

### **thyssenkrupp begins restructuring of Springs and Stabilizers business in Germany**

- Olpe plant will close by end of 2021
- Realignment of production site in Hagen
- Restructuring will impact around 490 jobs in Germany

thyssenkrupp today approved an extensive restructuring plan for the German sites of its Springs and Stabilizers business unit. Under the plan, production of stabilizers at the Olpe site will be discontinued by the end of 2021. The Hagen site will be realigned and converted into a center of excellence for the development and manufacture of springs and stabilizers. Around 490 jobs will be impacted by the restructuring of the Olpe and Hagen sites, some 330 of them at Olpe. In the coming weeks agreements are to be reached with the employee representatives on a reconciliation of interests and a social plan for the two sites.

Dr. Karsten Kroos, CEO of thyssenkrupp's Automotive Technology division: "The restructuring of the two sites is an unavoidable and right step to return the business to profit. The two plants were no longer competitive in the current setup. Price levels in the respective product segments are too low and overcapacities on the market too high. That is why we have decided to combine the remaining production and development activities at one site and further streamline the organization."

A permanent workforce of around 330 employees is currently employed at the site in Olpe. Existing customer projects will be completed by the end of 2021 and production then discontinued. Over the course of this year and next, targeted measures will be implemented to prepare employees for subsequent employment within the Group or elsewhere. Details of the package of measures and support will be determined in discussions with the employee representatives in the coming weeks.

The Hagen site has been producing springs for customers in the automotive industry since 1925. A permanent workforce of around 400 employees is currently employed here. In the future, all development and production capacities of the Springs and Stabilizers group in Germany will be concentrated in Hagen. This will include prototyping, production of stabilizers for small-batch orders and the spare parts business, and the production of springs for heavy cars and electric vehicles. To this end the site's entire production strategy will be revised and switched to a higher degree of automation. The optimization of production processes will result in the elimination of around 160 jobs at the Hagen site by early 2022. The details of a socially responsible restructuring process will be determined in the upcoming negotiations with the works council and trade unions.

April 27, 2020

Page 2/2

thyssenkrupp's Springs and Stabilizers business currently operates nine production sites in Germany, Hungary, Brazil, Mexico and China and employs around 3,400 people worldwide. Last year this business unit was designated by the Group as a "business under review" following a clearly negative performance over the past fiscal years. The business unit is suffering in particular from declining prices for springs and stabilizers and global overcapacities in this product segment. The restructuring of the German sites is an important step to restore the business unit's competitiveness.

#### ***thyssenkrupp in the automotive sector***

*thyssenkrupp is one of the leading suppliers and engineering partners to the international auto industry. Its products and services include materials, high-tech components and system and automation solutions for automotive OEMs. In fiscal year 2018/19 thyssenkrupp achieved sales of around 10.4 billion euros with customers from the auto industry.*

#### **Contact:**

thyssenkrupp AG

Automotive Technology

Konrad Böcker

Head of Communications

T: +49 201 844 - 553084

M: +49 173 8982102

[konrad.boecker@thyssenkrupp.com](mailto:konrad.boecker@thyssenkrupp.com)

[www.thyssenkrupp.com](http://www.thyssenkrupp.com)

Company blog: <https://engineered.thyssenkrupp.com>