

**STRONG 2006 REVENUE GROWTH**

**Full year 2006:**

**9.3 billion EUR, + 26.0% on a reported basis, + 11.1% on a comparable basis\***

**Fourth quarter 2006:**

**2.7 billion EUR, + 36.7% on a reported basis, + 7.9% on a comparable basis\***

Rexel's consolidated revenues for the full year 2006 amounted to 9,299 million EUR, up 26.0% on a reported basis compared to 2005 and up 11.1% on a comparable basis\* in the same period.

The rise in revenues on a reported basis includes sales growth of 1,002 million EUR related to favorable changes in the Group's scope of consolidation and 20 million EUR related to favorable exchange rate fluctuations. The positive impact of changes in the Group's scope of consolidation in 2006 consists of 1,078 million EUR of sales from businesses acquired during the year, 17 million EUR related to revenues associated with acquisitions completed in 2005 and a reduction of 93 million EUR from the disposals completed in 2005. The impact of exchange rates fluctuations on the full year 2006 revenues principally reflects the appreciation of the Canadian dollar versus the Euro.

Rexel's consolidated revenues for the fourth quarter of 2006 amounted to 2,723 million EUR, up 36.7% on a reported basis compared to the fourth quarter of 2005 and up 7.9% on a comparable basis\* in the same period. On a reported basis, the growth includes 596 million EUR related to favorable changes in the Group's scope of consolidation and partially offset by 53 million EUR in adverse exchange rate fluctuations, reflecting principally the depreciation of the US dollar versus the Euro.

The revenue breakdown and variation by geographic area was as follows:

In million EUR	Q4 2006 sales (reported)	Q4 2006 / Q4 2005 (comparable basis*)	Dec. 31, 2006 YTD sales (reported)	Dec. 31, 2006 YTD / Dec. 31, 2005 YTD (comparable basis*)
Europe	1,287	+11.5%	4,588	+10.4%
North America	1,251	+4.0%	4,017	+12.2%
Asia-Pacific	170	+10.8%	636	+9.1%
Other markets and activities**	15	+17.7%	58	+22.1%
<b>TOTAL</b>	<b>2,723</b>	<b>+7.9%</b>	<b>9,299</b>	<b>+11.1%</b>

\* Same scope of consolidation, exchange rates and business days

\*\* Including notably Chile and sales support activities

**Rexel Chairman & CEO Jean-Charles Pauze, commented :**

*"Rexel recorded a strong business performance in 2006 in all three of our main geographic areas. Organic sales growth reached a high level of 11.1%, fuelled by Rexel's strong competitive dynamics, leading to market share gains in many of our countries. This performance also reflected increases in copper prices, which Rexel largely passed through to customers, accounting for around half of the sales increase on a comparable basis."*

*"During the fourth quarter, our operations in Europe generally posted double-digit growth. Rexel registered overall strong organic growth in North America in 2006, although it decelerated, as anticipated, in the US in Q4 06, mainly due to a high base effect in Q4 05 and to a lesser extent to a slowdown in the residential market. Asia-Pacific was a third pillar of growth in Q4 and for the full year, driven by our leadership position in Australia."*

*"In 2006, organic sales growth was complemented by numerous acquisitions including the major one of GE Supply, which made Rexel the N°1 in the US and reinforced its position as N°1 worldwide: on a pro forma basis including 2006 acquisitions, countries where Rexel is the market leader now account for more than 85% of our consolidated revenues."*

By region, the key sales developments for the full year 2006 were the following:  
(Sales growth percentages given on a comparable structure, exchange rates and business days)

**Europe (49% of Group sales): +10.4%**

Sales increase was sustained at a high level throughout the year thanks to numerous commercial and marketing developments at country level as well as strong cable sales growth.

- France: +10.4%

This performance was mainly led by the small contractor customer segment. By product family, Rexel made particular progress in the climate control and lighting businesses. The Coaxel network has been instrumental in supporting sales growth in the residential end-market. As regards key accounts, a call center was set up in the Paris region to enhance services to this important customer base.

- UK: +13.3%

This superior sales performance, reflecting continued market share gains, was achieved across both the Senate and Denmans networks. Organic growth was particularly significant in the small contractor customer segment and was supported by intensive marketing activity at branch and country level.

- Germany: +9.8%

Rexel recorded high double digit organic growth during the second half of 2006, driven by an improvement in general construction as well as specific commercial developments in the industry end-market and the datacom product family.

- Austria: +13.7%

The two Rexel networks, Regro and Schäcke, have been strengthening their commercial position in a favorable economic environment.

- Central Europe: +6.4%

In spite of a difficult business environment in Hungary in 2006, Rexel achieved a good performance in Central Europe, led by Slovakia and the Czech Republic, where activity was mostly driven by commercial and industrial projects.

**North America (43% of Group sales): +12.2%**

In 2006, sales growth was strong in a context of continued expansion in industrial demand and on-going improvement in commercial construction. Cable revenues increased significantly, despite sales price pressure during the last quarter.

- USA: +13.0%

The 2006 sales performance was strong in spite of the anticipated deceleration in Q4. Western and Southern states were particularly dynamic for both the Rexel Inc. and GE Supply networks, fuelled by the oil industry and commercial projects. GE Supply Services and CLS contributed significantly to organic revenue growth. By product family, sales growth was driven by industrial automation at Rexel Inc. and lighting at GE Supply. The integration of the three 2006 acquisitions, namely GE Supply, CLS and DH Supply, is proceeding in accordance with our plan.

- Canada: +9.9%

Both the Nedco and Westburne networks posted robust organic growth, mostly generated by an active commercial end-market, while the industrial end-market suffered from the strong Canadian dollar. Sales growth was particularly robust in the Western regions and in Quebec.

**Asia Pacific (7% of Group sales): +9.1%**

- Australia: +9.0%

Sales growth accelerated during the year and was driven by project activity, notably in the mining industry.

## **Financial calendar**

Q4 and full year 2006 results on February 14, 2007

## **About Rexel Group**

Rexel is the n°1 worldwide distributor of electrical parts and supplies, serving three main end markets: industrial, commercial and residential. The Group is present in 28 countries, with a network of 1,917 branches, and employs 25,300 people. Rexel sales were 9.3 billion EUR in 2006. Since March 2005, Rexel has been owned by an investor group led by Clayton, Dubilier & Rice, Eurazeo and Merrill Lynch Global Private Equity.

For more information, visit Rexel's web site at [www.rexel.com](http://www.rexel.com)

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