

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name Kennedy-Wilson Holdings, Inc.		2 Issuer's employer identification number (EIN) 26-0508760	
3 Name of contact for additional information Louis Gauthier	4 Telephone No. of contact 310-887-3435	5 Email address of contact LGauthier@kennedywilson.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 151 S. El Camino Dr.		7 City, town, or post office, state, and Zip code of contact Beverly Hills, CA 90212	
8 Date of action 1/7/16, 4/7/16, 7/7/16, 10/6/16		9 Classification and description Common Stock	
10 CUSIP number 489398107	11 Serial number(s) N/A	12 Ticker symbol KW	13 Account number(s) N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **The issuer made cash distributions to its common shareholders in excess of accumulated and current year earnings and profits. These distributions were paid on January 7, 2016; April 7, 2016; July 7, 2016; October 6, 2016.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶

January 7, 2016 (Common): Distribution per share \$0.12; Return of Capital per share \$0.066

April 7, 2016 (Common): Distribution per share \$0.14; Return of Capital per share \$0.077

July 7, 2016 (Common): Distribution per share \$0.14; Return of Capital per share \$0.077

October 6, 2016 (Common): Distribution per share \$0.14; Return of Capital per share \$0.077

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **Distributions in excess of earnings and profits are applied against and reduce the adjusted basis of stock.**

Part II Organizational Action (continued)


17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ During 2016, the issuer had an accumulated earnings and profits deficit from the prior year but during the current year positive current earnings and profits. Earnings and profits were computed in accordance with Section 312. Under Section 301(c), as the issuer had positive current earnings and profits, a portion of the distribution was taxable pursuant to Section 301(c)(1). The remaining amount of distribution was then first applied against shareholder basis under Section 301(c)(2) and, to the extent in excess of shareholder basis, would be taxable as a capital gain pursuant to Section 301(c)(3).

18 Can any resulting loss be recognized? ▶ N/A


19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Taxable Year 2016

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 02/03/2017

Print your name ▶ LOUIS GAUTHIER Title ▶ VICE PRESIDENT - TAX

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	JANET WANG		2/3/17		P00755232
	Firm's name ▶ ERNST & YOUNG U.S. LLP	Firm's EIN ▶ 34-6565596		Phone no. (213) 977-3200	
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