



Figure 52: KKR Private Markets Segment Income Statement Forecasts

INCOME STATEMENT	2012	1Q13	2Q13	3Q13	4Q13E	2013E	1Q14E	2Q14E	3Q14E	4Q14E	2014E	2015E	2016E
Fee revenue:													
<i>Management & incentive fees:</i>													
Management fees	423.9	106.6	114.7	119.4	126.4	467.1	131.6	137.3	142.5	145.7	557.0	573.7	540.4
Incentive fees	-	-	-	-	-	-	-	1.0	2.0	3.0	6.0	-	-
Total mgmt & incentive fees	423.9	106.6	114.7	119.4	126.4	467.1	131.6	138.3	144.5	148.7	563.0	573.7	540.4
<i>Monitoring & transaction fees:</i>													
Monitoring fees	116.6	32.1	28.9	33.0	31.9	125.9	34.8	36.3	37.7	38.6	147.4	151.9	137.7
Transaction fees	96.5	16.4	25.2	55.0	62.8	159.5	61.4	46.8	32.5	32.5	173.3	94.3	85.3
Fee credits	(97.4)	(21.0)	(29.5)	(46.6)	(50.2)	(147.4)	(48.1)	(39.9)	(33.7)	(35.5)	(157.3)	(125.5)	(116.0)
Total monitoring & transaction fees	115.7	27.5	24.6	41.4	44.5	138.0	48.1	43.2	36.5	35.5	163.4	120.6	107.1
Total fee revenue	539.6	134.1	139.3	160.8	170.9	605.1	179.7	181.5	181.1	184.2	726.4	694.3	647.5
<i>Investment income (loss):</i>													
Realized carried interest	475.7	85.2	269.8	81.5	189.5	629.0	235.0	235.0	260.0	252.4	982.4	1,222.1	1,180.9
Unrealized carried interest	917.0	310.8	(212.8)	264.0	334.2	696.2	9.9	19.0	42.9	52.7	124.5	(166.5)	(330.9)
Total Gross carried interest	1,392.8	396.0	57.0	345.5	523.7	1,325.2	244.9	254.0	302.9	305.1	1,106.9	1,055.6	850.0
Other investment income	0.6	(2.0)	(0.2)	3.4	1.0	2.1	1.0	1.0	1.0	1.0	4.0	6.0	8.0
Total Investment income (loss)	1,393.4	396.9	56.8	348.9	524.7	1,327.3	245.9	255.0	303.9	306.1	1,110.9	1,061.6	858.0
Total Revenue	1,932.9	531.0	196.1	509.7	695.7	1,932.4	425.6	436.5	484.9	490.3	1,837.3	1,755.8	1,505.5
memo: Total Revenue net of carried interest comp exp	1,223.7	360.4	169.1	362.0	479.8	1,371.4	314.5	280.0	306.8	310.0	1,211.2	1,276.2	1,111.5
Expenses:													
<i>Carried interest comp expense:</i>													
Allocation to KKR carry pool	565.5	161.3	22.2	139.9	209.5	533.0	98.0	101.6	121.2	122.0	442.8	422.2	340.0
Management fee refunds	143.7	9.2	4.7	7.8	6.3	28.0	13.2	54.9	57.0	58.3	183.3	57.4	54.0
Total comp expense netted carried interest revenue	709.3	170.6	27.0	147.7	215.8	561.0	111.1	156.5	178.2	180.3	626.1	479.6	394.1
Compensation & benefits	192.8	48.0	51.5	65.4	68.4	233.3	71.9	72.6	72.4	73.7	290.6	284.6	265.5
Occupancy and related charges	48.6	11.4	11.1	13.4	14.7	50.6	13.2	13.1	13.5	14.8	54.7	57.4	59.1
Other operating expenses	147.3	33.9	34.0	37.6	45.1	150.6	36.1	35.7	36.8	40.5	149.1	156.5	161.2
Total Expenses	1,097.8	263.9	123.6	264.0	344.0	995.5	232.3	277.9	300.9	309.3	1,120.4	978.2	879.9
memo: Total Operating expenses (ex carry-related exp)	388.6	93.4	96.6	116.4	128.2	434.5	121.2	121.4	122.7	129.0	494.3	496.6	485.8
Income (loss) attributable to noncontrolling interests	3.4	0.4	0.4	0.4	0.5	1.7	0.5	0.5	0.5	0.5	2.0	2.0	2.0
Pretax Segment Economic Net Income (ENI)	831.7	266.7	72.0	245.2	351.2	935.1	192.8	158.1	183.6	180.5	714.9	775.7	623.6

Source: Company reports and Deutsche Bank