

KKR & Co. L.P.  
Form POS AM  
April 11, 2011

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As filed with the Securities and Exchange Commission on April 11, 2011

Registration No. 333-169433

# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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## Post-Effective Amendment No. 1 to FORM S-1 REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

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### KKR & CO. L.P.

(Exact name of Registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)

**6282**  
(Primary Standard Industrial  
Classification Code Number)  
**9 West 57<sup>th</sup> Street, Suite 4200**  
**New York, NY 10019**  
**Telephone: (212) 750-8300**

**26-0426107**  
(I.R.S. Employer  
Identification No.)

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

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**Approximate date of commencement of the proposed sale of the securities to the public:  
From time to time after the effective date of this Registration Statement.**

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If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer       Accelerated filer       Non-accelerated filer       Smaller reporting company   
(Do not check if a smaller reporting company)

**The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.**

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**EXPLANATORY NOTE**

This Post-Effective Amendment No. 1 to the Registration Statement on Form S-1 (File No. 333-169433) (the "Registration Statement") of KKR & Co. L.P. is being filed pursuant to the undertakings in Item 17(a)(1)(ii) of the Registration Statement to update and supplement the information contained in the Registration Statement, as originally declared effective by the Securities and Exchange Commission ("SEC") on October 1, 2010, to include the information contained in the Company's Annual Report on Form 10-K (File No. 001-34820) for the fiscal year ended December 31, 2010 (the "Annual Report") that was filed with the Securities and Exchange Commission on March 7, 2011. All applicable registration fees were paid at the time of the original filing of the Registration Statement.

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**The information in this prospectus is not complete and may be changed. We may not offer these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**SUBJECT TO COMPLETION, DATED APRIL 11, 2011**

**PRELIMINARY PROSPECTUS**

# **KKR & Co. L.P.**

## **478,105,194 Common Units**

### **Representing Limited Partner Interests**

KKR & Co. L.P. may issue from time to time up to 478,105,194 common units representing limited partner interests in our business to our principals or KKR Holdings L.P., or KKR Holdings, upon exchange of up to an equal number of KKR Group Partnership Units. Our principals hold interests in our business through KKR Holdings, which owns all of the outstanding KKR Group Partnership Units that are not allocable to KKR & Co. L.P.

"KKR Group Partnerships" is a collective reference to KKR Management Holdings L.P. and KKR Fund Holdings L.P. Each KKR Group Partnership has an identical number of partner interests and, when held together, one Class A partner interest in each of the KKR Group Partnerships together represents one KKR Group Partnership Unit. KKR & Co. L.P. conducts its material business activities through the KKR Group Partnerships and, directly and indirectly, is the general partner of each KKR Group Partnership.

Pursuant to a registration rights agreement with KKR Holdings, we are registering the issuance of our common units to permit holders of KKR Group Partnership Units who exchange their KKR Group Partnership Units to sell without restriction in the open market or otherwise any of our common units that they receive upon exchange. However, the registration of our common units does not change the vesting requirements or substantial transfer restrictions applicable to the KKR Group Partnership Units.

In addition, KKR Holdings L.P. may offer for resale or otherwise transfer common units representing limited partner interests, received upon the exchange described above, from time to time in connection with certain obligations under its equity compensation program.

We will not receive any cash proceeds from the issuance of any of our common units upon an exchange of KKR Group Partnership Units. When an exchange occurs, we will acquire additional KKR Group Partnership Units and thereby increase our ownership in the KKR business.

Our common units are listed on the New York Stock Exchange under the symbol "KKR." The last reported sale price of our common units on April 8, 2011 was \$17.39 per common unit.

**In reviewing this prospectus, you should carefully consider the matters described under the caption "Risk Factors" beginning on page 9 of this prospectus. These risks include but are not limited to the following:**

We are managed by a general partner, which we refer to as our Managing Partner, and do not have our own directors or officers. Our unitholders will have only limited voting rights and will have no right to elect or remove our Managing Partner or its directors or officers, and our Managing Partner is allowed to take into account the interests of parties other than us in resolving conflicts of interest, which has the effect of limiting its fiduciary duties to us. Through KKR Holdings, our principals generally have sufficient voting power to determine the outcome of any matters that may be submitted for a vote

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of our unitholders.

