

Press release

Metal Industry Acquisition : Hempel Special Metals GmbH takes over Edelstahl Service Betrieb GmbH from HEINZ GOTHE GmbH & Co. KG of Moenchengladbach (Germany)

- Acquisition stimulates the metal processing industry
- Hempel Special Metals consistently strengthens its market position
- Family run Company Groups further intensify their cooperation

OBERHAUSEN/MOENCHENGLADBACH, xx. September 2009. Hempel Special Metals GmbH (HSM) the Oberhausen (Germany) operating materials specialist has taken over Edelstahl Service Betrieb GmbH (ESB) the Moenchengladbach (Germany) company. ESB was a part of the HEINZ GOTHE GmbH & Co. KG, tube manufacturer and fabricator in Moenchengladbach-Rheydt (Germany). HSM is part of the international F.W. Hempel & Co. Group of companies.

The acquisition will stimulate the metal working industry in the Rhine-Ruhr region: „We are strengthening our position in the processed and pre fabricated parts market segment “, states André Hempel, CEO of Hempel Special Metals Group: „HSM is consistently expanding its business in corrosion resistant alloys, nickel alloys and titanium”.

ESB's material and processing programme will complement HSM's own products and services. The Moenchengladbach facilities produce blanks by modern cutting methods, eg, plasma, laser and water jet technology. Plate bending, shearing, and plate punching complement these processing services.

HSM has already developed a strong international position as a distribution specialist for high performance metals and alloys. „The acquisition of ESB is a further step forward to establish ourselves as a “turnkey supplier”, says Hempel. The Oberhausen company not only offers standard semi finished product, but is also selling more and more processed and pre fabricated parts.

HSM operates a world wide sales network and has international market knowhow for various industrial applications. ESB can now take advantage of that. „The company will get the opportunity to expand its successes into export markets and to enter into new market segments“, says Hempel. That includes for example processing of high heat and corrosion resistant alloys, of nickel and titanium. HSM already has a leading position in this market segment.

For many years the Moenchengladbach Gothe-Group has been one of HSM's key customers. Both family-owned Groups wish to further intensify their cooperation. The former daughter company ESB will continue providing Gothe with processed parts and further support their tube sales. „The transaction confirms and extends the long standing close cooperation between the family-controlled Company Groups Hempel and Gothe“, says Hempel. „To the benefit of both companies the strengths of HSM and ESB are merged”

The acquisition was concluded by the notarized transfer of shares on August 31, 2009

The Companies:

Hempel Special Metals GmbH (further information on www.hempel-metals.com)

Hempel Special Metals GmbH located in Oberhausen is a Division of F.W. Hempel & Co Group of Companies of Düsseldorf who have been in business over 50 years. The family owned and managed Group has world wide activities in the fields of raw materials and semi finished products, trading and production/recycling. HSM stocks and processes corrosion and heat resisting stainless steels, nickel alloys, titanium and titanium alloys in different locations in Europe and Asia.

HEINZ GOTHE GmbH & Co. KG (further information on www.gothe-edelstahl.de)

The Gothe-Group produces tubes, tanks, process equipment and installs them. Customers are in the paper, chemical and food industries as well as having markets active in the environment, power generation and the process industries. The company was founded in 1920 in Dueren (Germany). From 1945 the company has operated from Moenchengladbach-Rheydt.

Edelstahl Service Betrieb GmbH (further information on www.esb-mg.de)

The Moenchengladbach company sells corrosion and heat resistant alloys from stock, cuts and processes them in their own service centre and produces pre fabricated parts. Processing stainless plate and sheet on the companies' own plasma, laser and water jet equipment, bending facilities, and shearing are the major areas of business. ESB supplies to fabricators, machinery and construction companies, as well as the building industry. The company achieved a turnover of 15 Million euro in 2008 and employs 22 people

Contact for the press

André Hempel

CEO of Hempel Special Metals Group

E-Mail: Andre.Hempel@hempel-metals.com