

STRONG OPERATING PERFORMANCE IN THE FIRST NINE MONTHS OF 2007

ALL KEY INDICATORS UP:

- Sales up 3.5% on a constant and same day basis: 7,982 million EUR
- Adjusted EBITA up 20% on a constant basis: 490 million EUR or 6.1% of sales
- Net profit before IPO costs up 57%: 238 million EUR
- Free Cash Flow up 69%: 451 million EUR before interest and taxes
- Net Debt reduced to 1,688 million EUR, or 2.4x Last Twelve Months EBITDA

Jean-Charles Pauze, Chairman of the Management Board and CEO, commented:

“Over the first nine months of 2007, Rexel delivered very strong performance, with operating profit up significantly by 20% on sales growth of 3.5%, and our Adjusted EBITA margin rising to 6.1% of sales.

During the third quarter of 2007, Rexel saw continued growth in Europe and Asia-Pacific, led by the industrial and commercial end-markets while sales trends in North America were comparable to the second quarter. We pursued our focus on profit generation and succeeded in holding our cost base constant at Group level, whilst reducing our costs in North America.

We continued to implement our bolt-on acquisition strategy, with the purchase of EIW Holdings, strengthening our number one position in Australia.

Looking ahead, our proposed full cash offer for Hagemeyer marks our confidence in the quality of Rexel’s business model and would provide compelling development opportunities for our Group.”

NINE MONTHS AND THIRD QUARTER 2007 RESULTS – SOLID PERFORMANCE ACROSS THE BOARD

KEY FIGURES:

(All comments on a constant and adjusted basis and for sales, at same number of days)

IFRS, unaudited, EUR million	Nine months to September 30 th			Three months to September 30 th		
	2007	2006	Change	2007	2006	Change
Constant⁽¹⁾ and adjusted⁽²⁾ basis						
Sales	7,981.8	7,716.4	+3.4%	2,677.0	2,641.0	+1.4%
Same number of days			+3.5%			+1.4%
Gross margin as a % of sales	24.6%	24.1%	+50 bps	24.2%	24.2%	0 bp
OPEX	(1,472.6)	(1,452.0)	+1.4%	(484.4)	(484.0)	+0.1%
EBITA	489.8	407.9	+20.1%	163.7	154.4	+6.0%
as a % of sales	6.1%	5.3%	+80 bps	6.1%	5.8%	+30 bps
Actual basis						
Sales ⁽³⁾	7,981.8	6,576.0	+21.4%	2,677.0	2,504.5	+6.9%
EBITA ⁽⁴⁾	490.5	405.8	+20.9%	162.5	176.2	-7.8%
as a % of sales	6.1%	6.2%		6.1%	7.0%	
Net income pre IPO costs ⁽⁵⁾	237.5	151.1	+57.2%	86.8	74.6	+16.4%
Free cash flow before interest & tax ⁽⁶⁾	450.8	267.2	+68.7%	87.0	115.5	-24.7%
Net debt	1,687.5	n.c.		1,687.5	n.c.	

(1) At 2007 constant scope of consolidation and exchange rates

(2) Excluding estimated non-recurring net impact on stock from changes in the copper price of circa +1 million EUR in 9M 07 and circa +50 million EUR in 9M 06 for EBITA

(3) The rise in actual sales included 1,319 million EUR from acquisitions, partially offset by 176 million EUR in adverse exchange rate fluctuations, principally the depreciation of the US and Canadian Dollars versus the Euro.

(4) Operating income before other income & other expenses

(5) Excluding IPO costs (net of tax) of 151 million EUR in 9M 07 and 19 million EUR in Q3 07, as detailed in the Q1 07 financial statements

(6) Cash from operating activities + net interest paid + income tax paid - net capital expenditures

Rexel achieved sales for the first nine months of 2007 of 7,982 million EUR, up 3.5% compared with the same period in 2006.

In Q3 07, Rexel recorded sales of 2,677 million EUR, up 1.4% compared with Q3 06, notwithstanding cable price deflation in Europe and North America, without which organic growth in the third quarter would have been 1% higher.

The gross margin increased to 24.6% in the first nine months of 2007, up by 50 basis points. A key driver of this improvement was the successful on-going implementation of Rexel's operating levers, including pricing initiatives, partnership developments with suppliers and delivery of Gexpro purchasing synergies, as well the inflation on non-cable products.

