

Kennedy Wilson Enters into Agreement for Private Placement of Common Stock

Purchasers are two global institutional investors, including Fairfax Financial Holdings Limited

BEVERLY HILLS, Calif., Jun 29, 2011 (BUSINESS WIRE) -- International real estate investment and services firm Kennedy-Wilson Holdings, Inc. ("Kennedy Wilson") (**NYSE: KW**) today announced that it has entered into an agreement with two global institutional investors, including an affiliate of Fairfax Financial Holdings Limited. This transaction will result in gross proceeds of approximately \$51.4 million and broaden the company's shareholder base. No private placement agents were associated with this transaction.

Under the terms of the definitive agreement, Kennedy Wilson will issue and sell 4,800,000 shares of its common stock at a price of \$10.70 per share. Kennedy Wilson intends to use the net proceeds from the private placement to fund future acquisitions and for general working capital purposes.

The securities have not been registered under the Securities Act of 1933, as amended, or any state securities laws. As a result, they may not be offered or sold in the United States or to any U.S. persons except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act of 1933, as amended. This news release is being issued pursuant to Rule 135c under the Securities Act of 1933, as amended, and is neither an offer to sell nor a solicitation of an offer to buy, nor shall there be any sale of any securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

About Kennedy Wilson

Founded in 1977, Kennedy Wilson is an international real estate investment and services company headquartered in Beverly Hills, CA with 23 offices in the U.S., Europe and Japan. The company offers a comprehensive array of real estate services including auction, conventional sales, property services and investment management. Through its fund management and separate account businesses, Kennedy Wilson is a strategic investor of real estate investments in the U.S., Europe and Japan. For further information on Kennedy Wilson, please visit <http://www.kennedywilson.com>.

Safe Harbor Statement

This news release contains forward-looking statements, including statements related to the offering and the expected use of the net proceeds, which are based on current expectations,

forecasts and assumptions that involve risks and uncertainties that could cause actual results to differ materially. These risks and uncertainties are discussed in Kennedy Wilson's filings with the Securities and Exchange Commission, including its annual report on Form 10-K for the year ended December 31, 2010, quarterly reports on Form 10-Q and periodic reports on Form 8-K. Do not rely on any forward-looking statement, as Kennedy Wilson cannot predict or control many of the factors that ultimately may affect its ability to achieve the results estimated. Kennedy Wilson makes no promise to update any forward-looking statement, whether as a result of changes in underlying factors, new information, future events or otherwise.

SOURCE: Kennedy-Wilson Holdings, Inc.

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