



## Media release

### **SCHMOLZ + BICKENBACH expects deterioration of business results in the second half of 2015**

- **Order intake, sales volume and revenue deteriorated mainly on the back of lower demand from the oil and gas industry**
- **Decreased raw material prices burden business results through write-down of inventories**
- **Previously expected range for EBITDA 2015 of EUR 190 million – EUR 230 million lowered to EUR 160 million – EUR 180 million**

Lucerne, 13 October 2015 – SCHMOLZ + BICKENBACH AG, a global leader in special long steel (such as tool steel, stainless steel, and engineering steel) listed on the SIX Swiss Exchange (SIX: STLN), had to experience decreases in order intake, sales volume and revenue until August 2015. The ongoing and significant decrease of raw material prices led to additional inventory write-downs. The news on a cooling-down of the Chinese economy resulted in further pressure on the raw material prices which was not expected in that extent. Lower prices for raw materials and alloying elements increased the pressure on the base prices and lead to lower revenue due to the lower alloying surcharge. Furthermore, due to the low oil price, the oil and gas business nearly came to a standstill. The ongoing weakness of the crude oil price makes it more unlikely that the formerly expected recovery of the oil & gas business will happen in the second half year 2015.

In this environment the Company does no longer expect to meet its previous EBITDA range of EUR 190 million – EUR 230 million. In its latest forecast, SCHMOLZ + BICKENBACH now expects to achieve an EBITDA of EUR 160 million – EUR 180 million in the full year 2015.

Additionally to the established result improvement program the Company has identified and implements further measures in response to the adverse market developments. The Company will inform in due time about the effectiveness and EBITDA effects of these measures.

Next date for the regular financial reporting is the publication of the interim report on the first nine months of 2015 which SCHMOLZ + BICKENBACH will publish on 12 November 2015.

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**About SCHMOLZ + BICKENBACH**

Today, the SCHMOLZ + BICKENBACH Group is one of the world's leading providers of customised solutions in the special long steel products business. A global name in tool steel and stainless long steel, the Group is one of the two largest companies in Europe for alloy and high-alloy special and engineering steel. With around 9 000 employees at its own production and distribution companies in 35 countries across five continents, the Company supports and supplies customers wherever they operate. Besides a comprehensive Production and Sales & Services portfolio, customers benefit from the Company's technological expertise, consistent high quality worldwide and in-depth knowledge of local markets.

**Forward-looking statements**

Information in this release may contain forward-looking statements, including presentations of developments, plans, intentions, assumptions, expectations, beliefs and potential impacts as well as descriptions of future events, income, results, situations or outlook. They are based on the Company's current expectations, beliefs and assumptions, which are subject to uncertainty and may differ materially from the current facts, situation, impact or developments.

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