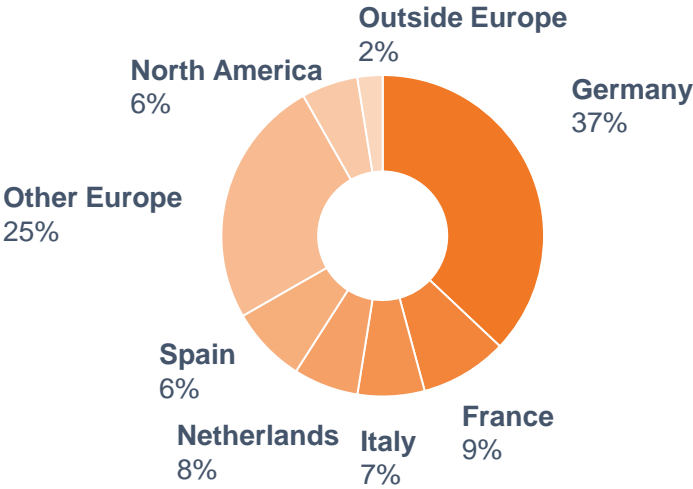


2020 half-year results  
*September 10, 2020*

GROUP OVERVIEW

H1-2020 sales	€726 m
Staff	3,006
Distribution centers	103
Countries	25

Sales breakdown



Worldwide footprint



3 DIVISIONS



Stainless steel  
quarto plates



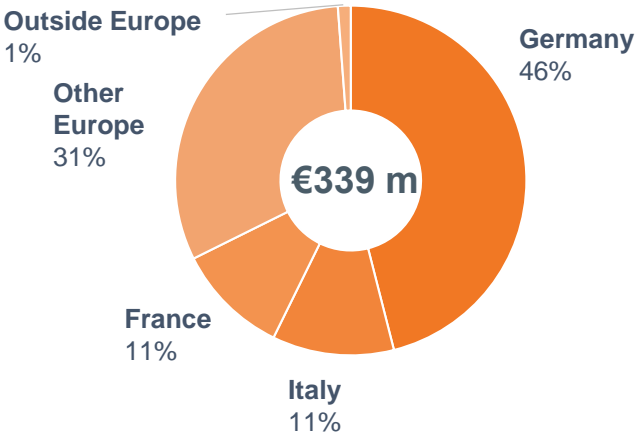
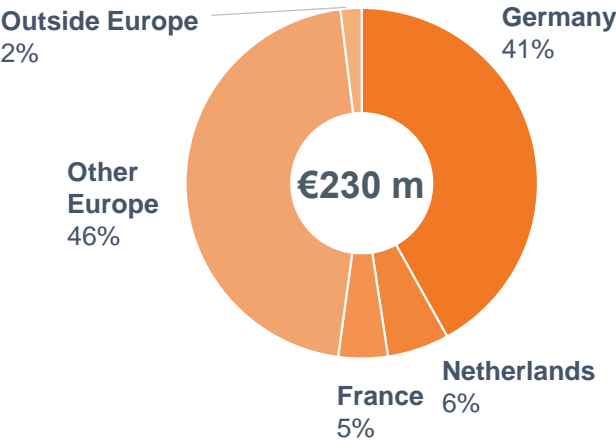
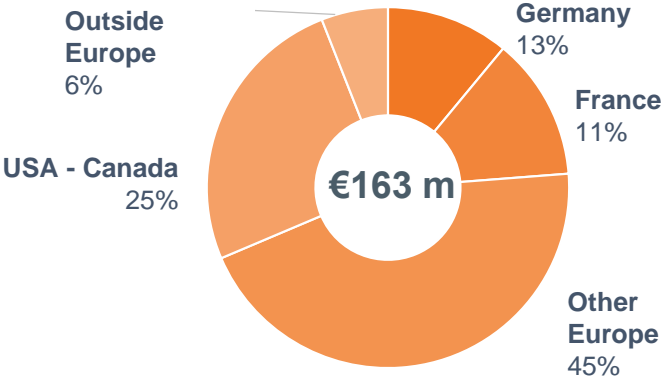
Stainless steel long  
products



