

kloeckner.v

Capital Markets Day

Klöckner & Co SE | Marcus Ketter | CFO

Frankfurt/ Main, Germany

September 29, 2017



Disclaimer

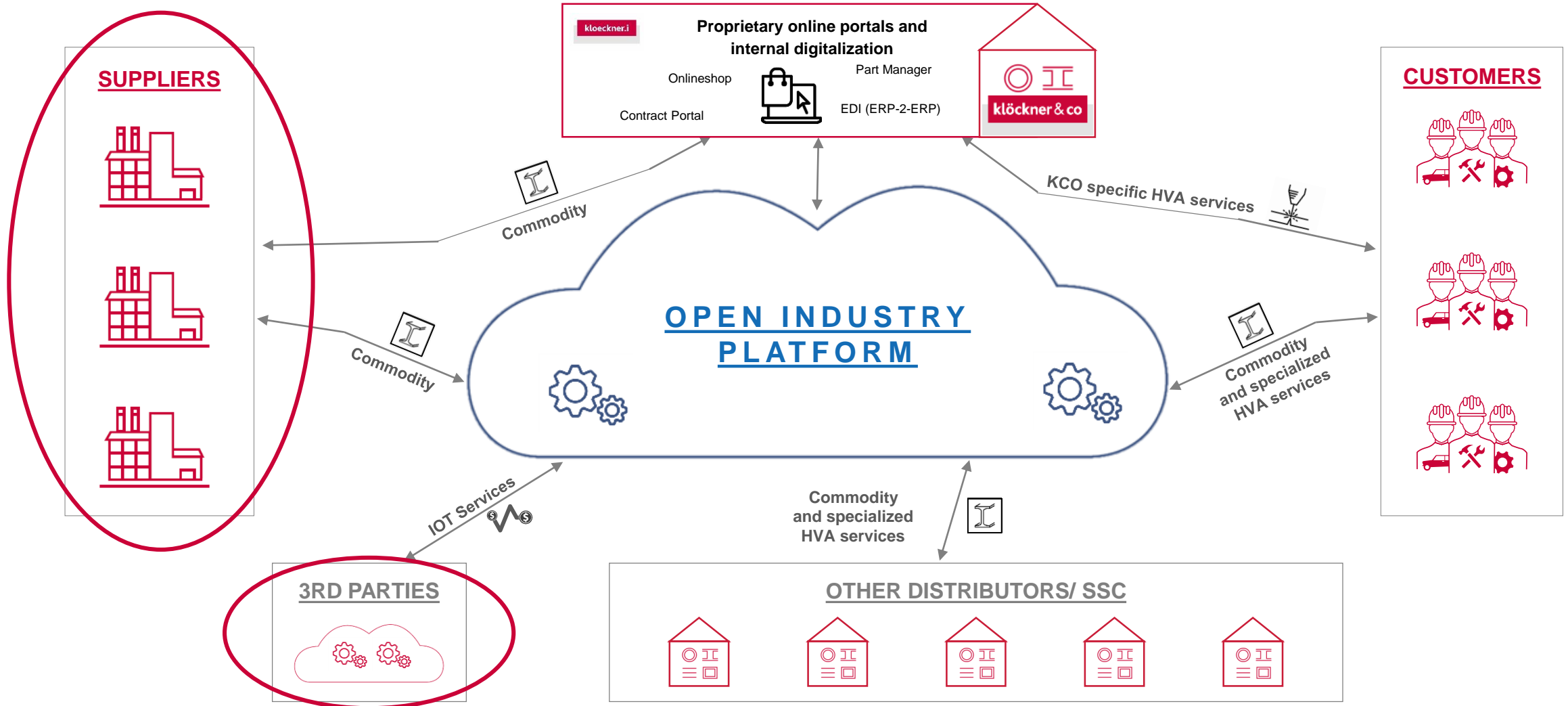
This presentation contains forward-looking statements which reflect the current views of the management of Klöckner & Co SE with respect to future events. They generally are designated by the words “expect”, “assume”, “presume”, “intend”, “estimate”, “strive for”, “aim for”, “plan”, “will”, “endeavor”, “outlook” and comparable expressions and generally contain information that relates to expectations or goals for economic conditions, sales proceeds or other yardsticks for the success of the enterprise. Forward-looking statements are based on currently valid plans, estimates and expectations. You therefore should view them with caution. Such statements are subject to risks and factors of uncertainty, most of which are difficult to assess and which generally are outside of the control of Klöckner & Co SE. The relevant factors include the effects of significant strategic and operational initiatives, including the acquisition or disposition of companies. If these or other risks and factors of uncertainty occur or if the assumptions on which the statements are based turn out to be incorrect, the actual results of Klöckner & Co SE can deviate significantly from those that are expressed or implied in these statements. Klöckner & Co SE cannot give any guarantee that the expectations or goals will be attained. Klöckner & Co SE – notwithstanding existing obligations under laws pertaining to capital markets – rejects any responsibility for updating the forward-looking statements through taking into consideration new information or future events or other things.

