



The Kelso Difference





Frank Loverro | Phil Berney | Frank Nickell

A rich and differentiated history. It's in our DNA.

35+ Years Investing in Private Equity

120 Investments Made

\$12 Billion of Capital Invested



Paul Wagstaff, CEO of Eagle Family Foods Mike LeTourneau | Bill Frayer | Matt Edgerton

Deep commitment to alignment of interest. It's in our DNA.

20+% GP Commitment in Kelso Investments

100% of Kelso Team Invests

It's in our DNA.

Majority of Net Worth in Kelso Investments

The strength and stability of a

culture based on partnership.



22+ year average investment partner tenure

Longstanding focus on repeat and corporate partners

Enviable reputation built over three decades

OUR LONG & UNIQUE HISTORY

shareholders through shared equity ownership.

Louis Kelso - Photo by Baron Wolman

Strong influence of our ESOP roots

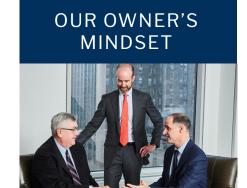
Alignment and partnership are at our core and continue to drive our culture and approach.

35+ years investing in private equity

We have invested \$12 billion of equity capital since 1980.

120 investments across a range of industries

We have developed deep sector expertise during our three decades of private equity investing.



Kelso is a North American-focused middle market private equity firm. Kelso was founded on the principles of partnership and alignment of interest espoused by Louis Kelso, the inventor

of the Employee Stock Ownership Plan (or ESOP). Louis believed that businesses perform

Kelso's unique history has driven a culture and approach to investing that we believe make us

better when a strong alignment of interest exists among management, employees and

an attractive partner to management teams, owners of businesses and corporations.

Barry Tanner, CEO of Physicians Endoscopy Hank Mannix | Church Moore

We are the largest investor in our funds

Kelso employees have committed to invest 20+% of every dollar invested in our most recent fund, representing one of the largest GP commitments in the private equity industry.

100% of the Kelso team invests

Each Kelso employee invests in our transactions, so we all have skin in the game.

We think like owners, not agents

Our significant personal investment provides us with an owner's mindset and focus on building businesses for the long-term.



Alec Hufnagel | Frank Loverro Lynn Alexander | Sandy Osborne

22-year average investment partner tenure at Kelso

One of the most experienced teams in private equity, with strong investment partner continuity.

Enviable reputation built over three decades

We do the right thing. Our core values are respect for others, integrity and pursuit of excellence.

Partnership ethos

We believe that the stability of our firm, the continuity of our team and our strong core values distinguish Kelso and position us as a partner of choice in the private equity market.

Good things happen when you partner with good people.

Our Approach





Frank Loverro | Sandy Osborne | Forrest Wylie, Executive Chairman of Ajax Resources and KSN member

Partnership is at the core of what we do. We seek to partner with talented and motivated managers, owners of businesses and corporations. We believe our long and unique history, our owner's mindset and the stability and continuity of our team enable us to stand out from our competition and position us as a preferred partner in the private equity market.



Mike LeTourneau | Paul Bridwell

We Provide More than Just Capital

We have developed areas of expertise and deep relationships over our 35+ years of investing across multiple industry sectors and business cycles. We utilize the cumulative experience of the Kelso professionals, as well as our extensive network of industry experts, to provide our partners with strategic insights and to help our management teams succeed.



Frank Loverro | Phil Berney

We Develop Deep and Lasting Partnerships

With 22+ years of average investment partner tenure, we bring a long-term orientation to our partnerships. Many of our investments are made alongside managers or companies with whom we have partnered multiple times.



Bill O'Farrell, CEO of Premia Re | Steve Dutton Chris Collins | Forrest Compton

We Seek an Alignment in Everything We Do

Our significant personal investment, along with the investments of our management teams and corporate partners, create an unparalleled alignment that positively influences the outcome of our investments.



Jim Whitley, CEO of SouthernCarlson | L.T. Gibson, CEO of US LBM | Matt Edgerton | Sandy Osborne

We Provide Meaningful Compensation Opportunities to Management

With a deep appreciation for the value created by our partners, we believe in providing meaningful long-term incentive compensation opportunities to management.



John Kim | Allie Condon | Lynn Alexander

We Treat People Well

Over 35+ years, we've built a strong reputation of being a good partner and treating people fairly. Our partnerships are built on a foundation of trust, honesty, transparency, respect, collaboration and collegiality. We strive to uphold this every day.

Kelso. People First. It's in our DNA.



