

## INVESTOR DAY

### **REXEL UNVEILS ITS 2015 AMBITIONS AND PRESENTS ITS “ENERGY IN MOTION” COMPANY PLAN**

Rexel, a world leader in the distribution of electrical supplies, is holding an Investor Day today in Paris, during which it will unveil its 2015 ambitions and present its “Energy in Motion” company plan.

#### **“Energy in Motion”**

To achieve its new medium-term ambitions, Rexel is unveiling today a company plan, “Energy in Motion”, which is based on four strategic priorities:

- **Profitable growth:** accelerate profitable growth both organically and through acquisitions,
- **Active resources management:** optimize asset utilization and allocation of resources for increasing returns,
- **Culture of cooperation:** leverage capabilities and synergies across the Group and stimulate value-added partnerships with key suppliers and customers,
- **Excellence in operations:** enhance productivity and service levels to drive commercial effectiveness and supply chain performance.

“Energy in Motion” is an ambitious plan aimed at making Rexel the brand of choice for its customers, the partner of preference for its suppliers, an employer of reference for its people and the most attractive company for its shareholders.

#### **Accelerate organic growth**

To boost organic growth, Rexel will focus on three main areas:

- High-potential business categories related to energy efficiency,
- International customers and projects,
- Identified vertical markets, in particular Oil & Gas and Mining.

Combined, these three areas should generate double-digit annual growth on average, contribute additional sales of more than 1 billion euros between 2011 and 2015 and represent about 20% of total Group sales in 2015.

- ⇒ **Organic growth (excluding the impact of copper) between 2011 and 2015 should outperform the weighted average GDP growth of the regions in which the Group operates by around two percentage points.**

#### **Continue to drive consolidation**

At the same time, Rexel will continue to be a leading market consolidator, allocating an annual budget of about €500 million on average to support its acquisition strategy.

This strategy will remain focused on three main areas:

- Pursuing market share gains and synergies in key mature markets,
- Increasing its footprint in fast-growing countries,
- Extending its offer of value-added services and presence in key vertical markets.

In particular, sales from fast-growing countries should increase by over 1 billion euros between 2011 and 2015 and should represent more than 10% of total Group sales in 2015.

- ⇒ **Acquisitions should contribute between 3% and 5% of additional annual sales on average between 2011 and 2015.**

## Enhance operational excellence and organizational effectiveness

The company plan also includes a roadmap to enhance excellence in operations and organizational effectiveness, by optimizing resource allocation and leveraging competencies across the Group.

Rexel will specifically focus on commercial margin discipline, productivity and tight control of working capital, as well as further consolidation of its IT systems, continuous optimization of its supply chain and accelerated development of e-commerce.

- ⇒ **In 2015, adjusted EBITA margin should be above 6.5% and free cash-flow after interest and tax should exceed €500 million.**

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## SUMMARY OF 2015 FINANCIAL TARGETS

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Rexel has set the following medium-term financial targets (assuming no major economic downturn):

- ⇒ **Organic growth (excluding the impact of copper) between 2011 and 2015 should outperform the weighted average GDP growth of the regions in which the Group operates by around two percentage points, thanks to the acceleration of energy efficiency drivers and to the implementation of the “Energy in Motion” plan,**
- ⇒ **Acquisitions should contribute between 3% and 5% of additional annual sales on average over the period,**
- ⇒ **Adjusted EBITA margin should be above 6.5% in 2015,**
- ⇒ **Free cash-flow after interest and tax should exceed €500 million in 2015.**

Rexel also confirms its dividend policy of paying out at least 40% of the Group’s recurring net result.

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## 2012 OUTLOOK CONFIRMED

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In the prevailing uncertain economic context, Rexel is maintaining its full-year guidance:

- ⇒ **Organic growth (excluding the impact of copper) should outperform the weighted average GDP growth of the regions in which the Group operates,**
- ⇒ **Adjusted EBITA margin should reach at least the 5.7% level achieved in 2011,**
- ⇒ **Free cash-flow before interest and tax should reach around €600 million.**

### **Rudy PROVOOST, Chairman of the Management Board and CEO, said:**

*“With the launch of “Energy in Motion,” Rexel is establishing a clear roadmap to drive profitable growth and create value for all stakeholders. By building on its strengths and focusing its resources on the key drivers of value creation, Rexel is poised to enter a new phase of development, combining solid organic growth and targeted acquisitions with continuous improvement of profitability and cash-flow performance. In many ways, “Energy in Motion” provides a platform to reinforce our leadership position and enable ongoing success.”*

REXEL, BUILDING  
THE FUTURE TOGETHER



Rexel, a global leader in the distribution of sustainable and innovative products and services for automation, technical supply and energy management, addresses three main markets - industrial, commercial and residential. The Group supports customers around the globe, wherever they are, to create value and run their business better. With a network of some 2,200 branches in 37 countries, and over 28,000 employees, Rexel's sales were €12.7 billion in 2011. 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 included in the following indices: SBF 120, CAC Mid 100, CAC AllTrade, CAC AllShares, FTSE EuroMid, FTSE4Good, STOXX600 and ASPI Eurozone.