

First half 2015

- **Volumes sold** **+5.9%**
- **Sales** **€622.9 million**
- **Adjusted EBITDA** **€27.9 million**

On September 15, 2015 the Board of Directors chaired by Eric Jacquet examined the consolidated financial statements for the period ended June 30, 2015, which were subject to a limited review by the Statutory Auditors.

<i>In € millions</i>	Q2 2015	Q2 2014 ⁽¹⁾	H1 2015	H1 2014 ⁽¹⁾
Sales	306.4	286.0	622.9	577.6
Gross margin	74.5	71.8	150.5	142.8
% of sales	24.3%	25.1%	24.2%	24.7%
Adjusted EBITDA ⁽²⁾	13.5	16.1	27.9	29.5
% of sales	4.4%	5.6%	4.5%	5.1%
Operating income	9.6	11.6	20.6	21.6
% of sales	3.1%	4.1%	3.3%	3.7%
Net income (Group share)	4.6	5.9	10.9	10.9

⁽¹⁾ H1 2014 financial statements adjusted in accordance with IFRIC 21 applied in 2015

⁽²⁾ Adjusted for non-recurring items (non-IFRS financial indicators)

Sales and earnings

The Group posted first half sales of €622.9 million, up 7.8% from first half 2014 (volume effect of +5.9% including consolidation changes of +2.4%; price effect +0.7%; exchange rate effect +1.3%).

Second quarter sales rose by 7.1% to €306.4 million (volume effect of +6.1% including consolidation changes of +2.6%; price effect 0%; exchange rate effect +1.1%).

Gross margin as a percentage of sales amounted to 24.2% compared to 24.7% in first half 2014 (24.3% in Q2 2015 compared to 25.1% in Q2 2014).

At constant consolidation scope, current operating expenses increased by 1.7% from first half 2014, mainly in line with the increase in sales (+7.8%).

EBITDA adjusted for non-recurring items amounted to 4.5% of sales (€27.9 million) compared to 5.1% in first half 2014 and operating income represented 3.3% of sales (€20.6 million).

First half 2015 net income (Group share) came to €10.9 million, identical to the first half 2014 result.

Operations and brand development

	 JACQUET	 STAPPERT	ABRASERVICE	 ims
H1 2015	Stainless steel quarto	Long stainless steel	Wear-resistant quarto	Engineering steels
In € millions	plates	products	plates	
Sales	147.8	236.8	34.0	205.3
Change H1 15/H1 14	32.6%	1.3%	1.9%	2.3%
Volume effect	13.4%	-3.1%	-1.4%	5.6%
Change in consolidation	12.4%	0.0%	0.0%	0.0%
Price/exchange rate effect	6.8%	4.4%	3.3%	-3.3%
Adjusted EBITDA ⁽¹⁾	5.5	10.4	0.7	9.5
% of sales	3.7%	4.4%	2.0%	4.6%
Operating income	2.3	9.6	0.4	7.3
% of sales	1.5%	4.1%	1.1%	3.6%

(1) Adjusted for non-recurring items (non-IFRS financial indicators)

Non-brand activities (including Jacquet Metal Service SA) contributed 1.8 million to adjusted EBITDA.

- JACQUET:** First half sales increased to €147.8 million, up 32.6% on first half 2014 driven by a 25.8% increase in volumes (including a +12.4% change in consolidation resulting from the acquisition of the Canadian Rolark group in 2014), a +1.3% price effect and a +5.5% exchange rate effect resulting from changes in the EUR/USD rate. EBITDA was €5.5 million, or 3.7% of sales (compared to €4.2 million or 3.8% of sales in first half 2014).
- Stappert** posted first half sales of €236.8 million, up 1.3% from first half 2014, including a +4.4% price effect and a 3.1% decline in volumes sold compared to first half 2014. Volumes fell by 5.3% in Germany. Volumes increased by 2.1% in the rest of Europe. EBITDA came to €10.4 million or 4.4% of sales (compared to €12.6 million or 5.4% of sales in the first half of 2014).
- Abraservice:** Abraservice posted first half 2015 sales of €34 million, up 1.9% from first half 2014, including a +3.3% price effect and volumes down 1.4% on first half 2014. EBITDA came to €0.7 million or 2% of sales (compared to €0.6 million or 1.7% of sales in first half 2014).
- IMS group:** The brand, which specializes in the distribution of engineering steels, posted first half 2015 sales of €205.3 million, up 2.3% from first half 2014, including a -3.3% price effect and volumes up 5.6%. EBITDA adjusted for non-recurring items amounted to €9.5 million or 4.6% of sales (compared to €9.3 million or 4.6% of sales in first half 2014).

On July 22, 2015, IMS group took over certain Schmolz+Bickenbach Group's engineering steel distribution operations in Germany, Belgium, Austria and the Netherlands. This acquisition is fully in line with IMS group's strategy of gaining a substantial and strong foothold in Germany, the largest market for engineering long steel products in Europe.

In 2014, these activities achieved revenues of ca. EUR 600 million. Including these new units, IMS group would have posted pro forma revenues (12 months basis) of ca. EUR 1 billion in 2014 (ca. 55% in Germany / Italy 11% / 9% France / 9% Spain). The transaction is expected to enhance gross margin profile in the mid-term.

Financial position at June 30, 2015

The Group generated €22.2 million in cash flow from operating activities during the first half of 2015, compared to an €11.9 million outflow over the 2014 financial year.

As of June 30, 2015, operating working capital amounted to 24.9% of sales (compared to 25% at December 31, 2014) and Group net debt stood at €133.3 million compared to shareholders' equity of €256 million, resulting in a debt to equity ratio of 52.1%.

Acquisition of Schmolz+Bickenbach specialty steels distribution operations (July 22, 2015)

Including this acquisition, Group proforma sales for the first half of 2015 amounted to €916.3 million and EBITDA adjusted for non-recurring items came to €28.1 million. The new acquisition will be consolidated from July 22, 2015.

The transaction involves the purchase of all shares in companies based in Germany, Austria, Belgium and the Netherlands. As of June 30, 2015, these companies posted consolidated operating working capital of €149 million and shareholders' equity of €164.5 million.

The preliminary purchase price (equity value) amounts to EUR 56.6 million (max. amount) and will be finally known after discussion between the Parties. Jacquet Metal Service paid an amount of EUR 48.6 million. The Group is currently evaluating the negative goodwill arising from first consolidation.

The transaction was financed via a three-year acquisition loan repayable in annual installments. Following the acquisition, Jacquet Metal Service also set up a three-year €125 million senior revolving credit facility (of which €14 million is drawn) to replace the existing €75 million loan.

The half-year report may be downloaded from: www.jacquetmetalservice.com.
September 30, 2015 YTD results: Thursday, November 12, 2015 after close of trading

Jacquet Metal Service is a European leader in the distribution of specialty steels. The Group operates and develops a portfolio of four brands: JACQUET (stainless steel quarto plates), Stappert (long stainless steel products), Abraservice (wear-resistant quarto plates) and IMS group (engineering steels). Jacquet Metal Service employs 3,275 people and has a network of 100 distribution centers across 24 countries spanning Europe, China and North America.

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