

RUSSEL METALS ANNOUNCES 2025 SECOND QUARTER RESULTS

FOR IMMEDIATE RELEASE

TORONTO, CANADA -- August 7, 2025 -- Russel Metals Inc. (RUS - TSX) announces financial results for three months ended June 30, 2025.

Revenues of \$1.2 Billion - Up 3% from Q1 2025; Highest Level Since Mid-2022

EBITDA of \$108 Million - Up 26% from Q1 2025

EBITDA Margin of 9.0% - Up from 7.3% in Q1 2025

EPS of \$1.07 - Up 43% from Q1 2025

Annualized Return on Capital of 20% - Up from 15% in Q1 2025

\$22 million of Share Buybacks and \$24 million of Dividends

Strong Capital Structure with Liquidity of \$566 Million

| | Three Months Ended | | | Six Months Ended | |
|---------------------|--------------------|-------------|-------------|------------------|-------------|
| | Jun 30 2025 | Mar 31 2025 | Jun 30 2024 | Jun 30 2025 | Jun 30 2024 |
| Revenues | \$ 1,207 | \$ 1,174 | \$ 1,072 | \$ 2,381 | \$ 2,133 |
| EBITDA ¹ | 108 | 86 | 86 | 194 | 170 |
| Net income | 60 | 43 | 50 | 103 | 100 |
| Earnings per share | 1.07 | 0.75 | 0.84 | 1.82 | 1.66 |

All amounts are reported in millions of Canadian dollars except per share figures, which are in Canadian dollars.

Non-GAAP Measures and Ratios

We use a number of measures that are not prescribed by IFRS Accounting Standards ("IFRS" or "GAAP") and as such may not be comparable to similar measures presented by other companies. We believe these measures are commonly employed to measure performance in our industry and are used by analysts, investors, lenders and other interested parties to evaluate financial performance and our ability to incur and service debt to support our business activities. These non-GAAP measures include EBITDA and Liquidity and are defined below. Refer to Non-GAAP Measures and Ratios on page 2 of our Management Discussion and Analysis.

EBIT - represents net earnings before interest and income taxes.

EBITDA - represents net earnings before interest, income taxes, depreciation and amortization.

Liquidity - represents cash on hand less bank indebtedness plus excess availability under our bank credit facility.

Cash (for) from working capital - represents the change in non-cash working capital.

The following table shows the reconciliation of net earnings in accordance with GAAP:

| (\$ millions, except per share data) | Three Months Ended | | | Six Months Ended | |
|--------------------------------------|--------------------|-------------|-------------|------------------|-------------|
| | Jun 30 2025 | Mar 31 2025 | Jun 30 2024 | Jun 30 2025 | Jun 30 2024 |
| Net earnings | \$ 60.4 | \$ 43.0 | \$ 49.9 | \$ 103.4 | \$ 99.6 |
| Provision for income taxes | 18.3 | 14.5 | 16.9 | 32.8 | 33.6 |
| Interest (income) expense, net | 5.9 | 4.7 | 1.4 | 10.6 | 1.3 |
| EBIT ¹ | 84.6 | 62.2 | 68.2 | 146.8 | 134.5 |
| Depreciation and amortization | 23.2 | 23.5 | 17.6 | 46.7 | 35.3 |
| EBITDA ¹ | \$ 107.8 | \$ 85.7 | \$ 85.8 | \$ 193.5 | \$ 169.8 |
| Basic earnings per share | \$ 1.07 | \$ 0.75 | \$ 0.84 | \$ 1.82 | \$ 1.66 |

¹ Defined in Non-GAAP Measures and Ratios

Our second quarter 2025 results reflected a continuing improvement of revenues, margins and EBITDA, both on a consolidated basis and across most of our business segments. Overall market conditions were generally favourable as we benefited from higher metal prices and margins as well as relatively steady demand.

- The metal service centers generated near record shipments in the second quarter, notwithstanding some severe weather impacts and the market uncertainty related to the ongoing tariff dynamic.
- The energy field store segment generated higher revenues, margins and operating profit in the second quarter as compared to the first quarter of 2025, as the segment benefited from improving conditions following a cautious start to 2025.
- We completed an extension of our bank debt facility and removed the springing lien provision, to further enhance our financial flexibility.
- We completed the system integrations for the former Samuel branches onto our ERP platform. These conversions should lead to operational improvements in the quarters ahead. We also advanced a series of initiatives in Western Canada aimed at further rationalizing our footprint and streamlining our operations.

