

## Clare Baldwin

Clare Baldwin's Profile

### KKR sees \$500 mln in new units post NYSE listing

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NEW YORK, May 10 (Reuters) – Private equity firm Kohlberg Kravis Roberts & Co [KKR.UL] <KKR.AS> announced plans on Monday to issue new units after it becomes a publicly traded U.S. company.

The firm, which has long sought a U.S. listing, said it will sell \$500 million worth of new units in a U.S. offering.

The regulatory filing did not say how many units the firm hoped to sell or give an expected price range, but did say the proceeds would be used to grow its business and for general corporate purposes. The filing did not say the extent to which the new units would dilute shareholder value.

"They probably see investing opportunities and are doing a new equity issue to go after that," said Timothy Pollock, a professor of management at Penn State University's Smeal College of Business. "They're probably seeing some opportunities for buying distressed companies.

"Now is the time to buy. They probably want to have some dry powder to go after opportunities," he said.

#### MOVING STATESIDE

KKR in March filed to move its units currently traded on the Euronext Amsterdam to the New York Stock Exchange in a \$2.2 billion listing. The units represent a 30 percent interest in KKR while the remaining 70 percent is held by the principals.

KKR has said a U.S. listing would give it a permanent capital base, allow for stock-based compensation and give it a currency to use in acquisitions. [ID:N12114992]

Competitor Blackstone Group LP <BX.N> listed on the New York Stock Exchange in 2007.

KKR is headed by Henry Kravis and George Roberts. It had \$52.2 billion in assets under management at the end of 2009 and has completed more than 170 private equity investments with a total transaction value of more than \$425 billion since it was founded.

KKR, which expects its shares to trade under the symbol "KKR," has not given a timeline for the offerings. The most recent filing comes as U.S. markets face turmoil over the Greek debt crisis and last week's sudden plunge in major indexes.

KKR-managed specialty finance company KKR Financial Holdings LLC <KFN.N> last week withdrew plans to sell shares to raise money for acquisitions just two days after they were announced, citing "current unfavorable market conditions due to the recent volatility of global equity markets." [ID:N05149621]  
(Reporting by Clare Baldwin, editing by Leslie Gevartz)

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