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## NEWS RELEASE

### KENNEDY WILSON REPORTS 4Q AND FULL YEAR 2020 RESULTS

Company Posts Record Quarterly GAAP EPS, Adjusted EBITDA, and Adjusted Net Income

**BEVERLY HILLS, Calif. (February 24, 2021)** - [Kennedy-Wilson Holdings, Inc.](#) (NYSE: KW) today reported the following results for the fourth quarter and full year of 2020:

<i>(Amounts in millions, except per share data)</i>	<b>4Q</b>		<b>Full Year</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
<b>GAAP Results</b>				
GAAP Net Income to Common Shareholders	\$ 170.0	\$ 157.9	\$ 92.9	\$ 224.1
Per Diluted Share	1.21	1.12	0.66	1.58
<b>Non-GAAP Results</b>				
Adjusted EBITDA	\$ 346.9	\$ 278.1	\$ 608.0	\$ 728.1
Adjusted Net Income	222.8	209.7	306.9	442.5

"Despite the challenges stemming from the global pandemic, I am pleased with the accomplishments we made throughout the year, which included strong rent collections while maintaining high occupancy across our diverse and largely suburban multifamily and office portfolio" said William McMorro, Chairman and CEO of Kennedy Wilson. "New partnerships grew our fee-bearing capital by 30%, and our asset sales in the quarter highlighted the underlying value of our high quality real estate portfolio and were a key component of achieving record financial results. Finally, subsequent to year-end, we positioned ourselves for the long term and refinanced the majority of our unsecured debt maturing in 2024. We issued \$1 billion of unsecured bonds with a weighted average maturity of 9 years and an improvement in the weighted average interest rate of 1% or \$10 million annually."

#### **4Q Highlights**

- **Increased Transactional Activity Generates \$286 million Gains on Sale:**
  - **Dispositions:** The Company sold \$789 million (\$606 million at KW share) of assets in 4Q-20. These dispositions generated \$286 million of gains on sale and \$476 million of cash to KW.
  - **Acquisitions:** The Company completed \$398 million (\$146 million at KW share) of new investments in 4Q-20.

- **30% Annual Growth in Fee-Bearing Capital:** The Company's Fee-Bearing Capital totaled \$3.9 billion as of YE-20, a 3% increase from 3Q-20 and a 30% increase from YE-19. In addition, the Company has approximately \$2.2 billion in additional non-discretionary capital with certain strategic partners that is available for investment. If invested, these amounts will be added to the Company's Fee-Bearing Capital.
- **New \$1 Billion Urban Logistics Platform:** The Company and GIC, Singapore's sovereign wealth fund, formed a joint venture to acquire and manage urban logistics properties in the UK, with the potential to expand into Ireland and Spain. The joint venture was seeded with a \$220 million portfolio comprising 18 urban logistics assets (previously wholly-owned by the Company) in prime locations in the UK and will seek additional last-mile urban distribution center investment opportunities, targeting total assets of up to \$1 billion. The Company holds a 20% interest in the joint-venture.
- **Debt Platform Grows to \$788 million:** Completed loan investments totaling \$55 million in 4Q-20, resulting in 7% growth of the debt platform in 4Q-20. For the year, the Company completed \$662 million of loan investments, growing the debt platform to \$788 million at year-end. There are an additional \$368 million of loan investments with signed non-binding term sheets that are currently expected to close in 1Q-2021. The Company has a 11% weighted-average ownership interest in its debt platform.
- **4Q-20 Adjusted EBITDA of \$347 million (vs. \$278 million in 4Q-19):**
  - KW's share of recurring property NOI and fees totaled \$95 million in 4Q-20, a decrease of \$15 million from 4Q-19 driven by the net disposition of assets and lower hotel NOI.
  - KW's share of net gains from the sale of real estate, changes in fair value and promotes totaled \$314 million in 4Q-20, an increase of \$95 million from 4Q-19.
- **In-Place Estimated Annual NOI of \$394 Million; 81% of which is Multifamily and Office:**
  - KW's multifamily portfolio totals 25,438 stabilized units, with a weighted-average occupancy of 95.2% (from 94.4% in 3Q-20). In 4Q, we completed 1,802 leases across our global market-rate multifamily portfolio, resulting in 7,658 leases completed in 2020.
  - KW's office portfolio totals 10.3 million stabilized square feet with weighted-average occupancy of 94.2% from (94.5% in 3Q-20). In 4Q, we completed 67,000 square feet of office leasing activity, resulting in 1.0 million square feet of leasing completed across our global office portfolio in 2020.
- **Same Property Performance<sup>1</sup>:**

