

## **JACQUET METAL SERVICE acquires steel distribution activities in Germany, Belgium, the Netherlands and Austria from SCHMOLZ + BICKENBACH**

- Jacquet Metal Service significantly expanding its market position as one of the leading specialty steel distributors in Europe
- Unique complementary footprint with IMS group, Jacquet Metal Service's specialized division for engineering long steel products
- Increasing IMS group division's revenues by ca. EUR 600 million to ca. EUR 1 billion (pro forma basis).
- Purchase price of EUR 88.6 million (Enterprise Value)
- Closing expected in the third quarter 2015

Jacquet Metal Service, a leading European special steel distributor listed on the Euronext Paris Exchange (EPA:JCQ), has acquired certain steel distribution activities from Schmolz+Bickenbach AG, a global leader in special long steel products listed on the SIX Swiss Exchange (SIX: STLN). The scope of the transaction comprises 100% of the share capital of certain steel distribution companies in Germany, Belgium, the Netherlands and Austria. In 2014, these activities achieved revenues of ca. EUR 600 million, EBITDA of ca. EUR 7 million, and employed around 1 000 professionals. The agreed Enterprise Value for the steel distribution units amounts to EUR 88.6 million. The cash settlement price (Equity Value) will be determined based on the combined balance sheet of the acquired entities as of 30 April 2015.

The acquired Schmolz+Bickenbach steel distribution units are a leading wholesale distributor of specialty engineering long steel products operating 17 locations and serving more than 15,000 active customers in various industries. These distribution units represent a unique and highly complementary footprint with the existing operations of IMS group, which to date generates over 75% of its revenue in Italy, France and Spain.

This acquisition is fully in line with the IMS group strategy of gaining a substantial and strong foothold in Germany, the largest market for engineering long steel products in Europe. Including these new units, IMS group would have posted pro forma revenues (12 months basis) of ca. EUR 1 billion in 2014 (ca. 55% Germany / Italy 11% / 9% France / 9% Spain...). The transaction is expected to enhance gross margin profile in the mid-term.

The experienced and qualified staff and management team of both IMS group and the Schmolz+Bickenbach steel distribution units will play an important role in the future development of the operations. Their expertise and know-how, supported by Jacquet Metal Service's international presence and expertise, will substantially contribute to the future success of the combined activities.

Including this acquisition, Jacquet Metal Service would have posted pro-forma revenues (12 months basis) of ca. EUR 1.7 billion in 2014.

Jacquet Metal Service will be financing the total offer consideration from its existing cash and an already negotiated acquisition financing facility of EUR 75 million on a 3 years basis. At closing, Jacquet Metal Service' senior syndicated loan will be rolled forward for a 3 years period and for EUR 125 million (vs. EUR 75 million today).

Completion of the transaction is subject to customary conditions precedent, including financing conditions precedent, unqualified auditors' certificate on the acquired entities' balance sheets as at April 30, 2015 and approval by the relevant anti-trust authorities. The transaction is expected to close in the third quarter of 2015.

Thanks to the transaction, Jacquet Metal Service and Schmolz+Bickenbach will expand their already existing supplier relationship and continue to cooperate as reliable partners.

Rothschild acted as exclusive financial adviser to Jacquet Metal Service while CMS Hasche Sigle and Veil Jourde acted as legal advisors.

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.