

JACQUETMETALSERVICE

A leader in the distribution of special steels

Investor presentation

2014 Annual results

Paris, March 6, 2015



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2014 Annual results

A leader in the distribution of special steels

Overview

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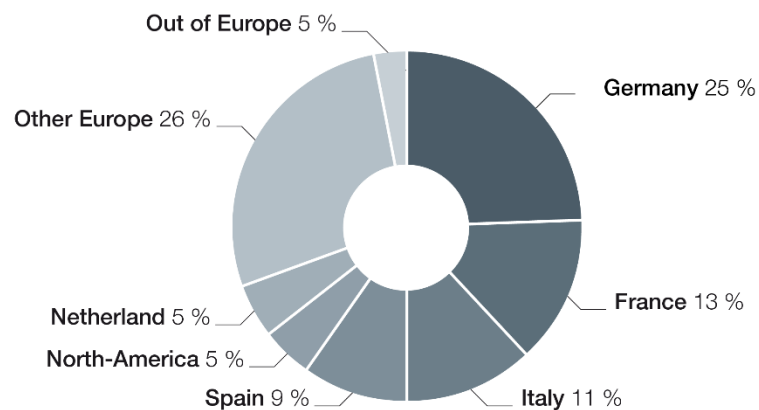
Sales: **€ 1.1 bn**

Staff : **2,413**

Countries : **23**

Distribution centers : **86**

Sales repartition



Geographic footprint

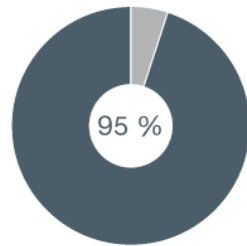


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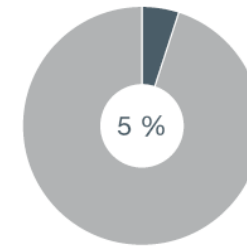
Positioning

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Worldwide steel production
1,7 billion tons



**Commodities
Market**



**Special steels
market**



Typology

Large volume / Tonnage strategy

Targeted applications / Margin strategy

Players

Inoxum, Kloeckner, Aperam,...

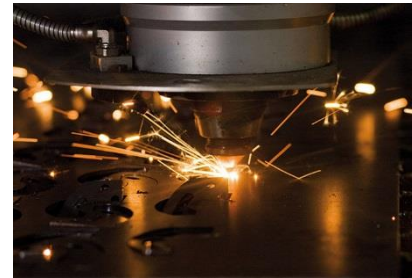
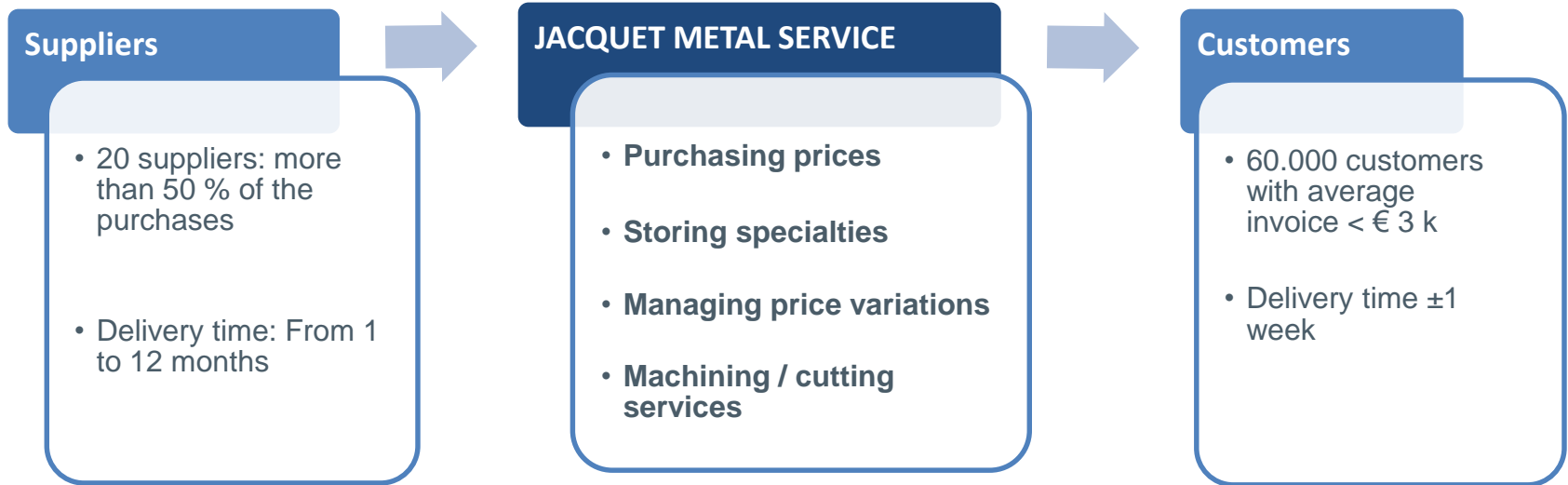
Amari Metal, **Jacquet Metal Service**,...