	4Q - 2020 vs. 4Q - 2019			FY - 2020 vs. FY- 2019		
	Occupancy	Revenue	NOI	Occupancy	Revenue	NOI
Multifamily - Market Rate	0.6%	(4.0)%	(7.0)%	0.6%	0.5%	(1.0)%
Multifamily - Affordable	(0.4)%	1.4%	1.7%	(0.3)%	3.1%	3.9%
Commercial	(0.3)%	(9.3)%	(11.0)%	(0.3)%	(6.7)%	(7.5)%
<b>Total<sup>2</sup></b>		<b>(5.7)%</b>	<b>(8.3)%</b>		<b>(2.1)%</b>	<b>(3.6)%</b>

<sup>1</sup> The same property performance includes \$5.9 million of COVID-19 related bad debt reserves in 4Q-20 (6% of same-property rents) and \$12.0 million for FY-20 (3% of same-property rents). Excluding bad-debt reserves, the change in same-property NOI would have been (0.8)% for 4Q-20 and 0.3% for FY-2020.

<sup>2</sup> Hotels are excluded from the same property analysis due to being non-operational during various periods beginning in 2Q-20.

## Rent Collection Update

The following is a summary of KW's share of contractual cash rent collections for 4Q-20 and FY-20:

Asset Class	4Q-20 Rent Collections	FY-2020 Rent Collections	% of Billed Rents
Multifamily	97%	98%	56%
Office	98%	98%	30%
Retail <sup>(4)</sup>	77%	80%	12%
Industrial <sup>(4)</sup>	92%	95%	2%
<b>Total</b>	<b>95%</b>	<b>96%</b>	<b>100%</b>

The Company previously reported total rent collections of 92% in 2Q-20 and 93% in 3Q-20. As a result of rent collected subsequent to these periods, the Company's revised rent collections for 2Q-20 and 3Q-20 are 95%.

## 4Q-20 Investment Activity

- **Capital Investment:** In 4Q-20, the Company invested \$181 million of cash with 58% allocated to new investments, 36% into capex, and 6% into its share repurchase program. For the year, the Company invested \$414 million of cash with 52% into new investments, 34% into capex, and 14% into its share repurchase program.
- **New Investments:** The Company completed \$398 million (\$146 million at KW share) of acquisitions in 4Q-20, including the following key transactions:
  - **880-unit Western U.S. Multifamily Portfolio:** Acquired a three property Western U.S. market-rate multifamily portfolio off-market for \$198 million. The assets are located in Colorado and Arizona. Kennedy Wilson has an average ownership of 38% in the portfolio<sup>1</sup>, which had an initial cap rate of 5%.
  - **Loan Investments:** The Company closed three loan investments totaling \$55 million, of which the Company's share was \$8 million. The loans have an annual return of 10.8% to KW.
  - **Other Acquisitions:** The Company's commingled funds acquired an additional 3 commercial assets for \$100 million (\$13 million at KW share).
- **Dispositions Generated Gains on Sale of \$286 million and Cash of \$476 million to KW:** The Company completed \$789 million of dispositions in 4Q-20 (\$606 million at KW Share), including the following key sales:
  - **Baggot Plaza:** Sold a wholly-owned, unlevered 129,000 sq. ft. office property located in Dublin, Ireland, for \$165 million.
  - **Club Palisades:** Sold a wholly-owned 750-unit multifamily property located in Federal Way, Washington for \$175 million.
  - **UK Industrial Portfolio:** Contributed 18 wholly-owned urban logistics assets in prime locations in the UK into a joint venture with GIC, Singapore's sovereign wealth fund, for \$220 million. Kennedy Wilson holds a 20% ownership interest in the joint venture, which is targeting up to \$1 billion in asset purchases.
  - **Other Dispositions:** The Company's commingled fund sold one Western U.S. multifamily asset for \$191 million. In addition, the Company sold \$50 million of non-core wholly-owned office and retail assets located in Europe.

- **Sale of Property Services Division:** Kennedy Wilson sold its third-party property services and brokerage division, Kennedy-Wilson Properties, Ltd. ("KWP"). KWP had 111 employees with revenues of \$11.4 million and expenses of \$12.6 million over the last year. Over the past 2 years, Kennedy Wilson's headcount has decreased by 60% primarily driven by the sales of KWP in 4Q-20 and Meyers Research in 2018.

