

Klöckner & Co SEAm Silberpalais 1
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E-Mail: pr@kloeckner.comInternet: www.kloeckner.com**Klöckner & Co SE reports lower earnings in first quarter of 2019**

- Operating income (EBITDA) down to €34 million (Q1 2018: €56 million)
- Sales up by 4.6% to €1.7 billion (Q1 2018: €1.6 billion)
- Sales via digital channels increase further to 27% (Q1 2018: 19%)

Duisburg, Germany, April 30, 2019 – Klöckner & Co reports price-driven sales growth of 4.6% to €1.7 billion in the first quarter of 2019. Operating income (EBITDA), at €34 million, was below the €56 million recorded in the first quarter of 2018. While Klöckner & Co benefited from a very positive price environment in the first quarter of the prior year, earnings in the first three months of fiscal year 2019 were impacted by negative price effects. Demand was also down, primarily due to the weakness of the European automotive sector. Compared with net income of €21 million in the prior-year quarter, the net loss amounted to €10 million. As a result, earnings per share were €-0.10 (Q1 2018: €0.21).

Digitalization of the supply and value chain as well as expansion of the XOM Materials independent industry platform are core components of the “Klöckner & Co 2022” strategy. The proportion of sales generated through digital channels further increased to 27% in the first quarter of 2019 (Q1 2018: 19%). XOM Materials likewise continued its dynamic growth, with 17 contracted distributors and 230 customers on the platform in April 2019. Additionally, XOM Materials was launched in the USA in the first quarter of 2019. The Group’s digital unit, kloeckner.i, began providing consulting services to external companies during the reporting period. An initial consulting project with a DAX 30 company is already being implemented.

In light of negative price effects and a slowdown in demand – notably in the automotive business – Klöckner & Co expects to generate operating income (EBITDA) of €50 million to €60 million



in the second quarter and full-year EBITDA of €180 million to €200 million before significant non-recurring items.

With regard to EBITDA after significant non-recurring items, the aforementioned negative impact will be mainly compensated by the sale of one site in the United Kingdom with an expected gain of more than €30 million.



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 locations in 13 countries, Klöckner & Co supplies more than 100,000 customers. Currently, the Group has around 8,500 employees. Klöckner & Co had sales of some €6.8 billion in fiscal 2018. As a pioneer of change in the steel industry, Klöckner & Co is in the process of digitalizing its entire supply and value chain. In addition, its digital unit, kloeckner.i., is increasingly providing consulting services for external business clients. XOM Materials, an independent venture launched by the Klöckner & Co Group, is geared to develop into the leading industry platform for steel, metal and related products.

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.

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