

JACQUET METAL SERVICE closes the acquisition of steel distribution activities in Germany, Belgium, the Netherlands and Austria from SCHMOLZ + BICKENBACH

- Transaction closed on July 22, 2015. Full clearance (without conditions) of the European anti-trust authorities was obtained.
- 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).

Jacquet Metal Service, a leading European special steel distributor listed on the Euronext Paris Exchange (EPA:JCQ), has closed the acquisition of 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 was EUR 88.6 million. The preliminary purchase price (equity value) amounts to EUR 56.6 million (max. amount) and will be finally known after discussion between the Parties. Today, Jacquet Metal Service paid an amount of EUR 48.6 million.

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 has financed the total consideration with an acquisition financing facility with a term of 3 years.

Jacquet Metal Service' senior revolving syndicated loan was rolled forward for a 3 years period and increased to up to EUR 125 million.

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

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

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 3,275 staff, Jacquet Metal Service is spread over a network of 100 distribution centers in 24 countries in Europe, China and North America.