The gross margin for the third quarter was stable at 24.2%, in line with Q3 06.

Rexel continued to focus on containing and reducing its cost base. Operating expenses (including depreciation) were reduced by 30 basis points, to 18.5% of sales in the first nine months of 2007. The U.S. cost reduction plan launched in the second quarter in response to current sales trends continued in Q3 07. At the end of September 07, US electrical distribution headcount was down by 5% versus December 2006.

Organic growth, gross margin improvement and efficient cost control each contributed to the significant increase in EBITA, to 489.8 million EUR, up 20.1% in the first nine months of 2007; and to 163.7 million EUR, up 6.0% in the third quarter. The EBITA margin reached 6.1% of sales.

Other income and expenses amounted to a net expense of 50.7 million EUR in the nine month period, of which 43.2 million EUR related to the IPO-related employee share offer scheme and free shares, as previously disclosed.

Net financial expenses represented 293.0 million EUR in 9M 07, including 166.0 million EUR of IPO-related costs as disclosed in the Q1 07 financial statements. Excluding these IPO-related costs, net financial expenses were 127.0 million EUR in the first nine months of 2007 versus 181.5 million EUR in the same period of 2006. This decrease resulted from the major improvement in Rexel's financial structure, both from the proceeds of the IPO and strong operating cash flow.

Excluding non-tax deductible IPO-related items - mainly the free shares - the effective tax rate was 33% in the first nine months of 2007.

After IPO-related costs, net income amounted to 86.9 million EUR for the period ending September 30, 2007. Excluding IPO costs representing a post-tax amount of 150.6 million EUR, net income was 237.5 million EUR, up 57.2% versus 151.1 million EUR in 9M 06.

FREE CASH FLOW UP 69% IN 9M 07

Free cash flow before net interest and income tax paid was 450.8 million EUR in 9M 07 versus 267.2 million EUR in 9M 06, reflecting:

- The improvement in EBITDA;
- The decrease in working capital as a percentage of sales to 14.2% at September 30, 2007 from 14.9% at September 30, 2006, due to on-going inventory management improvements and improved payment terms;
- A net outflow of only 0.5 million EUR in capital expenditure in 9M 07 due to the sale and partial leaseback of real estate in Switzerland, versus a net outflow of 31.4 million EUR in 9M 06; and
- An anticipated tax refund of 53 million EUR.

After net interest and income tax paid, free cash flow amounted to 234.1 million EUR in 9M 07 versus 31.8 million EUR in 9M 06.

Net financial debt was 1,688 million EUR at September 30, 2007. Shareholders' equity was 3,190 million EUR at September 30, 2007 versus 989 million EUR at December 31, 2006.

Net debt to Last Twelve Months Adjusted EBITDA was therefore 2.4x at September 30, 2007.

POST-SEPTEMBER 30 EVENTS

- On October 17, Rexel announced the acquisition of EIW Holdings in Australia, with sales of c. €100 million in the year ending June 30, 2007. Rexel thereby becomes the number one distributor in Western Australia, the fastest growing region in the country and reinforces its number one position in this country.
- On October 25, Rexel announced a proposed all cash offer for all outstanding shares of Hagemeyer.
- On November 12, Rexel and Hagemeyer agreed to exclusive negotiations aimed at finalizing an agreement under which Rexel would make an all cash offer of EUR 4.85 per Hagemeyer share (cum dividend) and Hagemeyer's Management and Supervisory Boards would recommend this revised proposed offer. As part of the envisaged transaction Rexel entered into an agreement with Sonepar to sell certain activities of Hagemeyer to Sonepar, following successful completion of the proposed offer.

This proposed offer values Hagemeyer's equity, on a fully-diluted basis, at €3.1 billion.

This transaction would:

- Reinforce Rexel's position as global leader in the distribution of electrical supplies with 2006 pro forma sales of more than €14 billion
- Increase Rexel's footprint across Europe. After the transaction, Europe would represent more than 50% of Rexel's global revenues
- Maintain a sound balance sheet for Rexel taking into account the expected proceeds of asset sales.

