REXEL

PRESS RELEASE

2nd August, 2007

STRONG FIRST HALF 2007 OPERATING PERFORMANCE

ALL KEY INDICATORS UP:

- → Solid revenue growth, up 30%: 5,305 million EUR, up 4.5% on a constant basis and same number of days
- → Strong increase in Adjusted EBITA, up 29%: 326 million EUR or 6.1% of sales
- → Net profit before IPO costs up 97%: 150 million EUR
- → Free Cash Flow up 140%: 364 million EUR before interest and taxes
- → Significant reduction in Net Debt: to 1,740 million EUR, or 2.4 x LTM EBITDA
- → Full Year 2007 Adjusted EBITA margin objective revised upwards to above 5.8%

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

"I am pleased with the strong performance posted by Rexel in the first half of 2007.

Thanks to our leading positions across diversified geographies and end markets, we achieved solid organic growth. Strong sales in Europe and Asia-Pacific more than offset the slowdown in North America.

Our sustained focus on operating levers continued to deliver improvements in our performance. Gross margin increase, tight expense management and realization of the expected synergies from Gexpro, all contributed to the strong rise in Adjusted EBITA margin and cash flow.

We also made six accretive bolt-on acquisitions confirming our role as market consolidator.

Based on our expectations for the second half of the year, we confirm that we are on track to deliver our targets for the full year and revise upwards our Adjusted EBITA margin to above 5.8%."

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First Half and Second Quarter 2007 Results – Solid Performance across the Board

Key Figures:

IFRS, unaudited, EUR million	Six months to June 30th			Three months to June 30th		
	2007	2006	Change	2007	2006	Change
Reported basis						
Sales	5,304.8	4,071.5	+30.3%	2,728.5	2,104.7	+29.6%
EBITA(1)	**328.0**	**229.6**	**+42.8%**	**182.8**	**134.9**	**+35.5%**
as a % of sales	***6.2%***	***5.6%***		***6.7%***	***6.4%***	
Net income pre IPO costs(2)	150.7	76.5	+97.0%	101.6	53.6	+89.6%
Free cash flow before interest & tax(3)	**363.8**	**151.7**	**+139.8%**	**167.1**	**91.1**	**+83.4%**
Net debt	1,740.2	n.c.		1,740.2	n.c.	
Constant(4) and adjusted(5) basis						
Sales	5,304.8	5,075.5	+4.5%	2,728.5	2,632.4	+3.7%
Same number of days			*+4.5%*			*+3.3%*
Gross margin as a % of sales	*24.8%*	*24.1%*	*+70 bps*	*24.3%*	*24.2%*	*+10 bps*
EBITA	**326.2**	**253.5**	**+28.7%**	**168.8**	**146.8**	**+15.0%**
as a % of sales	***6.1%***	***5.0%***	***+110 bps***	***6.2%***	***5.6%***	***+60 bps***

(1) Operating income before other income & other expenses
(2) Excluding IPO costs (net of tax) of 132 million EUR in H1 07 and Q2 07, as detailed in the Q1 07 financial statements
(3) Cash from operating activities + net interest paid + income tax paid - net capital expenditures
(4) At 2007 constant scope of consolidation and exchange rates
(5) Excluding estimated non-recurring net impact on stock from changes in the copper price of circa +2 million EUR in H1 07 and circa +24 million EUR in H1 06 for EBITA

Rexel recorded H1 07 sales of 5,305 million EUR, up 30.3% on a reported basis and 4.5% on a constant basis and same number of days compared with H1 06. The rise in reported sales included 1,118 million EUR from acquisitions, partially offset by 114 million EUR in adverse exchange rate fluctuations, principally the depreciation of the US and Canadian Dollars versus the Euro.

In Q2 07, Rexel recorded sales of 2,729 million EUR, up 29.6% on a reported basis and 3.3% on a constant basis and same number of days compared with Q2 06.