In addition to the key data prepared in accordance with International Financial Reporting Standards, Klöckner & Co SE is presenting non-GAAP key data such as EBITDA, EBIT, Net Working Capital and net financial liabilities that are not a component of the accounting regulations. These key data are to be viewed as supplementary to, but not as a substitute for data prepared in accordance with International Financial Reporting Standards. Non-GAAP key data are not subject to IFRS or any other generally applicable accounting regulations. Other companies may base these concepts upon other definitions.

Valuation statements are unified and are presented as follows:

+/- 0-1%	+/- 1-5%	+/- 5-10%	+/- 10-15%	> +/- 15%
constant, stable	moderate, slightly	measureably, noticeable, substantial	considerably, dynamic, significant	sharp, strong

01 kloeckner.v invests in B2B business models which add value to the platform



01 kloeckner.v board



**Managing
Director**
Legal Specialist



**CEO of
kloeckner.v**

kloeckner.v



**Managing
Director**
M&A Specialist



founded in Berlin in 2015

01 What and why is kloeckner.v?

kloeckner.v invests in best-in-class startup teams with innovative, disruptive, and scalable business models that complement or extend our digital strategy.

kloeckner.v portfolio companies profit through access to Klöckner & Co's industry knowledge and the kloeckner.i digital expertise.

We leverage Klöckner & Co's cross-industry network to provide exceptional growth opportunities and eliminate key business risks in a conservative market environment.

02 kloeckner.v fund investments

Overview of our VC-investments

pauaventures

- VC-Fund, Berlin, Germany
- Early stage investments in
 - Amorelie
 - Debitos
 - Flaconi
 - Lesara
 - Flip4New

CLEAR®

- VC-Fund, Palo Alto, USA
- Early stage investments in
 - Apigee (IPO)
 - GoPro (IPO)
 - Virident (acquired by Western Digital)
 - Yume (IPO)
 - Groupon (IPO), Telera (acquired by Alcatel)
 - VxTel (acquired by Intel)

3rd investment to come
(short term)

- Serious talks
- Investment amount ~ €5m

Our aims

- ▶ We don't want to have an own VC-team, but portfolio diversification
- ▶ Insights in US and DACH deals
- ▶ Ability to approach individual companies
- ▶ Discuss ideas with VCs
- ▶ VCs access to corporate point of view

02 kloeckner.v direct investments

Overview of our direct investments



- Trading platform for tools, located in Berlin, Germany
- Combination of both, marketplace and e-commerce
- Exited in Q2 2017
- Sold stake to Hoffmann SE



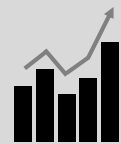
- Technology startup, located in Berlin, Germany
- Produces 3D printing technologies and additive manufacturing
- On track to become the leading provider of additive manufacturing systems within the next five years

02 Divestment of stake in retail specialist Contorion



- Founded in 2014, headquartered in Berlin, Germany
- Digital retail specialist for professional tool and industrial supply
- Wide portfolio comprising 350,000 products such as tools, welding and chemical products, screws, fittings, garden supplies, steel & metal products
- Contorion offers a “one-stop-shop” solution to the mid-sized and small business sectors

Deal rationale



- We invested a single-digit million amount (stake of 8%) in Contorion in Q2 2016
- Investment purpose was to sell steel sheets in large amounts via Contorion
- Divestment since VC-contracts enforce minority shareholders to step back and sell in further capital stages
- Sold our stake to Hoffmann SE, a tool selling specialist
- Doubled our invested fund within a year, receiving a cash-in of ~€8m (= 115%)
- It was one of our first VC investments which turned out to be pretty successful

