

klöckner & co

multi metal distribution

Agenda

Annual General Meeting
of Klöckner & Co AG

20 June 2007, Düsseldorf

Klöckner & Co Aktiengesellschaft

with its registered seat in Duisburg

– ISIN DE000KC01000 –

– Wertpapier-Kenn-Nr. (Security Identification No.) KC0 100 –

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Invitation to the Annual General Meeting

We herewith invite our shareholders to the Annual General Meeting of the company, to be held on Wednesday, 20 June 2007, 10.30 hours in the Congress Center Düsseldorf (CCD. Ost), Messe Düsseldorf, Stockumer Kirchstraße 61, 40474 Düsseldorf.

Agenda

Item 1

Submission of the approved annual financial statement of Klöckner & Co AG and the approved consolidated financial statement for the business year 2006, the management report of Klöckner & Co AG and the Group for the business year 2006, as well as the report of the Supervisory Board

The aforementioned documents and the explanatory report of the Management Board on the information pursuant to secs. 289 Abs. 4, 315 Abs. 4 German Commercial Code (Handelsgesetzbuch – HGB) can be inspected under the internet address <http://www.kloeckner.de/investor/de/hauptversammlung.php> from the date on which the General Meeting is called.

Furthermore, these documents are also available for viewing at the business premises of the company, Am Silberpalais 1, 47057 Duisburg, and in the meeting room for the duration of the General Meeting. Copies of these documents will be sent to the shareholders free of charge upon request.

Item 2

Resolution on the use of the balance sheet profit of the business year 2006

Management Board and Supervisory Board propose using the full amount of the balance sheet profit of

€ 37,200,000

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for the distribution of a dividend in the amount of € 0.80 per non-par value share entitled to participate in the dividends.

Item 3

Resolution on the discharge of the members of the Management Board for the business year 2006

The Management Board and the Supervisory Board propose the discharge of the members of the Management Board for the business year 2006.

Item 4

Resolution on the discharge of the members of the Supervisory Board for the business year 2006

The Management Board and the Supervisory Board propose the discharge of the members of the Supervisory Board for the business year 2006.

Item 5

Election to the Supervisory Board

The Supervisory Board members Robert D. Lindsay and Alan E. Goldberg have declared that they will resign from office with effect as of the end of the General Meeting. According to secs. 95 sentence 2, 96 para. 1 Stock Corporation Act (Aktengesetz – AktG) in conjunction with sec. 8 para. 1 of the articles of association of the company, the Supervisory Board is to comprise of six members to be elected by the General Meeting. Accordingly, two members of the Supervisory Board are to be newly elected.

It is planned to carry out the election as a separate election of candidates in accordance with the Corporate Governance Code,

clause 5.4.3 (in the version of 12 June 2006). In electing shareholder representatives, the General Meeting is not bound by election proposals.

The Supervisory Board proposes the election of the following persons to the Supervisory Board:

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5a) Dr. Jochen Melchior, Essen, former Chairman of the Management Board (CEO) of the then STEAG AG, Essen, as well as

5b) Dr. Hans-Georg Vater, Ratingen, former Member of the Management Board of HOCHTIEF Aktiengesellschaft, Essen

each for a term of office lasting until the end of the General Meeting which resolves on the discharge of the Supervisory Board for the fourth business year after the new members assume office. The business year in which these members first assume office is not included in the calculation.

Information pursuant to sec. 125 para. 1 sentence 3 AktG:

The persons proposed for election as members of the Supervisory Board have the following memberships of other statutory supervisory boards and comparable domestic and foreign control bodies of business enterprises:

5a) Dr. Jochen Melchior:

a) AXA Service AG, Cologne

National Bank AG, Essen

Klöckner-Werke AG, Duisburg

KHS AG, Dortmund

Logika AG, München (chairman)

b) Mattson Technology Inc, Fremont/California (chairman)

Ernst & Young AG, Stuttgart

Universitätsklinikum Essen AÖR, Essen

5b) Dr. Hans-Georg Vater:

- a) SAB Spar- und Anlageberatung AG, Bad Homburg
ENRO Geothermie AG, Essen (vice chairman)
MEDION AG, Essen (vice chairman)
- b) Athens International Airport S.A., Spata, Greece
HAPIMAG AG, Baar, Switzerland
DEMATIC GmbH & Co. KG, Offenbach
OWA Odenwald Faserplattenwerk GmbH, Amorbach

