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Statutory negotiations concluded - Componenta to merge Pietarsaari foundry with Pori foundry

Componenta's statutory personnel negotiations that began on 30 September 2013 at the Pietarsaari foundry have been completed. As a result, it has been decided to transfer the small DISA production line to the Pori foundry and close down the Pietarsaari foundry. The decision and measures to be taken accordingly are related to the efficiency programme ongoing at Componenta to improve the capacity utilization rate of the iron foundries by concentrating production at larger units.

This decision will have an impact on personnel, and the jobs of a maximum of 110 people will be phased out gradually at the Pietarsaari foundry by the end of October in 2014. During the close down period the foundry will employ 70 - 110 people.

One-time costs and write-downs in the balance sheet will total some EUR 2 million during 2013 and 2014 and the annual savings achieved will be about EUR 2 million. Capital expenditure during the project will be about EUR 1 million.

The transfers of the small DISA production line and production from Pietarsaari to Pori will improve the capacity utilization rate at the Pori foundry and strengthen its position as a flexible and competitive supplier to Nordic customers. The transfer of production has a positive impact on employment at the Pori foundry. At present about 175 people work in Pori foundry, and the estimated increase will be about 40 people.

The transfer of the production line and the close down of the Pietarsaari foundry do not affect Componenta Corporation's engineering personnel in Pietarsaari nor the Componenta Pistons business unit which operates in Pietarsaari. These operations at present employ altogether 42 people. In addition, the ongoing investment at the Pistons unit to increase its production capacity is estimated to have a positive impact on personnel of about 10 persons.

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Componenta is a metal sector company with international operations and production plants located in Finland, Turkey, the Netherlands and Sweden. The net sales of Componenta were EUR 545 million in 2012 and its share is listed on the NASDAQ OMX Helsinki. The Group employs approx. 4,300 people. Componenta specializes in supplying cast and machined components and total solutions made of them to its global customers, who are manufacturers of vehicles, machines and equipment.

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