Rexel has secured full debt financing for the proposed offer, which is subject to certain pre-conditions, including high level due diligence and finalization of a merger protocol.

OUTLOOK FOR THE FULL YEAR

In the fourth quarter of 2007, Rexel expects continued growth in Europe in most markets, sustained organic growth in Asia-Pacific, and a flat business environment in North America.

Taking into account the strong results posted in 9M 07 and its expectations for the fourth quarter, Rexel is on track to deliver around 3% organic sales growth and is very confident to achieve its objective of adjusted EBITA margin above 5.8% for the full year 2007.

FINANCIAL CALENDAR

November 13, 2007

10:00 AM CET: conference call

February 14, 2008

7:30 AM CET: Q4 07 results announcement
10:00 AM CET: conference call

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Leading distributor worldwide of electrical supplies, Rexel is serving three main end markets: industrial, commercial and residential. The Group is present in 29 countries, with a network of 1,957 branches, and employs 25,400 people. Rexel's sales were 10.7 billion EUR on a 2006 pro forma basis. Its majority shareholders are an investor group led by Clayton, Dubilier & Rice, Eurazeo and Merrill Lynch Global Private Equity.

Rexel is listed on the Eurolist market of Euronext Paris (compartment A, ticker RXL, ISIN code FR0010451203).

For more information, visit Rexel's web site at www.rexel.com

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Appendix 1

Business review

Operating improvements in all geographic zones

(All comments on a constant and adjusted basis and for sales, at same number of days)

EUROPE

IFRS, unaudited, (EUR million) Constant and adjusted basis	Nine months to September 30th			Three months to September 30th		
	2007	2006	Change	2007	2006	Change
Sales <i>Constant basis and same number of days</i>	3,703.6	3,449.1	+7.4%	1,209.8	1,163.1	+4.0%
			+7.4%			+3.3%
Gross Margin	26.9%	26.5%	+ 40bps	26.8%	26.7%	+10bps
Operating expenses (including depreciation)	(724.6)	(707.4)	+2.4%	(235.1)	(228.1)	+3.1%
EBITA	271.3	205.5	+32.1%	89.2	82.3	+8.4%
As % of sales	7.3%	6.0%	+130bps	7.4%	7.1%	+30bps

Business activity

- Sales up 7.4% in 9M 07, of which:

- France (+7.9%): around 10% growth with both contractors (55% of sales) and industrial customers (20% of sales);
- Germany (+2.8%): double-digit growth in industrial products and automation driven by a high level of industrial investments;
- UK (+6.2%): performance above market trend, notably with mid-size contractors in commercial construction;
- Other Europe (+8.3%): includes a double-digit growth in Austria in a favorable economic environment, and a mid-single digit growth in Central Europe;
- A slower growth in Q3 07 due to lower residential construction activity.

Operating performance

- Gross margin of 26.9% in 9M 07, up 40 bps: successful implementation of operating levers such as procurement conditions and pricing excellence.

- Operating expenses including depreciation under strict control: +2.4% in 9M 07. With +3.1% in Q3 07, they increased slightly more due to the exceptional set up costs of logistic projects, including the opening of a national distribution center in Austria, that will later reduce logistics expenses and improve customer service.

- EBITA margin up 130 bps to 7.3% in 9M 07, up 30 bps to 7.4% in Q3 07.

NORTH AMERICA

IFRS, unaudited, (EUR million) Constant and adjusted basis	Nine months to September 30th			Three months to September 30th		
	2007	2006	Change	2007	2006	Change
Sales <i>Constant basis and same number of days</i>	3,653.0	3,713.9	-1.6% -1.7%	1,244.0	1,277.9	-2.7% -2.2%
Gross Margin	21.9%	21.5%	+40bps	21.4%	21.4%	0bp
Operating expenses <i>(including depreciation)</i>	(616.7)	(612.5)	+0.7%	(204.9)	(210.3)	-2.6%
EBITA <i>As % of sales</i>	183.4 5.0%	184.2 5.0%	-0.4% 0bp	60.9 4.9%	63.7 5.0%	-4.4% -10bps

Business activity

- Sales down 1.7% in 9M 07, of which:
 - USA (-2.6%): high base effect in 9M 06 due to high level of cable sales and post-hurricane Katrina rebuilding activity. Decline in residential construction and residential-related commercial projects. Double-digit growth with key accounts at Gexpro level, notably on large project management;
 - Canada (+2.3%): growth led by the mining and building markets in the West, as well as commercial activity in Quebec.
- Excluding cables, organic sales growth was 0.3% in 9M 07 and 1.7% in Q3 07.