Engineering steels



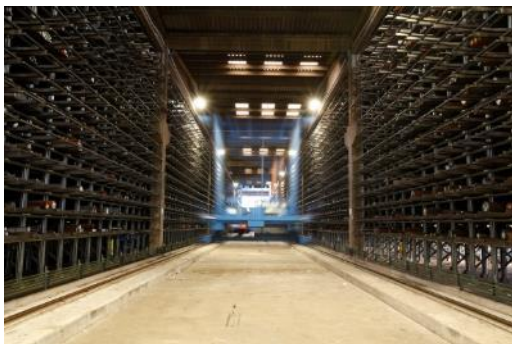
Sales and breakdown



\* H1 2020 sales and breakdown

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## GLOBAL SITUATION / KEY FIGURES



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### H1 2020

- **Market conditions:**
  - Activity disrupted by the COVID-19 epidemic
  - Sales €726 m / -18 %
- **Results:**
  - EBITDA: €19 m
  - Net loss (Group share): -€15 m (after taking into account -€11 m provisions mostly related to savings plans)
- **Financial position:**
  - Gearing: 38%
  - Cash flow: +€81 m
  - Cash: €397 m
- **Measures :**
  - Adaptation of inventory levels: -€56 m (€387 m as at 30 June 30)
  - Short-time working arrangements: €4 m of saving in H1
  - Estimated savings: €8 m full-year effect, 1<sup>st</sup> impacts in 2021

---

### H2 2020

- Challenging market conditions, characterized by low demand
-



## IMS group - ARCORE (ITALY)





## JACQUET MAGYARORSZAG (HUNGARY)



## FUTURE MAIN DEVELOPMENT AREAS



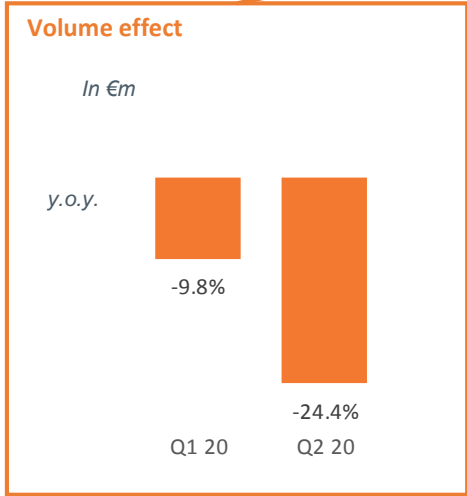
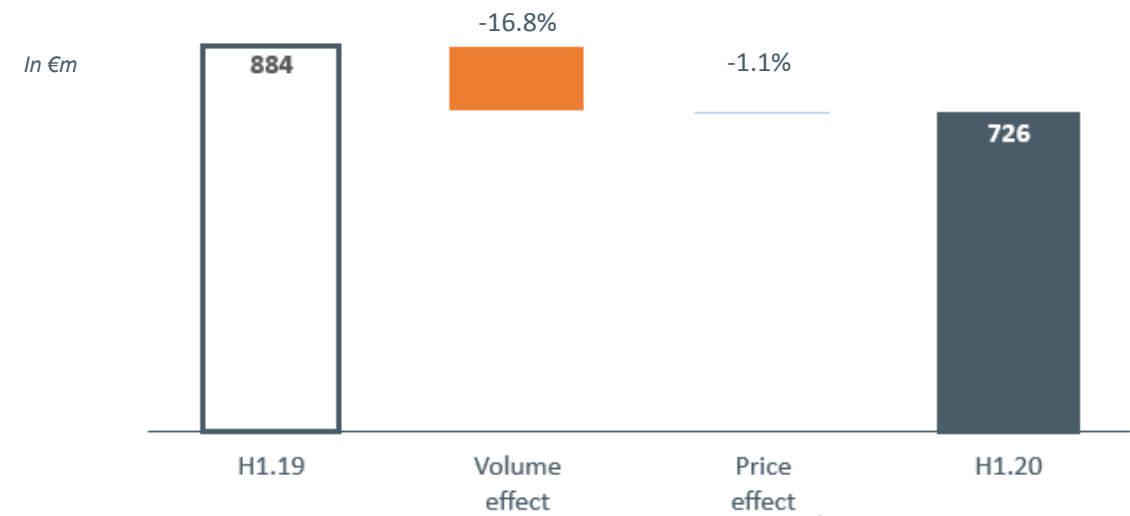
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USA  
Germany  
Italy  
United Kingdom

