

**1st Quarter 2011
Sales +42%
Operating profit +19M€**

At its meeting of May 12, 2011, the Board of Directors examined the consolidated financial statements (unaudited) for the period ended March 31, 2011.

<i>in € million</i>	Q1 2011	Q1 2010*	Change
Sales	347,3	243,8	+42,5%
Gross margin	84,7	53,0	+59,7%
% of sales	24,4%	21,8%	
Operating profit	19,1	-5,8	
% of sales	5,5%	-2,4%	
Net income – Group share	10,6	-6,2	

* pro-forma financial statements

Organization by brand

The organization of the Group around four brands, each operating on a distinct market, is now operational. This organization allows the Group to better measure changes and performances in its targeted markets, to implement purchasing systems based on centralized negotiation, and to strengthen its image as a distributor of special metals.

Activity and results

The Group benefited from a favorable market environment in the first quarter and the engineering-steel market (IMS group brand) was especially dynamic. Sales in the first quarter increased by 42,5%, (volume effect of 14,1% and price effect of 28,7%), and the Group operating profit amounted to €19,1 million, i.e. 5,5% of sales.

All brands contributed positively to earnings:

<i>in € million</i>	JACQUET <i>stainless-steel quarto plates</i>	Stappert <i>long stainless- steel products</i>	ABRASERVICE <i>wear-resistant quarto plates</i>	ims <i>engineering steels</i>
Sales	57,7	135,8	25,9	119,4
<i>change Q1 11 / Q1 10</i>	53,1%	48,4%	5,3%	48,0%
<i>volume effect</i>	19,4%	13,8%	-4,7%	25,0%
<i>price effect</i>	33,7%	34,6%	10,1%	23,4%
Operating income	2,8	10,7	0,9	4,7
% of sales	4,9%	7,9%	3,5%	3,9%

NB: the results of IMS S.A. and others group activities are excluded.

Financial structure

At March 31, 2011, operating working capital amounted to 24% of sales, compared with 24,7% at December 31, 2010. Net debt stood at €144 million, compared with €150 million three months earlier.

General Meeting

The annual general meeting of shareholders will be held on June 30, 2011, in Saint Priest. Shareholders will be asked to approve a new corporate name for the Group that reflects the history of both Jacquet Metals and International Metal Service: **JACQUET METAL SERVICE**.

**Q1 interim report 2011 : www.ims-group.com
2011 half-year results : August 31, 2011 after market close**

IMS is a European leader in the distribution of special steels. Group vocation is to operate and develop a brands 'portfolio in special steels distribution: JACQUET' (Stainless-steel quarto plate), Stappert (Stainless steel long products), Abraservice (wear-resistant Quarto plates) and IMS (engineering and tool steels). With a workforce of 2,280 staff, IMS uses a network of 83 distribution centers in 22 countries in Europe, Turkey, China and the United States.