Operating performance

- Gross margin of 21.9% in 9M 07, up 40 bps: increase fuelled by successful commercial initiatives and the implementation of purchasing synergies at Gexpro.
- Operating expenses including depreciation up 0.7% in 9M 07 and down 2.6% in Q3 07:
 - Recruitment of new employees for the development of the Services platform at Gexpro
 - Continued cost reduction plan in the US (electrical distribution headcount reduced by 5% in 9M 07)
- EBITA margin flat at the level of 5.0% in 9M 07, down 10 bps to 4.9% in Q3 07.

ASIA-PACIFIC

IFRS, unaudited, (EUR million) Constant and adjusted basis	Nine months to September 30th			Three months to September 30th		
	2007	2006	Change	2007	2006	Change
Sales <i>Constant basis and same number of days</i>	581.0	513.1	+13.2% +13.1%	208.8	186.2	+12.2% +13.1%
Gross Margin	25.5%	25.7%	-20bps	25.1%	25.3%	-20bps
Operating expenses (including depreciation)	(110.7)	(103.7)	+6.8%	(38.8)	(36.6)	+5.8%
EBITA	37.6	28.2	+33.2%	13.6	10.5	+29.8%
<i>As % of sales</i>	6.5%	5.5%	+100bp	6.5%	5.6%	+90bps

Business activity

Sales up 13.1% in 9M 07, of which:

- Australia (+8.6%): Rexel outperformed the market in a context of dynamism of the industrial and mining sectors and sustained activity in non residential construction;
- Asia (+71.6%): of which +62.5% in China with sales of 55 million EUR, highlighting the development and professionalization of distribution of electrical products in the country.

Operating performance

Gross margin of 25.5% in 9M 07, down 20 bps: Strong sales growth in lower gross margin countries more than offset the effect of gross margin improvement in Australia fuelled by the optimization of purchasing and a favorable product mix.

Appendix 2

Condensed Income Statement

IFRS, unaudited, EUR million	Nine months to September 30th			Three months to September 30th		
	2007	2006	Var (in %)	2007	2006	Var (in %)
Actual basis						
Sales	7,981.8	6,576.0	+21.4%	2,677.0	2,504.5	+6.9%
Gross profit	1,961.4	1,681.6	+16.6%	646.6	638.8	+1.2%
As a % of sales	24.6%	25.6%		24.2%	25.5%	
Operating expenses (including depreciation)	(1,470.9)	(1,275.8)	+15.3%	(484.1)	(462.6)	+4.6%
EBITDA	543.5	451.9	+20.3%	181.4	193.3	-6.2%
As a % of sales	6.8%	6.9%		6.8%	7.7%	
EBITA	490.5	405.8	+20.9%	162.5	176.2	-7.8%
As a % of sales	6.1%	6.2%		6.1%	7.0%	
Other income & expenses	(50.7)	(6.9)	+635%	(19.5)	0.3	
Operating income	439.8	398.9	+10.3%	143.0	176.5	-19.0%
Net financial expenses	(293.0)	(181.5)	+61.5%	(29.8)	(69.2)	-56.9%
Income tax	(59.9)	(66.3)	-9.7%	(45.3)	(32.7)	+38.5%
Net income	86.9	151.1	-42.5%	67.9	74.6	-9.0%
Net income pre IPO related expenses	237.5	151.1	+57.2%	86.8	74.6	+16.4%

Constant and adjusted basis						
Sales	7,981.8	7,716.4	+3.4%*	2,677.0	2,641.0	+1.4%*
Gross profit	1,962.4	1,859.9	+5.5%	648.1	638.4	+1.5%
As a % of sales	24.6%	24.1%	+50 bps	24.2%	24.2%	0 bp
Operating expenses (including depreciation)	(1,472.6)	(1,452.0)	+1.4%	(484.4)	(484.0)	+0.1%
EBITA	489.8	407.9	+20.1%	163.7	154.4	+6.0%
As a % of sales	6.1%	5.3%	+80 bps	6.1%	5.8%	+30 bps

