

# JACQUETMETALSERVICE

2017 half-year financial results

*Paris – September 7<sup>th</sup>, 2017*

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A leader in the distribution of special steels

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

**2. 2017 half-year 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**





## VALUE ADDED

### Suppliers

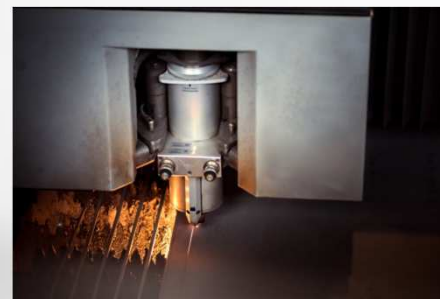
- 20 suppliers for 50% of purchases
- Delivery time from 1 to 12 months

### 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



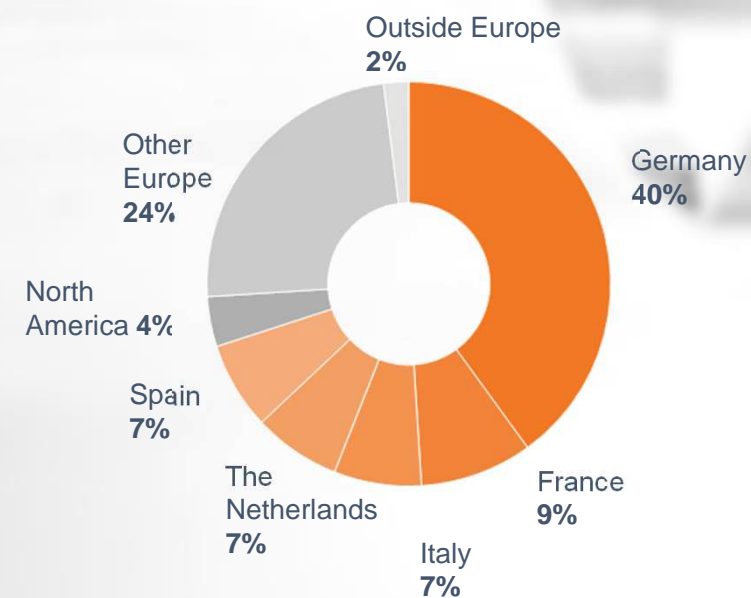
## 2016 GROUP KEY FIGURES

Sales	€ 1.6 Bn
Staff	3,317
Distribution centers	109
Countries	26

A european leader,  
also active in Asia and North America



### Sales breakdown

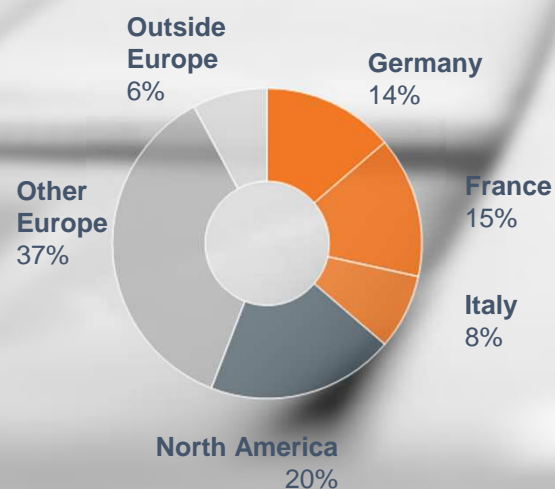


## 2016 KEY FIGURES by division

**JACQUET**

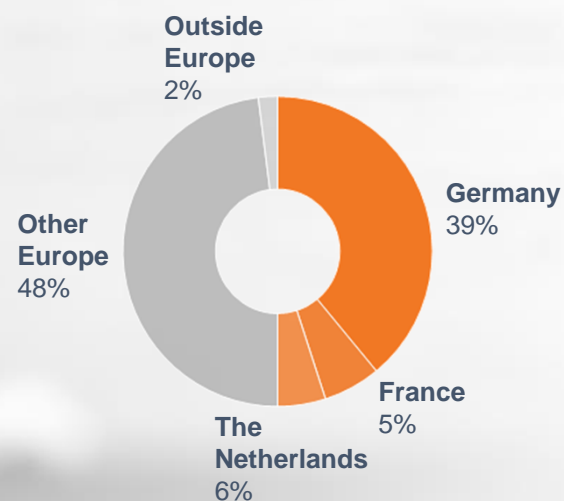
**ABRASERVICE**

Sales €330m (21%)

