MARCH 2019

Russel Metals

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

Certain statements contained in this document 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 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.

Our actual results could differ materially from those anticipated in our forward-looking statements including as a result of the risk factors described in our MD&A and Annual Information Form.

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 document should not be unduly relied upon. These statements speak only as of the date of this document and, except as required by law, we do not assume any obligation to update our forward-looking statements.

RISK FACTORS: Such risks and uncertainties include, but are not limited to: the volatility in metal prices; volatility in oil and natural gas prices; cyclicality of the metals industry and the industries that purchase our products; decreased capital and other expenditures in the energy industry; product claims from customers; significant competition that could reduce our market share; the interruption in sources of metals supply; manufacturers selling directly to our customer base; material substitution; credit risk of our customers; lack of credit availability; change in our credit ratings; currency exchange risk; restrictive debt covenants; non-cash asset impairments; the unexpected loss of key individuals; decentralized operating structure; the availability of future acquisitions and their integration; the failure of our key computer-based systems, including our enterprise resource and planning systems; failure to renegotiate any of our collective agreements and work stoppages; litigious business environment; environmental liabilities; environmental concerns or changes in government regulations; legislation on carbon emissions; workplace health and safety laws and regulations; significant changes in laws and governmental regulations; fluctuation of our common share price; dilution; and variability of dividends.

Overview of Russel Metals

- We are one of the largest metals distribution and processing companies in North America.
- We are one of the largest pipe, valve and fittings companies in North America.
- Consolidated Revenues:

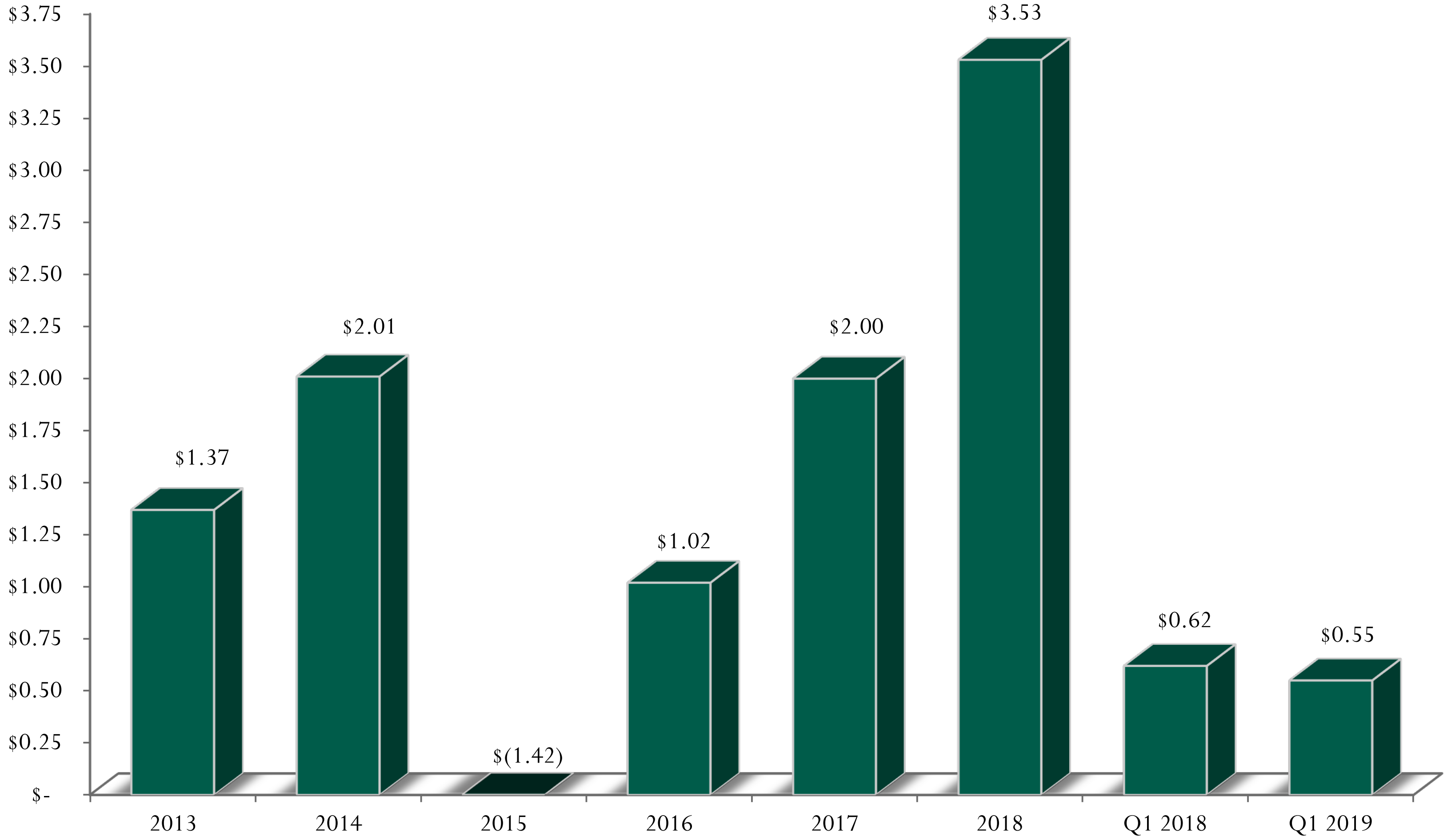
  Q1 2019 - $1.0 billion

  Q1 2018 - $0.9 billion
- Based on revenues for the quarter ended March 31, 2019:

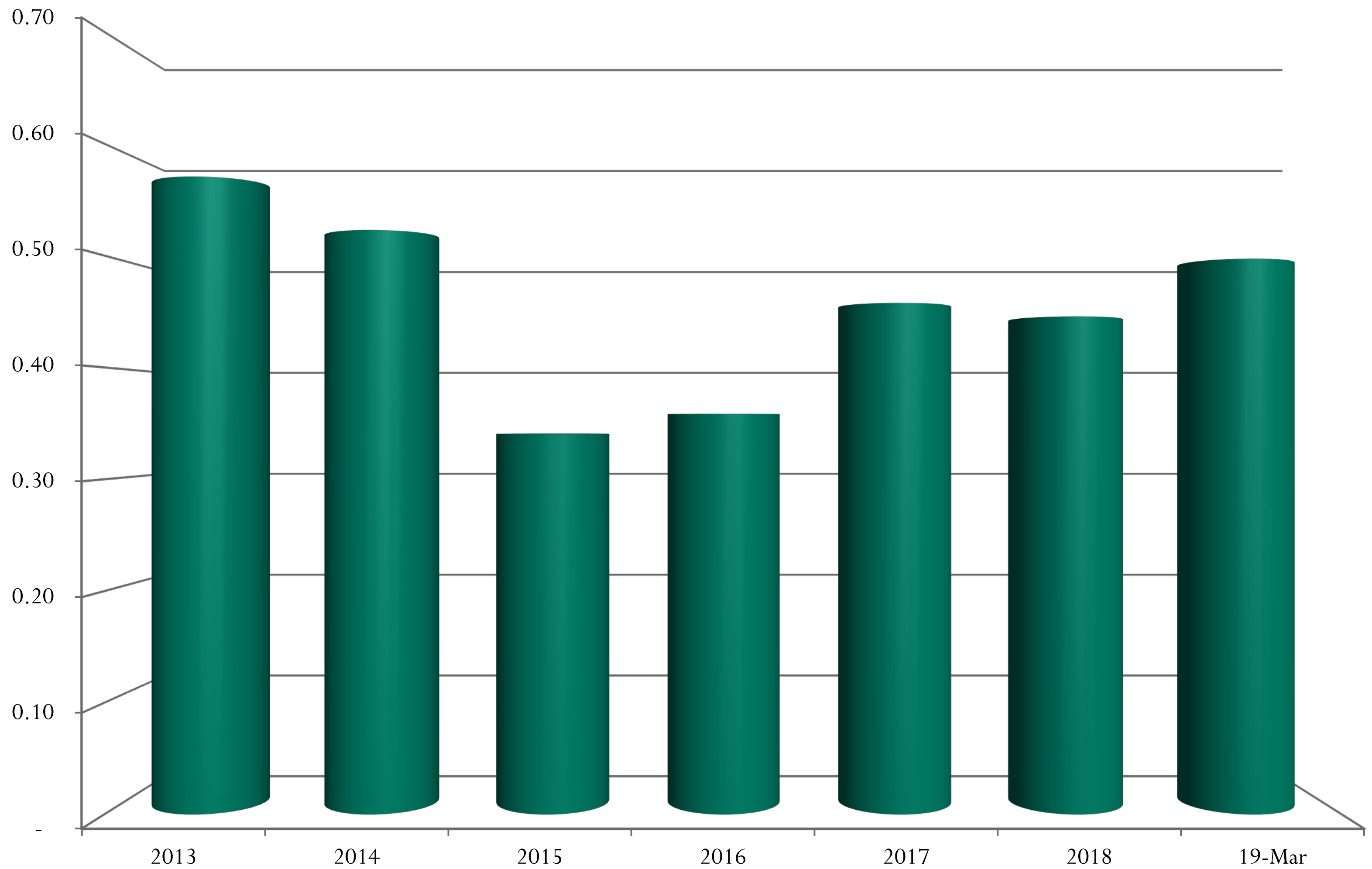
  69% Canada

  31% U.S.
- Declared dividend of $0.38 per share payable June 14, 2019.
- Dividend yield 6.5%.
- Market cap based on $23.53 per share is $1.5 billion. Listed on TSX.

