HALF-YEAR FINANCIAL REPORT

JUNE 30, 2011

JACQUET METAL SERVICE

A European leader
in the distribution of specialty steels
NYSE Euronext Paris
Compartment B – CAC® All-tradable – CAC® Small

RESULTS AT JUNE 30, 2011 – PRESS RELEASE OF AUGUST 31, 2011:

Half year 2011
Sales €677 million (+28%)
Operating profit + €31 million

The Board of Directors of August 31, 2011 examined the consolidated financial statements at June 30, 2011, which have been reviewed by the statutory auditors.

in € million	Q1	Q2	H1 2011	H1 2010*	Change
Sales	**347,3**	**330,0**	**677,3**	**530,1**	**27.8%**
Gross margin	84,7	74,6	159,3	118,8	34.0%
% of sales	*24.4%*	*22.6%*	*23.5%*	*22.4%*	
Operating profit	**19,1**	**12,0**	**31,0**	**-9,8**	
% of sales	*5.5%*	*3.6%*	*4.6%*	*-1.9%*	
Net income (Group share)	**10,6**	**5,2**	**15,8**	**-20,9**	

** unaudited pro-forma financial statements*

Activity

Market conditions faced by the Group during H1 2011 were favorable, especially in the first quarter. Compared with H1 2010, distributed volume rose by 11.5% and sales amounted to €677 million, i.e. an increase of 27.8%. Operating profit amounted to €31 million, or 4.6% of sales, after reorganization costs of €3.6 million.
All brands contributed positively to the Group's growth and profitability:

in € million – H1 2011	JACQUET *stainless-steel quarto plates*	Stappert *long stainless-steel products*	ABRASERVICE *wear-resistant quarto plates*	IMS *engineering steels*
Sales	**111,5**	**257,9**	**50,8**	**238,5**
change H1 11 / H1 10	*34.2%*	*27.9%*	*4.1%*	*36.0%*
Operating profit	**4,6**	**15,2**	**1,2**	**7,1**
% of sales	4.2%	5.9%	2.4%	3.0%

NB: the results of JMS S.A. and the Group's secondary activities are excluded.

Because of global stock market and financial environment turmoil and its potential consequences on the economy, H2 2011 is expected to be less favorable than H1 2011. The Group is responding with even more rigorous management in every area.
In this context, efforts to lower the breakeven point and the implementation of brand-based organization, which has been operational since the beginning of 2011, will provide greater flexibility for the Group in order to be able to face of potential economic instability under the best possible conditions.

Financial structure

The Group disposed of assets totaling €13.8 million during the first half. Furthermore, In a context of growth, first-half results and ongoing efforts to optimize operating working capital requirements, equivalent to 22.9% of sales at June 30, 2011 compared with 24.7% at December 31, 2010, the Group generated positive cash flow from operations of €13.2 million.
At June 30, 2011, net debt amounted to €129.5 million, compared with €150.2 million at December 31, 2010. Gearing stood at 46.7%.

HALF-YEAR FINANCIAL REPORT 2011

THE GROUP

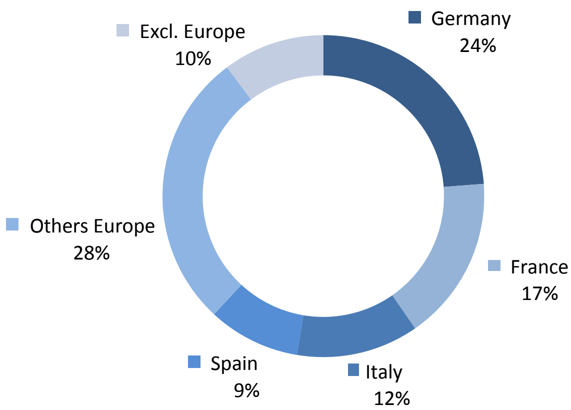
A LEADING DISTRIBUTOR OF SPECIALTY STEELS

Key figures at June 30, 2011

• Sales H1 2011	€677 million
• Workforce	2,270
• Distribution centers	80
• Countries	22

