

A grayscale world map is centered in the upper half of the slide. Overlaid on the map is a dark blue rectangular box with a thin white border. Inside this box, the company name "KENNEDY WILSON" is written in a white, serif, all-caps font.

KENNEDY WILSON

INVESTOR PRESENTATION

FOURTH QUARTER 2015

(As of December 31, 2015)

DISCLAIMER/FORWARD-LOOKING STATEMENTS

Statements made by us in this presentation 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. Some of the forward-looking statements may be identified by words like “believes”, “expects”, “anticipates”, “estimates”, “plans”, “intends”, “projects”, “indicates”, “could”, “may” and similar expressions. These statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions. Accordingly, actual results or the performance of Kennedy-Wilson Holdings, Inc. (the “Company”) or its subsidiaries may differ significantly, positively or negatively, from forward-looking statements made herein. Unanticipated events and circumstances are likely to occur. Factors that might cause such differences include, but are not limited to, the risks that the Company’s business strategy and plans may not receive the level of market acceptance anticipated; disruptions in general economic and business conditions, particularly in geographic areas where our business may be concentrated; the continued volatility and disruption of the capital and credit markets, higher interest rates, higher loan costs, less desirable loan terms, and a reduction in the availability of mortgage loans and mezzanine financing, all of which could increase costs and could limit our ability to acquire additional real estate assets; continued high levels of, or increases in, unemployment and a general slowdown in commercial activity; our leverage and ability to refinance existing indebtedness or incur additional indebtedness; an increase in our debt service obligations; our ability to generate a sufficient amount of cash from operations to satisfy working capital requirements and to service our existing and future indebtedness; our ability to achieve improvements in operating efficiency; foreign currency fluctuations; adverse changes in the securities markets; our ability to retain our senior management and attract and retain qualified and experienced employees; our ability to attract new user and investor clients; our ability to retain major clients and renew related contracts; trends in the use of large, full-service commercial real estate providers; changes in tax laws in the United States, Europe or Japan that reduce or eliminate our deductions or other tax benefits; future acquisitions may not be available at favorable prices or with advantageous terms and conditions; and costs relating to the acquisition of assets we may acquire could be higher than anticipated. 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 U.S. Securities and Exchange Commission (“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, change in assumptions, or otherwise.

THE INFORMATION WITH RESPECT TO THE PROJECTIONS PRESENTED HEREIN IS BASED ON A NUMBER OF ASSUMPTIONS ABOUT FUTURE EVENTS AND IS SUBJECT TO SIGNIFICANT ECONOMIC AND COMPETITIVE UNCERTAINTY AND OTHER CONTINGENCIES, NONE OF WHICH CAN BE PREDICTED WITH ANY CERTAINTY AND SOME OF WHICH ARE BEYOND THE COMPANY’S CONTROL. THERE CAN BE NO ASSURANCES THAT THE PROJECTIONS WILL BE REALIZED, AND ACTUAL RESULTS MAY BE HIGHER OR LOWER THAN THOSE INDICATED. NEITHER THE COMPANY NOR ANY OF THEIR RESPECTIVE SECURITYHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES, ADVISORS OR AFFILIATES, OR ANY REPRESENTATIVES OR AFFILIATES OF THE FOREGOING, ASSUMES RESPONSIBILITY FOR THE ACCURACY OF THE PROJECTIONS PRESENTED HEREIN.

KENNEDY WILSON OVERVIEW⁽¹⁾

- **Global** real estate investment company with complementary services division
- Investment portfolio at carrying value totals **\$10.7 billion**:
 - KW has an average **38% ownership**
 - Focus on sourcing acquisitions **off-market** directly from financial institutions
- Since going public in 2009, Kennedy Wilson has realized a **33% gross IRR⁽²⁾⁽³⁾** and **1.9x equity multiple⁽²⁾⁽³⁾** on its completed real estate investments
- AUM⁽²⁾ of \$18.1 billion → 2015 adjusted fees of \$158 million (+31% vs. 2014)

KW
LISTED
NYSE



*Merritt on 3rd
Oakland, CA*



*Shelbourne Hotel
Dublin, Ireland*

1. Information as of December 31, 2015, unless otherwise noted.

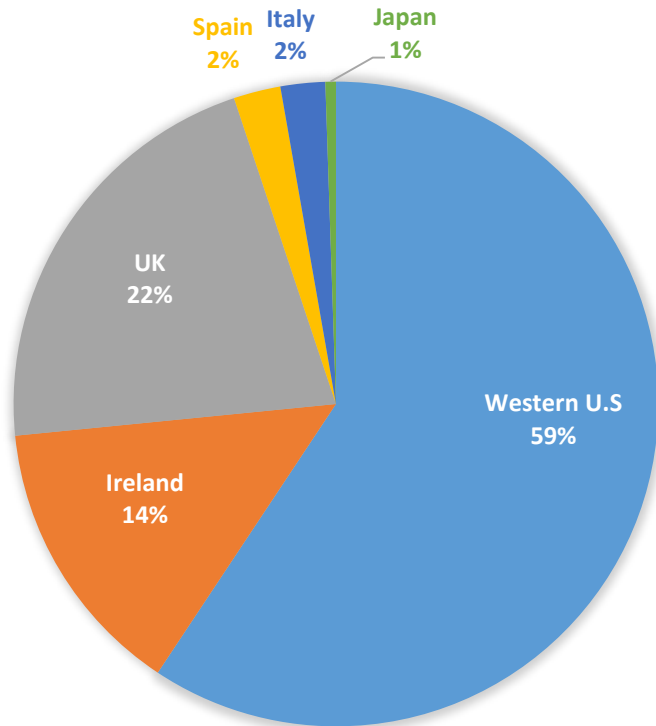
2. As defined in the "Definitions" section.

3. The IRR and equity multiple are returns to KW (including promoted interest and excluding management fees) for all real estate investments purchased and sold since becoming a listed company on the NYSE on November 13, 2009 to date. Kennedy Wilson has an approximate 38% ownership in its \$10.7 billion (book value) investment portfolio.

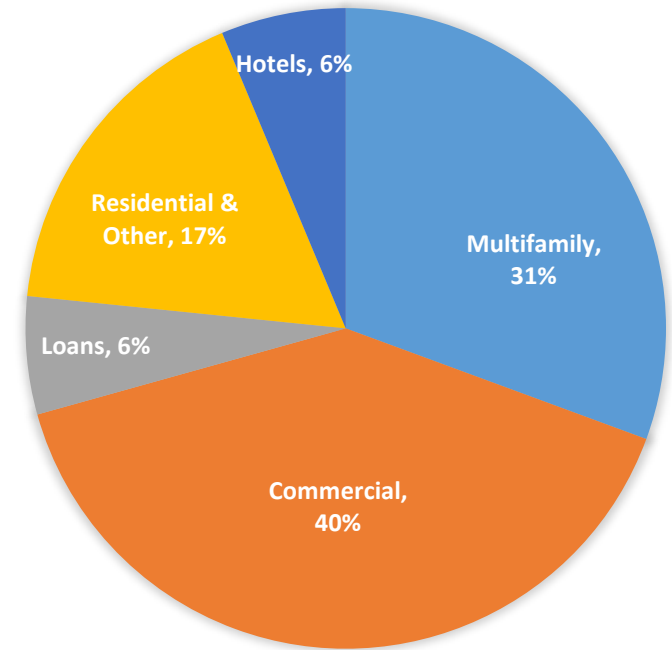
INVESTMENT DIVERSIFICATION

GLOBAL STRATEGY FOCUSED ON KEY MARKETS AND PRODUCT TYPES

GEOGRAPHY
(BY INVESTMENT ACCOUNT)



PRODUCT TYPE
(BY INVESTMENT ACCOUNT)



INVESTMENTS⁽¹⁾ - PORTFOLIO DETAIL

PORTFOLIO INCLUDES 492 PROPERTIES WITH 39 MILLION RENTABLE SQ. FT.

