

JACQUETMETALSERVICE

A leader in the distribution of special steels

Forum Oddo MidCap

January 2017 - Lyon

Cité Internationale, Lyon

1 A leader in the distribution of special steels

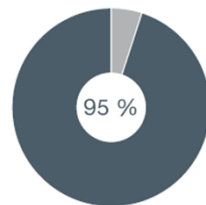
2 Results as of September 30, 2016

A leader in the distribution of special steels

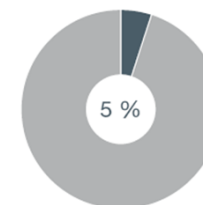
Positioning

JACQUETMETALSERVICE

Worldwide steel production:
1.7 billion tons



**Commodities
steel markets**



**Specialty
steel markets**



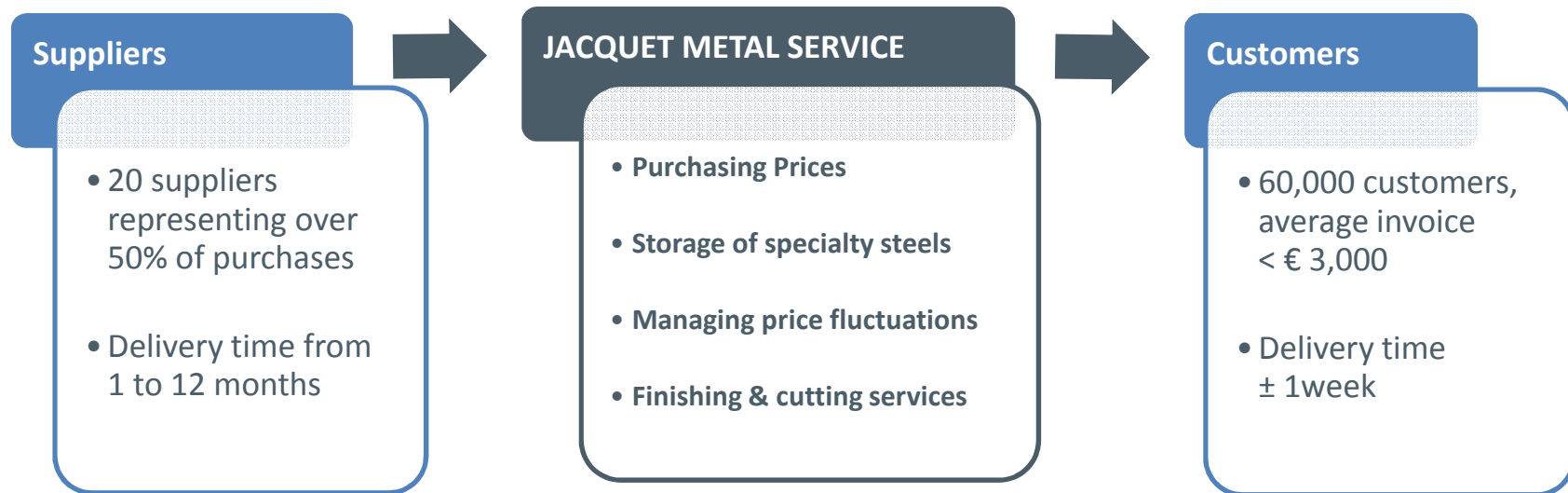
Typology	Large volume / Tonnage strategy	Targeted applications / Margin strategy
Players	Aperam, Inoxum, Kloeckner,...	Amari Metal, Jacquet Metal Service , ...

Source: Jacquet Metal Service

A leader in the distribution of special steels

Added value

JACQUETMETALSERVICE



A leader in the distribution of special steels

Overview

JACQUETMETALSERVICE



€ 1.6 bn

sales



3,356

employees



26

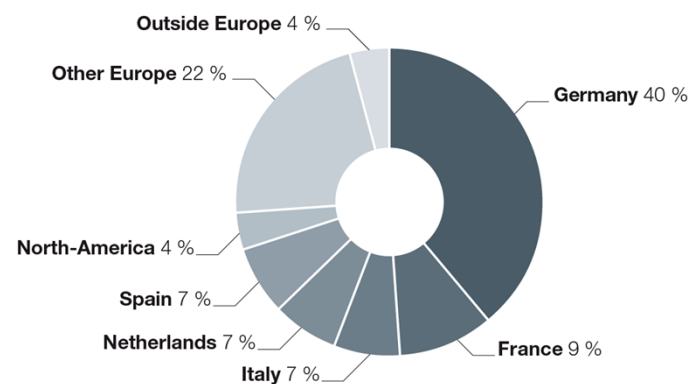
countries



109

distribution centers

Sales



Geographic footprint



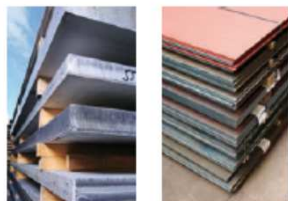
A leader in the distribution of special steels

