

**Finmetal Investitions GmbH & Co. KG
Osnabrück**

**Voluntary Public Tender Offer
To The Shareholders Of**

KM Europa Metal Aktiengesellschaft

Securities Identification Number 600 300

Finmetal Investitions GmbH & Co. KG offers to the shareholders of KM Europa Metal AG to acquire all their KM Europa Metal shares for the price of

€ 59,-- per share.

The offer price is € 8,20, i.e. 16,1 %, above the average official cash settlement price of the KM Europa Metal share on the Frankfurt Stock Exchange during the three months period prior to the announcement of this offer on September 28th, 1999. At the same time, the offer price is above the 1999 high of the KM Europa Metal share, which on May, 28th, 1999, was fixed at € 55,--.

The tender offer is unrestricted and is valid for all KM Europa Metal shares not yet held by Finmetal Investitions GmbH & Co. KG.

SMI Societa Metallurgica Italiana-Gruppe (SMI-group)

Finmetal Investitions GmbH & Co. KG is a indirect 100 % subsidiary of SMI Societa Metallurgica Italiana SpA (SMI), Rom, which in turn is a 49,4 % subsidiary of Generale Industrie Metallurgiche spa (GIM), Firenze. SMI Metallurgica Italiana SpA was founded in 1886; SMI and GIM are holding companies, both listed on the Milan Stock Exchange. GIM is controlled by a syndicate of shareholders which, in turn, is controlled by the Orlando family, who was the original founder of the group.

In 1990, Finmetal Investitions GmbH & Co. KG acquired 76,91 % of the share capital of what was then called Kabel Metall AG (legal predecessor) from MAN AG. Subsequently, Finmetal Investitions GmbH & Co. KG increased its stake in KM Europa Metal AG by purchasing additional shares and now holds a total of 84,38 % of KM Europa Metal AG's share capital.

Reasons for the voluntary public tender offer

The SMI-group plans to integrate further KM Europa Metal AG into the group. SMI intends to increase its shareholding in KM Europa Metal AG and to delist the KM Europa Metal shares from all stock exchanges.

Accordingly, the voluntary public tender offer shall put the minority shareholders, who do not want to remain shareholders of a non-listed company, in the position to sell their shares at an attractive price.

Offer, Period, Procedure

Finmetal Investitions GmbH & Co. KG therefore submits to the shareholders of KM Europa Metal AG the offer to acquire their KM Europa Metal shares with attached dividend coupons No. 34 ff. and the talon (securities identification number 600 300)

at the price of € 59,-- per share.

The tender offer is binding and not made under any conditions.

KM Europa Metal AG shareholders who wish to accept this tender offer are requested to register and deliver their shares during the period

of October 4th until December 2nd, 1999

during usual business hours with any domestic branch of

Bayerische Hypo- und Vereinsbank AG.

The purchase agreement is concluded upon due registration and delivery of the shares. The sale of the shares under this offer will be free of commission and charges for the shareholders of KM Europa Metal AG.

The purchase price will be paid without undue delay after transfer of the shares to Bayerische Hypo- und Vereinsbank AG.

Announcement of Result

It is anticipated that Finmetal Investitions GmbH & Co. KG will announce until December 9th, 1999 the total number of KM Europa Metal shares acquired pursuant to this tender offer.

Equal Treatment

If, during the offer period, Finmetal Investitions GmbH & Co. KG acquires KM Europa Metal shares at a higher price than the price offered hereby, such higher price will also apply to all shareholders of KM Europa Metal AG who will accept this tender offer.

If, until December 4th, 2000 Finmetal Investitions GmbH & Co. KG offers, through an other voluntary offer, a higher price for KM Europa Metal shares and if by then no offer for shares in KM Europa Metal has been made by a third party, then such higher price will also apply to those KM Europa Metal shareholders who will accept this tender offer.

Right of Withdrawal

If, until December 2nd, 1999 KM Europa Metal shareholders receive from a third party a public offer for the acquisition of KM Europa Metal shares at a higher price, KM Europa Metal shareholders who have by then already accepted this tender offer, will have the right to withdraw from their already concluded sale in order to accept the higher offer. Such withdrawal must be declared in writing and notice to this effect must be received by any branch of Bayerische Hypo- und Vereinsbank by 12.00 am on December 3rd, 1999 at the latest.

Advisor, Coordination

By order of Finmetal Investitions GmbH & Co. KG, Bayerische Hypo- und Vereinsbank AG acted as advisor with respect to the preparation and implementation of this voluntary tender offer and will coordinate the execution of this transaction.

Takeover Code

For the purpose of this tender offer, Finmetal Investitions GmbH & Co. KG agrees to comply with the Takeover Code (version of November 28, 1997) as drawn up by the „Börsensachverständigen-Kommission“ at the Federal Ministry of Finance. The office of the Takeover Panel has confirmed that this public tender offer is in accordance with the provisions of the Takeover Code.

Offering Restrictions

The tender offer described herein (the „Tender Offer“) is not being made, directly or indirectly, in the United States of America („the U.S.“), Canada, Australia or Japan, nor may it be accepted in or from, the U.S., Canada, Australia or Japan. Accordingly, copies of this tender offer document or any other document related to the Tender Offer are not being, and should not be, mailed or otherwise forwarded or distributed or sent in or into the U.S., Canada, Australia or Japan.

This tender offer document does not constitute an offer to tender, or a solicitation of an offer to tender, Bayerische Hypo- und Vereinsbank AG shares in or from any jurisdiction where, or by or to any person to whom, it is unlawful to make such offer or solicitation. No action has been or will be taken in any jurisdiction that would permit the Tender Offer to proceed or a possession or distribution of this document or any other offering or publicity material relating to the Tender Offer or the Bayerische Hypo- und Vereinsbank AG shares in any country where action for that purpose is required, other than the Federal Republic of Germany.

Osnabrück, September 1999

Finmetal Investitions GmbH & Co. KG

KM Europa Metal Statement

KM Europa Metal AG has taken notice of the tender offer and has commented as follows: With view to the average KM Europa Metal share price in the recent months, the board assesses the offer price to be attractive. KM Europa Metal AG's management board welcomes the offer because of the conditions stated before and the chances for KM Europa Metal AG's entrepreneurial future.

Osnabrück, September 1999

The Board of Management