Revenues of \$1.2 billion in the second and first quarter of 2025 were higher than the \$1.1 billion generated in the second quarter of 2024. This improvement reflected higher steel prices and a full quarter from both the Tampa Bay and Samuel acquisitions.

Our average gross margin grew sequentially to 23.3% in the second quarter of 2025 as compared to 21.5% in the first quarter of 2025 due to the improvement in average selling price realizations for our metal service center segment and continued improvement in our energy field stores.

In the second quarter of 2025, we generated \$108 million in EBITDA, which was an increase from \$86 million in the first quarter of 2025 and the second quarter of 2024. Our earnings per share of \$1.07 for the three months ended June 30, 2025, was higher than the \$0.75 per share reported in the first quarter of 2025 and the \$0.84 per share recorded in the second quarter of 2024. Our earnings per share for the six months ended June 30, 2025, was \$1.82 compared to \$1.66 in the six months ended June 30, 2024. Our second quarter 2025 results were negatively impacted by an expense of \$5 million on the mark-to-market of stock-based compensation compared to a recovery of \$8 million in the 2024 second quarter and a \$3 million recovery in the 2025 first quarter.

During the three months ended June 30, 2025, the Canadian dollar strengthened from US\$0.6956 to US\$0.7330. The impact on the translation of our U.S. operations was a reduction in operating income of approximately \$2 million and a reduction of shareholders' equity of approximately \$55 million.

In the quarter, we generated an annualized return on capital of 20%, which was a sequential increase from the 15% generated in the first quarter of 2025.

During our 2025 second quarter, we generated \$105 million of cash from operating activities before non-cash working capital, invested \$16 million of capital expenditures to further our internal growth initiatives and returned \$47 million of capital to our shareholders through share repurchases and dividends.

Market Conditions

Market prices for our steel and aluminum products were positively impacted by the imposition of tariffs during the early part of 2025. At June 30, 2025, the prices for steel plate and sheet were up 33% and 28%, respectively, as compared to the prices at December 31, 2024. At June 30, 2025, the aluminum mid-west price was up 28% compared to the price at December 31, 2024.

Capital Investment Growth Initiatives

During the three months ended June 30, 2025, we invested \$16 million in capital expenditures and for the six months ended June 30, 2025, we invested \$45 million in capital expenditures. We have an active pipeline of both facilities modernization and value-added processing projects. Most of the previously announced facilities modernization projects were completed in the 2025 first quarter and additional projects are being further explored.

We are continuing to evaluate additional acquisition opportunities with the focus on expanding our metals service center platform in the U.S.

Returning Capital to Shareholders

We have a flexible approach to returning capital to shareholders through: (i) our ongoing dividend; and (ii) share buybacks.

In the 2025 second quarter, we paid dividends of \$24 million or \$0.43 per share. We have declared our quarterly dividend of \$0.43 per share payable on September 15, 2025, to shareholders of record at the close of business on August 28, 2025.

In the second quarter of 2025, we purchased and cancelled 0.5 million common shares at an average price per share of \$42.11 for total consideration of \$22 million (excluding the impact of the 2% federal tax on share repurchases). In the period since the August 2022 normal course issuer bid was established, we have purchased approximately 7.7 million common shares, which represents approximately 12% of our then outstanding shares, at an average price per share of \$37.61 for total consideration of \$288 million. In August 2025, we intend to renew our normal course issuer bid subject to approval from the Toronto Stock Exchange, to purchase for cancellation up to approximately 5.5 million of our common shares representing 10% of our public float over a 12-month period.

Liquidity and Capital Structure

On April 29, 2025, we amended and extended our credit facility to remove the springing lien feature, cancel the \$150 million sidecar facility that was set to expire in 2026 and extend the maturity of the main facilities to 2029. Our total available liquidity at June 30, 2025, was \$566 million.

Outlook

During the late part of the first quarter and early part of the second quarter of 2025, steel prices substantially increased as a result of the tariffs imposed by the U.S. government. Steel prices have since moderated, and future steel price changes may be impacted by further changes in such tariffs.

Our metal service center margins increased in the early part of the second quarter as they benefited from the lag effect of higher selling price realizations and lower cost inventories. As a result, we are likely to realize some margin moderation in the third quarter as compared to the second quarter of 2025. In addition, our shipment levels are likely to experience a seasonal reduction in activity in the third quarter of 2025 as compared to the second quarter of 2025, due to normal holiday schedules in both Canada and the U.S. Over the medium-term, we expect to benefit from further rebuilding of the U.S. industrial manufacturing base as well as infrastructure related investments. In addition, we are positioned to gain market share through our ongoing investments in value-added equipment, facility modernizations and through acquisitions.

