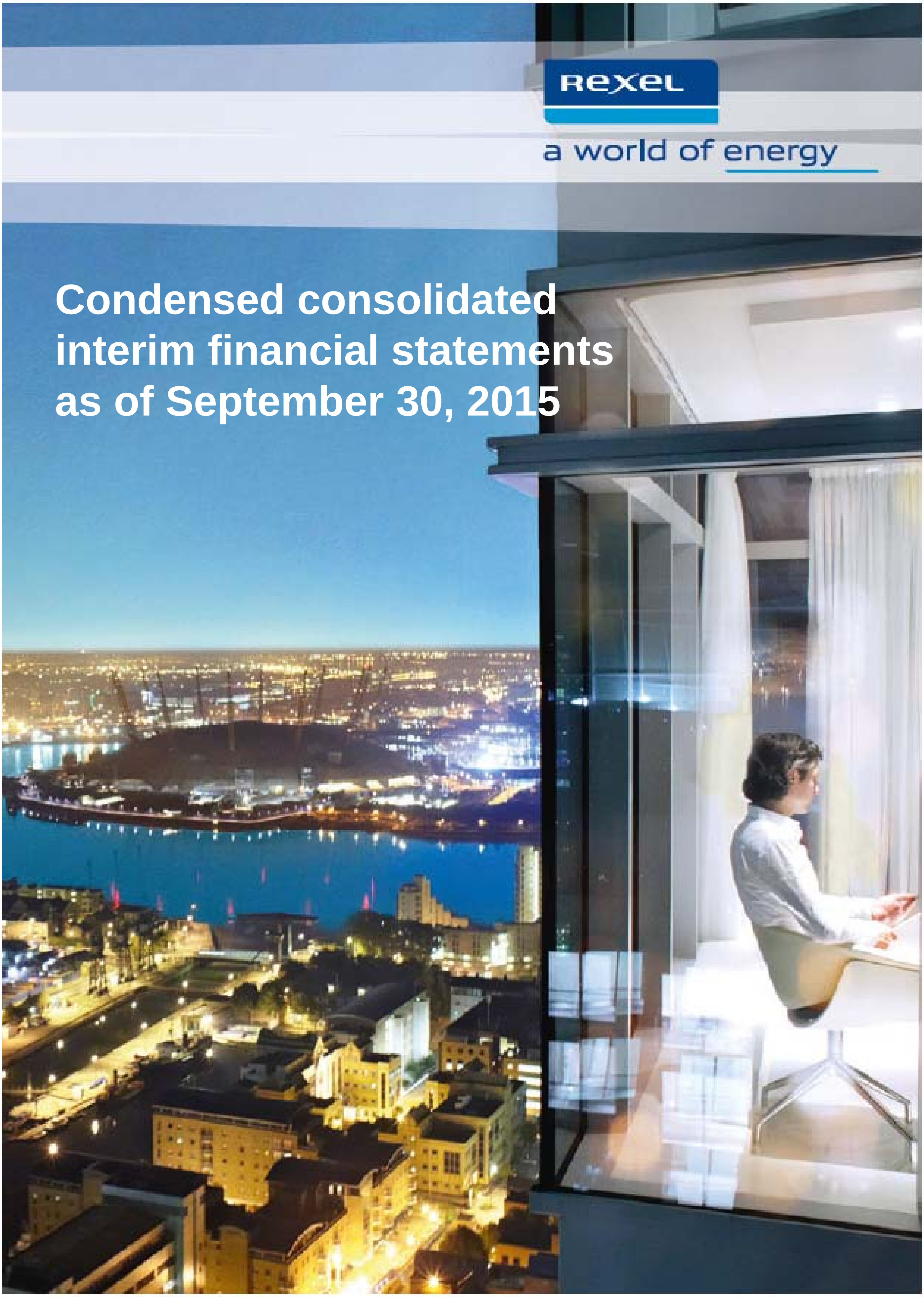

Condensed consolidated interim financial statements as of September 30, 2015

Société Anonyme (corporation)
with share capital of € 1,509,319,890
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Condensed consolidated interim financial statements as of September 30, 2015 (unaudited)

This document is a free translation into English of Rexel's original condensed consolidated interim financial statements for the period ended September 30, 2015 issued in the French language and is provided solely for the convenience of English speaking readers. In the event of any ambiguity or discrepancy between this unofficial translation and the condensed consolidated interim financial statements for the period ended September 30, 2015, the French version will prevail.

