

Russel Metals Inc.

FINANCIAL HIGHLIGHTS

	<-----3 Months----->		<-----Years ended----->			
	Q1 2016	Q1 2015	2015	2014	2013	2012
OPERATING RESULTS (millions)						
Revenues	\$662.1	\$903.9	\$3,111.6	\$3,869.3	\$3,187.8	\$3,000.1
Net earnings (loss)	7.8	18.5	(87.6)	123.6	83.3	97.9 ^(a)
Earnings (loss) before interest, finance exp and income tax	16.6	36.6	(86.1)	217.0	146.0	175.3 ^(a)
Adjusted EBIT (Note)	16.6	39.2	118.7 ^(a)	241.5 ^(a)	151.2 ^(a)	175.3 ^(a)
Adjusted EBIT as a % of revenue	2.5%	4.3%	3.8%	6.2%	4.7%	5.8%
Adjusted EBITDA (Note)	25.5	47.9	153.8 ^(a)	276.3 ^(a)	184.8 ^(a)	200.8
EBITDA as a % of revenue	3.9%	5.3%	4.9%	7.1%	5.8%	6.7%
Basic earnings (loss) per common share (\$)	\$0.13	\$0.30	(\$1.42)	\$2.01	\$1.37	\$1.63 ^(a)
BALANCE SHEET INFORMATION (millions)						
Metals						
Accounts receivable	\$329.1	\$499.8	\$333.4	\$566.6	\$455.9	\$455.6
Inventories	678.3	966.6	712.5	930.8	766.3	764.0
Prepaid expenses and other assets	10.7	10.6	10.7	11.6	5.9	7.1
Accounts payable and accruals	(263.6)	(412.7)	(269.7)	(486.0)	(383.7)	(381.5)
Net working capital - Metals	754.5	1,064.3	786.9	1,023.0	844.4	845.2
Fixed assets	255.0	255.5	267.8	249.8	228.4	225.3
Goodwill and intangibles	89.4	214.2	92.0	214.3	218.7	192.1
Net assets employed in metals operations	1,098.9	1,534.0	1,146.7	1,487.1	1,291.5	1,262.6
Other operating assets	(1.8)	(1.4)	(1.9)	1.5	10.1	16.0
Net income tax assets (liabilities)	17.5	(4.0)	25.4	(23.4)	(11.3)	(8.2)
Pension and benefit assets (liabilities)	(25.1)	(31.9)	(21.7)	(26.1)	(23.1)	(38.7)
Other corporate assets and liabilities	(39.0)	(21.4)	(33.1)	(42.3)	(42.6)	(47.3)
Total net assets employed	\$1,050.5	\$1,475.3	\$1,115.4	\$1,396.8	\$1,224.6	\$1,184.4
CAPITALIZATION (millions)						
Bank indebtedness, net of (cash)	(\$64.4)	\$16.2	(\$49.2)	(\$29.2)	(\$116.2)	(\$100.8)
Long-term debt (incl. current portion)	296.0	462.3	295.7	461.0	458.4	455.8
Total interest bearing debt, net of (cash)	231.6	478.5	246.5	431.8	342.2	355.0
Market capitalization	1,220.5	1,483.3	991.6	1,597.4	1,913.1	1,662.2
Total firm value	\$1,452.1	\$1,961.8	\$1,238.1	\$2,029.2	\$2,255.3	\$2,017.2
OTHER INFORMATION (Notes)						
Shareholders' equity (millions)	\$818.9	\$996.8	\$868.9	\$965.0	\$882.4	\$829.4
Book value per share (\$)	\$13.27	\$16.16	\$14.08	\$15.65	\$14.48	\$13.78
Free cash flow (millions)	\$21.5	\$29.6	\$0.6	\$124.8	\$91.9	\$99.4
Capital expenditures (millions)	\$3.0	\$8.2	\$38.3	\$48.2	\$27.2	\$33.7
Depreciation and amortization (millions)	\$8.9	\$8.7	\$35.1	\$34.8	\$33.6	\$25.5
Earnings multiple	38.0	20.0	nm	12.9	22.9	16.9
Firm value as a multiple of EBIT	21.9	12.5	10.4	8.4	14.9	11.5
Firm value as a multiple of EBITDA	14.2	10.2	8.0	7.3	12.2	10.0
Interest bearing debt/EBITDA	2.9	2.4	1.9	1.7	2.5	2.3
Debt as a % of capitalization	27%	32%	25%	32%	34%	35%
Market capitalization as a % of book value	149%	149%	114%	166%	217%	200%
Return on equity	4%	7%	(10%)	13%	9%	12%
Return on capital employed	6%	11%	11%	17%	12%	15%
COMMON SHARE INFORMATION						
Ending outstanding common shares	61,702,560	61,701,628	61,702,560	61,674,228	60,946,393	60,204,636
Average outstanding common shares	61,702,560	61,678,145	61,696,592	61,321,767	60,780,520	60,128,534
Dividend yield	7.7%	6.3%	9.5%	5.9%	4.5%	5.1%
Dividend per share	\$1.52	\$1.52	\$1.52	\$1.52	\$1.40	\$1.40
Dividends paid as a % of free cash flow	109%	79%	nm	72%	93%	82%
Share price - High	\$20.19	\$26.34	\$27.81	\$37.63	\$31.62	\$28.97
Share price - Low	\$13.95	\$22.39	\$14.36	\$25.07	\$23.23	\$22.52
Share price - Ending	\$19.78	\$24.04	\$16.07	\$25.90	\$31.39	\$27.61

Notes:

(1) Adjusted EBIT and EBITDA excludes the goodwill and long-lived asset impairment charge of \$123.4, provision for product warranty of \$20 million and inventory provision of \$61.3 for 2015, asset impairment charge of \$9.9 million and inventory provision of \$14.6 million for 2014, and asset impairment charge of \$5.2 million in 2013.

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

(3) This chart includes certain financial measures that are not prescribed by Canadian 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.