Source: Jacquet Metal Service, SMR

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Value-added

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4 brands for 4 markets

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Stainless steel
Quarto plates



Chemical
Agro foods
Gases treatment & storage
Environment
Energy
...


STAPPERT

Stainless steel
long products



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Wear-resistant
Quarto plates



Public-works equipment
Steel works
Mines & quarries
Cement works
Farming machinery
Lifting
Waste treatment
...


ims

Engineering steels



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

Activity:

- | | | |
|----------|--------------------------|----------------|
| ▪ Sales | € 1,126 m | + 8.5% vs 2013 |
| ▪ EBITDA | € 58.1 m / 5.2% of sales | × 1.9 vs 2013 |

Beginning of 2015 :

- | | |
|----------|--------------------|
| ▪ Demand | Favorably oriented |
| ▪ Prices | Low |

Development :

- | | |
|--------------------------|---|
| ▪ New center of services | Jacquet Deutschland, Stappert UK, Abraservice Portugal, IMS Nederland |
| ▪ Acquisition | Rolark (Canada) by the brand Jacquet (Q4 2014) |

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Acquisition groupe ROLARK

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ROLARK:

- Sales : \$CAD 34 m
- 3 locations: Toronto, Edmonton, Montréal
- 65 employees



JACQUET in North America



2014 - 2017

Achievements
2014

JACQUET

Germany
North America
Czech Republic



Launch of Jacquet Deutschland (Q1)
Acquisition ROLARK - Canada (Q4)



UK
North America



Launch of Stappert UK (Q3)

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Reinforcement in Europe
USA
China
Europe
...South America



Launch of Abraservice Portugal (Q2)
Reinforcement in Italy and UK



Germany
Netherlands



Acquisition Finkenholl – Germany (Q4 2013)
Launch of IMS Nederland (Q2)

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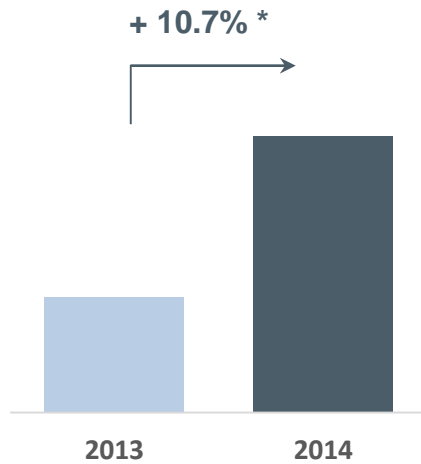
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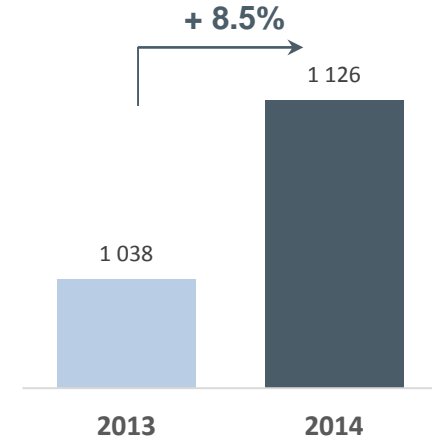
Volumes :

2014

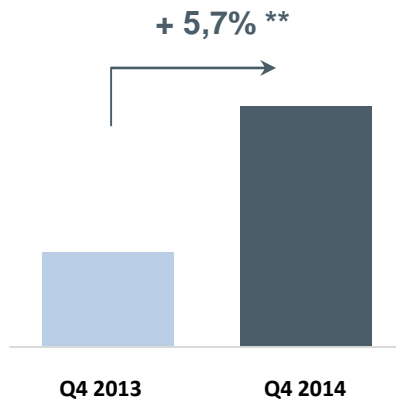


Sales:

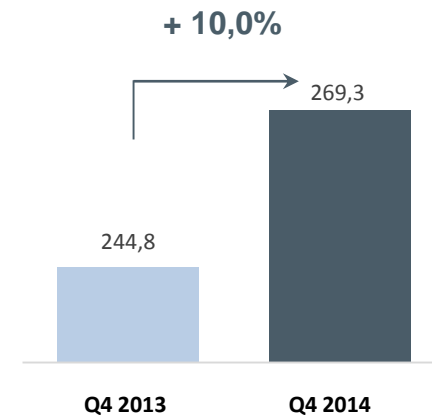
€ m



Q4 14



€ m



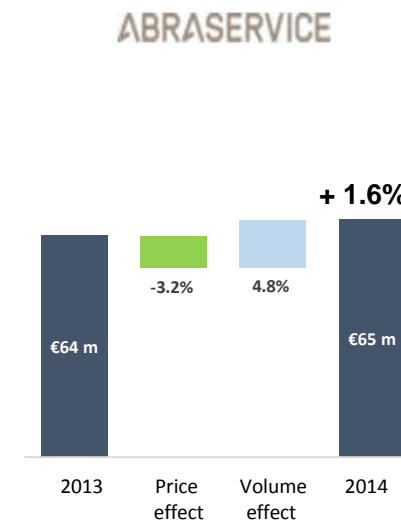
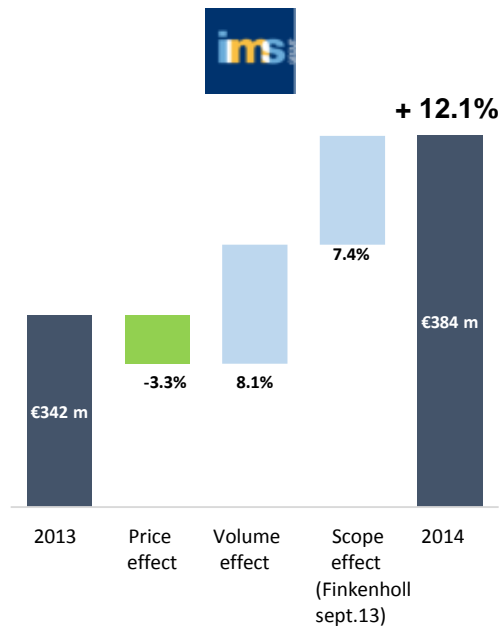
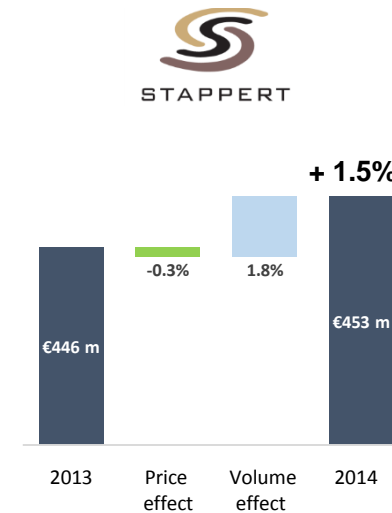
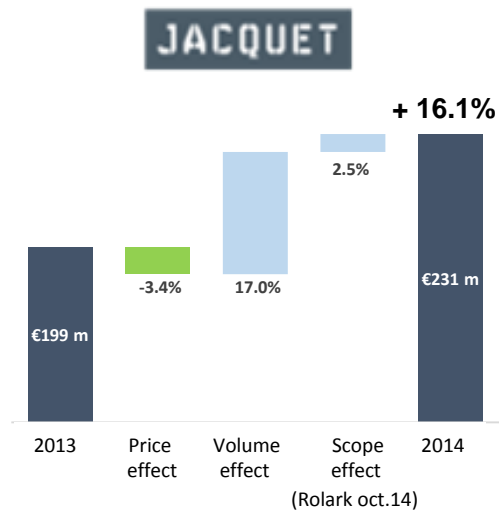
* including +3.7% of scope effect