Due to strong Group commercial dynamics, organic growth in Q2 07 was +3.3% versus +5.9% in Q1 07 in spite of a high comparison basis in Q2 06 (+15.7% versus Q2 05).

On a constant basis and same number of days, the evolution in copper-based cable prices accounted for around one third of sales growth in the first half of 2007 and for around 15% of it in the second quarter.

The adjusted gross margin increased to 24.8% in H1 07 compared with 24.1% in H1 06 on a constant basis. This reflects:

- An on-going improvement of +20 bps resulting from operating levers including pricing initiatives, partnership developments with suppliers and Gexpro purchasing synergies;

- A non-recurring favourable effect of +50 bps essentially generated in the first quarter, stemming from one-offs, including commercial initiatives and inflation on non-copper related products.

On a constant basis in Q2 07, the adjusted gross margin continued to improve to 24.3% from 24.2% in Q2 06.

Operating expenses including depreciation were reduced to 18.6% of sales in H1 07 from 19.1% in H1 06 on a constant and adjusted basis. They rose only 2.1% in H1 07, and their growth was contained to +0.6% in Q2 07. A cost reduction plan was launched in the US to adapt to current sales trends. By the end of H1 07, US electrical distribution headcount was down by 3% versus the end of 2006. At Group level, the number of employees was down by 1% at the end of June 2007 compared to the end of December 2006.

Organic sales growth combined with an improvement in adjusted gross margin and efficient cost control, led to a significant increase in Adjusted EBITA, both in H1 07 and in Q2 07. In H1 07, it rose to 326.2 million EUR, up 28.7% on a constant basis, to 6.1% of sales versus 5.0% in H1 06. In Q2 07, it grew to 168.8 million EUR, up 15.0% on a constant basis to 6.2% of sales versus 5.6% in Q2 06.

Other income and expenses amounted to a net expense of 31.2 million EUR in H1 07, of which 25.5 million EUR related to the IPO-related employee share offer scheme and free shares, as announced in the Q1 07 financial statements.

Net financial expenses amounted to 263.2 million EUR in H1 07, including 164.1 million EUR of IPO-related costs as announced in the Q1 07 financial statements, versus 112.3 million EUR in H1 2006. Excluding these IPO-related costs, net financial expenses were 99.0 million EUR in H1 07. The decrease compared with H1 06 was the result of the major improvement in Rexel's financial structure, notably the reduction in net debt to 1,740 million EUR at June 30, 2007 from 3,901 million EUR at December 31, 2006, stemming from both the proceeds of the IPO and the strong cash flow from operations.

The effective tax rate was 43.5% in the first half of 2007. Excluding non-tax deductible IPO-related items, mainly the free shares, the effective tax rate would have been 34% in the first half of 2007.

After IPO-related costs, net income amounted to 19 million EUR in H1 07. Excluding the IPO costs incurred in Q2 07 and representing a post-tax amount of 131.7 million EUR, net income was up 97.0% to 150.7 million EUR in H1 07, versus 76.5 million EUR in H1 06.

FINANCIAL REVIEW – FREE CASH FLOW UP 140% IN H1 07

Free cash flow before net interest and income tax paid was 363.8 million EUR in H1 07 versus 151.7 million EUR in H1 06, reflecting:

- The strong improvement in EBITDA;
- The decrease in working capital as a percentage of sales to 13.6% at June 30, 2007 from 15.0% at June 30, 2006 on a comparable basis, resulting from successful on-going inventory management improvements;
- A net positive inflow of 16.6 million EUR in capital expenditure in H1 07 due to a sale and partial leaseback of real estate in Switzerland, versus a net outflow of 18.7 million EUR in H1 06; and
- An anticipated tax refund of 53 million EUR.

After net interest and income tax paid, free cash flow amounted to 201.5 million EUR in H1 07 versus 14.3 million EUR in H1 06.

As indicated above, net financial debt was 1,740 million EUR at June 30, 2007 versus 3,901 million EUR at December 31, 2006 and 1,911 million EUR at March 31, 2007 pro forma for the IPO. Shareholders' equity was 3,134 million EUR versus 989 million EUR at December 31, 2006.