EPS (2013 – 2019)



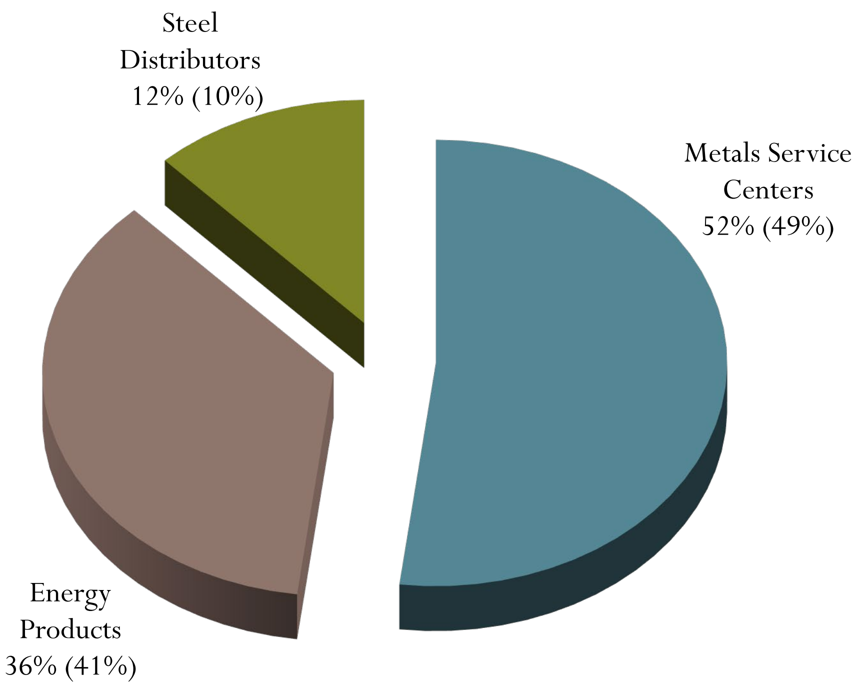
DEBT EQUITY RATIO



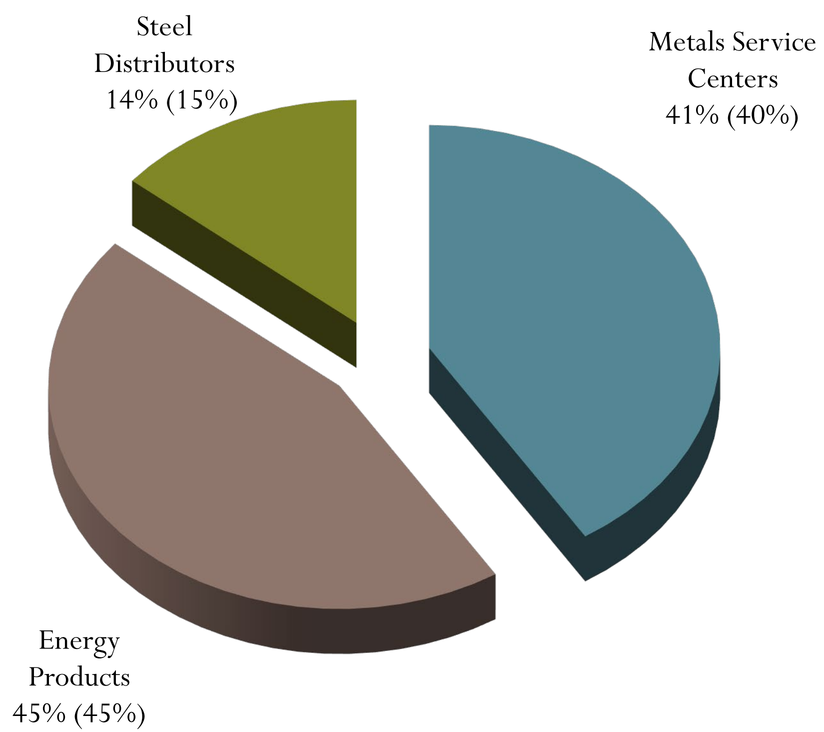
Note: 2013 and 2014 adjusted for convertible debentures

THREE DISTINCT SEGMENTS

REVENUE
THREE MONTHS ENDED 2019 (2018)



EBIT
THREE MONTHS ENDED 2019 (2018)



Operating Units

CANADA

Metals Service Centers (49 units)

- British Columbia (A.J. Forsyth)
- Alberta
- Man/Sask
- Ontario (Color & Pemco)
- Quebec (Acier Leroux)
- Atlantic

Energy Products (48 units)

- Comco Pipe (Alberta)
- Apex Distribution (Alberta)
- Fedmet Tubulars (Alberta)
- Triumph Tubulars (Alberta)

Steel Distributors (3 units)

- Wirth Steel (Montreal)

UNITED STATES

Metals Service Centers (16 units)

- South East (JMS Russel Metals)
- Wisconsin (Williams Bahcall)
- Ohio (Baldwin)
- North Carolina (DuBose)

Energy Products (22 units)

- Pioneer (Colorado)
- Spartan (Texas)
- Apex Remington (Oklahoma)

Steel Distributors (3 units)

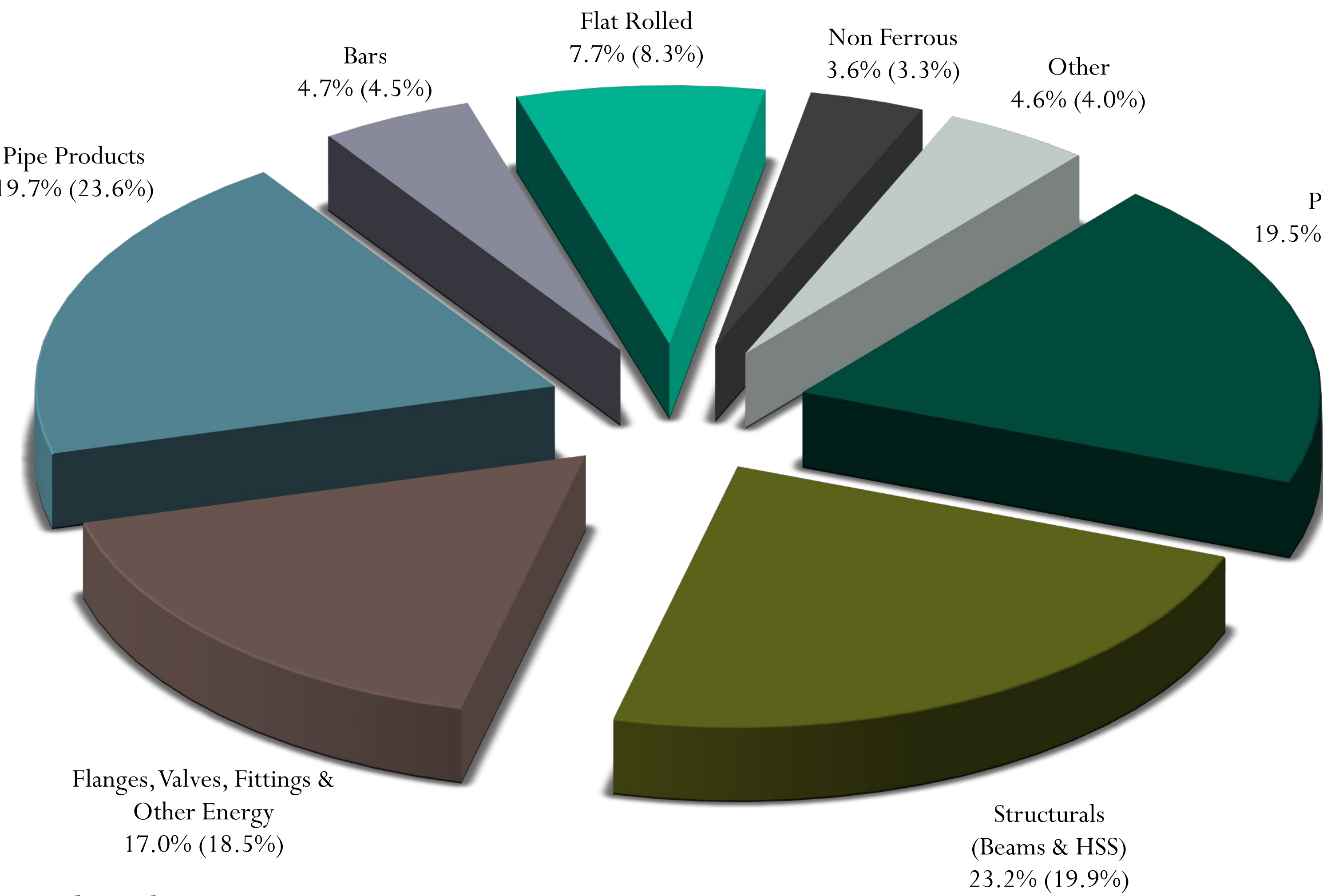
- Sunbelt (Texas)

Balance Sheet as of March 2019

(millions)

ASSETS EMPLOYED		
Cash	$ 107	5%
Accounts Receivable	589	27%
Inventories	1,032	47%
Property, Plant and Equipment	354	16%
Goodwill/Intangibles	84	4%
Other	33	1%
	$ 2,198	100%
FINANCED BY		
Bank Indebtedness	$ 154	7%
Trade Creditors	466	21%
Long-term Debt	444	20%
Lease Obligations and Other	147	7%
Shareholders Equity	988	45%
	$ 2,199	100%

Broad Product Focus Breakdown for Three Months Ended March 31, 2019 (2018)



Top Mill Suppliers
Three Months Ended March 31, 2019

	% of total purchased	Products Purchased
Supplier 1	7.3%	Long Products
Supplier 2	6.3%	Long Prod / Plate / Pipe
Supplier 3	5.7%	Flat Roll / Plate / Long Products
Supplier 4	5.3%	Plate
Supplier 5	4.6%	Long Products / Plate / Flat Roll
Supplier 6	4.2%	Tubing
Supplier 7	3.8%	Pipe
Supplier 8	3.8%	Flat Roll / Plate
Supplier 9	2.7%	Long Prod / Plate / Pipe
Supplier 10	2.6%	Tubing & OCTG
Top 10 Suppliers	46.3%	

Service Center/ Distribution Competitors

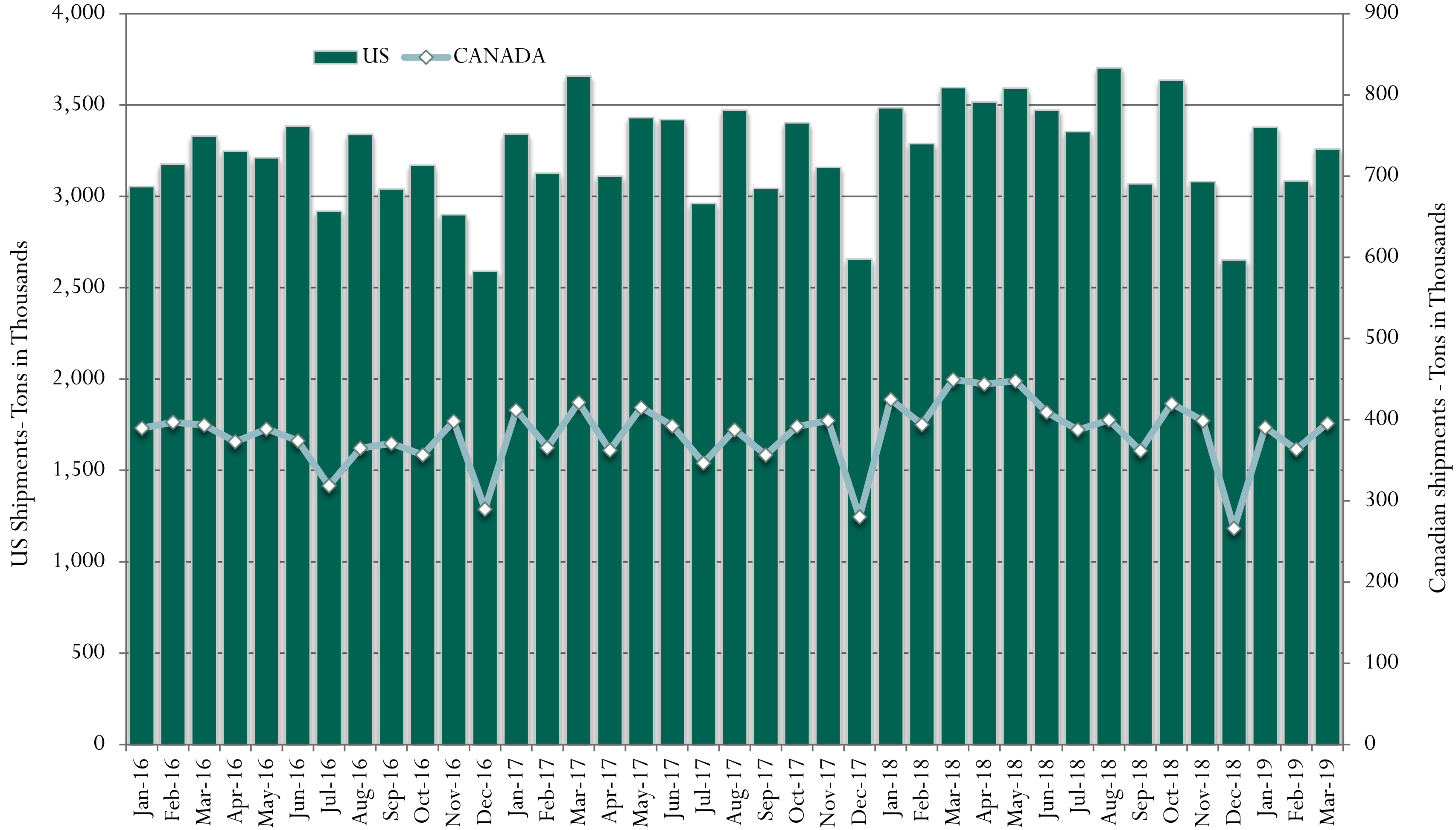
TOP 15 BY REVENUE *(in billions)*	**2018**	**2017**	**Public/ Private**	**Headquarters**
Reliance Steel & Aluminum Co.	$ 11.5	$ 9.7	Public	U.S
Ryerson Inc.	4.4	3.4	Public	U.S
MRC Global	4.2	3.6	Public	U.S
Russel Metals Inc.	4.2	3.3	Public	Canada *
Samuel, Son & Co.	4.0	3.6	Private	Canada *
Worthington Steel Co.	3.6	3.0	Public	U.S
Klockner (North America)	3.2	2.9	Public	U.K.
NOW Inc.	3.1	2.6	Public	U.S
ThyssenKrupp Materials NA, Inc.	2.5	2.5	Public	U.S.
Steel Technologies LLC	2.4	2.4	Private	U.S
O'Neal Steel Inc.	2.3	2.3	Private	U.S
Alro Steel Corp.	1.7	1.7	Private	U.S
Olympic Steel Inc.	1.7	1.4	Public	U.S
Toyota Tsusho America	1.6	1.6	Public	U.S
Coilplus Inc.	1.3	1.3	Private	U.S

