

JACQUETMETALSERVICE

Forum ODDO BHF

January 2020

Contact: Thierry PHILIPPE, Group CFO
Email: t.philippe@jacquetmetals.com
Phone: +33 4 37 42 79 14
website: www.jacquetmetalservice.com

A leader in the distribution of specialty steels

AGENDA

1. A leader in the distribution of specialty steels

2. September 30, 2019 financial results

POSITIONING

Commodities steel market 95%

Typology:

Large volume

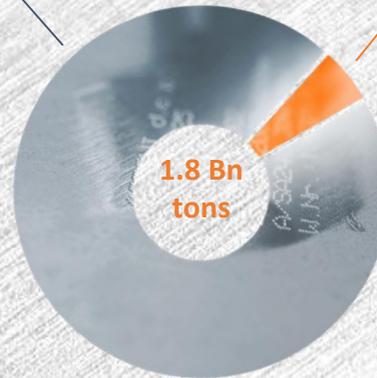
“Volumes” strategy

Players:

Aperam,

ThyssenKrupp Materials,

Kloeckner



Specialty steel market 5%

Typology:

Targeted applications

“Margin” strategy

Players:

Amari Metal,

Ta Chen International,

Jacquet Metal Service



1. A leader in the distribution of specialty steels

ACTIVITY / VALUE ADDED

Suppliers

- 20 suppliers for 45% of purchases
- Delivery time from 1 to 12 months

Jacquet Metal Service

- Purchasing prices
- Storage of specialty steels
- Managing price fluctuations
- Finishing services

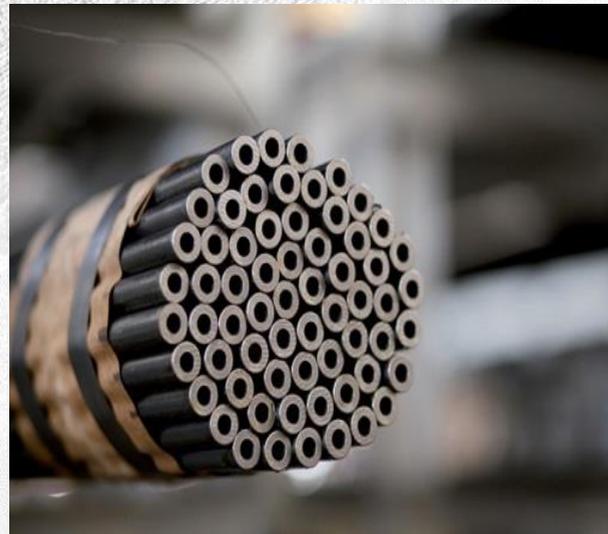
Customers

- 60,000 customers, average invoice < € 3,000
- Delivery time +/- 1 week



1. A leader in the distribution of specialty steels

SPECIALTY STEELS



1. A leader in the distribution of specialty steels

3 DIVISIONS (PRODUCTS)

Stainless steel and
quarto plates

JACQUET



Stainless steel
long products


STAPPERT



Engineering
steels long products


ims



Applications:

- Chemical
- Agro foods
- Gas treatment & storage
- Environment
- Energy

- Chemical
- Agro foods
- Gas treatment & storage
- Environment
- Energy

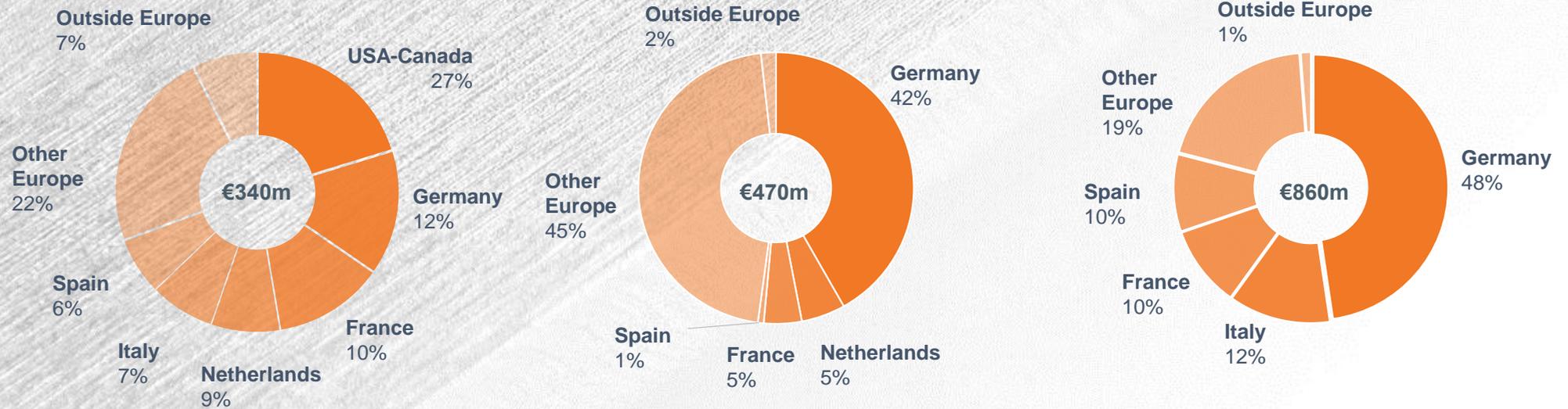
- General engineering
- Transport
- Public works equipment
- Machines centers
- Farming machinery
- Energy

3 DIVISIONS (FOOTPRINT)

JACQUET



Sales*



*LTM Proforma figures as of Sep. 2019 / breakdown by geographical area as of Sep. 2019 (9 months)

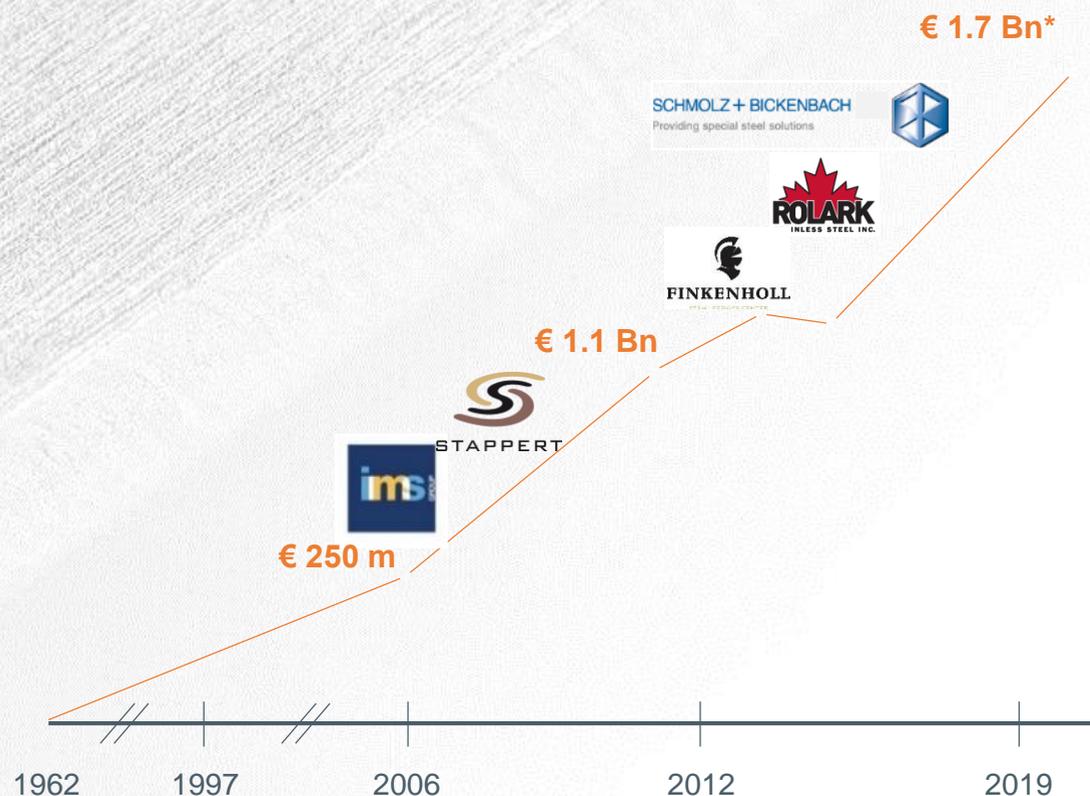
1. A leader in the distribution of specialty steels

