



FY 2017 Results

Press Conference

February 28, 2018

Gisbert Rühl | CEO



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Rounding differences may occur with respect to percentages and figures.

The English translation of the Annual Report is also available, in case of deviations the German version shall prevail.

Evaluating statements are unified and are presented as follows:

+/- 0-1%	+/- >1-5%	+/- >5-10%	+/- >10-15%	+/- >15%
constant, stable	moderate, slight	measurable, noticeable, substantial	considerable, dynamic, significant	sharp, strong

Agenda

1. **Highlights FY 2017**
2. Update on strategy
3. Outlook

01 | Highlights FY 2017

Sales	€5,730m → €6,292m	▶ Increase of nearly 10%
EBITDA	€196m → €220m	▶ Best in 7 years
Net income	€38m → €102m	▶ Best in 9 years
Operating cash flow	€73m → €79m	▶ Positive in 6 consecutive years
Equity ratio	39.6% → 41.7%	▶ Highest since listing in 2006
Net debt	€444m → €330m	▶ Lowest in 4 years
Digital sales	13% → 18%	▶ Increase of nearly 40%
Dividend	€0.20 → €0.30*	▶ Increase of 50%

*) Proposal to the Annual General Meeting on May 16, 2018.

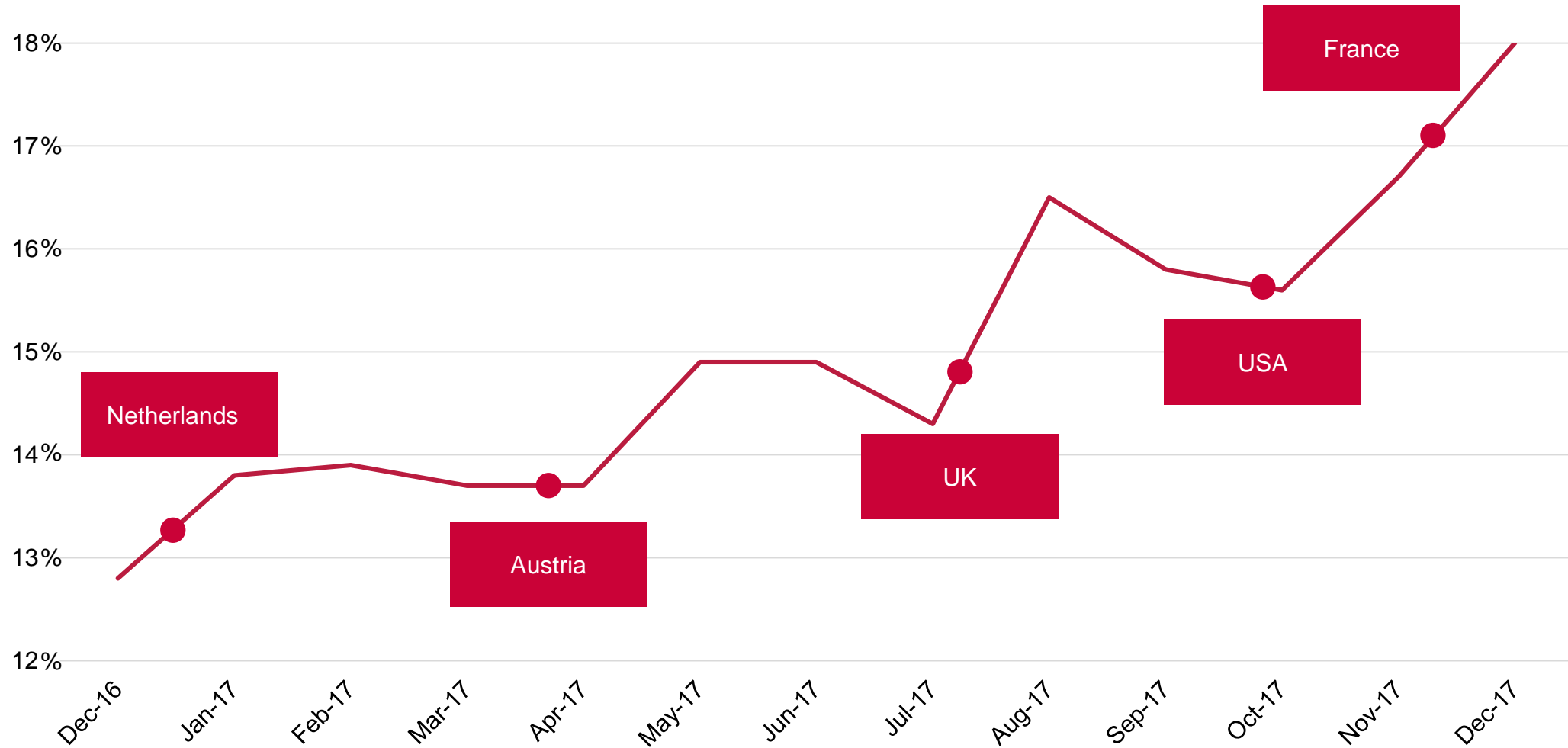
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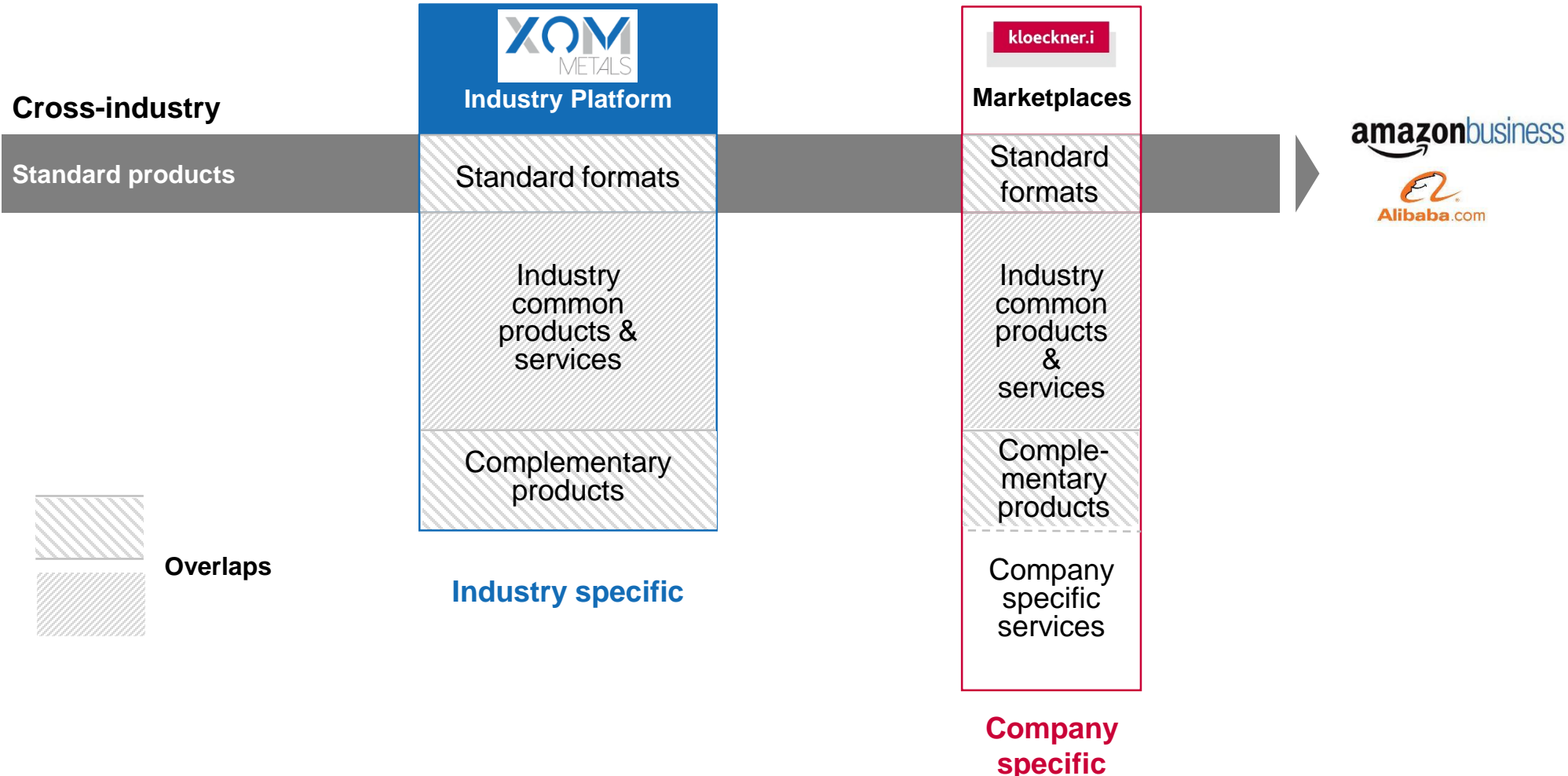
02 | Our strategy: “Klöckner & Co 2022”



