

JACQUETMETALSERVICE

2019 annual results

March 12th, 2020

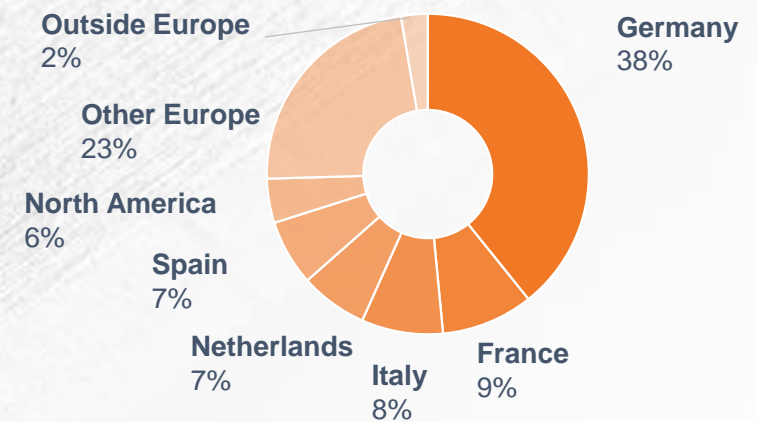
A leader in the distribution of specialty steels

GROUP OVERVIEW

After the sale of Abraservice in October 2019

Sales	1.6 Md€
Staff	3,039
Distribution centers	103
Countries	25

Sales breakdown



Worldwide footprint



A leader in the distribution of specialty steels

3 DIVISIONS

JACQUET

Stainless steel
quarto plates



STAPPERT

Stainless steel long
products

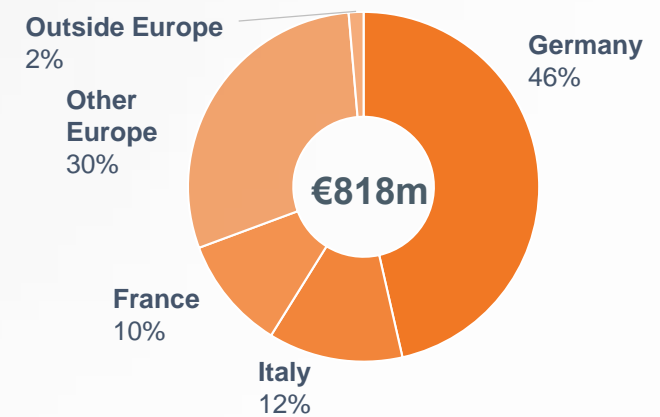
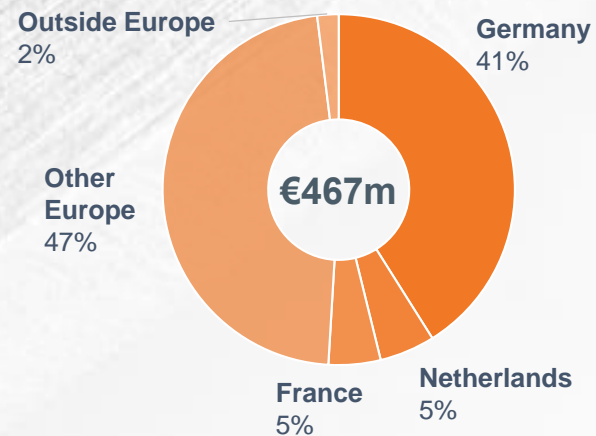
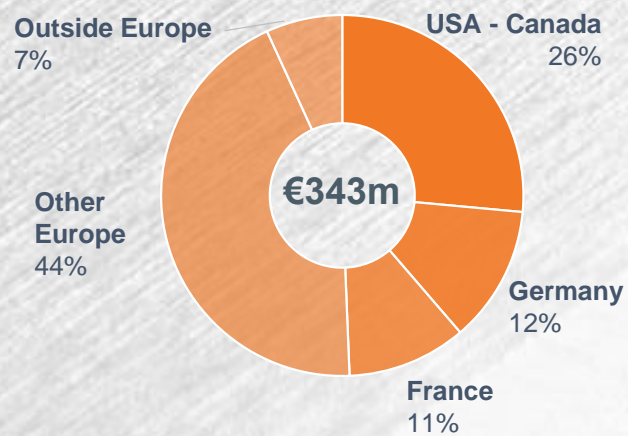