### **Balance Sheet**

- **\$1.3 billion in Cash and Available Lines of Credit:** As of 4Q-20, Kennedy Wilson had cash and cash equivalents of \$965 million<sup>(2)</sup> and \$300 million of availability on its revolving credit facility.
- **Share Repurchase Program<sup>(3)</sup>:** In 4Q-20, the Company expanded its existing share repurchase program from \$250 million to \$500 million and repurchased 0.7 million shares for \$11.1 million at a weighted average price of \$15.62 per share. For the year, the Company repurchased and retired 3.4 million shares for \$57 million at a weighted-average price of \$16.88 per share. As of December 31, 2020, the Company had \$257 million remaining available under its \$500 million share repurchase plan. In 2020, the Company returned \$185 million to shareholders in the form of dividends and share repurchases, equating to approximately \$1.31 per share.
- **KWE Bond Tender:** : Kennedy Wilson Europe Real Estate Limited ("KWE"), a wholly-owned subsidiary of the Company, completed its cash tender offer (the "Tender Offer") for part of its £500 million 3.95% sterling denominated bonds due 2022 (the "Bonds"). KWE purchased approximately £130 million, or 26%, of its Bonds in the Tender Offer. KWE used cash and £100 million of proceeds from two new property-level financings, each with a fully extended maturity in 2025 and an interest rate of approximately 3.0%, to fund the Tender Offer consideration.

### **Subsequent Events**

In January, the Company issued \$1 billion of unsecured bonds with a weighted average interest rate of 4.875% and a weighted average maturity of 9 years. This includes \$500 million of bonds at 4.75% maturing in 2029 and \$500 million of bonds at 5% maturing in 2031. The proceeds will be used (via a tender offer and redemption) to payoff \$1 billion of 5.875% unsecured debt maturing in 2024. As a result, the Company's interest expense will be reduced by \$10 million annually.

In February, the Company repaid \$100 million on its revolving line of credit and currently has an outstanding balance of \$100 million, with \$400 million available to draw.

## Footnotes

- <sup>(1)</sup> 880-unit Western U.S. multifamily portfolio was acquired as follows:
- One wholly-owned 260-unit multifamily property located in Colorado Springs, CO.
  - One 400-unit multifamily property located in Tempe, AZ acquired through Fund VI, which Kennedy Wilson has a 11% ownership interest in.
  - One 220-unit multifamily property in Broomfield, CO acquired with an equity partner and in which Kennedy Wilson has a 10% ownership interest in.
- <sup>(2)</sup> Represents consolidated cash and includes \$102 million of restricted cash, which is included in cash and cash equivalents. The Company's share of cash, including unconsolidated joint-ventures, totals \$1.0 billion.
- <sup>(3)</sup> Future purchases under the program may be made in the open market, in privately negotiated transactions, through the net settlement of the Company's restricted stock grants or otherwise, with the amount and timing of the repurchases dependent on market conditions and subject to the Company's discretion.
- <sup>(4)</sup> The Company has \$3.6 million in 4Q-20 rents outstanding for its retail and industrial portfolio, excluding amounts deferred.

## Conference Call and Webcast Details

Kennedy Wilson will hold a live conference call and webcast to discuss results at 7:00 a.m. PT/ 10:00 a.m. ET on Thursday, February 25. The direct dial-in number for the conference call is (844) 340-4761 for U.S. callers and (412) 717-9616 for international callers.

A replay of the call will be available for one week beginning one hour after the live call and can be accessed by (877) 344-7529 for U.S. callers and (412) 317-0088 for international callers. The passcode for the replay is 10151809.

The webcast will be available at: <https://services.choruscall.com/links/kw210225LLYSKOQj.html>. A replay of the webcast will be available one hour after the original webcast on the Company's investor relations web site for three months.

## About Kennedy Wilson

Kennedy Wilson (NYSE:KW) is a leading global real estate investment company. We own, operate, and invest in real estate both on our own and through our investment management platform. We focus on multifamily and office properties located in the Western U.S., UK, and Ireland. For further information on Kennedy Wilson, please visit [www.kennedywilson.com](http://www.kennedywilson.com).

