



KKR to Acquire Minnesota Rubber and Plastics from Norwest Equity Partners

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Deal Represents KKR's Second Industrials Middle Market Transaction

MINNEAPOLIS & NEW YORK--(BUSINESS WIRE)-- Quadion LLC, d.b.a. [Minnesota Rubber and Plastics](#) ("MRP" or the "Company"), a leading provider of elastomer and thermoplastic solutions, announced today that it is being acquired by [KKR](#), a global investment firm, from [Norwest Equity Partners](#) ("NEP"), a Minneapolis-based middle-market equity investment firm. This transaction marks KKR's second acquisition of a middle-market business in the industrials sector and is being funded through KKR's Americas XII Fund. Financial details of the transaction were not disclosed.

This press release features multimedia. View the full release here: <https://www.businesswire.com/news/home/20181012005034/en/>

MRP offers highly engineered elastomer and thermoplastic solutions for medical, water, industrial and other end markets globally. For over 70 years, the Company has built a strong reputation for its ability to design, develop and manufacture products for harsh environments, tight tolerances and technically demanding applications, including multi-material solutions.

"We have been very impressed by MRP's innovative technologies and differentiated solutions, including over 1,000 custom rubber, plastic and silicone formulations, and tremendous technical resources committed to delivering market leading innovations for their customers. We're proud to support the Company and see considerable opportunity for it to continue to grow," said Pete Stavros, Member of KKR and Head of KKR's Industrials investment team. "As with our other industrials portfolio companies, we plan to implement a broad-based employee engagement model."

Over the past seven years, KKR's Industrials team has focused on employee engagement as a key driver in building stronger businesses. The cornerstone of the strategy has been to allow all employees to take part in the benefits of ownership by granting them the opportunity to participate in the equity return directly alongside KKR. KKR also supports employee engagement by investing in training across multiple functional areas, driving improvements in worker safety and by partnering with the workforce to give back in the community.

Jay Ward, MRP CEO, stated, "NEP provided exceptional support and strategic insights to build a strong foundation for growth. We are excited to work with KKR, a global leader who has industrial expertise and a shared vision, to capitalize on this foundation and continue to provide our valued customers integrated elastomer and plastic solutions in critical applications."

"MRP is a great example of our firm's investment strategy. Over the last six years, we worked closely with management to significantly impact the performance of the Company to position it for the next chapter of growth and success. KKR is a wonderful fit for MRP," shared Tim DeVries, NEP Managing Partner.

This transaction, which is subject to regulatory approvals and other customary closing conditions, is expected to close by year-end 2018. Fully committed financing has been led by sole arranger KKR Capital Markets and is being provided by Crescent Mezzanine Partners and PSP Investments Credit USA LLC. KKR was advised in the transaction by Benesch, Friedlander, Coplan & Aronoff LLP. MRP and NEP were advised by Houlihan Lokey, Skadden, Arps, Slate, Meagher & Flom LLP, and Ballard Spahr LLP.

About Minnesota Rubber and Plastics

Minnesota Rubber and Plastics is a global leader in elastomer and thermoplastic solutions, with engineering and manufacturing facilities across North America, Europe and Asia. With deep materials science expertise, MRP offers full service capabilities that range from engineering mission-critical components to providing complete manufacturing solutions for technically demanding applications. For more information, please visit www.mnrubber.com.

About KKR

KKR is a leading global investment firm that manages multiple alternative asset classes, including private equity, energy, infrastructure, real estate and credit, with strategic manager partnerships that manage hedge funds. KKR aims to generate attractive investment returns for its fund investors 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 the capital it manages for fund investors 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. Inc. (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.

About Norwest Equity Partners

Norwest Equity Partners (NEP) is a leading middle market investment firm focused on partnering with business owners to build companies into industry leaders. With a reputation for quality investments and exceptional financial returns since 1961, NEP offers creative and flexible transaction solutions and believes in long-term relationships. Based in Minneapolis, Minnesota, NEP focuses on equity investment opportunities for growing and profitable companies within agriculture, business services, consumer, distribution, diversified industrials, energy, and healthcare. For additional information about NEP, please visit www.nep.com.

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