

South Korea's Samsung invests \$450m in China carmaker

BEIJING: A subsidiary of South Korean conglomerate Samsung will buy a \$450 million stake in China's electric carmaker BYD, which is partially owned by US investment guru Warren Buffet, the Chinese company said on Friday.



Anfecaro via [Wikimedia](#)

Shanghai Samsung Semiconductor has promised to pay nearly three billion yuan for a 1.92% stake in the company, becoming its ninth-largest shareholder, BYD said in a filing with the Shenzhen stock exchange. The investment, at a price of 57.4 yuan per share, is part of a private placement that has raised 14.5 billion yuan from six investors including Samsung, according to the statement. The other five investors are a state-controlled industrial investment fund and four Chinese fund management companies.

The new share issuance will dilute the shares of BYD founder and chairman Wang Chuanfu to 18.79% from 20.70%, the statement said. It added that Buffett's Berkshire Hathaway Energy will see its stake decline to 8.25% from 9.09% but remain BYD's fourth-largest shareholder. BYD will use the proceeds to expand its battery production and the research and development of renewable energy cars, the statement said.

Samsung pursued a stake in BYD after the affiliate was among a number of foreign battery makers left off a list of suppliers approved by China, where sales of electric vehicles are surging and the government has sped up construction of charging points, Bloomberg News reported.

One of the world's largest chipmakers, Samsung said last week investing in BYD would bolster their semiconductor business for cars, the report said. BYD shares fell 0.71% to 61.5 yuan in Shenzhen on Friday.

Source: AFP

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