Organization in 3 divisions (1/2)

JACQUET METAL SERVICE

Stainless steel
and wear-resistant
Quarto plates

JACQUET
ABRASERVICE



Long stainless
steel products

STAPPERT



Engineering
steels

INSI



Sales

± € 350 m

± € 400 m

± € 850 m

Applications

Chemical, Agro foods
Gases treatment & storage
Environment, Energy
Public-works equipment
Steel works, Mines & quarries,
Cement works, Farming
machinery,
Lifting, Waste treatment

Chemical
Agro foods
Gases treatment &
storage
Environment
Energy





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

A leader in the distribution of special steels

Organization in 3 divisions (2/2)

JACQUETMETALSERVICE

JACQUETMETALSERVICE



Eric Jacquet
Chief Executive Officer

Philippe Goczol
Deputy Chief Executive Officer

Thierry Philippe
Chief Financial Officer

David Farias
Chief Executive Officer
Jacquet Abraservice

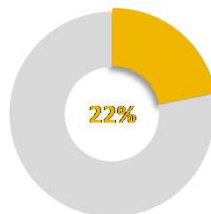
Sales breakdown by division:

Chief Operating Officers:

Support functions

Stainless steel and wear-resistant
Quarto plates

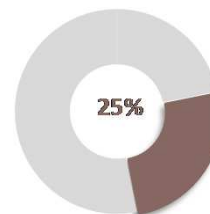
JACQUET
ABRASERVICE



David Farias

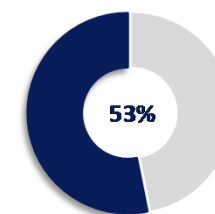
Long stainless steel products


STAPPERT



Marc Steffen

Engineering steels



José Berthelien

Purchasing negotiation

Finance - Legal

Communication

IT – Credit insurance

A leader in the distribution of special steels

Highlights as of September 30, 2016 (9 months) **JACQUETMETALSERVICE**



- Low-price market



- Suitably oriented demand



- Continued integration of S+B Distribution

A leader in the distribution of special steels

Integration of S+B Distribution (acquisition of 6 entities on July 22, 2015)



Acquisition rationale



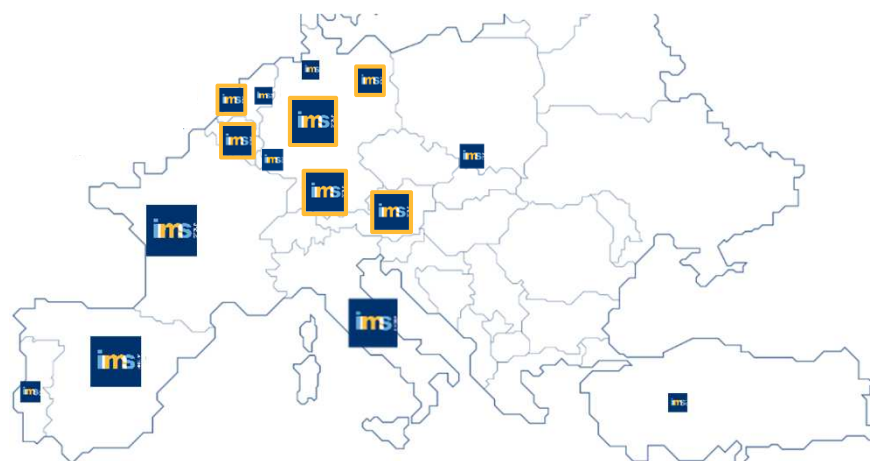
Engineering steels

- Purchasing: critical mass
- Consistent product offering
- Geographical synergies:

Ongoing reorganization



- Operational reorganization
- Costs reduction
- Capital expenditures



 Historical scope

 S+B Distribution

Key figures as of September 30, 2016

	Sales (in m€)	EBITDA %
IMS Group	651	2.1%
<i>o/w historical scope</i>	<i>263</i>	<i>4.4%</i>
<i>o/w S+B Distribution</i>	<i>388</i>	<i>0.5%</i>