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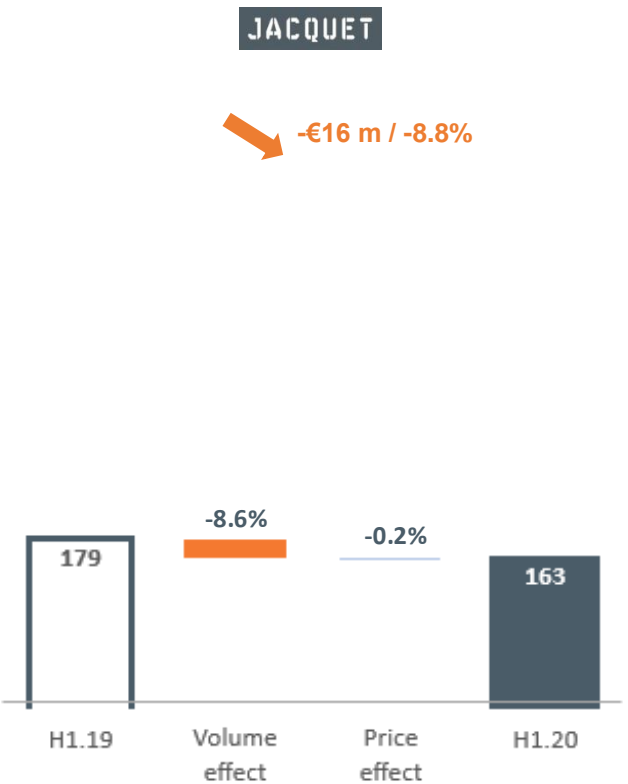
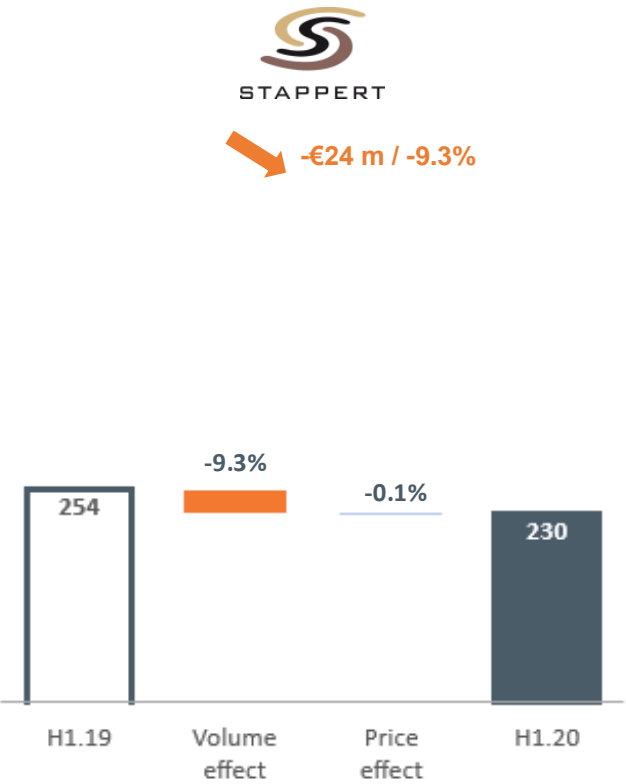
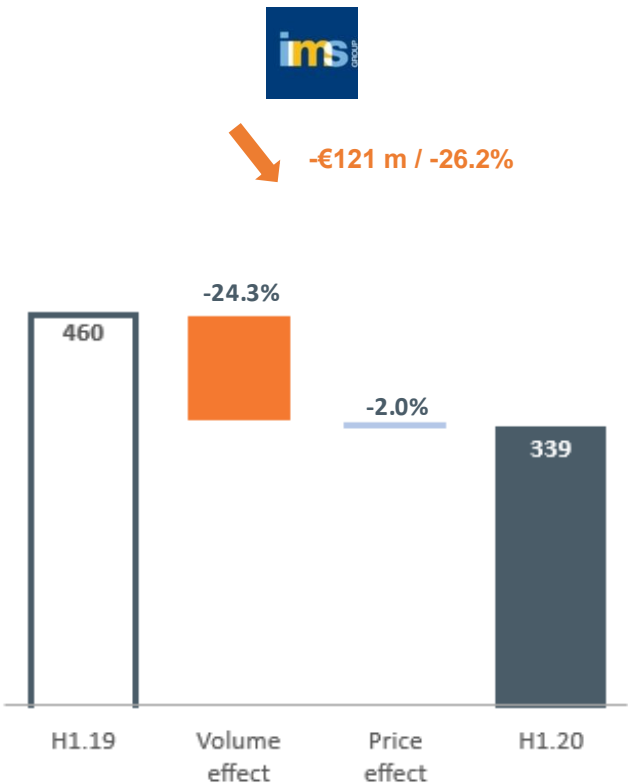
**Products**  
Aluminium  
Aeronautics