Net debt to Last Twelve Months Adjusted EBITDA at June 30, 2007, was therefore reduced to 2.4 x versus 2.7 x at March 31, 2007 (pro forma for the IPO).

POST-JUNE 30 EVENTS

On July 3, Rexel announced three new acquisitions illustrating the on-going implementation of its bolt-on acquisition strategy:

- Boutet in Eastern Belgium, with sales of €18 million in 2006, strengthening Rexel's presence in the industrial customer segment, a growing market in this country;
- Clearlight in the UK, with 8 branches and sales of €10M in 2006, enabling Rexel to further expand its Denmans banner into new areas such as Birmingham and London;
- Tri-Valley Electric Supply in the US in Arizona, with sales of €4 million in 2006, which serves the commercial and industrial segments with electrical and datacom products.

OUTLOOK FOR THE FULL YEAR

In the second half of 2007, Rexel anticipates current macro-economic trends will continue, with sustained organic growth in Europe and Asia-Pacific, a continued challenging environment in North America and a high 2006 base effect.

Taking into account the strong results posted in H1 07 and its expectations for the second half, Rexel confirms it is on track for the full year 2007 to deliver at least its 3% to 5% organic growth sales target* and is revising upwards its adjusted EBITA margin target* from above 5.4% to above 5.8%.

* *Organic growth measured at constant scope, exchange rates and same number of days. Copper price and EUR / USD exchange rate at average June 07 levels for H2 07. See chapters 12 and 13 of the Document de Base n° I.07-11 registered with AMF on February 21, 2007.*

FINANCIAL CALENDAR

August 2, 2007
10:00 AM CET: conference call

November 13, 2007
7:30 AM CET: Q3 07 results announcement
10:00 AM CET: conference call

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Rexel is the n°1 worldwide distributor of electrical supplies, serving three main end markets: industrial, commercial and residential. The Group is present in 29 countries, with a network of 1,945 branches, and employs 25,400 people. Rexel's sales were 9.3 billion EUR in 2006. 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	Six months to June 30th			Three months to June 30th		
	2007	2006	Change	2007	2006	Change
Sales *Constant basis and same number of days*	2,493.8	2,286.0	+9.1% *+9.6%*	1,263.0	1,172.9	+7.7% *+7.7%*
Gross Margin	*26.9%*	*26.4%*	*+ 50bps*	*26.4%*	*26.2%*	*+20bps*
Operating expenses (including depreciation)	(489.4)	(479.2)	+2.1%	(245.6)	(243.2)	+1.0%
EBITA *As % of sales*	182.2 *7.3%*	123.2 *5.4%*	+47.9% *+190bps*	87.3 *6.9%*	64.0 *5.5%*	+36.6% *+140bps*

Sales growth was 9.6% in H1 07 and was sustained at a high level in all major markets.

Rexel France saw a robust 9.5% sales increase, fueled by double-digit growth with both contractors (55% of sales) and industrial customers (20% of sales). In the UK, Rexel continued to outperform the market with a 6.8% sales increase, led by large contractors and the commercial market. Germany experienced a 6.7% sales increase, driven by strong industrial and commercial markets. Rexel delivered double-digit growth in most of its other European markets, and posted a particularly strong performance in Austria and Central Europe, where it is the market leader.

The gross margin was up 50 bps in H1 07 compared to H1 06, at 26.9% versus 26.4%. France improved its gross margin due to product enhancement measures in building equipment and the success of its partnership program with its main suppliers. The UK improved its gross margin with the strength of its own brands and the success of the Denmans commercial offer to small contractors, which will be reinforced by the recent acquisition of Clearlight. In other European countries, notably Austria, Belgium, Germany and The Netherlands, pricing initiatives were the key factors driving the gross margin improvement.