HISTORY

Key events

- 2019** Disposal of Abraservice (sales €78 m – 10 distribution centers in 11 countries)
- 2018** Disposal of non-core assets: Calibracier (France), TecPro (Germany) (totalling sales of €50 m)
- 2015/2017** Acquisition and integration of S+B Distribution (sales € 650 m - 6 companies in 6 countries)
- 2014** Acquisition of Rolark group (Sales € 35 m - Canada)
- 2013** Acquisition of Finkenholl (Sales € 45 m - Germany)
- 2011/2012** Disposal of non-core assets: Euralliage (France), Venturi srl (Italy), Brescia Acciai (Italy) and Produr (France) (totalling sales of €100 m)
- 2010/2011** Acquisition and integration of IMS and Stappert (public offer / Sales € 1.2 bn; 17 companies in 12 countries)
- 2006** Launch of JACQUET in the United States and China
- 1997** JACQUET Metals is listed on the Paris Stock Exchange
- 1994** Eric Jacquet creates Jacquet Industries, which controls 100% of the Group
- 1962** Foundation of Etablissements JACQUET by Michel Jacquet in Lyon

Sales evolution



*LTM Proforma figure as of Sep. 2019

1. A leader in the distribution of specialty steels

GROUP OVERVIEW

Group key figures

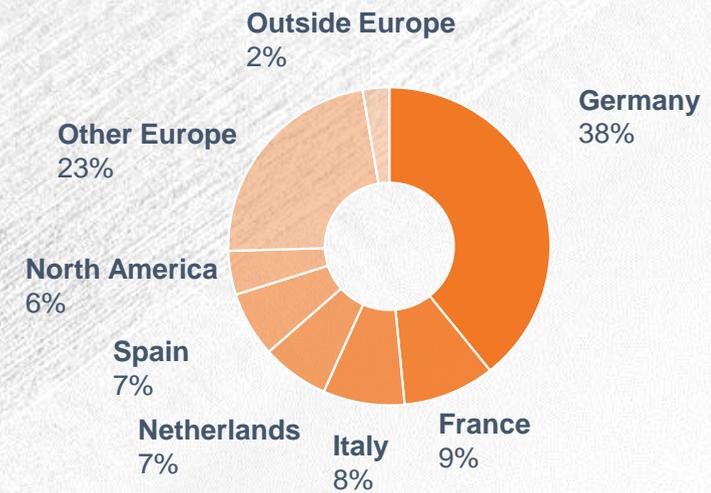
Sales*	€ 1.7 Bn
Staff	3,060
Distribution centers	101
Countries	25

