

KKR Income Opportunities Fund (Ticker: KIO)

Statement Pursuant to Section 19(a) of the Investment Company Act of 1940

On January 31, 2018, the Fund paid a distribution on its common stock of \$0.125 per share and a special distribution of \$0.05 per share to shareholders of record at the close of business on January 12, 2018 and December 29, 2017, respectively. In accordance with generally accepted accounting principles ("GAAP"), the Fund estimates that 97% of the aggregate distribution is attributable to net investment income and the remaining amount is attributable to return of capital.

The timing and character of distributions for federal income tax purposes are determined in accordance with the Internal Revenue code and Regulations promulgated thereunder which may differ from GAAP. As such, all or a portion of this distribution may be reportable as taxable income on your federal income tax return. The final tax character of any distribution declared in 2018 will be determined in January 2019 and reported to you on IRS Form 1099-DIV.

Please retain this document for your records.