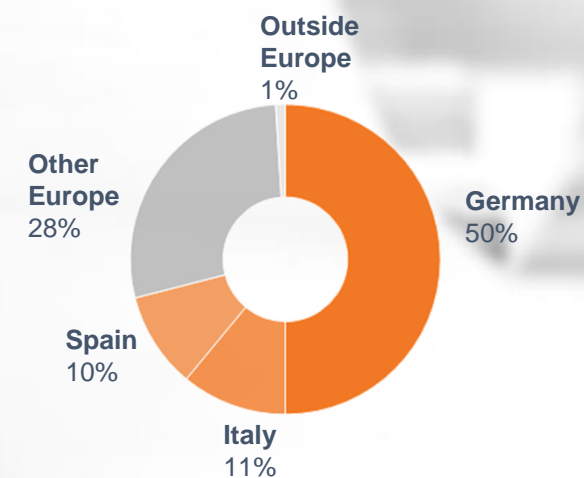


**STAPPERT**

Sales €420m (26%)



Sales €850m (53%)



## KEY EVENTS – H1 2017



### Group

**Sales** € 911 m (+ 8.5%)

> Volume effect: -1.8 %

> Price effect: +10.3 %

**EBITDA** € 61 m (€ 24 m in H1.16)

**Net income  
(Group share)** € 28 m (€ 2 m in H1.16)

### S+B Distribution I VEGA Plan

> Last actions by the end of 2017

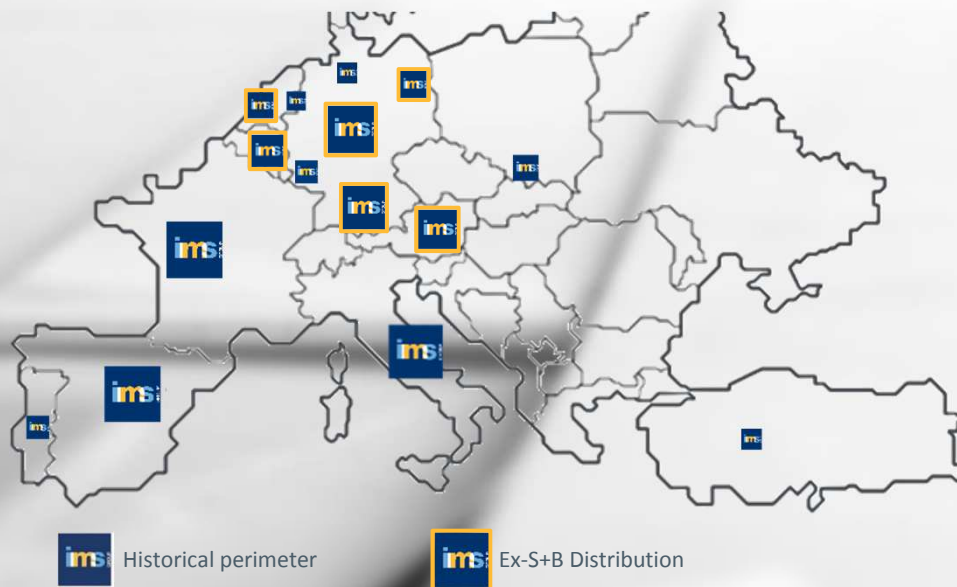
> € 7 m savings on a full-year basis



## IMS group including S+B Distribution



### European leader



### H1 2017 Key figures

In €m	<u>Sales</u>	<u>% EBITDA</u>
Historical perimeter	201	8.1%
Ex-S+B Distribution	272	3.8%
<b>IMS group</b>	<b>473</b>	<b>5.6%</b>



## DEVELOPMENT AREAS



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Aggregating volumes to benefit from better purchasing conditions

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United States of America  
Germany  
Italy  
United-Kingdom

