

Zekelman Industries, Inc. Announces Launch of Bond Offering In Connection With Previously Announced Refinancing Transactions

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CHICAGO (June 6, 2016) — Zekelman Industries, Inc. (the “Company”), a leading North American manufacturer of steel pipe and tube products, formerly known as JMC Steel Group, Inc., intends to commence an offering (the “Offering”) of \$425 million of senior secured notes due 2023 (the “Notes”) to be offered and sold only to qualified institutional buyers in an unregistered offering pursuant to Rule 144A under the Securities Act of 1933 as amended (the “Act”), and to certain non-U.S. persons in transactions outside the United States in reliance on Regulation S under the Act. The Notes will be guaranteed by the Company’s wholly owned domestic restricted subsidiaries, subject to certain exceptions.

The Company is commencing the Offering in connection with the previously announced amendment to its existing senior secured asset based credit facility, to, among other things, reduce availability to \$350 million, and the previously announced amendment and restatement of its existing senior secured term loan facility, to, among other things, extend the maturity thereof to 2021 and increase the borrowing capacity under a new \$371 million incremental term loan, increasing the total term loan borrowings to an aggregate of \$800 million. The Company expects to use the proceeds from the Offering, borrowings of approximately \$371 million under the Company’s amended and restated senior secured term loan facility and cash on hand, to fund the redemption of all of the Company’s outstanding 8.25% Senior Notes due 2018 (the “2018 Notes”), pay related transaction fees and expenses and for general corporate purposes and working capital purposes. There can be no assurance that the issuance and sale of the Notes will be consummated. The redemption of the 2018 Notes is conditioned upon the closing of the Offering, the closing of the amendment and restatement of the Company’s existing senior secured term loan facility and the closing of the amendment and restatement of the Company’s existing senior secured asset based credit facility.

The Notes will not be registered under the Act or the securities laws of any state or jurisdiction, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

This release shall not constitute an offer to sell or the solicitation of an offer to purchase the Notes, nor shall there be any sale of the Notes in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

This release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, with respect to the Company and its business. These forward-looking statements can be identified by the use of terminology such as “subject to,” “believe,” “expects,” “plan,” “project,” “estimate,” “intend,” “may,” “will,” “should,” “can,” or “anticipates,” or the negative thereof, or variations thereon, or comparable terminology, or by discussions of strategy. Although all of these forward looking statements are believed to be reasonable, they are inherently uncertain.

Readers are cautioned not to place undue reliance on forward-looking statements. The Company cannot guarantee future results, trends, events, levels of activity, performance or achievements. The Company does not undertake and specifically declines any obligation to update, republish or revise forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrences of unanticipated events.

Consequently, such forward-looking statements should be regarded solely as the Company’s current plans, estimates and beliefs.

About Zekelman Industries

Zekelman Industries includes the operating divisions of Atlas Tube, Picoma, Energex Tube, Sharon Tube and Wheatland Tube. It is the largest independent manufacturer of hollow structural sections (HSS) and steel pipe, and the top producer of electrical conduit and elbows, couplings and nipples in North America. Zekelman Industries delivers a broad range of pipe and tube solutions that build its customers’ success.

For more information, contact Zekelman Industries at 312.275.1600 or info@zekelman.com. Or, visit zekelman.com