WSJ KKR’s Earnings Fall; Assets Rise

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The paper summarized the article which is about the KKR where the Earnings of the global investment firm (KKR) fall while the Assets Rise. The firm reported earnings of 522.7 million US dollars which is 24 percent down in earning when compared with the earnings in the quarter of the previous year.

Earnings of the firm fall in the second quarter but the percentage of earning which can be returned to shareholders surpassed the expectation of Wall Street. Earnings per share were down from $1.24 which were 93 percent a share. Beyond that, the distributable earning that shape cash were down from 49 percent per share to 39 percent per share. Financial analysts questioned by the FactSet predicted 34 percent per share.

The fair value of private equity funds of KKR valued 12% from the 1st quarter. The flagship funds of the firm have repaid/returned 12 percent all over last on year in comparison with the increase (9.6 percent) from the same period, based on the report in last week by Blackstone group.

KKR reported 205.66 billion US dollars in under management assets which went up for 7.5 percent per year. As well as the assets move up 3.1 percent from the very first quarter. The firm stated that this will generate new capital for the three major and largest funds which are; Infrastructure, Asia Private Equity, and America Private Equity in coming 0.5 to 1.5 year.

The Co-President and Co-Chief Operating Officer of the firm (KKR) said on a call to the analysts that “The short term visibility for the firm is high while the long term opportunity is much large”. On the other side, the firm's shares remained unchanged in the midday trading.

**Reference**

Prang, A. (2019). KKR’s Earnings Fall; Assets Rise. WSJ. Retrieved 25 July 2019, from https://www.wsj.com/articles/kkrs-earnings-fall-while-private-equity-funds-beat-s-p-11564053671