ims
GROUP

Engineering steels



Sales



A leader in the distribution of specialty steels

2019 – GLOBAL SITUATION AND HEADLINES



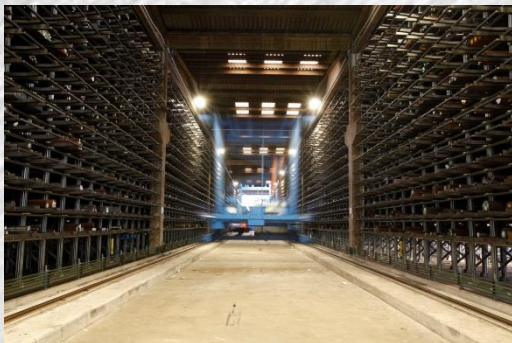
> 2019 situation

- Erosion of the demand, particularly from the second half onwards
- 3 divisions:
 - IMS group: division impacted by the slowdown in the European manufacturing sector (-13% y.o.y.), especially in Germany
 - STAPPERT: limited business decline (-4% y.o.y.)
 - JACQUET: business growth (+3.5% y.o.y.) related to more diversified markets



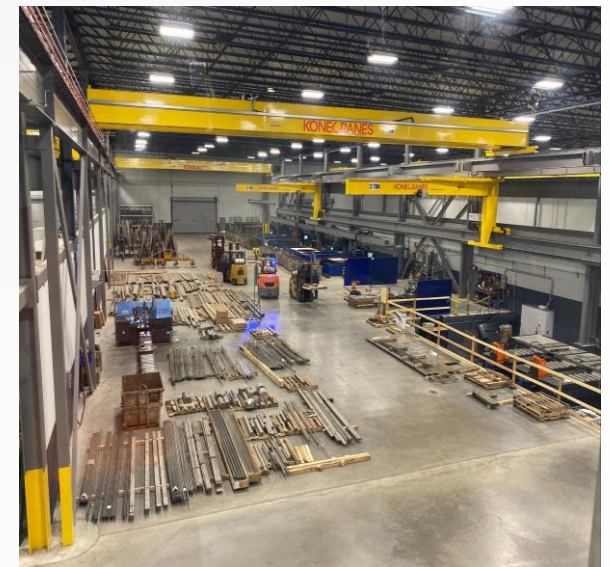
> Sale of ABRASERVICE to SSAB

- 10 distribution centers located in 11 countries
- Sales of €78 m
- Closing on October 31, 2019



A leader in the distribution of specialty steels

DIVISION JACQUET – LAUNCH OF PHILADELPHIE SITE (USA)



A leader in the distribution of specialty steels

START OF 2020 FINANCIAL YEAR – GLOBAL SITUATION



> January – February 2020

- Challenging market conditions
- No improvement expected during the 2020 first half

> Coronavirus – Status as of to date

- China
 - 1% of consolidated sales
 - Less than 20% of Group's purchases
 - The potential impact of production shutdowns on steel purchases should be limited
- Italy
 - 8% of consolidated sales
 - Less than 20% of Group's purchases
 - The Group has not noticed any business interruption and is unable at this stage to assess the potential impact of the coronavirus
- Other markets
 - The Group is unable at this stage to assess the potential impact of the coronavirus



FUTURE MAIN DEVELOPMENT AREAS



USA
Germany
Italy
United Kingdom

Products
Aluminium
Aeronautics

2019 – KEY FIGURES



Income statement

- Sales €1.6 Bn -7.5% y.o.y.
- EBITDA €73 m 4.5% of sales
- Net income (Group share) €25 m (incl. €8.5 m of capital gain for Abraservice)