Our energy field stores are expected to continue to benefit from solid energy activity in 2025. Our energy field store segment is also expected to continue to gain market share while maintaining a solid margin profile.

Investor Conference Call

The Company will be holding an Investor Conference Call on Friday, August 8, 2025, at 9:00 a.m. ET to review its 2025 second quarter results. The dial-in telephone numbers for the call are 416-945-7677 (Toronto and International callers) and 1-888-699-1199 (U.S. and Canada). Please dial in 10 minutes prior to the call to ensure that you get a line.

A replay of the call will be available at 289-819-1450 (Toronto and International callers) and 1-888-660-6345 (U.S. and Canada) until midnight, Friday, August 22, 2025. You will be required to enter pass code 73031# to access the call.

Additional supplemental financial information is available in our investor conference call package located on our website at www.russelmetals.com.

About Russel Metals Inc.

Russel Metals is one of the largest metals distribution companies in North America with a growing focus on value-added processing. It carries on business in three segments: metals service centers, energy field stores and steel distributors. Its network of metals service centers carries an extensive line of metal products in a wide range of sizes, shapes and specifications, including carbon hot rolled and cold finished steel, pipe and tubular products, stainless steel, aluminum and other non-ferrous specialty metals. Its energy field stores carry a specialized product line focused on the needs of energy industry customers. Its steel distributors operations act as master distributors selling steel in large volumes to other steel service centers and large equipment manufacturers mainly on an "as is" basis.

Cautionary Statement on Forward-Looking Information

Certain statements contained in this press release constitute forward-looking statements or information within the meaning of applicable securities laws, including statements as to our future capital expenditures, our outlook, the availability of future financing and our ability to pay dividends. Forward-looking statements relate to future events or our future performance. All statements, other than statements of historical fact, are forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "expect", "may", "will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe" and similar expressions. Forward-looking statements are necessarily based on estimates and assumptions that, while considered reasonable by us, inherently involve known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements, including the factors described below.

We are subject to a number of risks and uncertainties which could have a material adverse effect on our future profitability and financial position, including the risks and uncertainties listed below, which are important factors in our business and the metals distribution industry. Such risks and uncertainties include, but are not limited to: volatility in metal prices; cyclicity of the metals industry; future acquisitions; facilities modernization; volatility in the energy industry; product claims; significant competition; sources of supply and supply chain disruptions; manufacturers selling directly; material substitution; failure of our key computer-based systems; cybersecurity; credit risk; currency exchange risk; restrictive debt covenants; goodwill or long-term asset impairments; the unexpected loss of key individuals; decentralized operating structure; labour interruptions; laws and governmental regulations; litigious environment; environmental liabilities; climate change; carbon emissions; health and safety laws and regulations; geopolitical risk and common share risk.

While we believe that the expectations reflected in our forward-looking statements are reasonable, no assurance can be given that these expectations will prove to be correct, and our forward-looking statements included in this press release should not be unduly relied upon. These statements speak only as of the date of this press release and, except as required by law, we do not assume any obligation to update our forward-looking statements. Our actual results could differ materially from those anticipated in our forward-looking statements including as a result of the risk factors described above and under the heading "Risk" in our MD&A and under the heading "Risk Management and Risks Affecting Our Business" in our most recent Annual Information Form and as otherwise disclosed in our filings with securities regulatory authorities which are available on SEDAR+ at www.sedarplus.ca.

If you would like to **unsubscribe** from receiving Press Releases, you may do so by emailing subscriber@russelmetals.com; or by calling our Investor Relations Line: 905-816-5178.

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CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS (UNAUDITED)

| | Three Months Ended June 30 | | Six Months Ended June 30 | |
|---|----------------------------|------------|--------------------------|------------|
| <i>(in millions of Canadian dollars, except per share data)</i> | 2025 | 2024 | 2025 | 2024 |
| Revenues | \$ 1,207.3 | \$ 1,071.5 | \$ 2,380.9 | \$ 2,132.6 |
| Cost of materials | 925.8 | 846.2 | 1,847.0 | 1,669.4 |
| Employee expenses | 122.0 | 89.1 | 235.0 | 188.9 |
| Other operating expenses | 74.9 | 68.0 | 152.1 | 139.8 |
| Earnings before interest and provision for income taxes | 84.6 | 68.2 | 146.8 | 134.5 |
| Interest expense, net | 5.9 | 1.4 | 10.6 | 1.3 |
| Earnings before provision for income taxes | 78.7 | 66.8 | 136.2 | 133.2 |
| Provision for income taxes | 18.3 | 16.9 | 32.8 | 33.6 |
| Net earnings for the period | \$ 60.4 | \$ 49.9 | \$ 103.4 | \$ 99.6 |
| Basic earnings per common share | \$ 1.07 | \$ 0.84 | \$ 1.82 | \$ 1.66 |
| Diluted earnings per common share | \$ 1.07 | \$ 0.84 | \$ 1.82 | \$ 1.66 |

