

Transaction announcement

Strong backing for cutting-edge Automation Technology: KKR provides Growth Equity to arago - C•H•Reynolds advises German-based specialist in IT automation on the transaction

Frankfurt am Main, October 28, 2014: KKR, a leading global investment firm, already announced a minority investment in arago AG, fully owned by Chris Boos and Dr Bernhard Walther. C•H•Reynolds' IT team led by Felix Hoch successfully advised arago AG on the transaction. KKR will support arago with a significant amount of primary capital to accelerate its global expansion, funding the investment primarily from the balance sheet of KKR & Co. L.P. (NYSE:KKR). The terms of the transaction were not disclosed.

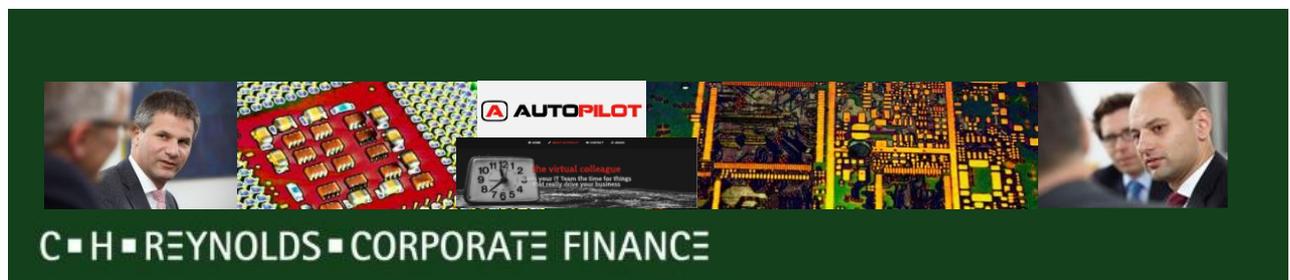
Originally founded in 1995, and operating out of Frankfurt am Main, arago specializes in the automation of IT operations. arago's breakthrough technology for IT-automation, which was developed over the last 8 years, is called "AutoPilot". It is a unique platform based on technologies like inference machines and machine learning as well as data analytics to automate IT operations. arago's technology is used by large corporations with complex IT systems such as banks or telecommunication companies as well as IT service providers and outsourcers.

Chris Boos, CEO and co-Founder of arago AG, commented: "I have worked on algorithmic software development for the last 25 years. With AutoPilot, we have created a unique technology that is proven and highly scalable. We have found a partner in KKR that immediately understood our technology and product vision and will support our global roll-out with capital, operational resources and access to its global network. We would like to thank C•H•Reynolds to set the course for a continuing successful future of the company."

Philipp Freise, Member and Head of the European Media & Digital investment team at KKR, added: "For KKR, this investment is about supporting the global development of a cutting-edge German technology company founded and run by a world class entrepreneur. arago is an excellent example of Europe's ability to produce outstanding technology companies and we believe our partnership will demonstrate the role KKR can play in helping such companies to become global champions."

With respect to the transaction process, Chris Boos added: "We experienced an excellent cooperation with C•H•Reynolds on both transaction related and personal levels. Felix Hoch and Markus Kluge showed a broad understanding of our business and technology and guided us with great effort and enthusiasm through the transaction process with KKR."

"We are happy that we were able to advise arago AG on this pathbreaking transaction, which enables the company to go the next step on global growth", added Felix Hoch, head of the IT-team at C•H•Reynolds.



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Background information

C■H■Reynolds■Corporate Finance

C■H■Reynolds Corporate Finance is an independent M&A consultancy based in Frankfurt a.M. With its professional team drawing on extensive finance and industry-specific experience, C■H■Reynolds advises medium-sized companies, financial investors and family offices on the conception and implementation of M&A transaction processes as well as larger groups on spin-off deals. Its sector focus lies in Automotive, Consumer Goods & Retail, Healthcare/Pharma & Chemicals, Industrial Products, IT, and Machinery & Equipment. The international co-operation network of C■H■Reynolds gives its clients access to all the core markets in the world. www.chrcf.com

Transaction team: Felix Hoch, Markus Kluge

About arago AG

Founded in Frankfurt am Main 1995, arago is specialized in the automation of IT operations. The company uses modern technologies such as inference and machine learning in order to automatically operate the entire IT stack – from heterogeneous environments to individual applications. Their knowledge-based automation solution, AutoPilot, enables companies to reduce their operating budget as well as to optimize their IT efficiently – without the need for IT standardization. Please visit for further information: www.arago.co and www.autopilot.co.

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.

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