Locations

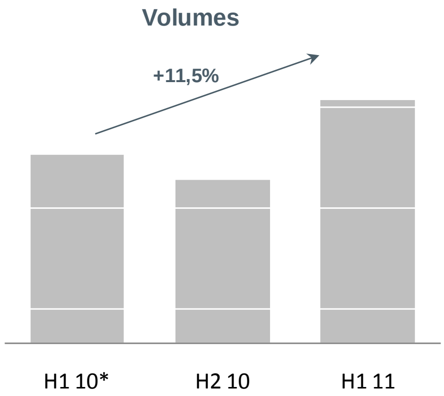
Distribution of sales

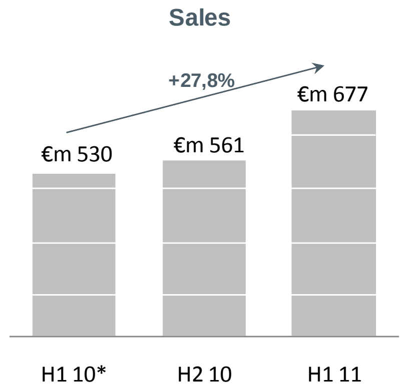


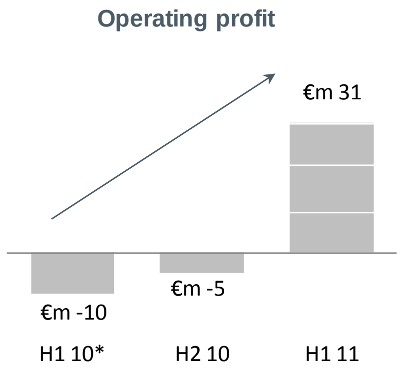
Jacquet Metal Service is a European leader in the distribution of specialty steels, also active in China and the United States.
The Group develops and operates a portfolio of brands: JACQUET (stainless-steel quarto plates), Stappert (long stainless-steel products), Abraservice (wear-resistant quarto plates), and IMS group (engineering steels).
A workforce of 2,270 Jacquet Metal Service employees is spread over a network of 80 distribution centers in 22 countries in Europe, China and the United States.

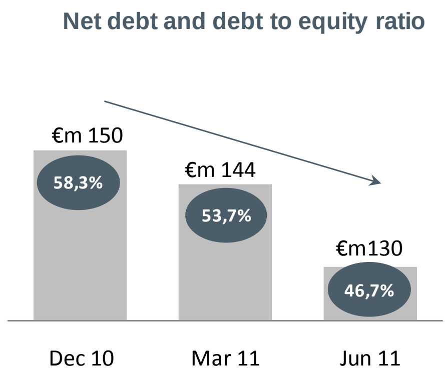
FIRST HALF 2011

Key figures









**unaudited pro-forma financial statements*

General Meeting

The General Meeting of Shareholders of June 30, 2011 adopted the resolution concerning the change of IMS's corporate name and headquarters. IMS International Metal Service SA becomes JACQUET METAL SERVICE SA.

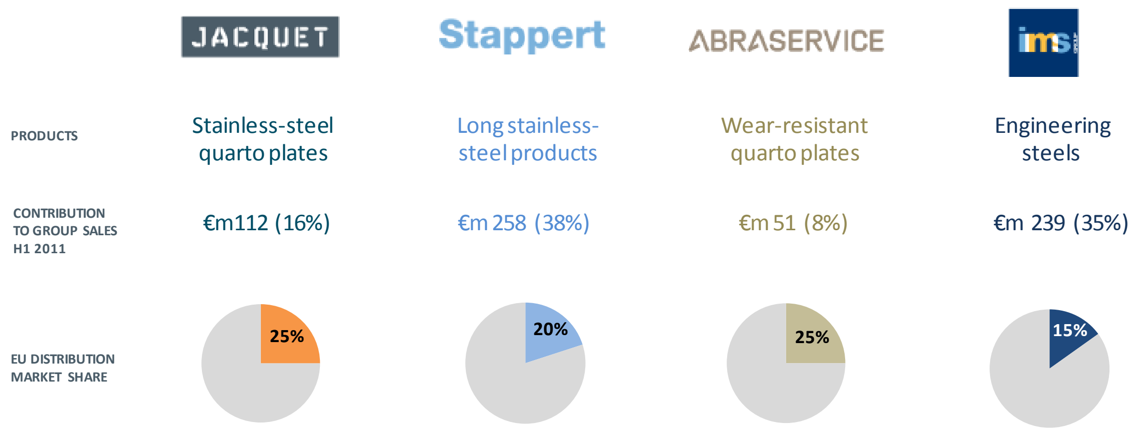
JACQUET METAL SERVICE

The stock ticker is now **JCQ.** The ISIN code (FR0000033904) remains the same.

The corporate headquarters of Jacquet Metal Service SA has been transferred to 7 rue Michel Jacquet, Saint Priest (69800).

Organization by brand

Since January 1, 2011, the Group has been organized by brand, each one aimed at customers and specific markets:



See legal structure in the Appendix

Each brand is overseen by an operating manager in charge of brand development, in accordance with strategic options and objectives defined by the Group.

Central functions—purchasing terms negotiation, finance, IT, credit insurance, and communication—are managed by Jacquet Metal Service S.A., in close collaboration with specialists in each subsidiary.

For a diversified group, this form of structure has significant advantages:
- growth is differentiated by brand;
- specialization: the customer's expectations are such that only a network of specialized sales people can satisfy them;
- identity: a name and logo for each distribution network that are immediately recognizable to all market participants (customers, suppliers, employees) in terms of the skills, leader position, guarantees, and credibility that only an international organization can provide;
- clarity: brand-focused communication allows the market to measure the performance of each component of the Group (see above).

