



8<sup>th</sup> July 2015

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## ESSENTRA

### **ESSENTRA ENTERS CONSULTATION ON PROPOSAL TO CLOSE ITS BEDESWAY SITE IN JARROW**

Essentra plc (“Essentra” or “the Company”) today confirms that it is entering into consultation regarding the proposal to transfer its filter manufacturing, product development and innovation activities based in Jarrow to its facility at Szigetszentmiklós, Hungary, and as a consequence to close the existing Bedesway site in Jarrow. If the proposal is confirmed, the transfer of activities will take place by the end of 2015. The Company’s Smokeless Nicotine Device and analytical testing activities – as well as the Learning Centre - undertaken at Shaftesbury Avenue in Jarrow will be unaffected by this proposal.

As a result of this proposal, which follows a comprehensive review of its global site footprint, Essentra is now undertaking a formal consultation process to discuss the options in more detail with those involved. The Company appreciates that this announcement will cause a great deal of uncertainty for its Jarrow employees, and intends to provide as much support as possible as matters progress through the consultation process.

Commenting on today’s announcement, Hugh Ross, Managing Director - Europe, said:

“As an innovator and complete solutions provider to the tobacco industry, it is essential that Essentra continues to identify evolving market trends and respond to them in a way that enables us to continue to add value to our customers. Essentra’s filter products business has a global footprint and a flexible manufacturing capability. Combined with ongoing technology upgrades, this allows us to align with the strategies and footprint of our customers in the most efficient way possible, to provide them with a comprehensive and innovative product offering, compelling value proposition and excellent service.

In Europe, this alignment reflects the continued shift in consumer demand from mature Western countries to the more dynamic, developing markets in Eastern Europe. Over the past ten years, cigarette sales volume in Western Europe has declined by almost 30%, with the tobacco companies supplied by Essentra responding to this trend by relocating their own manufacturing footprint to Central and Eastern Europe. Indeed, only a tiny percentage of the current filter production at our Jarrow facility is destined for the domestic UK market.

Having manufactured filters here since the 1940s, it is with regret that we are entering this consultation process. The possible closure of the Jarrow site is in no way a reflection on the quality or commitment of our employees. Rather, the proposed transfer of activities will help to underpin the Company’s long-term position as the leading global independent supplier of filter products and related services to the tobacco industry.”

*ENDS*



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## Enquiries

### Essentra plc

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## Notes to Editors

### **About Essentra Filter Products**

Essentra Filter Products is the world's leading independent solutions provider and partner for special filters and scientific services to the tobacco industry. Headquartered in Singapore, the business provides its customers with a complete service offering innovative filter solutions, expert guidance and state-of-the-art scientific testing. As legislation becomes more stringent, and the industry demands more sophisticated products to meet regulatory and end-user requirements, Essentra's unparalleled expertise, resources and breadth of vision enable it to deliver the optimum solution to any customer, anywhere in the world.

Amongst its filter solutions, Essentra offers products which provide brand and visual differentiation, which reduce the overall cost of a cigarette and which are more environmentally friendly than standard filters. Essentra also provides a cost-effective end-to-end service to the roll-your-own market of innovative filter tips available packaged in branded, retail-ready boxes, in a complete range of shapes and sizes, all from one supplier. With nine strategically-located manufacturing facilities around the globe and a state-of-the-art scientific laboratory, Essentra's team of highly knowledgeable and experienced experts and representatives are ideally positioned to work in partnership with customers to meet their product development, scientific testing and regulatory needs.

Essentra Scientific Services, part of the Filter Products business unit, is a world-leading, internationally accredited (ISO 17025) laboratory offering commercial and analytical testing, guidance and product solutions. With a global reputation for innovation in tobacco science, the laboratory, based in the UK, enables customers to specify the exact level of testing they require and offers a diverse range of services, including testing for tobacco, other tobacco products, electronic cigarettes, smoke and filter testing.

To find out more about Essentra Filter Products, visit [www.essentrafilters.com](http://www.essentrafilters.com)

To find out more about Essentra Scientific Services, visit [www.essentrafilters.com/scientificservices](http://www.essentrafilters.com/scientificservices)



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## **About Essentra plc**

Essentra plc is a FTSE 250 company and a leading global provider of essential components and solutions. Essentra focuses on the light manufacture and distribution of high volume, enabling products which serve customers in a wide variety of end-markets and geographies.

Headquartered in the United Kingdom, Essentra's global network extends to 33 countries and includes c. 9,000 employees, 69 principal manufacturing facilities, 64 sales & distribution operations and 5 research & development centres.

To find out more about Essentra plc, visit [www.essentra.com](http://www.essentra.com)