

**R E X E L**

## **Rexel reinforces its positions in China and France through two acquisitions**

**Paris, March 19<sup>th</sup> 2007** – Rexel, the worldwide n°1 distributor of electrical supplies, announces that it has acquired 51% of Huazhang Electric Automation in China and has also acquired APPRO 5 in France. The two transactions are in line with Rexel's bolt-on acquisition strategy to enhance its local market positions and know-how. Last month Rexel announced the acquisition in Australia of NCA, which specialises in the distribution of datacom solutions.

### **Huazhang Electric Automation in China**

Huazhang Electric Automation (HEA) distributes industrial automation products. Its activities generated sales of €13.2M in 2006 on the East Coast and Centre/South provinces with 5 representative offices and 96 employees. The industrial automation market has a particularly high annual growth rate in China. Rexel has an option to increase its stake in HEA to 70% in 2009.

With this third company in China and the local activities of GE Supply, Rexel is pursuing its strategy of selective partnerships by targeting regions and product segments with strong growth prospects. The Group confirms its determination to establish a solid position on an emerging market that is growing strongly and will represent significant opportunities in the medium to long-term.

The electrical distribution market offers attractive prospects due to the increased urbanization and industrialization of China. Rexel is the leading international distributor in this sector, present in the Shanghai and Beijing regions with pro-forma 2006 sales of more than €40M and around 350 employees.

### **APPRO 5 in France**

Rexel has acquired APPRO 5, a regional distributor of electrical supplies, with 2006 sales of €13M, 35 employees and two branches in Dijon and Avignon. Rexel France thus consolidates its strategy of dual network - Rexel and Coaxel - which regional coverage is reinforced by the integration of APPRO 5. Rexel and APPRO 5 are complementary in terms of product offering and supplier portfolio.

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

“These two acquisitions illustrate our strategy of combining organic growth and bolt-on acquisitions in order to reinforce our presence in both mature and emerging markets. These acquisitions further underscore Rexel’s role as the leader in the consolidation of a fragmented global market offering significant growth opportunities.”

### **About Rexel**

*Rexel is the worldwide leader in the distribution 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 more than 1,900 branches, and employs 25,300 people. Rexel sales were €9.3 billion 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.*

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