A leader in the distribution of special steels

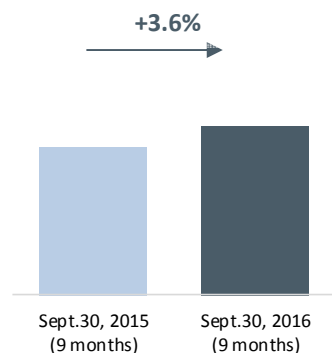
Consolidated metrics at 30 September 2016

JACQUET METAL SERVICE

Activity

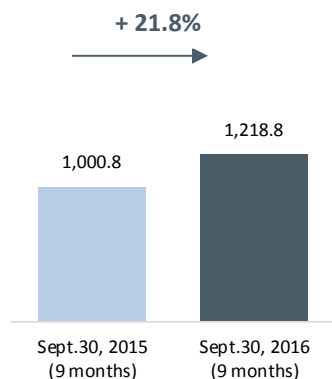
Volumes

y.o.y.



Sales

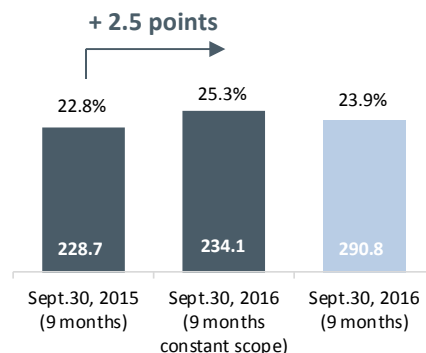
In €m



Profitability

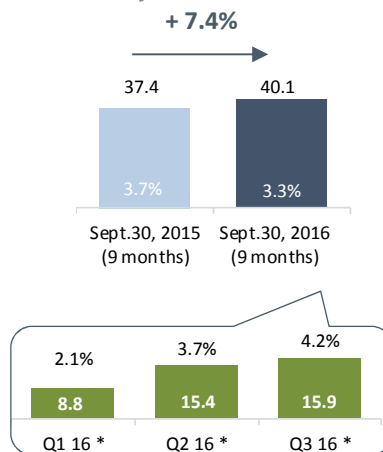
Gross margin

In €m and as a % of sales



EBITDA

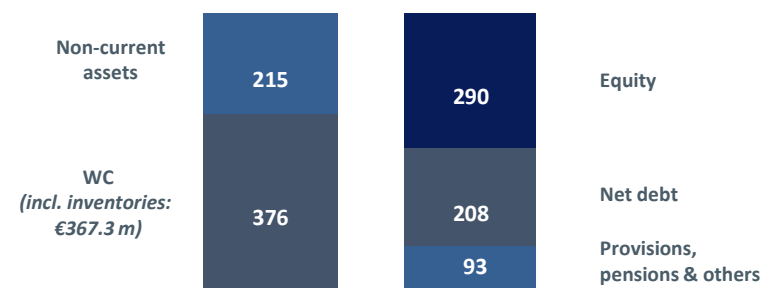
In €m and as a % of sales



Financial structure

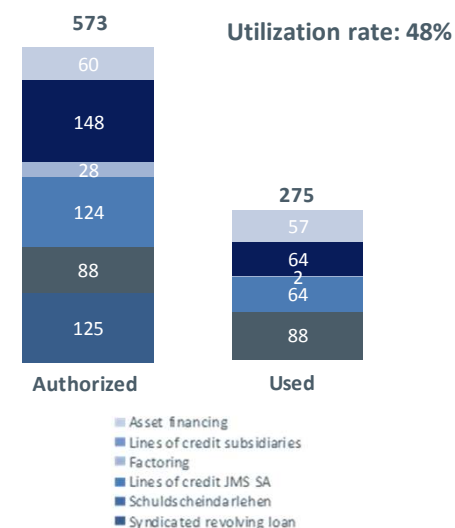
Balance Sheet

In €m



Financing

In €m



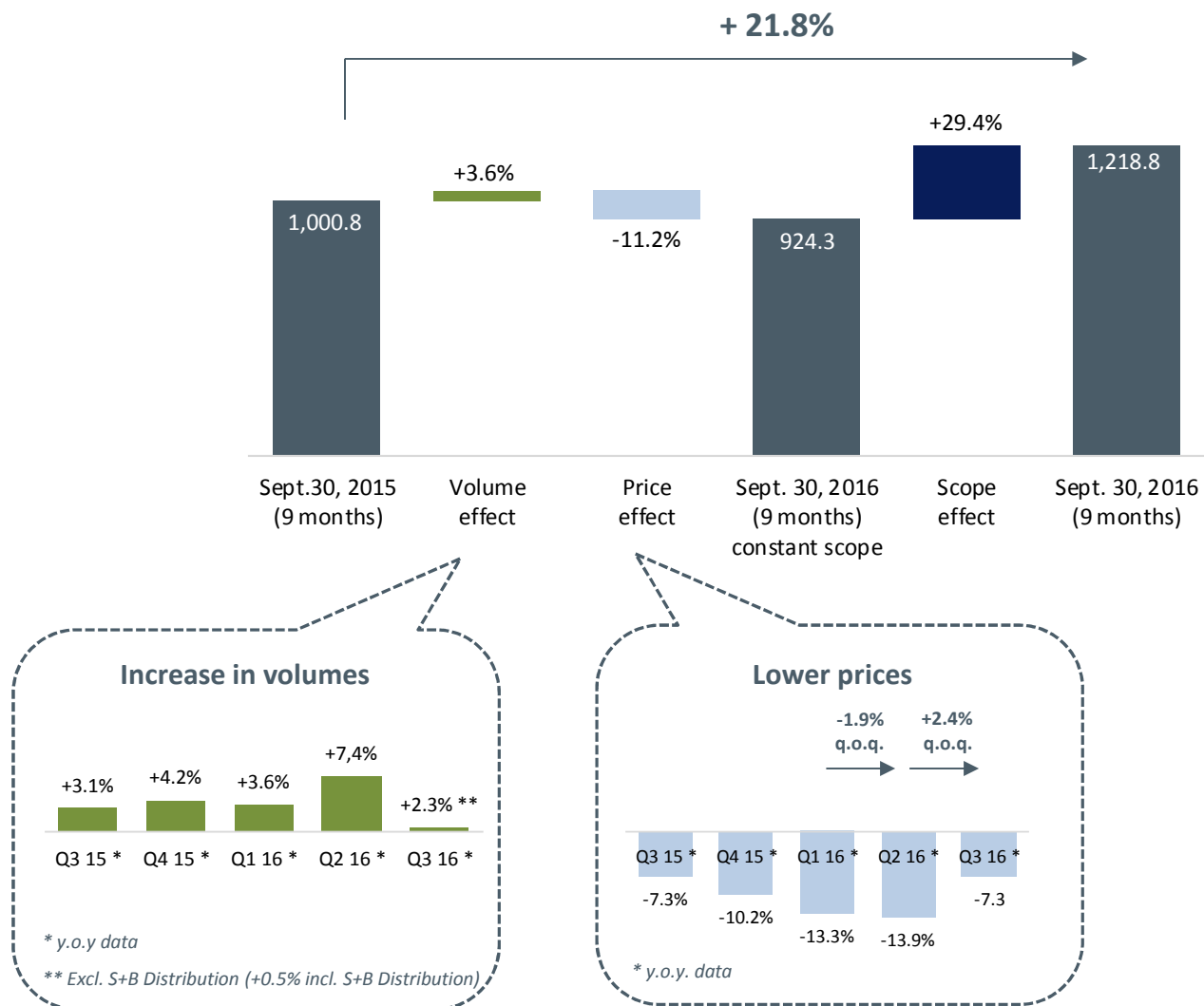
1 A leader in the distribution of special steels