	MULTIFAMILY	COMMERCIAL	LOANS	RESIDENTIAL & OTHER	HOTELS
Investment Account (\$ in millions)	\$597	\$781	\$116	\$333	\$123
KW Ownership⁽²⁾	45%	26%	27%	38%	54%
Geography⁽³⁾	<p> ■ U.S. ■ Ireland ■ UK ■ Japan </p>	<p> ■ U.S. ■ Ireland ■ UK ■ Japan ■ Spain / Italy </p>	<p> ■ U.S. ■ Ireland ■ UK </p>	<p> ■ U.S. ■ Ireland ■ UK ■ Japan ■ Spain </p>	<p> ■ U.S. ■ Ireland ■ UK </p>
Description	24,371 ⁽⁴⁾ units	19M Sq. Ft.	\$559 million UPB	<ul style="list-style-type: none"> • 670 Lots • 4,251 Acres • 582 Residential Units 	<ul style="list-style-type: none"> • 5 Properties • 975 Hotel Rooms • 716 Acres

1. Information as of December 31, 2015. Includes investments made and held directly by Kennedy Wilson Europe Real Estate PLC (LSE:KWE). KW owns 18.2% of KWE's total share capital as of December 31, 2015.

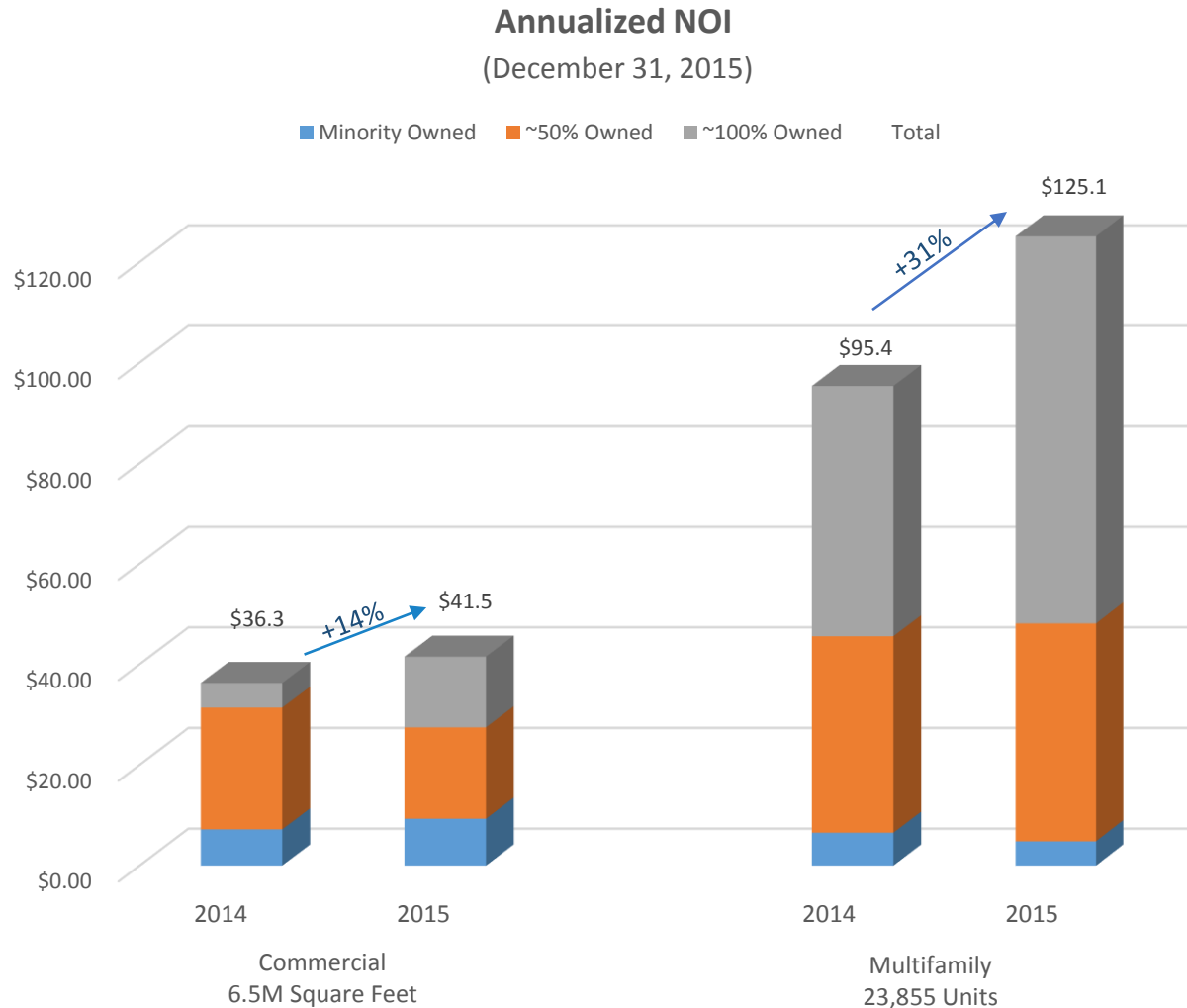
2. Weighted average ownership excluding promoted interest. Reflects KW's 18.2% ownership of KWE's total share capital as of December 31, 2015.

3. Calculated based on KW Investment Account.

4. Of the 24,371 multifamily units, 8,931 units are consolidated and 15,440 units are held through unconsolidated joint ventures.