**Kennedy-Wilson Holdings, Inc.**  
**Consolidated Balance Sheets**  
**(Unaudited)**  
*(Dollars in millions)*

	December 31,	
	2020	2019
<b>Assets</b>		
Cash and cash equivalents	\$ 965.1	\$ 573.9
Accounts receivable	47.9	52.1
Real estate and acquired in place lease values (net of accumulated depreciation and amortization of \$815.0 and \$703.2)	4,720.5	5,080.2
Unconsolidated investments (including \$1,136.5 and \$1,099.3 at fair value)	1,289.3	1,326.5
Other assets	306.2	271.8
<b>Total assets</b>	<u>\$ 7,329.0</u>	<u>\$ 7,304.5</u>
<b>Liabilities</b>		
Accounts payable	\$ 30.1	\$ 20.4
Accrued expenses and other liabilities	531.7	518.0
Mortgage debt	2,589.8	2,641.0
KW unsecured debt	1,332.2	1,131.7
KWE unsecured bonds	1,172.5	1,274.2
<b>Total liabilities</b>	<u>5,656.3</u>	<u>5,585.3</u>
<b>Equity</b>		
Cumulative perpetual preferred stock	295.2	295.2
Common stock	—	—
Additional paid-in capital	1,725.2	1,754.5
Retained earnings	17.7	46.2
Accumulated other comprehensive loss	(393.6)	(417.2)
<b>Total Kennedy-Wilson Holdings, Inc. shareholders' equity</b>	<u>1,644.5</u>	<u>1,678.7</u>
Noncontrolling interests	28.2	40.5
<b>Total equity</b>	<u>1,672.7</u>	<u>1,719.2</u>
<b>Total liabilities and equity</b>	<u>\$ 7,329.0</u>	<u>\$ 7,304.5</u>

**Kennedy-Wilson Holdings, Inc.**  
**Consolidated Statements of Income**  
**(Unaudited)**

*(Dollars in millions, except per share data)*

	For the Three Months Ended		For the Year Ended	
	December 31,		December 31,	
	2020	2019	2020	2019
<b>Revenue</b>				
Rental	\$ 95.1	\$ 111.3	\$ 403.9	\$ 447.4
Hotel	3.5	17.6	13.9	80.5
Sale of real estate	—	—	—	1.1
Investment management, property services, and research fees	7.9	13.4	33.1	40.7
<b>Total revenue</b>	<b>106.5</b>	<b>142.3</b>	<b>450.9</b>	<b>569.7</b>
<b>Expenses</b>				
Rental	33.5	39.6	135.7	152.9
Hotel	2.9	12.5	13.8	60.1
Cost of real estate sold	—	—	—	1.2
Commission and marketing	0.3	0.9	2.8	3.8
Compensation and related (includes \$7.8, \$6.3, \$32.3, and \$30.2 of share-based compensation)	59.3	43.9	144.4	151.8
General and administrative	8.5	12.2	34.6	42.4
Depreciation and amortization	44.5	45.9	179.6	187.6
<b>Total expenses</b>	<b>149.0</b>	<b>155.0</b>	<b>510.9</b>	<b>599.8</b>
Income from unconsolidated investments, net of depreciation and amortization	36.0	48.1	81.0	179.7
Gain on sale of real estate, net	290.3	182.0	338.0	434.4
Transaction-related expenses	(0.3)	(0.9)	(0.9)	(6.8)
Interest expense	(59.9)	(52.3)	(211.2)	(215.1)
Other income, net	2.8	1.0	4.5	0.4
<b>Income before provision for income taxes</b>	<b>226.4</b>	<b>165.2</b>	<b>151.4</b>	<b>362.5</b>
Provision for income taxes	(53.9)	(6.3)	(43.6)	(41.4)
<b>Net income</b>	<b>172.5</b>	<b>158.9</b>	<b>107.8</b>	<b>321.1</b>
Net income attributable to the noncontrolling interests	1.8	1.6	2.3	(94.4)
Preferred dividends and accretion of preferred stock issuance costs	(4.3)	(2.6)	(17.2)	(2.6)
<b>Net income attributable to Kennedy-Wilson Holdings, Inc. common shareholders</b>	<b>\$ 170.0</b>	<b>\$ 157.9</b>	<b>\$ 92.9</b>	<b>\$ 224.1</b>
<b>Basic earnings per share<sup>(1)</sup></b>				
Income per basic	\$ 1.23	\$ 1.13	\$ 0.66	\$ 1.60
Weighted average shares outstanding for basic	138,435,722	139,911,485	139,741,411	139,729,573
<b>Diluted earnings per share<sup>(1)</sup></b>				
Income per diluted	\$ 1.21	\$ 1.12	\$ 0.66	\$ 1.58
Weighted average shares outstanding for diluted	140,742,482	141,152,846	140,347,365	141,501,323
Dividends declared per common share	\$ 0.22	\$ 0.22	\$ 0.88	\$ 0.85

<sup>(1)</sup> Includes impact of the Company allocating income and dividends per basic and diluted share to participating securities.