2 Results as of September 30, 2016

Results as of September 30, 2016

Activity

JACQUETMETALSERVICE

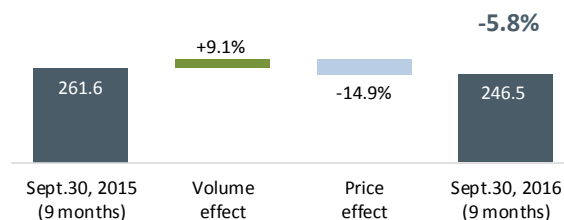


Results as of September 30, 2016

Activity per divizion

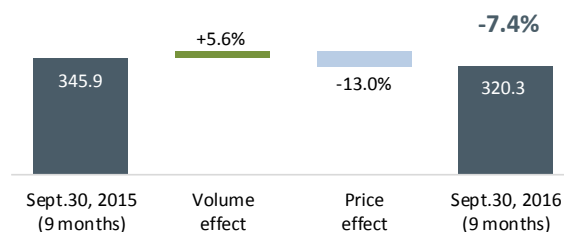
JACQUETMETALSERVICE

JACQUET
ABRASERVICE



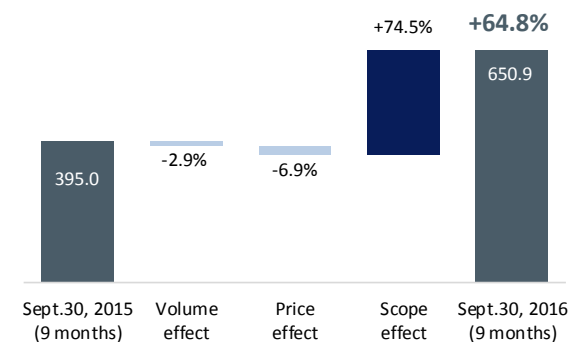
- Volumes : +9.1% (+11.6% in Q1; +10.0% in Q2 ; +5.3% in Q3)
- Price : -14.9% (-18.1% in Q1; -17.3% in Q2 ; -8.4% in Q3)


STAPPERT



- Volumes : +5.6% (+4.4% in Q1; +9.6% in Q2 ; +2.9% in Q3)
- Price : -13.0% (-13.9% in Q1; -17.0% in Q2 ; -8.0% in Q3)