** including +2,8% of scope effect

2014 Annual results

Sales by brands

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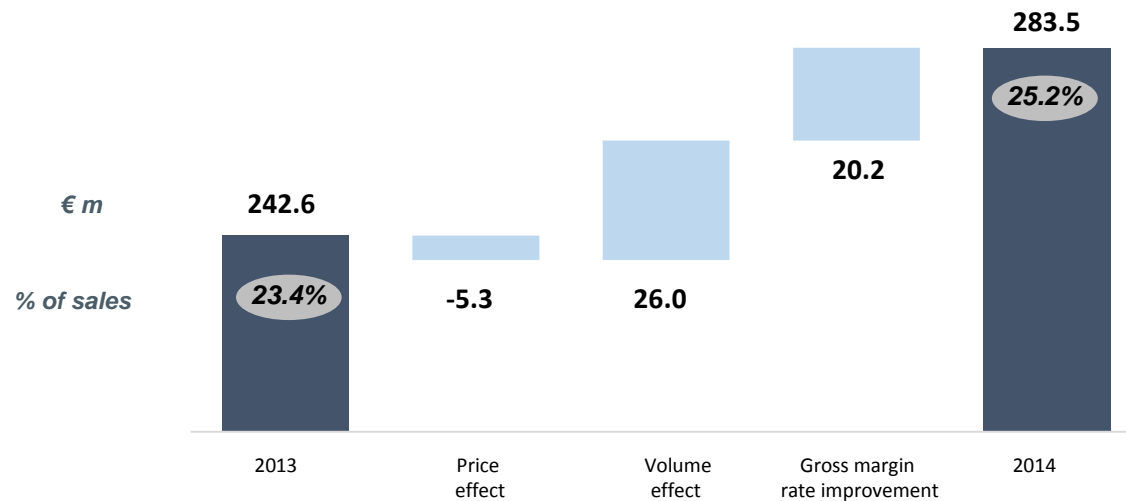
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Gross margin