** LTM Proforma figure as of Sep. 2019 / breakdown by geographical area as of Sep. 2019 (9 months)*

A european leader, also active in Asia and North America



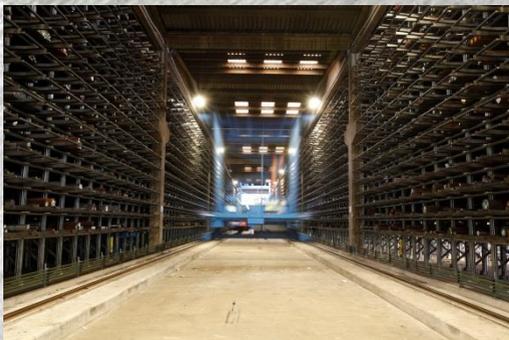
Sales breakdown*



**As of September 30, 2019*

1. A leader in the distribution of specialty steels

2019 (9 months) KEY FACTS



> Sale of ABRASERVICE to SSAB

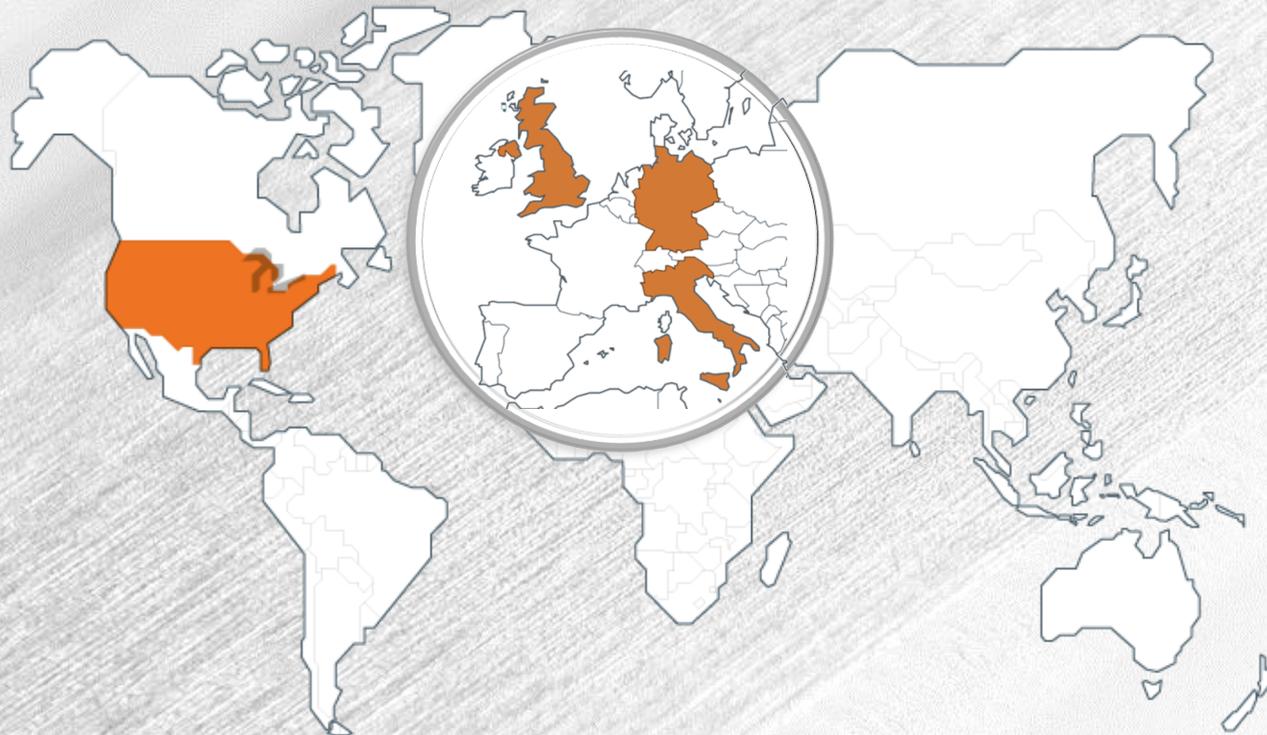
- Closing on October 31, 2019
- Abraservice key figures:
 - 10 distribution centers in 11 countries
 - 2018 sales: €78 m

> Market conditions: less favorable than in 2018

> Key figures as at September 30, 2019

- EBITDA: €63 m / 5% of sales
- Cash-flow: +€40 m (-€22 m at September 30, 2018)
- Gearing: 52.5% (vs 56.9% as of Dec. 31, 2018)