INCOME-PRODUCING MULTIFAMILY AND COMMERCIAL

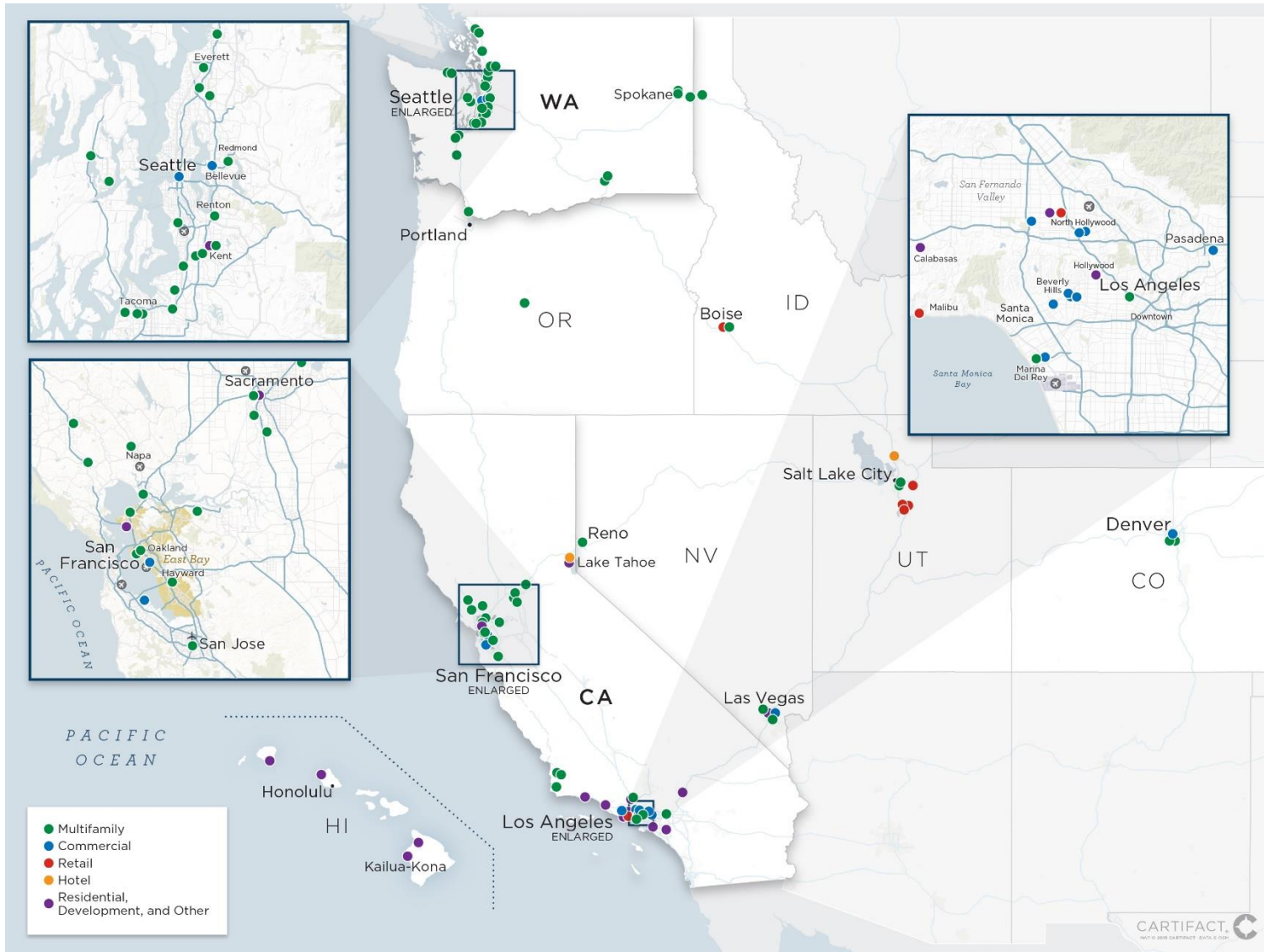
KW Share of Annualized NOI⁽¹⁾: \$167 million⁽²⁾, +27% during 2015



1. Information as of December 31, 2015, unless otherwise noted, and excludes investments by KWE. For more information, please see our Q4 and Year End 2015 Earnings Release and Supplemental Financial Information located at www.kennedywilson.com.

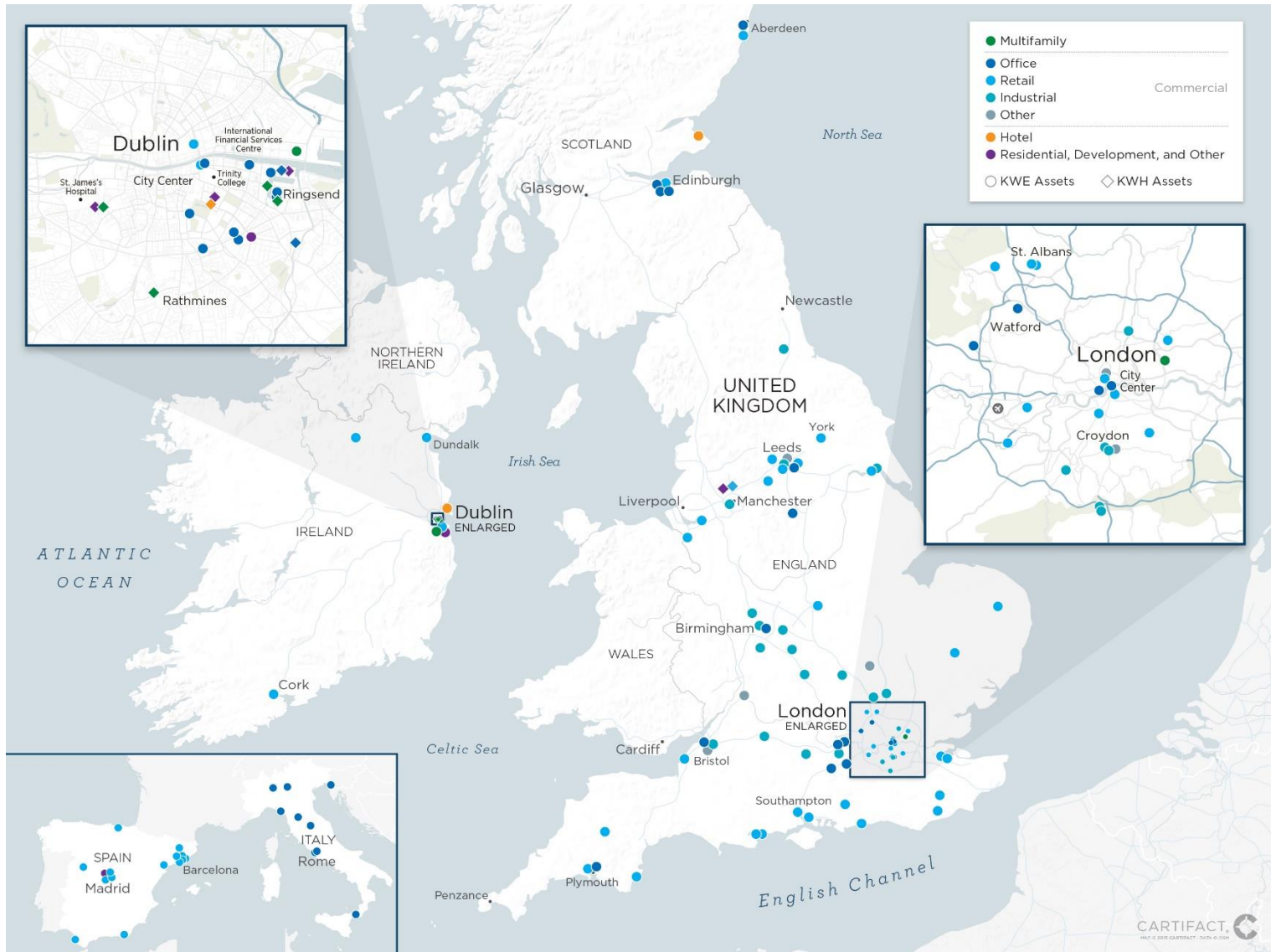
2. Calculated by multiplying Kennedy Wilson's actual pre-promote ownership in the properties by the total annualized NOI of such properties.