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+€ 40 m€ vs. 2013

Gross margin rate : + 1.8 point / + € 20.2 m

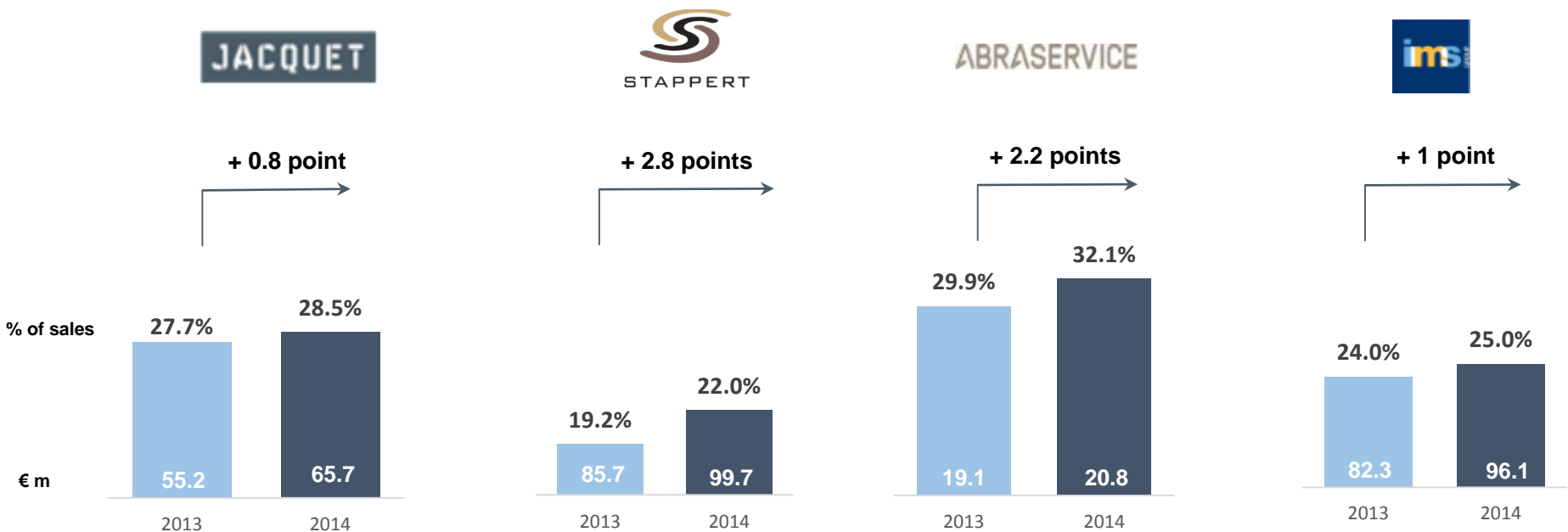


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Gross margin

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Increase for all brands

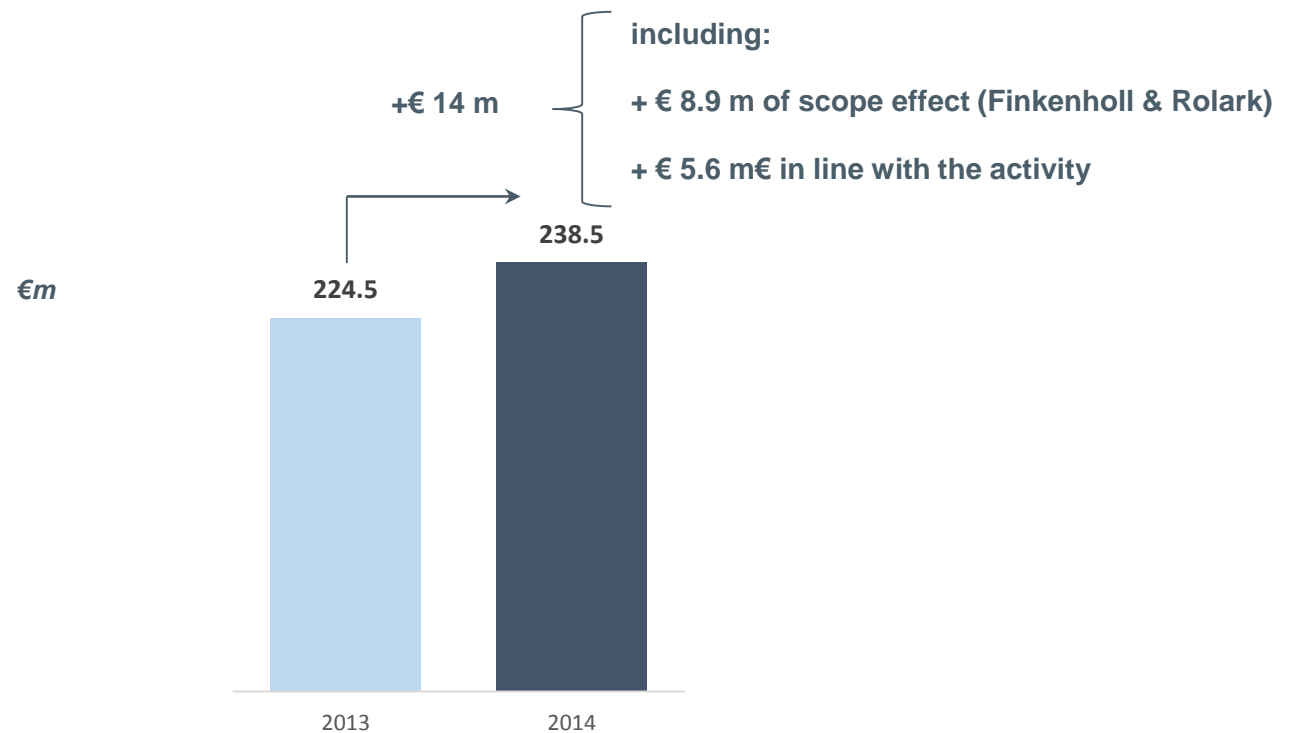


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Operating expenses

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+2.3% vs. 2013

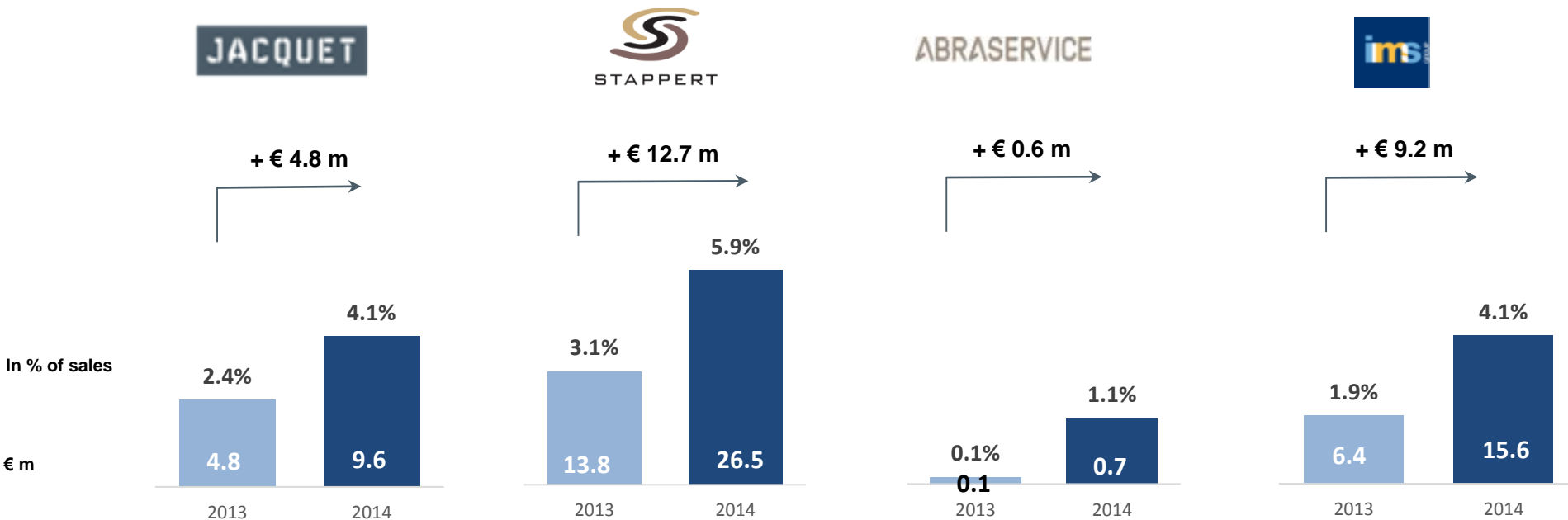


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EBITDA by brands

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EBITDA : + € 58 m (5.2% of sales)