FUTURE MAIN DEVELOPMENT AREAS



United States of America
Germany
Italy
United-Kingdom

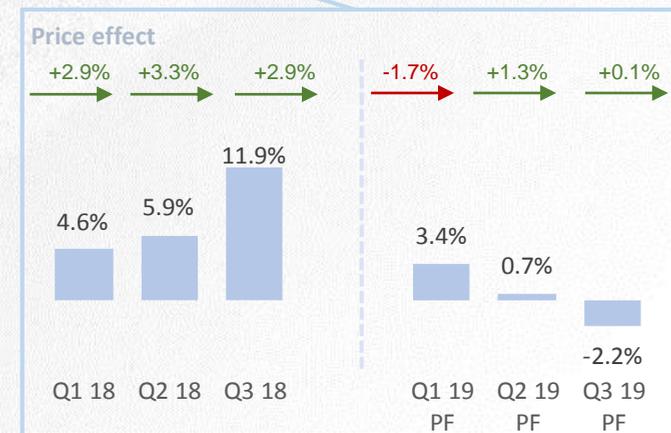
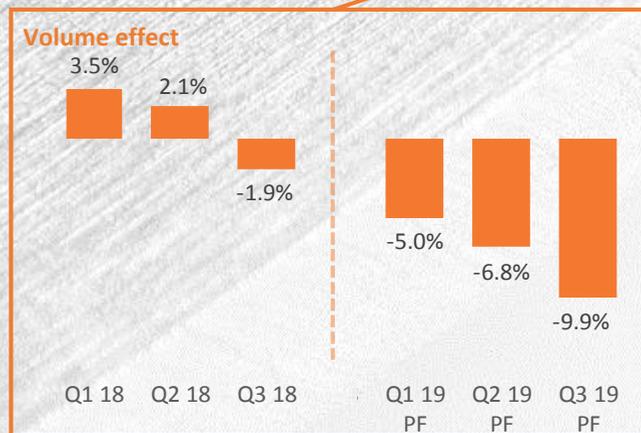
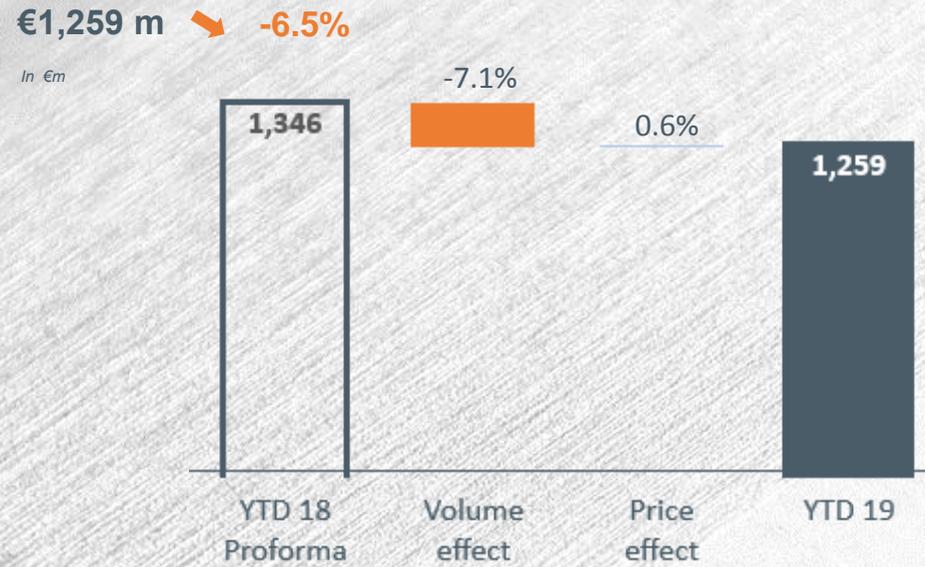
Products *(for illustrative purposes only)*
Aluminium
Aeronautics