**Kennedy-Wilson Holdings, Inc.**  
**Adjusted EBITDA**  
**(Unaudited)**  
*(Dollars in millions)*

The table below reconciles Adjusted EBITDA to net income attributable to Kennedy-Wilson Holdings, Inc. common shareholders, using Kennedy Wilson's Pro-Rata share amounts for each adjustment item.

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2020	2019	2020	2019
<b>Net income attributable to Kennedy-Wilson Holdings, Inc. common shareholders</b>	\$ 170.0	\$ 157.9	\$ 92.9	\$ 224.1
<b>Non-GAAP adjustments:</b>				
Add back (Kennedy Wilson's Share) <sup>(1)</sup> :				
Interest expense	59.6	59.5	231.9	240.7
Loss on early extinguishment of debt	7.9	—	9.3	0.9
Depreciation and amortization	45.0	45.5	181.7	188.2
Provision for income taxes	52.3	6.3	42.7	41.4
Preferred dividends	4.3	2.6	17.2	2.6
Share-based compensation	7.8	6.3	32.3	30.2
<b>Adjusted EBITDA</b>	<b>\$ 346.9</b>	<b>\$ 278.1</b>	<b>\$ 608.0</b>	<b>\$ 728.1</b>

<sup>(1)</sup> See Appendix for reconciliation of Kennedy Wilson's Share amounts.

The table below provides a detailed reconciliation of Adjusted EBITDA to net income.

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2020	2019	2020	2019
<b>Net income</b>	\$ 172.5	\$ 158.9	\$ 107.8	\$ 321.1
<b>Non-GAAP adjustments:</b>				
Add back:				
Interest expense	52.0	52.3	201.9	214.2
Loss on early extinguishment of debt	7.9	—	9.3	0.9
Kennedy Wilson's share of interest expense included in unconsolidated investments	8.3	8.5	33.0	32.1
Depreciation and amortization	44.5	45.9	179.6	187.6
Kennedy Wilson's share of depreciation and amortization included in unconsolidated investments	1.7	1.8	6.9	8.2
Provision for income taxes	53.9	6.3	43.6	41.4
Kennedy Wilson's share of taxes included in unconsolidated investments	—	—	1.1	—
Share-based compensation	7.8	6.3	32.3	30.2
EBITDA attributable to noncontrolling interests <sup>(1)</sup>	(1.7)	(1.9)	(7.5)	(107.6)
<b>Adjusted EBITDA</b>	<b>\$ 346.9</b>	<b>\$ 278.1</b>	<b>\$ 608.0</b>	<b>\$ 728.1</b>

<sup>(1)</sup> EBITDA attributable to noncontrolling interests includes \$1.2 million and \$2.2 million of depreciation and amortization, \$0.7 million and \$1.3 million of interest, and \$1.6 million and \$0.0 million of taxes, for the three months ended December 31, 2020 and 2019, respectively. EBITDA attributable to noncontrolling interests includes \$4.8 million and \$7.6 million of depreciation and amortization, \$3.0 million and \$5.6 million of interest, and \$2.0 million and \$0.0 million of taxes, for the year ended December 31, 2020 and 2019, respectively.

**Kennedy-Wilson Holdings, Inc.**  
**Adjusted Net Income**  
**(Unaudited)**

*(Dollars in millions, except share data)*

The table below reconciles Adjusted Net Income to net income attributable to Kennedy-Wilson Holdings, Inc. common shareholders, using Kennedy Wilson's Pro-Rata share amounts for each adjustment item.

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2020	2019	2020	2019
<b>Net income attributable to Kennedy-Wilson Holdings, Inc. common shareholders</b>	\$ 170.0	\$ 157.9	\$ 92.9	\$ 224.1
<b>Non-GAAP adjustments:</b>				
Add back (Kennedy Wilson's Share) <sup>(1)</sup> :				
Depreciation and amortization	45.0	45.5	181.7	188.2
Share-based compensation	7.8	6.3	32.3	30.2
<b>Adjusted Net Income</b>	<b>\$ 222.8</b>	<b>\$ 209.7</b>	<b>\$ 306.9</b>	<b>\$ 442.5</b>
<b>Weighted average shares outstanding for diluted</b>	<b>140,742,482</b>	<b>141,152,846</b>	<b>140,347,365</b>	<b>141,501,323</b>

<sup>(1)</sup> See Appendix for reconciliation of Kennedy Wilson's Share amounts.

The table below provides a detailed reconciliation of Adjusted Net Income to net income.