02 BigRep



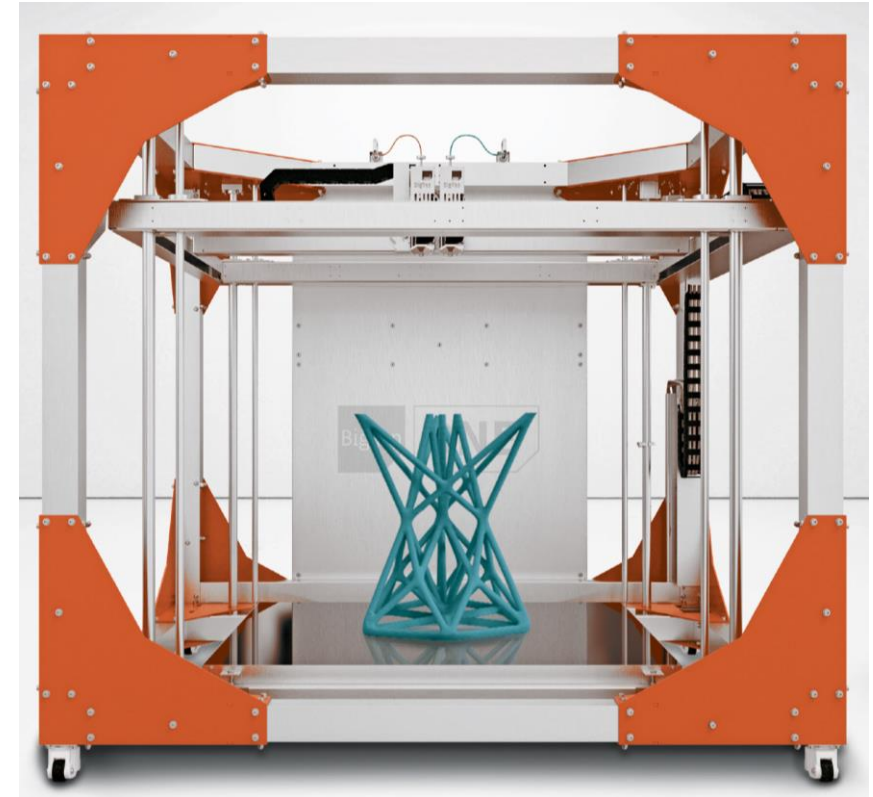
02 3D printer specialist BigRep

- Founded in 2014 BigRep develops and manufactures large-scale, industrial 3D printers
- The company uses the extrusion of thermoplastic material as printing technique
- BigRep currently offers two printer models, BigRep One and BigRep Studio
- Product portfolio to be developed and expanded further on
- In addition the company also offers software, services (set-ups, training, etc.) and materials (filaments) used in the printing process
- Key distribution markets are prototyping, design, education, architecture, furniture, etc.
- Headquartered in Berlin with offices in Singapore and New York, BigRep has over 70 employees
- Scalable & asset light business model as manufacturing is outsourced
- Klöckner & Co along with Köhler Paper Group and Körber AG major strategic investors



02 Investment rationale BigRep

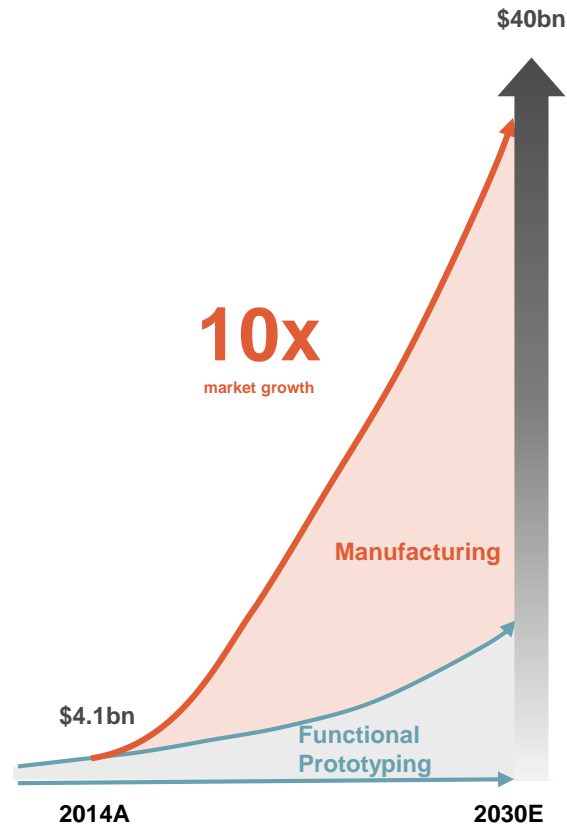
- Investment allows first hand insight into the market, technology and design
- Alongside the financial investment, Klöckner plans to use BigRep's industrial 3D printers in its extensive European and US site network going forward
- Will be utilized for value added services, building finished pre-products for our customers