1. A leader in the distribution of specialty steels

AGENDA

1. **A leader in the distribution of specialty steels**

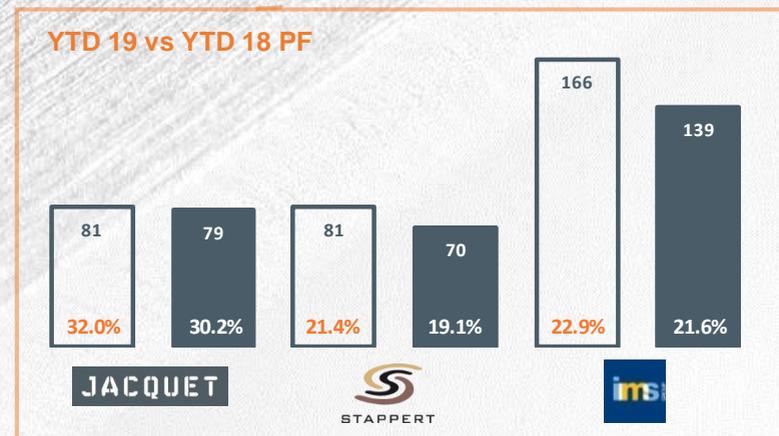
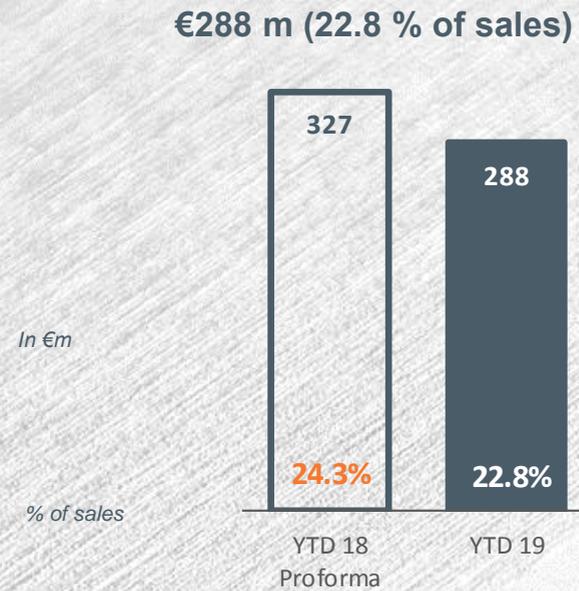
2. **September 30, 2019 financial results**