Item 6

Resolution on the appointment of the auditor for the annual financial statement and consolidated annual financial statement for the business year 2007

The Supervisory Board proposes appointing KPMG Hartkopf + Rentrop Treuhand KG Wirtschaftsprüfungsgesellschaft, Cologne, as auditor for the annual financial statement and the consolidated annual financial statement for the business year 2007, as well as for reviewing the abridged financial statement and the interim management report pursuant to secs. 37w para. 5, 37y no. 2 German Securities Trading Act (Wertpapierhandelsgesetz – WpHG) for the business year 2007.

Item 7

Amendment of the Articles of Association

The Transparency Directive Implementation Act (Transparenzrichtlinie-Umsetzungsgesetz), which entered into force in January 2007, makes the transfer of information to shareholders by way of remote data transmission – amongst other conditions – dependent upon the consent of the General Meeting. This also applies if shareholders have already expressly agreed to such data transmission. In order to retain the possibility for the company to transfer information to shareholders by way of electronic data transmission, after obtaining the necessary consent, the Management Board and the Supervisory Board propose passing the following resolution:

The heading of sec. 3 of the Articles of Association is changed; the former sentence becomes paragraph 1 and a new paragraph 2 is added, so that sec. 3 of the Articles of Association now reads as follows:

"Sec. 3

Announcements and Transmission of Information

- (1) The announcements of the Company are published in the Electronic Federal Gazette (elektronischer Bundesanzeiger), unless the law provides for a mandatory provision to the contrary.

- (2) The Company is entitled to provide shareholders with information by way of electronic data transmission, after obtaining their consent thereto."

Item 8

Resolution on the authorisation to acquire own shares

Sec. 71 para. 1 no. 8 German Stock Corporation Act (Aktiengesetz – AktG) provides the company with the possibility to acquire its own shares, as long as such shareholding does not exceed 10 % of the share capital of the company. In order to enable the company to use this possibility of acquiring its own shares as an additional financing instrument in future, and to enable a rapid and flexible reaction by the company, the company is to be given a corresponding authorisation to acquire own shares.

The Management Board and Supervisory Board propose adopting the following resolution:

- (a) The company is authorised pursuant to sec. 71 para. 1 no. 8 AktG to acquire, up until 19 December 2008, own shares of up to 10 % of the share capital of the company existing at the time of the resolution of the General Meeting. This authorisation can be exercised in whole or in part and on one or more occasions by the company, by companies of the Klöckner & Co. Group, or by third parties for the account of the company or companies of the Klöckner & Co. Group.

Such acquisition shall be effected, at the election of the Management Board, either on the stock exchange or by means of a public purchase offer directed at all shareholders.

- (b) If the acquisition of own shares is effected on the stock exchange, the purchase price per share of the company (without transaction costs) shall not exceed the highest stock market price (plus costs and fees) achieved in the floor and computer-based trading of the Frankfurt Stock Exchange on the acquisition date. The purchase price per share of the company (without transaction costs) shall not be more than 25 % lower than the stock market price mentioned in the preceding sentence.
- (c) If the acquisition of own shares is effected by means of a public purchase offer of the company to all shareholders of the company, the purchase price per share in the company (without transaction costs) shall not be more than 20 % higher or lower than the stock market price. The decisive stock market price within the meaning of this provision shall be deemed the average stock exchange price of the shares in the company as determined by the closing auction of the XETRA trading system of the Frankfurt Stock Exchange (or a comparable successor system) during the last five trading days before the day of the publication of the purchase offer.
- (d) The Management Board is authorised to sell the company's own shares over the stock exchange or by means of a public offer directed at all shareholders. The Management Board is also authorised to effect a sale by other means if the shares of the company are sold in return for a cash payment at a price (without transaction costs) which is not substantially lower than the stock market price of the shares in the company at the time of sale. This authorisation is restricted (with the inclusion of other authorisations to issue new shares upon excluding the subscription right pursuant to sec. 186 para. 3 sentence 4 AktG) to a total of 10 % of the share

capital of the company existing at the time of the General Meeting's resolution or, if this figure is lower, to a total of 10 % of the share capital of the company existing at the time of exercising the authorisation to effect a sale. The decisive stock market price within the meaning of this provision shall be deemed the average stock exchange price of the shares in the company as determined by the closing auction of the XETRA trading system of the Frankfurt Stock Exchange (or of a comparable successor system) during the last five trading days before the sale of the own shares.