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (UNAUDITED)

| | Three Months Ended June 30 | | Six Months Ended June 30 | |
|---|----------------------------|---------|--------------------------|----------|
| <i>(in millions of Canadian dollars)</i> | 2025 | 2024 | 2025 | 2024 |
| Net earnings for the period | \$ 60.4 | \$ 49.9 | \$ 103.4 | \$ 99.6 |
| Other comprehensive (loss) income | | | | |
| Items that may be reclassified to earnings | | | | |
| Unrealized foreign exchange (losses) gains on translation of foreign operations | (55.2) | 9.5 | (56.1) | 31.7 |
| Items that may not be reclassified to earnings | | | | |
| Actuarial (losses) gains on pension and similar obligations, net of taxes | (0.8) | 0.3 | (2.8) | 3.9 |
| Other comprehensive (loss) income | (56.0) | 9.8 | (58.9) | 35.6 |
| Total comprehensive income | \$ 4.4 | \$ 59.7 | \$ 44.5 | \$ 135.2 |

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (UNAUDITED)

| <i>(in millions of Canadian dollars)</i> | June 30 2025 | December 31 2024 |
|---|-------------------|---------------------|
| ASSETS | | |
| Current | | |
| Cash and cash equivalents | \$ 194.5 | \$ 45.6 |
| Accounts receivable | 563.8 | 490.4 |
| Inventories | 1,011.9 | 919.8 |
| Prepays and other | 33.2 | 29.0 |
| Income taxes receivable | 1.8 | 14.5 |
| | 1,805.2 | 1,499.3 |
| Property, Plant and Equipment | 494.5 | 492.4 |
| Right-of-Use Assets | 148.2 | 157.0 |
| Deferred Income Tax Assets | 0.5 | 0.8 |
| Pension and Benefits | 40.2 | 45.5 |
| Financial and Other Assets | 5.3 | 5.9 |
| Goodwill and Intangible Assets | 135.8 | 145.8 |
| Total Assets | \$ 2,629.7 | \$ 2,346.7 |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Current | | |
| Bank indebtedness | \$ - | \$ 13.4 |
| Accounts payable and accrued liabilities | 485.9 | 442.1 |
| Short-term lease obligations | 23.5 | 22.4 |
| Income taxes payable | 10.9 | 0.7 |
| | 520.3 | 478.6 |
| Long-Term Debt | 298.1 | - |
| Pensions and Benefits | 1.4 | 1.5 |
| Deferred Income Tax Liabilities | 21.0 | 25.8 |
| Long-Term Lease Obligations | 153.0 | 161.0 |
| Provisions and Other Non-Current Liabilities | 29.4 | 21.4 |
| Total Liabilities | 1,023.2 | 688.3 |
| Shareholders' Equity | | |
| Common shares | 517.8 | 528.1 |
| Retained earnings | 933.3 | 918.7 |
| Contributed surplus | 9.9 | 10.0 |
| Accumulated other comprehensive income | 145.5 | 201.6 |
| Total Shareholders' Equity | 1,606.5 | 1,658.4 |
| Total Liabilities and Shareholders' Equity | \$ 2,629.7 | \$ 2,346.7 |

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOW (UNAUDITED)

