

# Statement of Compliance

## **Joint Statement of Compliance by the Board of Management and Supervisory Board of Klöckner & Co AG pursuant to section 161 AktG on the German Code of Corporate Governance**

The recommendations of the German Corporate Governance Code as amended on 12 June 2006 have been complied with by the Management Board and the Supervisory Board of Klöckner & Co AG with the following exceptions:

### **Article 3.8, sentence 3, of the Code (Directors and Officers (D&O) insurance, officers' own risk)**

The D&O insurance policy concluded by the company for its officers provides for no deductible for the members of the corporate bodies.

### **Article 4.2.3, sentences 6 and 8, of the Code (stock options and similar arrangements)**

The virtual stock option programme (phantom stocks) for the Management Board is not based on comparative parameters, nor does it provide for a possibility of limitation in case of extraordinary, unforeseen developments so far.

### **Article 4.2.5 (Individualised reporting of Management Board remuneration)**

Based on a resolution of the Annual General Meeting dated June 07, 2006, the company will not report the remuneration of the Management Board individually.

### **Article 5.1.2, sentence 6 (Establishment of an age limit for members of the Management Board)**

No age limit is established for members of the Management Board so far.

### **Article 5.4.7, sentence 6 (Individualised reporting of Supervisory Board remuneration)**

Under transparency aspects, the company believes that reporting the total remuneration of the Supervisory Board suffices.

### **Article 5.6 (Effectiveness review of the Supervisory Board)**

As the Supervisory Board has only been appointed on May 31, 2006 it has not conducted a review of the effectiveness of its work up to now.

### **Article 7.1.2, sentence 3 (Public access to interim reports within 45 days)**

The interim reports of the past fiscal year were not made publicly accessible within 45 days of the end of the reporting period but only within the 2-months-period in accordance with § 61 of the Regulation on admission for listings (BörsenZulV).

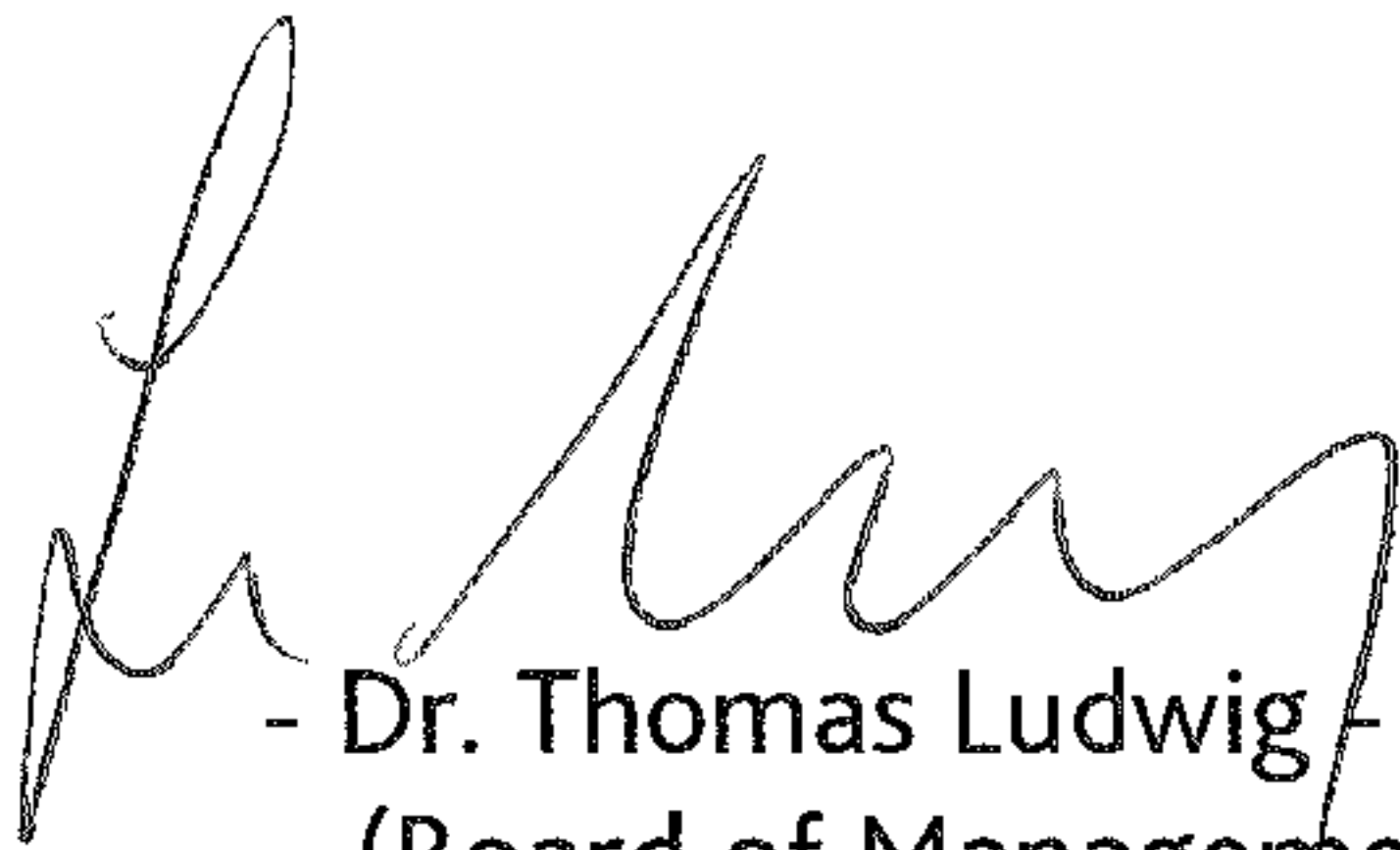
With the exception of the recommendations per articles 3.8, sentence 3, 4.2.3, sentences 6 and 8, 4.2.5 and 5.4.7, sentence 6, the Management and Supervisory Boards will otherwise comply with the recommendations of the German Corporate Governance Code in the future.

Duisburg, 05 March 2007

For the Supervisory Board of Klöckner & Co AG



- Prof. Dieter H. Vogel -  
(Chairman of the Supervisory Board of Klöckner & Co AG)



- Dr. Thomas Ludwig -  
(Board of Management of Klöckner & Co AG)



- Gisbert Rühl -

