



KKR Completes Investments in LS Group's Auto Parts and Copper Foil Businesses

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Standalone copper foil and laminate business rebrands as KCF Technologies

Investment to support businesses' long-term domestic and international growth

SEOUL, South Korea--(BUSINESS WIRE)-- LS Group ("LS"), one of South Korea's largest diversified corporations, and KKR, a leading global investment firm, today announced that KKR has completed its investment in LS Automotive ("LSA"), an electrical auto parts maker for the global automotive industry, and has completed the acquisition and carve-out of KCF Technologies Co., Ltd. ("KCFT"), the copper foil and flexible copper clad laminate business formerly known as LS Mtron.

This press release features multimedia. View the full release here: <http://www.businesswire.com/news/home/20180304005087/en/>

By leveraging KKR's expertise and global network, KKR's partnership with LSA and KCFT will accelerate the companies' growth in domestic and overseas markets, help to penetrate new verticals, and increase sales in existing markets. Further, KCFT will leverage KKR's expertise in completing complex, strategic carve-outs from corporations worldwide and supporting these companies in operating as independent entities.

Hyoung Seok Lim and Chung Ho Park, Managing Directors at KKR, said, "LS Automotive and KCF Technologies are world-class businesses and leaders in their respective fields. We are excited to partner with their management teams to support long-term growth as the auto industry rapidly evolves and global customers increasingly seek environmentally friendlier automobiles."

"This milestone for LS Group enables us to strengthen our focus on our core businesses while finding an exceptional, long-term partner for our copper foil business. With such a high-caliber partner by our side, we are confident in LS Automotive and KCF Technologies' ability to meet their full potential in the years to come," said Joon-woo Lee, Senior Vice President of LS Corp.

Dr. Young-tae Kim, CEO of KCFT, added, "Our partnership with KKR is transformational in that KCF Technologies will operate as a standalone company for the first time in its history. We're thrilled to work alongside KKR given its track record of carving-out and helping companies operate independently by driving sustainable operational improvements. Together, we look forward to delivering great value to existing customers while expanding into new segments under our fresh brand."

Established in 1973, LSA is a leading auto parts company in South Korea that has successfully 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. LSA 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.

KCFT manufactures and sells copper foils for large capacity lithium-ion batteries for electric vehicle ("EV") applications and mobile devices. 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. KCFT supplies global EV battery leaders including LG Chemical and major battery manufacturers in Japan and China.

KKR makes its investment from its US\$9.3 billion KKR Asian Fund III.

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.

About LS Automotive

Established in 1973, LS Automotive is a vehicle components manufacturer based in Korea with a global presence. In 2008, the company was acquired by LS Mtron as part of LS Group's efforts to further strengthen its competitiveness in auto components. LS Automotive has since achieved strong growth and market expansion including China and continues to engage in proactive investment in R&D for the future such as autonomous and electric vehicle components. As of 2016, LS Automotive recorded revenue and operating profits of KRW 911 billion and KRW 62.8 billion, respectively. LS Automotive's key customers include Hyundai Kia Motors, GM, Ssangyong, Fiat Chrysler, Audi, Daimler, Nissan, Mitsubishi and others. The company has approximately 1,150 employees in Korea.

About KCF Technologies

Established in 1996 as a copper foil business segment of LG Metal, KCFT is a globally leading producer of copper foils and flexible copper clad laminate manufacturing business. KCFT is increasing the supply its products to meet the rapidly rising demand for electric vehicles and high-quality, high-resolution OLED display products. As of 2016, KCFT recorded revenue and operating profits of KRW176 billion and KRW15 billion. KCFT's key customers are global electric vehicle battery producers and display manufacturers, including LG Chemical, Samsung SDI, Panasonic, CATL and LG Innotec.

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