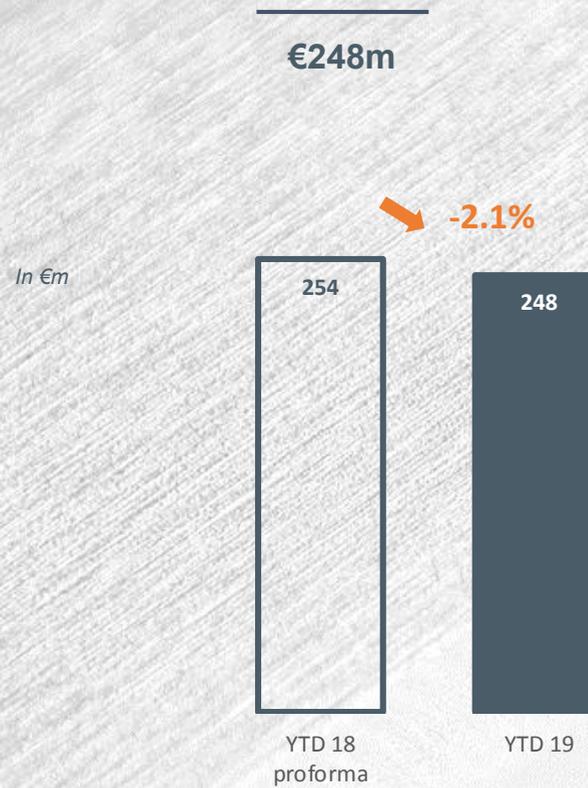
SALES by division



GROSS MARGIN



OPERATING EXPENSES

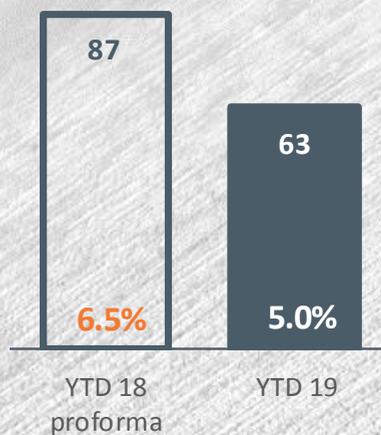


OPERATING RESULT

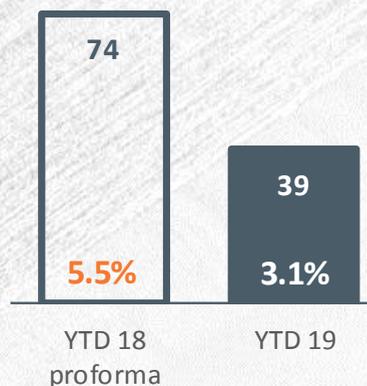
EBITDA : €63m

In €m

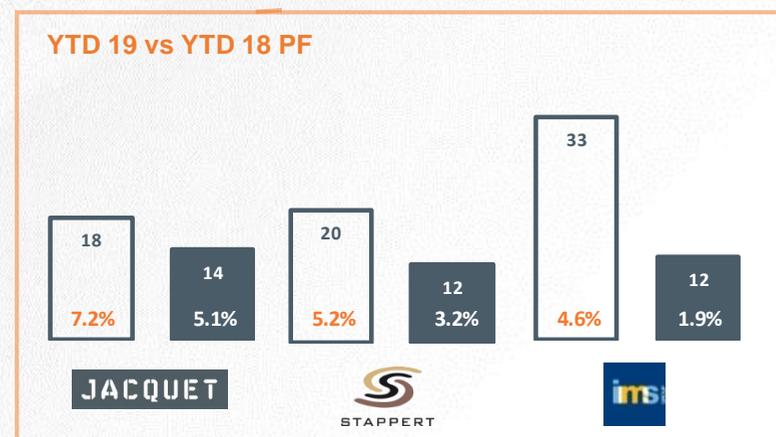
In % sales



Adj. operating income : €39m



Adj. operating income by division *



* excluding IFRS 16 impacts

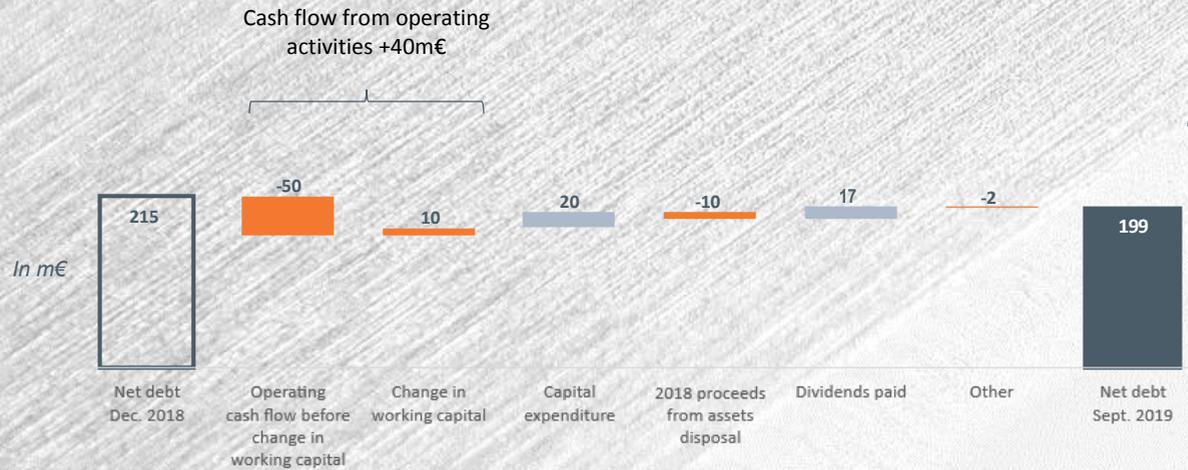
INCOME STATEMENT

(in €m)	Q3 2019 3 months	Q3 2018 PF 3 months	30.09.2019 9 months	30.09.2018 PF 9 months
Sales	375	426	1,259	1,346
EBITDA	15,3	24,9	62,5	86,9
% of sales	4.1%	5.8%	5%	6.5%
Adjusted operating income	7.1	19.9	39.2	73.7
% of sales	1.9%	4.7%	3.1%	5.5%
Operating income	7.3	19.5	38.8	77.3
Net income from discontinued operations	1	0.5	3.2	3.4
Net income (Group share)	2.1	11.8	19.8	52.4
Earnings per share in circulation (€)	0.09	0.49	0.82	2.18