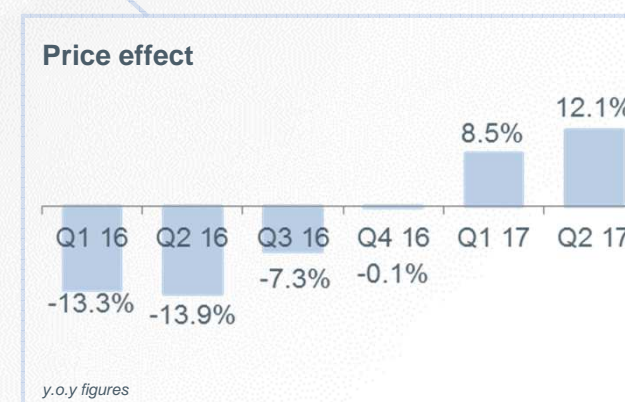
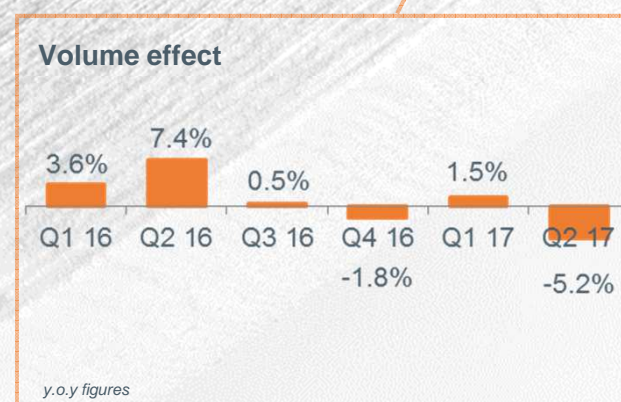
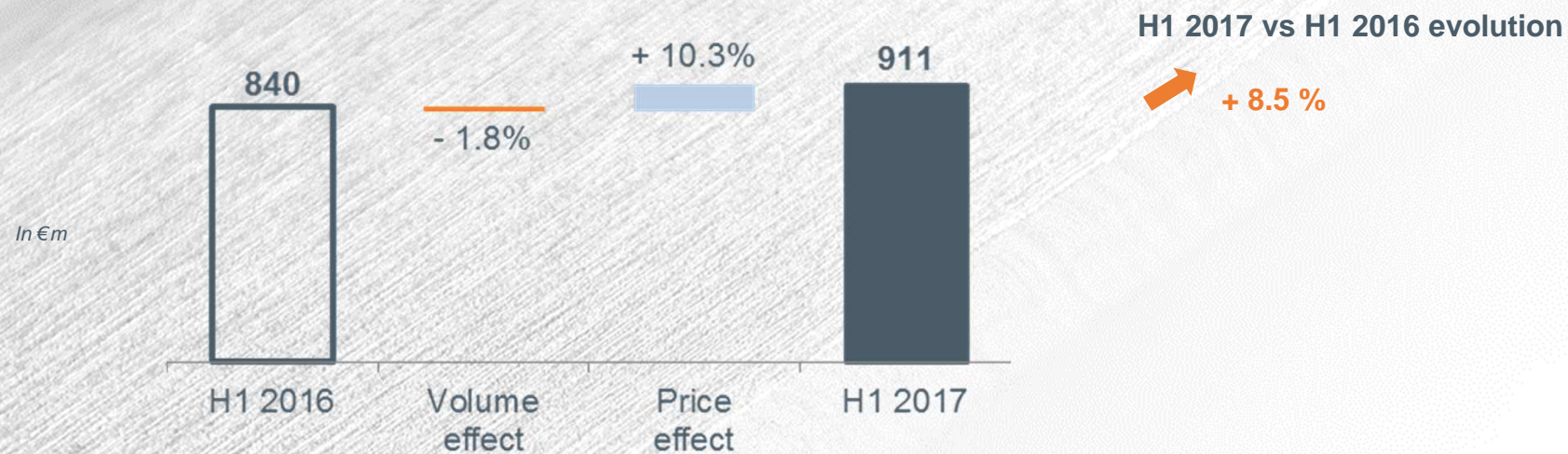
1. A leader in the distribution of specialty steels