Cash flow

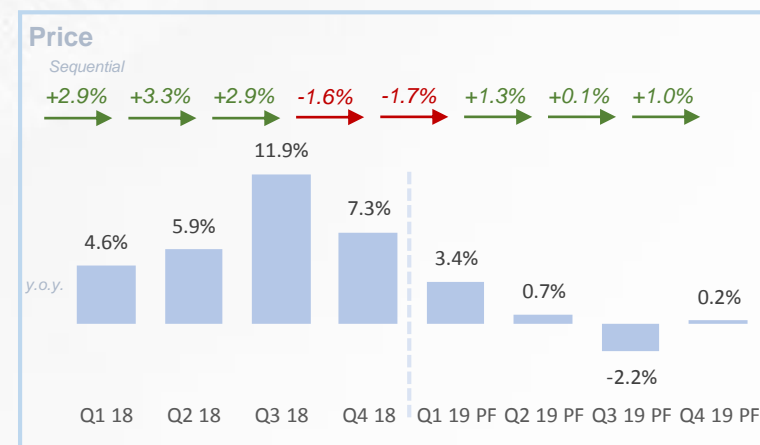
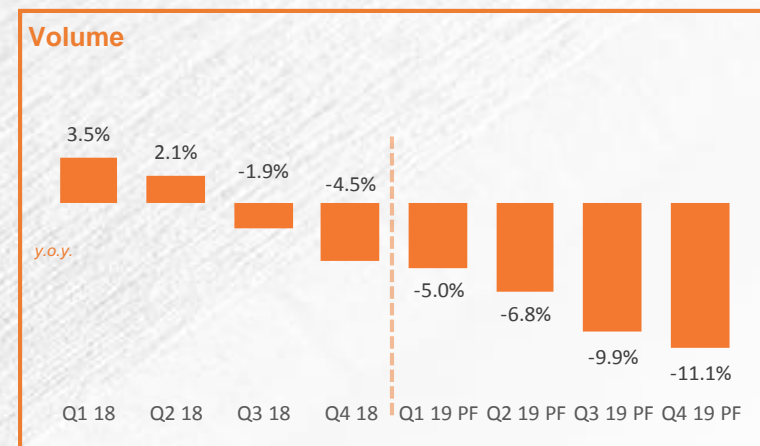
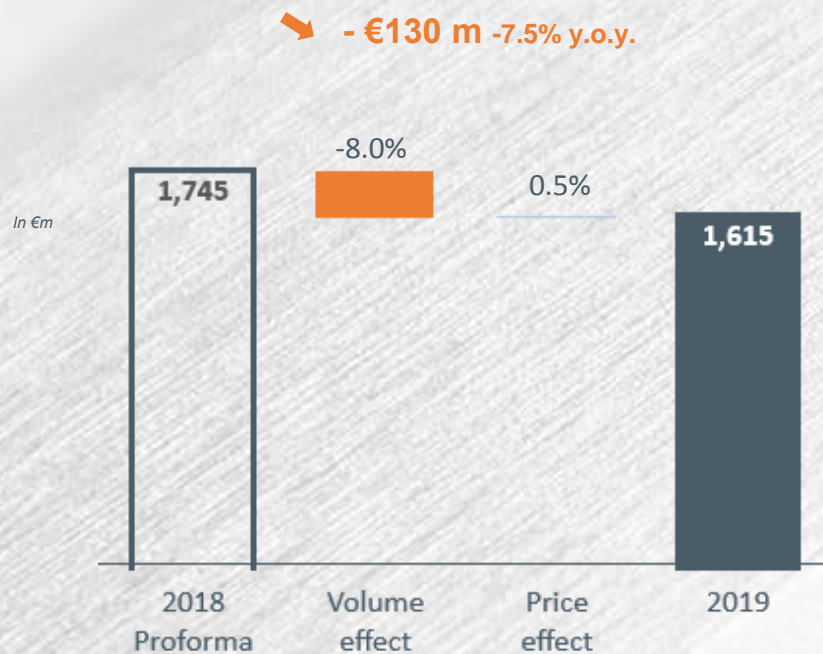
- Inventories €442 m -€36 m y.o.y.
- Cash-flow from operating activities +€59 m
- CAPEX €30 m particularly in North America



Financial structure

- Gearing 46.1% -11pts y.o.y.
- Cash and equivalents €206 m
- Lines of credit €674 m used at 57%

