



KKR to Acquire Hyperion from Sandvik

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All Employees to Become Owners in Company

NEW YORK--(BUSINESS WIRE)-- [KKR](#) today announced it is acquiring [Hyperion](#), a leading manufacturer of industrial tool components, from [Sandvik](#). This transaction marks KKR's first acquisition of a middle-market business in the industrials sector and is being funded through KKR's Americas XII Fund.

Headquartered in Fair Lawn, New Jersey with approximately 1,400 employees, Hyperion is a global provider of manufacturing products using cemented carbide, cubic boron nitride and synthetic diamond – high quality materials known for their hardness and toughness. Specifically, Hyperion's role in the tool-making value chain is to transform raw materials into tool components which are later used and completed by manufacturers. It also supports engineered products by supplying finished gears or capital goods such as bearings or rotary cutters. By supplying customers with effective and wear-resistant tools, systems and components in hard and super-hard materials, the company enables them to ultimately improve business performance.

"Hyperion is known for its high-quality, effective products and has a loyal customer following. We see tremendous opportunity to help support the growth of the company and its customers by establishing the business as a standalone entity. As we have done with our other industrials investments, we plan to implement a broad-based employee engagement model upon closing the transaction to ensure all employees have a stake in the success that lies ahead," said Pete Stavros, Member of KKR and Head of KKR's Industrials investment team.

Over the last six years, [KKR's Industrials team](#) has focused on employee engagement as a key driver in building stronger companies. The centerpiece of the strategy has been to make all employees owners in the business by granting them the opportunity to participate in the equity return directly alongside KKR. Beyond sharing ownership, KKR also supports employee engagement by investing in training across multiple functional areas, driving improvements in worker safety and by supporting the company's involvement in the community.

"I'm pleased that we have found a new owner who will support Hyperion's continued development. This agreement is an important step in focusing Sandvik on its core businesses. The divestment creates additional capacity for growth and expansion for the core business of Sandvik," said Björn Rosengren, President and CEO of Sandvik.

This transaction, which is subject to regulatory approvals and other customary closing conditions, is expected to close during the first half of 2018. KKR was advised in the transaction by Latham & Watkins LLP, Advokatfirman Vinge, Deloitte and SEB Corporate Finance.

About Hyperion

Hyperion is the global leader in hard and super-hard materials with over 60 years of experience in cemented carbide, diamond and cubic boron nitride technologies, providing solutions for the most demanding applications.

About KKR

KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, energy, infrastructure, real estate, credit and, through its strategic manager partnerships, hedge funds. KKR aims to generate attractive investment returns by following a patient and disciplined investment approach, employing world-class people, and driving growth and value creation with KKR portfolio companies. KKR invests its own capital alongside its partners' capital and provides financing solutions and investment opportunities through its capital markets business. References to KKR's investments may include the activities of its sponsored funds. For additional information about KKR & Co. L.P.(NYSE: KKR), please visit KKR's website at www.kkr.com and on Twitter @KKR_Co.

For more information about KKR's industrials team and the employee engagement model please visit the [KKR Industrials page](#) on LinkedIn, [@KKR_Industrials](#) on Twitter and [KKR Industrials](#) on YouTube.

Sandvik Group

Sandvik is a high-tech and global engineering group offering products and services that enhance customer productivity, profitability and safety. They hold world-leading positions in selected areas – tools and tooling systems for metal cutting; equipment and tools, service and technical solutions for the mining and construction industries; products in advanced stainless steels and special alloys as well as products for industrial heating. In 2016, the Group had approximately 43,000 employees and sales of 82 billion SEK in more than 150 countries within continuing operations.

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