

2013 Annual Results

- **Volumes sold** **+1.4%**
- **Sales** **€1.038 billion**
- **EBITDA** **€30 million**

On March 4, 2014, the Board of Directors, chaired by Eric Jacquet, approved the consolidated financial statements for the year ended December 31, 2013.

<i>€million</i>	Q4 2013	Q4 2012 ⁽²⁾	2013	2012
Change in volumes v. 2012	+12.1%		+1.4%	
Sales	244.8	238.8	1 037.6	1 104.8
Gross margin	61.5	53.6	242.6	243.8
% of sales	25.1%	22.4%	23.4%	22.1%
EBITDA	6.9	3.9	30.1	34.5
Operating income	4.4	-2.0	18.4	19.9
Adjusted operating income⁽¹⁾	5.0	0.8	21.7	24.3
% of sales	2.0%	0.3%	2.1%	2.2%
Net income (Group share)	0.8	-4.5	3.8	0.7

⁽¹⁾ Adjusted of non-recurring items (financial indicators not defined in IFRS)

⁽²⁾ Restated in accordance with the early application of IAS 19 revised to Q4 2012 earnings.

Group sales and earnings

2013 was marked by low demand and a continuous decline in raw materials prices, which caused sale prices to fall.

In this context, sales came to €1.04 billion, down 6.1% from 2012, including a price effect of -7.5% and a +1.4% increase in volumes of which +0.9% of scope effect (+12.1% for the fourth quarter of which +3.8% of scope effect).

Gross margin as a percentage of sales increased by 1.3 percentage points to 23.4%, an improvement to which all brands contributed and which partly offset the decrease in the gross margin value caused by falling sale prices.

Operating expenses include €3.3 million in non-recurring expenses mainly related to the acquisition of the German company Finkenholl by IMS group. At constant consolidation scope and excluding non-recurring items, operating expenses decreased by 0.7% compared to the previous year.

As a result, adjusted net operating income came to €21.7 million and EBITDA was €30.1 million, equal to 2.9% of sales.

Financial expenses decreased by €1.9 million to €5.9 million, while net income Group share increased from €0.7 million in 2012 to €3.8 million in 2013.




Compared to the same period last year, the start of 2014 has been marked by an increase in volumes sold, although sale prices remain low.

Financial position

Operating working capital amounted to 20% of sales in 2013, while the Group generated €15.2 million in cash flow from operating activities over the year.

After the Finkenholl acquisition, Group net debt stood at €78.3 million as of December 31, 2013 compared to shareholders' equity of €253.3 million, resulting in a debt to equity ratio of 30.9%.

2013 operations and brand development

			ABRASERVICE	
2013 €million	Stainless steel quarto plates	Long stainless steel products	Wear resistant steel quarto plates	Engineering steels
Sales	199.0	446.3	64.0	343.5
<i>change 2013 v. 2012</i>	-6.9%	-5.4%	-12.4%	-5.0%
<i>Volume effect</i>	5.5%	3.3%	-8.3%	-3.6%
<i>Scope effect</i>	0.0%	0.0%	0.0%	2.6%
<i>Price effect</i>	-12.4%	-8.8%	-4.1%	-4.0%
EBITDA	4.8	13.8	0.1	6.4
Operating income ⁽¹⁾	0.5	11.0	-0.4	2.7
Adjusted operating income	0.7	11.3	0.1	4.2
<i>% of sales</i>	0.4%	2.5%	0.1%	1.2%

⁽¹⁾ Non-brand activities (including Jacquet Metal Service SA) contributed € 4.6 million.

- Jacquet increased its volumes sold by 5.5% for the full year (Europe +5.9%, America +1.3%, Asia +20.9%) and by 14.1% for the fourth quarter of 2013.

In 2013, average sale prices were 12.4% lower than in 2012 and sales came to €199 million; the gross margin rate increased by 0.7 percentage point to 27.7% of sales, while EBITDA came to €4.8 million.

The brand's main target for 2014 is to develop the German market, where a new service center (Jacquet's 25th service center) has been operating since the fourth quarter of 2013, and the North American market.
- Stappert posted sales of €446 million for 2013. Like Jacquet, the brand was hit by the decline in stainless steel prices (-8.8%) and also succeeded in increasing its volumes sold in 2013 (+3.3% for the full year and +14.4% for the fourth quarter).

The gross margin rate was up 0.7 percentage point from 2012 and EBITDA for 2013 came to €13.8 million.

Stappert has been focusing on growth in Western Europe over the past two years and should create a subsidiary in the UK in the near future.
- Abraservice, whose operating sectors are experiencing tough market conditions (mines and quarries, steelmaking, etc.), posted 2013 sales of €64 million, down 12.4% (volume effect -8.9%, price effect -3.5%) from 2012. However, it improved its profitability in 2013.

The gross margin rate increased by 4.2 percentage points compared to 2012 and EBITDA was positive at €0.1 million, up €1.8 million from the previous year.

In 2014, the brand plans to focus on strengthening its positioning in the European market.

- IMS group posted sales of €344 million for 2013, down 5% (volume effect -1%, price effect -4%) from 2012. The gross margin rate was up 2.1 percentage points, while EBITDA increased by €1.2 million to €6.4 million. The Finkenholl acquisition has given the brand a strong foothold in Germany, Europe's No. 1 market which now accounts for 18% of IMS group's sales. In 2014, the brand will pursue its growth in Germany and plans to set up an operation in the Netherlands.

Financial report available at www.jacquetmetalservice.com

Q1 2014 results: May 13, 2014 after the market closes

Jacquet Metal Service is a european leader in the distribution of special steels. The group develops and operates 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 2,275 staff, Jacquet Metal Service is spread over a network of 83 distribution centers in 22 countries in Europe, China and the United States.

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