2. 2017 half-year financial results





## SALES





## SALES by division

**JACQUET**  
ABRASERVICE

+ 15.9%

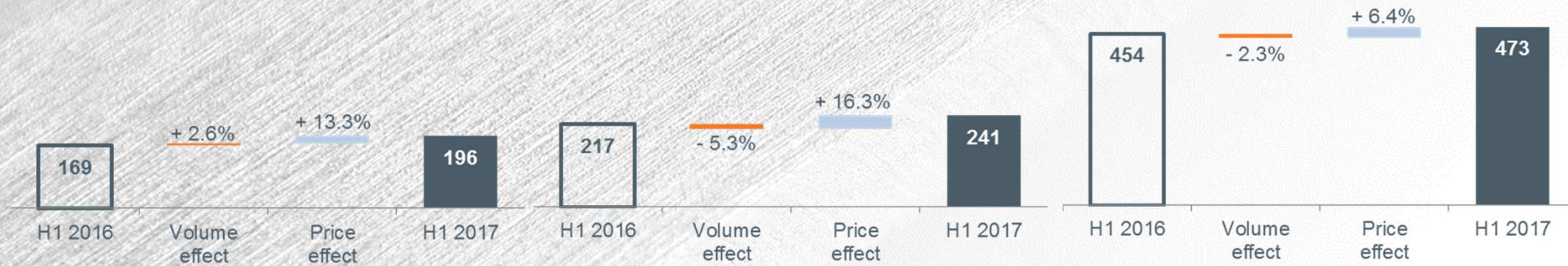
**STAPPERT**

+ 11.0%

**ims**  
GROUP

+ 4.2%

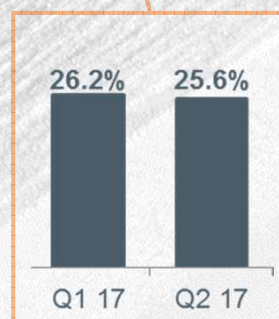
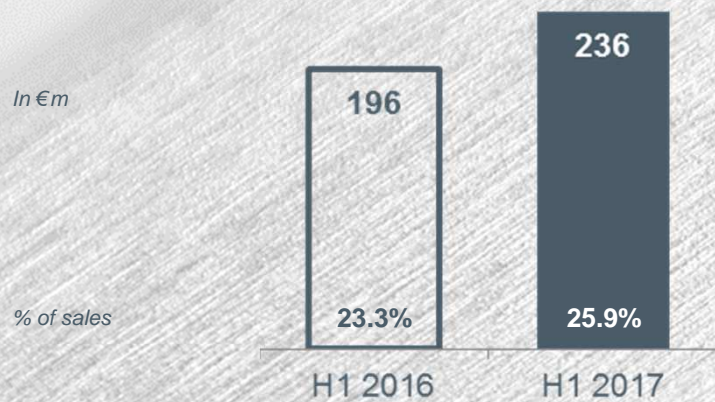
In €m





## GROSS MARGIN

Gross margin: €236 m, 25.9% of sales  + 2.6 pts



JACQUET  
ABRASERVICE

30.9%  + 1.4 pt

  
STAPPERT

23.3%  + 2.9 pts

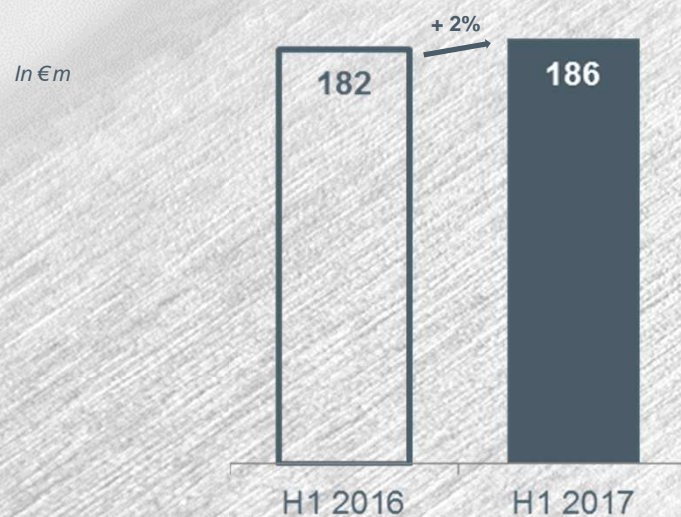


24.7%  + 2.8 pts



## OPERATING EXPENSES \*

H1 2017 vs. H1 2016 evolution: + € 4 m / + 2%



+ € 6.6 m Group without S+B Distribution: mainly linked to the activity growth and the improvement in profitability