Variation H1 2020 vs H1 2019 ➡ -€158 m / -17.9%



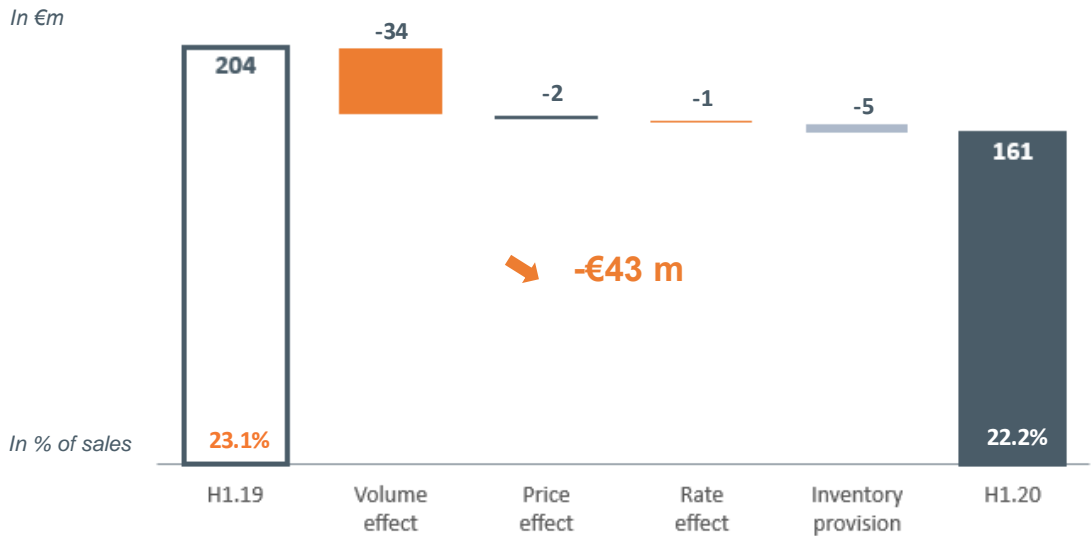


SALES by division



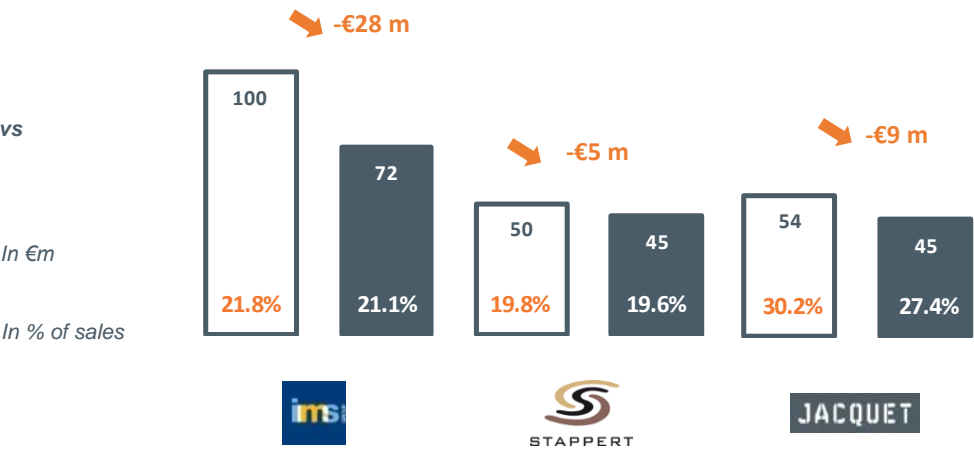
GROSS MARGIN

€161 m (22.2% of sales)



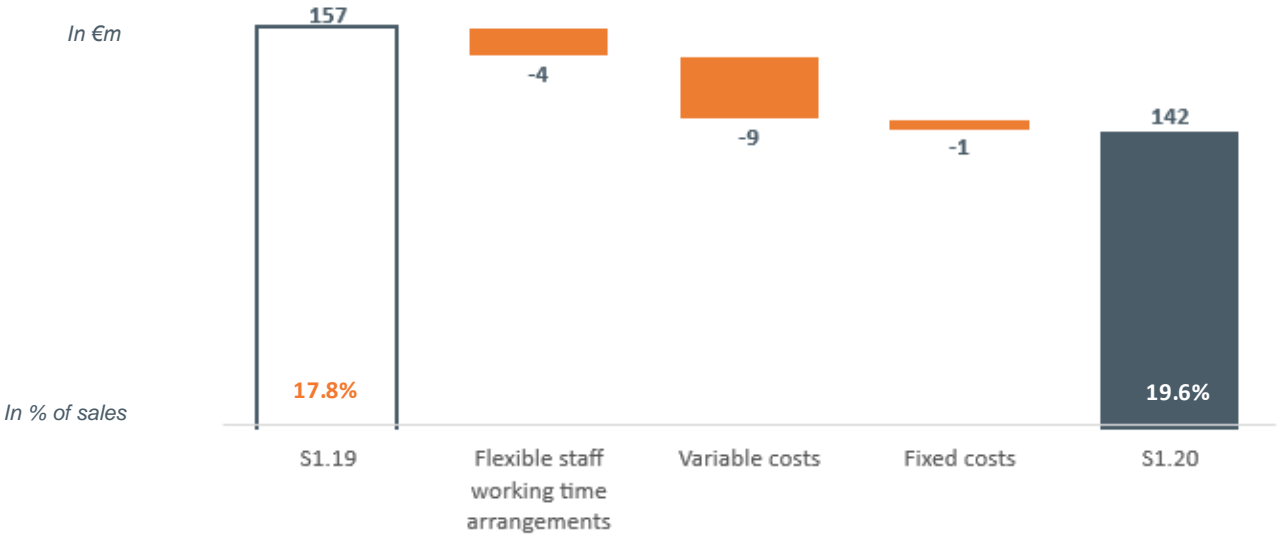
Divisions

Var. H1 2020 vs H1 2019



CURRENT OPERATING EXPENSES  
(excl. depreciation + rents €18 m and provisions €9 m)

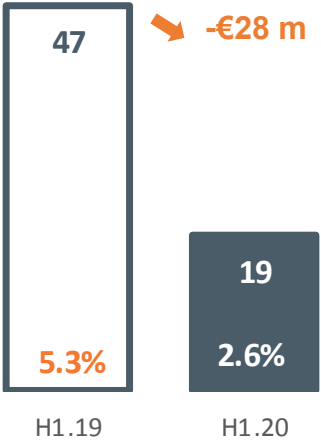
€142 m ➡ -€15 m / -9.3 %





OPERATING MARGIN

EBITDA : €19 m (2.6 % of sales)