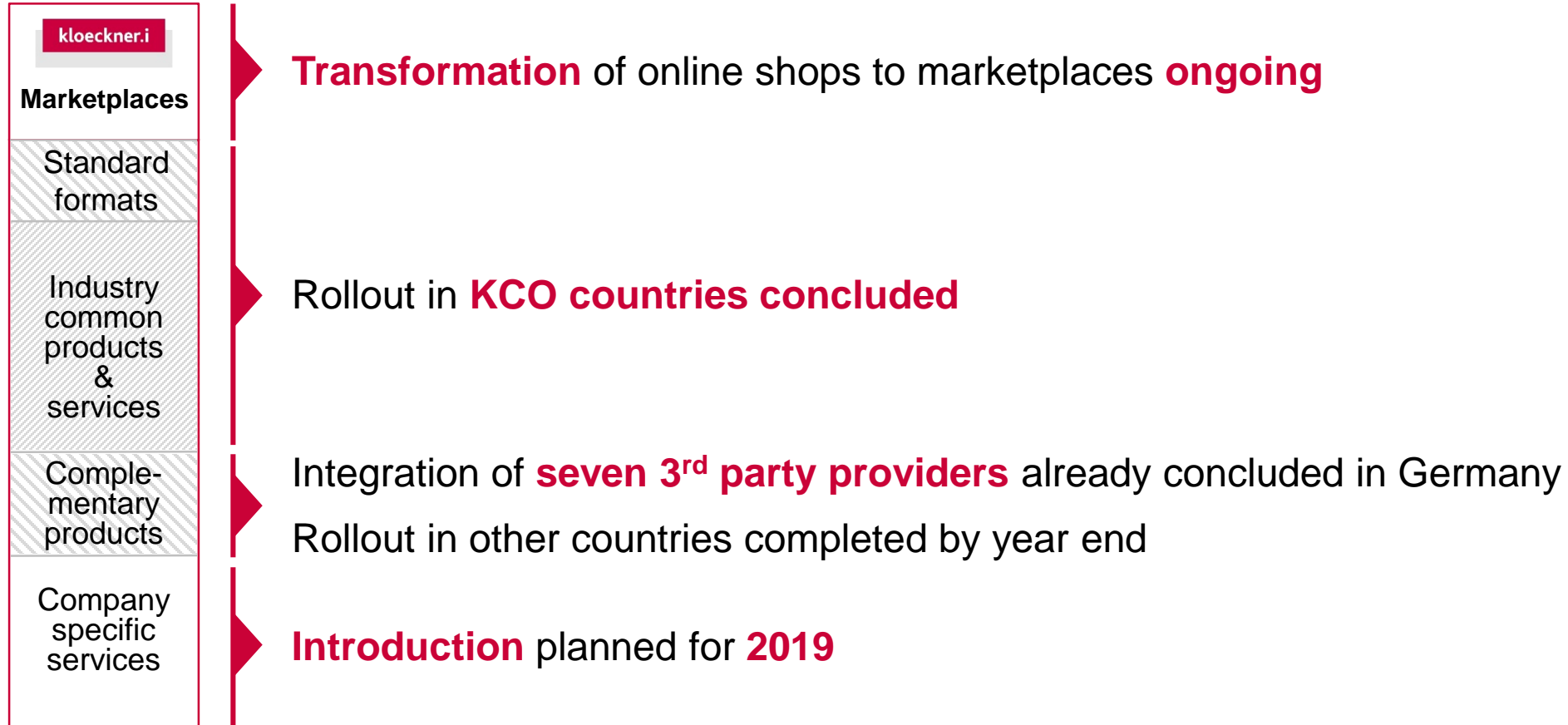
02 | Strong growth of digital sales fostered by successful roll outs



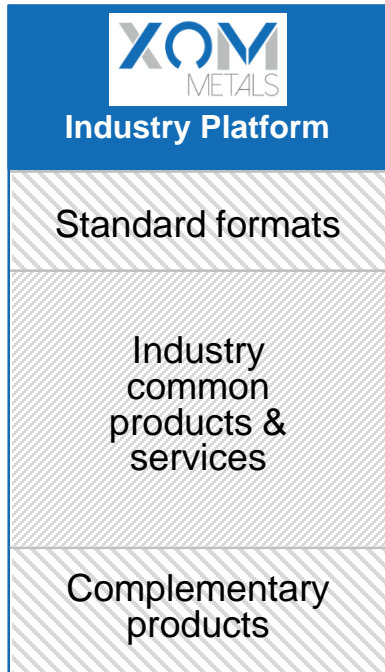
02 | Well positioned in the competitive landscape of platforms



