

KKR Supports New Locomotive Leasing Company for Europe

Written by Australian Business

LONDON--([BUSINESS WIRE](#))--KKR, a leading global investment firm, today announced that it will support the development of European Locomotive Leasing (“ELL”) a provider of full-service locomotive leasing solutions to freight and passenger operators throughout continental Europe.

ELL is led by a team of highly experienced rail professionals based in Austria and Germany. Today, the company announced signing a framework contract for the order of as many as 50 state-of-the-art Siemens Vectron locomotives. The first locomotives are bindingly ordered today and will be delivered immediately. The additional locomotives will be delivered from 2014 through 2016 and will allow ELL to satisfy the demand from its expanding customer base.

The locomotive leasing sector in Europe benefits from highly attractive market dynamics that ELL is well placed to capitalize on. These include rail traffic liberalization and promotion across the continent, the growing prominence of private rail operators more likely to favour leasing rather than owning locomotives, and an improving macroeconomic outlook.

Johannes Huth, Head of KKR Europe, said: “We view the full-service locomotive leasing market as attractive to a new entrant with the right long-term capital structure, management team and fleet of high-performance and environmentally friendly locomotives. We look forward to partnering with the ELL management team to support the development of an infrastructure area that is critical for the growth of the continental European economy.”

Jesús Olmos, Head of KKR Infrastructure in Europe, said: “Today's announcement represents another exciting step in the growth and diversification of our infrastructure platform in Europe, following earlier investments in onshore wind, solar, water, district heating and parkings.”

Christoph Katzensteiner, CEO of ELL, said: “The modern and versatile Vectron locomotives are particularly well suited to the European market and are proving to be very popular with our lessees. In particular, we are pleased about their built-in European Train Control System, which allows seamless domestic and cross-border traffic. This order

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exemplifies ELL's mission of providing customers with a full-service package of best-in-class technical performance and operational support."

KKR is making the investment from its global infrastructure fund. As of March 2014, the firm has made 11 infrastructure investments in Europe and North America

About ELL:

European Locomotive Leasing (Vienna, Austria and Munich, Germany) is a rolling stock company that purchases locomotives – the railway vehicles that provide the motive power for trains – and leases them to freight and passenger operators throughout continental Europe. ELL provides a full-service package to its customers, including locomotive maintenance and management services. ELL's fleet is composed of economical, safe and environmentally sound electric locomotives fully equipped with the latest European Train Control System, enabling its customers to use ETCS rail tracks along the continent's major rail corridors. For additional information, please visit ELL's website at www.ell.co.at.

About KKR:

Founded in 1976 and led by [Henry Kravis](#) and [George Roberts](#), KKR is a leading global investment firm with \$94.3 billion in assets under management as of December 31, 2013. With offices around the world, KKR manages assets through a variety of investment funds and accounts covering multiple asset classes. KKR seeks to create value by bringing operational expertise to its portfolio companies and through active oversight and monitoring of its investments. KKR complements its investment expertise and strengthens interactions with fund investors through its client relationships and capital markets platform. KKR & Co. L.P. is publicly traded on the New York Stock Exchange (NYSE: KKR) and "KKR", as used in this release, includes its subsidiaries, their managed investment funds and accounts, and/or their affiliated investment vehicles, as appropriate. For additional information, please visit KKR's website at www.kkr.com