We believe that we will be treated as a partnership for U.S. federal income tax purposes and you therefore will be required to take into account your allocable share of items of our income, gain, loss and deduction in computing your U.S. federal income tax liability. You may not receive sufficient cash distributions to pay your allocable share of our net taxable income or even the tax liability that results from that income.

As a limited partnership, we will rely on exceptions from certain corporate governance requirements of the New York Stock Exchange, including the requirement to have a nominating and corporate governance committee composed entirely of independent directors and the requirement to have a compensation committee. You will not have the same protections afforded to equity holders of entities that are subject to all of the corporate governance requirements of the New York Stock Exchange.

Various forms of legislation have been introduced that could, if enacted, preclude us from qualifying as a partnership for U.S. federal income tax purposes under the rules governing publicly traded partnerships and could require that we be treated as a corporation for U.S. federal income tax purposes. If the above or any similar legislation or regulation were to be enacted and apply to us, we would incur a material increase in our tax liability that could result in a reduction in the value of our common units.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is April 11, 2011.

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You should rely only on the information contained or incorporated by reference in this prospectus or any free writing prospectus. We have not authorized anyone to provide you with additional or different information. The information in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or any distribution of our common units.

This prospectus has been prepared using a number of conventions, which you should consider when reading the information contained herein. Unless the context suggests otherwise:

(i) references to "KKR," "we," "us," "our" and "our partnership" refer to KKR & Co. L.P. and its consolidated subsidiaries. Prior to KKR & Co. L.P. becoming listed on the New York Stock Exchange ("NYSE") on July 15, 2010, KKR Group Holdings L.P. ("Group Holdings") consolidated the financial results of the KKR Group Partnerships and their consolidated subsidiaries.

(ii) references to "our Managing Partner" are to KKR Management LLC, which acts as our general partner;

(iii) references to "KKR Guernsey" are to KKR & Co. (Guernsey) L.P. (f/k/a KKR Private Equity Investors, L.P. or "KPE");

(iv) references to the "Combined Business" of KKR refer to the business of KKR that resulted from the Transactions (as defined below);

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(v) references to the "KKR Group Partnerships" are to KKR Management Holdings L.P. and KKR Fund Holdings L.P., which became holding companies for the Combined Business on October 1, 2009;

(vi) references to "KKR Group Partnership Units" are to the limited partnership units of the KKR Group Partnerships; and

(vii) references to the "KPE Investment Partnership" are to KKR PEI Investments, L.P., a lower tier partnership through which KPE made all of its investments prior to October 1, 2009.

Unless otherwise indicated, references to equity interests in the Combined Business, or to percentage interests in the Combined Business, reflect the aggregate equity of the KKR Group Partnerships and are net of amounts that have been allocated to our principals in respect of the carried interest from the Combined Business as part of our "carry pool" and certain minority interests in our business that were not acquired by the KKR Group Partnerships in connection with the Transactions (as defined below). References to our "principals" are to our senior employees and operating consultants who hold interests in the Combined Business through KKR Holdings L.P., which we refer to as "KKR Holdings" and references to our "senior principals" are to principals who also hold interests in our Managing Partner entitling them to vote for the election of its directors.

On October 1, 2009, we completed the acquisition of all of the assets and liabilities of KKR Guernsey and, in connection with such acquisition, completed a series of transactions pursuant to which the business of KKR was reorganized into a holding company structure. We refer to the acquisition of the assets and liabilities of KKR Guernsey as the "Combination Transaction," to our reorganization into a holding company structure as the "Reorganization Transactions" and to the Combination Transaction and the Reorganization Transactions collectively as the "Transactions." Our financial information for periods prior to the Transactions is based on a group, for accounting purposes, consisting of certain combined and consolidated entities under common control of our senior principals and under the common ownership of our principals and certain other individuals who have been involved in our business, and our financial information for periods subsequent to the Transactions is based on a group, for accounting purposes, consisting of KKR & Co. L.P. and its consolidated subsidiaries.