U.S. PROPERTY MAP - INVESTMENT MARKETS



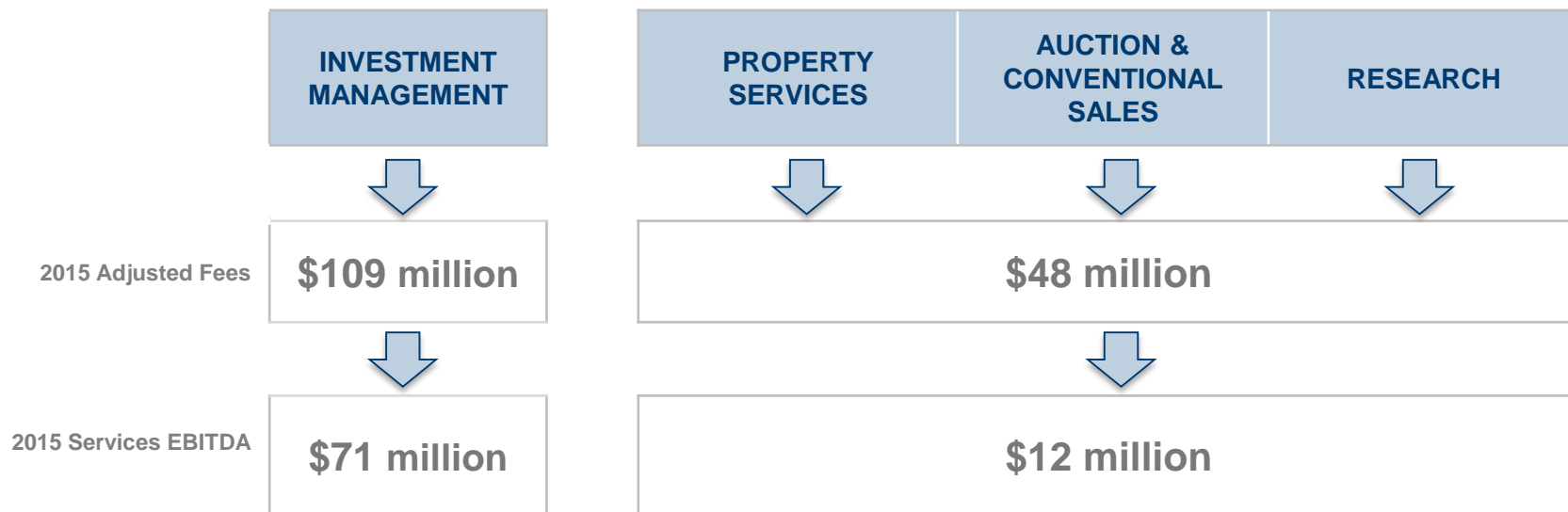
Map excludes certain investments totaling approximately 3% of total U.S. Investment account.

EUROPE PROPERTY MAP – INVESTMENT MARKETS

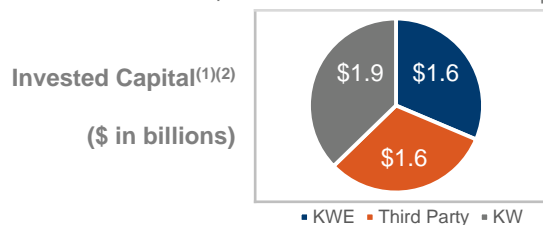


Map includes investments made by KWE and excludes certain investments totaling approximately 5% of total European Investment account

SERVICES – LEVERAGING OUR GLOBAL NETWORK OF RELATIONSHIPS



\$5.1 Billion of Invested Capital



AUM⁽¹⁾⁽³⁾

Over \$18 billion

Square Feet Under Management⁽¹⁾

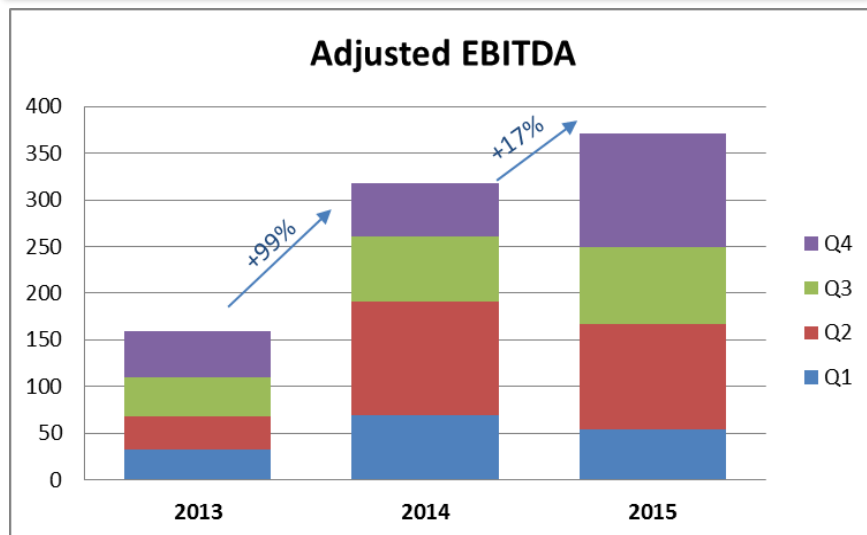
50 million square feet

Q4 - 2015 FINANCIAL HIGHLIGHTS

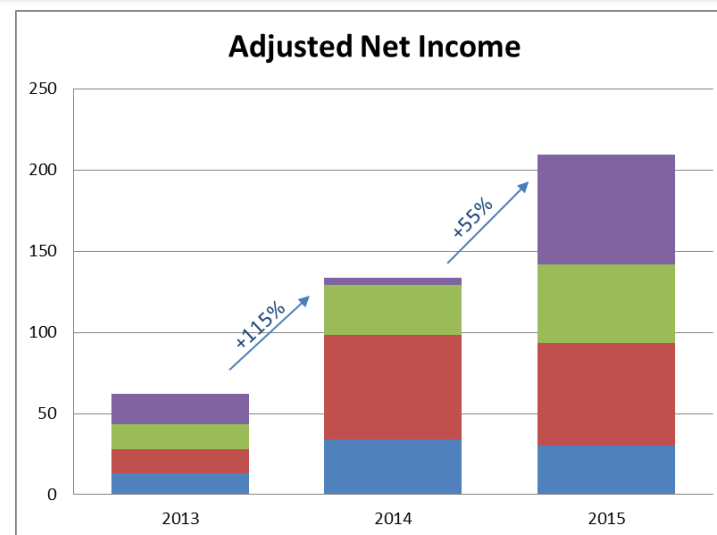
Q4 2015 (\$ in millions)	Aggregate Purchase/Sale Price	Cap Rate ⁽¹⁾	KW Ownership	KW Equity Multiple ⁽¹⁾
Acquisitions	\$ 506.8	6.2%	20%	
Dispositions	731.4	5.3%	40%	1.7x
Total	\$ 1,238.2			

- Record Q4 for Kennedy Wilson for Revenue, Adjusted EBITDA, Net Income, and EPS

Q4-2015 Adjusted EBITDA: \$122 million



Q4-2015 Adjusted Net Income: \$68 million



1. As defined in the "Definitions" section

2015 KEY TRANSACTIONS

Major Acquisitions

- **Gatsby Portfolio – Q1**; ~180 mixed-use properties located throughout the UK – 7.2% cap rate
- **VHH Portfolio – Q2**; 62% interest in 5,500 tax-credit financed West Coast MF Units – 7.3% cap rate
- **SEO Portfolio – Q3**; Nine high-quality office properties located adjacent to London – 8.0% cap rate
- **FIP Portfolio – Q4**; 1st acquisition in Italy; Nine offices fully let to Italian Government – 6.3% cap rate