Non-brand activities (including Jacquet Metal Service SA) contributed € 5.7 million to EBITDA.

Net income (Group share): + € 25.2 m vs. + € 3.8 m en 2013

(€ millions)	Q4 2014	Q4 2013	2014	2013
Sales	269.3	244.8	1,126.0	1,037.6
EBITDA	11.6	6.9	58.1	30.1
% of sales	4.3%	2.8%	5.2%	2.9%
Operating income	10.5	4.4	45.2	18.4
% of sales	3.9%	1.8%	4.0%	1.8%
Net income (Group share)	7.1	0.8	25.2	3.8
Earnings per share issued (€)	0.29	0.04	1.05	0.16

2014 Annual results

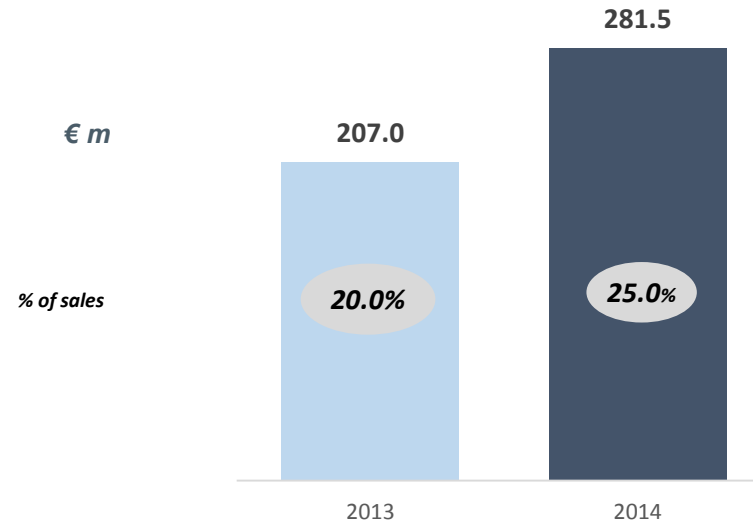
Operating Working Capital

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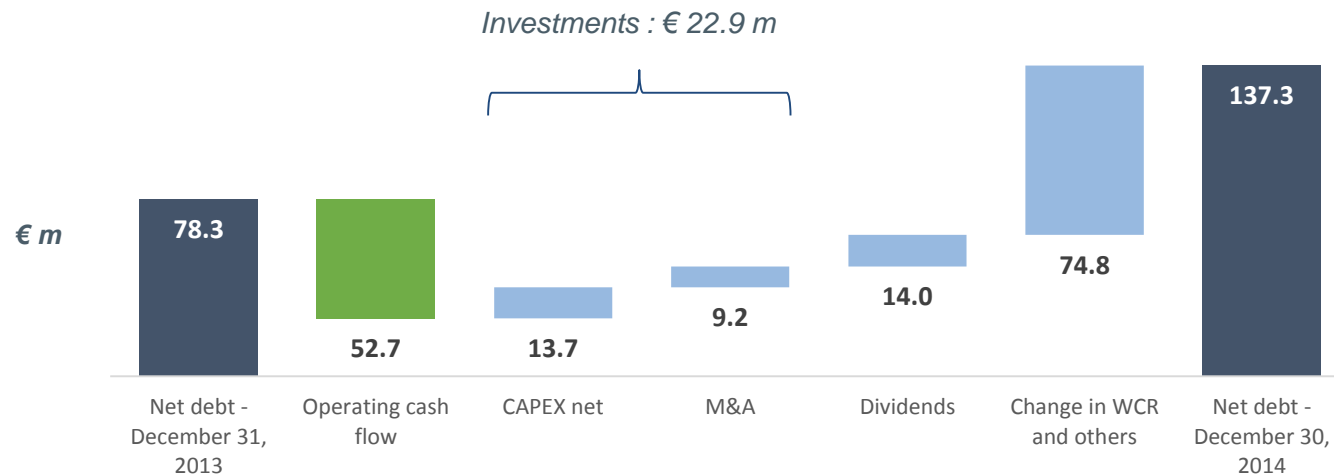
+ € 74 m vs. 2013