Organization by brand is a prerequisite for the centralization of negotiation of purchasing terms at the highest level. Purchasing terms are negotiated between the management of the major manufacturers and the managers of Jacquet Metal Service S.A. in collaboration with the operating manager of each brand. By combining volume by brand, Jacquet Metal Services provides manufacturers with better visibility for their activities and for the organization they require for their production. In exchange, the Group enjoys favorable purchasing terms. The "general terms" obtained in negotiation are reported to the subsidiaries concerned, which then send their orders directly to the manufacturers.
The purchasing systems developed with JACQUET's long-time manufacturers have been effective since March 2011 for Abraservice and will be implemented in 2011 and 2012 for IMS group.

Activity, outlook, and development

The Group experienced favorable market conditions in the first half of 2011, especially in the first quarter. Compared with the first half of 2010, volume rose by 11.5%, sales increased by 27.8%, and operating income amounted to €31 million, i.e. 4.6% of sales, after reorganization costs of €3.6 million. All brands contributed positively to the Group's growth and profitability.

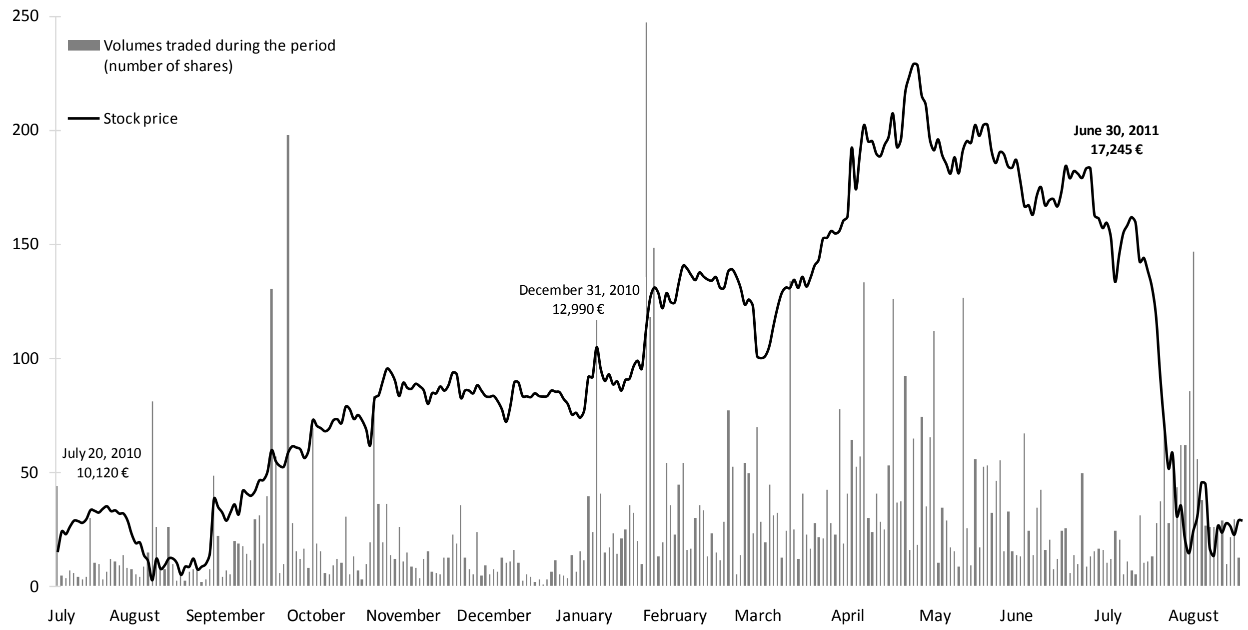
To respond to the turmoil in global stock market and the financial environment and their possible repercussions on the economy, the Group has increased its watchfulness and rigor in all areas of management.
Efforts to lower the breakeven point and the implementation of brand-based organization, which has been operational since the beginning of 2011, will provide greater flexibility for the Group in order to be able to face of economic instability under the best possible conditions.

Finally, the Group is pursuing a differentiated growth policy for each of its brands: Jacquet and Abraservice are being developed outside Europe, respectively in the United States and Turkey, Stappert is expanding in Western Europe, and IMS group is reinforcing its position in European markets.

STOCK INFORMATION

At August 31, 2011, the stock price is €11.73. The stock price has been affected in recent weeks by the financial crisis that recently rocked global markets. At June 30, 2011, the Jacquet Metal Service stock closed at €17.245.

Jacquet Metal Service is covered by six brokerage firms: Société Générale SGCIB, CM CIC Securities, Oddo Securities, Aurel BGC, ID MidCaps, Gilbert Dupont.