Vintage



FIP - Rome



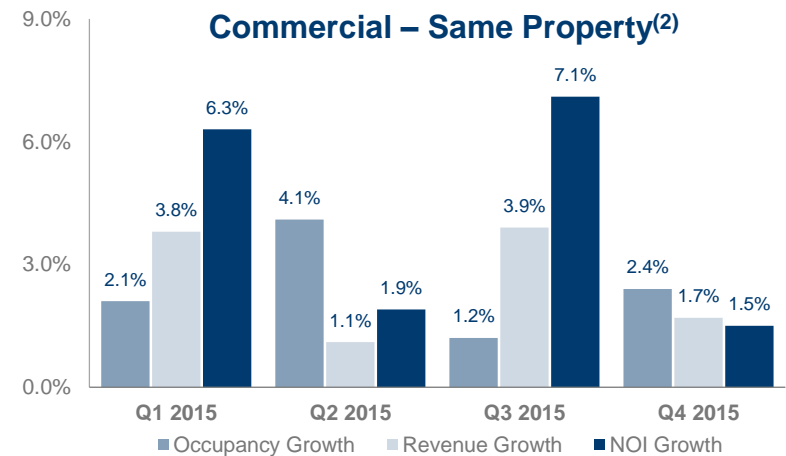
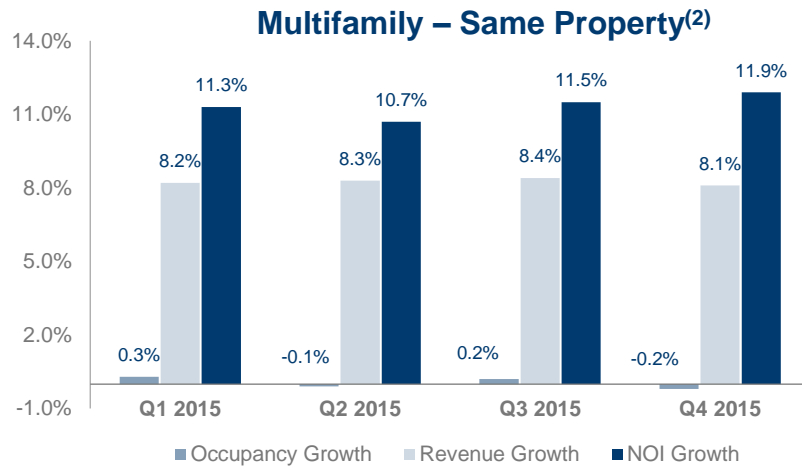
South East Office

Major Dispositions

- **Q2: Japan Multifamily Portfolio** - \$77M pre-tax gain to KW, retained 5% interest and 3 year mgmt. agreement
- **Q4: Western U.S. Multifamily** – sold 5 properties for \$424 million at 4.9% exit cap; \$34.6 million cash profit and 2.2x equity multiple for Kennedy Wilson

MULTIFAMILY & COMMERCIAL: NOI AND REVENUE GROWTH⁽¹⁾

- **Multifamily:** Ten consecutive quarters of same property NOI growth in excess of 8%



1. Figures in charts above provide a comparison of metrics for the stated period against the same period in the prior year. Excludes KWE.
 2. As defined in the "Definitions" section

Note: Commercial properties that are vacant or undergoing lease up are excluded from the same property analysis.

VALUE-CREATION INITIATIVES

- 12 significant projects⁽¹⁾ in-process with various value-add components
 - 4 projects currently under development
 - 3 projects recently entitled
 - 5 projects seeking entitlement

Before



Once Completed (Projected image)



- **Under Development** : Additional 501,000 commercial square feet, 1,303 multifamily units, and 400 residential units⁽¹⁾ with total estimated project-level capitalization of \$1.7 billion
- **Entitled / Seeking Entitlement**: Value realization options include sale of entitled land before completion, joint-venture, or project completion

1. Includes potential developments or redevelopments that the Company is considering. The scope of these projects may change. There is no certainty that the Company will develop any or all of these potential projects.

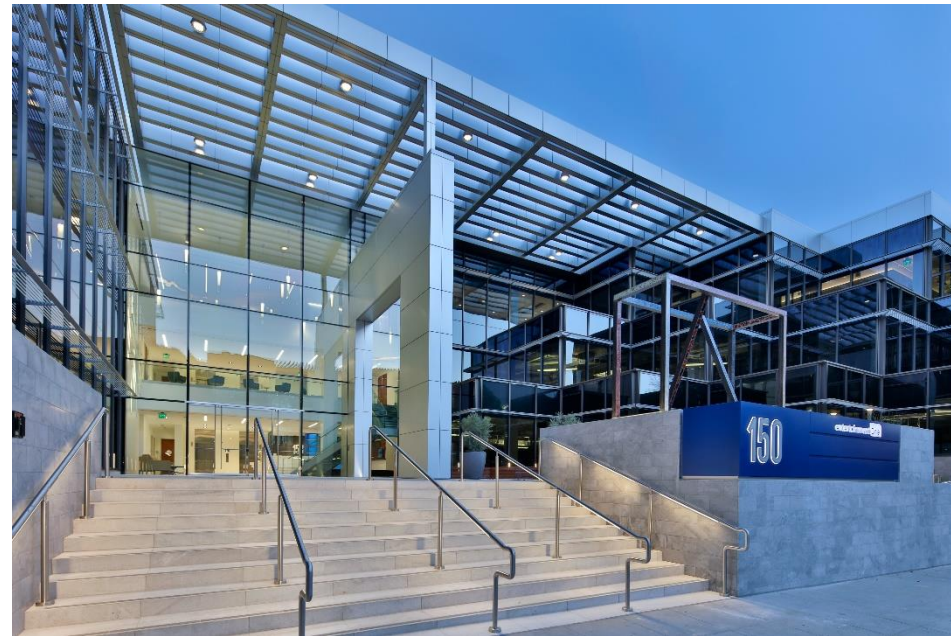
NON-STABILIZED COMMERCIAL - TIMELINE

- **2013:** Acquired 100% vacant 60,000 square foot property in Beverly Hills, CA
- **2014 - 2015:** Full-scale renovation of exterior and interior of building
- **2016:** Completion of exterior; 50% leased, with expectation of being fully leased by end of the year
 - Will represent highest per square foot rents in U.S. office portfolio

During Construction



Current



KEY TAKEAWAYS

- **Global real estate platform** with regional investment teams creates a competitive advantage and the ability to allocate capital across multiple real estate cycles
- **High levels of liquidity** with \$1.5 billion in consolidated cash and lines of credit⁽¹⁾ and over \$2.0 billion in unencumbered assets⁽¹⁾
- Substantial **growth in recurring cash flow**
- No near-term corporate maturities; 84% of debt is **protected against rising interest rates**
- Seasoned executive team highly **focused on value-creation** through asset management, strategic growth and selective investment realization

APPENDIX



The Apex, Tacoma, Washington, 203 Multifamily Units

COMPONENTS OF VALUE⁽¹⁾

Below are key valuation metrics provided to assist in the calculation of a sum-of-the-parts valuation for the Company:

<i>(Dollars in millions, except per share data)</i>			KW Investment account	Occupancy	NOI⁽²⁾	Investment debt	Pre-promote ownership⁽³⁾
Investments		Description					
1	Multifamily ⁽⁴⁾	23,855 Units	\$ 573.4	94.5%	\$235.9	\$ 2,578.8	48.1%
2	Commercial ⁽⁴⁾	6.5 million square feet	301.9	90.4%	99.5	791.6	43.1%
2a	Commercial – non stabilized ⁽⁴⁾	800K square feet in the Western U.S.	89.0	50.9%	NA	136.7	60.5%
3	Hotels, loans, residential, and other ⁽⁴⁾	37 real estate investments, 18 loans	477.9				
				# of shares (millions)	Share Price	Market Value	
4	KWE	18.2% ownership in KWE	\$ 431.9	24.7	17.83	\$ 440.0	100%
Services			Annualized Adj. Fees⁽⁵⁾	Annualized Adj. EBITDA⁽⁵⁾			Pre-promote ownership⁽³⁾
5	Investment Management	Management fees and performance fees	\$ 109.7	\$ 71.2			100%
6	Property Services and Research	Fees and commissions	48.5	11.6			100%
Liabilities / (Other Assets)			Book Value				Pre-promote ownership
7	Senior notes payable	KWH Corporate Debt	\$ 705.0				100%
8	Cash and other net assets	Cash and net hedge asset	(250.8)				100%