SALES



SALES by division

JACQUET

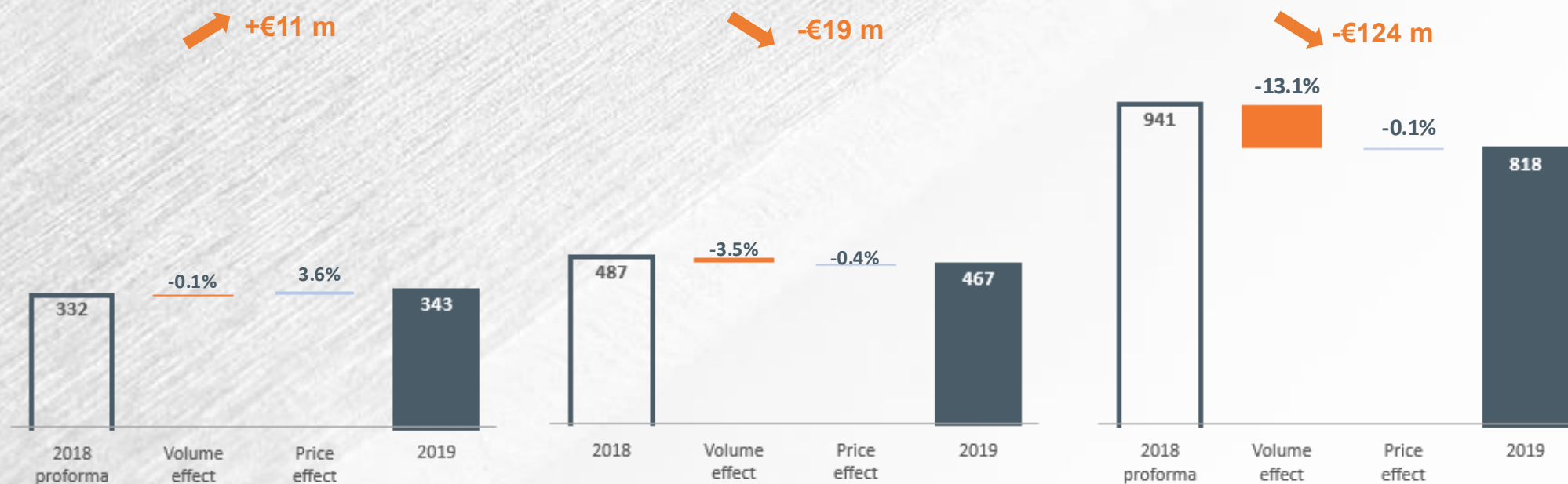
STAPPERT

ims

- Business growth in North America, Germany, Italy and the Netherlands

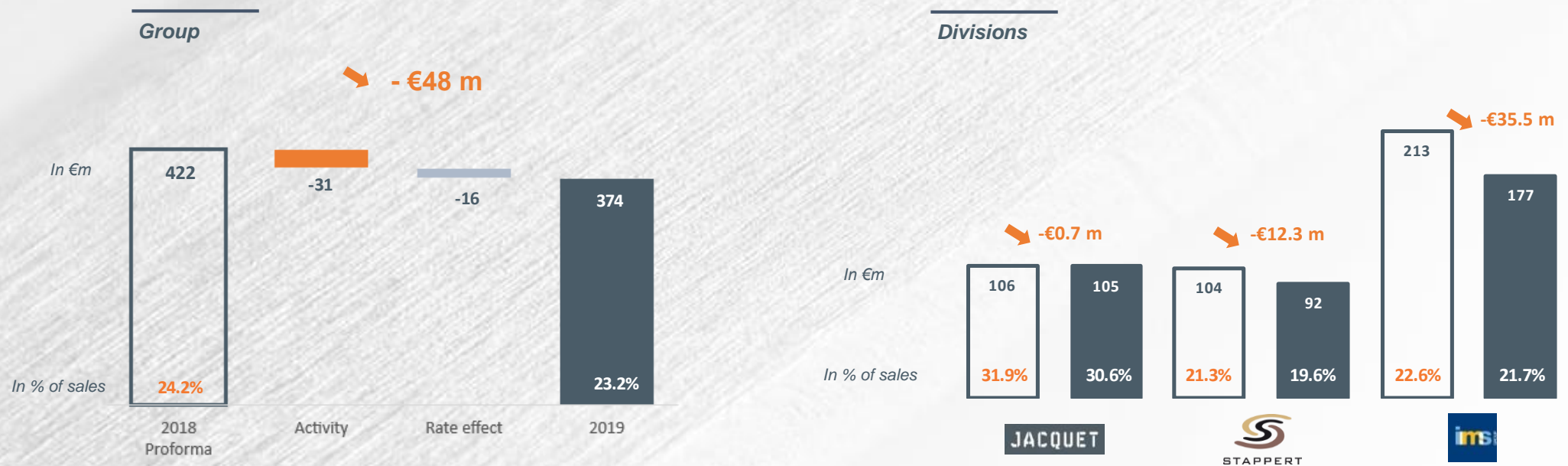
- Limited decline on main markets

- Global slowdown in the Europe, especially in Germany

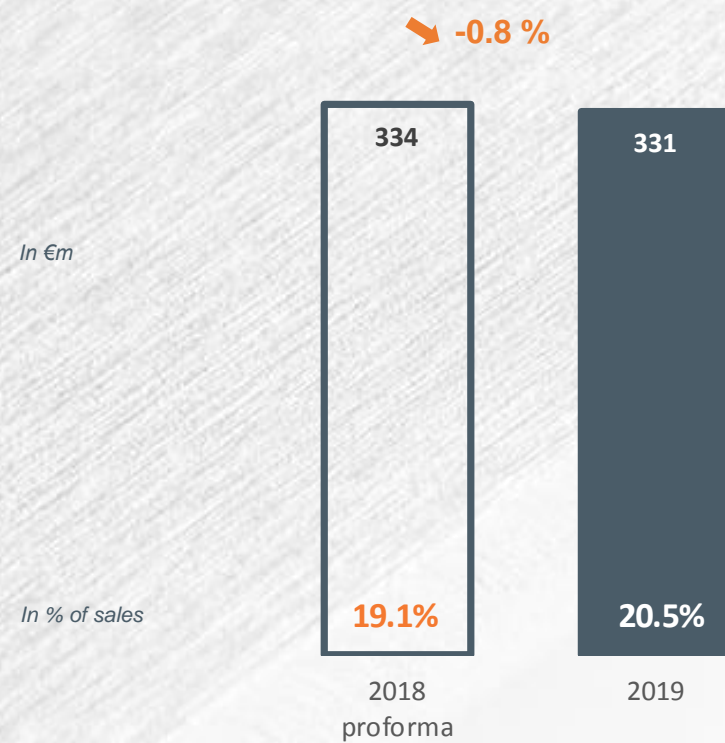


A leader in the distribution of specialty steels

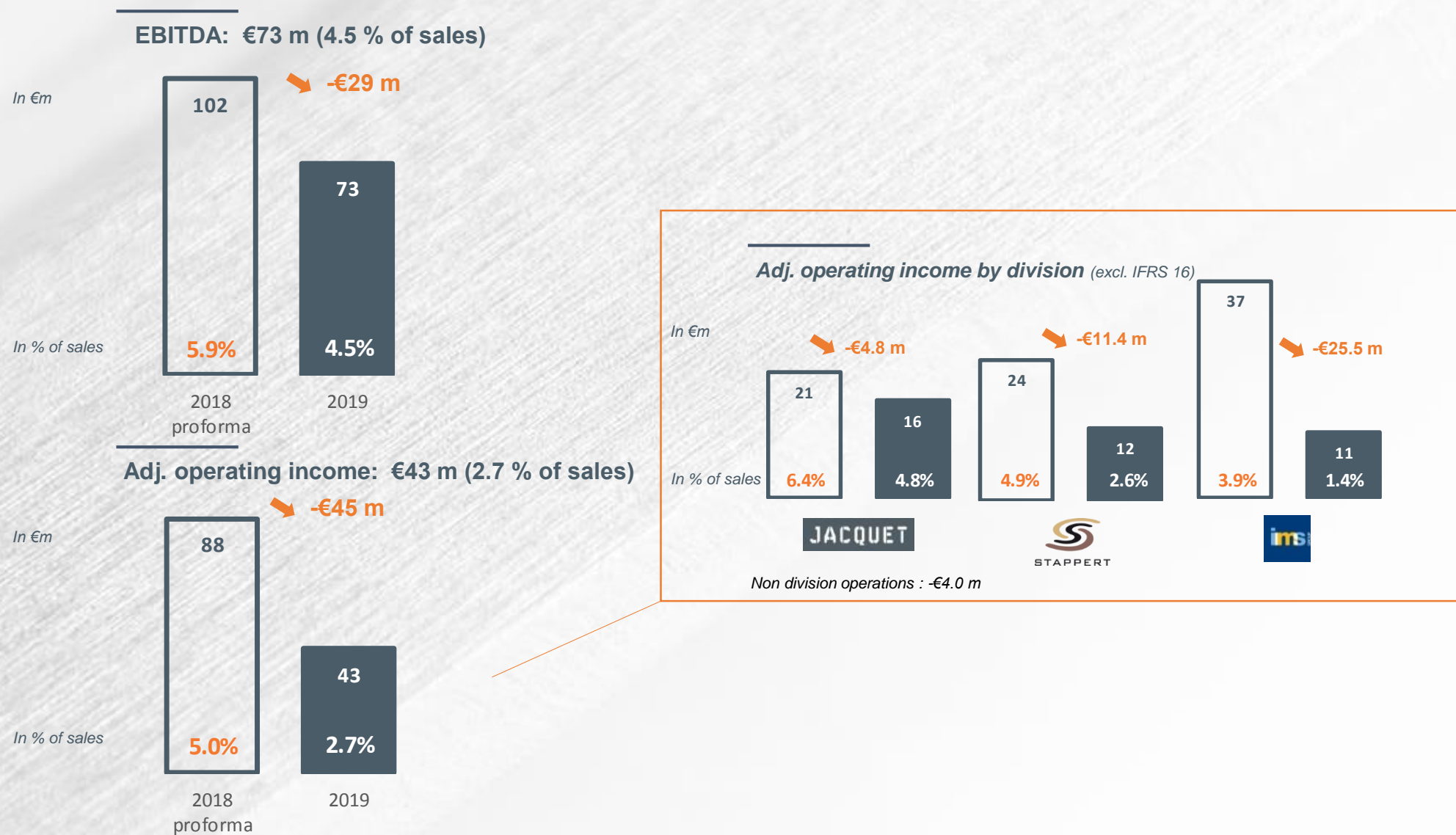
GROSS MARGIN



CURRENT OPERATING EXPENSES



OPERATING MARGIN