The gross margin was up 20 bps in Q2 07 compared to Q2 06, at 26.4% versus 26.2%. The improvement was lower in Q2 07 than Q1 07 due to the effect of non-recurring product inflation in the first quarter.

Significant productivity gains were achieved across Europe, notably in France and Germany. As a result, operating expenses including depreciation in Europe grew by only 2.1% in H1 07 and 1.0% in Q2 07, due to a high base in Q2 06 on top of excellent cost control.

Organic sales growth, the strong improvement in gross margin and control of operating expenses led to a 47.9% improvement in EBITA in H1 2007 compared to the same period in 2006. The EBITA margin was up 190 bps to 7.3% versus 5.4%. It was up 140 bps in Q2 07 compared to Q2 06, at 6.9% versus 5.5%.

NORTH AMERICA

IFRS, unaudited, (EUR million) Constant and adjusted basis	Six months to June 30th			Three months to June 30th		
	2007	2006	Change	2007	2006	Change
Sales	2,409.0	2,436.0	-1.1%	1,244.0	1,264.9	-1.7%
Constant basis and same number of days			*-1.4%*			-2.3%
Gross Margin	*22.2%*	*21.5%*	*+70bps*	*21.8%*	*21.9%*	*-10bps*
Operating expenses (including depreciation)	(411.7)	(402.3)	+2.4%	(203.0)	(202.9)	+0.1%
EBITA	122.5	120.5	+1.7%	68.0	74.2	-8.4%
As % of sales	*5.1%*	*4.9%*	*+20 bps*	*5.5%*	*5.9%*	*-40bps*

Sales in North America declined by 1.4% in H1 07, mainly due to the cable product family (-5.4%). Excluding cables, organic sales growth was flat in Q2 07 versus Q2 06, to be compared to -0.7% in Q1 07 versus Q1 06. As anticipated, H1 06 was a high base of comparison, mostly driven by high cable sales and the rebuilding activity post-Katrina in the US.

In the US, sales declined by 2.3% in H1 07, due to the downturn in residential construction and residential-related commercial projects, which more than offset the growth in the industrial and non-residential related commercial segments. In Canada, Rexel achieved 2.3% sales growth, fuelled by the mining and high-rise building markets in the West, as well as the commercial and institutional market in Quebec.

The gross margin in North America rose 70 bps in H1 2007 compared to H1 2006 to 22.2% versus 21.5%. This improvement was notably due to successful commercial initiatives and the implementation of purchasing synergies at Gexpro. The gross margin was down 10 bps in Q2 07 compared to Q2 06, at 21.8% versus 21.9%, reflecting the Group's commercial investments to consolidate its competitive positions.

Operating expenses including depreciation were flat in Q2 07 versus Q2 06, including additional costs incurred to make Gexpro a Rexel Group banner. This performance results from a cost reduction plan launched to adapt the cost base to current sales trends in the US, with US electrical distribution headcount reduced by 3% in H1 07 versus the end of 2006.

EBITA was up 1.7% in H1 07 compared to the same period in 2006 and the EBITA margin increased by 20 bps to 5.1% of sales in H1 07 compared to 4.9% of sales in H1 06. In Q2 07, taking into account Gexpro's integration costs (which did not appear in the Q2 06 accounts as the acquisition was made in August 2006), productivity gains were instrumental in achieving an EBITA margin of 5.5%. The integration of Gexpro is on track and synergies are being realized ahead of plan.

ASIA-PACIFIC

IFRS, unaudited, (EUR million) Constant and adjusted basis	Six months to June 30th			Three months to June 30th		
	2007	2006	Change	2007	2006	Change
Sales	372.2	326.9	+13.9%	205.7	180.7	+13.8%
Constant basis and same number of days			+13.2%			+13.2%
Gross Margin	*25.8%*	*25.9%*	*-10bps*	*25.5%*	*25.4%*	*+10bps*
Operating expenses (including depreciation)	(72.0)	(67.1)	+7.4%	(37.6)	(35.2)	+6.9%
EBITA	23.9	17.7	+35.3%	14.9	10.8	+37.5%
As % of sales	*6.4%*	*5.4%*	*+100bp*	*7.2%*	*6.0%*	*+120bps*

Asia-Pacific saw revenues up 13.2% in H1 07, driven primarily by commercial construction projects as well as sales to industrial customers, particularly the mining sector. Rexel posted solid organic growth in both China and South East Asia, where it has developed a strong platform for further growth.