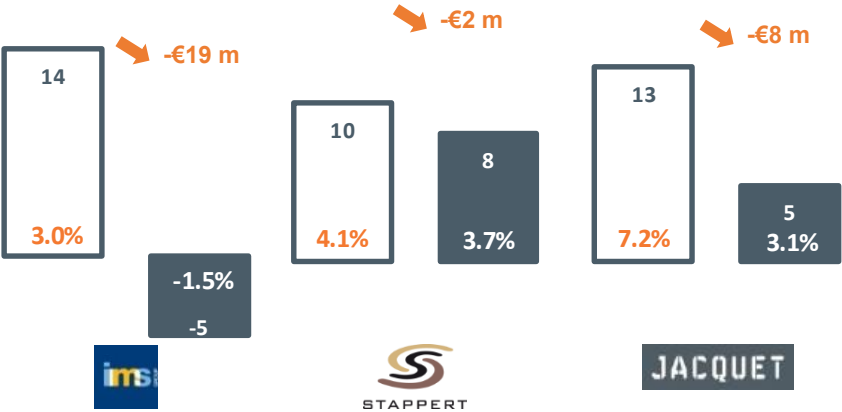


EBITDA by division  
(excl. IFRS 16)

Var. H1 2020 vs  
H1 2019

In €m

In % of sales



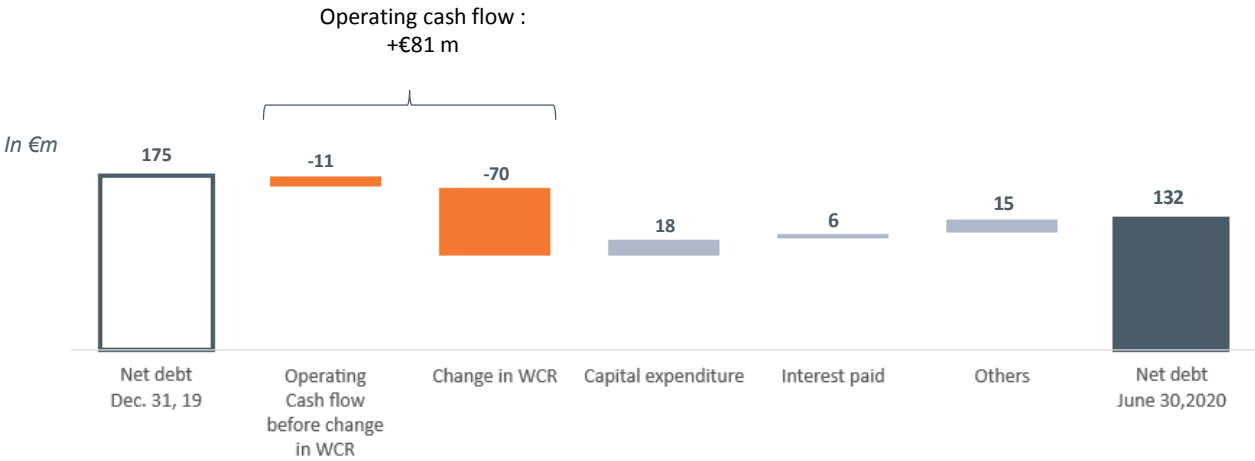
Non division operations : €1 m

## INCOME STATEMENT

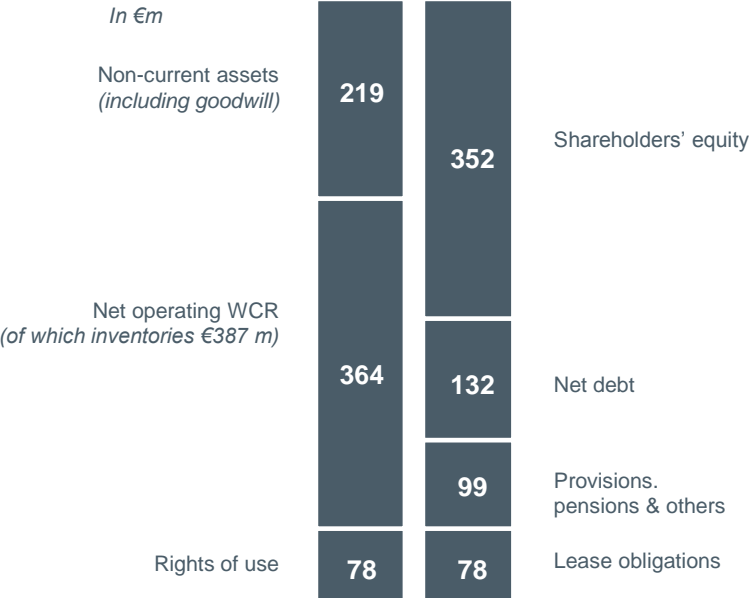
In €m	H1 2019	H1 2020
<b>Sales</b>	<b>884.4</b>	<b>726.5</b>
<b>EBITDA</b>	<b>47.2</b>	<b>19.1</b>
<i>% of sales</i>	5.3%	2.6%
Net depreciation and provisions, non-recurring items	(15.7)	(26.6)
<b>Operating income / (loss)</b>	<b>31.5</b>	<b>(7.5)</b>
Financial result	(5.8)	(6.4)
Coporate income tax	(8.3)	(0.4)
<i>Taxe rate</i>	32.3%	3.2%
Net income from discontinued operations	2.1	-
<b>Net income / (loss)</b>	<b>17.7</b>	<b>(15.2)</b>

CASH FLOW / BALANCE SHEET AT 30 JUNE 2020

Operating cash flow: +€81 m



Gearing : 37.6%





## BORROWINGS

- €397 m of cash
- €739 m of lines of credit of which €210 m not used
- Extension of syndicated revolving loan maturity of one year to June 2023