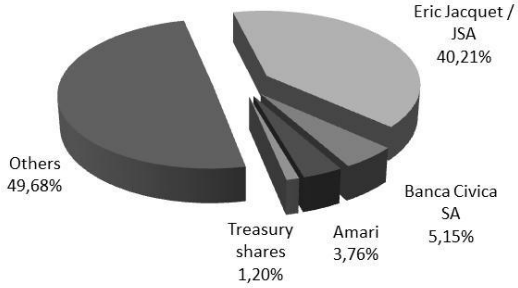


	H1 2011	2010
Number of shares at end of period	24 028 438	24 028 438
Market capitalization at end of period (in € thousand)	**414 370**	**312 129**
Highest stock price (euros)	19,30	13,69
Lowest stock price (euros)	12,51	9,31
Stock price at end of period (euros)	**17,245**	**12,99**
Average daily trading volume (number of shares)	**37 277**	**19 481**
Average daily capital exchanged (euros)	597 024	220 472

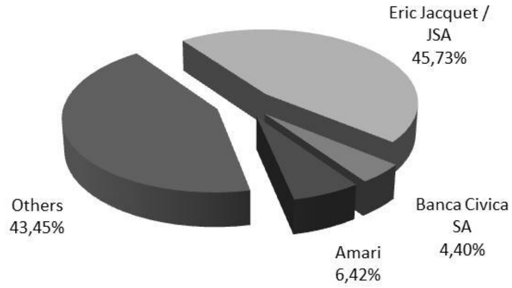
Source: Euronext

SHAREHOLDER STRUCTURE

Share capital*



Voting rights*



* *At June 30, 2011*

Two thresholds crossings were reported on June 28, 2011: a 5% downward threshold crossing by Caja de Ahorros y Monte de Pieda de Navarra and a 5% upward threshold crossing by Banca Civica SA, subsequent to the transfer of shares held by Caja de Ahorros y Monte de Pieda de Navarra to Banca Civica SA. At June 28, 2011, Banca Civica SA (subsidiary of Caja de Ahorros y Monte de Pieda de Navarra) held 1,236,706 Jacquet Metal Service shares, i.e. 5.15% of the share capital.

In the second quarter of 2011, the Group disposed of treasury stock representing 0.73% of the share capital (excluding transactions related to the liquidity contract). At June 30, 2011, the Group held 288,652 treasury shares, representing 1.20% of the share capital.

FINANCIAL REPORTING CALENDAR

September 13, 2011	Presentation for financial analysts
November 15, 2011	Results at September 30, 2011
March 2012	Annual results

Investors and shareholders may obtain all financial information on the Company's website at www.jacquetmetalservice.com or upon request to the Company.

ACTIVITY REPORT

JUNE 30, 2011

Results at June 30, 2011 are compared to those of June 30, 2010 which come from consolidated pro-forma financial information. Details on the procedures for calculating these consolidated pro-forma financial information are presented in part 6 of the 2010 annual report, which was filed with the financial market authority on April 1, 2011 (application no. D.11-0211).

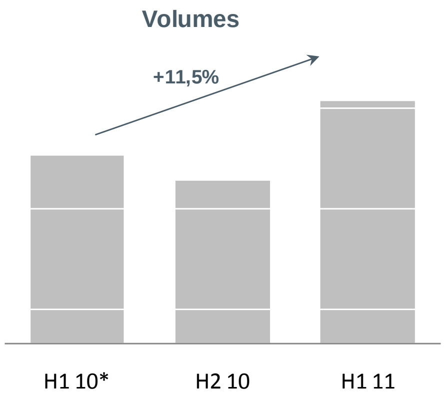
1. GROUP ACTIVITY AND RESULTS

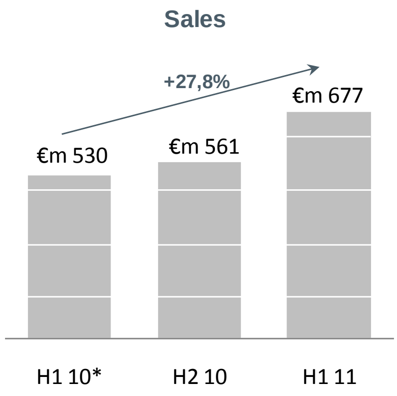
(in € thousands)	Q1 2011	Q2 2011	H1 2011	H1 2010*
Sales	**347 334**	**329 976**	**677 310**	**530 126**
Gross margin	84 691	74 613	159 304	118 849
% of sales	*24,4%*	*22,6%*	*23,5%*	*22,4%*
Operating expenses	(60 309)	(57 334)	(117 643)	(117 820)
Net depreciation and amortization	(4 354)	(4 129)	(8 483)	(9 897)
Net provisions	(2 181)	(1 573)	(3 754)	(981)
Current operating income	**17 847**	**11 577**	**29 424**	**(9 849)**
% of sales	***5,1%***	***3,5%***	***4,3%***	***-1,9%***
Capital gain on asset sales	1 231	382	1 613	38
Operating income	**19 078**	**11 959**	**31 037**	**(9 811)**
% of sales	***5,5%***	***3,6%***	***4,6%***	***-1,9%***
Financial result	(2 781)	(3 517)	(6 298)	(7 239)
Income before tax	16 297	8 442	24 739	(17 050)
Corporate income tax	(5 350)	(2 831)	(8 181)	(3 498)
Income tax rate	*-32,8%*	*-33,5%*	*-33,1%*	*20,5%*
Consolidated net income	**10 947**	**5 611**	**16 558**	**(20 548)**
Net income (Group share)	**10 613**	**5 151**	**15 764**	**(20 923)**
Earnings per share issued (euros)	**0,45**	**0,21**	**0,66**	**(0,89)**

**unaudited pro-forma financial statements*

Activity

In the first half of 2011, the Group experienced favorable market conditions for all of its markets, compared with 2010. Sales amounted to €677 million, i.e an increase of 27.8% compared with the first half of 2010. This rise was attributable to a volume effect of +11.5%, a price effect of +17.1%, and a scope effect of -0.8% (related to the disposals of Euralliage and aluminum activities of IMS France).