1. For more information, please see our Q3-2015 Earnings Release and Supplemental Financial Information located at www.kennedywilson.com. All information is as of December 31, 2015.
2. See definition of NOI in the "Definitions" section. Represents NOI for the nine-months ended December 31, 2015 on an annualized basis.
3. Weighted-average ownership figures.
4. Excludes investments held by KWE.
5. Annualized figures are calculated by dividing the nine-month adjusted fees / adjusted services EBITDA figures as set forth in Appendix by two. These annualized figures are not indicators of the actual results that the Company will or expects to realize in any period.

ALL PROPERTY INCOME-PRODUCING INVESTMENT SUMMARY⁽¹⁾

The following summarizes Kennedy Wilson's income-producing multifamily, commercial, and hotel portfolio by property type. Excluded below are KWE, commercial - unstabilized, loans, and residential and other investments.

December 31, 2015							December 31, 2014				
Type	Description	Occupancy	NOI ⁽²⁾	Debt ⁽³⁾	Pre-promote Ownership ⁽⁴⁾	2015 NOI Growth	Description	Occupancy	NOI ⁽²⁾	Debt ⁽³⁾	Pre-promote Ownership ⁽⁴⁾
Multifamily	23,855 units	94.5%	\$235.9	\$2,578.8	48.1%	13.9%	20,368 units	94.6%	\$207.1	\$2,134.8	44.7%
Commercial	6.5M Sq. Ft	90.4%	99.5	791.6	43.1%	7.3%	7.0M Sq. Ft	88.7%	92.7	802.3	38.0%
Hotel	3 Hotels / 628 Rooms	NA	14.0	117.6	77.7%	30.8%	3 Hotels / 628 Rooms	NA	10.7	110.0	77.7%
Total			\$349.4	\$3,488.0	48.4%	12.5%			\$310.5	\$3,047.1	45.0%

The following summarizes Kennedy Wilson's income-producing multifamily, commercial, and hotel portfolio by ownership. Excluded below are KWE, commercial - unstabilized, loans, and residential and other investments.

December 31, 2015								December 31, 2014					
KW Ownership Category	MF units	Commercial Sq. Ft.	Hotel Rooms	NOI ⁽²⁾	Debt ⁽³⁾	Pre-promote Ownership ⁽⁴⁾	2015 NOI Growth	MF units	Commercial Sq. Ft.	Hotel Rooms	NOI ⁽²⁾	Debt ⁽³⁾	Pre-promote Ownership ⁽⁴⁾
~100%	7,460	0.7	265	\$103.4	\$1,047.2	98.3%	59.8%	5,782	0.4	265	\$64.7	\$696.1	97.6%
~50%	9,698	2.1	363	122.3	1,191.4	52.4%	(5.6)%	7,844	3.1	363	129.6	1,282.0	50%
Minority Owned	6,697	3.7	-	123.7	1,129.4	11.6%	6.5%	6,742	3.6	-	116.2	1,069.0	12.5%
Total	23,855	6.5	628	\$349.4	\$3,488.0	48.4%	12.5%	20,368	7.1	628	\$310.5	\$3,047.1	45.0%

1. For more information, please see our Q4-2015 Earnings Release and Supplemental Financial Information located at www.kennedywilson.com. All information is as of December 31, 2015. Excludes investments held by KWE.

2. See definition of NOI in the "Definitions" section.

3. Debt represents 100% debt balance against properties

4. Weighted-average ownership figures.

ALL PROPERTY MULTIFAMILY AND COMMERCIAL SUMMARY⁽¹⁾

The following summarizes Kennedy Wilson's income-producing multifamily and commercial portfolio by ownership. Excluded below are KWE, commercial - unstabilized, loans, and residential and other investments.

MULTIFAMILY											
December 31, 2015						December 31, 2014					
KW Ownership Category	Units	Occupancy	NOI ⁽²⁾	Debt ⁽³⁾	Pre-promote Ownership ⁽⁴⁾	2015 NOI Growth	Units	Occupancy	NOI ⁽²⁾	Debt ⁽³⁾	Pre-promote Ownership ⁽⁴⁾
~100%	7,460	94.3%	\$77.7	\$842.7	99.1%	50.6%	5,782	94.6%	\$51.6	\$574.0	96.5%
~50%	9,698	95.3%	87.1	861.1	49.7%	9.3%	7,844	94.5%	79.7	803.7	49.0%
Minority Owned	6,697	93.6%	71.1	875.0	6.8%	(6.2)%	6,742	94.6%	75.8	757.1	8.6%
Total	23,855	94.5%	\$235.9	\$2,578.8	48.1%	13.9%	20,368	94.6%	\$207.1	\$2,134.8	44.7%

COMMERCIAL											
December 31, 2015						December 31, 2014					
KW Ownership Category	Rentable Sq. Ft	Occupancy	NOI ⁽²⁾	Debt ⁽³⁾	Pre-promote Ownership ⁽⁴⁾	2015 NOI Growth	Rentable Sq. Ft	Occupancy	NOI ⁽²⁾	Debt ⁽³⁾	Pre-promote Ownership ⁽⁴⁾
~100%	0.7	97.5%	\$14.9	\$126.4	94.3%	204.1%	0.4	91.4%	\$4.9	\$49.2	100.0%
~50%	2.1	91.9%	32.0	290.9	56.7%	(32.5)%	3.1	93.3%	47.4	441.1	51.0%
Minority Owned	3.7	88.3%	52.6	374.3	17.7%	30.2%	3.6	84.4%	40.4	312.0	17.8%
Total	6.5	90.4%	\$99.5	\$791.6	43.1%	7.3%	7.1	88.7%	\$92.7	\$802.3	37.9%

1. For more information, please see our Q4-2015 Earnings Release and Supplemental Financial Information located at www.kennedywilson.com. All information is as of December 31, 2015.

Excludes investments held by KWE.