* Noted in Canadian Funds

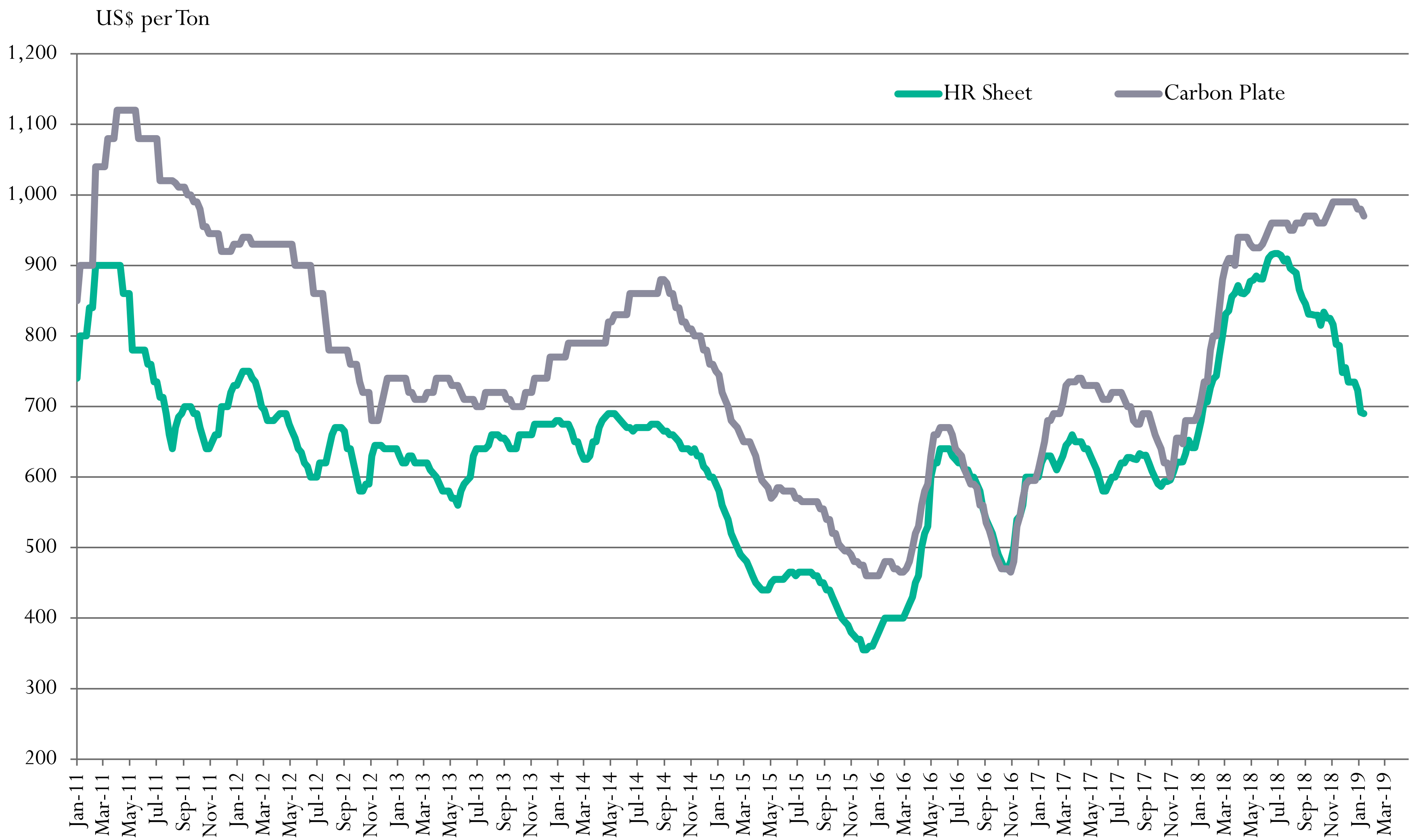
Source: Metals Center News or public data
2017 private company data noted as 2017 Metals Center News amounts