In this prospectus, the terms "assets under management" or "AUM" represent the assets from which we are entitled to receive fees or a carried interest and general partner capital. We calculate the amount of AUM as of any date as the sum of:

- (i) the fair value of the investments of our investment funds plus uncalled capital commitments from these funds;
- (ii) the fair value of investments in our co-investment vehicles;
- (iii) the net asset value of certain of our fixed income products; and
- (iv) the value of outstanding structured finance vehicles.

In this prospectus, the terms "fee paying assets under management" or "FPAUM" represent only those assets under management from which we receive fees. FPAUM is the sum of all of the individual fee bases that are used to calculate our fees and differs from AUM in the following respects: (i) assets from which we do not receive a fee are excluded (i.e., assets with respect to which we receive only carried interest); and (ii) certain assets, primarily in our private equity funds, are reflected based on capital commitments and invested capital as opposed to fair value because fees are not impacted by changes in the fair value of underlying investments.

In this prospectus, the terms "fee related earnings" or "FRE" are comprised of segment operating revenues, less segment operating expenses. The components of FRE on a segment basis differ from the

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equivalent GAAP amounts on a combined basis as a result of: (i) the inclusion of management fees earned from consolidated funds that were eliminated in consolidation; (ii) the exclusion of expenses of consolidated funds; (iii) the exclusion of charges relating to the amortization of intangible assets; (iv) the exclusion of charges relating to carry pool allocations; (v) the exclusion of non-cash equity charges and other non-cash compensation charges borne by KKR Holdings; (vi) the exclusion of certain reimbursable expenses and (vii) the exclusion of certain non-recurring items.

You should note that our calculations of AUM, FPAUM and FRE may differ from the calculations of other investment firms and, as a result, our measurements of AUM, FPAUM and FRE may not be comparable to similar measures presented by other investment firms. Our definitions of AUM, FPAUM and FRE are not based on any definition of AUM, FPAUM and FRE that is set forth in the agreements governing the investment funds, vehicles or accounts that we manage.

In this prospectus, the term "GAAP" refers to generally accepted accounting principles in the United States.

Unless otherwise indicated, references in this prospectus to our fully diluted common units outstanding, or to our common units outstanding on a fully diluted basis, reflect (i) actual common units outstanding, (ii) common units into which KKR Group Partnership Units not held by us are exchangeable pursuant to the terms of the exchange agreement described in this prospectus and (iii) common units issuable pursuant to any equity awards actually issued under the KKR & Co. L.P. 2010 Equity Incentive Plan, which we refer to as our "Equity Incentive Plan," but do not reflect common units available for issuance pursuant to our Equity Incentive Plan for which grants have not yet been made.



**CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This prospectus contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which reflect our current views with respect to, among other things, our operations and financial performance. You can identify these forward-looking statements by the use of words such as "outlook," "believe," "expect," "potential," "continue," "may," "should," "seek," "approximately," "predict," "intend," "will," "plan," "estimate," "anticipate" or the negative version of these words or other comparable words. Forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. We believe these factors include, but are not limited to, those described under the section entitled "Risk Factors" in this prospectus. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this prospectus and our periodic filings. We do not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

**MARKET AND INDUSTRY DATA**

This prospectus includes market and industry data and forecasts that we have derived from independent reports, publicly available information, various industry publications, other published industry sources and internal data and estimates. Independent reports, industry publications and other published industry sources generally indicate that the information contained therein was obtained from sources believed to be reliable. Internal data and estimates are based upon information obtained from investors in our funds, trade and business organizations and other contacts in the markets in which we operate and our understanding of industry conditions. Although we believe that such information is reliable, we have not had this information verified by any independent sources.

