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## Delphi Auto Seeks Up to \$578 Million in IPO; Paulson Selling

By Mark Clothier – Nov 7, 2011  
excerpt

Delphi Automotive Plc will sell as much as \$578 million in shares in an initial public offering that would value the former parts unit of General Motors Co. (GM) at as much as \$7.88 billion.

Delphi is offering the shares at \$22 to \$24 a piece, and is seeking to sell 24.1 million ordinary shares, according to a filing with the Securities and Exchange Commission. John Paulson's hedge fund Paulson & Co. is seeking to sell 20.6 million shares, the largest stake being offered in the company. Delphi will receive none of the proceeds from the offering.

Delphi is moving ahead with its IPO amid the turbulence in global markets and the automobile industry that caused billionaire Wilbur Ross in September to delay the offering of his International Automotive Components Group until at least January. IPOs totaling \$8.9 billion were canceled or postponed in the third quarter.

"It's a good sign that most of the stakeholders are willing to wait it out for better opportunities down the road," said David Kudla, chief executive officer of Mainstay Capital Management in Grand Blanc, Michigan. "There's been a marked turnaround in the domestic auto industry the past few years, but this is a cyclical industry and a fragile economic recovery."

Delphi, based in Troy, Michigan, plans to begin marketing to investors this week, two people familiar with the sale said earlier. The offering is scheduled for Nov. 16 with trading to begin Nov. 17, Bloomberg data show. The company, registered in Gillingham, U.K., had planned to sell more than \$1 billion of shares, a person with knowledge of the offering said in May. ...