**unaudited pro-forma financial statements*

Over H1 2011 sales are as follows:

in € million	Q1 2011	Q2 2011	June 30, 2011 (6 months)	June 30, 2010 (6 months)*
Sales	**347,3**	**330,0**	**677,3**	**530,1**
Change 2011 / 2010	***42,5%***	***15,2%***	**27,8%**	
Price effect	*28,7%*	*10,0%*	***17,1%***	
Volume effect	*14,1%*	*6,5%*	*11,5%*	
Scope effect	*-0,4%*	*-1,2%*	*-0,8%*	

**unaudited pro-forma financial statements*

Growth rates in Q1 2011 were boosted by a significant base effect, Q1 2010 being especially difficult and Group performances improving gradually over the subsequent quarters in 2010.

Market conditions were favorable in the first half of 2011, especially in the first quarter. In these conditions, distributed volumes in the second quarter were 5% lower compared with the first quarter.

Gross margin

Gross margin for the first half amounted to €159.3 million, up 34% from H1 2010, after an additional inventory depreciation of €8 million. In percentage of sales, the gross margin reaches 23.7% compared with 22.4% for H1 2010.
The total level of inventory depreciation, i.e. 10.4% of the inventory gross value, took into account the downward pressure on margins observed at the end of H1 and possible repercussions on the economy of the current financial environment.

Operating income

In a context of volume (+11.5%) and sales (+27.8%) growth during H1 2011, operating expenses (including depreciation, amortization and provisions) remained stable at €129. 9 million compared with €128.7 million a year earlier.

Operating expenses for the first half of 2011 were impacted by €3.2 million of reorganization costs, essentially focused on the brand IMS group and allowing to generate savings, on a full-year basis, of € 1.5 million.
It includes also €0.4 million of other reorganization costs (fees related to asset disposal projects in progress) and €0.6 million of assets impairment.

During H1 2010, operating expenses had been impacted by €5.9 million of reorganization costs.

Current operating income amounted to €29.4 million i.e. 4.3% of sales. After taking into account capital gains from disposals, operating profit amounted to €31 million.

Financial result

Financial result for H1 2011 amounted to €6.3 million.

(in € thousand)	Q1 2011	Q2 2011	H1 2011	H1 2010
Net cost of debt	(2 017)	(2 322)	(4 339)	(5 056)
Other financial items	(764)	(1 195)	(1 959)	(2 183)
Financial result	**(2 781)**	**(3 517)**	**(6 298)**	**(7 239)**

2. ACTIVITY AND RESULTS BY BRAND

The new organization by brand has been operational since the beginning of the year. The only remaining legal operations to be carried out in order to reach the Group's target structure (see Appendices) are the following:

- transfer of Hoselmann Stahl GmbH shares from Stappert GmbH to IMS group holding;
- spin-off of Polish activities among IMS group, Abraservice, and Stappert;
- transfer of IMS Belgium and CL Staal shares from Jacquet Metal Service S.A. to Stappert GmbH;
- transfer of some JACQUET companies shares still held by Jacquet Metal Service S.A. to JACQUET Holding.

The results by brand presented in this part were established on the basis of the target structure, i.e., on the legal structure at June 30, 2011, adjusted for the abovementioned operations (see Appendices).
Results of Jacquet Metal Service S.A. and of the Group's secondary activities (Noxon, TRD Inox, Trinox, and Euralliage for the period from January 1, 2011, to February 28, 2011) are excluded from the results by brand presented below.

- JACQUET **Stainless-steel quarto plates**

in € million	Q1 2011	Q2 2011	June 30, 2011 (6 months)	June 30, 2010 (6 months)
Sales	**57,7**	**53,8**	**111,5**	**83,1**
Change 2011 / 2010	***53,1%***	***18,6%***	***34,2%***	
Price effect	*33,7%*	*0,3%*	*15,4%*	
Volume effect	*19,4%*	*18,2%*	*18,8%*	
Gross margin	**16,1**	**14,1**	**30,2**	**25,5**
% of sales	*27,9%*	*26,1%*	*27,1%*	*30,7%*
Operating profit	**2,8**	**1,8**	**4,6**	NA
% of sales	*4,9%*	*3,4%*	*4,2%*	

NA: not available

Jacquet sales in H1 2011 rose by 34.2% compared to 2010, to €112 million, including a volume effect of 18.8%. By geographic area, volumes rose by 12% in Europe, 21% in China, and 57% in the United States. In the second quarter of 2011, distributed volume decreased by 5% compared with the previous quarter, which had been unusually strong.

Because of price and margin pressure experienced at the end of H1 2011, the rate of inventory depreciation went from 6.6% at December 31, 2010 to 7.5% at June 30, 2011. This resulted in a gross margin (excluding net depreciation on inventory) of 27.5%, compared with 28.6% a year earlier.

