

## **Kongsberg Automotive's Burton plant under consideration for closure**

At KA's Capital Markets Day in November 2016, Kongsberg Automotive outlined its plan for improving its performance and substantially reducing its costs. This plan included closing down 6 plants, mainly within the Powertrain and Chassis products segment in Europe.

Further to this plan, it has now been proposed that the FTS Burton plant in the UK will be under consideration as one of the six production facilities that could be closed, and that operations at the plant could potentially cease from April 2018.

The Burton facility manufactures and supplies fuel and air suspension lines for customers JLR and Aston Martin. The plant has 52 operational employees, including agency workers. In 2016 it had revenues of EUR 2.6M.

While the Burton plant has been developed in the past 12 months for new production lines, the key strategic customers are driving the need to relocate this product range to their new facilities in Eastern Europe. The proposed plan for Burton is:

- The JLR of production and equipment would be moved to KA's new facility in Brzesc, Poland,
- The AML equipment would be moved to the KA Normanton facility in Leeds, UK.
- The recently awarded L663 business would be launched out of the new Brzesc facility.

There are 52 employees working for KA FTS at the KA Burton facility that could be affected by the proposed plans. A period of consultation will begin, collectively and individually, with all employees in the weeks to come to ensure their concerns are adequately heard and addressed.