

REXEL ACCELERATES ITS GROWTH IN EMERGING COUNTRIES WITH THREE ACQUISITIONS IN BRAZIL, CHINA AND INDIA

Rexel, a global leader in the distribution of electrical supplies, announces the acquisition of three companies:

- Nortel Suprimentos Industriais, which allows the Group to enter the Brazilian market,
- Yantra Automation, allowing the Group to enter the Indian market,
- Beijing Lucky Well Zhineng, strengthening the Group's footprint in China.

Through these acquisitions, the Group:

- reinforces its sales in emerging countries by c. €140 million on an annual basis, i.e. an increase of c. 25% compared to Rexel's 2010 consolidated revenue in these markets,
- expands its worldwide presence to 2 emerging countries (Brazil and India) that offer high growth potential, profitability above Group average and in which its major international suppliers are expanding their business.

These acquisitions, which will all be accretive from the first year, are part of Rexel's external growth strategy, which aims at expanding the Group's presence in emerging countries, strengthening its market share in key mature countries and broadening its offer of value-added services.

Rexel enters Brazil through the acquisition of Nortel Suprimentos Industriais, one of the main distributors of electrical supplies in Brazil

Brazil is one of Rexel's key priorities, both because of the size of its domestic market (the electrical distribution market is estimated at c. €2bn in 2010) and of its growth rate. Brazil's strong economic potential and wealth in raw materials, combined with opportunities linked to hosting the organization of the Soccer World Cup in 2014 and of the Olympic Games in 2016, offer sustained growth prospects for the coming years.

In a market that remains fragmented, Nortel Suprimentos Industriais is one of the top three national players, with a leadership position in the region in which it operates. Established in 1966, the company is based in Campinas in the state of São Paulo, the richest and the most populous Brazilian state, accounting for one-third of Brazil's GDP and 22% of the nation's population. The company employs around 600 people and operates through 49 branches, mainly located in the South-East region, and 3 distribution centers. In 2010, Nortel Suprimentos Industriais posted sales of c. €110 million.

With a well-diversified customer portfolio including key industrial clients, a solid base of both international and national suppliers and a strong reputation, Nortel Suprimentos Industriais achieves high profitability.

The acquisition of Nortel Suprimentos Industriais will take place in 2 stages:

- immediate acquisition of 75%,
- acquisition of the remaining 25% at the beginning of 2013 at a price to be determined on the basis of the company's performance in 2011 and 2012.

With this acquisition, Rexel gains a significant foothold in the Brazilian market and creates a platform to build a leading position in the country.

Rexel enters India through the acquisition of Yantra Automation, specialist in the distribution of industrial automation and control products

Rexel is entering the high-growth and highly fragmented Indian market for professional distribution of low and ultra-low voltage electrical products with the acquisition of Yantra Automation.

Established in 1979, Yantra Automation's annual sales amount to c. €12 million and the company addresses the industrial end-market, mainly through the distribution of automation products.

This family-owned company based in Pune, the second largest town in the state of Maharashtra after its capital Mumbai, is at the heart of one of the largest industrial centres in India, notably for the automotive sector. The company operates through one central warehouse and 6 branches, employs around 65 people and posts profitability above Group average.

Yantra Automation's high expertise and brand recognition in the distribution of automation and control products are strong assets for Rexel's first step in the Indian market.

The acquisition of Yantra Automation will take place in 2 stages:

- immediate acquisition of 74%,
- acquisition of the remaining 26% through put and call options in 2014 at a price to be determined on the basis of the company's performance in 2012 and 2013.

Rexel strengthens its footprint in China with the acquisition of Beijing Lucky Well Zhineng

Rexel is reinforcing its position in China with the acquisition of Beijing Lucky Well Zhineng, a family-owned company that mainly addresses the industrial end-market, with a technology and value-added products and services offer. Beijing Lucky Well Zhineng's estimated sales for 2010 amount to c. €16 million. The company employs around 30 people.

This acquisition consolidates Rexel's Nr. 3 position in the Chinese market and allows it to:

- increase its footprint in the Beijing and Tianjin provinces,
- reinforce its local partnership with strategic international suppliers.

This acquisition will allow Rexel to accelerate integration of its operations in the Beijing area.

Since 2000, Rexel has built up a strong business platform in China through the successive acquisitions of Hailongxing (Beijing), Hualian (Shanghai), Huazhang (Hangzhou) and Xidian (Suzhou). In 2010, the contribution of Rexel's operations in China to the Group's consolidated sales amounted to over €220 million and grew by 28.4% year-on-year on a constant and same-day basis.

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Rexel, a global leader in the distribution of electrical supplies, serves three main end markets: industrial, commercial and residential. The Group operates in 34 countries, with a network of some 2,100 branches, and employs 28,000 people. In 2010, Rexel's sales amounted to c. €11.9 billion. Its majority shareholders are an investor group led by Clayton, Dubilier & Rice, Eurazeo and BAML Capital Partners.

Rexel is listed on the Eurolist market of Euronext Paris (compartment A, ticker RXL, ISIN code FR0010451203). It is integrated in the following indices: SBF 120, CAC Mid 100, SBF250, CAC AllShares and FTSE EuroMid.

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