- (e) The Management Board is also authorised to sell the acquired own shares to third parties, upon excluding the shareholders' subscription rights, if this is done for the purpose of acquiring enterprises, parts of enterprises and/or participations in enterprises, or for the purpose of servicing options and/or convertible bonds issued pursuant to Item 9 of the agenda of the General Meeting of 20 June 2007.
- (f) The Management Board is also authorised to redeem the acquired own shares without a further resolution of the General Meeting. The above authorisations can be exercised on one or several occasions, individually or together.

Item 9

Authorisation to issue options and/or convertible bonds

The Management Board and Supervisory Board propose adopting the following resolutions:

The Management Board is authorised to grant bearer option and/or convertible bonds and/or option bonds (hereinafter jointly referred to as "Bonds") on one or several occasions up until 20 June 2012, in the total nominal amount of up to € 350,000,000.00 with a maximum term of twenty years, and to grant the owners of the Bonds option or conversion rights to a total of up to 4,650,000 registered non-par value shares of the company with a pro rata sum in the share capital of up to € 11,625,000.00, in

accordance with the respective conditions of the Bonds (hereinafter "Bond Conditions").

The Bonds can be issued in Euro or the statutory currency of an OECD state – restricted to the equivalent value of the maximum Euro amount of € 350,000,000.00. They can also be issued via companies with their business seat in Germany or abroad in which Klöckner & Co AG holds a direct or indirect majority (hereinafter "Group Companies"). In this event the Management Board is authorised, with the consent of the Supervisory Board, to assume a guarantee for the bonds on behalf of Klöckner & Co AG and to grant the creditors of option bonds options and/or the owners of convertible bonds conversion rights to new shares in Klöckner & Co AG.

In principle the shareholders have a subscription right to the Bonds. The Bonds can also be assumed by a credit institution or an enterprise active pursuant to sec. 53 para. 1 sentence 1 or sec. 53b para. 1 sentence 1 or para. 7 (hereinafter "financial institution"), or a syndicate of such credit or financial institutions, together with an obligation to offer them to the shareholders for subscription. The Management Board is, however, authorised to exclude the shareholders' subscription right to the bonds with the consent of the Supervisory Board

- if they are issued in return for cash and the Management Board comes to the decision, after a dutiful examination, that the issue price is not substantially lower than the theoretical market value of the Bonds determined in accordance with recognised actuarial methods. However, this only applies insofar as the shares to be issued to serve the option and conversion rights associated with the Bonds do not exceed a total of 10 % of the share capital of the company existing at the time of the resolution or – if this value is lower – of the share capital existing at the time of exercising this authorisation. This 10 % threshold is to include shares of Klöckner & Co AG issued during the term of this authorisation up to the time

of their use, in a direct or analogous application of sec. 186 para. 3 sentence 4 AktG, or sold by the company.

- in order to exclude fractional shares arising due to the subscription ratio, from the subscription right of the shareholders;
- insofar as necessary in order to grant the owners of option rights or the creditors of conversion rights issued by the company or Group Companies the subscription right due to them after exercising their rights.

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In the event of issuing convertible bonds, the owners of the convertible bonds shall have the right to exchange their convertible bonds, in accordance with the Bond Conditions, for new shares in the Company. The exchange ratio can also be determined by dividing the issue price of a convertible bond lying under the nominal amount by the fixed conversion price for a new share in the company. The exchange ratio can in any event be rounded up or down to a whole figure. Otherwise it can be provided that fractional shares are combined and/or exchanged for cash.

