

KKR to Partner With LS Group in LS Automotive and to Acquire the Copper Foil and Flexible Copper Clad Laminate Business of LS Group, Valued at US\$923.6 Million

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The Firm is representing KKR in connection with its investment in a new joint venture holding company with LS Group, one of South Korea's largest diversified corporations, to acquire the business of LS Automotive. KKR will own 47% of the voting shares of the joint venture for LS Automotive, while LS Group will maintain control of the joint venture owning 53% of the voting shares. As part of this transaction, KKR will also acquire LS Group affiliate LS Mtron's copper foil and flexible copper clad laminate business (the "CF/FCCL Business"). KKR's investment implies a combined enterprise value of LS Automotive and the CF/FCCL Business of approximately KRW1.05 trillion (US\$923.6 million). The closing of the deal is subject to customary closing conditions.

LS Automotive is a leading auto parts company in South Korea that has established globally competitive positions in high-growth auto component segments including switches, interior lamps and human machine interface ("HMI") systems, and electrical and electronics components such as power seat modules, electrical control units, sensors and relays. LS Automotive is the top Tier-1 supplier of HMI components to Hyundai Kia Motors, as well as major global original equipment manufacturers ("OEMs") in the U.S. and Japan, and leading local OEMs in China and India.

The CF/FCCL Business manufactures and sells copper foils for large capacity lithium-ion batteries for primarily electric vehicle ("EV") applications. The copper foil business for EV battery applications is expected to be among the fastest-growing segments of the auto industry due to rising demand for environmentally friendlier transportation. The CF/FCCL Business supplies global EV battery leaders including LG Chemical and major battery manufacturers in Japan and China.

The Simpson Thacher team working on this deal includes Jin Park, Ian Ho, Wei Li and Yuri Bak (M&A – Hong Kong); Jackie Kahng and Kibbeum Kim (Credit); Michael Badain (Tax); David Vann, Kelly Karapetyan, Étienne Renaudeau, Hamesh Khatkar, Pauline Patat and John Skinner (Antitrust); and Marcela Robledo and JaeWon Lee (IP).

Team and Contacts

Jin Hyuk Park

Partner

jpark@stblaw.com

+852-2514-7665

Kelly Karapetyan

Counsel

kelly.karapetyan@stblaw.com

+1-212-455-7268

Ian Ho

Partner

iho@stblaw.com

+852-2514-7685

Étienne Renaudeau

Partner

erenaudeau@stblaw.com

+44-(0)20-7275-6559

