



Klöckner & Co AG

Acquisition of Primary Steel, LLC, Middletown (CT, USA)

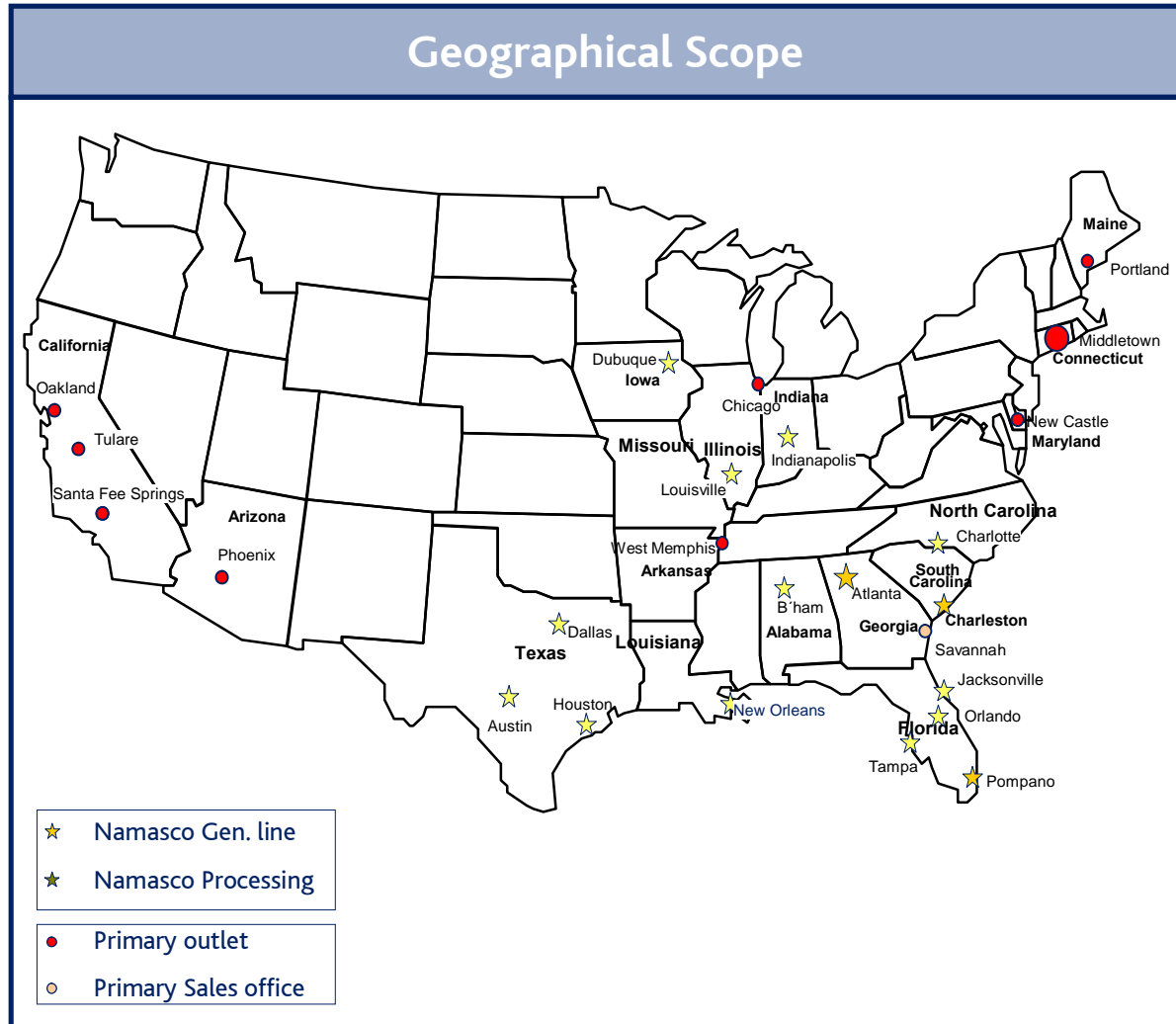
April 2007

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multi metal distribution



Broad coverage of the US market and much stronger platform for further bolt-on acquisitions



- ### Key Facts
- Sales:
2006: \$467 million
 - Leading market position in plate distribution
 - Wide range of offered services
 - Broad geographic coverage with seven locations



Investment highlights

Growth in an attractive market segment

- The plate market is attractive and has a good perspective
 - Pricing has been relatively stable and less volatile than other segments (also supported by high supply side concentration)
 - Low dependency on individual market segments
 - Good growth perspective for main segments heavy equipment, oil & gas, transportation and railcar, shipbuilding, etc.