2. See definition of NOI in the "Definitions" section.

3. Debt represents 100% debt balance against properties

4. Weighted-average ownership figures.

VALUE CREATION INITIATIVES – PIPELINE UPDATE

Property Type	Location	Project Description	Commercial Sq Feet	MF Units	Residential Units	Estimated KW Cash Commitment	KW Ownership	Status Update
Under Development								
Residential	Hawaii	450 acre project on Kona Coast. Includes 67,000 sq. ft. clubhouse and 400 home sites	-	-	400	6.50	13.0%	Selling units. Near peak equity for KW.
Mixed-use	Ireland	Prime waterfront five acre site adjacent to a KW owned office building in Central Dublin	451,000	190	-	20.3	42.5%	Two-level basement under development
Mixed-use	Ireland	Additional development within existing 423-unit apartment community in Dublin	50,000	383	-	6.70	50.0%	78 units expected to deliver in 2H 2016
Multifamily	Washington	Three tax credit apartment development sites in Seattle area	-	730	-	5.00	49.0%	Under development
		Total Under Development	501,000	1,303	400	\$ 38.5		
Entitled								
Residential	California	33 acre residential site in infill Orange County	-	-			50.0%	Exploring sale
Residential	California	Three acres of infill residential land adjacent to a retail center owned by KW in Los Angeles	-	-			100.0%	Under contract to sell
Mixed-use	California	Additional development within existing 409-unit apartment complex in Downtown Sacramento	74,000	1,061	300	2.00	51.0%	Entitled
Seeking Entitlement								
Residential	Hawaii	455 acres on North Shore of Oahu			91	1.25	100.0%	Seeking entitlement
Residential	California	113 acres in Orange County	-	-	65	6.00	50.0%	Partially Entitled
Multifamily	California	Four acres of land adjacent to an office building owned by KW in Westlake Village	-	200	-	1.00	89.0%	Seeking entitlement
Residential	California	Three acres of residential land adjacent to KW owned hotel in Lake Tahoe	-	-	14	-	50.0%	Seeking entitlement
Residential	California	Excess land adjacent to KW owned office building in Pasadena	-	-	55	0.30	5%	Seeking design approval
		Total Entitled / Seeking Entitlement	74,000	1,261	525	\$ 10.6		

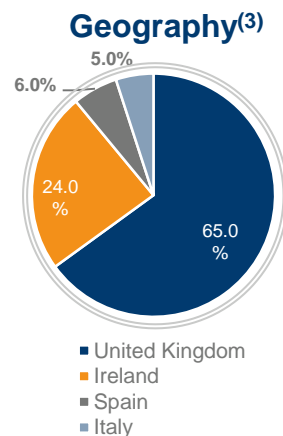
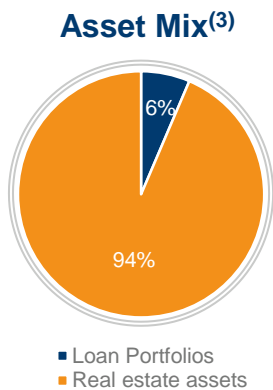
This section includes potential developments or redevelopments that the Company is considering. The scope of these projects may change. There is no certainty that the Company will develop or redevelop any or all of these projects. Information as of December 31, 2015. Figures shown in this column are an estimate of KW's remaining cash commitment to develop to completion or complete the entitlement process, as applicable, as of December 31, 2015. These figures are budgeted costs and are subject to change and do not reflect the total commitment required by the Company to fully develop or entitle the applicable project shown above. Total estimated project-level capital expenditure of "under development" initiatives is approximately \$1.7 billion. Total remaining costs may be financed with third-party cash contributions, proceeds from projected sales, and/or debt financing. These figures are budgeted costs and are subject to change.

KENNEDY WILSON EUROPE REAL ESTATE PLC

("KWE", LSE:KWE)

Combined acquisitions since IPO exceed \$4 billion⁽¹⁾

- As of December 31, 2015, Kennedy Wilson owns 24.7 million shares or 18.2% of the share capital of KWE
- Annualized NOI⁽²⁾ as reported by KWE of approximately £160 million (\$235 million)⁽¹⁾
- Weighted average unexpired lease term of 7.3 years⁽⁴⁾ across the property portfolios
- Property portfolio occupancy of 96%⁽⁵⁾
- A wholly-owned subsidiary serves as KWE's external manager, in which capacity we are entitled to receive certain management and performance fees



Fairmont St. Andrews, Scotland

1. As of December 31, 2015.

2. As of December 31, 2015. Includes property portfolio net rental income, hotel EBITDA and loan portfolio interest income. These annualized figures are not indicators of the actual results that the company will or expects to realize in any period.

3. All charts calculated by market value. Sector split excludes loan portfolios.

4. Weighted average unexpired lease term is to first break, weighted by net rental income; excluding hotels and residential.

5. Occupancy excluding hotels, weighted by estimated rental values (ERVs).

CASE STUDY: ASSET MANAGEMENT VALUE-ADD

Exterior Paint and Signage

Before



After



Updated fitness center

Before



After



Focus on Improving the Operations and Enhancing the Value of Our Existing Investment Portfolio

- Club Palisades is a 750-unit multifamily property located in Federal Way, WA, just south of Seattle.
- KW purchased the property in January 2011.
- Since acquisition, our asset management team has accomplished significant value add initiatives including:
 - Leasing office expansion and renovation
 - Ongoing interior unit renovation program
 - Upgraded fitness center and Club Room

Updated swimming pool

Before



After



ANNUALIZED NOI AT PURCHASE	CURRENT NOI
\$4.7M	\$6.2M

RECONCILIATION TO CONSOLIDATED EBITDA AND ADJUSTED EBITDA

(Unaudited)

(\$ in millions)

	2015				2014				2013			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net income	\$ 28.3	\$ 5.1	\$ 29.9	\$ (4.3)	\$ (20.5)	\$ (3.0)	\$ 63.7	\$ 49.9	\$ 20.6	\$ (2.8)	\$ (1.3)	\$ (2.6)
Non-GAAP adjustments:												
Add back:												
Interest expense	42.3	43.0	38.0	32.4	33.7	28.2	25.8	15.8	14.6	13.1	12.5	11.3
Early extinguishment of corporate debt	1.0	-	-	-	25.8	1.5	-	-	-	-	-	-
Kennedy Wilson's share of interest expense included in unconsolidated investments	7.4	7.1	7.2	6.4	7.0	7.9	9.5	11.0	11.6	12.7	10.1	10.6
Depreciation and amortization	46.8	44.9	38.0	36.6	37.2	34.7	25.3	7.3	5.4	4.5	4.4	3.1
Kennedy Wilson's share of depreciation and amortization included in unconsolidated investments	5.6	5.3	8.4	8.8	10.0	9.9	12.4	14.8	15.4	11.8	10.2	9.3
(Benefit from) provision for income taxes	20.9	4.5	36.1	(8.1)	(8.4)	6.6	25.4	8.8	4.3	0.8	(0.5)	(1.7)
Consolidated EBITDA	\$ 152.3	\$ 109.9	\$ 157.6	\$ 71.8	\$ 84.8	\$ 85.8	\$ 162.1	\$ 107.6	\$ 71.9	\$ 40.1	\$ 35.4	\$ 30.0
Add back (less):												
Share-based compensation	11.2	5.5	6.8	7.3	7.1	5.3	1.7	1.7	2.0	2.0	1.7	1.8
EBITDA attributable to noncontrolling interests	(41.8)	(32.4)	(51.6)	(25.4)	(35.1)	(21.6)	(41.6)	(40.0)	(24.4)	(0.6)	(0.8)	-
Adjusted EBITDA	\$ 121.7	\$ 83.0	\$ 112.8	\$ 53.7	\$ 56.8	\$ 69.5	\$ 122.2	\$ 69.3	\$ 49.5	\$ 41.5	\$ 36.3	\$ 31.8

RECONCILIATION TO CONSOLIDATED ADJUSTED NET INCOME AND ADJUSTED NET INCOME

(Unaudited)

(\$ in millions)

