

Heraeus Media Information

Hanau, December 5, 2016

Negotiations successfully concluded: Heraeus signs contract with Materion Corporation, a company headquartered in the United States, regarding sale of its global target businesses

Negotiations regarding the sale of the target businesses of Heraeus, a technology group in Hanau, to the Materion Corporation (NYSE: MTRN), headquartered in Mayfield Heights, Ohio, have been concluded. The two sides signed a contract for the sale on Friday, December 2. The Heraeus target businesses are located in Hanau, the United States, Taiwan and China. In Hanau, some 110 employees will transfer to a new Materion unit in Germany. The transaction, scheduled for completion at the end of February 2017, is still subject to approval by the antitrust authorities. Negotiations continue regarding the Heraeus site in Singapore, where surface coatings for hard disks are manufactured. This allows initiating the process with the antitrust authorities and thus accelerating the whole transaction process.

Sale offers new prospects and a better focus on Heraeus's growth markets

"We are pleased that we were able to successfully conclude constructive negotiations with Materion," says Jan Rinnert, Chairman of the Board of Management of Heraeus Holding GmbH. "We can now focus more consistently on the businesses where we have a strong competitive position along with very good opportunities for growth. At the same time, the merger offers new prospects for employees in the departments taken over by Materion."

Materion plans to build a new facility in the Rhine-Main area as its European headquarters. Options for construction of a new factory currently include sites in Alzenau and Hanau-Wolfgang. A decision is expected in the weeks ahead. The newly built production facilities is scheduled to be available for the beginning of 2018.

Targets are used for surface coatings in industry and in chip manufacturing. Heraeus produces targets mainly for specialized applications, such as large-area glass coatings, but is also active in the hard drive, electronics and display component markets. However, Heraeus did not have critical mass in these markets.

About Materion:

The Materion Corporation is headquartered in Mayfield Heights, Ohio, USA. From its roots as a family-owned company in the precious and non-precious metals business, Materion and its subsidiaries have been active for more than 100 years. Today, Materion is a market-listed corporation with numerous sites in the United States and Asia. In fiscal year 2015, with a workforce of about 2,500 employees, it generated revenues of approximately €0.9 billion (US\$1.0 billion). The company supplies its global markets with an extensive product line of highly developed materials. Its activities include the processing of precious metals and non-precious special metals, inorganic chemicals and powders, special alloys, specialized products from beryllium alloys, beryllium and beryllium composites, and metal plating.

About Heraeus:

Heraeus, the technology group headquartered in Hanau, Germany, is a leading international family-owned company formed in 1851. With expertise, a focus on innovations, operational excellence and an entrepreneurial leadership, we strive to continuously improve our business performance. We create high-quality solutions for our clients and strengthen their competitiveness in the long term by combining material expertise with technological know-how. Our ideas are focused on themes such as the environment, energy, health, mobility and industrial applications. Our portfolio ranges from components to coordinated material systems which are used in a wide variety of industries, including the steel, electronics, chemical, automotive and telecommunications industries. In the 2015 financial year, Heraeus generated revenues without precious metals of €1.9 bn and a total revenue of €12.9 bn. With approximately 12,500 employees worldwide in more than 100 subsidiaries in 38 countries, Heraeus holds a leading position in its global markets. In 2016, Heraeus was named one of the Top 10 Family Businesses in Germany by the Foundation for Family Businesses.

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