

Russel Metals Inc.

FINANCIAL HIGHLIGHTS

	-----Years ended----->				
	2010	2009	2008	2007	2006
OPERATING RESULTS (millions)					
Revenues	\$2,175.4	\$1,971.8	\$3,366.2	\$2,559.2	\$2,692.1
Net (loss) earnings	69.7	(92.0)	228.5	111.2	158.7
EBIT	122.6	(130.2)	355.2	176.8	250.2
Adjusted EBIT (Note)	123.3 ⁽¹⁾	63.9 ⁽¹⁾	392.9	176.8	250.2
EBIT as a % of revenue	5.7%	3.2%	11.7%	6.9%	9.3%
Adjusted EBITDA (Note)	148.3 ⁽¹⁾	89.6 ⁽¹⁾	416.3	197.2	270.2
EBITDA as a % of revenue	6.8%	4.5%	12.4%	7.7%	10.0%
Basic (loss) earnings per common share (\$)	\$1.17	(\$1.54)	\$3.67	\$1.77	\$2.65
BALANCE SHEET INFORMATION (millions)					
Metals					
Accounts receivable	\$300.5	\$214.2	\$425.9	\$337.2	\$324.7
Inventories	544.1	517.9	925.1	572.6	664.0
Prepaid expenses and other assets	2.9	4.6	7.6	4.7	3.8
Accounts payable and accruals	(259.8)	(231.2)	(393.7)	(272.3)	(262.8)
Net working capital - Metals	587.7	505.5	964.9	642.2	729.7
Fixed assets	197.6	213.1	230.4	210.4	170.9
Goodwill and intangibles	26.9	28.4	71.8	53.4	9.2
Net assets employed in metals operations	812.2	747.0	1,267.1	906.0	909.8
Other operating assets	17.6	18.9	19.4	20.4	21.5
Net income tax assets (liabilities)	(16.5)	47.7	(30.2)	(3.7)	(19.3)
Pension and benefit assets (liabilities)	4.1	2.1	0.7	(1.4)	(2.6)
Other corporate assets and liabilities	(16.3)	(39.9)	(38.0)	(43.5)	(20.8)
Total net assets employed	\$801.1	\$775.8	\$1,219.0	\$877.8	\$888.6
CAPITALIZATION (millions)					
Bank indebtedness, net of (cash)	(\$323.7)	(\$359.6)	\$20.0	(\$181.8)	(\$209.9)
Long-term debt (incl. current portion)	326.7	342.1	218.9	175.8	203.9
Total interest bearing debt, net of (cash)	3.0	(17.5)	238.9	(6.0)	(6.0)
Market capitalization	1,373.5	1,058.5	1,134.2	1,605.0	1,665.2
Total firm value	\$1,376.5	\$1,041.0	\$1,373.1	\$1,599.0	\$1,659.2
OTHER INFORMATION (Notes)					
Common shareholders' equity (millions)	\$798.1	\$793.3	\$980.1	\$883.8	\$894.6
Book value per share (\$)	\$13.31	\$13.29	\$16.42	\$14.01	\$14.34
Free cash flow (millions)	\$86.0	\$95.7	\$235.9	\$123.7	\$152.4
Capital expenditures (millions)	\$11.8	\$18.6	\$22.2	\$16.6	\$27.6
Depreciation and amortization (millions)	\$25.0	\$25.7	\$23.4	\$20.4	\$20.0
Earnings multiple	19.6	-	5.2	14.4	10.1
Firm value as a multiple of EBIT	11.2 ⁽¹⁾	16.3 ⁽¹⁾	3.9	9.0	6.6
Firm value as a multiple of EBITDA	9.3 ⁽¹⁾	11.6 ⁽¹⁾	3.3	8.1	6.1
Interest bearing debt/EBITDA	2.2 ⁽¹⁾	3.8 ⁽¹⁾	0.5	0.9	0.8
Debt as a % of capitalization	29%	30%	18%	17%	19%
Market capitalization as a % of book value	172%	133%	116%	182%	186%
Return on equity	9%	(12%)	23%	13%	18%
Return on capital employed	15% ⁽¹⁾	8% ⁽¹⁾	29%	20%	28%
COMMON SHARE INFORMATION					
Ending outstanding common shares	59,978,173	59,698,690	59,695,290	63,066,092	62,366,842
Average outstanding common shares	59,717,629	59,696,743	62,329,483	62,835,303	59,887,382
Dividend yield (Notes)	4.8%	5.6%	5.3%	7.1%	6.0%
Dividend per share (Notes)	\$1.10	\$1.00	\$1.00	\$1.80	\$1.60
Share price - High	\$23.94	\$22.00	\$31.36	\$34.47	\$29.38
Share price - Low	\$16.25	\$9.25	\$15.01	\$22.75	\$21.61
Share price - Ending	\$22.90	\$17.73	\$19.00	\$25.45	\$26.70

Notes:

(1) Adjusted EBIT excludes inventory writedowns in the amount of \$37.7 million in 2008 and \$158.7 million in 2009 and \$35.4 million for asset impairment in the Q4 2009. It excludes the inventory reversal of \$1.9 million in Q2 2010 and plant closure costs of \$2.6 million in Q3 2010