	Three Months Ended		Year Ended	
	December 31,		December 31,	
	2020	2019	2020	2019
<b>Net income</b>	\$ 172.5	\$ 158.9	\$ 107.8	\$ 321.1
<b>Non-GAAP adjustments:</b>				
Add back:				
Depreciation and amortization	44.5	45.9	179.6	187.6
Kennedy Wilson's share of depreciation and amortization included in unconsolidated investments	1.7	1.8	6.9	8.2
Share-based compensation	7.8	6.3	32.3	30.2
Preferred dividends and accretion of preferred stock issuance costs	(4.3)	(2.6)	(17.2)	(2.6)
Net income attributable to the noncontrolling interests, before depreciation and amortization <sup>(1)</sup>	0.6	(0.6)	(2.5)	(102.0)
<b>Adjusted Net Income</b>	<b>\$ 222.8</b>	<b>\$ 209.7</b>	<b>\$ 306.9</b>	<b>\$ 442.5</b>
<b>Weighted average shares outstanding for diluted</b>	<b>140,742,482</b>	<b>141,152,846</b>	<b>140,347,365</b>	<b>141,501,323</b>

<sup>(1)</sup> Includes \$1.2 million and \$2.2 million of depreciation and amortization for the three months ended December 31, 2020 and 2019, respectively, and \$4.8 million and \$7.6 million for the year ended December 31, 2020 and 2019, respectively.

## Forward-Looking Statements

Statements made by us in this report and in other reports and statements released by us that are not historical facts constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements are necessarily estimates reflecting the judgment of our senior management based on our current estimates, expectations, forecasts and projections and include comments that express our current opinions about trends and factors that may impact future operating results. Disclosures that use words such as "believe," "anticipate," "estimate," "intend," "may," "could," "plan," "expect," "project" or the negative of these, as well as similar expressions, are intended to identify forward-looking statements. These statements are not guarantees of future performance, rely on a number of assumptions concerning future events, many of which are outside of our control, and involve known and unknown risks and uncertainties that could cause our actual results, performance or achievement, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. These risks and uncertainties may include the factors and the risks and uncertainties described elsewhere in this report and other filings with the Securities and Exchange Commission (the "SEC"), including the Item 1A. "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2019, as amended by our subsequent filings with the SEC. Any such forward-looking statements, whether made in this report or elsewhere, should be considered in the context of the various disclosures made by us about our businesses including, without limitation, the risk factors discussed in our filings with the SEC. Except as required under the federal securities laws and the rules and regulations of the SEC, we do not have any intention or obligation to update publicly any forward-looking statements, whether as a result of new information, future events, changes in assumptions, or otherwise.

## Common Definitions

- "KWH," "KW," "Kennedy Wilson," the "Company," "we," "our," or "us" refers to Kennedy-Wilson Holdings, Inc. and its wholly-owned subsidiaries.
- "Adjusted EBITDA" represents net income before interest expense, loss on early extinguishment of debt, our share of interest expense included in income from investments in unconsolidated investments, depreciation and amortization, our share of depreciation and amortization included in income from unconsolidated investments, provision for (benefit from) income taxes, our share of taxes included in unconsolidated investments, share-based compensation expense for the Company and EBITDA attributable to noncontrolling interests.

Please also see the reconciliation to GAAP in the Company's supplemental financial information included in this release and also available at [www.kennedywilson.com](http://www.kennedywilson.com). Our management uses Adjusted EBITDA to analyze our business because it adjusts net income for items we believe do not accurately reflect the nature of our business going forward or that relate to non-cash compensation expense or noncontrolling interests. Such items may vary for different companies for reasons unrelated to overall operating performance. Additionally, we believe Adjusted EBITDA is useful to investors to assist them in getting a more accurate picture of our results from operations. However, Adjusted EBITDA is not a recognized measurement under GAAP and when analyzing our operating performance, readers should use Adjusted EBITDA in addition to, and not as an alternative for, net income as determined in accordance with GAAP. Because not all companies use identical calculations, our presentation of Adjusted EBITDA may not be comparable to similarly titled measures of other companies. Furthermore, Adjusted EBITDA is not intended to be a measure of free cash flow for our management's discretionary use, as it does not remove all non-cash items (such as acquisition-related gains) or consider certain cash requirements such as tax and debt service payments. The amount shown for Adjusted EBITDA also differs from the amount calculated under similarly titled definitions in our debt instruments, which are further adjusted to reflect certain other cash and non-cash charges and are used to determine compliance with financial covenants and our ability to engage in certain activities, such as incurring additional debt and making certain restricted payments.

