

Blow to Morgan Advanced Materials as cyber-attack to cost millions to deal with

Shares in Morgan Advanced Materials tanked 7.5% to 292p this morning after the industrial manufacturer became the latest listed firm to fall victim to a [cyber attack](#) which it said would cost millions of pounds to tackle.

The 166-year-old firm warned the attack meant some of its IT systems were irrecoverable, and it had been forced to revert to manual transaction processes at a number of sites. The total cost of dealing with the incident could be as much as £12 million, the company said, as it slashed its full-year operating profit forecasts by 10-15%.

It added: "During January, a number of sites experienced a delay in restarting production and shipping due to the cyber security incident.

"Whilst demand has remained strong during January, we are experiencing production inefficiency during the recovery period."

The incident has also caused Morgan to delay the report of its results amid disruption to work by auditors. It follows a similar incident reported by 315-year old engineering business Vesuvius, which yesterday said it had summoned cybersecurity experts as it wrestled with "unauthorised access" to its systems. JD Sports, Royal Mail and The Works have suffered similar attacks in recent months.

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Steve Clayton, fund manager at HL Select, said: “We are seeing more and more companies reporting cyber breaches.

“What we are learning is that recovering from attacks can be complex. Modern manufacturing methods can require hugely co-ordinated operations to be efficient.

“Restarting these plants is not just a flick of a switch and the costs of restoring optimal production patterns can be significant.”