ims GROUP

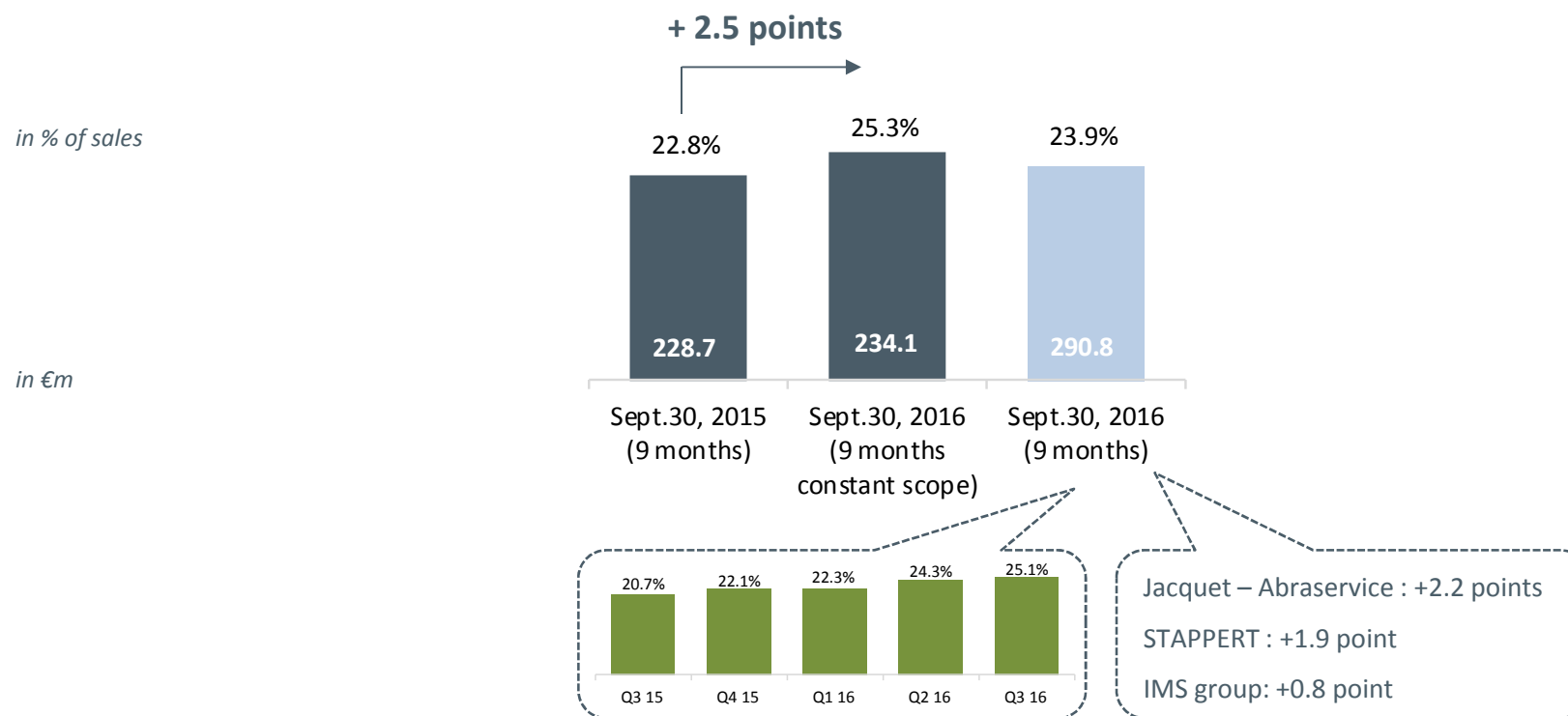


- Volumes : -2.9% (-4.2% in Q1; +0.4% in Q2 ; -4.0% in Q3)
- Price : -6.9% (-7.8% in Q1; -6.7% in Q2 ; -6.5% in Q3)
- Scope: +74.5%

Results as of September 30, 2016

Gross margin

JACQUETMETALSERVICE

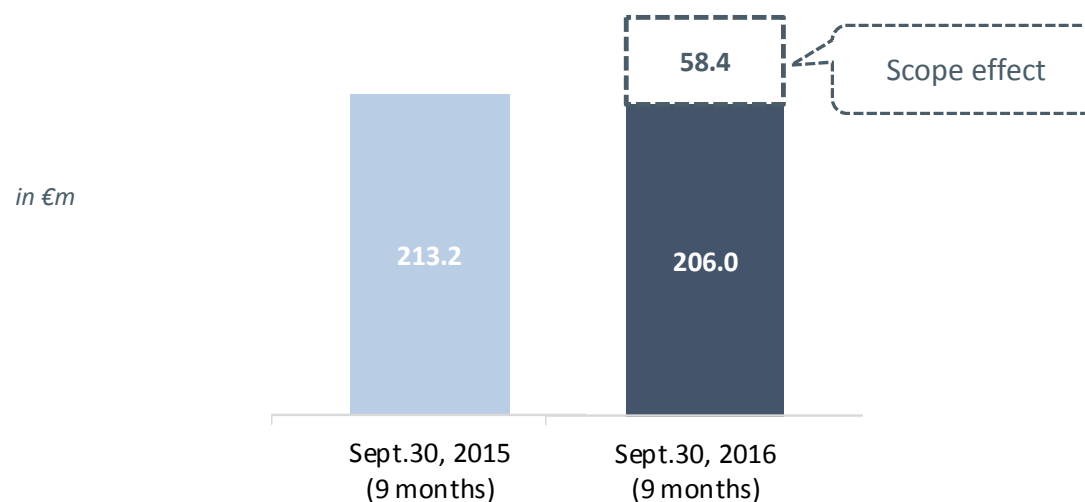


Results as of September 30, 2016

