



PRESS RELEASE

Results to 31st March 2009

- Sales down 46.2% and an operating loss of 14.9 million euros
- Inventories down 8% within the context of a substantial slowdown in volumes
- Priority given to the cost- and debt-cutting programme

Nanterre, 29th April 2009 - IMS, European leader in the distribution of special steels, today publishes its results to 31st March 2009. Faced with a further deterioration in industrial activity in Europe, on 9th April 2009 IMS reported, for its first quarter, a 46.2% fall in sales compared to the first quarter of 2008.

(in millions of euros)	31st March 2008	31st March 2009	Change
Volumes distributed (t)	188,160	102,829	-45.4%
Turnover	393.9	211.9	-46.2%
Operating profit	22.3	(14.9)	ns
Net profit	13.1	(14.2)	ns
Net debt ⁽¹⁾	225.2	225.6	+0.2%
Free cash flow ⁽¹⁾	2.3	(11.8)	ns

⁽¹⁾ Including factoring

The sharp fall in volumes was amplified by a windfall loss on stainless steel of 16.2 million euros over the first quarter of 2009, compared to 6.1 million euros for the first quarter of 2008. Excluding this windfall loss, the gross margin was 52.0 million euros at 31st March 2009, down 40.9% on the 1st quarter of 2008.

Debt increased from 205.4 million euros at 31st December 2008 to 225.6 million euros at 31st March 2009, essentially due to the net loss over the quarter and to the payment of 6.2 million euros at the beginning of 2009, for operating and financial investments carried out in 2008.

IMS is reaffirming its priorities:

- reduce its breakeven point by 20 million euros over 2009, by adapting its organisation whilst maintaining its industrial tool that will be required once activity recovers. The pro forma reduction in operating expenses of 9.1 million euros (-15.1%) between the first quarter of 2008 and the first quarter of 2009 includes the first effects of the operating cost-cutting programme;
- reduce its debt, which will notably be the result of a cut in inventories, the aim being to reduce them to 160,000 tonnes at 30th June 2009 from 216,000 tonnes at 31st March 2009. Other measures taken include the limiting of capital expenditures to 6 million euros in 2009 (versus 16.3 million euros in 2008), a freeze on acquisitions and the proposal to not pay a dividend on 2008 results.

IMS is working with its financial partners to adjust the conditions of its syndicated debt (which represented around a half of the Group's net debt at 31st March 2009) and its covenants. The cost-cutting and cash flow-optimisation programmes, as well as the diversity of its sources of financing, will provide the Group with the financial resources it requires to operate, and this holds true even if the fall in activity should last longer than expected.



IMS is a European leader in the distribution of wear-resistant steel, stainless steel and engineering steel. With a workforce of close to 2,200 staff in 17 European countries, IMS recorded 2008 turnover of 1.4 billion euros.

Listed on Euronext Paris - compartment B of the NYSE Euronext, member of the SBF 120 and Small 90 indices.
ISIN: FR0000033904 - Reuters: ITMT.PA - Bloomberg: IMS FP
www.ims-group.com

IMS
Philippe Brun
Anne-Sophie Guyot
Tel. : +33 1 41 92 04 23
contact@ims-group.com

NewCap. – Investor Relations
Axelle Vuillermet
Emmanuel Huynh
Tel. : +33 1 44 71 94 94
ims@newcap.fr

Brunswick – Press Relations
Agnès Catineau
Benoît Grange
Tel. : +33 1 53 96 83 83
ims@brunswickgroup.com

Financial schedule

16th June 2009: Annual General Meeting

28th July 2009: Publication of accounts to 30th June 2009