



JACQUETMETALSERVICE

2017 annual financial results

Paris - March 8th, 2018

A leader in the distribution of specialty steels

AGENDA

1. A leader in the distribution of specialty steels
 2. 2017 annual financial results
-

POSITIONING

Commodities steel market 95%

Typology:

Large volume

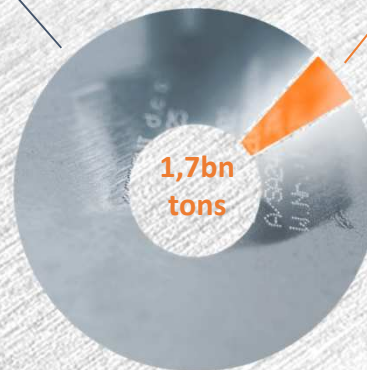
“Volumes” strategy

Players:

Aperam,

ThyssenKrupp Materials,

Kloeckner



Specialty steel market 5%

Typology:

Targeted applications

“Margin” strategy

Players:

Amari Metal,

Ta Chen International,

Jacquet Metal Service



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
- Average delivery time: -/+ 1 week

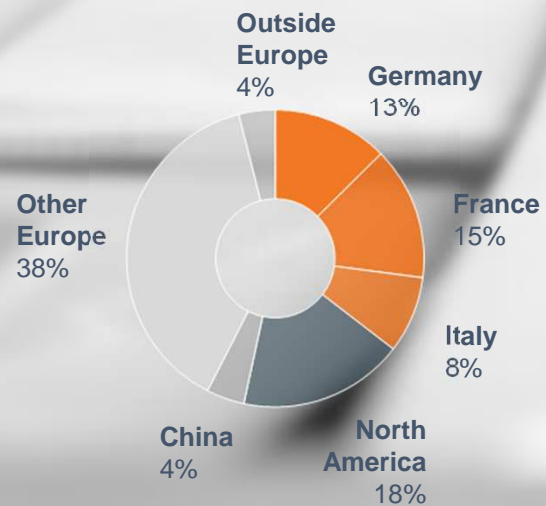


3 DIVISIONS

JACQUET

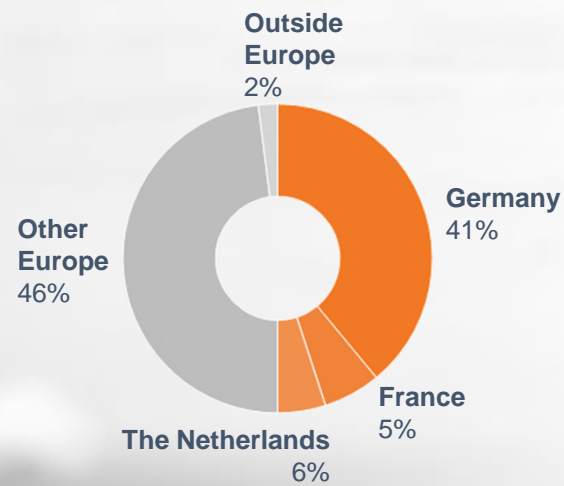
ABRASERVICE

Sales €378m (22%)

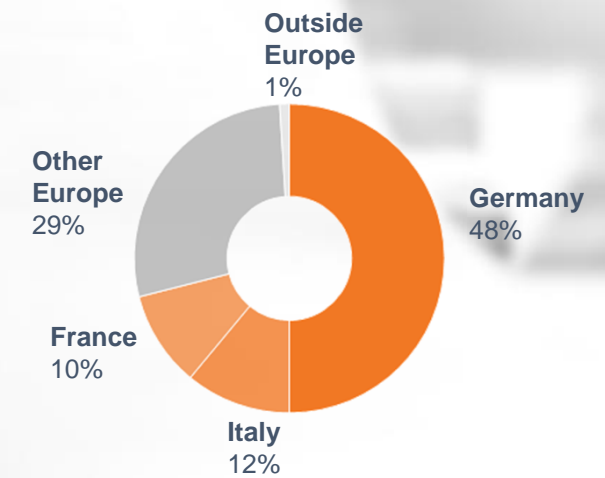


STAPPERT

Sales €457m (26%)



Sales €901m (52%)



GROUP OVERVIEW

Senior Management



Eric JACQUET (FR)
Chairman & CEO



David FARIAS (ARG)
COO JACQUET – Abraservice
(since 2015)