In the event of issuing option bonds, every option bond shall be accompanied by one or several option certificates, which entitle the owners to subscribe to new shares in Klöckner & Co AG in accordance with the Bond Conditions determined by the Management Board. For option bonds issued in euro by the company, the Bond Conditions may provide for the fact that the option price fixed in accordance with this authorisation may also be fulfilled by transfer of the partial bonds and, if necessary, an additional cash payment. The proportionate amount of the share capital accruing to the shares to be purchased per partial bond must not exceed the nominal amount of this partial bond. Where fractions of shares arise, a provision may be agreed whereby these fractions are added together in accordance with the Bond Conditions – with an additional payment where necessary – in order to subscribe whole shares.

The relevant option or conversion price to be fixed must amount to 135 % of the volume-weighted average stock market price of the shares of the company in the XETRA trading system of the Frankfurt Stock Exchange (or in a comparable successor system)

- in the period between the resolution on the exercise of the authorisation by the Management Board and the final allocation of the Bonds by the banks supervising the issue; or,
- if the shareholders have a subscription right to the Bonds, in the closing auction during the days on which the subscription rights to the Bonds are traded on the Frankfurt Stock Exchange, with the exception of the last two trading days of the subscription rights trading,

Notwithstanding sec. 9 para. 1 AktG, the option or conversion price can be adjusted with value-preserving effect on the basis of a dilution protection clause in accordance with the Bond Conditions if the company – up until the expiry of the option or conversion period – increases the share capital upon granting a subscription right to its shareholders or issues or guarantees further Bonds and the owners of existing option or conversion rights are not granted a subscription right. The Bond Conditions can also provide for a value-maintaining adjustment of the option or conversion price for other measures of the company which can lead to a dilution of the value of the option or conversion rights.

The Bond Conditions may provide for the right of the company – in the event of the exercise of rights or in the event of conversion – not to grant any shares, but to pay a cash amount which, for the number of shares otherwise to be provided, corresponds to the non-volume-weighted stock exchange price of the shares in the company as determined by the closing auction of the XETRA trading system of the Frankfurt Stock Exchange (or of a comparable successor system) during the last ten trading days before the declaration of conversion or exercise of the options. The subscription or conversion rights of the owners of Bonds can

otherwise be fulfilled by issuing own shares in the company or by issuing new shares from conditional and/or authorised capital to be decided in accordance with Item 10 of the agenda of the General Meeting of the company of 20 June 2007 or at a later date.

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The Management Board is authorised to establish further details concerning the issue and features of the Bonds as well as the terms and conditions and, if necessary, to establish, in consultation with the executives of the Bond-issuing Group Company, details particularly including the interest rate, offer price, term and denomination, purchase or exchange ratio, reasons for a conversion obligation, fixing of an additional cash payment, equalisation or pooling of fractional shares, cash payment instead of the provision of shares, provision of existing shares instead of the issue of new shares, option price or conversion price pursuant to the above provisions, and option period or conversion period.

Item 10

Creation of conditional capital 2007

The Management Board and the Supervisory Board propose resolving as follows:

10.1 Creation of new conditional capital

The share capital of the company will be subject to a conditional increase of up to € 11,625,000.00 by the issue of up to 4,650,000 new registered non-par value shares with entitlement to profits from the beginning of the business year in which they are issued.

The conditional capital will serve to grant subscription and/or conversion rights to the holders of option Bonds and/or convertible Bonds that are issued by the company or a Group Company in accordance with the authority of the General Meeting of the company on 20 June 2007.

New shares will be issued in accordance with the option price or conversion price to be fixed in accordance with the

aforementioned authorisation described above under Item 9. The conditional capital increase will only take place to the extent that the holders and/or creditors of subscription or conversion rights make use of these rights or to the extent that the holders with a conversion obligation fulfil this obligation and insofar as no cash settlement is granted or own shares or shares created from authorised capital are used for servicing purposes. The Management Board will be authorised to establish the further details of the implementation of a conditional capital increase (conditional capital 2007).

10.2 Amendment of the Articles of Association

Paragraphs 3 to 5 of Section 4 of the Articles of Association of the company will become paragraphs 4 to 6 and Section 4 will be amended with the addition of a new paragraph 3 worded as follows:

"The share capital of the company shall be subject to a conditional increase of up to € 11,625,000.00 by the issue of up to 4,650,000 new registered non-par value shares with entitlement to profits from the beginning of the business year in which they are issued.