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**SUMMARY**

*This summary highlights information contained elsewhere in this prospectus or in documents incorporated by reference into this prospectus and does not contain all the information you should consider before investing in our common units. You should read this entire prospectus carefully, including the section entitled "Risk Factors" and the information that is incorporated into this prospectus by reference to our Annual Report on Form 10-K for the fiscal year ended December 31, 2010. See the "Available Information" section of this prospectus for a further discussion of the information incorporated by reference in this prospectus.*

**Overview**

**KKR**

Led by Henry Kravis and George Roberts, we are a leading global investment firm with \$61.0 billion in AUM as of December 31, 2010 and a 34-year history of leadership, innovation and investment excellence. When our founders started our firm in 1976, they established the principles that guide our business approach today, including a patient and disciplined investment process; the alignment of our interests with those of our investors, portfolio companies and other stakeholders; and a focus on attracting world-class talent.

Our business offers a broad range of investment management services to our investors and provides capital markets services to our firm, our portfolio companies and our clients. Throughout our history, we have consistently been a leader in the private equity industry, having completed more than 185 private equity investments with a total transaction value in excess of \$435 billion. In recent years, we have grown our firm by expanding our geographical presence and building businesses in new areas, such as fixed income, capital markets, infrastructure and natural resources. Our new efforts build on our core principles and industry expertise, allowing us to leverage the intellectual capital and synergies in our businesses, and to capitalize on a broader range of the opportunities we source. Additionally, we have increased our focus on servicing our existing investors and have invested meaningfully in developing relationships with new investors.

We conduct our business through 14 offices on four continents, providing us with a pre-eminent global platform for sourcing transactions, raising capital and carrying out capital markets activities. We have grown our AUM significantly, from \$15.1 billion as of December 31, 2004 to \$61.0 billion as of December 31, 2010, representing a compounded annual growth rate of 26.1%. Our growth has been driven by value that we have created through our operationally focused investment approach, the expansion of our existing businesses, our entry into new lines of business, innovation in the products that we offer investors, an increased focus on providing tailored solutions to our clients and the integration of capital markets distribution activities.

As a global investment firm, we earn management, monitoring, transaction and incentive fees for providing investment management, monitoring and other services to our funds, vehicles, managed accounts, specialty finance company and portfolio companies, and we generate transaction-specific income from capital markets transactions. We earn additional investment income from investing our own capital alongside that of our investors and from the carried interest we receive from our funds and certain of our other investment vehicles. A carried interest entitles the sponsor of a fund to a specified percentage of investment gains that are generated on third-party capital that is invested.

We seek to consistently generate attractive investment returns by employing world-class people, following a patient and disciplined investment approach and driving growth and value creation in our portfolio. Our investment teams have deep industry knowledge and are supported by a substantial and diversified capital base, an integrated global investment platform, the expertise of operating consultants and senior advisors and a worldwide network of business relationships that provide a significant source

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of investment opportunities, specialized knowledge during due diligence and substantial resources for creating and realizing value for stakeholders. We believe that these aspects of our business will help us continue to expand and grow our business and deliver strong investment performance in a variety of economic and financial conditions.

On October 1, 2009, we completed our acquisition of all of the assets and liabilities of KPE. This acquisition, which we refer to as the Combination Transaction, has provided us with a significant source of permanent capital to further grow our business and an equity currency that we may use to attract, retain and incentivize our employees and to fund opportunistic acquisitions. The Combination Transaction did not involve the payment of any cash consideration or involve an offering of any newly issued securities to the public, and our principals did not sell any interests in our Combined Business. Following the Combination Transaction, we operate our business through three business segments: Private Markets; Public Markets; and Capital Markets and Principal Activities.

On July 15, 2010, KKR & Co. L.P. became listed on the NYSE. In connection with the NYSE listing, KKR Guernsey contributed its 30% interest held through Group Holdings to KKR & Co. L.P. in exchange for NYSE-listed common units of KKR & Co. L.P. and distributed those common units to holders of KKR Guernsey units (referred to hereafter as the "In-Kind Distribution"). Because the assets of KKR Guernsey consisted solely of its interests in Group Holdings, the In-Kind Distribution resulted in the dissolution of KKR Guernsey and the delisting of its units from Euronext Amsterdam. As of July 15, 2010, KKR & Co. L.P. both indirectly controlled the KKR Group Partnerships and indirectly held KKR Group Partnership Units representing at that time a 30% economic interest in KKR's business. The remaining 70% of the KKR Group Partnership Units were held by KKR's principals through KKR Holdings. Subsequent to the NYSE listing, KKR Holdings and our principals exchanged a portion of their interests in the KKR Group Partnerships for common units, and as of March 15, 2011, KKR & Co. L.P. held 31.7% of the KKR Group Partnership Units and our principals held 68.3% through KKR Holdings. From time to time, the percentage ownership in the KKR Group Partnerships may continue to change as KKR Holdings and/or KKR's principals exchange KKR Group Partnership Units for KKR & Co. L.P. common units.