	2015				2014				2013			
	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1	Q4	Q3	Q2	Q1
Net income	\$ 28.3	\$ 5.1	\$ 29.9	\$ (4.3)	\$ (20.5)	\$ (3.0)	\$ 63.7	\$ 49.9	\$ 20.6	\$ (2.8)	\$ (1.3)	\$ (2.6)
Non-GAAP adjustments:												
Add back:												
Depreciation and amortization	46.8	44.9	38.0	36.6	37.2	34.7	25.3	7.3	5.4	4.5	4.4	3.1
Kennedy Wilson's share of depreciation and amortization included in unconsolidated investments	5.6	5.3	8.4	8.8	10.0	9.9	12.4	14.8	15.4	11.8	10.2	9.3
Share-based compensation	11.2	5.5	6.8	7.3	7.1	5.3	1.7	1.7	2.0	2.0	1.7	1.8
Consolidated Adjusted Net Income	\$ 91.9	\$ 60.8	\$ 83.1	\$ 48.4	\$ 33.8	\$ 46.9	\$ 103.1	\$ 73.7	\$ 43.4	\$ 15.5	\$ 15.0	\$ 11.6
Less:												
Net income attributable to the noncontrolling interests, before depreciation and amortization	(24.2)	(13.8)	(20.1)	(17.9)	(29.1)	(16.4)	(38.9)	(39.4)	(24.3)	(0.3)	(0.2)	0.4
Adjusted Net Income	\$ 67.7	\$ 47.0	\$ 63.0	\$ 30.5	\$ 4.7	\$ 30.5	\$ 64.2	\$ 34.3	\$ 19.1	\$ 15.2	\$ 14.8	\$ 12.0

ADJUSTED FEES

(Unaudited)

(\$ in millions)

	Three Months Ended December 31,		Year Ended December 31,	
	2015	2014	2015	2014
Investment management, property services and research fees				
Non-GAAP adjustments:	\$ 22.3	\$ 17.6	\$ 69.3	\$ 82.6
Add back:				
Fees eliminated in consolidation ⁽¹⁾	38.6	7.0	75.0	21.6
KW share of fees in unconsolidated service businesses ⁽²⁾	3.3	6.5	13.9	16.8
Adjusted Fees	<u>\$ 64.2</u>	<u>\$ 31.1</u>	<u>\$ 158.2</u>	<u>\$ 121.0</u>

1. The three months ended December 31, 2015 and 2014 includes \$30.8 million and \$5.1 million, respectively, and the year ended December 31, 2015 and 2014 includes \$57.7 million and \$14.3 million, respectively, of fees recognized in net (income) loss attributable to noncontrolling interests relating to portion of fees paid by noncontrolling interest holders in KWE and equity partner investments.

2. Included in income from unconsolidated investments relating to the Company's investment in a servicing platform in Spain.

SERVICES EBITDA

(Unaudited)

(\$ in millions)

	Three Months Ended December 31,		Year Ended December 31,	
	2015	2014	2015	2014
Services:				
Net income	\$ (2.9)	\$ -	\$ 3.4	\$ 27.4
Add back:				
Kennedy Wilson's share of interest expense included in unconsolidated investments	0.5	0.4	1.1	1.5
Kennedy Wilson's share of depreciation and amortization included in unconsolidated investments	0.7	1.4	2.9	3.4
Other operating (income) expenses attributable to noncontrolling interests	-	2.7	0.4	5.4
Fees eliminated in consolidation	38.6	7.0	75.0	21.6
Adjusted EBITDA	\$ 36.9	\$ 11.5	\$ 82.8	\$ 59.3

INVESTMENT LEVEL ESTIMATED BALANCE SHEETS

(Unaudited)¹

The following estimated investment level balance sheet represents the estimated combined balance sheets of consolidated investments and investments in which Kennedy Wilson has an ownership interest:²

(\$ in millions)	December 31,	
	2015	2014
Assets		
Cash and cash equivalents	\$ 638.5	\$ 839.9
Real estate and acquired in place lease values, net of accumulated depreciation and amortization	9,277.2	7,410.8
Loans Purchases and originations	260.0	464.8
Other assets	552.3	425.0
Total assets	\$ 10,728.0	\$ 9,140.5
Liabilities and equity		
Liabilities		
Accounts payable, accrued expenses and other liabilities	460.0	196.4
Investment Debt	5,783.5	4,112.7
Total liabilities	6,243.5	4,309.1
Equity		
Total equity	4,484.5	4,831.4
Total liabilities and equity	\$ 10,728.0	\$ 9,140.5

DEFINITIONS

Adjusted EBITDA: The term "Adjusted EBITDA" represents Consolidated EBITDA as defined below, adjusted to exclude merger related expenses, share based compensation expense and EBITDA attributable to noncontrolling interests

Assets under Management ("AUM"): The term "AUM" generally refers to the properties and other assets with respect to which the Company provides (or participates in) oversight, investment management services and other advice, and which generally consist of real estate properties or loans, and investments in joint ventures. The Company's AUM is principally intended to reflect the extent of its presence in the real estate market, not the basis for determining its management fees. The Company's AUM consists of the total estimated fair value of the real estate properties and other real estate related assets either owned by third parties, controlled by the Company or held by joint ventures and other entities in which the Company's sponsored funds or investment vehicles and client accounts have invested. Committed (but unfunded) capital from investors in the Company's sponsored funds is not included in the AUM. The estimated value of development properties is included at estimated completion cost.

Cap Rate: Cap rate represents the estimated property-level net operating income of an investment for the year preceding its acquisition or disposition divided by the purchase or sale price. Cap rates set forth in this presentation includes only data from income-producing properties. Net operating income for acquired properties is based on information supplied to us by the seller during the diligence process and has not been independently verified by us. Cap rates represent historical performance, or, in the case of properties purchased in 2015, estimated year 1 NOI from our original underwriting, 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 EBITDA: The term "Consolidated EBITDA" represents net income before noncontrolling interest income, interest expense, the Company's share of interest expense included in income from investments in unconsolidated investments, depreciation and amortization, the Company's share of depreciation and amortization included in income from unconsolidated investments, loss on early extinguishment of corporate debt and income taxes.

Equity Multiple: Equity multiple is calculated by dividing the amount of total distributions received by KW from an investment (including any gains, return of equity invested by KW and promoted interests) by the amount of total contributions invested by KW in such investment. This metric does not take into account management fees, organizational fees, or other similar expenses, all of which in the aggregate may be substantial and lower the overall return to KW. Equity multiples represent historical performance and are not a guarantee of the performance of future investments.

Gross IRR: "IRR" is based on cumulative distributions to date on each investment and is the leveraged internal rate of return on equity invested in the investment. The IRR measures the return on KW's investment in each asset including promoted interests, expressed as a compound rate of interest over the entire investment period. This return does not take into account management fees, organizational fees, or other similar expenses, all of which in the aggregate may be substantial and lower the overall return to KW. Gross IRR represents historical performance and is not a guarantee of the performance of future investments.

Same Property: The term "same property" generally refers to properties in which Kennedy Wilson and its consolidated subsidiaries has an ownership interest during the entire span of both periods being compared.

Operating Associates: The term "operating associates" generally refers to individuals that are employed by or affiliated with third-party consultants, contractors, property managers or other service providers that the Company manages and oversees on a day-to-day basis with respect to its investments and services businesses.

NOI: Net operating income or NOI is a non-GAAP measure representing the income produced by a property incorporating revenues and expenses. For properties purchased in 2015, the NOI represents estimated Year 1 NOI from our original underwriting. Annualized net operating income is not an indicator of the actual annual net operating income that the Company will or expects to realize in any period. Similarly, estimated year 1 NOI for properties purchased in 2015 may not be indicative of the actual results for those properties.