JACQUET METAL SERVICE

First half 2013

- **Sales** **€541 million**
- **EBITDA** **€16 million**
- **Operating cash flow** **€16 million**
- **External growth in Germany**

On September 4, 2013 the Board of Directors chaired by Eric Jacquet examined the consolidated financial statements for the period ended 30 June, 2013, which were subject to a limited review by the statutory auditors.

In € million	Q1 2013	Q2 2013	H1 2013	H1 2012 (1)
Sales	**273.2**	**267.8**	**541.0**	**608.7**
Gross margin	62.3	61.7	124.0	134
% of sales	*22.8%*	*23.1%*	*22.9%*	*22.0%*
Operating income	**6.3**	**4.9**	**11.2**	**16.8**
% of sales	*2.3%*	*1.8%*	*2.1%*	*3.1%*
Net income (Group share)	**1.6**	**1.1**	**2.7**	**5.0**

(1) 2012 earnings adjusted after early adoption of IAS 19 revised

Activity

First half 2013 sales were €541 million, down 11.1% (volume effect of -4.4%, price effect of -5.8%, and scope effect of -0.9%) compared to the first half of 2012, when market conditions were more favourable. In the second quarter of 2013 sales volumes rose by 1.8% versus the first quarter.

The first half 2013 gross margin was 22.9% of sales and, with operating costs down 3%, operating income amounted to €11.2 million i.e 2.1% of sales.

The Group anticipates similar market conditions during the second half of 2013, with demand that should be marked by the usual seasonal effect of summer and Christmas holiday periods.

Financial position

First half 2013 Group operating cash flow amounted to €16 million.

After capital expenditure and the dividend paid out in early July, Group net debt stood at €56.3 million as against shareholders' equity of €252.9 million, resulting in a debt to equity ratio of 22.3%.

In July 2013 Jacquet Metal Service set up a 3 year €75 million syndicated loan.

First half activity by brand

H1 2013 *In € million*	JACQUET *Stainless-steel quarto plates*	STAPPERT *Long stainless-steel products*	ABRASERVICE *Wear-resistant quarto plates*	ims *Engineering steels*
Sales	**104.6**	**233.1**	**34.5**	**177.2**
Change H1 13 / H1 12 pro-forma [(1)]	*-7.9%*	*-9.6%*	*-16.5%*	*-10.7%*
Operating income [(2)]	**1.1**	**5.2**	**0.0**	**2.8**
% sales	*1.0%*	*2.2%*	*0.0%*	*1.6%*

[(1)] Excluding the impact of disposals in 2012.

[(2)] Non-brand activities (including Jacquet Metal Service SA) contributed €2.2 million to operating income.

- Jacquet increased volumes by 1.8% during the first half of 2013 (volumes rose by 11.7% in the second quarter of 2013 versus the first quarter). Sales, which suffered from a 9.6% drop in average stainless-steel prices, amounted to €104.6 million while EBITDA came in at €3 million (2.9% of sales).
  After the April 2013 launches of Jacquet Chengdu (China) and Jacquet Lyon (France), the brand will open its first service centre in Germany during the third quarter of 2013 (see below). This will be the 25th service centre for the Jacquet brand.

- Stappert posted sales of €233 million, down 9.6% versus 2012. Like Jacquet, Stappert suffered from a fall in stainless-steel prices (-6.7%) while sales volumes held up well, down just 2.9% compared to the more buoyant first half of 2012. Stappert posted EBITDA of €7.1 million.
  Stappert is currently focusing on developing its Western region (France, Switzerland, Holland and Belgium) launched late 2011 and on broadening the product range in Germany.

- Abraservice posted sales of €35 million, a drop of 16.5% versus the first half 2012 (price effect -1.9%; volume effect -14.9%). Boosted by reorganization measures launched in 2012, Abraservice first half operating earnings broke even and EBITDA amounted to €0.5 million.
  While the brand currently sells exclusively into European markets with a presence in 10 countries, Abraservice should launch operations in China during 2014 from Jacquet Shanghai facilities.

- IMS Group posted sales of €177 million, down 10.7% compared to the first half of 2012 (price effect - 3.9%; volume effect -6.8%), with EBITDA of €3.2 million, or 1.8% of sales.
  Historically the brand generates 80% of business in Southern Europe (France, Italy and Spain) and is now focusing its strategy on Germany, Europe's no. 1 market, which accounted for just 8% of sales during first half 2013. In line with this strategy, IMS Group acquired the German company Finkenholl in August 2013.

IMS Group acquires Finkenholl (Germany)

Based in Bochum (Ruhr), Finkenholl posted 2012 sales of €49 million, nearly three-quarters of which were for engineering steel. This acquisition raises IMS group pro-forma sales for 2012 to €400 million with the share of total sales in Germany rising from 8% to 16%.

This acquisition has also provided the Group with a 42,000 sqm industrial complex providing potential synergies with other Group brands. In the coming weeks Jacquet will launch its first service centre in Germany from the new facilities.

Bochum site

Half-year report available at www.jacquetmetalservice.com

Results for the nine months ended 30 September, 2013 : November 14 after market closing

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