- € 2.2 m S+B Distribution

\* Current operating expenses



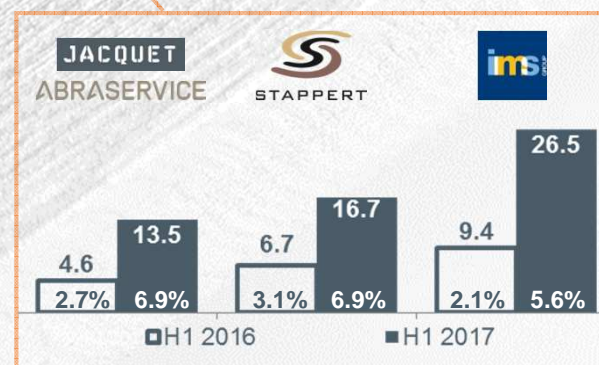
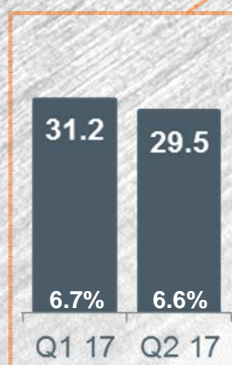
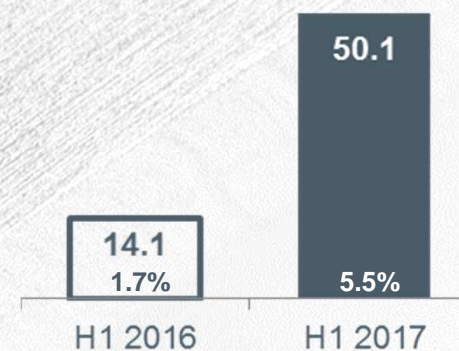
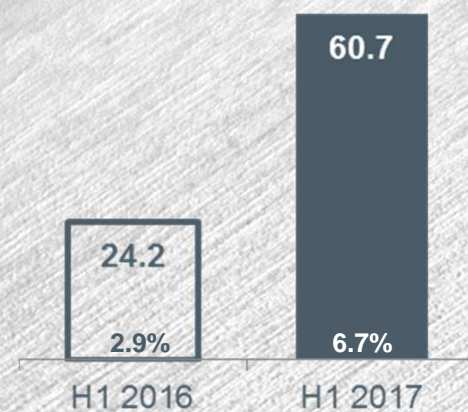
## OPERATING INCOME

EBITDA: € 61 m

Operating income before  
non-recurring items: € 50 m

In €m

% of sales





## INCOME STATEMENT

Net income (Group share): € 28 m (vs. € 2 m)

(in €m)	Q2 2017	Q2 2016	H1 2017	H1 2016
<b>Sales</b>	<b>445.7</b>	<b>417.0</b>	<b>910.7</b>	<b>839.5</b>
<b>EBITDA</b>	<b>29.5</b>	<b>15.4</b>	<b>60.7</b>	<b>24.2</b>
% of sales	6.6%	3.7%	6.7%	2.9%
<b>Operating income before non-recurring items</b>	<b>23.2</b>	<b>10.0</b>	<b>50.1</b>	<b>14.1</b>
% of sales	5.2%	2.4%	5.5%	1.7%
Operating income	22.1	10.1	49.2	14.5
<b>Net result (Group share)</b>	<b>12.4</b>	<b>3.4</b>	<b>27.7</b>	<b>2.3</b>
Earning per share in circulation (in €)	0.52	0.14	1.15	0.10