- “Adjusted Fees” refers to Kennedy Wilson’s gross investment management, property services and research fees adjusted to include Kennedy Wilson's share of fees eliminated in consolidation, and performance fees included in unconsolidated investments. Our management uses Adjusted fees to analyze our investment management and real estate services business because the measure removes required eliminations under GAAP for properties in which the Company provides services but also has an ownership interest. These eliminations understate the economic value of the investment management, property services and research fees and makes the Company comparable to other real estate companies that provide investment management and real estate services but do not have an ownership interest in the properties they manage. Our management believes that adjusting GAAP fees to reflect these amounts eliminated in consolidation presents a more holistic measure of the scope of our investment management and real estate services business.
- “Adjusted Net Income” represents net income before depreciation and amortization, our share of depreciation and amortization included in income from unconsolidated investments, share-based compensation, preferred dividends and accretion of preferred stock issuance costs and net income attributable to noncontrolling interests, before depreciation and amortization. Please also see the reconciliation to GAAP in the Company’s supplemental financial information included in this release and also available at [www.kennedywilson.com](http://www.kennedywilson.com).
- “Annual Return on Loans” is a metric that applies to our real estate debt business that represents the sum of annual interest income, transaction fees and the payback of principal for discounted loan purchases, amortized over the life of the loans and divided by the principal balances of the loans.
- “Cap rate” represents the net operating income of an investment for the year preceding its acquisition or disposition, as applicable, divided by the purchase or sale price, as applicable. Cap rates set forth in this presentation only includes data from income-producing properties. We calculate cap rates based on information that is supplied to us during the acquisition diligence process. This information is not audited or reviewed by independent accountants and may be presented in a manner that is different from similar information included in our financial statements prepared in accordance with GAAP. In addition, cap rates represent historical performance and are not a guarantee of future NOI. Properties for which a cap rate is provided may not continue to perform at that cap rate.
- "Consolidated investment account" refers to the sum of Kennedy Wilson’s equity in: cash held by consolidated investments, consolidated real estate and acquired in-place leases gross of accumulated depreciation and amortization, net hedge asset or liability, unconsolidated investments, consolidated loans, and net other assets.
- "Equity partners" refers to non-wholly-owned subsidiaries that we consolidate in our financial statements under U.S. GAAP and third-party equity providers.
- "Estimated Annual NOI" is a property-level non-GAAP measure representing the estimated annual net operating income from each property as of the date shown, inclusive of rent abatements (if applicable). The calculation excludes depreciation and amortization expense, and does not capture the changes in the value of our properties that result from use or market conditions, nor the level of capital expenditures, tenant improvements, and leasing commissions necessary to maintain the operating performance of our properties. Any of the enumerated items above could have a material effect on the performance of our properties. Also, where specifically noted, for properties purchased in 2020, the NOI represents estimated Year 1 NOI from our original underwriting. Estimated year 1 NOI for properties purchased in 2020 may not be indicative of the actual results for those properties. Estimated annual NOI is not an indicator of the actual annual net operating income that the Company will or expects to realize in any period. Please also see the definition of "Net operating income" below. The Company does not provide a reconciliation for estimated annual NOI to its most directly comparable forward-looking GAAP financial measure, because it is unable to provide a meaningful or accurate estimation of each of the component reconciling items, and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the timing and/or amount of various items that would impact estimated annual NOI, including, for example, gains on sales of depreciable real estate and other items that have not yet occurred and are out of the Company’s control. For the same reasons, the Company is unable to meaningfully address the probable significance of the unavailable information and believes that providing a reconciliation for estimated annual NOI would imply a degree of precision as to its forward-looking net operating income that would be confusing or misleading to investors.