| | Three Months Ended June 30 | | Six Months Ended June 30 | |
|--|----------------------------|-----------------|--------------------------|-----------------|
| <i>(in millions of Canadian dollars)</i> | 2025 | 2024 | 2025 | 2024 |
| Operating Activities | | | | |
| Net earnings for the period | \$ 60.4 | \$ 49.9 | \$ 103.4 | \$ 99.6 |
| Depreciation and amortization | 23.2 | 17.6 | 46.7 | 35.3 |
| Provision for income taxes | 18.3 | 16.9 | 32.8 | 33.6 |
| Interest expense, net | 5.9 | 1.4 | 10.6 | 1.3 |
| Gain on sale of property, plant and equipment | (0.3) | (0.2) | (0.5) | (0.4) |
| Difference between pension expense and amount funded | 0.7 | 0.6 | 1.4 | 1.3 |
| Interest paid net, including interest on lease obligations | (2.8) | (2.5) | (7.1) | (2.1) |
| Cash from operating activities before non-cash working capital | 105.4 | 83.7 | 187.3 | 168.6 |
| Changes in Non-Cash Working Capital Items | | | | |
| Accounts receivable | 16.6 | 13.3 | (83.3) | (37.1) |
| Inventories | (36.8) | (15.8) | (111.3) | (11.2) |
| Accounts payable and accrued liabilities | (27.7) | 9.1 | 55.6 | (10.6) |
| Other | 4.5 | 0.5 | (4.2) | 0.2 |
| Change in non-cash working capital | (43.4) | 7.1 | (143.2) | (58.7) |
| Income tax paid, net | (14.1) | (21.9) | (12.8) | (38.8) |
| Cash from operating activities | 47.9 | 68.9 | 31.3 | 71.1 |
| Financing Activities | | | | |
| Issue of common shares | - | 0.8 | 0.3 | 1.6 |
| Repurchase of common shares | (22.8) | (57.0) | (48.6) | (71.9) |
| Dividends on common shares | (24.2) | (25.0) | (48.1) | (49.1) |
| Decrease in bank indebtedness | - | - | (13.4) | - |
| Issuance (repayment) of long-term debt | - | (150.0) | 300.0 | (150.0) |
| Deferred financing costs | 0.1 | - | (1.9) | - |
| Lease obligations | (5.7) | (4.6) | (11.6) | (9.3) |
| Cash (used in) from financing activities | (52.6) | (235.8) | 176.7 | (278.7) |
| Investing Activities | | | | |
| Purchase of property, plant and equipment | (16.1) | (24.2) | (45.0) | (48.0) |
| Proceeds on sale of property, plant and equipment | 0.4 | 0.3 | 0.9 | 0.5 |
| Cash used in investing activities | (15.7) | (23.9) | (44.1) | (47.5) |
| Effect of exchange rates on cash and cash equivalents | (15.3) | 2.5 | (15.0) | 12.1 |
| (Decrease) Increase in cash and cash equivalents | (35.7) | (188.3) | 148.9 | (243.0) |
| Cash and cash equivalents, beginning of the period | 230.2 | 574.5 | 45.6 | 629.2 |
| Cash and cash equivalents, end of the period | \$ 194.5 | \$ 386.2 | \$ 194.5 | \$ 386.2 |

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

| | Common Shares | Retained Earnings | Contributed Surplus | Accumulated Other Comprehensive Income | Total |
|---|------------------|----------------------|------------------------|---|-------------------|
| <i>(in millions of Canadian dollars)</i> | | | | | |
| Balance, January 1, 2025 | \$ 528.1 | \$ 918.7 | \$ 10.0 | \$ 201.6 | \$ 1,658.4 |
| Payment of dividends | - | (48.1) | - | - | (48.1) |
| Net earnings for the period | - | 103.4 | - | - | 103.4 |
| Other comprehensive loss for the period | - | - | - | (58.9) | (58.9) |
| Share options exercised | 0.4 | - | (0.1) | - | 0.3 |
| Shares repurchased | (10.7) | (37.9) | - | - | (48.6) |
| Transfer of net actuarial losses on defined benefit plans | - | (2.8) | - | 2.8 | - |
| Balance, June 30, 2025 | \$ 517.8 | \$ 933.3 | \$ 9.9 | \$ 145.5 | \$ 1,606.5 |

| | Common Shares | Retained Earnings | Contributed Surplus | Accumulated Other Comprehensive Income | Total |
|--|------------------|----------------------|------------------------|---|-------------------|
| <i>(in millions of Canadian dollars)</i> | | | | | |
| Balance, January 1, 2024 | \$ 556.3 | \$ 954.6 | \$ 10.3 | \$ 118.7 | \$ 1,639.9 |
| Payment of dividends | - | (49.1) | - | - | (49.1) |
| Net earnings for the period | - | 99.6 | - | - | 99.6 |
| Other comprehensive income for the period | - | - | - | 35.6 | 35.6 |
| Share options exercised | 1.9 | - | (0.3) | - | 1.6 |
| Shares repurchased | (16.5) | (55.4) | - | - | (71.9) |
| Transfer of net actuarial gains on defined benefit plans | - | 3.9 | - | (3.9) | - |
| Balance, June 30, 2024 | \$ 541.7 | \$ 953.6 | \$ 10.0 | \$ 150.4 | \$ 1,655.7 |