For the sake of comparison with 2019 figures, 2018 financial statements have been restated by removing the results of the Abraservice group, sold on October 31, 2019 and the results of businesses sold in 2018 (proforma data « PF »)

CASH FLOW

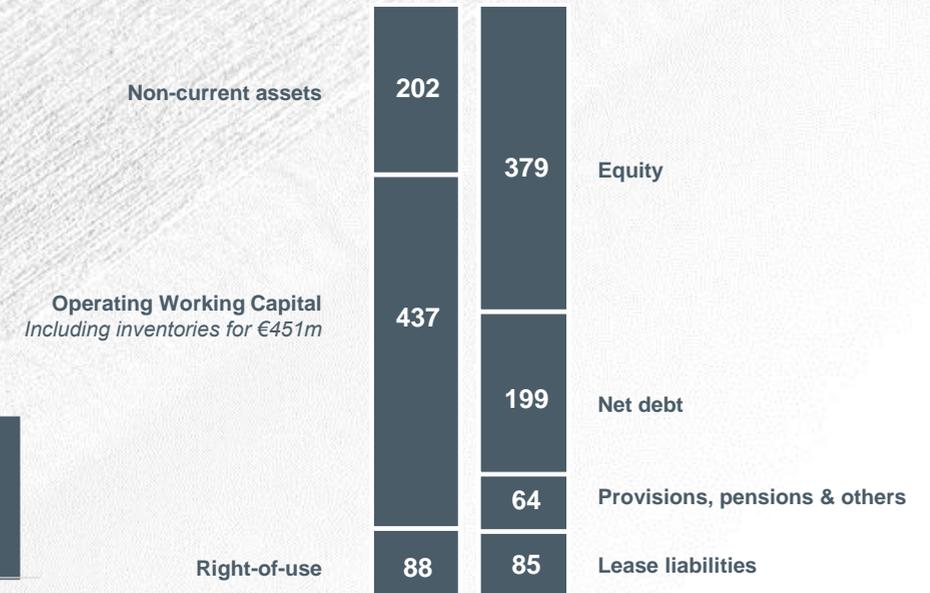
Cash flow from operating activities: +€40m



Balance sheet

In €m

Gearing: 52.5% (vs. 56.9% as of Dec. 31, 2018)



BORROWINGS AT 30 SEPTEMBER 2019

Borrowings

- Utilization rate: 54%
- Covenants in compliance

Syndicated revolving loan

- Amount: €125m (utilization : 0)
- Maturity: June 2022
- Unsecured

Schuldscheindarlehen

- Amount: €150m
- Maturity: April 2023
- Unsecured

Schuldscheindarlehen (signed in Dec19)

- Amount: €70m
- Maturity: €36m in December 2024
€34m in January 2025
- Unsecured

€m	Authorized as of 30.09.2019	Used as of 30.09.2019	% used
Jacquet Metal Service SA	449.9	237.9	53%
Syndicated revolving loan	125	-	0%
Schuldscheindarlehen	150	150	100%
Lines of credit	174.9	87.9	50%
Subsidiary financing	187.8	104.7	56%
Lines of credit	139.3	87.3	63%
Factoring	31.5	1.7	5%
Financements d'actifs (term loans, revolving)	17	15.6	92%
Total	637.8	342.5	54%

JACQUETMETALSERVICE

Euronext Paris

ISIN : FR0000033904

JCQ
LISTED
EURONEXT

A leader in the distribution of specialty steels