- "Estimated Forward Yield on Cost" represents the Company's estimate of future net operating income, assuming it has completed its planned value-add asset management initiatives, divided by the sum of the purchase price and additional capital expenditure costs that are expected to be incurred in accordance with the Company's original underwriting at the time of acquisition. This information is not audited or reviewed by independent accountants and may be presented in a manner that is different from similar information included in our financial statements prepared in accordance with GAAP. Estimated Forward Return on Cost is based on management's current expectations and are based on assumptions that may prove to be inaccurate and involve known and unknown risks. For example, Estimated Forward Return on Cost is based in part on data made available to us during the course of our due diligence process in connection with asset acquisitions and assumes the timely and on-budget completion of our value-add initiatives, the timely leasing of all additional capacity and the absence of customer defaults or early lease terminations. Accordingly, the actual return on cost of an investment made by the Company may differ materially and adversely from the Estimated Forward Return on Cost figures set forth in this release, and we caution you not to place undue reliance on such figures. This information is not provided for development assets with no current income-producing component.
- "Fee-Bearing Capital" represents total third-party committed or invested capital that we manage in our joint-ventures and commingled funds that entitle us to earn fees, including without limitation, asset management fees, construction management fees, acquisition and disposition fees and/or promoted interest, if applicable.
- "Gross Asset Value" refers to the gross carrying value of assets, before debt, depreciation and amortization, and net of noncontrolling interests.
- "Internal Rate of Return" ("IRR") is based on cumulative contributions and distributions to Kennedy Wilson on each investment that has been sold and is the leveraged internal rate of return on equity invested in the investment. The IRR measures the return to Kennedy Wilson on each investment, expressed as a compound rate of interest over the entire investment period. This return does take into account carried interest, if applicable, but excludes management fees, organizational fees, or other similar expenses.
- "Investment account" refers to the consolidated investment account presented after noncontrolling interest on invested assets gross of accumulated depreciation and amortization.
- "Net operating income" or "NOI" is a non-GAAP measure representing the income produced by a property calculated by deducting certain property expenses from property revenues. Our management uses net operating income to assess and compare the performance of our properties and to estimate their fair value. Net operating income does not include the effects of depreciation or amortization or gains or losses from the sale of properties because the effects of those items do not necessarily represent the actual change in the value of our properties resulting from our value-add initiatives or changing market conditions. Our management believes that net operating income reflects the core revenues and costs of operating our properties and is better suited to evaluate trends in occupancy and lease rates. Please also see the reconciliation to GAAP in the Company's supplemental financial information included in this release and also available at [www.kennedywilson.com](http://www.kennedywilson.com).
- "Noncontrolling interests" represents the portion of equity ownership in a consolidated subsidiary not attributable to Kennedy Wilson.
- "Pro-Rata" represents Kennedy Wilson's share calculated by using our proportionate economic ownership of each asset in our portfolio. Please also refer to the pro-rata financial data in our supplemental financial information.
- "Property NOI" or "Property-level NOI" is a non-GAAP measure calculated by deducting the Company's Pro-Rata share of rental and hotel property expenses from the Company's Pro-Rata rental and hotel revenues. Please also see the reconciliation to GAAP in the Company's supplemental financial information included in this release and also available at [www.kennedywilson.com](http://www.kennedywilson.com).
- "Real Estate Assets Under Management" ("AUM") generally refers to the properties and other assets with respect to which we provide (or participate in) oversight, investment management services and other advice, and which generally consist of real estate properties or loans, and investments in joint ventures. Our AUM is principally intended to reflect the extent of our presence in the real estate market, not the basis for determining our management fees. Our AUM consists of the total estimated fair value of the real estate properties and other

real estate related assets either owned by third parties, wholly-owned by us or held by joint ventures and other entities in which our sponsored funds or investment vehicles and client accounts have invested. Committed (but unfunded) capital from investors in our sponsored funds is not included in our AUM. The estimated value of development properties is included at estimated completion cost.

- "Return on Equity" is a ratio calculated by dividing the net cash distributions of an investment to Kennedy Wilson, after the cost of leverage, if applicable, by the total cash contributions by Kennedy Wilson over the lifetime of the investment.
- "Same property" refers to properties in which Kennedy Wilson has an ownership interest during the entire span of both periods being compared. The same property information presented throughout this report is shown on a cash basis and excludes non-recurring expenses. This analysis excludes properties that are either under development or undergoing lease up as part of our asset management strategy.

#### Note about Non-GAAP and certain other financial information included in this presentation

In addition to the results reported in accordance with U.S. generally accepted accounting principles ("GAAP") included within this presentation, Kennedy Wilson has provided certain information, which includes non-GAAP financial measures (including Adjusted EBITDA, Adjusted Net Income, Net Operating Income, and Adjusted Fees, as defined above). Such information is reconciled to its closest GAAP measure in accordance with the rules of the SEC, and such reconciliations are included within this presentation. These measures may contain cash and non-cash acquisition-related gains and expenses and gains and losses from the sale of real-estate related investments. Consolidated non-GAAP measures discussed throughout this report contain income or losses attributable to non-controlling interests. Management believes that these non-GAAP financial measures are useful to both management and Kennedy Wilson's shareholders in their analysis of the business and operating performance of the Company. Management also uses this information for operational planning and decision-making purposes. Non-GAAP financial measures are not and should not be considered a substitute for any GAAP measures. Additionally, non-GAAP financial measures as presented by Kennedy Wilson may not be comparable to similarly titled measures reported by other companies. Annualized figures used throughout this release and supplemental financial information, and our estimated annual net operating income metrics, are not an indicator of the actual net operating income that the Company will or expects to realize in any period.

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