Operating expenses

JACQUETMETALSERVICE

-0.8% vs. September 30th, 2015*



** At constant consolidation scope and adjusted for non-recurring items*

Results as of September 30, 2016

Operating income

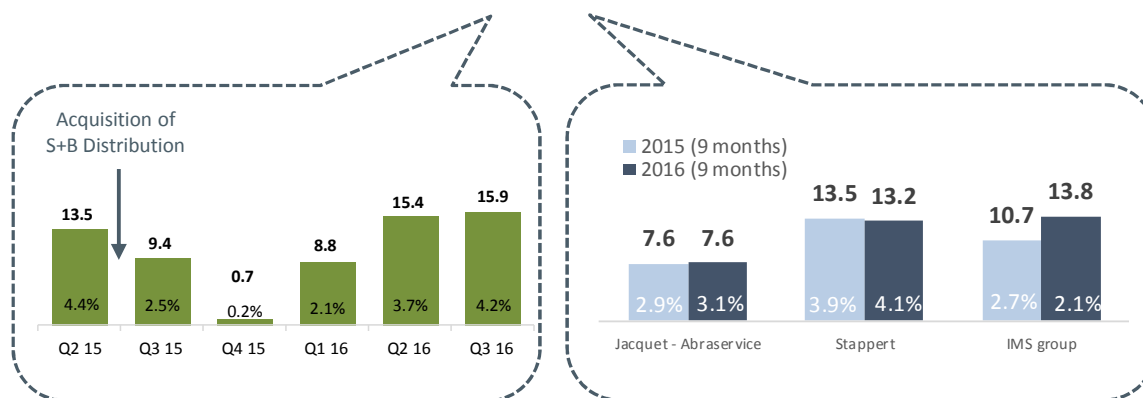
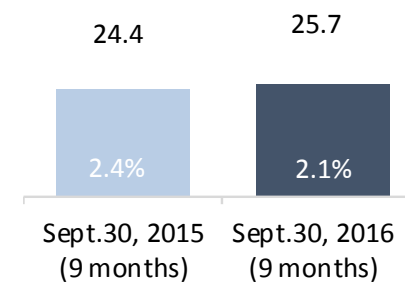
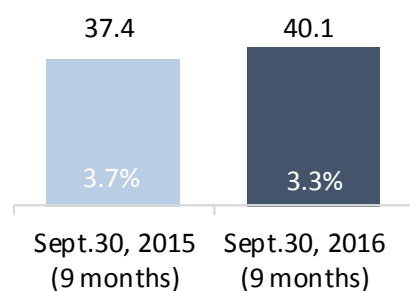
JACQUETMETALSERVICE

