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GKN to Expand Further in China

GKN plc today announced that as part of its global growth strategy its Sinter Metals Division is to establish a new, wholly owned operation in China.

Following a series of new business wins from Asian and European automotive customers operating in the region, GKN Sinter Metals will set up the new facility in Danyang, near Shanghai.

The new plant will become operational late in 2006 and, during the next four years, the workforce will increase from 180 to 500 as new business goes into production.

Andy Reynolds Smith is Chief Executive of GKN Sinter Metals and the senior GKN executive responsible for the Group's development in China. He said: "This latest expansion is a strong signal of our continuing commitment to the China market and our belief in its potential.

"A powerful presence in China is critical to GKN's long term growth. Our objective is to provide customers with an unmatched global operational and technical capability. Expansion in China is a critical next step in enhancing our position in this respect from both a domestic business and export perspective.

"GKN has been operating very successfully in China for 17 years and now has a number of plants producing products for the automotive, industrial and off high-way markets. We currently employ 2000 people across our wholly owned businesses and joint ventures. By the end of the decade we expect that number to have risen to more than 4,000."

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