The conditional capital shall serve to grant subscription and/or conversion rights to the holders of option Bonds and/or convertible Bonds that are issued by the company or a Group Company in accordance with the authority of the General Meeting of the company on 20 June 2007. New shares shall be issued in accordance with the option price or conversion price resolved as Item 9 of the agenda of the General Meeting of the company held on 20 June 2007.

The conditional capital increase shall only take place to the extent that the holders and/or creditors of subscription or conversion rights make use of these rights or to the extent that the holders with a conversion obligation fulfil this obligation and to the extent that no cash settlement is granted

and that no own shares or shares created from authorised capital are used for servicing purposes. The Management Board shall be authorised to establish the further details of the implementation of a conditional capital increase (conditional capital 2007)."

Management Board report on Item 8 of the agenda

Pursuant to section 71, para. 1, no. 8, clause 5, section 186, para. 3, clause 4 and para. 4, clause 2 of the AktG, the Management Board wishes to submit the following report on Item 8 of the agenda on the grounds for the proposed authority of the Management Board to exclude the shareholders' subscription right in the sale of own shares of the company.

The report will be available at the Internet address <http://www.kloeckner.de/investor/de/hauptversammlung.php> from the date on which the General Meeting is called. It is also available for viewing at the company's premises, at Am Silberpalais 1, 47057 Duisburg, and in the meeting room for the duration of the General Meeting. Shareholders will be sent a copy of this report free of charge on request. The contents of the report are as follows:

In line with the usual international practice, the provision of sec. 71, para. 1, no. 8 AktG is intended to enable the company to use the acquisition of own shares as an additional financial instrument.

The Management Board and the Supervisory Board put it to the General Meeting that the company should be authorised to acquire own shares so that it may use the benefits associated with such an acquisition in the interest of the company and its shareholders.

The proposed authorisation will enable the company to acquire own shares up to 10 % of the current share capital by 19 December 2008. This ensures observance of the highest admissible limit.

Acquisitions may only be done via the stock exchange or on the basis of a public bid to all shareholders. This ensures compliance with the obligations stipulated by sec. 71, para. 1, no. 8, clauses 3 and 4 AktG on the equal treatment of all shareholders.

The authorisation provides for the fact that the acquired own shares may be sold to third parties with the exclusion of shareholders' subscription rights where this is done for the purpose of acquiring companies, parts of companies and/or stakes in companies or for the purpose of servicing option Bonds and/or convertible Bonds that were issued on the basis of the resolution under Item 9 of the agenda of this General Meeting. In these cases, it should be made possible for the Management Board to be able to offer shares in the company consideration for the acquisition of these companies or stakes in companies and/or to grant the holders of option rights and/or conversion rights shares for the fulfilment of their claims without having to perform a capital increase.

As a result of national and international competition, it increasingly has to be possible to be able to offer not money, but shares as consideration in the acquisition of companies or stakes in other companies. The proposed authority provides the company with the necessary flexibility to use own shares as currency for acquisitions and thereby to be able to react fast and flexibly to attractive offers to acquire companies or stakes in companies. Account is also taken of this by the proposed authority to exclude shareholders' subscription rights. The Management Board will report to the General Meeting regarding any exploitation of this authority.

The proposed authority also provides for the sale of own shares to third parties in other ways than via the stock exchange or by way of a public offer to all shareholders, where own shares are sold in return for a cash payment at a price that does not significantly undercut the relevant stock exchange price. This is intended to ensure that the company issues shares to institutional

investors, financial investors or other cooperating partners and by setting prices close to the market rate, achieves as high a sale value as possible and ensures the greatest possible reinforcement of equity. This type of sale involves an exclusion of the subscription right of the shareholders, which is legally admissible as it corresponds to the simplified exclusion of subscription rights of sec. 186, para. 3, clause 4 AktG. This authority may only be exercised for up to 10 % of share capital including the company's existing authority to exploit approved capital but excluding the subscription right pursuant to sec. 186, para. 3, clause 4 AktG. This ensure that the legally admissible maximum limit of 10 % of basic capital for such a simplified exclusion of subscription rights (sec. 186, para. 3, clause 4 AktG) is not exceeded. The Management Board will report to the General Meeting regarding any exploitation of this authority.

Cancelling acquired own shares without a further resolution in the General Meeting ultimately enables the company to use the share capital reduction associated with cancellation in order to quickly and flexibly adjust its equity to the demands of the capital market.