EBITDA

Operating income before non-recurring items

in €m

in % of sales



Results as of September 30, 2016

Income statement

JACQUET METAL SERVICE

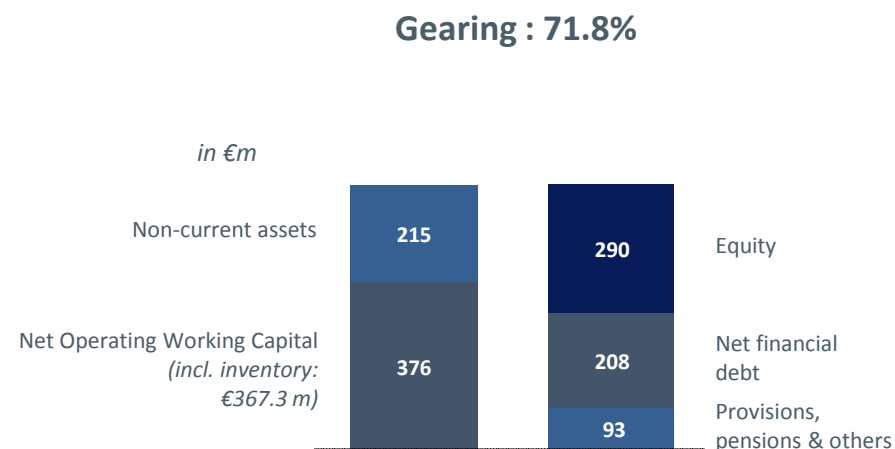
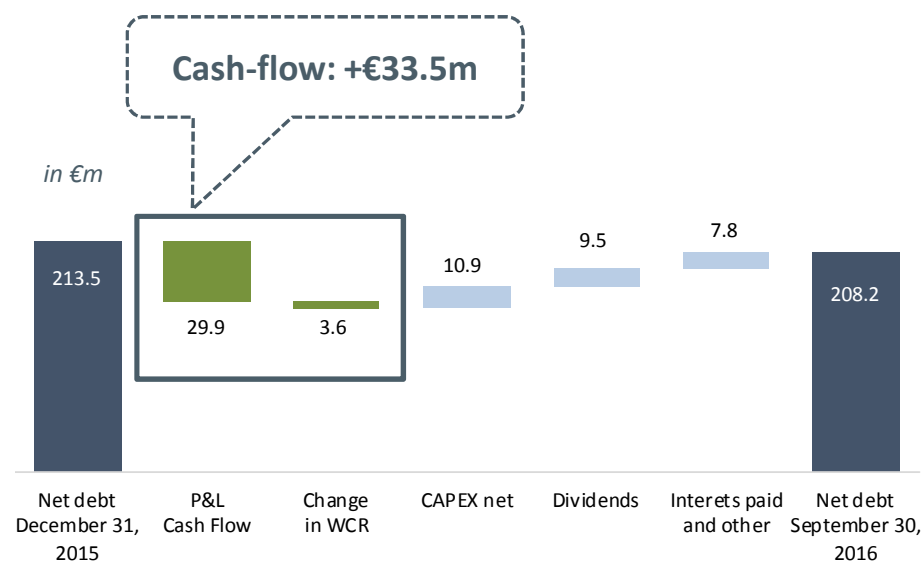
In €m	Q1 2016	Q2 2016	Q3 2016	Sept.30 2016 (9 months)	Sept.30 2015 (9 months)
Sales	423	417	379	1,219	1,001
EBITDA	8.8	15.4	15.9	40.1	37.4
<i>% of sales</i>	<i>2.1%</i>	<i>3.7%</i>	<i>4.2%</i>	<i>3.3%</i>	<i>3.7%</i>
Operating income before non-recurring items	4.1	10.0	11.7	25.7	24.4
<i>% of sales</i>	<i>1.0%</i>	<i>2.4%</i>	<i>3.1%</i>	<i>2.1%</i>	<i>2.4%</i>
Net income (Group share)	-1.1	3.4	5.4	7.8	59.6*
<i>Earnings per share in circulation (€)</i>	<i>-0.05</i>	<i>0.14</i>	<i>0.23</i>	<i>0.32</i>	<i>2.48</i>

