

# NXP sells Standard Products business

**NXP Semiconductors has announced an agreement to sell its Standard Products business to a consortium consisting of Beijing Jianguang Asset Management and Wise Road Capital.**



Diodes are a Standard Product; CAN products will not be affected by the sale (Photo: NXP)

Under the terms of the agreement, the consortium will pay approximately \$2,75 billion for the business. The transaction is expected to close in the first quarter of 2017, pending all required regulatory approvals and employee representative consultations.

The NXP Standard Products business is a supplier of Discrete, Logic and Power MOS semiconductors focused on the automotive, industrial, computing, consumer, and wearable application markets. At the close of the transaction, the Standard Products business will be branded Nexperia, which will be headquartered in Nijmegen, the Netherlands. For fiscal 2015, the NXP Standard Products business had an annual revenue of \$1,2 billion. Only last year, [NXP and Freescale merged](#) and continued operations as NXP Semiconductors. Both companies offered CAN products.

Under the agreement, the entire scope of the NXP Standard Products business, including its management team, led by Frans Scheper, and approximately 11000 NXP employees will be transferred to Nexperia. Nexperia will be an independent company incorporated in the Netherlands, and will be fully owned by JAC Capital and Wise Road Capital upon the close of the transaction. Additionally, NXP's Standard Product front end wafer fabs in Manchester, UK, and Hamburg, Germany, and the back-end facilities in Guangdong, China, Seremban, Malaysia, and Cabuyao, Philippines, will be transferred to Nexperia, as well as the in-house equipment manufacturer ITEC and all relevant patents and intellectual property associated with the Standard Products business.

"This transaction is a positive accomplishment for all parties involved. It enables NXP to continue to focus on its high-performance mixed signal business, furthering our secure connections for a smarter world strategy," said Rick Clemmer, NXP Chief Executive Officer. "We believe the creation of Nexperia benefits our customers, as JAC Capital and Wise Road Capital will focus on global investments to enhance and support the future growth of the business."

"We are pleased to have reached an agreement to acquire the Standard Products business from NXP with its strong team and established technology. We will enhance the competitive position of the business globally through thoughtful investment in R&D, manufacturing, and customer service to strengthen its global market position. JAC Capital, with its strong background in financial industries and many years of experience in the semiconductor and telecom areas, will actively help the management team of the new company to achieve long term success. Additionally, we will continue to support the existing labor conditions for the Standard Product employees, as they are a critical component to the long term success of the business," said Brighten Li, Chairman of JAC Capital Investment Evaluation Committee.

"We are committed to provide Nexperia the capital it requires to accelerate its global growth strategy, which we believe will help to accelerate product introductions in key target markets, while assuring no disruption to Nexperia's global customer and supplier base. Although servicing a variety of markets, Nexperia will be especially increasing focus on automotive applications and providing their required high-level of quality solutions. In addition, we will help Nexperia expand its strong position in the fast-growing global emerging markets, through our strong network of industrial leaders," said Michael Zhang, Managing Partner of Wise Road Capital.

[ae](#)