The gross margin declined by 10 bps in H1 07 compared to H1 06, to 25.8% versus 25.9%, mainly as a result of the development of the Asian business which has a lower gross margin than the Pacific region (Australia and New Zealand). In both Australia and New Zealand, Rexel improved its gross margin notably through the centralization of purchasing in Australia and a more favorable product mix. The gross margin in Q2 07 was 25.5% compared to 25.4% in Q2 06, a 10 bps improvement.

Operating expenses including depreciation were up 7.4% in H1 07 and 6.9% in Q2 07. Productivity improvements more than offset the impact of last year's investments in retention schemes in the Pacific region. This performance takes into account nine branch openings in 2006 and four in H1 07.

EBITA rose 35.3% in H1 07 compared to the same period in 2006 while the EBITA margin was up 100 bps to 6.4% versus 5.4%.

The EBITA margin in Q2 07 was 7.2% compared to 6.0% in Q2 06, an improvement of 120 bps.

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Appendix 2

Condensed Income Statement

IFRS, unaudited, EUR million	Six months to June 30th			Three months to June 30th		
	2007	**2006**	**Var (in %)**	**2007**	**2006**	**Var (in %)**
Reported basis						
Sales	5,304.8	4,071.5	+30.3%	2,728.5	2,104.8	+29.6%
Gross profit	1,314.8	1,042.8	+26.1%	676.5	547.7	+23.5%
As a% of sales	24.8%	25.6%		24.8%	26.0%	
Operating expenses (including depreciation)	(986.8)	(813.2)	+21.4%	(493.7)	(412.8)	+19.6%
EBITDA	362.1	258.6	+40.0%	200.1	149.4	+33.9%
As a % of sales	6.8%	6.4%		7.3%	7.1%	
EBITA	**328.0**	**229.6**	**+42.8%**	**182.8**	**134.9**	**+35.5%**
As a % of sales	**6.2%**	**5.6%**		**6.7%**	**6.4%**	
Other income & expenses	(31.2)	(7.2)	+333%	(29.9)	(3.0)	+897%
Operating income	296.8	222.4	+33.5%	152.9	131.9	+15.9%
Net financial expenses	(263.2)	(112.3)	+134%	(192.4)	(54.7)	+252%
Income tax	(14.6)	(33.6)	-56.5%	9.4	(23.6)	-140%
Net income	19.0	76.5	-75.2%	(30.1)	53.6	-156%
Net income pre IPO related expenses	150.7	76.5	+97.0%	101.6	53.6	+89.6%

Constant and adjusted basis						
Sales	5,304.8	5,075.5	+4.5%*	2,728.5	2,632.4	+3.7%*
Gross profit	1,314.3	1,221.5	+7.6%	662.6	637.7	+3.9%
As a % of sales	24.8%	24.1%	+70 bps	24.3%	24.2%	+10 bps
Operating expenses (including depreciation)	(988.1)	(968.1)	+2.1%	(493.7)	(490.9)	+0.6%
EBITA	**326.2**	**253.5**	**+28.7%**	**168.8**	**146.8**	**+15.0%**
As a % of sales	**6.1%**	**5.0%**	**+110 bps**	**6.2%**	**5.6%**	**+60 bps**