- Covenants in compliance at 30 June 2020

Euro in millions	Authorized at 30.06.20	Used at 30.06.20	% used	Maturity			
				2020	2021-2022	2023-2024	2025 and beyond
Syndicated revolving loan 2023	125.0	15.0	12%	-	-	15.0	-
Schuldsheindarlehen 2023	150.0	150.0	100%	-	-	150.0	-
Schuldsheindarlehen 2024 - 2025	70.0	70.0	100%	-	-	36.0	34.0
Term loans	98.5	98.5	100%	8.1	43.6	39.4	7.3
Other lines of credit	107.4	89.8	84%	68.7	21.1	-	-
<b>Jacquet Metals SA</b>	<b>550.8</b>	<b>423.3</b>	<b>77%</b>	<b>76.8</b>	<b>64.7</b>	<b>240.4</b>	<b>41.3</b>
Operational lines of credit (letter of credit. etc)	140.1	87.3	62%	83.5	3.9	-	-
Factoring	30.5	2.8	9%	2.8	-	-	-
Asset financing (term loans. etc)	18.0	15.8	88%	2.9	8.1	3.6	1.3
<b>Subsidiaries</b>	<b>188.6</b>	<b>105.9</b>	<b>56%</b>	<b>89.1</b>	<b>11.9</b>	<b>3.6</b>	<b>1.3</b>
<b>Total</b>	<b>739.4</b>	<b>529.2</b>	<b>72%</b>	<b>165.9</b>	<b>76.6</b>	<b>244.0</b>	<b>42.6</b>

