



Figure 53: KKR Public 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	105.2	46.4	49.5	53.8	55.9	205.5	56.4	58.9	61.7	64.3	241.4	299.4	349.9
Incentive fees	43.8	18.8	15.6	1.2	12.1	47.8	6.1	19.2	6.7	42.0	74.0	82.2	97.2
Total mgnt & incentive fees	149.0	65.2	65.1	55.1	68.0	253.3	62.6	78.1	68.4	106.3	315.4	381.6	447.2
<i>Monitoring & transaction fees:</i>													
Monitoring fees	-	-	-	-	-	-	-	-	-	-	-	-	-
Transaction fees	14.5	3.1	7.2	20.5	1.5	32.4	1.5	1.5	1.5	1.5	6.0	1.5	1.5
Fee credits	(8.4)	(2.1)	(5.2)	(15.2)	(0.8)	(23.2)	(0.5)	(0.5)	(0.5)	(0.5)	(2.0)	(0.5)	(0.5)
Total monitoring & transaction fees	6.1	1.1	2.0	5.3	0.7	9.1	1.0	1.0	1.0	1.0	4.0	1.0	1.0
Total fee revenue	155.2	66.3	67.1	60.4	68.7	262.5	63.6	79.1	69.4	107.3	319.4	382.6	448.2
<i>Investment income (loss):</i>													
Realized carried interest	-	-	-	-	-	-	-	-	-	-	-	-	-
Unrealized carried interest	39.2	20.4	10.8	14.0	28.5	73.7	15.6	13.6	11.4	9.0	49.5	41.5	31.2
Total Gross carried interest	39.2	20.4	10.8	14.0	28.5	73.7	15.6	13.6	11.4	9.0	49.5	41.5	31.2
Other investment income	(0.0)	0.1	0.0	(0.0)	0.1	0.2	0.1	0.1	0.1	0.1	0.4	1.0	0.5
Total Investment income (loss)	39.1	20.5	10.8	14.0	28.6	73.8	15.7	13.7	11.5	9.1	49.9	42.5	31.7
Total Revenue	194.3	86.7	77.9	74.4	97.3	336.3	79.2	92.7	80.9	116.4	369.3	425.1	479.9
memo: Total Revenue net of carried interest comp exp	178.6	78.6	73.6	68.8	85.9	306.8	76.0	89.3	77.4	112.8	355.5	408.5	479.7
Expenses:													
<i>Carried interest comp expense:</i>													
Allocation to KKR carry pool	15.7	8.2	4.3	5.6	11.4	29.5	6.2	5.4	4.6	3.6	19.8	16.6	0.2
Management fee refunds	-	-	-	-	-	-	(3.0)	(2.0)	(1.0)	-	(6.0)	-	-
Total comp expense netted carried interest revenue	15.7	8.2	4.3	5.6	11.4	29.5	3.2	3.4	3.6	3.6	13.8	16.6	0.2
Compensation & benefits	50.7	19.7	22.0	18.6	20.8	80.9	25.4	31.6	27.8	42.9	127.7	153.0	179.3
Occupancy and related charges	5.6	1.5	1.6	1.9	2.0	7.1	1.9	1.9	1.9	2.1	7.9	8.6	9.5
Other operating expenses	18.4	7.8	9.1	19.7	14.8	51.4	11.1	10.5	10.2	11.2	43.0	47.3	52.0
Total Expenses	90.3	37.2	37.1	45.8	48.7	168.8	41.6	47.5	43.5	59.9	192.4	225.5	241.0
memo: Total Operating expenses (ex carry-related exp)	74.7	29.1	32.8	40.2	37.4	139.4	38.4	44.0	39.9	56.3	178.6	209.0	240.8
Income (loss) attributable to noncontrolling interests	1.1	0.4	0.4	0.2	0.5	1.4	0.5	0.5	0.5	0.5	2.0	2.0	2.0
Pretax Segment Economic Net Income (ENI)	102.9	49.1	40.5	28.4	48.0	166.0	37.1	44.8	37.0	56.0	174.9	197.5	238.9

Source: Company reports and Deutsche Bank