MARKET TRENDS

MONTHLY SERVICE CENTER SHIPMENTS – STEEL PRODUCTS

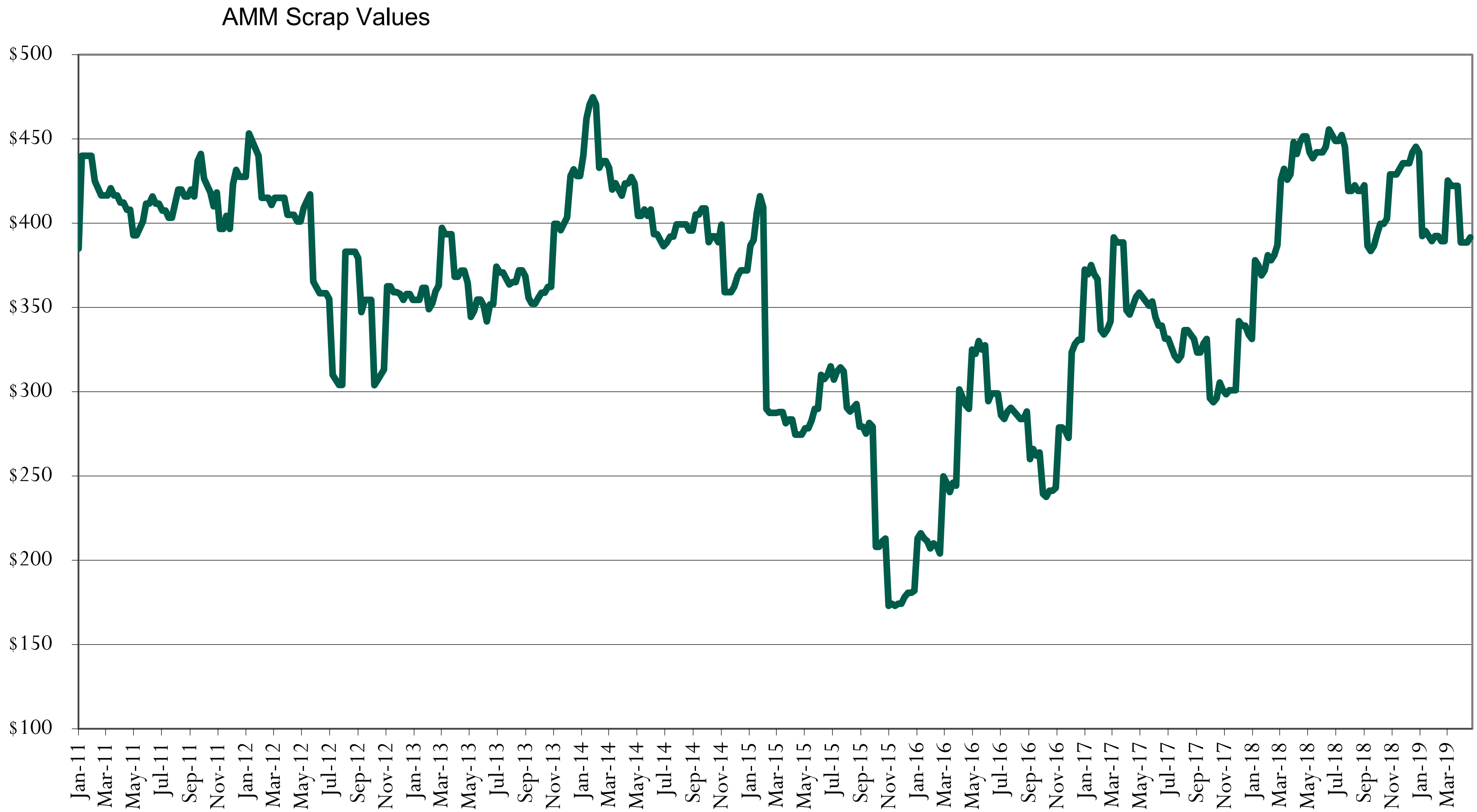


PRICE OF HR SHEET & HR PLATE



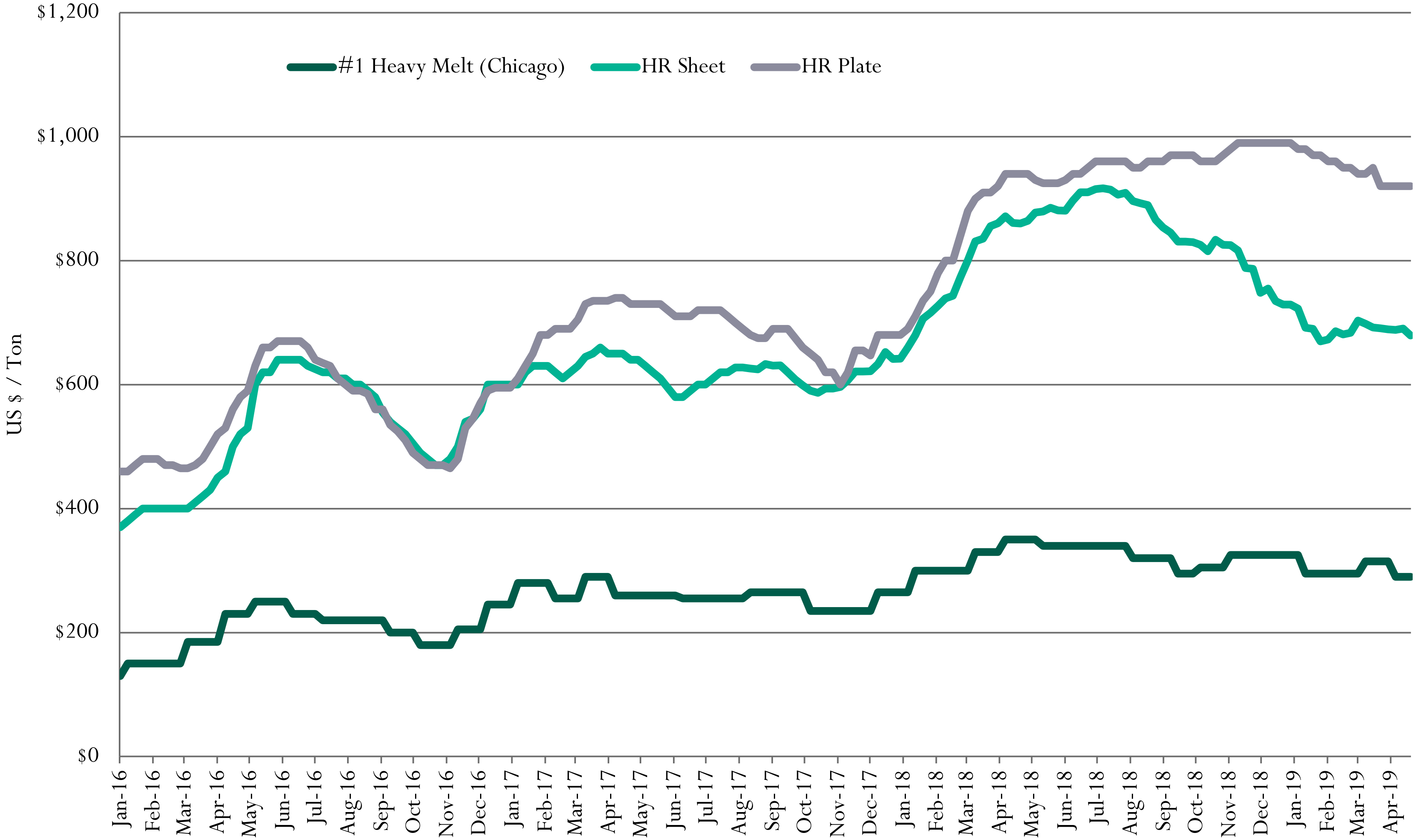
Source: American Metal Market

Scrap Pricing



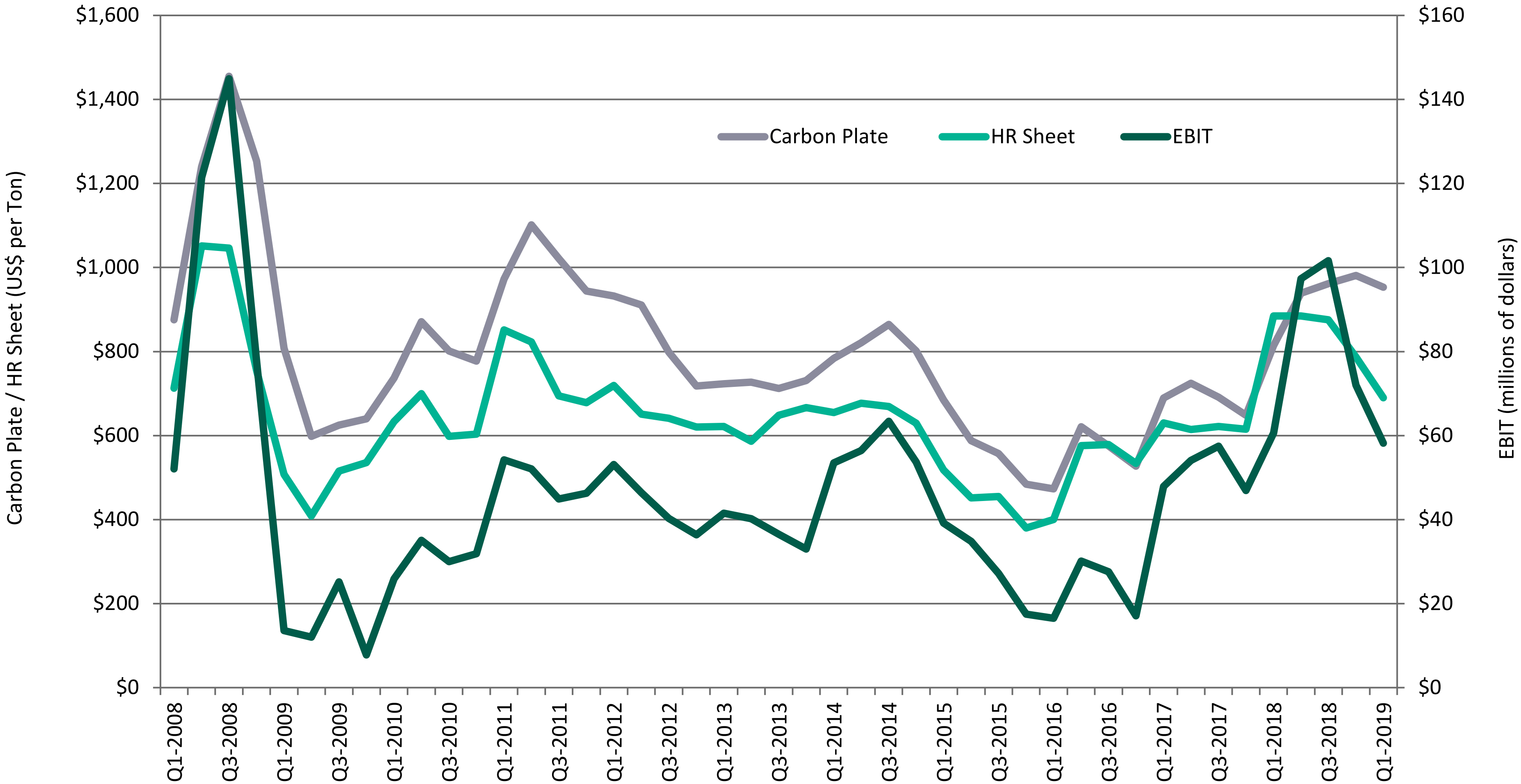
Source: American Metal Market

Scrap vs Coil and Plate Pricing



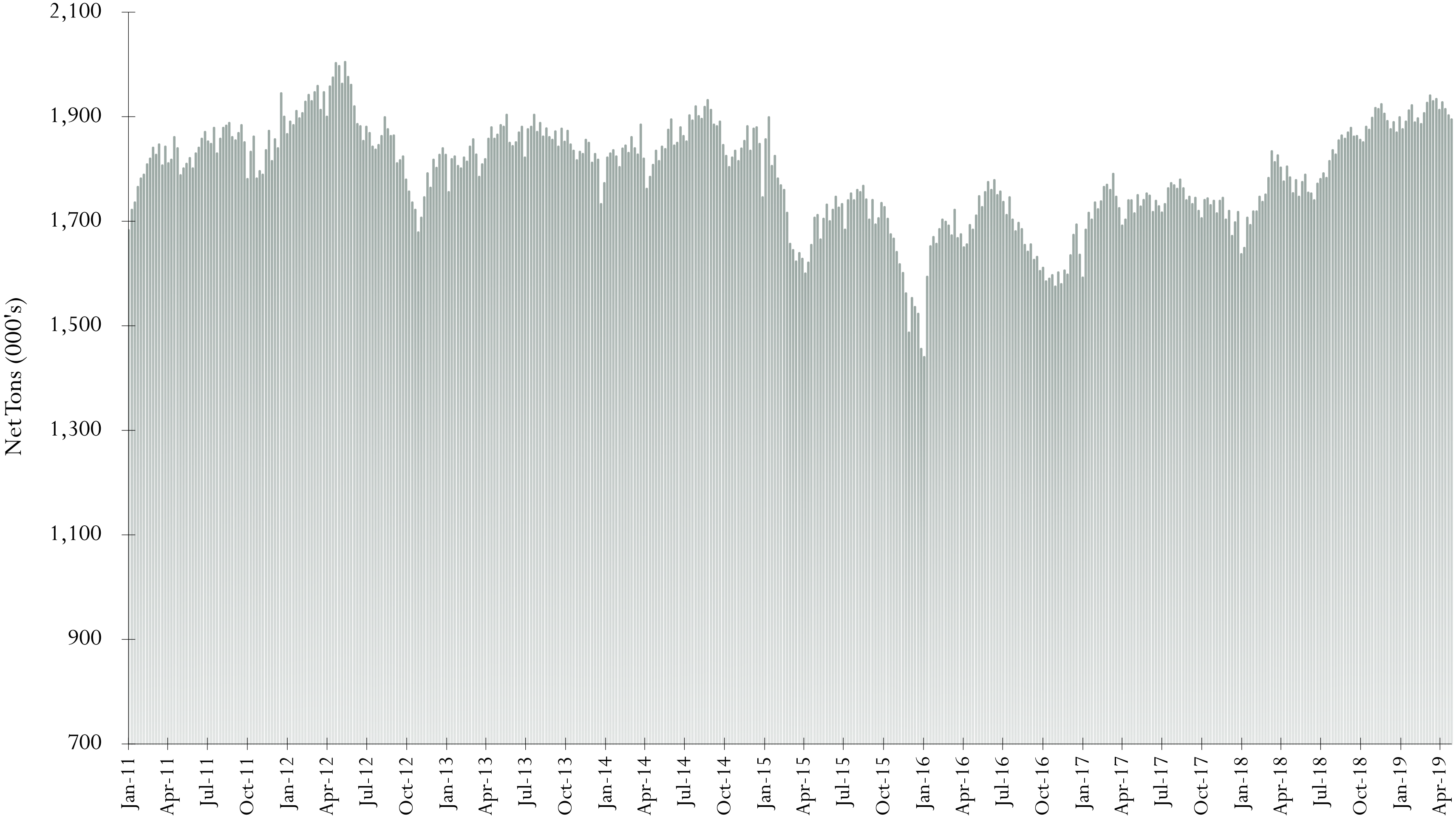
Source: American Metal Market

Carbon Plate, HR Sheet & Russel EBIT



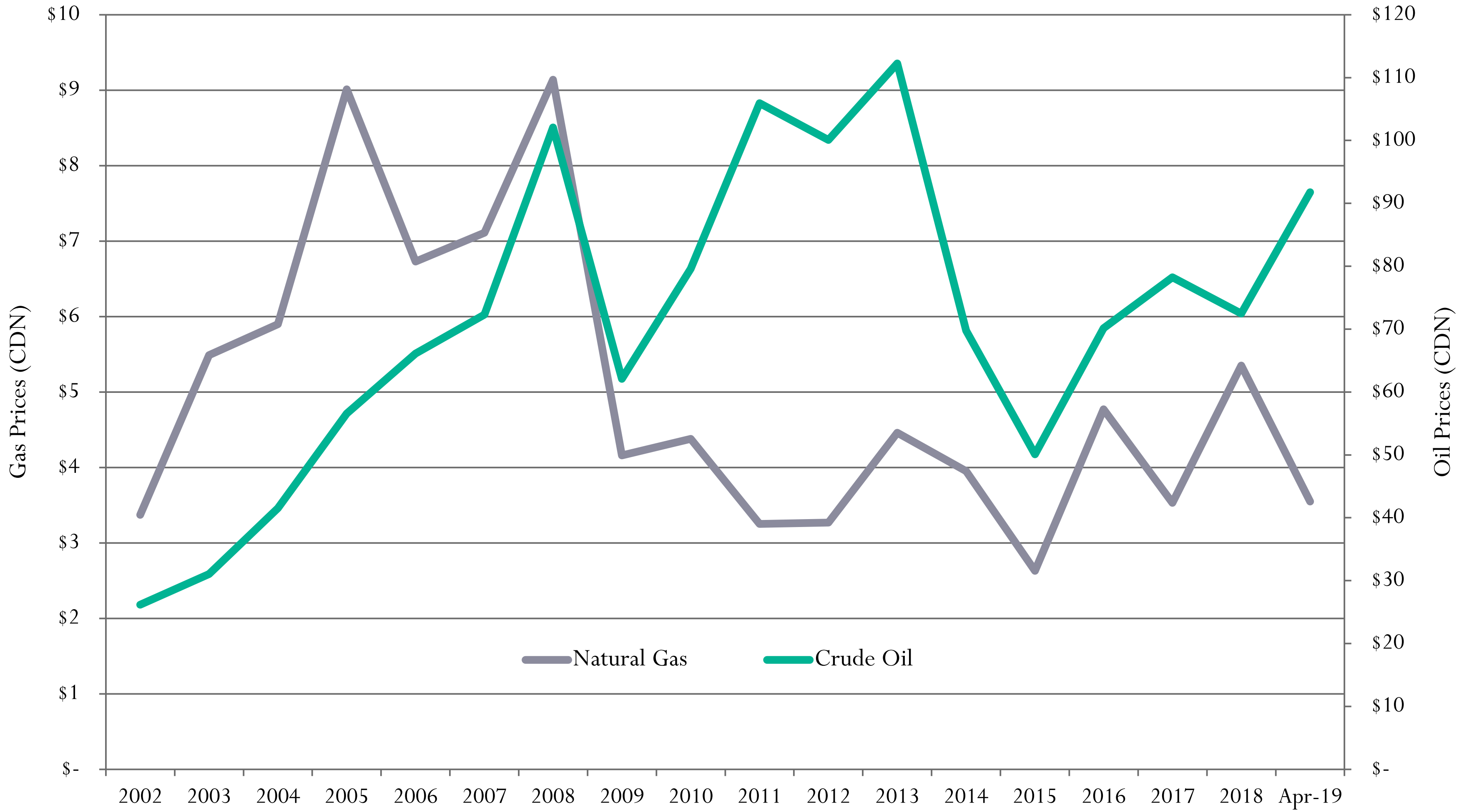