**Business Segments**

***Private Markets***

Through our Private Markets segment, we manage and sponsor a group of private equity funds and co-investment vehicles that invest capital for long-term appreciation, either through controlling ownership of a company or strategic minority positions. These investment funds and co-investment vehicles are managed by Kohlberg Kravis Roberts & Co. L.P., an SEC registered investment adviser. We also manage investments in infrastructure and in natural resources. As of December 31, 2010, the segment had \$46.2 billion of AUM and our actively investing funds included geographically differentiated investment funds and vehicles with over \$12.6 billion of unused capital commitments, providing a significant source of capital that may be deployed globally.

From our inception through December 31, 2010, we have raised 16 private equity funds with approximately \$60.4 billion of capital commitments and have sponsored a number of other fee and carry paying investment funds and vehicles that allow us to commit additional capital to transactions. We have grown our AUM in this segment significantly in recent years, from \$14.4 billion as of December 31, 2004 to \$46.2 billion as of December 31, 2010, representing a compound annual growth rate of 21.5%. As of December 31, 2010, we had \$12.6 billion of uncalled commitments to investment funds and vehicles in this segment, providing a significant source of capital that may be deployed globally.

We generate income in our Private Markets segment from the management fees and carried interest that we receive from the funds and vehicles that we manage, as well as the monitoring fees and

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transaction fees that are paid by portfolio companies. During the year ended December 31, 2010, the segment generated \$182.3 million of fee related earnings and \$784.6 million of economic net income, representing 57% and 37% of our total segment amounts, respectively.

***Public Markets***

Through our Public Markets segment, we manage a specialty finance company, a number of investment funds, structured finance vehicles and separately managed accounts that invest capital in liquid credit strategies, such as leveraged loans and high yield bonds, and less liquid credit products such as mezzanine debt and special situations investments. These funds, vehicles and accounts are managed by KKR Asset Management LLC (which we refer to as "KAM"), an SEC registered investment adviser. We intend to continue to grow this business by leveraging our global investment platform, experienced investment professionals and the ability to adapt our investment strategies to different market conditions to capitalize on investment opportunities that may arise at every level of the capital structure and across market cycles.

We have grown our AUM in this segment significantly in recent years, from \$3.7 billion as of December 31, 2005, the first full year of operations, to \$14.8 billion as of December 31, 2010, representing a compound annual growth rate of 32.2%. As of December 31, 2010, the segment's AUM was comprised of \$1.4 billion of assets managed in a publicly traded specialty finance company, \$7.9 billion of assets managed in structured finance vehicles and \$5.5 billion of assets managed in other types of investment vehicles and separately managed accounts. As of December 31, 2010, we had \$1.4 billion of uncalled commitments to investment funds, vehicles and separately managed accounts in this segment.

We generate income in our Public Markets segment from the management fees, incentive fees and carried interest that we receive from the companies, funds, accounts and vehicles that we manage, as well as transaction fees that may be paid by issuers in connection with specific investments. During the year ended December 31, 2010, the segment generated \$57.0 million of fee related earnings and \$60.1 million of economic net income, representing 18% and 3% of our total segment amounts, respectively.

***Capital Markets and Principal Activities***

Our Capital Markets and Principal Activities segment combines the assets we acquired in the Combination Transaction with our global capital markets business. Our capital markets business supports our firm, our portfolio companies and our clients by providing tailored capital markets advice and developing and implementing both traditional and non-traditional capital solutions for investments and companies seeking financing. Our capital markets services include arranging debt and equity financing for transactions, placing and underwriting securities offerings, structuring new investment products and providing capital markets services. To allow us to carry out these activities, we are registered or authorized to carry out certain broker-dealer activities in various countries in North America, Europe and Asia.

