

## Press Release

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Date 11/02/2023

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### **Klöckner & Co acquires US metal components fabricator Industrial Manufacturing Services**

- Acquiring highly profitable company with annual sales of around USD 30 million
- Significant expansion of metal fabrication business in the USA
- Acquisition provides an attractive growth opportunity with existing and new customers

**Lancaster (SC), USA / Duisburg, Germany, November 2, 2023** – Klöckner & Co has agreed to acquire Industrial Manufacturing Services (IMS) through its U.S. subsidiary Kloeckner Metals Corporation (KMC). The transaction marks a further milestone in the implementation of Klöckner & Co's corporate strategy "Klöckner & Co 2025: Leveraging Strengths" whereby the company is consistently expanding its product and service portfolio along the value chain towards customers. As part of this strategy, Klöckner & Co intends to expand its fabrication portfolio to benefit from the highly profitable fabrication business and from being significantly less dependent on steel price developments. The acquisition of IMS fully contributes to this strategy. The parties agreed not to disclose the purchase price or further details. The consolidation of the business will take place from the beginning of November 2023.

Guido Kerkhoff, CEO of Klöckner & Co SE: "The acquisition of IMS is the second significant transaction in just a few months which will accelerate the expansion of our product and service portfolio in line with our corporate strategy 'Klöckner & Co 2025: Leveraging Strengths'. We intend to become the best vertically integrated supplier for OEMs in North America."

John Ganem, CEO of Kloeckner Metals Corporation: "Today we are taking another milestone in transforming KMC. We will significantly expand our metal fabrication business along our customers' value chains. In addition, IMS will add unrivaled expertise in welding and finished parts manufacturing to our unique product portfolio."

Headquartered in Lancaster (SC), USA, IMS provides fabrication, welding, assembly as well as just-in-time warehousing of light to medium size sub-assemblies to OEMs of the

heavy machinery industry. KMC intends to build on this growth opportunity, attract new customers within the market, and further develop existing relationships with OEMs. Moreover, the acquisition enables KMC to add IMS's strong expertise in welding and finished parts manufacturing to its existing service portfolio and to implement it at other KMC facilities throughout North America. As a result, KMC will significantly strengthen its leading position within the market and further differentiate its offering from competitors.

### **About Klöckner & Co:**

Klöckner & Co is one of the largest producer-independent distributors of steel and metal products and one of the leading steel service companies worldwide. Based on its distribution and service network of around 160 sites in 13 countries, Klöckner & Co supplies more than 90,000 customers. Currently, the Group has around 7,800 employees. Klöckner & Co had sales of some €9.4 billion in fiscal year 2022. With the expansion of its portfolio of CO<sub>2</sub>-reduced materials, services and logistics options under the new Nexigen® umbrella brand, the company is underscoring its role as a pioneer of a sustainable steel industry. At the same time, Klöckner & Co leads the way in the steel industry's digital transformation and has set itself the target of digitalizing and largely automating its supply and service chain. In this way, the Company aims to develop into the leading one-stop shop for steel, other materials, equipment and processing services in Europe and the Americas.

The shares of Klöckner & Co SE are admitted to trading on the regulated market segment (Regulierter Markt) of the Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) with further post-admission obligations (Prime Standard). Klöckner & Co shares are listed in the SDAX® index of Deutsche Börse.

ISIN: DE000KC01000; WKN: KC0100; Common Code: 025808576.

### **About Kloeckner Metals Corporation:**

Kloeckner Metals Corporation (KMC) is a subsidiary of Klöckner & Co headquartered in Roswell, Georgia. It is one of the largest distributors of steel and metal products and one of the leading steel service companies in North America. The company has around 2,700 employees at 57 branches across the USA and Mexico and generated pro forma sales of USD 5.4 billion in fiscal year 2022. KMC is committed to delivering the latest fabrication and processing technologies and the most innovative supply chain solutions to its customers. The company also provides access to electrical steel, aluminum, and stainless steel, especially serving automotive and industrial end markets in North America.

### **About Industrial Manufacturing Services**

Industrial Manufacturing Services (IMS) is a manufacturer of metal fabricated components serving OEMs of the heavy machinery industry in North America. The service portfolio of IMS includes fabrication, welding, assembly, as well as just-in-time warehousing of light to medium size sub-assemblies. The company operates one facility in Lancaster, South Carolina. IMS currently has around 100 employees and generates

annual sales of around USD 30 million. With a proven track record in quality and delivery requirement adherence, IMS is committed to providing its customers with value-adding services along the value chain.

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