Operating income for the half-year amounted to €4.6 million, i.e 4.2% of sales, including €0.5 million of extraordinary expenses.

Subsidiaries in North America, a driving force for JACQUET, contributed for 19% of the brand sales and for 28% of the brand operating profit in the first half of 2011.

Investments for the brand amounted to €4.3 million, mainly to increase cutting and processing capacity (especially in Switzerland and in the Netherlands), will allow the gradual development of related services (cut pieces), an important element to the growth of gross margin.

Simultaneous with its growth in the United States, JACQUET intends to speed its development in Germany (1st European market), with the launch of a new distribution center in the coming months.

- **Stappert** **Long stainless-steel products**

in € million	Q1 2011	Q2 2011	June 30, 2011 (6 months)	June 30, 2010 (6 months)
Sales	**135,8**	**122,0**	**257,9**	**201,6**
Change 2011 / 2010	***48,4%***	***10,9%***	***27,9%***	
Price effect	*34,6%*	*12,1%*	*21,7%*	
Volume effect	*13,8%*	*-1,2%*	*6,2%*	
Gross margin	**27,9**	**21,5**	**49,3**	**46,4**
% of sales	*20,5%*	*17,6%*	*19,1%*	*23,0%*
Operating profit	**10,7**	**4,5**	**15,2**	NA
% of sales	*7,9%*	*3,7%*	*5,9%*	

NA: not available

Stappert recorded a sales growth of 27.9% in H1, boosted by a favorable price effect of 21.7% and a volume growth of more than 6%. Nevertheless, price tensions at the end of H1 2011 resulted in a more cautious attitude of some Stappert's customers, who postponed their purchases. Distributed volume in Q2 2011 are 12% lower from those of Q1 2011, and 1.2% lower from those of Q2 2010.

As JACQUET, which distributes stainless steels, Stappert has increased its inventory depreciation rate, which stood at 4.2% at December 31, 2010, to reach 6.3% at the end June 2011. The gross margin for H1 2011 (excluding net depreciation on inventory) amounted to 20.0%, compared with 23.0% for H1 2010, which benefited from the tremendous effect of German economic recovery.

Operating income represents 5.9% of sales.

Stappert, which has strong positions in Germany and Central Europe, will focus its development on Western Europe with the creation in the coming months of a distribution network in France and Benelux.

- ABRASERVICE **Wear-resistant quarto plates**

in € million	Q1 2011	Q2 2011	June 30, 2011 (6 months)	June 30, 2010 (6 months)
Sales	**25,9**	**24,9**	**50,8**	**48,8**
Change 2011 / 2010	***5,3%***	***3,0%***	***4,1%***	
Price effect	*10,1%*	*11,7%*	*10,8%*	
Volume effect	*-4,7%*	*-8,7%*	*-6,7%*	
Gross margin	**7,7**	**7,4**	**15,2**	**12,4**
% of sales	*29,8%*	*29,9%*	*29,9%*	*25,4%*
Operating profit	**0,9**	**0,3**	**1,2**	NA
% of sales	*3,5%*	*1,2%*	*2,4%*	

NA: not available

The Abraservice brand has been operational since the beginning of 2011.

Abraservice, which contributes for 8% to Group sales, has an excellent brand image and recognized expertise that allow it to maintain high prices levels and margins even with difficult market conditions such as those of the first half of 2011. The wear-resistant plates market, whose growth cycle tends to lag those of other Group markets, has not yet experienced the recovery enjoyed by stainless steels and engineering steels.

Sales for the first half amounted to €50.8 million, a rise of 4.1%, with a positive price effect of 10.8% and a negative volume effect of 6.7%.

The gross margin for the first half was €15.2 million, an increase of €2.8 million from a year earlier. As a percentage of sales, the gross margin rose by 4.5 points, to 29.9%.

Operating income, which came to 2.4% of sales, shows Abraservice's capacity to generate profit in difficult market conditions. It includes reorganization costs for €0.2 million.

Abraservice, who has an extensive distribution network in Europe, focuses its development mainly on two high-potential markets: Turkey and China. Abraservice Türkiye will be operational in the second half of 2011 and Abraservice China, who is being currently created. This company will benefit from Jacquet Shanghai facilities and should be operational in 2012.

▪ Engineering steels

in € million	Q1 2011	Q2 2011	June 30, 2011 (6 months)	June 30, 2010 (6 months)
Sales	**119,4**	**119,1**	**238,5**	**175,4**
Change 2011 / 2010	***48,0%***	***25,7%***	***36,0%***	
Price effect	*23,3%*	*12,8%*	*17,4%*	
Volume effect	*25,1%*	*14,3%*	*19,5%*	
Scope effect	*-0,4%*	*-1,4%*	*-0,9%*	
Gross margin	**28,9**	**27,6**	**56,5**	**29,2**
% of sales	*24,2%*	*23,2%*	*23,7%*	*16,6%*
Operating profit	**4,7**	**2,5**	**7,1**	NA
% of sales	*3,9%*	*2,1%*	*3,0%*	

NA: not available

The engineering steels market was especially dynamic during H1 2011. IMS group sales increased by 36% compared with H1 2010, with a volume effect of 17.4%. The volume and sales prices were nearly identical between Q1 and Q2 2011.

