

Russel Metals Inc.

FINANCIAL HIGHLIGHTS

	<-----9 Months----->		<-----Years ended----->		
	30-Sep-13	30-Sep-12	2012	2011	2010
OPERATING RESULTS (millions)					
Revenues	\$2,376.7	\$2,234.2	\$3,000.1	\$2,693.3	\$2,178.0
Net earnings	60.5	77.8 ⁽³⁾	97.9 ⁽³⁾	118.3	57.3
EBIT	113.0	139.0 ⁽³⁾	175.3 ⁽³⁾	197.5	110.8
Adjusted EBIT	118.2 ⁽⁴⁾	139.0 ⁽³⁾	175.3 ⁽³⁾	197.5	111.5 ⁽¹⁾
EBIT as a % of revenue	5.0%	6.0%	5.8%	7.3%	5.1%
Adjusted EBITDA	143.4 ⁽⁴⁾	157.1	200.8	221.0	136.8 ⁽¹⁾
EBITDA as a % of revenue	6.0%	6.9%	6.7%	8.2%	6.3%
Basic earnings per common share (\$)	\$1.00	\$1.29	\$1.63 ⁽³⁾	\$1.97	\$0.96
BALANCE SHEET INFORMATION (millions)					
Metals					
Accounts receivable	\$460.1	\$409.4	\$455.6	\$381.7	\$300.5
Inventories	733.9	722.5	764.0	645.6	544.1
Prepaid expenses and other assets	8.3	5.3	7.1	4.3	2.9
Accounts payable and accruals	(359.4)	(330.6)	(381.5)	(343.6)	(259.8)
Net working capital - Metals	842.9	806.6	845.2	688.0	587.7
Fixed assets	225.6	212.1	225.3	184.1	187.2
Goodwill and intangibles	193.4	50.2	192.1	24.7	24.9
Net assets employed in metals operations	1,261.9	1,068.9	1,262.6	896.8	799.8
Other operating assets	10.5	16.6	16.0	17.1	17.6
Net income tax assets (liabilities)	(7.1)	10.0	(8.2)	(12.0)	(11.5)
Pension and benefit assets (liabilities)	(30.3)	(44.3)	(38.7)	(33.3)	(17.2)
Other corporate assets and liabilities	(39.4)	(25.3)	(47.3)	(22.1)	(11.9)
Total net assets employed	\$1,195.6	\$1,025.9	\$1,184.4	\$846.5	\$776.8
CAPITALIZATION (millions)					
Bank indebtedness, net of (cash)	(\$124.6)	(\$247.1)	(\$100.8)	(\$270.7)	(\$323.7)
Long-term debt (incl. current portion)	457.6	452.7	455.8	297.8	319.7
Total interest bearing debt, net of (cash)	333.0	205.6	355.0	27.1	(4.0)
Market capitalization	1,662.3	1,655.5	1,662.2	1,346.8	1,373.5
Total firm value	\$1,995.3	\$1,861.1	\$2,017.2	\$1,373.9	\$1,369.5
OTHER INFORMATION (Notes)					
Shareholders' equity (millions)	\$862.6	\$820.3	\$829.4	\$819.4	\$772.8
Book value per share (\$)	\$14.17	\$13.64	\$13.78	\$13.64	\$12.88
Free cash flow (millions)	\$72.8	\$78.9	\$99.4	\$129.5	\$85.7
Capital expenditures (millions)	\$19.6	\$26.4	\$33.7	\$18.1	\$11.6
Depreciation and amortization (millions)	\$25.2	\$18.1	\$25.5	\$23.5	\$25.3
Earnings multiple	20.5	16.0	16.9	11.4	23.9
Firm value as a multiple of EBIT	12.7	10.0	11.5	7.0	12.3 ⁽¹⁾
Firm value as a multiple of EBITDA	10.4	8.9	10.0	6.2	10.0 ⁽¹⁾
Interest bearing debt/EBITDA	2.4	2.2	2.3	1.3	2.3 ⁽¹⁾
Debt as a % of capitalization	35%	36%	35%	27%	29%
Market capitalization as a % of book value	193%	202%	200%	164%	178%
Return on equity	9%	13%	12%	14%	7%
Return on capital employed	13%	18%	15%	23%	14% ⁽¹⁾
COMMON SHARE INFORMATION					
Ending outstanding common shares	60,890,252	60,155,948	60,204,636	60,071,698	59,978,173
Average outstanding common shares	60,737,101	60,110,769	60,128,534	60,043,222	59,717,629
Dividend yield	5.1%	5.1%	5.1%	5.4%	4.8%
Dividend per share	\$1.40	\$1.40	\$1.40	\$1.20	\$1.10
Share price - High	\$29.59	\$28.20	\$28.97	\$27.75	\$23.94
Share price - Low	\$23.23	\$23.73	\$22.52	\$18.90	\$16.25
Share price - Ending	\$27.30	\$27.52	\$27.61	\$22.42	\$22.90

Notes:

- (1) Adjusted EBIT excludes the inventory reversal of \$1.9 million and plant closure costs of \$2.6 million in 2010.
- (2) 2010 as reported under IFRS
- (3) Restated due to adoption of IAS 19 (Amended 2011)
- (4) Asset impairment charge of \$5.2 million was excluded in determining adjusted EBIT and adjusted EBITDA.