Managing Directors - Investment Partners

















Investment Professionals - Vice Presidents





















Professional Team





















1956 – Louis Kelso creates the Employee Stock Ownership Plan (or ESOP)

The first ESOP enabled a newspaper chain's employees to buy out its retiring owners



1958 – Louis Kelso's "The Capitalist Manifesto" is published which explains the economic theory behind the ESOP

Louis worked to pass Federal laws to encourage expanded employee stock ownership



1971 – Louis Kelso founds Kelso & Company

During the 1970's, we installed over 700 ESOPs



1974 – ERISA legislation passes which establishes the ESOP's many tax advantages

Before being renamed as ESOPs, these plans were known as "Kelso Plans"



1977 - Frank T. Nickell ("Nick") joins Kelso

After almost four decades with the firm, Nick remains as Chairman



1980 – Kelso raises 1st private equity fund, KIA I - \$5.8 million

Our first fund, raised primarily from executives of companies in which we had installed ESOPs, focused on taking minority stakes



1982 – Kelso invests in our 1st going-private transaction

Dentsply International transaction was one of the first LBO goingprivate transactions in the nascent PE industry



1986 - Kelso raises KIA III - \$100 million

KIA III was first Kelso fund raised largely from institutional investors to make control investments



1988 – Kelso makes 1st significant Building Products investment

American Standard transaction was one of the largest PE buyouts of its time, with a \$3 billion transaction value



1992 – Kelso makes 1st investment with a corporate partner, The Providence Journal

Corporate partnerships have become core to our strategy, with partners such as Penske Corporation, Church & Dwight and Hunt Oil Corporation



1994 – Kelso invests in a series of Media companies which ultimately become Charter Communications

This investment illustrated well our strategy of using follow-on investments to create value



1997 – Kelso invests in Endo Pharmaceuticals, our 5th Healthcare investment

Endo was one of the first significant specialty pharmaceutical transactions involving private equity



2004 - Kelso makes 1st Energy investment in Optigas

Kelso has deployed more than \$2.5 billion across our Energy investments



2009 – Kelso makes 1st Financial Services investment in Wilton Re

Kelso has deployed more than \$1.7 billion across our Financial Services investments



2010 – Kelso enters our 30th year investing in private equity and makes our 100th investment

Truck-Lite was our first investment made in partnership with affiliates of the Penske Corporation. Repeat partnerships have become core to our strategy.



2012 – Kelso makes 10th energy investment in Tallgrass Development

Transaction involves the firm's largest equity investment to-date (\$486 million)



2014 – Kelso Specialist Network (KSN), former managers and advisors who assist Kelso in sourcing and managing investments, is formalized

KSN members commit \$60 million in aggregate to invest alongside KIA IX



2016 – Kelso raises KIA IX - \$2.6 billion - with 20+% of the Fund coming from Kelso employees

Kelso reaches \$11.8 billion in total fund capital raised



Investments



Current Investments





















































All Investments

21st Century Newspapers

360networks 4Refuel

Ajax Resources American Beacon **American Buildings** American Standard American Sterilizer

Americold **AMF** Bowling Aquilex Arkansas Best

Armkel

Audio Visual Services Augusta Sportswear

Blue Bell

Buckeye Partners

BWAY

Cambridge Display Technology

Charter Communications

Companies Citation Club Car

Consolidated Vision Crescent Point Energy

Cronos

Custom Building Products CVR Energy Companies Cygnus Publishing **Dakota Growers Pasta**

Dan River

Del Laboratories Delphin Shipping Denka Chemical Dentsply International Douglas Broadcasting DS Waters of America

Duraco Products EACOM Timber Eagle Bulk Shipping

Eagle Family Foods Group

Earle M. Jorgensen **Ellis Communications Ellis Communications**

Endo Pharmaceuticals Endurance Business Media FairPoint Communications

Federal-Hoffman **General Medical**

Global Geophysical Services Harbor Community Bank

Harris Specialty Chemicals

HCI Direct Helios Hilite

Hillside Broadcasting

Humphreys **Hunt Marcellus**

iGPS IHOP

KAR Auction Services

Kelso Overland

Kerotest Manufacturing Key Components

Kilsby-Roberts Kinder Morgan King Broadcasting Landstar Systems Lebanon Valley Offset LeClair Metal Services Logan's Roadhouse Masland Industries McKeesport Steel

Merchants

Mitchell Supreme Fuel Morflex Chemical Company

Mosler

National Refractories & Minerals

Nivel Nortek

Oceana Therapeutics

Optigas

Overwatch Systems

Peebles

Physicians Endoscopy **Poseidon Companies** PowerTeam Services

Premia Re Ouael

Raymond International

Renfro

Republic Supply RHI Entertainment

Risk Strategies Company Sandler O'Neill + Partners

Scient Companies Sentinel Data Centers Sirius Computer Solutions

SouthernCarlson Spectramed **Tallgrass** Tervita

Texas Foundries Third Point Re TransDigm

Traxys Companies

Tri-West Truck-Lite

Tyler Refrigeration U.S. Electrical Services

U.S. Leisure Unilab

Universal Outdoor URS Logistics

US LBM

Venari Resources Waste Services Welcome Wagon Wickes Furniture

Wilton Re