The gross margin amounted to 23.7% in H1 2011 compared with 16.6% H1 2010. The possible consequences of the financial crisis has led IMS group to depreciate its inventory up to 15%. Gross margin (excluding net depreciation on inventory) amounted to 24.8% of sales in H1 2011.

IMS group operating income represents 3.0% of sales. The main subsidiaries—IMS SpA in Italy and IMS France, both fully reorganized—make positive contributions to this result. Operating income includes reorganization costs of €3 million.

3. CONSOLIDATED FINANCIAL STRUCTURE

Balance sheet

(in € thousand)	06.30.2011	12.31.2010
Goodwill	60 612	61 745
Net fixed assets	106 590	113 457
Net inventory	286 746	249 750
Net accounts receivable	226 765	189 424
Other assets	56 439	59 539
Cash and cash equivalents	66 000	64 999
Total assets	**803 152**	**738 914**
Shareholders' equity	277 197	257 632
Provisions (incl. provisions for employee benefits)	34 631	32 782
Accounts payable	230 114	169 822
Financial debt	195 511	215 227
Other liabilities	65 699	63 451
Total liabilities	**803 152**	**738 914**

Net debt / Shareholders' equity

At June 30, 2011, net debt amounted to €129.5 million, compared with €150.2 million at December 31, 2010, and shareholders' equity amounted to €277.2 million.
At June 30, the debt to equity ratio improved by 11.6 points compared to December 31, 2010, moving from 58.3% to 46.7%.

(in € thousand)	06.30.2011	12.31.2010
Shareholders' equity	277 197	257 632
Net debt	129 511	150 228
debt to equity ratio	*46,7%*	*58,3%*

Financing

(in € million)	Authorized at 06.30.2011	Employed at 06.30.2011	% employed
JMS SA financing	**170**	**102**	**60%**
Syndicated term loan	*100*	*100*	*100%*
Syndicated revolving loan	*50*	*0*	*0%*
Subsidiaries financing	**188**	**93**	**49%**
Total	**358**	**195**	**54%**

The syndicated revolving loan of €50 million was not used at June 30. It is confirmed until December 31, 2013. At June 30, the Group also holds cash and cash equivalent for €66 million.

On June 30, 2011, the Group made the first payment for the term loan implemented in September 2010, in the amount of €10 million, thereby reducing the amount owed from €110 million to €100 million. The next deadline for the syndicated term loan will occur in December 31, 2011, for €40 million.

The syndicated loan agreement planned a capital increase of €10 million, including a guarantee of €7.5 million. In accordance with the banks, the Group decided not to carry out a capital increase and instead will sell its unallocated treasury shares (see above).

At June 30, the Group sold nonrecourse receivables (deconsolidating factoring) for €8.6 million, compared with €2.1 million at December 31, 2010. This amount is not included in net debt.

Working capital requirements

At June 30, 2011, operating working capital requirements represented 22.9% of sales, compared with 24.7% at December 31, 2010, and 31.7% at June 30, 2010.

(in € thousand)	06.30.2011	12.31.2010
Net inventory	286 746	249 750
number of days of sales (12 months rolling)	*122*	*116*
Net accounts receivable	226 765	189 424
number of days of sales (12 months rolling)	*59*	*60*
Accounts payable	(230 114)	(169 822)
number of purchase days (12 months rolling)	*67*	*73*
Net operating WCR	**283 397**	**269 352**
% of sales	22,9%	24,7%
Other receivables/payables	(40 802)	(30 531)
Total WCR	**242 595**	**238 821**
% of sales	19,6%	21,9%

Net inventory amounted to €287 million compared with €250 million at December 31, 2010. In a context of growth, the rise in inventory value came mainly from higher inventory volume (+15%), average prices remaining flat over the period.
In addition, the Group continued in the first half to lower nonstrategic inventory by around €7 million, and has now disposed for more than €17 million in inventory since July 2010 (date of the Jacquet Metals and IMS merger).
In terms of days of sales, inventory volume is slightly up, to 122 days, compared with 116 days at December 31, 2010, an increase that improves the product mix and availability for customers.

The average customer payment schedule is flat at 59 days of sales, compared with 60 days at December 31, 2010. Trade receivables amounted to €226.8 million at June 30, 2011.

Supplier credit increased by €60 million since December 31, 2010 and amounted to €230 million at June 30, 2011. The average supplier payment schedule is 67 days compared with 73 days at December 31, 2010. The weight of Germany area, where payment schedules are usually shorter, had increased at June 30, 2011.