* Constant basis and same number of days: +4.5% in H1 07 and +3.3% in Q2 07

Appendix 3

Change in Net Debt

CHANGE IN NET DEBT				
IFRS, unaudited, EUR million	Six months to June 30th		Three months to June 30th	
	2007	2006	2007	2006
EBITDA	362.1	258.6	200.1	149.4
Other operating revenues & costs	(7.3)	(2.5)	(5.7)	(1.3)
Change in Working capital	(7.6)	(85.7)	(11.6)	(44.3)
Net capital expenditures	16.6	(18.7)	(15.7)	(12.7)
Free cash flow before interest and tax paid	**363.8**	**151.7**	**167.1**	**91.1**
Net interest paid / received(1)	(165.2)	(91.1)	(110.9)	(38.5)
Income tax paid	2.8	(46.3)	15.8	(19.8)
Free cash flow after interest and tax paid	201.4	14.3	72.0	32.8
Net financial investments	(22.1)	(333.2)	(5.7)	(142.9)
Change in equity	1,010.1	(1.9)	1,010.1	(1.3)
Other(2)	971.4	14.0	977.9	14.7
Change in net debt	**2,160.8**	**(306.8)**	**2,054.3**	**(96.7)**

(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

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Appendix 4

Balance Sheet

EUR million	June 30, 2007 IFRS unaudited	December 31, 2006 IFRS audited
ASSETS		
Net intangible assets & Goodwill	3,287.8	3,250.5
Property, plant & equipment	268.1	268.5
Long term investments	41.3	39.3
Deferred tax assets	119.9	136.2
Total non-current assets	**3,717.1**	**3,694.5**
Inventories	1,186.3	1,117.0
Trade accounts receivable	2,121.2	2,026.9
Other accounts receivables	383.9	491.6
Assets held for sale	1.6	50.7
Cash and cash equivalents	719.3	473.1
Total current assets	**4,412.3**	**4,159.3**
TOTAL ASSETS	**8,129.4**	**7,853.8**

EQUITY & LIABILITIES		
TOTAL EQUITY	**3,133.7**	**988.6**
Interest bearing debt	2,393.3	3,747.4
Other non current liabilities	297.3	365.2
Total non-current liabilities	**2,690.6**	**4,112.6**
Interest bearing debt + accrued interest	66.2	626.7
Trade accounts payable	1,760.9	1,616.1
Other current liabilities	478.0	507.4
Liabilities held for sale	-	2.4
Total current liabilities	**2,305.1**	**2,752.6**
Total liabilities	**4,995.7**	**6,865.2**
TOTAL EQUITY AND LIABILITIES	**8,129.4**	**7,853.8**

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Appendix 5

Evolution of sales by geographic area

Geographic area	H1 07 (in M€)	H1 07/H1 06 Reported	H1 07/H1 06 Constant *	Q2 07 (in M€)	Q2 07/Q2 06 Reported	Q2 07/Q2 06 Constant *
Europe	**2,493.8**	**+15.2%**	**+9.6%**	**1,263.0**	**+12.9%**	**7.7%**
of which						
France		+8.9%	+9.5%		+8.2%	+7.6%
United Kingdom		+8.8%	+6.8%		+7.7%	+6.3%
Germany		+7.1%	+6.7%		+3.6%	+3.5%
Other Europe		+28.8%	+10.9%		+23.4%	+9.1%
North America	**2,409.0**	**+52.3%**	**-1.4%**	**1,244.0**	**+52.7%**	**-2.3%**
of which						
USA		+79.7%	-2.3%		+79.4%	-3.4%
Canada		-5.0%	+2.3%		-2.8%	+2.3%
Asia-Pacific	**372.2**	**+25.6%**	**+13.2%**	**205.7**	**+31.3%**	**+13.2%**
of which						
Australia		+12.0%	+9.5%		+14.5%	+9.2%
Asia		+623.4%	+68.1%		+510.7%	+59.0%
Other	**29.8**	**+2.6%**	**+13.3%**	**15.9**	**+6.2%**	**+14.5%**
Total Group	**5,304.8**	**+30.3%**	**+4.5%**	**2,728.5**	**+29.6%**	**+3.3%**

* Constant basis and same number of days