Management Board report on Item 9 of the agenda

Pursuant to section 221, para. 4, clause 2, section 186, para. 3, clause 4 and para. 4, clause 2 AktG, the Management Board wishes to submit the following report on Item 9 of the agenda on the grounds for the proposed authority of the Management Board to issue option Bonds and/or convertible Bonds (hereinafter "Bonds") with the exclusion of the shareholders' subscription rights.

This report will also be available at the Internet address <http://www.kloeckner.de/investor/de/hauptversammlung.php> from the date on which the General Meeting is called. It is also available for viewing at the company's premises, at Am Silberpalais 1, 47057 Duisburg, and in the meeting room for the duration of the General Meeting. Shareholders will be sent a copy

of this report free of charge on request. The contents of the report are as follows:

The proposed authorisation to issue Bonds with a total ancillary value of up to € 350,000,000.00 is intended to enable Klöckner & Co. AG to expand the financing of its activities and will, with the Supervisory Board's approval, provide the Management Board with fast and flexible financing that will be in the company's interest, particularly where favourable capital market conditions exist.

In principle, our shareholders are entitled to their statutory subscription right to the Bonds. In order to make the process easier, provision can be made for the Bonds to be issued to a credit institution or a syndicate of credit institutions with the obligation to offer the Bonds to the shareholders for subscription in accordance with their current participating quota (so-called "indirect subscription right"). The Management Board should also be entitled – with the Supervisory Board's approval – to exclude the statutory subscription right of shareholders in certain cases.

The envisaged exclusion of the subscription right for fractional shares enables the offered authority to be exercised for complete amounts. This exclusion of subscription rights is sensible and is usual in practice because where fractional shares are concerned, the costs of trading in subscription rights are usually unreasonably disproportionate to the related benefits for the shareholders. Owing to the restriction to fractional shares, the dilution effect remains negligible. The Bonds thereby excluded from the subscription right are thus best realised.

Excluding the subscription right in favour of the owners of any Bonds to be issued in future serves to ensure that the holders of these Bonds are in the same position as they would have been, had they already made use of their rights arising from the Bonds and were already shareholders. This protection against dilution prevents the option price or conversion price from ever being reduced for the issued Bonds. This ensures a higher sales revenue

overall. The issue amount for new shares must correspond to 135 % of the share price determined at a time close to the issue of the Bonds.

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The Management Board should finally be authorised – with the approval of the Supervisory Board – to exclude the shareholders' subscription right if Bonds are issued at a price that does not significantly undercut the theoretical market value of these Bonds as calculated by recognised actuarial methods. This means that the company is given the opportunity to make fast and short-term use of favourable market situations and to achieve better interest rate conditions and a better option price or conversion price for the Bonds by fixing conditions more in line with the market. This would not be possible if the statutory subscription rights were observed. Sec. 186, para. 2 AktG permits disclosure of the subscription price (and of the conditions in the case of Bonds) by the third-last day of the subscription period. However, owing to the volatility of share markets, the market risk lasting several days would lead to reductions in security with regard to the fixing of the conditions of the Bond and thus to conditions that are less in line with the market. Moreover, because of the uncertainty surrounding the exercising of statutory subscription rights, their observance endangers the successful placing of Bonds with third parties or results in additional expense. Ultimately, the length of the minimum two-week subscription period to be adhered to when observing statutory subscription rights slows the reaction to favourable or unfavourable market conditions, which may result in sub-optimal capital procurement.

In this exclusion of subscription rights, the shareholders' interests are observed by the fact that the Bonds may not be issued significantly under their theoretical market value, thereby reducing the calculated value of the subscription right virtually to zero. The resolution thus provides that the Management Board, before issuing the Bonds, must have reached the conclusion that the intended issue amount does not lead to an appreciable dilution of the value of the shares. If the Management Board considers it