Source: American Metal Market

Mill Production Tons



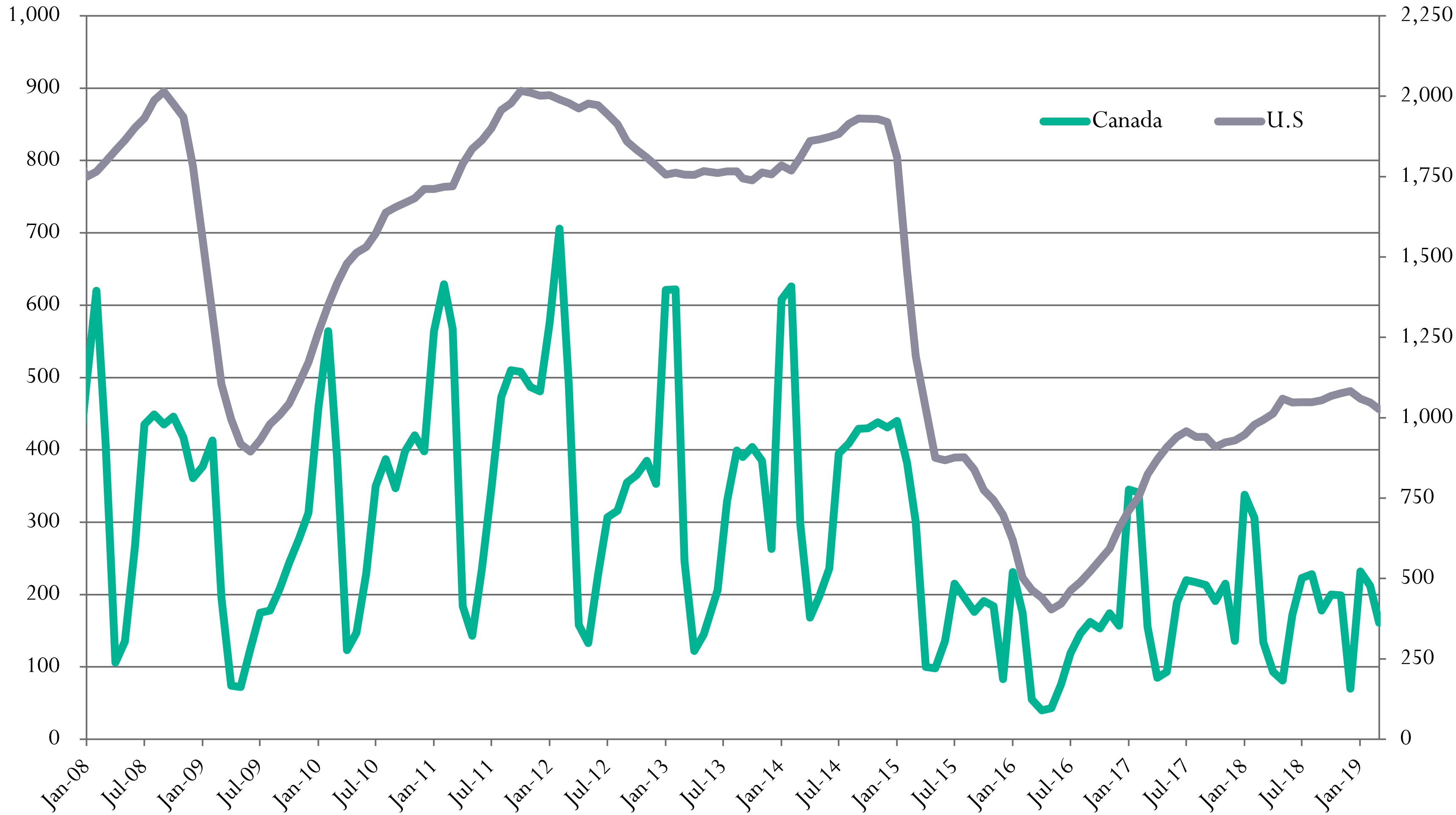
Source: American Metal Market

Oil and Natural Gas Prices



Source: Henry Hub

North American Rig Count



Source: Baker Hughes

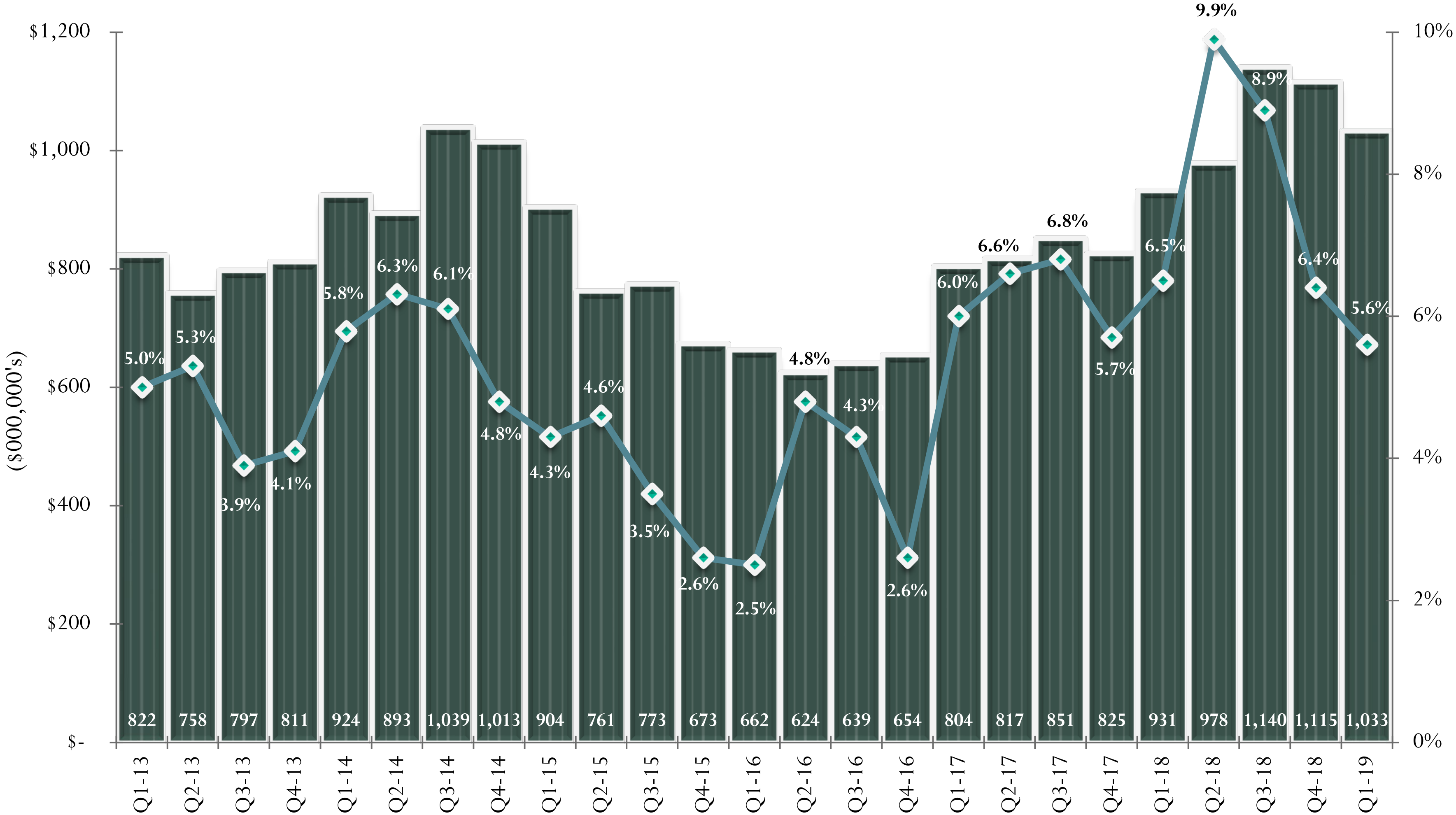
METALS SERVICE CENTERS

STEEL DISTRIBUTORS

ENERGY PRODUCTS

RMI OPERATIONS

Total Revenues & EBIT as a % of Revenues



Adjusted for Inventory Write Downs of Q1-15 $2.5, Q2-15 $3.7, Q3-15 $8.4 and Q4-15 $46.8