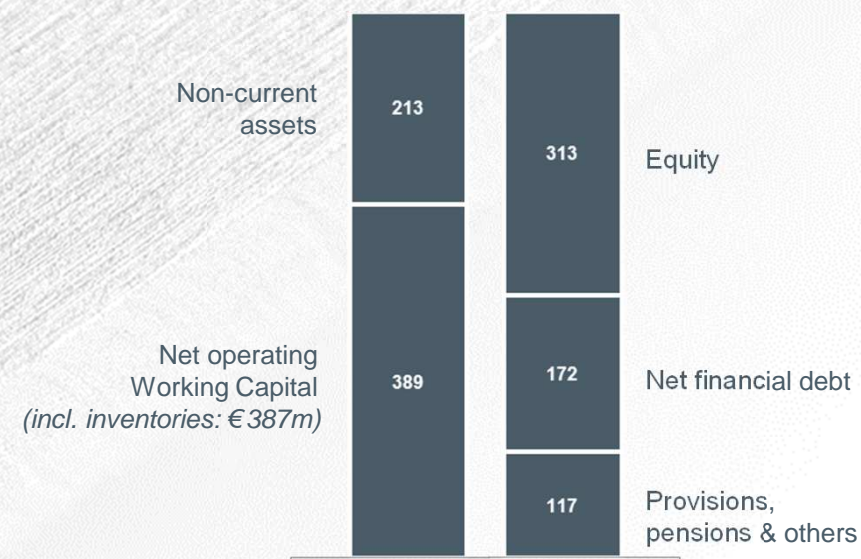
## CASH FLOW / BALANCE SHEET

**Cash flow: € 48 m** (vs. € 28 m in H1 2016)

**Net debt: € 172 m** (vs. € 205 m as of December 31<sup>st</sup>, 2016)



**Gearing: 55%**





## FINANCINGS

Utilization rate: 43% as of June 30<sup>th</sup>, 2017

Syndicated revolving loan renegotiation in June 2017

	In €m	Authorized at 30.06.2017	Used at 30.06.2017	% used
<b>Syndicated revolving loan</b> <ul style="list-style-type: none"> <li>Amount: € 125 m (utilization : 0)</li> <li>Maturity: <b>July 2020</b></li> </ul>	<b>Jacquet Metal Service SA:</b>	<b>341</b>	<b>137</b>	<b>40%</b>
	Syndicated revolving loan	125	0	0%
	Schuldscheindarlehen	88	88	100%
	Lines of credit	128	49	38%
<b>Schuldscheindarlehen</b> <i>(private placement of debt under German law)</i> <ul style="list-style-type: none"> <li>Amount: € 88 m</li> <li>Maturity: October 2020</li> </ul>	<b>Subsidiaries:</b>	<b>224</b>	<b>105</b>	<b>47%</b>
	Lines of credit	149	58	39%
	Factoring	28	2	7%
	Asset financing <i>(term loans, revolving and leasing)</i>	47	45	95%
	<b>Total</b>	<b>565</b>	<b>242</b>	<b>43%</b>

The financing covenants were in compliance with at June 30<sup>th</sup>, 2017.

### APPENDICES



A leader in the distribution of special steels



## ORGANIZATION IN 3 DIVISIONS

Quarto plates  
stainless steel  
and wear-resistant

**JACQUET**  
ABRASERVICE



Stainless steel  
long products

  
STAPPERT



Engineering  
steels



### Applications:

Chemical, agro foods, gas treatment & storage, environment, energy, yellow goods, steel works, mines & quarries, cement works, green goods, machinery, lifting, waste treatment

Chemical, agro foods, gas treatment & storage, environment, energy

General engineering, transport, yellow goods, machines centers, green goods, energy



**INCOME STATEMENT**

(€000)

**Sales**

Gross margin

*% of sales*

Operating expenses

Net depreciation and amortization

Net provisions

Gain / (losses) on disposals of non-current assets

Non-recurring income / (expenses)

**Operating income**

*% of sales*

Net financial expenses

Income before tax

Corporate income tax

**Consolidated net income**

**Net income (Group share)**

**Earnings per share in circulations (in €)**

**EBITDA**

*% of sales*

**Operating income before non-recurring items**

*% of sales*

**Q2 2017**

**Q2 2016**

**H1 2017**

**H1 2016**

**445,728**

**416,966**

**910,685**

**839,527**

114,182

101,515

235,995

195,640

25.6%

24.3%

25.9%

23.3%

(85,716)

(87,870)

(176,965)

(175,340)

(5,840)

(5,171)

(10,970)

(10,369)

(565)

1,572

995

4,435

72

78

162

143

0

0

0

0

**22,133**

**10,124**

**49,217**

**14,509**

5.0%

2.4%

5.4%

1.7%

(3,613)

(1,997)

(6,212)

(4,923)

18,520

8,127

43,005

9,586

(5,393)

(4,345)

(13,585)

(6,349)

