

2011 Annual Results

- Sales **€1,241 million (+13.7%)**
- Operating income **+€46.6 million**
- Debt-to-equity ratio **33.6 %**

On March 7, 2012, the Board of Directors, chaired by Eric Jacquet, examined the consolidated financial statements as of December 31, 2011.

<i>in € millions</i>	Q1	Q2	Q3	Q4	2011*	2010*	Change
Sales	347.3	330.0	294.8	268.5	1,240.6	1,090.7	13.7%
Gross margin	84.7	74.6	63.7	62.5	285.4	249.1	14.6%
% of sales	24.4%	22.6%	21.6%	23.3%	23.0%	22.8%	
Operating income	19.1	12.0	7.2	8.4	46.6	-14.7	
% of sales	5.5%	3.6%	2.4%	3.1%	3.8%	-1.3%	
Net income (Group share)	10.6	5.2	2.3	2.7	20.7	-26.9	

*: The consolidated financial statements have been audited. The certification report will be issued before the publication of the registration document. The 2010 pro-forma financial statements are unaudited.

Strong growth in 2011 results

In markets that were positively oriented overall, particularly in the 1st half, the Group recorded sales of €1.24 billion, up 13.7% compared to 2010. Sales growth benefited from a favorable price effect of 10.4% and growth of 4.2% in distributed volumes. The gross margin totaled €285 million, up 14.6% compared to 2010.





Operating income was €46.6 million and EBITDA totaled €62.8 million. Net income (Group share) totaled €20.7 million, or €0.88 per share.

Financial structure: +€50 million in cash flow from operating activities

In 2011, the Group disposed of assets totaling €20.3 million, including Produr, sold in December 2011 to the Welding Alloys group. The combination of earnings and the optimization of working capital requirements (20.4% of sales at December 31, 2011) resulted in Group cash flow from operating activities of €50.6 million in 2011.

At December 31, 2011, net debt stood at €93.6 million, representing a debt-to-equity ratio of 33.6%, compared to 58.3% at December 31, 2010.

Business by brand: all brands contributed to profitability

				
2011 in € millions	Stainless steel quarto plates	Stainless steel long products	Wear-resistant quarto plates	Engineering steels
Sales	210.5	527.1	94.2	431.8
Change vs. 2010	19.4%	11.4%	-1.7%	21.0%
Operating income*	8.0	17.6	3.0	9.6
% of sales	3.8%	3.3%	3.2%	2.2%

* Non-brand activities (including Jacquet Metal Service SA) contributed €8.5 million to operating income.

- Jacquet's sales rose by 19.4 % compared to 2010. The brand benefited from dynamism in its American subsidiaries, which were launched over the past 5 years and whose business grew by 46% in 2011. The United States is now the brand's leading market.
- At the end of 2011, Stappert (+11.4%), until recently focused on Germany and Eastern Europe, began laying the foundations for its development in the Netherlands, Belgium, France and Switzerland.
- In its 1st year of operations, Abraservice generated operating income of €3 million. Today the brand is present in 9 countries, after the launch of Abraservice Türkiye (Turkey) and Abraservice Polska (Poland) at the end of 2011.
- IMS group recorded sales growth of 21% in 2011. After two years of restructuring, especially in France and Italy, the brand specialized in the distribution of engineering steels generated operating income of €9.6 million.

A merger finalized

Since the takeover of IMS by Jacquet Metals in July 2010, the Group has been structured around four brands, each operating on a specific market. Most assets that do not fit this specialization strategy have been sold off. In 18 months, debt has been reduced by €70 million and the breakeven point has been lowered by €39 million compared to 2008, the most recent pre-crisis benchmark, while restructuring costs of €5.9 million still weighed on 2011 earnings.

The internally-developed IT system allows the application of purchasing systems that are based on centralized negotiations. This system is already operational for the Jacquet and Abraservice brands. The transfer of the Stappert brand is under way and that of IMS group is planned for 2013.

In a mixed economic and financial environment, the restructuring and rationalization measures implemented over the last eighteen months have produced the expected results.

The Group is now in working order.

Outlook

The business level at the beginning of the year is improving compared to the Q4 2011 level, but this trend needs to be confirmed.

Group brands' development is continuing at rates adapted to economic conditions both in Europe and for its expansion in America and Asia.

2011 management report available at www.jacquetmetalservice.com
Q1 2012 Results: May 15, 2012, after market

Jacquet Metal Service is a European leader in the distribution of specialty steels. The Group develops and operates a brand portfolio currently made up of four brands: JACQUET (stainless Quarto plates), Stappert (long stainless products), Abraservice (wear-resistant Quarto plates) and IMS Group (engineering steels). With a workforce of 2,185 staff, IMS uses a network of 83 distribution centers in 22 countries in Europe, China and the United States.

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