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Investcorp invests in US-based Arrowhead Engineered Products

Bahrain, 15 January 2017 – Investcorp, a global provider and manager of alternative investment products, has acquired a significant minority stake in Arrowhead Engineered Products (“Arrowhead”), the leading value-added distributor of mission-critical replacement parts in the US specialty vehicle market.

Arrowhead, based in Minnesota, is a global supplier of non-discretionary, mission-critical, rotating electrical parts and their components for the powersports, outdoor power equipment, agricultural, industrial, marine, heavy-duty and automotive end-markets. It is one of the sector’s fastest growing companies and has distribution and sourcing locations in North America, Europe and Asia. Arrowhead employees service over 40,000 customers on a daily basis.

Arrowhead recently has completed add-on acquisitions of aftermarket replacement parts providers Stens and J&N Electric. Both Stens and J&N Electric are highly complementary add-on acquisitions for Arrowhead and they significantly increase Arrowhead’s scale in this attractive market. These acquisitions are expected to further enhance the pace of new product introductions, expand customer reach and create extensive cross-selling opportunities.

Mohammed Al-Shroogi, Co-CEO at Investcorp, said, “Arrowhead is a proven market-leader, well known for providing customers around the world with mission-critical replacement parts, a market that is valued at \$28 billion in the US alone. As can be seen by the add-on acquisitions of Stens and J&N Electric, we believe there are a number of organic and acquisitive growth opportunities available to Arrowhead as it seeks to deepen its market share, particularly in the agriculture, industrial and outdoor power equipment segments. We are very much looking forward to being a part of Arrowhead’s future.”

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Commenting on the deal, Fahad Murad, Managing Director at Investcorp in Bahrain, said, “In addition to Arrowhead having a very strong customer base, we believe there is exciting potential for growth and expansion. There is an excellent management team at the helm and we are looking forward to working alongside them as we begin the next phase of Arrowhead’s development.”

CEO of Arrowhead, Jim Wisnoski, commented that, “Investcorp has deep experience in the motorized parts industry that is invaluable for Arrowhead’s next phase. We believe their network, capital and capabilities will help us execute on our ambitious growth plans.”

On a consolidated basis, Arrowhead offers more than 100,000 non-discretionary replacement parts for a broad range of outdoor power, agricultural, construction, on-highway truck, automotive, marine and powersports applications.

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About Investcorp

Investcorp is a leading global provider and manager of alternative investments, offering such investments to its high-net-worth private and institutional clients on a global basis. Led by a new vision, Investcorp has embarked on an ambitious growth strategy to double assets under management (“AUM”) in the medium term. The Firm continues to focus on generating investor and shareholder value through a disciplined investment approach in three lines of business: corporate investment, real estate and alternative investment solutions (formerly known as hedge funds).

As at June 30, 2016, the Investcorp Group had \$10.8 billion in total AUM, including assets managed by third party managers and assets subject to a non-discretionary advisory mandate where Investcorp receives fees calculated on the basis of AUM.

Since its inception in 1982, the Investcorp Group has made over 170 corporate investments in the U.S., Europe and the Middle East and North Africa region, including Turkey, across a range of sectors including retail and consumer products, technology, business services and industrials, and more than 400 commercial and residential real estate investments in the US, for in excess of \$39 billion in transaction value.

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The Investcorp Group employs 331 people across its offices in New York, London, Bahrain, Abu Dhabi, Riyadh and Doha. It is publicly traded on the Bahrain Bourse (INVCORP). For further information, including our most recent periodic financial statements, which details our assets under management, please visit: www.investcorp.com.

About Arrowhead Engineered Products

Based in Blaine Minnesota – Arrowhead Engineered Products is a supplier of non-discretionary, mission-critical, aftermarket replacement parts for a wide variety of applications, across the powersports, outdoor power equipment, agricultural & industrial, marine, and heavy-duty and automotive end-markets. With distribution and sourcing locations in North America, Europe and Asia, Arrowhead Engineered Products employees service over 40,000 customers on a daily basis. Visit www.arrowheadep.com for more information

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