The assets that we acquired in the Combination Transaction, which include investments in our private equity funds and co-investments in certain portfolio companies of such funds, provide us with a significant source of capital to further grow and expand our business, increase our participation in our existing portfolio of businesses and further align our interests with those of our investors and other stakeholders. We believe that the market experience and skills of our professionals in our capital markets business and the investment expertise of professionals in our Private Markets and Public Markets segments will allow us to continue to grow and diversify this asset base over time.

As of December 31, 2010, this segment has \$4.8 billion of investments at fair value.

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We generate income in our Capital Markets and Principal Activities segment from the fees that we generate through our capital markets transactions as well as the returns on the assets that we own as a principal. During the year ended December 31, 2010, the segment generated \$79.1 million of fee related earnings and \$1.3 billion of economic net income, representing 25% and 60% of our total segment amounts, respectively.

**Management and Organization**

As is commonly the case with limited partnerships, our limited partnership agreement provides for the management of our business and affairs by a general partner rather than a board of directors. Our Managing Partner serves as our general partner and has a board of directors that is co-chaired by our founders, Henry Kravis and George Roberts, who also serve as our Co-Chief Executives. Our senior principals control our Managing Partner and you will not hold securities of our Managing Partner and will not be entitled to vote in the election of its directors or other matters affecting its governance. Through KKR Holdings, our principals hold special voting units in our partnership that enable them to vote alongside our common unitholders in proportion to their interests in the Combined Business with respect to any matters that are submitted to a vote of our common unitholders. For a diagram illustrating our ownership and organizational structure, see "Organizational Structure."

**Risks Related to Our Common Units**

Holding our common units involves substantial risks and uncertainties. Some of the more significant challenges and risks related to our common units include:

our business is materially affected by conditions in the financial markets and economic conditions;

we are dependent on our principals, including our founders and other key personnel;

our net income and cash flow are volatile;

any underperformance of our investments could adversely affect our ability to maintain or grow our AUM;

our unitholders have limited ability to influence decisions regarding our business;

our business is subject to extensive regulation and scrutiny, which may make our business more difficult to operate;

the valuation methodologies for certain assets in our funds are subject to significant management judgment;

our organizational structure may give rise to the potential for conflicts of interest among our Managing Partner, its affiliates and us;

many of our funds focus on illiquid investments;

we may be subject to substantial litigation and as a result incur significant liabilities and suffer damage to our professional reputation;

you may be required to make tax payments in connection with your ownership of our common units in excess of the cash distributions you receive in any specific year;

our emphasis on private equity investments, which are among the largest in the industry, involve particular risks and uncertainties; and

our investments in companies that are based outside of the United States present potentially greater risks than similar investments in the United States.

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In addition, the U.S. Congress has recently considered legislation that would tax as a corporation a publicly traded partnership, such as us, that directly or indirectly derives income from investment adviser or investment management services. Separately, various forms of legislation have been introduced that could, if enacted, preclude us from qualifying as a partnership for U.S. federal income tax purposes under the rules governing publicly traded partnerships and could require that we be treated as a corporation for U.S. federal income tax purposes. If the above or any similar legislation or regulation were to be enacted and apply to us, we would incur a material increase in our tax liability that could result in a reduction in the value of our common units. Please see "Risk Factors" for a discussion of these and additional factors related to our common units.

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KKR & Co. L.P. was formed as a Delaware limited partnership on June 25, 2007. Our Managing Partner was formed as a Delaware limited liability company on June 25, 2007. Our principal executive offices are located at 9 West 57th Street, Suite 4200, New York, New York 10019, and our telephone number is +1 (212) 750-8300. Our website is located at [www.kkr.com](http://www.kkr.com).

