

Russel Metals Inc.

FINANCIAL HIGHLIGHTS

	<-----3 Months----->		<-----Years ended----->			
	Q1 2015	Q1 2014	2014	2013	2012	2011
OPERATING RESULTS (millions)						
Revenues	\$903.9	\$924.0	\$3,869.3	\$3,187.8	\$3,000.1	\$2,693.3
Net earnings	18.5	29.0	123.6	83.3	97.9 ⁽²⁾	118.3
EBIT	36.6	53.5	217.0	146.0	175.3 ⁽²⁾	197.5
Adjusted EBIT (Note)	36.6	53.5	226.9 ⁽¹⁾	151.2 ⁽¹⁾	175.3 ⁽²⁾	197.5
Adjusted EBIT as a % of revenue	4.0%	5.8%	5.9%	4.7%	5.8%	7.3%
Adjusted EBITDA (Note)	45.3	62.1	261.7	184.8 ⁽¹⁾	200.8	221.0
EBITDA as a % of revenue	5.0%	6.7%	6.8%	5.8%	6.7%	8.2%
Basic earnings per common share (\$)	\$0.30	\$0.47	\$2.01	\$1.37	\$1.63 ⁽²⁾	\$1.97
BALANCE SHEET INFORMATION (millions)						
Metals						
Accounts receivable	\$499.8	\$549.6	\$566.6	\$455.9	\$455.6	\$381.7
Inventories	966.6	773.1	930.8	766.3	764.0	645.6
Prepaid expenses and other assets	10.6	9.2	11.6	5.9	7.1	4.3
Accounts payable and accruals	(412.7)	(414.4)	(486.0)	(383.7)	(381.5)	(343.6)
Net working capital - Metals	1,064.3	917.5	1,023.0	844.4	845.2	688.0
Fixed assets	255.5	227.3	249.8	228.4	225.3	184.1
Goodwill and intangibles	214.2	217.7	214.3	218.7	192.1	24.7
Net assets employed in metals operations	1,534.0	1,362.5	1,487.1	1,291.5	1,262.6	896.8
Other operating assets	(1.4)	9.3	1.5	10.1	16.0	17.1
Net income tax assets (liabilities)	(4.0)	(20.1)	(23.4)	(11.3)	(8.2)	(12.0)
Pension and benefit assets (liabilities)	(31.9)	(28.8)	(26.1)	(23.1)	(38.7)	(33.3)
Other corporate assets and liabilities	(21.4)	(47.4)	(42.3)	(42.6)	(47.3)	(22.1)
Total net assets employed	\$1,475.3	\$1,275.5	\$1,396.8	\$1,224.6	\$1,184.4	\$846.5
CAPITALIZATION (millions)						
Bank indebtedness, net of (cash)	\$16.2	(\$86.3)	(\$29.2)	(\$116.2)	(\$100.8)	(\$270.7)
Long-term debt (incl. current portion)	462.3	459.3	461.0	458.4	455.8	297.8
Total interest bearing debt, net of (cash)	478.5	373.0	431.8	342.2	355.0	27.1
Market capitalization	1,483.3	1,838.1	1,597.4	1,913.1	1,662.2	1,346.8
Total firm value	\$1,961.8	\$2,211.1	\$2,029.2	\$2,255.3	\$2,017.2	\$1,373.9
OTHER INFORMATION (Notes)						
Shareholders' equity (millions)	\$996.8	\$902.5	\$965.0	\$882.4	\$829.4	\$819.4
Book value per share (\$)	\$16.16	\$14.79	\$15.65	\$14.48	\$13.78	\$13.64
Free cash flow (millions)	\$20.7	\$37.9	\$124.8	\$92.0	\$99.4	\$129.5
Capital expenditures (millions)	\$8.2	\$4.9	\$48.2	\$27.2	\$33.7	\$18.1
Depreciation and amortization (millions)	\$8.7	\$8.6	\$34.8	\$33.6	\$25.5	\$23.5
Earnings multiple	20.0	16.0	12.9	22.9	16.9	11.4
Firm value as a multiple of EBIT	13.4	10.3	8.9	14.9	11.5	7.0
Firm value as a multiple of EBITDA	10.8	8.9	7.8	12.2	10.0	6.2
Interest bearing debt/EBITDA	2.6	1.8	1.8	2.5	2.3	1.3
Debt as a % of capitalization	32%	34%	32%	34%	35%	27%
Market capitalization as a % of book value	149%	204%	166%	217%	200%	164%
Return on equity	7%	13%	13%	9%	12%	14%
Return on capital employed	10%	17%	16%	12%	15%	23%
COMMON SHARE INFORMATION						
Ending outstanding common shares	61,701,628	61,026,590	61,674,228	60,946,393	60,204,636	60,071,698
Average outstanding common shares	61,678,145	60,966,768	61,321,767	60,780,520	60,128,534	60,043,222
Dividend yield	6.3%	4.6%	5.9%	4.5%	5.1%	5.4%
Dividend per share	\$1.52	\$1.40	\$1.52	\$1.40	\$1.40	\$1.20
Share price - High	\$26.34	\$31.50	\$37.63	\$31.62	\$28.97	\$27.75
Share price - Low	\$22.39	\$27.78	\$25.07	\$23.23	\$22.52	\$18.90
Share price - Ending	\$24.04	\$30.12	\$25.90	\$31.39	\$27.61	\$22.42

Notes:

(1) Adjusted EBIT and EBITDA excludes the asset impairment charge in 2014 of \$9.9 million, 2013 of \$5.2 million.

(2) Restated due to adoption of IAS 19 (Amended 2011)

(3) This chart includes certain financial measures that are not prescribed by generally accepted accounting principles (GAAP) or have standardized meanings, and thus, may not be comparable to similar measures presented by other companies, for example EBIT and EBITDA and Other Information. Management believes that EBIT and EBITDA may be useful in assessing our operating performance and as an indicator of our ability to service or incur indebtedness, make capital expenditures and finance working capital requirements. EBIT and EBITDA should not be considered in isolation or as an alternative to cash from operating activities or other combined income or cash flow data. EBIT, EBITDA and a number of the ratios provided under Other Information are used by debt and equity analysts to compare our performance against other public companies. This terminology is defined on the inside back cover of our Annual Report. See financial statements for GAAP earnings.