trading Products, including proprietary algorithms and a crossing network, CrossStream®. FCM offers all of its clients conflict-free trading, execution excellence and personal service. For more information about Fidelity Capital Markets, please visit [www.FidelityCapitalMarkets.com](http://www.FidelityCapitalMarkets.com).

#### **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. KKR has more than \$35

billion in private equity assets under management and more than \$12 billion in credit assets under management as of March 31, 2009 through various private and publicly traded funds and separately managed accounts. KKR also carries out capital markets activities through its broker-dealer subsidiaries. The Firm has offices in New York, Menlo Park, London, San Francisco, Hong Kong, Tokyo, Beijing, Houston, Washington, D.C., Sydney, Paris, Mumbai and Dubai. More information about KKR is available at: [www.kkr.com](http://www.kkr.com).

### **About KKR Capital Markets**

KKR Capital Markets (KCM) is a division of KKR that conducts capital markets activities worldwide in support of KKR, its portfolio companies and clients. KCM builds on KKR's relationships and sourcing advantages to provide both traditional and non-traditional capital solutions for companies and help clients access the capital markets in an efficient manner. Its activities include placing and underwriting securities offerings, raising capital for investment, arranging financing for transactions, structuring new investment products and providing tailored capital markets advice. KKR Capital Markets operates in North America, Europe, Asia and the Middle East through various licensed broker-dealer subsidiaries.

KKR is an independent company and is not affiliated with Fidelity.

KKR Capital Markets operates in the United States through KKR Capital Markets LLC, a broker-dealer registered with the U.S. Securities and Exchange Commission and a member of [FINRA](#) and [SIPC](#).

Fidelity Capital Markets is a division of National Financial Services LLC, Member NYSE, SIPC.

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<sup>[1]</sup> Fidelity Capital Markets may engage in principal trading to facilitate customer order flow.

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