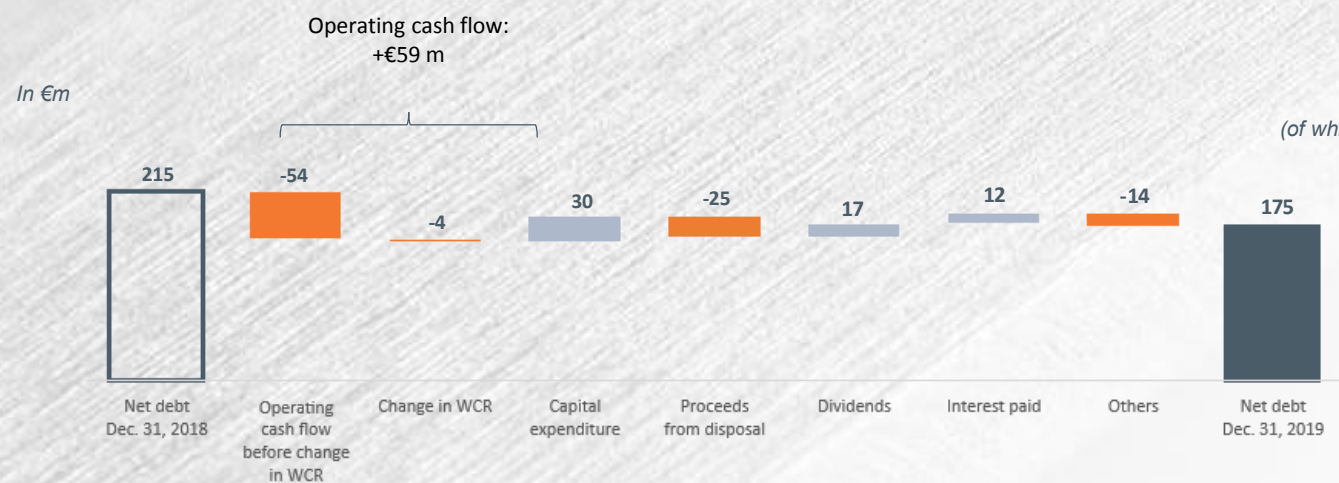


INCOME STATEMENT

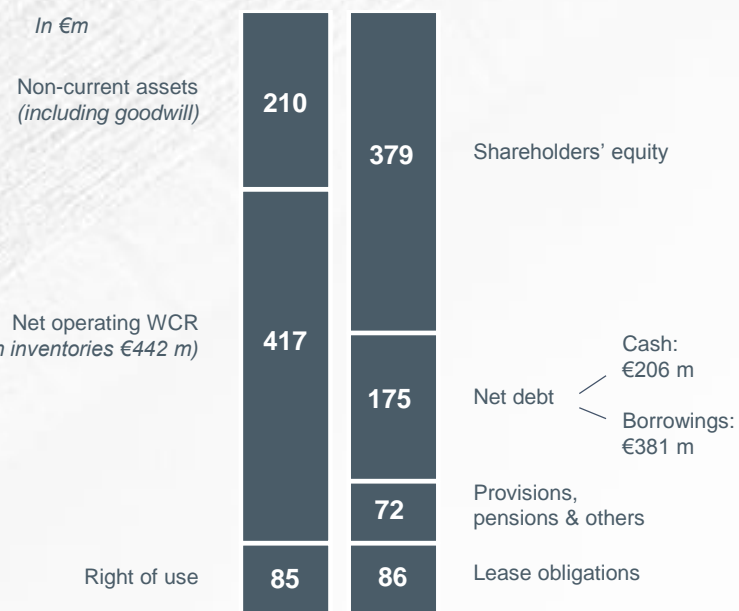
(in €m)	2019	2018 PF
Sales	1,614.6	1,745.0
Net financial expense	(10.8)	(10.7)
<i>Of which IFRS 16 effect</i>	<i>(1.7)</i>	<i>-</i>
Coporate income tax	(13.2)	(20.5)
<i>Taxe rate</i>	<i>45.8%</i>	<i>25.4%</i>
Net income from discontinued operations	12.0	5.0
Net income (Group share)	24.5	61.6

CASH FLOW / BALANCE SHEET

Operating cash flow: +€59 m



Gearing : 46.1%



BORROWINGS AS OF DECEMBER 31, 2019

- New syndicated revolving loan in December 2019 for €70 m
- €674 m of financing lines used, 57% of which were used
- Cash amounted to €206 m

Syndicated revolving loan

- Amount: €125 m (used: €0 m)
- Maturity : June 2022
- Unsecured

Schuldscheindarlehen (*private securities under German law*)

- Amount: €150 m
- Maturity: April 2023
- Unsecured

New Schuldscheindarlehen (*private securities under German law*)

- Amount : €70 m
- Maturity :
 - December 2024 for tranche 1 (€36 m)
 - January 2025 for tranche 2 (€34 m)
- Unsecured

€m	Authorized at 31.12.2019	Used at 31.12.2019	% used
Jacquet Metal Service SA financing:	493	283	57%
Syndicated revolving loan 2019 - 2022	125	-	0%
Schuldscheindarlehen 2018 - 2023	150	150	100%
Schuldscheindarlehen 2019 - 2024	36	36	100%
Credit lines	182	97	53%
Subsidiary financing:	181	98	54%
Lines of credit	131	81	62%
Factoring	31	3	10%
Asset financing (term loans and revolving loans)	19	14	76%
Total	674	381	57%