* Constant basis and same number of days: +3.5% in 9M 07 and +1.4% in Q3 07

Appendix 3

Change in Net Debt

IFRS, unaudited, EUR million	Nine months to September 30th		Three months to September 30th	
	2007	2006	2007	2006
EBITDA	543.5	451.9	181.4	193.3
Other operating revenues & costs	(14.3)	(7.1)	(7.0)	(4.6)
Change in Working capital	(77.9)	(146.2)	(70.3)	(60.5)
Net capital expenditures	(0.5)	(31.4)	(17.1)	(12.7)
Free cash flow before interest and tax paid	450.8	267.2	87.0	115.5
Net interest paid / received ⁽¹⁾	(192.4)	(144.2)	(27.2)	(53.1)
Income tax paid	(24.3)	(91.2)	(27.1)	(44.9)
Free cash flow after interest and tax paid	234.1	31.8	32.7	17.5
Net financial investments	(32.5)	(813.2)	(10.4)	(480.0)
Change in equity	999.6	(1.9)	(10.5)	-
Other ⁽²⁾	1,012.3	(79.9)	40.9	(93.9)
Decrease (increase) in net debt	2,213.5	(863.2)	52.7	(556.4)
Net Debt				

(1) Including the high yield bond redemption cost of 89.6 million EUR in Q2 07

(2) Including capitalization of the shareholders' loan for 1,039.9 million EUR in Q2 07

Appendix 4

Balance Sheet

EUR million	September 30, 2007 IFRS unaudited	December 31, 2006 IFRS audited
ASSETS		
Net intangible assets & Goodwill	3,263.7	3,250.5
Property, plant & equipment	269.5	268.5
Long term investments	28.5	39.3
Deferred tax assets	145.3	136.2
Total non-current assets	3,707.0	3,694.5
Inventories	1,181.2	1,117.0
Trade accounts receivable	2,095.8	2,026.9
Other accounts receivables	390.4	491.6
Assets held for sale	-	50.7
Cash and cash equivalents	484.2	473.1
Total current assets	4,151.6	4,159.3
TOTAL ASSETS	7,858.6	7,853.8

EQUITY & LIABILITIES		
TOTAL EQUITY	3,189.5	988.6
Interest bearing debt	2,093.5	3,747.4
Other non current liabilities	329.9	365.2
Total non-current liabilities	2,423.4	4,112.6
Interest bearing debt + accrued interest	78.2	626.7
Trade accounts payable	1,685.8	1,616.1
Other current liabilities	481.7	507.4
Liabilities held for sale	-	2.4
Total current liabilities	2,245.7	2,752.6
Total liabilities	4,669.1	6,865.2
TOTAL EQUITY AND LIABILITIES	7,858.6	7,853.8

Appendix 5

Evolution of sales by geographic area

Geographic area	9M 07 (in M€)	9M 07/9M 06 Actual	9M 07/9M 06 Constant *	Q3 07 (in M€)	Q3 07/Q3 06 Actual	Q3 07/Q3 06 Constant *
Europe	3,703.6	+12.2%	+7.4%	1,209.8	+6.5%	3.3%
of which						
France		+8.3%	+7.9%		+6.9%	+4.6%
United Kingdom		+8.7%	+6.2%		+8.6%	+4.9%
Germany		+3.1%	+2.8%		-3.6%	-3.6%
Other Europe		+21.3%	+8.3%		+8.4%	+3.4%
North America	3,653.0	+32.1%	-1.7%	1,244.0	+5.1%	-2.2%
of which						
USA		+45.7%	-2.6%		+6.1%	-3.3%
Canada		-2.8%	+2.3%		+1.4%	+2.3%
Asia-Pacific	581.0	+24.7%	+13.1%	208.8	+23.0%	+13.1%
of which						
Australia		+11.5%	+8.6%		+10.5%	+7.0%
Asia		+360.4%	+71.6%		+189.3%	+77.6%
Other	44.2	+1.7%	+10.8%	14.4	-0.1%	+6.0%
Total Group	7,981.8	+21.4%	+3.5%	2,677.0	+6.9%	+1.4%

* Constant basis and same number of days