Metals Service centers – Strong Canadian Franchise

- Q1 - 2019 revenues of $538 million, EBIT of $27 million.
- 2018 revenues of $2.1 billion, EBIT of $169 million.
- 49 Metals Service Centers in Canada.
- 16 Metals Service Centers in U.S.
- Broad customer base - 21,000 Canadian, 14,000 U.S.
- Average invoice 2018 $2,422 (2017: $1,846)
- Approximately 2018 – 3,274 invoices per day (2017: 3,514)

Information unless otherwise noted as of March 31, 2019

Role of Metal Service Centers

SUPPLIERS	METALS SERVICE CENTERS	CUSTOMERS
Mills producing base metal products	Source material and purchase in large quantity	Manufacturers, fabricators
Processing includes pickling, blanking, tube production from sheet coating	Process material to meet specific customer requirements	Focused on design assembly, marketing
Limited ability service multiple customer needs	Arrange logistics for delivery where and when customer needs	Want just-in-time completed parts to production line
Long lead time order to delivery	Processing includes cut-to-length, cut parts using laser, oxy fuel or plasma, sawing, blanking, welding	Some eliminating first stage processing
Large volumes	Some processors provide pickling and coating	Some end users continue to process parts but source material from service centers

METALS SERVICE CENTERS LOCATION OF OPERATIONS

49 Locations

Russel Metals

ALBERTA INDUSTRIAL METALS
A Division of Russel Metals Inc.

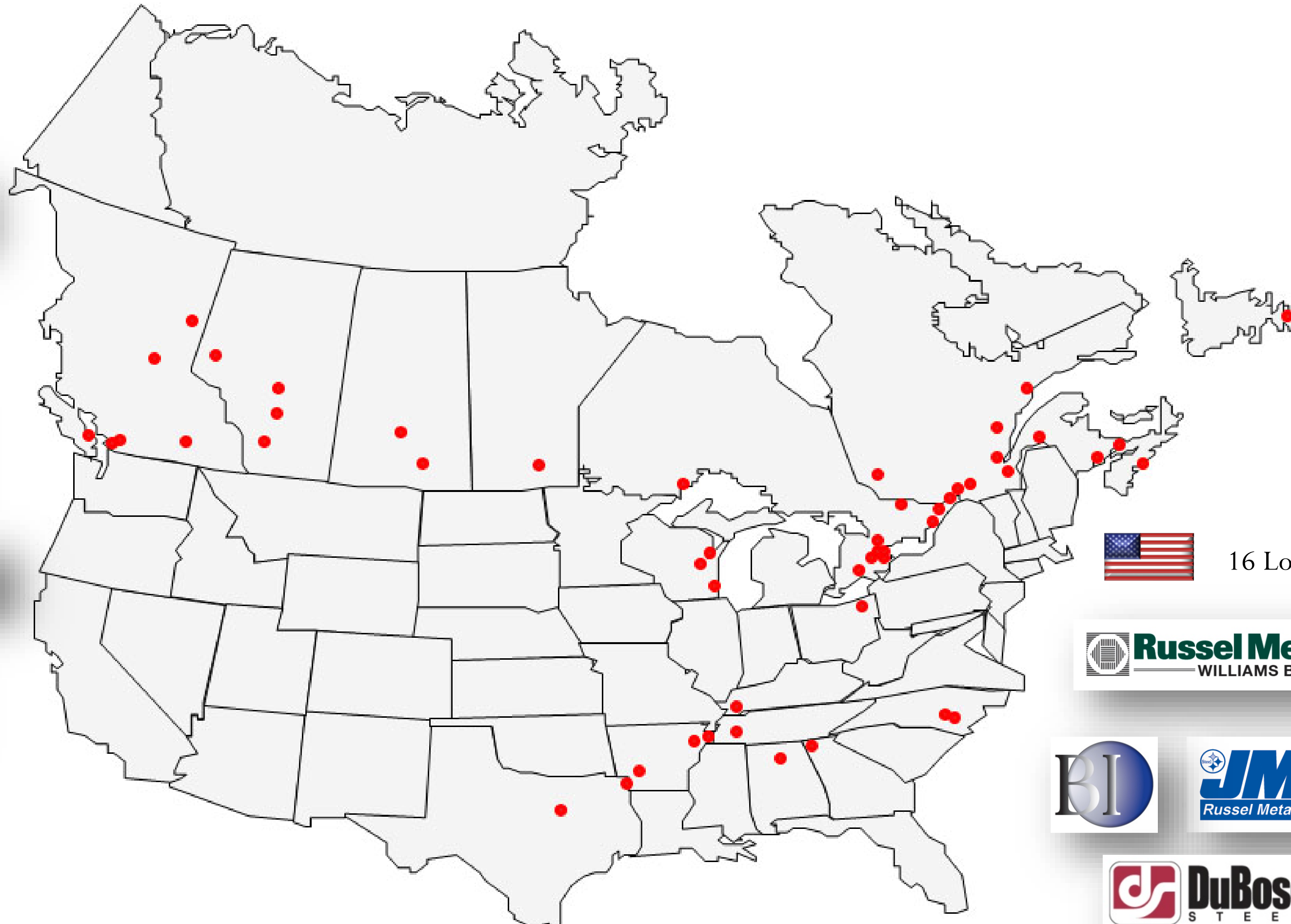
AJF

LEROUX

Russel Metals Processing

color steels

pemco steel



16 Locations

Russel Metals WILLIAMS BAHCALL

BI

JMS Russel Metals Corp.

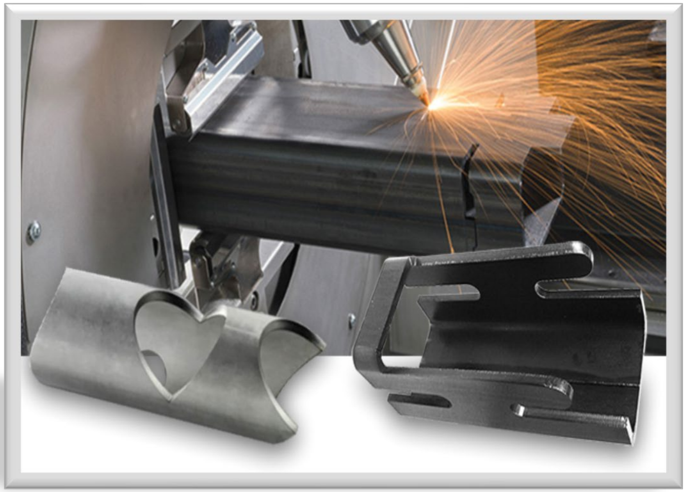
DuBose STEEL

NORTON METALS
a division of JMS Russel Metals Corp.

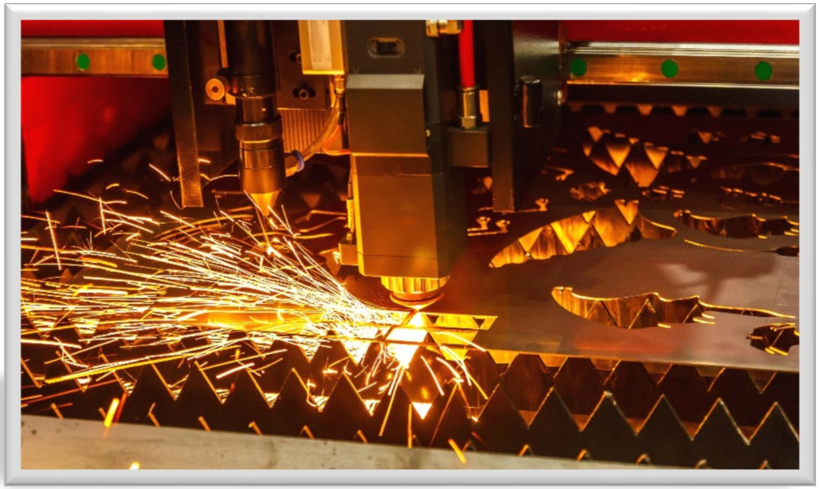
METAL SERVICE CENTERS PROCESSING CAPABILITIES

- Cutting-to-Length
- Stretcher Leveling
- Blanking
- Leveling
- Edge Trimming
- Slitting

- Oxygen Fuel Cutting
- Plasma Cutting
- Hi-definition Plasma Cutting
- Laser Cutting
- Drilling, Tapping, Beveling
- Tube Laser Cutting