Marc STEFFEN (DE)
COO STAPPERT
(since 2007)



Philippe GOCZOL (BE)
Deputy CEO
(since 2001)



Thierry PHILIPPE (FR)
CFO
(since 2005)



José BERTHELIER (FR)
COO IMS group
(since 2014)

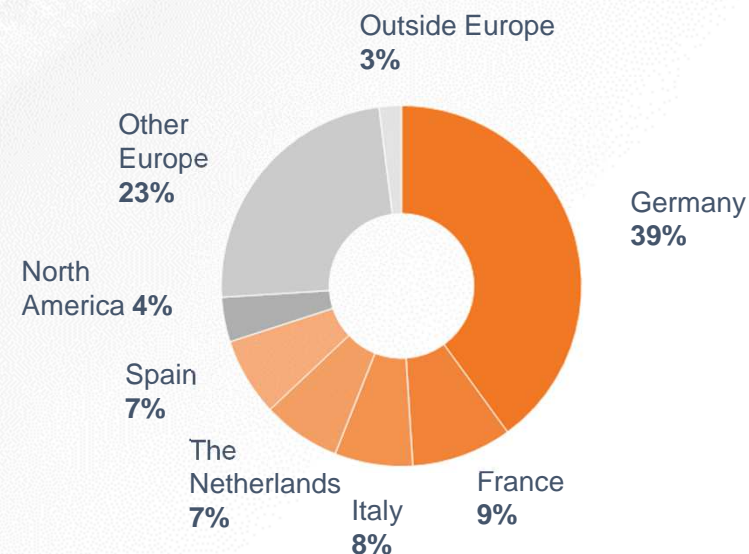
Group key figures

Sales	€ 1.7 Bn
Staff	3,329
Distribution centers	110
Countries	25

Worldwide footprint



Sales breakdown



2017 KEY EVENTS



Group

Sales € 1 741 m (+ 9.6%)

- > Volume effect: +4,1% (excluding S+B Distribution)
- > Price effect: +8.6 %

EBITDA € 106 m (€ 55 m in 2016)

**Net income
(Group share)** € 46 m (€ 16 m in 2016)

Ex-S+B Distribution

- > Integration completed end of 2017
- > € 7 m savings on a full-year basis
- > EBITDA : € 15.8 m (€ 2.6 m in 2016 / € -6.2 m in 2015)

FUTURE MAIN DEVELOPMENT AREAS



Aggregating volumes to benefit from better purchasing conditions

United States of America

Germany

Italy

United-Kingdom

AGENDA

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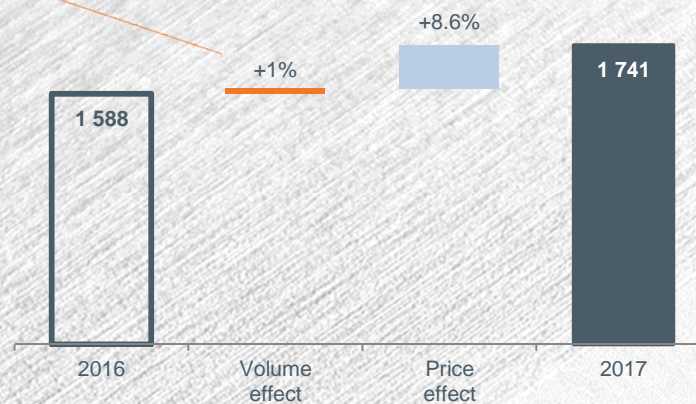
SALES