Cash flow

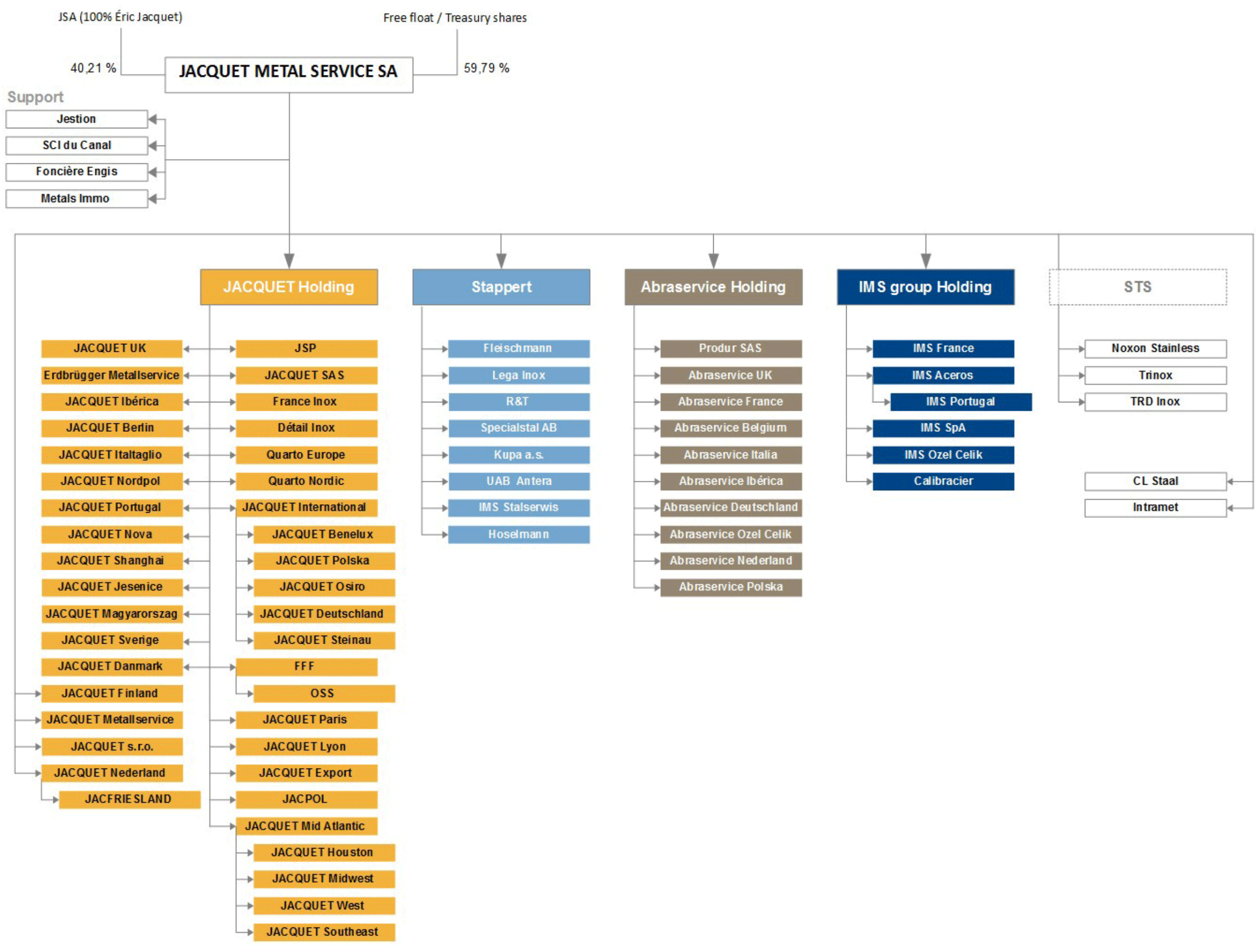
(in € thousand)	H1 2011	2010
Operating cash flow before change in WCR	28 030	(4 997)
Change in WCR	(14 787)	22 864
Cash flow from operating activities	**13 243**	**17 867**
Capital expenditures	(5 938)	(14 297)
Asset disposals	13 818	1 087
Other transactions	(406)	1 154
Change in net cash	**20 717**	**5 811**
Net debt at opening	**150 228**	**156 039**
Net debt at closing	**129 511**	**150 228**

In a context of growth, profitability and efforts to optimize working capital enabled the Group to generate a positive operating cash flow of €13.2 million during H1.

Asset disposals during H1 amounted to €13.8 million:

- €10.7 million in nonstrategic assets, in accordance with the plan announced at the shareholders' meeting of June 30, 2010. The Group has sold the aluminum and nonferrous metal businesses of IMS France, the Euralliage Company and various property assets. As part of the disposal plan, the Group has also identified nonstrategic assets whose disposals are planned for the next 12 months.
- €3.1 million of treasury shares, representing 0.73% of the share capital. At August 31, 2011 the Group held 288,652 unallocated treasury shares.

Appendix 1: Legal structure at June 30, 2011



Appendix 2: Financial communication organization chart by brand at June 30, 2011

JACQUET METAL SERVICE

A European leader
in the distribution of specialty steels
NYSE Euronext Paris
Compartment B – CAC® All-tradable – CAC® Small