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**Press Releases**

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**KLÖCKNER & CO PRICES CONVERTIBLE BOND OFFERING**

- Coupon of 1.50%
- Conversion price set at EUR 80.75

The management board of Klöckner & Co AG ("Klöckner & Co") announces the pricing of its offering (the "Offering") to institutional investors outside of the US only of EUR 325 million, senior unsecured convertible bonds (the "Bonds"), including the immediate exercise of the increase option of EUR 25 million. "We are pleased about the successful placement of the convertible bonds. The proceeds from the sale of the convertible bonds will be partly used for continuing our successful acquisition strategy," commented Dr. Thomas Ludwig, CEO at Klöckner & Co AG.

The Bonds will be issued by Klöckner & Co Finance International S.A. (the "issuer"), a wholly-owned Luxembourg subsidiary of Klöckner & Co, guaranteed by Klöckner & Co, and will be convertible into existing or new shares of Klöckner & Co.

The Bonds will have a maturity of five years and a coupon of 1.50 per cent. The conversion price has been set at EUR 80.75, which represents a premium of 35 per cent above the reference price of EUR 59.8146 and approximately 405 per cent above the IPO price.

Deutsche Bank AG and JPMorgan are acting as joint bookrunners and lead managers for the Offering.

The issuer has granted the lead managers a greenshoe option of up to EUR 25 million to cover over-allotments (if any) exercisable until the settlement date (27 July 2007). The issue size can



therefore reach up to EUR 350 million which, based on the conversion price, could result in up to approximately 4.3 million shares underlying the bond at the outset.