02 | Significant progress in enhancing proprietary platforms



02 | Successful launch of open industry platform XOM



New **entity founded** and **10 digital experts** already hired

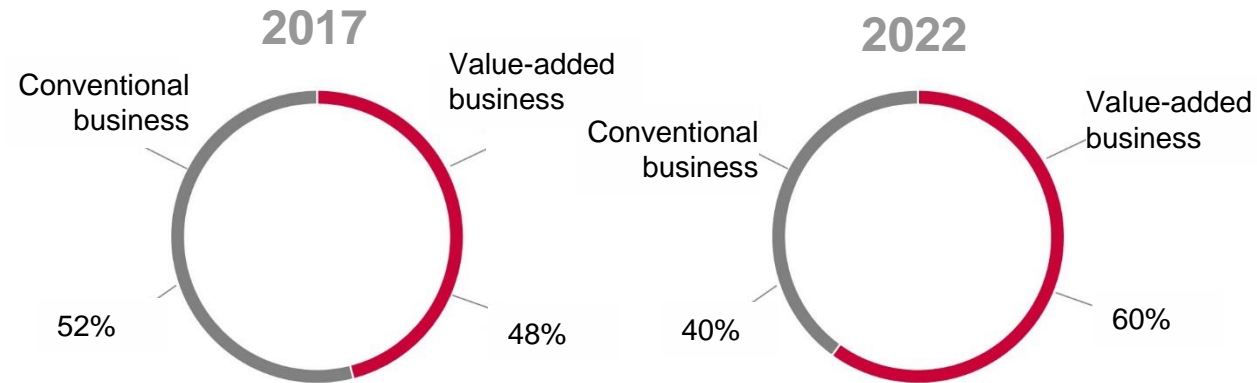
Promising discussions with several US and UK **VC investors** ongoing

Successful launch and **onboarding** of first vendors in Europe concluded
Launch of XOM in the US in Q3

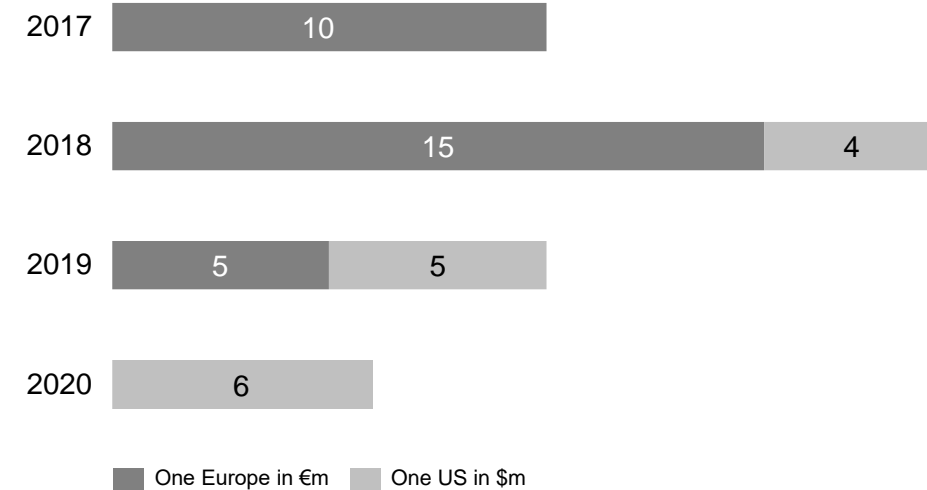
Onboarding of **corresponding participants** planned already for this year

02 | VAB, efficiency improvement and way to VC²

Value-added business



Efficiency improvement

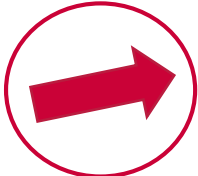
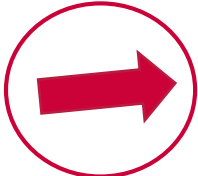

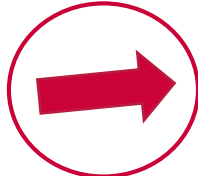
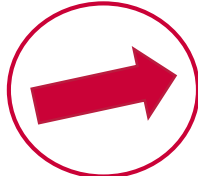













VC² as holistic approach to speed-up the transformation of the core business in order to support the achievement of the KCO 2022 targets

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03 | Segment specific business outlook 2018

<p>Europe 1-2%</p>					
<p>Real steel demand </p>	<p>Construction industry </p>	<p>Manufacturing, machinery and mechanical engineering, etc. </p>	<p>Energy industry </p>	<p>Automotive industry </p>	<p>Shipbuilding </p>
<p>US ~ 3%</p>					

03 | Outlook

Q1 2018

- ▶ Seasonally higher sales anticipated
- ▶ Operating income (EBITDA) expected to be between €45m and €55m

FY 2018

- ▶ Slightly higher sales anticipated due to growing steel demand
- ▶ EBITDA at least at the level of the previous year (€220m) expected
- ▶ Upside potential for EBITDA in case of further increasing steel prices

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Financial calendar

February 28, 2018 Annual financial statements 2017

April 25, 2018 Q1 interim statement 2018

May 16, 2018 Annual General Meeting