+4.1%
excluding S+B
Distribution

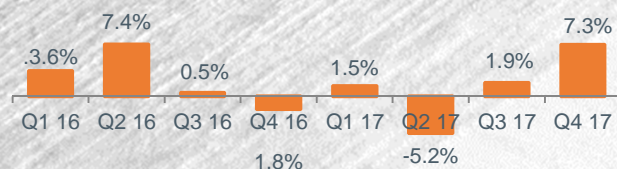
Variation 2017 vs 2016

+ 9.6 %

In €m

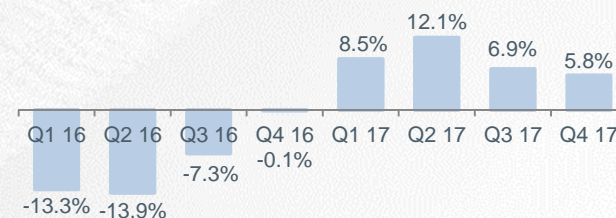


Volume effect



Datas y.o.y

Price effect



Datas y.o.y

Sales variation



Datas y.o.y

SALES by division

JACQUET
ABRASERVICE



+ 17%


STAPPERT



+ 9.8%

ims
GROUP



+ 6.4%

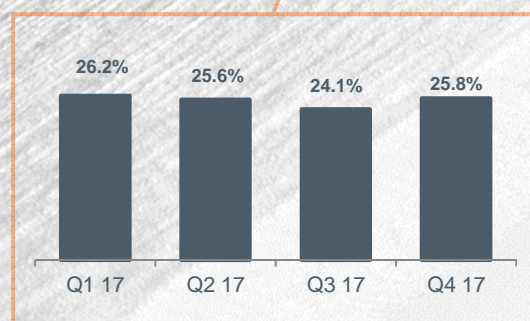
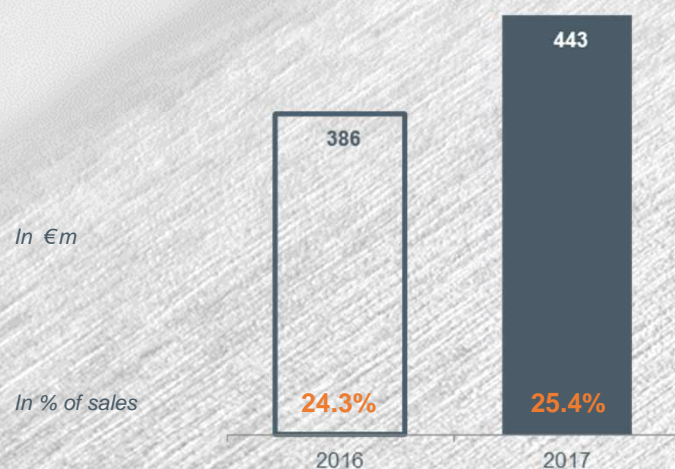
In €m



IMS group Historical perimeter +7.2%
S+B Distribution -6.7%

GROSS MARGIN

Gross Margin: €443 m, 25.4% of sales  + 1.1 pt



JACQUET
ABRASERVICE

December 31, 2017

var. y.o.y.

115.1 m€
(30.4%)

+ 15.5 m€
(- 0.4 pt)


STAPPERT

103.7 m€
(22.7%)

+ 13.5 m€
(+ 1 pt)


ims

217.5 m€
(24.1%)

+ 26.7 m€
(+ 1.6 pt)