PROCESSING CAPABILITIES



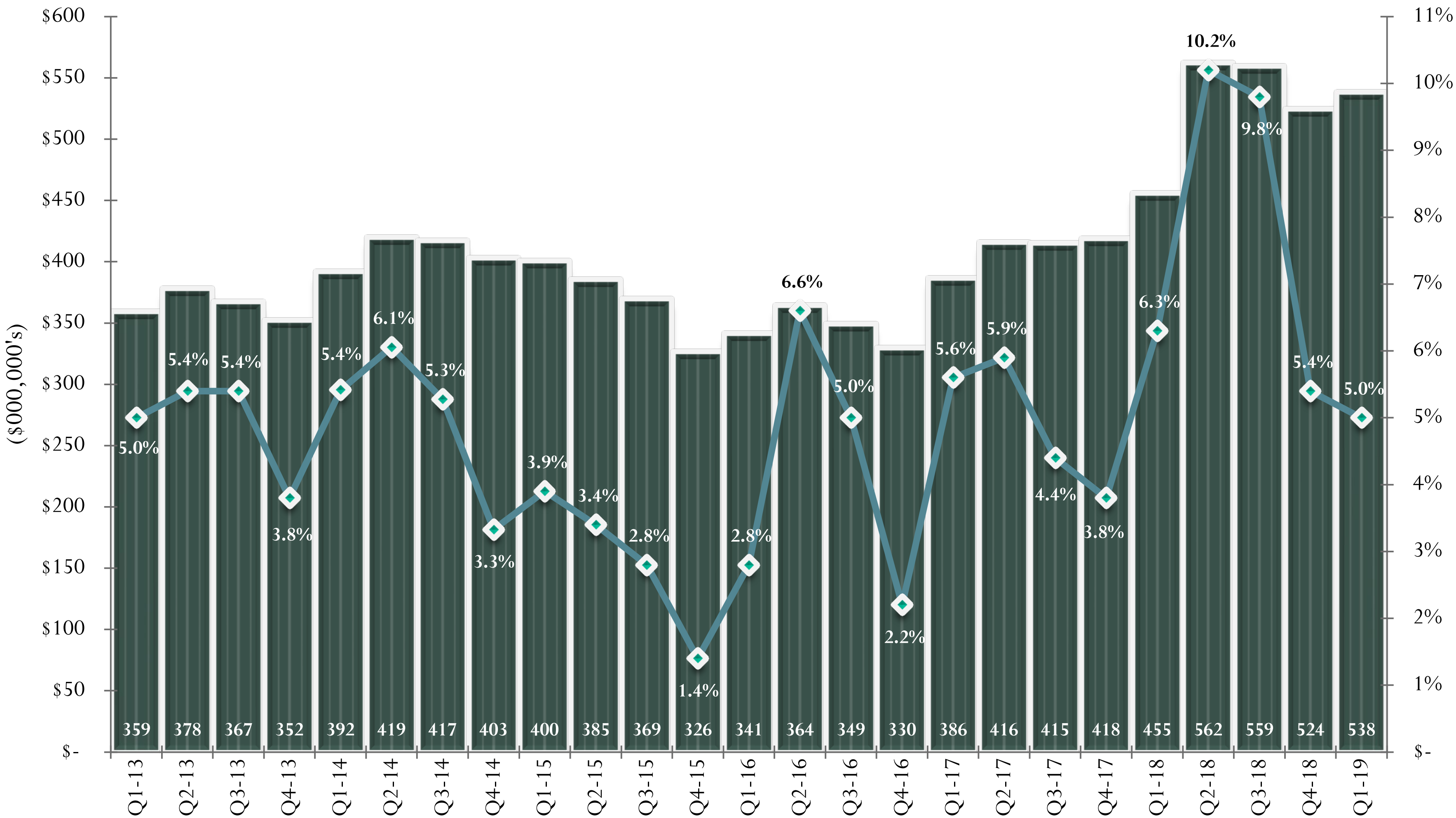
- Shearing
- Braking
- Rolling

- 3D and Tilt Cutting
- Bundle Cutting
- Shot Blasting

Top Metal Service Center Customers – Three Months Ended March 31, 2019

	Customer	% of Segment Revenues	Products Purchased
Customer 1	Manufacturer - Transportation	1.5%	Flat Rolled, Tubing, Structurals, Plate
Customer 2	Structural Fabricator - Construction	1.3%	Structurals (WF & I Beam, Structural Angles/Channels)
Customer 3	Manufacturer - Construction	1.0%	Hollow Structural Steel Tube, Plate (Discreet & Plate in Coil)
Customer 4	Manufacturer - Heavy Equipment	1.0%	Flat Rolled, Tubing, Structural, Plate (Discreet & Plate in coil)
Customer 5	Fabricator/ Machinist - Industrial	0.8%	Hollow Structural Steel Tube, Plate (Discreet & Plate in Coil)
Customer 6	Heavy Equipment Manufacturer - Transportation	0.8%	Structurals, Bars (Hot Rolled and Cold Finished)
Customer 7	Manufacturer - Agriculture	0.8%	Plate (Discreet & Plate in Coil), Structurals, Tube, Flat rolled
Customer 8	Manufacturer - Racks	0.8%	Laser cut parts
Customer 9	Heavy Equipment Manufacturer	0.7%	Plate (Discreet & Plate in Coil)
Customer 10	Manufacturer - Agriculture	0.7%	Plate (Discreet & Plate in Coil)

Metal Service Centers Revenues & EBIT as a % of Revenues



Adjusted for Inventory Write Downs of Q1-15 $0.5, Q2-15 $0.5, Q3-15 $0.5 and Q4-15 $0.5

Energy Products

- Q1 - 2019 revenues of $373 million, EBIT of $30 million.
  2018 revenues of $1.6 billion, EBIT of $134 million.
- Apex Distribution, Apex Monarch &
  Apex Western Fiberglass - Western Canada
  Apex Remington - Central U.S.
  Fedmet Tubulars & Triumph Tubular – Calgary
  Comco Pipe & Supply Company - Edmonton
  Pioneer Pipe - Denver/ Houston
  Spartan Energy Tubulars – Houston
- Distributes pipe, tube, valves and fittings to energy sector in Western Canada and the United States.
- Primarily store pipe in third party yards near end user.
- Comco Pipe focuses on capital projects, MRO and sustaining projects to the energy sector including the oil sands.
- Apex Distribution, Apex Monarch & Apex Remington small retail type units located near rig activity.
- Highly variable compensation plans enable financial flexibility over the cycle

ROLE OF PIPE DISTRIBUTORS

SUPPLIERS	PIPE DISTRIBUTORS	CUSTOMERS
Mills producing pipe, valves and fittings	Source material and purchase in large quantity	Oil and gas producers/distributors
Processing includes coating	Arrange coating if required	Focused on production
Limited ability to service multiple customer needs	Arrange logistics for delivery where and when customer needs	Want just in time finished pipe to site/field
Long led time order to delivery	Store product at third party yards, coaters, trucking companies	Pipe represents small portion of project. Typically contract drilling, etc.
Service large volume projects		

Role of Value and Fitting Field Stores

SUPPLIERS	PIPE DISTRIBUTORS	CUSTOMERS
Mills producing pipe valves and fittings	High service model	Oil and gas producers/distributors
Limited ability to service multiple customer needs	Located close to customer base	Focused on production and rig down time
Service large volume projects	Inventory management programs and MRO business	
	Repeat business due to maintenance and repair	

Energy Products - Well Positioned to Service North American Energy Sector

48 Locations

Fedmet Tubulars

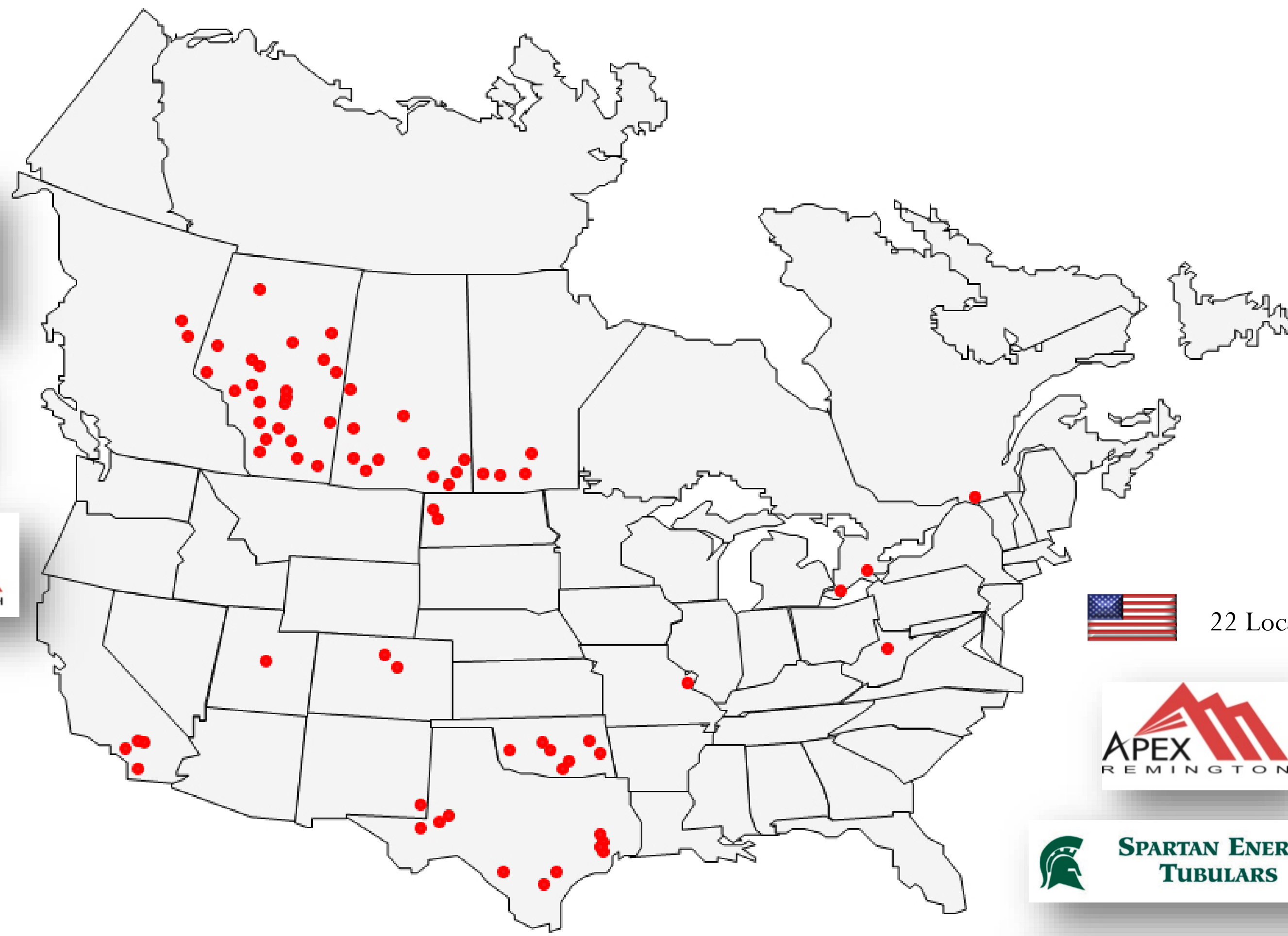
Triumph Tubular

Comco Pipe & Supply Company

Apex Distribution Inc.