**13,127**

**3,782**

**29,420**

**3,237**

**12,431**

**3,438**

**27,716**

**2,347**

**0.52**

**0.14**

**1.15**

**0.10**

**29,466**

**15,358**

**60,705**

**24,191**

6.6%

3.7%

6.7%

2.9%

**23,200**

**10,024**

**50,056**

**14,088**

5.2%

2.4%

5.5%

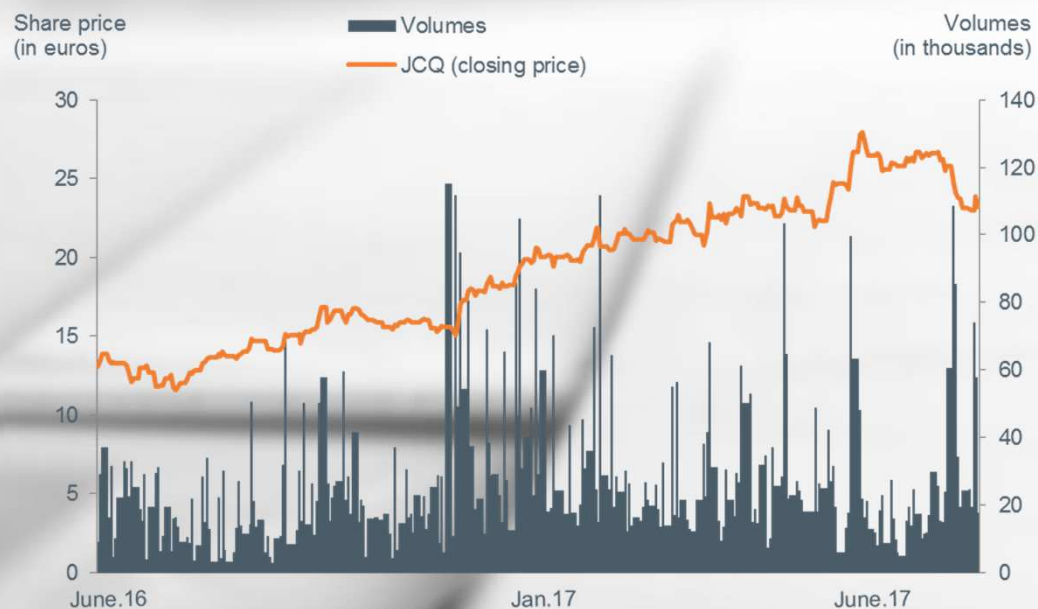
1.7%

## BALANCE SHEET

(€000)	30.06.2017	31.12.2016
Goodwill	68,390	68,489
Net non-current assets	144,813	147,598
Net inventory	387,223	376,243
Net trade receivables	230,592	171,315
Other assets	92,440	91,707
Cash	66,427	72,951
<b>Total assets</b>	<b>989,885</b>	<b>928,303</b>
Equity	312,702	296,522
Provisions ( <i>incl. provisions for employees benefit obligations</i> )	105,609	112,274
Trade payables	229,072	176,429
Financial debt	242,204	281,231
Other liabilities	100,298	61,847
<b>Total liabilities</b>	<b>989,885</b>	<b>928,303</b>

## STOCK INFORMATION

Market capitalization: € 609 m as of September 4<sup>th</sup>, 2017



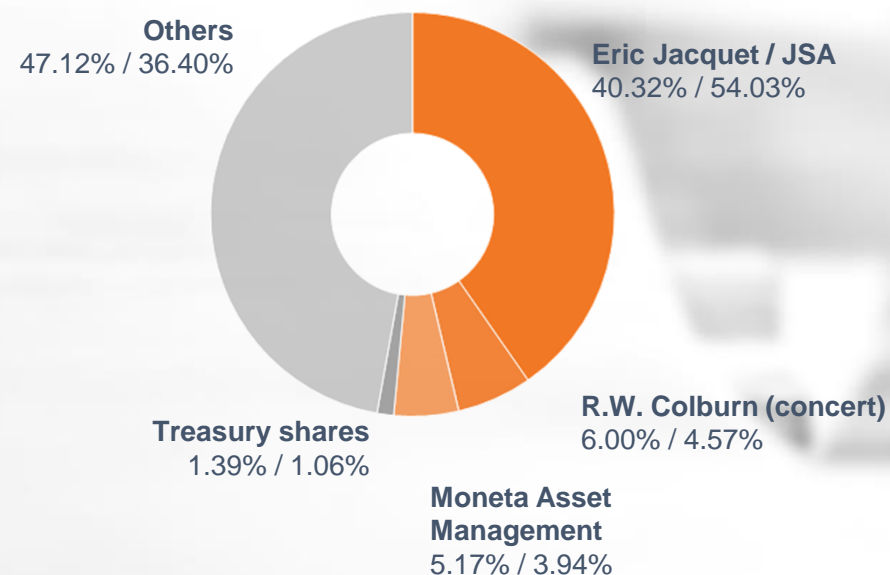
Euronext Paris

ISIN



FR0000033904

Share capital and voting rights breakdown as of June 30<sup>th</sup>, 2017



**JACQUETMETALSERVICE**

Euronext Paris

ISIN : FR0000033904

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