Including :

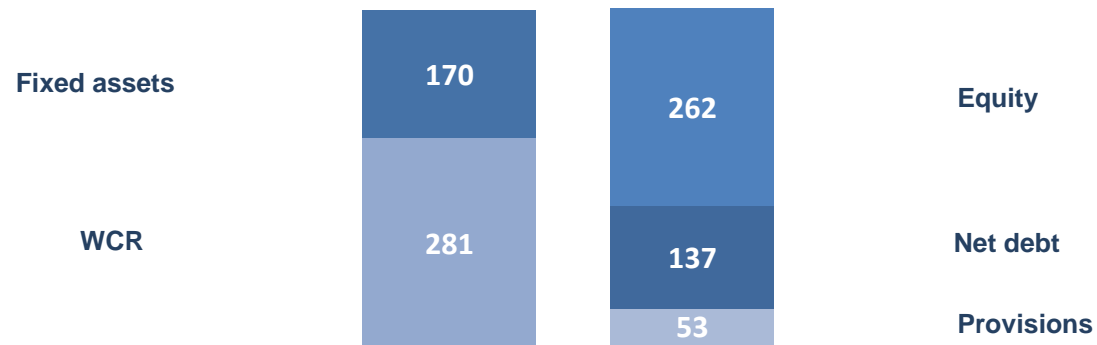
- € 50 m / Inventory (increase of the activity+ development + acquisition)
- € 16 m / Customers (DSO stable at 58 days of sales)
- € 8 m / Suppliers (DPO -5 days = increase in supplies from outside Europe)



Increase of net debt related to the increase of WCR



Gearing : 52.5%



(€ 000)	December 31, 2014	December 31, 2013
Borrowings	200,462	139,704
Cash	63,151	61,439
Net debt	137,311	78,265
Debt to equity ratio	52.5%	30.9%
Average cost of gross debt	2.8%	3.1%

(€ millions)	Authorized at Dec. 31, 2014	Used at Dec. 31, 2014	% used
Jacquet Metal Service SA financing :	158,6	91,2	57%
- Of which syndicated term loan	75,0	14,0	19%
- Of which credit facilities / term loan	83,6	77,2	92%
Subsidiaries' financing :	213,8	109,3	51%
- Of which credit facilities	116,5	32,2	28%
- Of which factoring	29,8	11,8	40%
- Of which assets financing(term loans and leasing)	66,9	65,3	98%
Total	371,8	200,5	54%



Appendix

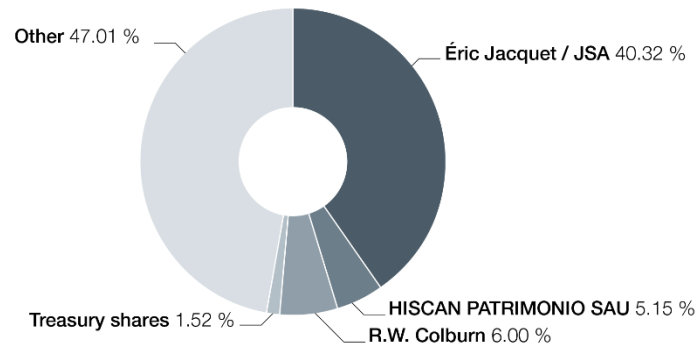
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Shareholding

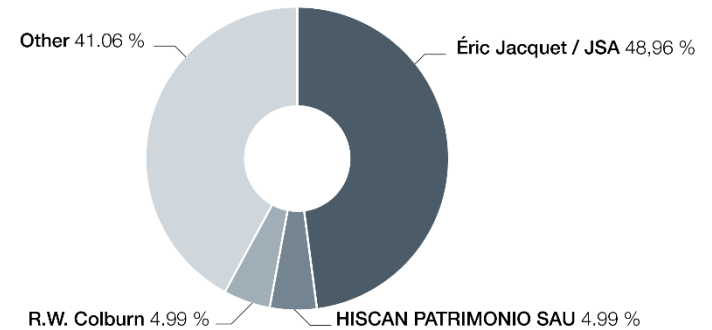
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JCQ
LISTED
EURONEXT