APPENDICES



A leader in the distribution of specialty steels

POSITIONING

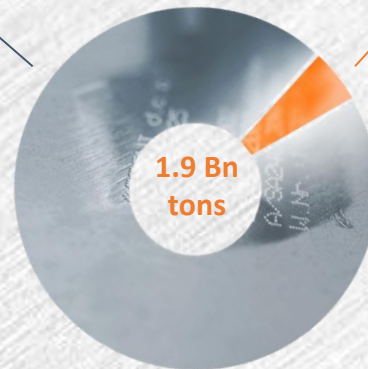
Commodities steel market 95%

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



APPENDICES

ADDED VALUE

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€
- Delivery time +/- 1 week



APPENDICES

SECTORS

JACQUET

**Stainless steel
quarto plates**




STAPPERT

**Stainless steel
long products**




ims

Engineering steels



Sectors

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

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

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

INCOME STATEMENT

€k	2019	2018 PF ¹
Sales	1,615	1,745
Gross margin	374	422
% of sales	23.2 %	24.2 %
Operating expenses	(303)	(321)
Net depreciation and amortization	(34)	(18)
Net provisions	2	4
Gain/(losses) on disposals of non-current assets	0	4
Operating income	40	91
Net financial expense	(11)	(11)
Income before tax	29	80
Corporate income tax	(13)	(20)
Net income from discontinued operations	12	5
Consolidated net income	28	65
Net income (Group share)	25	62
Earnings per share in circulation (€)	1.02	2.56

⁽¹⁾ Proforma figures

BALANCE SHEET

€m	31.12.18	31.12.19
Goodwill	68	66
Net non-current assets	156	143
Right-of-use assets ¹	-	85
Net inventory	493	442
Net trade receivables	182	152
Other assets	100	91
Cash	119	206
Total Assets	1,119	1,186
Shareholders' equity	377	379
Provisions (including provisions for employee benefit obligations)	96	99
Trade payables	228	178
Total borrowings	338	381
Other liabilities	80	63
Lease liabilities ¹	-	86
Total equity and liabilities	1,119	1,186

⁽¹⁾ Application of *IFRS 16 - Leases* as from January 1st, 2019.

STOCK INFORMATION

Stock information

		2019
Number of shares at end of period	Number of shares	24 028 438
Market capitalization at end of period	€k	370 519
High	€	18.46
Low	€	13.76
Price at end of periode	€	15,42
Average daily trading volume	Number of shares	34 833
Avregae daily traded capital	€	562 702

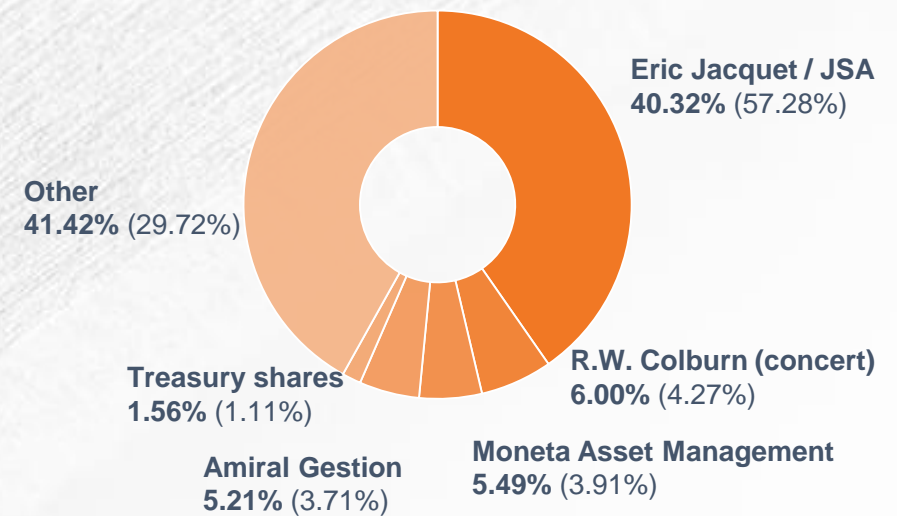
Euronext Paris

ISIN



FR0000033904

Shareholder structure (% voting rights) *



*At December 31,2019

JACQUETMETALSERVICE

Euronext Paris

ISIN : FR0000033904

JCQ
LISTED
EURONEXT

A leader in the distribution of special steels