



# H&K AG / HECKLER & KOCH

**PRESS RELEASE**

**Oberndorf, July 6, 2017**

## **H&K AG: Equity Increase**

July 6, 2017. H&K AG (“Heckler & Koch”), the parent company of the Heckler & Koch Group, announces the proposal for a share capital increase in H&K AG which is expected to provide Heckler & Koch with no less than € 50 million new equity funds. This share capital increase, the resolution for which is scheduled to be taken during the next ordinary shareholder meeting in mid August 2017, will be a combined share capital increase comprising an increase in kind and an increase in cash. Currently Heckler & Koch expects to issue appr. 6.6 million of new shares during this transaction.

A major shareholder of Heckler & Koch has undertaken to provide funds in the amount of € 50 million for the capital increase, and will support the company’s efforts to refinance its 2011 9.50% Senior Secured Notes at a significantly lower debt level than currently. These funds will be provided initially in the form of a shareholder loan to be converted into share capital during the share capital increase to meet the time line of the refinancing of the 2011 9.50% Senior Secured Notes. Minority shareholders of H&K will have the possibility to subscribe for new shares on a pro-rata-basis and on the same economic terms against payment in cash.

**By way of this share capital increase in the amount of € 50 million minimum, Heckler & Koch is able to reduce its financial debt to a maximum of € 170 million.**

### ***About Heckler & Koch***

*The Heckler & Koch Group, in operation for more than 65 years, is a leading manufacturer of small arms with a premium quality product portfolio for the armed forces of the EU, of NATO countries and of NATO-equivalent countries. The Heckler & Koch Group designs, produces and distributes small arms, including rifles, side arms, sub-machine guns, machine guns, grenade launchers and a variety of other related products.*

### **Press Office**

[presse@heckler-koch-de.com](mailto:presse@heckler-koch-de.com)