Share capital *



Voting rights *



* As of December 31, 2014

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Stock information

JCQ
LISTED
EURONEXT

Market capitalization (March 3, 2015):
€ 404 m ⇔ € 16.8 per share

		2014	2013
Number of shares at end of period	Number of shares	24,028,438	24,028,438
Market capitalization at end of period		373,642	313,091
High	€	17.80	13.25
Low	€	12.31	8.64
Price at end of period	€	15.55	13.03
Average daily trading volume	Number of shares	23,203	17,331

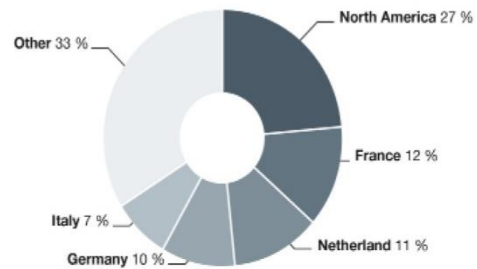
(€ 000)	Q4 2014	Q4 2013	December 31, 2014	December 31, 2013
Sales	269,26	244,818	1,126,029	1,037,556
Gross margin	71,264	61,514	283,487	242,638
% of sales	26.5%	25.1%	25.2%	23.4%
Operating expenses	-59,634	-54,653	-225,427	-212,554
EBITDA	11,63	6,861	58,06	30,084
% of sales	4.3%	2.8%	5.2%	2.9%
Net depreciation and amortization	-3,461	-3,866	-13,675	-14,325
Net provisions	2,322	1,362	559	2,406
Gains (losses) on disposals of non-current assets	38	10	233	220
Operating income	10,529	4,367	45,177	18,385
% of sales	3.9%	1.8%	4.0%	1.8%
Net financial income (expense)	-1,419	-1,37	-7,625	-5,916
Income before tax	9,11	2,997	37,552	12,469
Corporate income tax	-1,842	-2,219	-10,676	-8,015
Consolidated net income	7,268	778	26,876	4,454
Net income (Group share)	7,061	847	25,154	3,846
Earnings per share issued (€)	0.29	0.04	1.05	0.16

(€ 000)	December 31, 2014	December 31, 2013
Goodwill	68,515	66,142
Net non-current assets	99,960	96,778
Net inventory	284,441	234,290
Net trade receivables	144,762	128,776
Other assets	52,058	51,047
Cash	63,151	61,439
Total Assets	712,887	638,472
Shareholder's equity	261,705	253,344
Provisions (including provisions for employee benefit obligations)	52,766	46,057
Trade payables	147,716	156,047
Borrowings	200,462	139,704
Other liabilities	50,238	43,320
Total liabilities	712,887	638,472

2014 Key figures:

Sales	: € 231 m
Workforce	: 626
Distribution centers	: 29
Countries	: 20

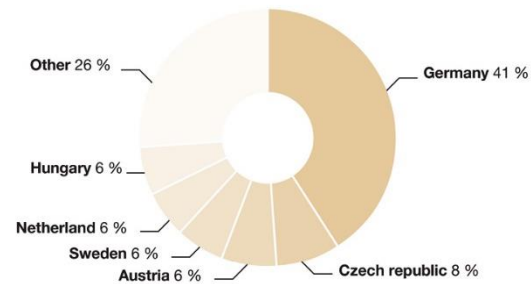
Geographic sales breakdown:



2014 Key figures:

Sales	: € 453 m
Workforce	: 776
Distribution centers	: 25
Countries	: 13

Geographic sales breakdown:



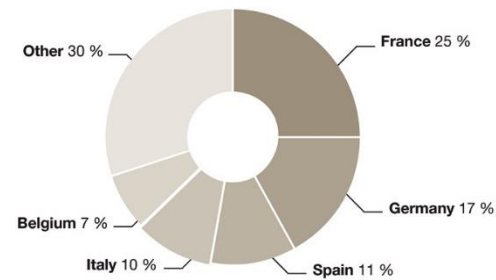
2014 Key figures:

Sales : 65 m

Workforce : 199

distribution centers : 14

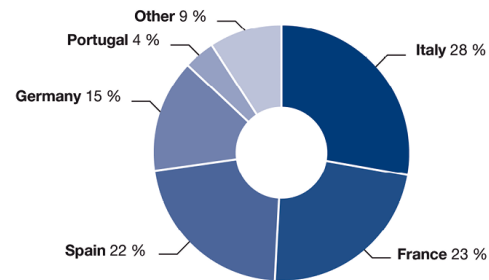
Geographic sales breakdown:



2014 Key figures:

Sales	: € 384 m
Workforce	: 722
Distribution centers	: 30
Countries	: 8

Geographic sales breakdown:



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Euronext Paris

ISIN : FR0000033904

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