Acquire respected and well managed business

- Primary is a well respected and well managed major player in plate distribution segment
 - Good quality based market reputation
 - Decent profitability and relatively good operational performance also supported by PE environment
 - Strong management team with good acquisition track record

Leading position in plate segment

- A combined Primary and Namasco company would create a leading position in plate distribution
 - Estimated total market share of 10% in plate segment
 - Broad geographic coverage
 - Wide range of offered services

Synergies

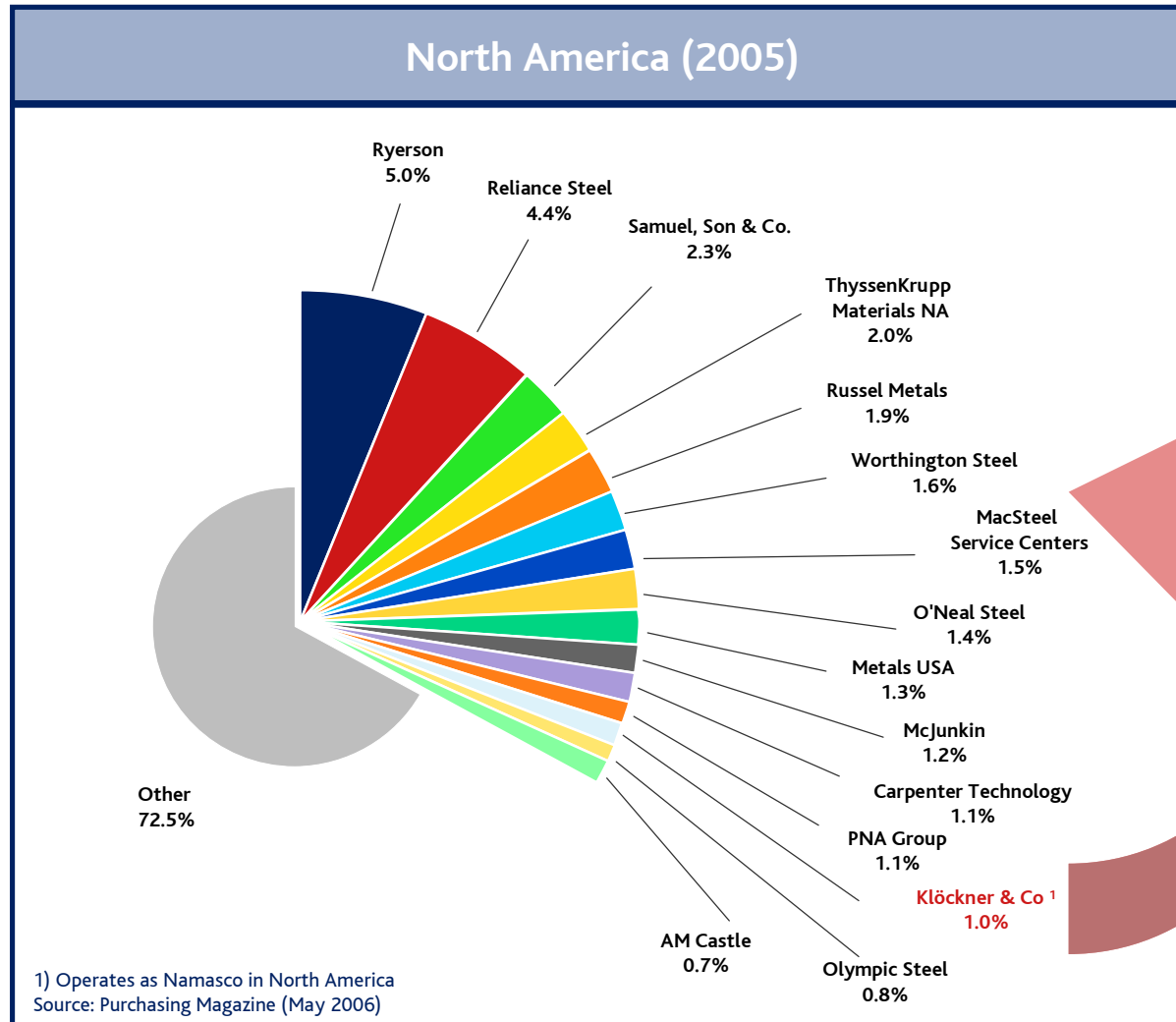
- Complementary sales coverage combined with strong product overlap offers synergy potential
 - Namasco's market coverage hugely enlarged
 - More than doubled purchasing power helps to counterweight the strong supplier consolidation (top 3 account for more than 90% of market)
 - Additional (typical) synergies in admin, finance, IT, etc.

