

Press Release

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multi metal distribution

German country operation of Klöckner & Co AG expands in Southern Germany

- Three acquisitions in Germany
- Strengthening the market position in Southern Germany

Duisburg, 11 May 2007 – After significantly strengthening its position in North America through the purchase of Primary Steel, Klöckner & Co AG is systematically advancing its expansion of the European business. Following successful restructuring, the German Klöckner & Co company, Klöckner Stahl- und Metallhandel GmbH, has concluded contracts for the acquisition of three distribution companies in Southern Germany. These companies are the Edlstahlservice Verkaufsgesellschaft mbH in Frankfurt am Main as well as the steel distribution of Max Carl GmbH & Co KG in Coburg and the steel distribution of Zweggart Fachhandelsgruppe GmbH & Co. KG in Stuttgart.

Edlstahlservice Verkaufsgesellschaft mbH, with headquarters in Frankfurt am Main and a subsidiary in Hungary, is specialized in steel processing and stainless steel trade for the chemical industry. Together with its subsidiary Edlstahlservice Mágozs Nemesacélfeldolgozó Kft, Hungary, the company employs 49 persons and generated sales of €16.7 million in 2006.

Max Carl Stahlhandel registered in Coburg achieved sales of €15.0 million in 2006 with 19 employees. The distribution company – a former division of Max Carl GmbH & Co KG - offers a full range of steel and metal products.

Zweggart Stahlhandel, registered in Ehningen, southwest of Stuttgart, is also a distributor of steel and metals and has a diversified customer topology in Baden-Württemberg. The company – a former division of Zweggart Fachhandelsgruppe GmbH & Co. KG – employs 22 persons and generated sales of €11.3 million in the 2005/2006 fiscal year.

"These companies perfectly strengthen our market position in Southern Germany, and through the location in Hungary, we have also expanded our business activity in Eastern Europe. We have thus already purchased six companies in the first five months of the year and have made significant progress in achieving our target of taking over 10 to 12



distributors in the 2007 fiscal year”, explains Dr. Thomas Ludwig, CEO of Klöckner & Co AG.

The German Klöckner & Co subsidiary, Klöckner Stahl- und Metallhandel GmbH (KSM), is headquartered in Duisburg. KSM currently employs around 1,600 persons and has 19 locations in Germany.

About Klöckner & Co:

Klöckner & Co is the largest producer-independent steel and metal distributor in the European and North American markets combined. The core business of the Klöckner & Co-Group is the storage and distribution of steel and non-ferrous metals. About 200,000 active customers are supplied through approximately 240 distribution locations in 14 countries in Europe and North America.

Klöckner & Co was founded more than 100 years ago by Peter Klöckner. During the financial year 2006, the company achieved sales of approximately €5.5 billion with around 10,000 employees.

The shares of Klöckner & Co Aktiengesellschaft are admitted to trading on the official market segment (*Amtlicher Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment (Prime Standard) to the official market with further post-admission obligations. ISIN: DE000KC01000; WKN: KC0100; Common Code: 025808576.

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