OPERATING EXPENSES EXCLUDING NON-RECURRING ITEMS

Variation 2017 vs. 2016 : + € 6.4 m / + 1.8%

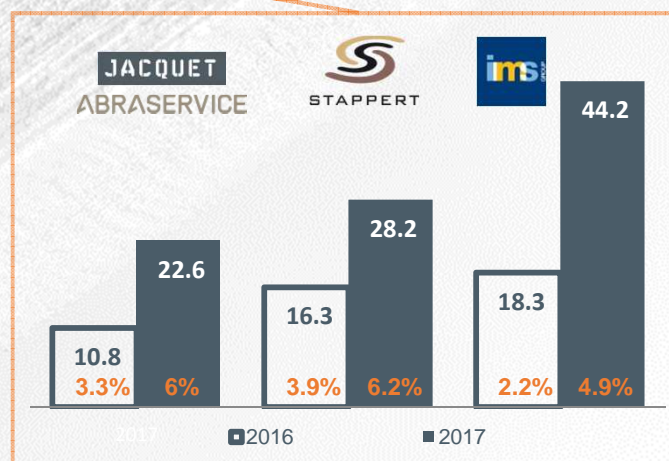
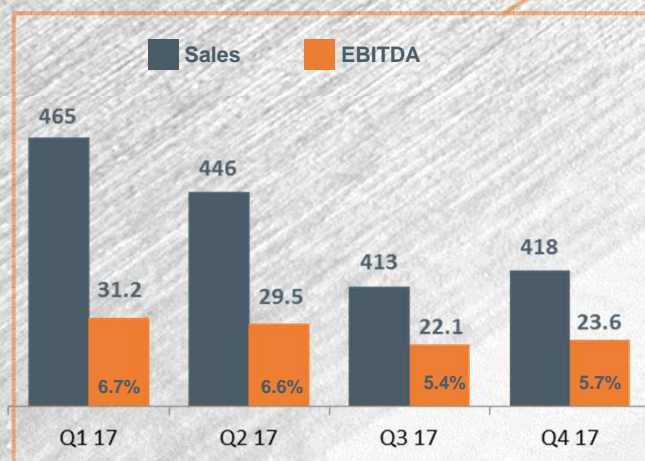
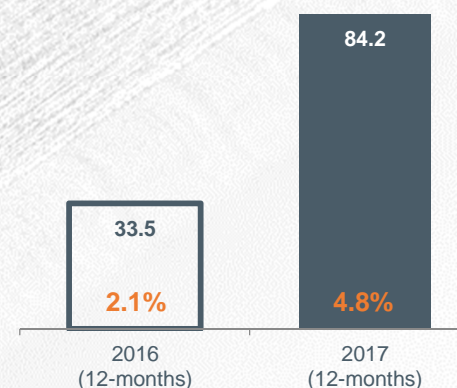
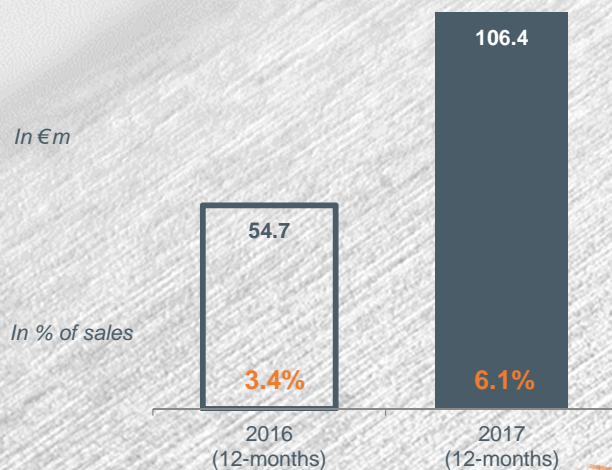
Increase in variable operating expenses mainly due to the improvement in Group sales and profit margins.



OPERATING RESULT

> EBITDA: €106 m (+ 95%)

> Adjusted operating income: €84 m (x 2.5)



INCOME STATEMENT

> Net income (Group share) : €46 m (x2.9)

(in €m)	Q4 2017	Q4 2016	2017	2016
Sales	417.9	369.5	1 741.1	1 588.3
EBITDA	23.6	14.5	106.4	54.7
% of sales	5.7%	3.9%	6.1%	3.4%
Adjusted operating income	17.5	7.8	84.2	33.5
% of sales	4.2%	2.1%	4.8%	2.1%
Operating income	14.8	14.2 *	80.8	40.8 *
Net income (Group share)	9.1	8.3 *	46.2	16.0 *
Earnings per share in circulation (€)	0.38	0.34	1.92	0.67

* 2016 operating income and net income (Group share) include a non-recurring income of €6.4 million recorded in the fourth quarter and relating to the acquisition of Schmolz+Bickenbach Distribution in 2015.