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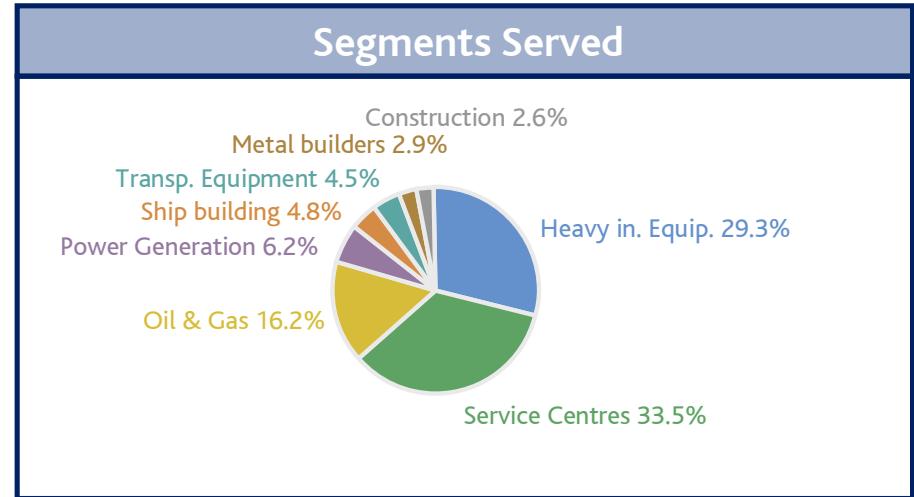
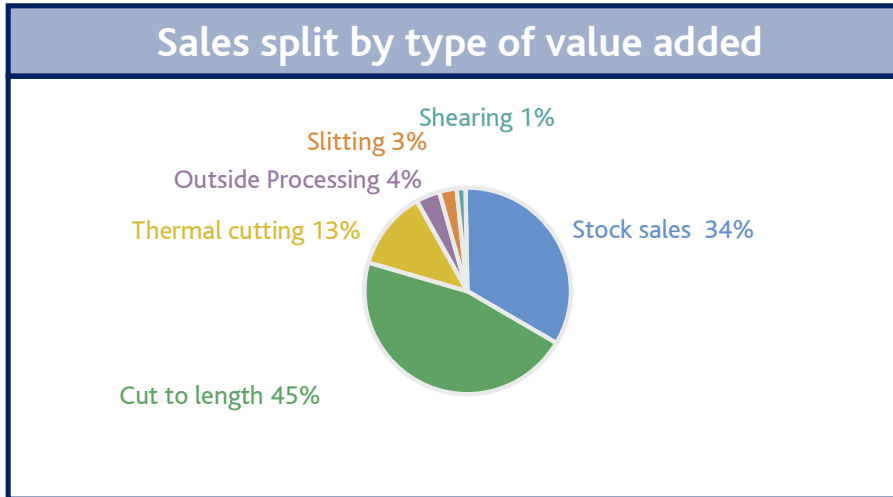
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Significantly improved market position in North America



High added value, low customer concentration with broad industry split and complementary product mix



Customer concentration

Customer 1	Shipbuilding	4.2%
Customer 2	Power Generation	3.1%
Customer 3	Oil & Gas	1.9%
Customer 4	Transp. Equipment	2.1%
Customer 5	Service Center	1.9%
Customer 6	Transp. Equipment	1.8%
Customer 7	Oil & Gas	1.4%
Customer 8	Oil & Gas	1.4%
Customer 9	Ind. Equipment	1.3%
Customer 10	Service Center	1.0%