- Market segment has a promising outlook, with an annual growth rate of around 20% expected by 2020
- Marcus Ketter is member of BigRep's advisory board

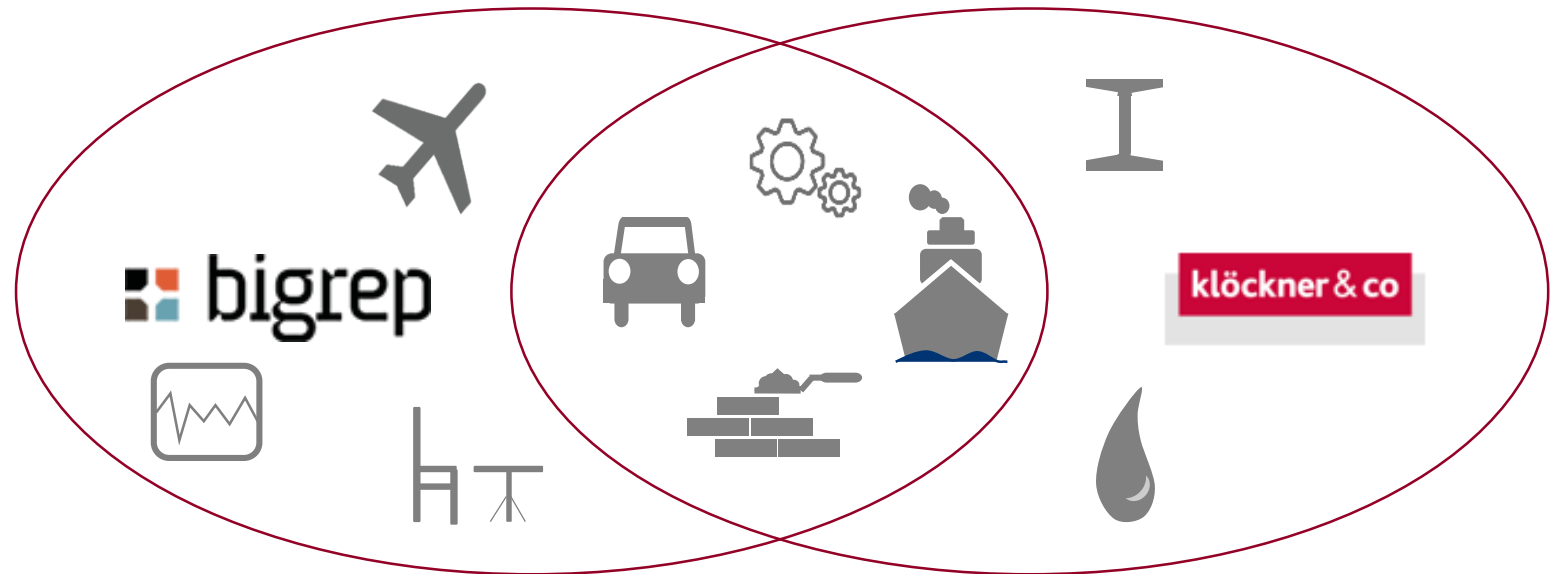
02 Investment rationale BigRep

Additive manufacturing opportunity*



*Primary additive manufacturing market, excludes R&D initiatives.
Sources: Company information, EY, press releases.

Large overlap of targeted industries



03 Investment outlook



- In our eyes venture capital is more than a pure asset class
- We invest in ideas that will help us to improve our own business model
- Chance for us to learn about startups and their methods
- Implementing their approaches and services into our value chain
- Permanently screening the market, looking for promising investments
- Following the track of market interaction: startups have the chance to approach us directly
- We will stick to our strategy of investing in both, VC-funds as well as startups directly
- Each investment concept bears the chance of getting access to further disruptive industrial business models