CASH FLOW / BALANCE SHEET

Cash flow: +85% vs December 31, 2016

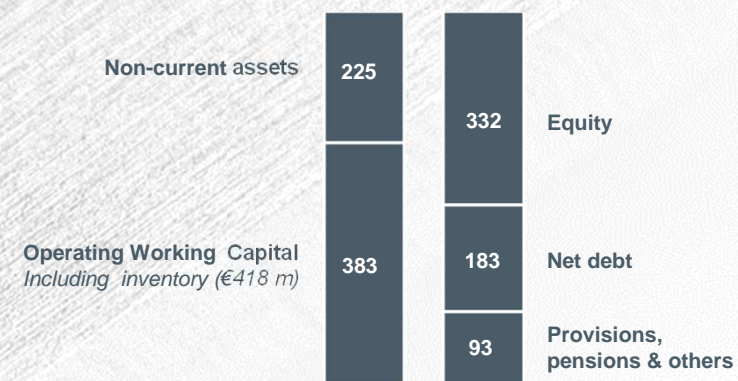
In €m



Balance Sheet

In €m

Gearing: 55%



BORROWINGS AT DECEMBER 31, 2017

Utilization rate: 47%

Syndicated revolving loan *(negotiated in June 2017)*: € 125m / Maturity 2020

New SSD *(settled in February 2018)*: € 150m / Maturity 2023

	In €m	Authorized at 31.12.2017	Used at 31.12.2017	% used
Syndicated revolving loan <ul style="list-style-type: none"> Amount: € 125 m (utilization : 0) Maturity: July 2020 Unsecured 	Jacquet Metal Service SA:	366	161	44%
	Syndicated revolving loan	125	0	0%
	Schuldscheindarlehen	88	88	100%
	Lines of credit	153	73	47%
Schuldscheindarlehen <i>(private placement of debt under German law)</i> <ul style="list-style-type: none"> Amount: € 88 m → € 150 m Maturity: October 2020 → April 2023 Unsecured → Unsecured 	Subsidiaries:	246	129	52%
	Lines of credit	150	58	39%
	Factoring	30	5	16%
	Asset financing <i>(term loans, revolving and leasing)</i>	66	66	100%
	Total	612	290	47%

The financing covenants were in compliance with at December 31, 2017.

AGENDA

Appendices

INCOME STATEMENTS

(€000)	2017	2016
Sales	1,741,149	1,588,281
Gross margin	443,039	385,945
% of sales	25.4%	24.3%
Operating expenses	-338,267	-336,592
Net depreciation and amortization	-21,416	-21,177
Net provisions	-2,671	6,121
Gains on disposals of non-current assets	158	115
Non-recurring income and expenses	0	6,417
Operating income	80,843	40,829
% of sales	4.6%	2.6%
Net financial expense	-11,391	-9,712
Income before tax	69,452	31,117
Corporate income tax	-20,527	-13,339
Consolidated net income	48,925	17,778
Net income (Group share)	46,235	16,025
Earnings per share in circulation (€)	1.92	0.67
EBITDA	106,411	54,669
% of sales	6.1%	3.4%
Adjusted operating income	84,212	33,527
% of sales	4.8%	2.1%

BALANCE SHEETS

(€000)	31.12.2017	31.12.2016
Goodwill	68,345	68,489
Net non-current assets	156,154	147,598
Net inventory	418,012	376,243
Net trade receivables	189,296	171,315
Other assets	93,913	91,707
Cash	102,145	72,951
Total assets	1,027,865	928,303
Shareholders' equity	331,849	296,522
Provisions (<i>incl. provisions for employee benefit obligations</i>)	106,500	112,274
Trade payables	224,047	176,429
Borrowings	289,588	281,231
Other liabilities	75,881	61,847
Total equity and liabilities	1,027,865	928,303

STOCK MARKET

Stock market information

		2017
Number of shares at end of period	number of shares	24 028 438
Market capitalization at end of period	€000	660 782
High	€	30
Low	€	19
Price at end of period	€	28
Average daily trading volume	number of shares	24 330
Average daily traded capital	€	596 557

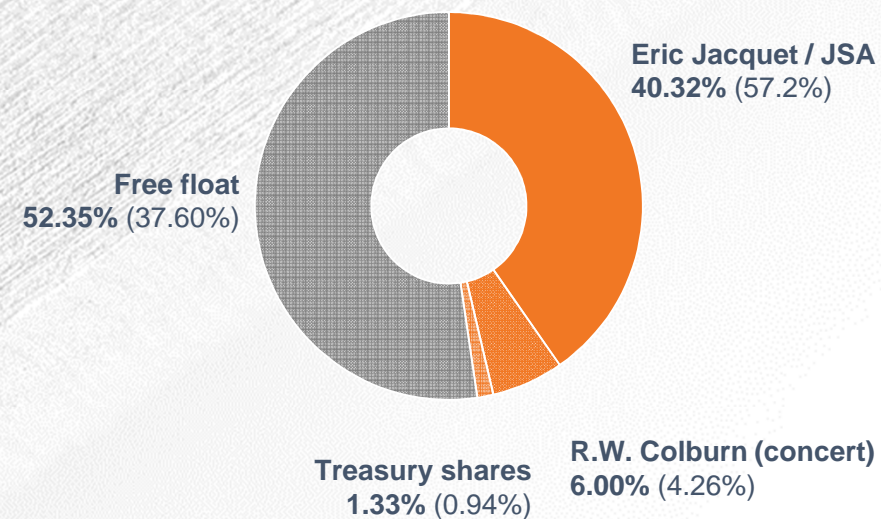
Euronext Paris

ISIN



FR0000033904

Share capital (voting rights) *



*As of December 31, 2017

JACQUETMETALSERVICE

Euronext Paris

ISIN : FR0000033904

JCQ
LISTED
EURONEXT