* Includes €48.9m of non-recurring income related to the acquisition of S+B Distribution

Results as of September 30, 2016

Cash flow and Balance Sheet

JACQUETMETALSERVICE



Results as of September 30, 2016

Financing

JACQUETMETALSERVICE

Financing utilization rate: 48% vs 52% as of December 31st, 2015

<i>in €m</i>	Authorized as of 30.09.2016	Used as of 30.09.2016	% used
Jacquet Metal Service SA financing :	337.3	152.0	45%
Syndicated revolving loan	125.0	0.0	0%
Schuldscheindarlehen	88.0	88.0	100%
Credit lines & asset financing	124.3	64.0	52%
Subsidiary financing :	235.5	122.7	52%
Credit lines	147.7	64.3	44%
Factoring	27.9	1.5	5%
Asset financing (term loans, revolving and leasing)	59.9	56.9	95%
Total	572.7	274.7	48%

Syndicated loan

- Amount : €125m
- Maturity : July 2018
- Unsecured

Schuldscheindarlehen

- Amount : €88m
- Maturity : 2020 (in fine)
- Unsecured



Appendix

Appendix

Income statement

JACQUET METAL SERVICE

(€000)	2016 (9 months)	2015 (9 months)
Sales	1,218,759	1,000,829
Gross margin	290,810	228,657
<i>% of sales</i>	23.9%	22.8%
Operating expenses	(254,837)	(201,769)
Net depreciation and amortization	(15,532)	(11,767)
Net provisions	5,990	307
Gains on disposals of non-current assets	159	483
Non-recurring income and expenses	0	57,354
Operating income	26,590	73,265
<i>% of sales</i>	2.2%	7.3%
Net financial expense	(7,771)	(7,592)
Income before tax	18,819	65,673
Corporate income tax	(9,735)	(5,606)
Consolidated net income	9,084	60,067
Net income (group share)	7,757	59,583
Earnings per share in circulation (€)	0.32	2.48

Appendix

Balance sheet

JACQUET METAL SERVICE

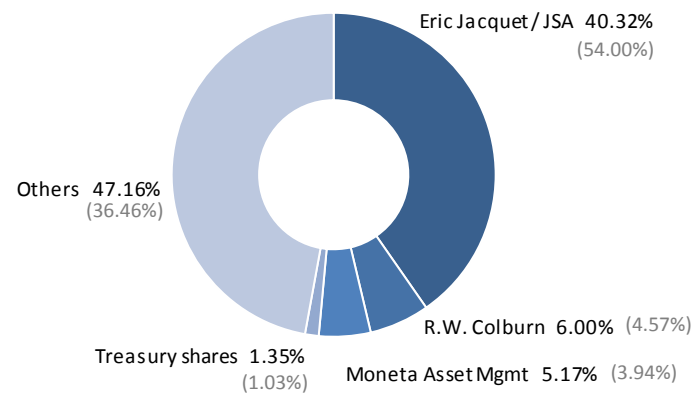
(€000)	September 30, 2016	December 31, 2015
Goodwill	68,405	68,356
Net non-current assets	146,567	151,015
Net inventory	367,339	390,268
Net trade receivables	198,484	175,197
Other assets	84,248	83,887
Cash	63,580	90,588
Total assets	928,623	959,311
Shareholders' equity	289,899	295,427
Provisions (including provisions for employee benefit obligations)	106,357	103,029
Trade payables	189,458	192,932
Borrowings	274,664	306,594
Other liabilities	68,245	61,329
Total equity and liabilities	928,623	959,311

Appendix

Shareholding & Stocks information

JACQUETMETALSERVICE

Share capital (voting rights) *



Market capitalization as of December 31, 2016 : €476 m



JCQ
LISTED
EURONEXT

* As of November 30th, 2016

JACQUETMETALSERVICE



Euronext Paris

ISIN : FR0000033904

JCQ
LISTED
EURONEXT