Appendices

POSITIONING

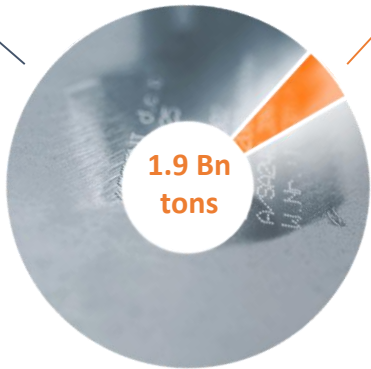
Commodities steel market 95%

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 Metals





## ADDED VALUE

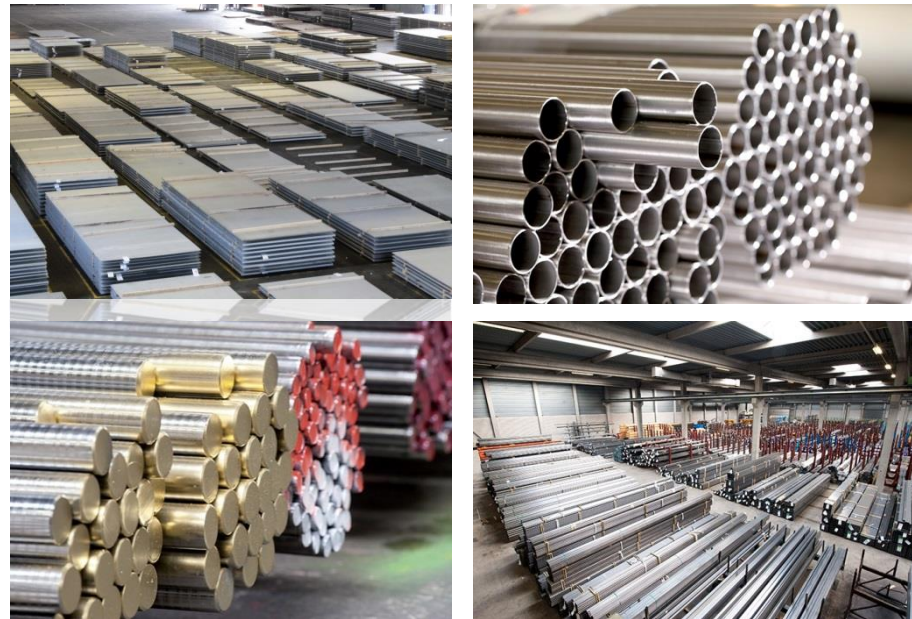
### Suppliers

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



### Jacquet Metals

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



### Customers

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



## SECTORS

JACQUET

Stainless steel  
quarto plates



### Sectors

- > Chemistry
- > Agri-food industry
- > Gas treatment and storage
- > Energy
- > Environment

  
STAPPERT

Stainless steel  
long products



- > Chemistry
- > Agri-food industry
- > Gas treatment and storage
- > Energy
- > Environment

  
ims

Engineering  
steels



- > General mechanics
- > Transport
- > Public works vehicles
- > Farm equipment
- > Energy

## INCOME STATEMENT

€k	S1.19	S1.20
<b>Sales</b>	<b>884</b>	<b>726</b>
Gross margin	204	161
% of sales	23.1 %	22.2 %
Operating expenses	(159)	(142)
Net depreciation and amortization	(17)	(18)
Net provisions	3	(9)
Gain/(losses) on disposals of non-current assets	0	0
<b>Operating income</b>	<b>31</b>	<b>(7)</b>
Net financial expense	(6)	(6)
Income before tax	25	(14)
Corporate income tax	(8)	(0)
Net income from discontinued operations	2	-
<b>Consolidated net income</b>	<b>20</b>	<b>(14)</b>
<b>Net income (Group share)</b>	<b>18</b>	<b>(15)</b>
<b>Earnings per share in circulation (€)</b>	<b>0.74</b>	<b>(0.65)</b>



## BALANCE SHEET

€m	31.12.19	30.06.20
Goodwill	66	66
Net non-current assets	143	152
Right-of-use assets	85	78
Net inventory	442	387
Net trade receivables	152	155
Other assets	91	88
Cash	206	397
<b>Total Assets</b>	<b>1 186</b>	<b>1 323</b>
Shareholders' equity	379	352
Provisions (including provisions for employee benefit obligations)	99	107
Trade payables	178	178
Borrowings	381	529
Other liabilities	63	79
Lease liabilities	86	78
<b>Total equity and liabilities</b>	<b>1 186</b>	<b>1 323</b>

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