

Ares Management Corporation to Acquire Seven CLO Contracts Through a Managing Interest in Crestline Denali Capital

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All Cash Transaction Will Add \$2.6 Billion in Assets Under Management

LOS ANGELES--(BUSINESS WIRE)-- Ares Management Corporation (NYSE: ARES) (“Ares”) announced today that its subsidiary has entered into a definitive agreement to acquire a managing interest in a restructured Crestline Denali Capital (“Crestline Denali”) that will result in the addition of seven collateralized loan obligation funds (“CLOs”) totaling \$2.6 billion of assets under management to the Ares portfolio. Crestline Denali, a Chicago area-based firm specializing in the management of non-investment grade bank loans, will retain its equity interest in its CLOs.

Ares’ CLOs are managed by its Credit Group, which had \$106 billion in assets under management as of September 30, 2019. Ares believes that the all-cash transaction will further strengthen its leading global CLO franchise and increase its CLO assets under management by \$2.6 billion without the assumption of any debt or headcount. The purchase price was not disclosed.

“We believe the opportunity to become the manager of these CLOs is a compelling investment opportunity for us given our deep credit expertise and extensive CLO management capabilities,” said Kipp deVeer, Partner and Head of the Ares Credit Group. “We have known the Crestline Denali team for many years and we share a similar approach and philosophy towards credit investing, which we believe has been critical in their successful management of their investors’ capital.”

“This transaction will allow the capabilities, scale and experience of Ares to benefit all investors,” said John Cochran, the Chief Operating Officer of Crestline Investors, Inc. and representative for Crestline Denali. “As continued investors in these CLOs, we look forward to our future, collective success.”

The transaction is expected to close in the first quarter of 2020 and is subject to customary closing conditions.

Berkshire Global Advisors served as financial advisor and Winston & Strawn LLP served as legal counsel to Crestline Denali. Latham & Watkins LLP served as legal counsel to Ares.

About Ares Management Corporation

Ares Management Corporation (NYSE: ARES) is a leading global alternative investment manager operating three integrated businesses across Credit, Private Equity and Real Estate. Ares Management’s investment groups collaborate to deliver innovative investment solutions and consistent and attractive investment returns for fund investors throughout market cycles. Ares Management’s global platform had \$144 billion of assets under management as of September 30, 2019 with approximately 1,200 employees in over 20 offices in more than 10 countries. Please visit www.aresmgmt.com for additional information.

About Crestline Denali

Crestline Denali Capital L.P. (Crestline Denali) is a specialized asset management company located in Oak Brook, Illinois. Crestline Denali manages portfolios of leveraged commercial loans and related assets on behalf of investors. Founded in 2001 as Denali Capital LLC, Crestline Denali has approximately \$2.6 billion in assets under management across seven collateralized loan obligation funds as of December 2019. Crestline Denali endeavors to provide its investors superior results by deploying a selective, issuer-orientated, fundamental credit strategy while seeking to build well diversified portfolios.

Forward-Looking Statements

Statements included herein may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995, which relate to future events or our future performance or financial condition. These statements are not guarantees of future performance, condition or results and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described from time to time in our filings with the Securities and Exchange Commission. Ares Management Corporation undertakes no duty to update any forward-looking statements made herein.

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