Apex Monarch

Apex Western Fiberglass



22 Locations

Apex Remington

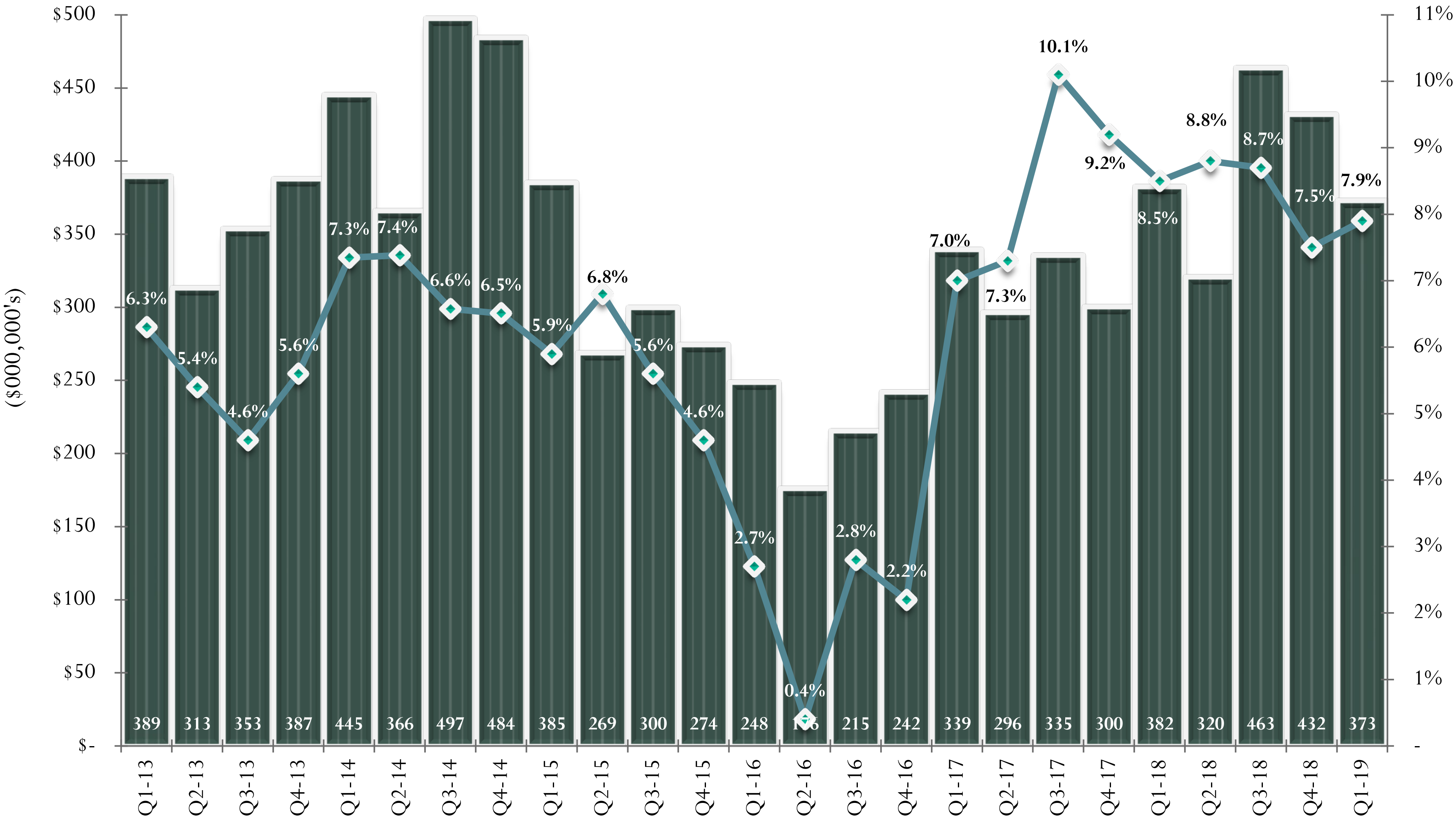
Spartan Energy Tubulars

Pioneer Pipe

Top Energy Product Customers – Three Months Ended March 31, 2019

	Customer	% of Segment Revenues	Products Purchased
Customer 1	Oil Drilling, Gas Drilling	11.2%	OCTG, Line Pipe, Pipe, Flanges & Fittings , Valves
Customer 2	Oil Feeder Lines, Gas Feeder Lines, Oil Sand	7.7%	Pipe, Flanges & Fittings, Valves
Customer 3	Oil Drilling, Gas Drilling	6.1%	OCTG, Line Pipe, Flanges & Fittings, Valves
Customer 4	Oil Drilling, Gas Drilling	6.1%	OCTG, Pipe, Flanges & Fittings, Valves
Customer 5	Oil and Gas Transportation and Storage	5.1%	Valves
Customer 6	Midstream Services	4.6%	Line Pipe - Large OD
Customer 7	Oil Drilling, Gas Drilling	3.9%	OCTG, Line Pipe, Pipe, Flanges & Fittings, Valves
Customer 8	Gas Drilling, Gas Feeder Lines	2.8%	OCTG, Line Pipe - Small OD, Flanges & Fittings, Valves
Customer 9	Oil Drilling, Gas Drilling	2.3%	OCTG, Line Pipe, Pipe, Flanges & Fittings, Valves
Customer 10	Oil Drilling, Gas Drilling	2.0%	OCTG, Line Pipe, Pipe, Flanges & Fittings, Valves

ENERGY PRODUCTS REVENUES & EBIT AS A % OF REVENUES



Adjusted for Inventory Write Downs of Q1-15 $2.0, Q2-15 $2.1, Q3-15 $6.1 and Q4-15 $27.0

STEEL DISTRIBUTORS

- Q1 - 2019 revenues of $122 million, EBIT of $9 million.
- 2018 revenues of $457 million, EBIT of $47 million.
- Sunbelt Group, Arrow Steel – Houston, Texas;

  Wirth Steel – Montreal, Vancouver
- Arrow Steel provides coil processing in Houston, Texas
- Customers – other steel service centers, large OEM's, fabricators.
- Uses third party facilities to store product.
- Synergy with metals service center business
  - Visibility into worldwide pricing trends
  - Flexible product sourcing

Role of Steel Distributors

SUPPLIERS	STEEL DISTRIBUTORS	CUSTOMERS
Mills producing base metal products	Source material and purchase in large quantity	Large original equipment manufactures
Processing includes pickling blanking, tube production from sheet coating	Arrange logistics for delivery where and when customer needs	Smaller service centers
Limited ability to service multiple customer needs	Processing includes cut-to-length	Russel Metals Service Centers
Long lead time order to delivery	Focused primarily on import product	
Large volumes	Truck load quantities	
	Use third party yards	

Top Steel Distributor Customers – Three Months Ended March 31, 2019

	Customer	% of Segment Revenue	Products Purchased
Customer 1	Service Center	11.9%	Plate
Customer 2	Service Center	10.0%	Beam,plate
Customer 3	Service Center	8.4%	Beam, Bar
Customer 4	Service Center	7.8%	Plate, Beam
Customer 5	Manufacturer	6.6%	Steel Pipe
Customer 6	Service Center	6.2%	Plate
Customer 7	Service Center	4.7%	Beam, Bar
Customer 8	Service Center	4.7%	Plate
Customer 9	Service Center	4.0%	Bearing Piles, Wide Flange Beams
Customer 10	Manufacturer - Energy	3.9%	Plate, HR Plate

STEEL DISTRIBUTORS –
LOCATION OF OPERATIONS

3 Locations

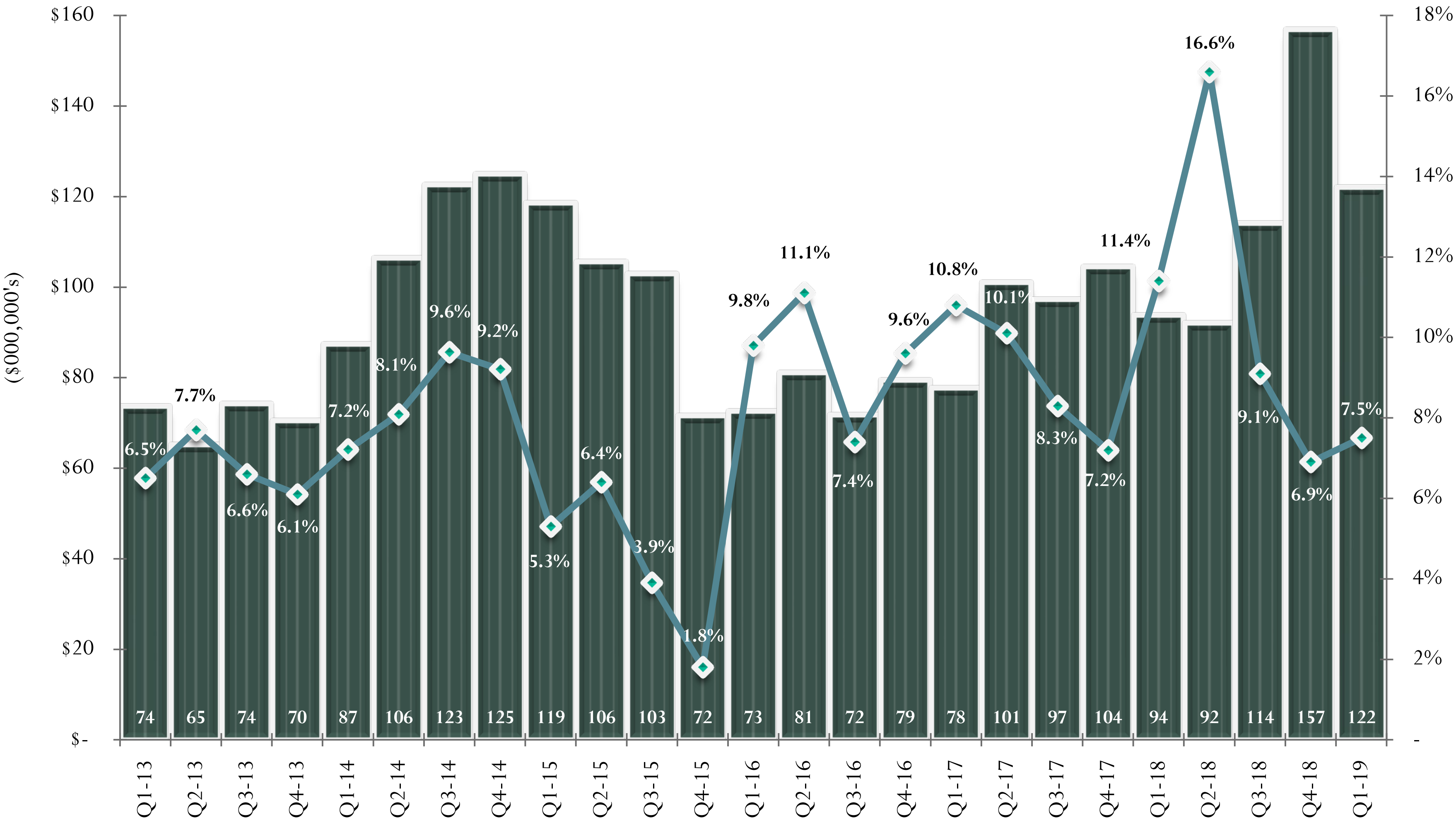
acier Wirth steel

3 Locations

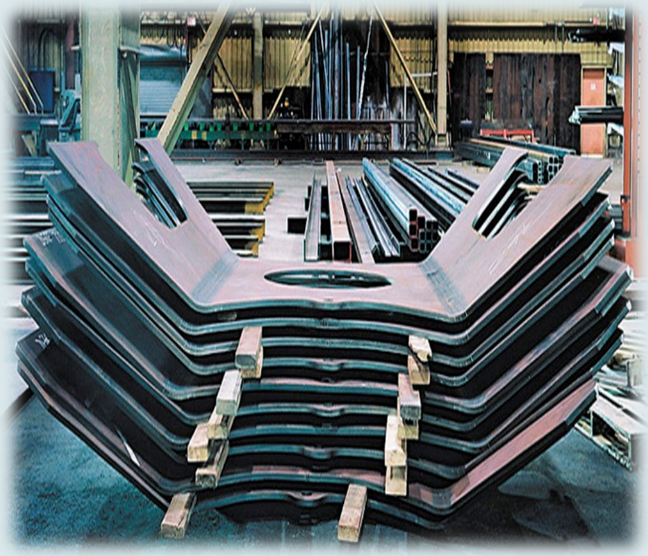
Sunbelt Group L.P.

ARROW STEEL PROCESSORS

STEEL DISTRIBUTORS REVENUES & EBIT AS A % OF REVENUES



Adjusted for Inventory Write Downs of Q2-15 $1.0, Q3-15 $1.8 and Q4-15 $19.2



SUMMARY

Summary

- Leading market position
- Strong supplier relationships and unique market insight
- Successful acquisition strategy to deploy capital
- Multiple business segments
- Diversified service center and energy customer base
- Superior service and product availability
- Strong value-added processing
- Prudent inventory management
- Experienced management team
- High dividend yield
- Strong balance sheet, low leverage

Russel Metals

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