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Joint venture between KSPG and HASCO

**Venture now legally finalized**

Following the signing of the agreement in July 2014 with HUAYU Automotive Systems Co., Ltd. (HASCO), majority owned by China's SAIC Group, the relevant cartel authorities have meanwhile given their go-ahead for KS Aluminium-Technologie GmbH's joint venture. As a consequence, the agreement was now closed with the transaction taking effect under contractual law.

The two parties now each hold 50 percent of the shares in KS Aluminium-Technologie GmbH, Neckarsulm, and Werkzeugbau Walldürn GmbH, Walldürn, which belongs to it, as well as in the 50-percent stake in the joint venture KS ATAG TRIMET Guss GmbH, Harzgerode. This product group's 900 employees generated annual sales of around €200 million in 2013.

KSPG AG (a member of the Rheinmetall Group) and HASCO have been successful business partners for some time now. Back in 1997, the two parties were closely associated in the Chinese pistons joint venture Kolbenschmidt Shanghai Piston (KSSP), and since then a number of additional joint ventures have emerged such as Kolbenschmidt Pierburg Shanghai Nonferrous Components (KPSNC) in 2001 and more recently Pierburg Huayu Pump Technology. These 50/50 joint ventures with Chinese companies generated sales of €461 million in the first nine months of 2014, a year-on-year rise of 23 percent. In the same period, China's auto production advanced 11 percent. The various companies employ a workforce of 3,500.

Says KSPG CEO Horst Binnig: "Our aim is for this venture together with HASCO to become a foremost international manufacturer of motor vehicle components in aluminum castings over the years ahead." With this in mind, KSPG and Huayu Automotive Systems will combine their existing production capacities in Germany and China and push ahead with expansion into additional markets. This high-technology company will, therefore, in future be driven and managed globally by two powerful partners.



Production of aluminum engine blocks at KS Aluminium-Technologie GmbH,  
Neckarsulm.

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