

2014 annual results

- Sales **€1,126 million (+8.5% from 2013)**
- EBITDA **+ €58.1 million (5.2% of sales)**
- Net income, Group share **+ €25.2 million**

On March 4, 2015, the Board of Directors' meeting chaired by Eric Jacquet, approved the consolidated financial statements for the year ended December 31, 2014.

€m	Q4 2014	Q4 2013	2014	2013
Sales	269.3	244.8	1,126.0	1,037.6
Gross margin	71.3	61.5	283.5	242.6
% of sales	26.5%	25.1%	25.2%	23.4%
EBITDA	11.6	6.9	58.1	30.1
% of sales	4.3%	2.8%	5.2%	2.9%
Operating income	10.5	4.4	45.2	18.4
% of sales	3.9%	1.8%	4.0%	1.8%
Net income (Group share)	7.1	0.8	25.2	3.8

2014 sales and earnings

The Group generated sales of €1.13 billion, up 8.5% from 2013, including a price effect of -2.2% and a +10.7% increase in volumes (of which 3.7 percentage points were due to scope effect). The increase in volumes was boosted by the Group's sustained investment.

The gross margin rate rose 1.8 percentage points to 25.2% of sales, while the gross margin itself amounted to €283.5 million.

Operating expenses excluding scope effect were kept under tight control with a 2.3% increase from 2013 primarily due to the increase in activity and results.

Against this backdrop, EBITDA rose by +93% to €58.1 million (5.2% of sales), while operating income amounted to €45.2 million (4% of sales).

All the brands made a positive contribution to the increase in the Group's revenues as well as to the improvements in the gross margin and EBITDA.

Net income (Group share) amounted to €25.2 million (i.e. €1.05 per share) compared with €3.8 million in 2013.

Early 2015 demand remains favorably oriented while market prices remain low.

Financial position





Group's net debt at the end of 2014 amounted to €137.3 million compared with shareholder's equity of €261.7 million, resulting in a net debt ratio (gearing) of 52.5%.

The Group's cash flow amounted to €52.7 million in 2014, compared with €25.1 million in 2013.

Inventory increased by €50 million due to the rise in activity and to the projects implemented in 2014. Accordingly, operating working capital amounted to 25% of sales at the end of 2014.

Capital expenditure for the financial year amounted to €14.2 million (primarily related to new finishing capacity) following €14.9 million in 2013.

2014 operations and brand development

				
2014 €m	Stainless steel quarto plates	Long stainless steel products	Wear-resistant quarto plates	Engineering steels
Sales	230.7	453.0	65.0	383.8
Change vs. 2013	16.1%	1.5%	1.6%	12.1%
Volume effect	17.0%	1.8%	4.8%	8.1%
Scope effect	2.5%	0.0%	0.0%	7.4%
Price effect	-3.4%	-0.3%	-3.2%	-3.3%
EBITDA	9.6	26.5	0.7	15.6
% of sales	4.1%	5.9%	1.1%	4.1%

(1) Non-brand activities (including Jacquet Metal Service SA) contributed €5.7 million to EBITDA.

JACQUET: the specialist stainless steel plate brand recorded a +19.5% increase in its sales volumes, driven by the dynamic capital expenditure policy that has been in place since 2013. JACQUET also benefited from the acquisition of the ROLARK Group (Canada) in the fourth quarter of 2014. Following this acquisition, the brand now generates 33% of its pro forma sales in North America.

2014 sales amounted to €231 million, up 16.1%. The gross margin rate increased by 0.8 percentage point compared with 2013 (28.5% of sales), while EBITDA amounted to €9.6 million (4.1% of sales), up from €4.8 million in 2013.

The brand JACQUET opened two service centers in 2014 (in Germany and Portugal) and will open its 30th service center in the Czech Republic in 2015.

The brand's main goal in 2015 is to expand its operations in the German and North American markets.

STAPPERT: the brand, which specializes in the sale of long stainless steel products, generated sales of €453 million, up +1.5% from 2013. Although the volumes distributed in Germany and outside Europe (45% of business volumes) were 2.3% lower than those in 2013, volumes in the rest of Europe increased by +5.4%.

The gross margin rate increased by 2.8 percentage point compared with 2013 (22% of sales) and the brand's EBITDA amounted to €26.5 million (5.9% of sales) compared to €13.8 million the previous year.

Stappert opened a service center in the United Kingdom in the second half of 2014 and will focus its 2015 development on Europe. The brand may also set up operations in North America in the medium-term.

ABRASERVICE: The brand, which operates in sectors (mining and quarries, the steel industry etc.) where market conditions are unfavorable, specializes in the sale of wear-resistant quarto plates. It recorded a +4.8% increase in volumes in 2014, generating sales of €65 million.

The gross margin rate increased by 2.1 percentage points in 2014 (32.1% of sales), while EBITDA amounted to €0.7 million, compared with €0.1 million in 2013.

The brand will continue to strengthen its positions in the European market in 2015.

IMS group: The brand, which specializes in the sale of engineering steels, saw its sales volumes increase by +15.5% in 2014, including a +7.4% scope effect resulting from the acquisition of Finkenholl in Germany in 2013. IMS Group generated sales of €384 million, an increase of +12.1%.

The gross margin rate increased by 1 percentage point compared with 2013 (25% of sales), while EBITDA amounted to €15.6 million (4.1% of sales), compared with €6.4 million in 2013.

IMS group still generates over 75% of its sales in southern Europe, while its main goal is to expand its operations on Germany (the largest European market).

Financial report available: www.jacquetmetalservice.com

Q1 2015 results: Monday, 11th May 2015 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 2,413 staff, Jacquet Metal Service is spread over a network of 86 distribution centers in 23 countries in Europe, China and North America.