



KKR Announces Tender Offer for the Acquisition of Calsonic Kansei Nissan Agrees to Tender Its 41% Holding of Calsonic Kansei Shares

November 22, 2016

KKR supports the long-term growth goals of Calsonic Kansei

TOKYO & YOKOHAMA, Japan--(BUSINESS WIRE)-- Leading global investment firm KKR and [Nissan Motor Co., Ltd.](#) ("Nissan") today announced that CK Holdings Co., Ltd. (the "Bidder"), an entity owned by investment funds controlled by KKR, intends to make a tender offer for all the existing shares of leading Japanese automotive components manufacturer [Calsonic Kansei Corporation](#) ("CK" or the "Company") (Code number: 7248, First Section of the Tokyo Stock Exchange).

This Smart News Release features multimedia. View the full release here: <http://www.businesswire.com/news/home/20161122005433/en/>

In connection with the tender offer, the Bidder has entered into a tender agreement (the "Tender Agreement") with Nissan, the lead shareholder in CK, to acquire in the tender offer Nissan's approximate 41% holding of CK's common shares. The tender offer is planned to be commenced subject to the fulfillment of certain conditions in the Tender Agreement and the Bidder currently expects to commence the tender offer in February 2017 (for details regarding the conditions for the commencement of the tender offer, please refer to the full text of the press release issued by CK today titled "Announcement Concerning Opinion on Tender Offer by CK Holdings Co., Ltd." and its attachment titled "Announcement Regarding the Tender Offer for the Shares of Calsonic Kansei Corporation (Securities Code 7248)" (collectively, the "CK Press Release")).

CK is a leading supplier of automotive components including vehicle interiors, climate control systems, compressors, exhaust systems and electronic products. Nissan is the primary customer for CK, which also supplies other automotive groups including Renault, Isuzu, Daimler and General Motors.

Under the terms of the announced offer under Japan's Financial Instruments and Exchange Act, among other terms, the Bidder will commence the tender offer to acquire the outstanding common stock of CK. In light of the proposal from the Bidder, CK plans to issue a special dividend (the "Special Dividend") conditioned upon the success of the tender offer with a record date of the calendar day prior to the tender offer commencement date. The Bidder plans to pay cash consideration of JPY 1,860 per common share to the existing shareholders of CK. However, in the event that the Special Dividend is declared prior to the tender offer commencement date, then the Bidder will calculate the offer price for the tender offer by deducting the per share value of the Special Dividend from this planned price of JPY 1,860 per common share. Please note that, although the dividend amount per share for the Special Dividend is expected to be approximately JPY 570 (provided that the maximum amount shall be JPY 570) as of today, the final dividend will be determined based on the procedures under the Companies Act (for details, please refer to the CK Press Release).

The proposed price represents:¹

- A premium of 109.3% to CK's 12-month volume weighted average price ("VWAP") to October 27, 2016
- A premium of 113.6% to CK's 6-month VWAP to October 27, 2016

Since the number of CK's outstanding issued shares is equal to 267,882,277 (excluding treasury shares), the consideration price values CK at approximately JPY498.3 billion based on the Proposed Price.

Mr. Yasuhiro Yamauchi, Chief Competitive Officer of Nissan, said: "This agreement was reached because we share common interests and goals. Nissan is hoping to further increase the competitiveness of Calsonic Kansei—one of our most important partners—and KKR recognizes the company's potential. This is also the best choice for Calsonic Kansei and its shareholders."

Mr. Hiro Hirano, Member of KKR and CEO of KKR Japan, added: "Calsonic Kansei is a best-in-class auto-parts manufacturer that supplies high-quality products to the world's largest automotive brands. As a partner to Calsonic Kansei's management team, we aim to assist the company in achieving its growth ambitions and make available our international network and industry expertise to continue Calsonic Kansei's success globally."

KKR makes its proposed investment from its Asian Fund II. KKR has been investing in Japan through its pan-regional private equity funds since 2010. Japan has been and continues to be a key focus for KKR in the region. To date, KKR has completed three acquisitions in the market: Intelligence Ltd., a leading human resources services company; Panasonic Healthcare, the carve-out health care business of Panasonic Corporation; and Pioneer DJ, the carve-out DJ equipment business of Pioneer Corporation.

This press release should be read in conjunction with the full text of the CK Press Release, a copy of which is available on www.jpx.co.jp.

This press release has been prepared for the purpose of informing the public of the tender offer and has not been prepared for the purpose of soliciting an offer to sell, or making an offer to purchase, any securities. If shareholders wish to make an offer to sell their shares in the tender

offer, they should first read the Tender Offer Explanation Statement for the tender offer and offer their shares or stock options for sale at their own discretion. This press release shall neither be, nor constitute a part of, an offer to sell or purchase, or a solicitation of an offer to sell or purchase, any securities, and neither this press release (or a part thereof) nor its distribution shall be interpreted to be the basis of any agreement in relation to the tender offer, and this press release may not be relied on at the time of entering into any such agreement.

The tender offer will be conducted in accordance with the procedures and information disclosure standards prescribed by Japanese law, which may differ from the procedures and information disclosure standards in the United States. In particular, Section 13(e) and Section 14(d) of the U.S. Securities Exchange Act of 1934 and the rules prescribed thereunder do not apply to the tender offer, and the tender offer does not conform to those procedures and standards.

Unless otherwise specified, all procedures relating to the tender offer are to be conducted entirely in Japanese. If all or any part of a document relating to the tender offer is prepared in the English language and there is any inconsistency between the English-language documentation and the Japanese-language documentation, the Japanese-language documentation will prevail.

The financial advisors to the Bidder, the Company and Nissan as well as the tender offer agent (including their respective affiliates) may engage prior to the commencement of, or during, the tender offer period in the purchase or arrangement to purchase shares of the Company for their own account or for their customers' accounts to the extent permitted under the Japanese Financial Instruments and Exchange Act, Rule 14e-5(b) of the U.S. Securities Exchange Act of 1934, as amended, and other applicable laws and regulations. Such purchases may be made at the market price through market transactions, or at a price determined by negotiation outside of the market. In the event information regarding such purchases is disclosed in Japan, such information will also be disclosed on the English homepage of the financial advisor or tender offer agent conducting such purchases or will otherwise be made publicly available.

About KKR

KKR is a leading global investment firm that manages investments across multiple asset classes including private equity, energy, infrastructure, real estate, credit and 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 at the asset level. KKR invests its own capital alongside its partners' capital and brings opportunities to others 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](https://twitter.com/KKR_Co).

About Nissan Motor Co., Ltd.

Nissan is a global full-line vehicle manufacturer that sells more than 60 models under the Nissan, Infiniti and Datsun brands. In fiscal year 2015, the company sold more than 5.4 million vehicles globally, generating revenue of 12.2 trillion yen. Nissan engineers, manufactures and markets the world's best-selling all-electric vehicle in history, the Nissan LEAF. Nissan's global headquarters in Yokohama, Japan manages operations in six regions: ASEAN & Oceania; Africa, Middle East & India; China; Europe; Latin America and North America. Nissan has been partnered with French manufacturer Renault since 1999 and Mitsubishi Motors since 2016 under the Alliance.

For more information on our products, services and commitment to sustainable mobility, visit our website at <http://www.nissan-global.com/EN/>

¹ The figures set out above are based on the Calsonic Kansei closing share prices extracted from Bloomberg as at and prior to the last full trading day (October 27, 2016) immediately prior to the day of speculative publication of media reports regarding the tender offer (the 'unaffected price').

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