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The following summary historical consolidated and combined financial information and other data of KKR should be read together with "Organizational Structure" in this prospectus and "Selected Historical Financial and Other Data", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated and combined financial statements and related notes included in our Annual Report on Form 10-K for the year ended December 31, 2010, which is incorporated herein by reference. We derived the summary historical consolidated and combined financial data as of December 31, 2009 and 2010 and for the years ended December 31, 2008, 2009 and 2010 from the audited consolidated and combined financial statements incorporated herein by reference. We derived the summary historical consolidated and combined financial data as of December 31, 2008 from audited combined financial statements that are not included in this prospectus or incorporated herein by reference. The summary historical consolidated and combined financial information presented below reflects the economic impact of the Transactions for periods following October 1, 2009.

	<b>For the Years Ended December 31,(1)</b>		
	<b>2008</b>	<b>2009</b>	<b>2010</b>
	(\$ in thousands)		
<b>Statement of Operations Data:</b>			
<b>Revenues</b>			
Fees	\$ 235,181	\$ 331,271	\$ 435,386
<b>Expenses</b>			
Employee Compensation and Benefits(2)	149,182	838,072	1,344,455
Occupancy and Related Charges	30,430	38,013	39,692
General, Administrative and Other(2)	179,673	264,396	311,147
Fund Expenses	59,103	55,229	67,369
<b>Total Expenses</b>	<b>418,388</b>	<b>1,195,710</b>	<b>1,762,663</b>
<b>Investment Income (Loss)</b>			
Net Gains (Losses) from Investment Activities	(12,944,720)	7,505,005	7,755,090
Dividend Income	75,441	186,324	1,250,293
Interest Income	129,601	142,117	226,824
Interest Expense	(125,561)	(79,638)	(53,099)
<b>Total Investment Income (Loss)</b>	<b>(12,865,239)</b>	<b>7,753,808</b>	<b>9,179,108</b>
Income (Loss) Before Taxes	(13,048,446)	6,889,369	7,851,831
Income Taxes(3)	6,786	36,998	75,360
Net Income (Loss)	(13,055,232)	6,852,371	7,776,471
Less: Net Income (Loss) Attributable to Noncontrolling Interests in Consolidated Entities	(11,850,761)	6,119,382	6,544,016
Less: Net Income (Loss) Attributable to Noncontrolling Interests Held by KKR Holdings		(116,696)	899,277
<b>Net Income (Loss) Attributable to KKR &amp; Co. L.P.(4)</b>	<b>\$ (1,204,471)</b>	<b>\$ 849,685</b>	<b>\$ 333,178</b>



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	For the Years Ended December 31,		
	2008	2009	2010
	(\$ in thousands)		
<b>Statement of Financial Condition Data (period end):</b>			
Total assets	\$ 22,441,030	\$ 30,221,111	\$ 38,391,157
Total liabilities	\$ 2,590,673	\$ 2,859,630	\$ 2,391,115
Noncontrolling interests in consolidated entities	\$ 19,698,478	\$ 23,275,272	\$ 30,327,161
Noncontrolling interests held by KKR Holdings	\$	\$ 3,072,360	\$ 4,346,388
Total KKR & Co. L.P. partners' capital(5)	\$ 151,879	\$ 1,013,849	\$ 1,326,493
<b>Segment Data(6):</b>			
Fee related earnings(7)			
Private Markets	\$ 156,152	\$ 240,091	\$ 182,283
Public Markets	\$ 32,576	\$ 10,554	\$ 56,957
Capital Markets and Principal Activities	\$ 5,297	\$ 18,653	\$ 79,082
Economic net income(8)			
Private Markets	\$ (1,233,521)	\$ 1,113,624	\$ 784,553
Public Markets	\$ 36,842	\$ 5,279	\$ 60,138
Capital Markets and Principal Activities	\$ 1,205	\$ 367,751	\$ 1,295,102
Partners' capital(5)			
Private Markets	\$ 97,249	\$ 277,062	\$ 844,657
Public Markets	\$ 45,867	\$ 49,581	\$ 55,271
Capital Markets and Principal Activities	\$ 10,974	\$ 3,826,241	\$ 4,825,698
<b>Other Data:</b>			