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E-Mail: pr@kloeckner.comInternet: www.kloeckner.com**Klöckner & Co with earnings down in third quarter 2019**

- Operating income (EBITDA) before material special effects €26 million, within the €25 million to €35 million guidance range
- Share of Group sales generated via digital channels further increased to 30% (Q3 2018: 22%)
- Full-year 2019 EBITDA guidance between €120 million and €130 million before material special effects

Duisburg, Germany, October 30, 2019 – As a result of low steel prices and weak demand, Klöckner & Co recorded a significant year-on-year decrease in operating income (EBITDA) before material special effects to €26 million in the third quarter of 2019 (Q3 2018: €59 million). The Company generated a net loss of €23 million, compared with net income of €22 million in the prior-year period. Earnings per share consequently amounted to -€0.23 (Q3 2018: €0.22).

The sales share generated via digital channels further increased to 30% (Q3 2018: 22%). In addition, another major partner has been recruited in the shape of edding AG, the internationally leading specialists in color application and visual communication. The company has already begun selling products on the Klöckner marketplace.

Digital subsidiary kloeckner.i has launched an artificial intelligence project for Klöckner & Co customers to become digital customers without altering their procurement processes. They can send quotation requests or orders to Klöckner by email with PDF attachments, by fax or phone as before and receive an offer or order confirmation in real time. The fully automated



processing will not only significantly reduce manual effort, it will also considerably accelerate the entire ordering process from quotation request to offer preparation and order placement.

The product range on the independent industry platform XOM Materials has also been further expanded to over 10,400 different products. No fewer than 30 of the 43 distributors that have been signed in Europe and North America are already linked up with the platform.

Klöckner & Co anticipates that prices and quantities will decrease in the fourth quarter, both in Europe and in the USA. Taking these trends into account, the Company expects EBITDA for the full year 2019 of between €120 million and €130 million before material one-off effects (2018: €229 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 8,400 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.

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