appropriate to obtain expert advice in the situation at hand, it is entitled to consult experts, e.g. the syndicate banks supervising the issue, an independent investment bank or a specialist authority, to provide the Management Board with confirmation, in an appropriate form, that no appreciable dilution of the share value is to be expected. Irrespective of the examination by the Management Board, a determination of conditions in line with the market is guaranteed, as already mentioned, in the event of a bookbuilding procedure. Although according to the proposed authorisation, the Bonds are offered at a fixed issue price; individual bond conditions are established on the basis of the purchase orders made by investors and the overall value of the Bonds thereby determined close to the market. All of the above ensures that there will be no appreciable dilution of the value of the shares by the exclusion of subscription rights. Also, this type of exclusion of subscription rights is restricted to Bonds with rights to shares with not more than 10 % share of share capital at the time of the resolution or – if this value is lower – at the time when the authority is exercised. Within this scope, the legislator deems it reasonable to expect the shareholders to maintain their participation quota by purchases on the market. This 10 % limit must make allowance for the shares in Klöckner & Co AG which are issued by direct or corresponding application of sec. 186, para. 3, clause 4 AktG during the period of the authority until the date when it is exercised, or which are sold by the company.

Participation at the General Meeting

At the time of the convocation of this General Meeting, the company's share capital in the amount of € 116,250,000.00 is divided into 46,500,000 non-par value shares, each carrying voting rights.

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Those shareholders are entitled to participate at the General Meeting and to exercise their voting right who have registered with the company at the address below

Klöckner & Co Aktiengesellschaft
Aktionärsservice
P.O. Box 94 60 03
69946 Mannheim
Germany

Fax: +49 (0) 180 500 1853 (0.12 Euro/Min.)

in writing or by fax by no later than the close of 13 June 2007 (24.00 CEST) and who are listed in the company's shareholders' register upon receipt of their application by the company. Forms for written applications are attached to the invitation documents sent to all shareholders listed in the shareholders' register.

Shareholders who do not wish to attend the General Meeting in person may have their voting rights exercised by proxies, e.g. by a credit institution or an association of shareholders. Even in this case, registrations must be submitted on time.

If neither a credit institution nor an association of shareholders is authorised, the power of authorisation is to be issued in writing or by fax.

For logistical reasons, share transfers cannot be registered with the share register during the immediate preparation of the General Meeting, i.e. shareholders whose filings for transfer are received after 13 June 2007 will, as a matter of fact, not be able to exercise their participation and voting rights at the General Meeting. In such case, the participation and voting rights associated with shares in question will remain with the former shareholder still registered. All holders of shares in the company not yet registered with the company register are therefore requested to make their transfer filings as soon as practicable.

Voting by Proxy

We offer our shareholders the opportunity to authorise a company-nominated, non-discretionary proxy before the General Meeting. Where company-nominated proxies are authorised, they must be instructed on how to exercise their voting rights. Without such instructions, their authority is invalid. Proxies are obliged to vote in accordance with these instructions.

Power of authorisation and instructions can be issued under the following address by 13 June 2007 (24.00 CEST) in writing or by fax:

Klöckner & Co Aktiengesellschaft
Aktionärsservice
P.O. Box 94 60 03
69946 Mannheim
Germany

Fax: +49 (0) 180 500 1853 (0.12 Euro/Min.)

Our shareholders will receive more details on the authorisation and instructions with their admission ticket. Please note that proxies of the company are unable to accept any authorisation or mandate for the exercise of the right to speak and ask questions at the General meeting, the tabling of motions and the filing of objections against shareholders' resolutions and that proxies will always abstain on motions tabled by shareholders during the General Meeting if these motions were not previously announced.

Motions and election nominations

Motions and election nominations by shareholders on one or more items on the agenda should only be sent to:

**Klöckner & Co Aktiengesellschaft
Zentralbereich Recht
Am Silberpalais 1
47057 Duisburg
Germany**

Fax: +49 (0) 203 307 5050

All motions of shareholders to be made available in accordance with secs. 126 and 127 AktG shall be published without undue delay, together with any comments of the administration, in the internet under <http://www.kloeckner.de/investor/de/hauptversammlung.php>.

**Notifications pursuant to sec. 128 para. 2 sentences
6 to 8 AktG**

The following credit institutions, within a period of five years, assumed the most recent issue of securities:

- UBS Limited, London
- Deutsche Bank AG, Frankfurt am Main
- J.P. Morgan Securities Ltd. London

Duisburg, May 2007

Klöckner & Co Aktiengesellschaft

The Management Board

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