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Consolidated Income Statement *(unaudited)*

(in millions of euros)	***Note***	For the quarter ended September 30, 2015	For the quarter ended September 30, 2014 (1)	For the period ended September 30, 2015	For the period ended September 30, 2014 (1)
Sales	***4***	3,382.6	3,260.4	10,027.8	9,422.1
Cost of goods sold		(2,601.0)	(2,481.0)	(7,636.8)	(7,121.3)
Gross profit		**781.6**	**779.4**	**2,391.0**	**2,300.7**
Distribution and administrative expenses	***5***	(646.1)	(614.7)	(1,988.6)	(1,846.3)
Operating income before other income and expenses		**135.6**	**164.7**	**402.4**	**454.4**
Other income	***6***	0.2	1.1	0.8	4.4
Other expenses	***6***	(16.2)	(15.7)	(76.1)	(52.7)
Operating income		**119.6**	**150.1**	**327.2**	**406.1**
Financial income		0.2	0.9	1.5	3.5
Interest expense on borrowings		(26.8)	(39.8)	(97.1)	(124.4)
Refinancing costs		-	-	(52.5)	-
Other financial expenses		(11.5)	(4.8)	(29.4)	(14.6)
Net financial expenses	***8***	***(38.1)***	***(43.8)***	***(177.5)***	***(135.5)***
Net income before income tax		**81.4**	**106.3**	**149.6**	**270.6**
Income tax	***9***	(33.9)	(29.9)	(59.0)	(82.3)
Net income from continuing operations		**47.5**	**76.4**	**90.7**	**188.3**
Net loss from discontinued operations	***10***	(27.5)	(9.4)	(69.3)	(30.8)
Net income / (loss)		**20.0**	**67.1**	**21.4**	**157.5**
Portion attributable:					
to the equity holders of the parent		*20.3*	*67.4*	*22.8*	*157.8*
to non-controlling interests		*(0.3)*	*(0.3)*	*(1.4)*	*(0.3)*
Earnings per share:					
Basic earnings per share (in euros)	***13***	*0.07*	*0.23*	*0.08*	*0.55*
Fully diluted earnings per share (in euros)	***13***	*0.07*	*0.23*	*0.08*	*0.54*
Earnings per share from continuing operations:					
Basic earnings per share from continuing operations (in euros)		*0.16*	*0.26*	*0.31*	*0.66*
Fully diluted earnings per share from continuing operations (in euros)		*0.16*	*0.26*	*0.31*	*0.65*

(1) Restated for the presentation of Latin America reporting segment as discontinued operations (see note 10)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Statement of Comprehensive Income *(unaudited)*

(in millions of euros)	For the quarter ended September 30, 2015	For the quarter ended September 30, 2014	For the period ended September 30, 2015	For the period ended September 30, 2014
Net income	**20.0**	**67.1**	**21.4**	**157.5**
Items to be reclassified to profit and loss in subsequent period				
Net gain / (loss) on net investment hedges	15.5	(61.9)	(93.7)	(71.4)
Income tax	(5.3)	21.3	32.3	24.6
	10.2	(40.6)	(61.4)	(46.8)
Foreign currency translation adjustment	(81.9)	137.2	138.4	177.0
Income tax	4.3	(20.7)	(25.0)	(23.2)
	(77.6)	116.5	113.3	153.7
Net gain / (loss) on cash flow hedges	(4.4)	0.4	(4.2)	0.4
Income tax	1.4	(0.1)	1.4	(0.1)
	(3.0)	0.3	(2.8)	0.3
Items not to be reclassified to profit and loss in subsequent period				
Remeasurements of net defined benefit liability	(12.0)	(30.6)	22.5	(68.8)
Income tax	1.9	3.3	2.3	4.9
	(10.0)	(27.3)	24.8	(63.9)
Other comprehensive income / (loss) for the period, net of tax	**(80.4)**	**48.9**	**73.9**	**43.3**
of which other comprehensive income / (loss) from discontinued operations	*27.0*	*(0.4)*	*27.9*	*2.9*
Total comprehensive income / (loss) for the period, net of tax	**(60.5)**	**115.9**	**95.3**	**200.8**
Portion attributable:				
to the equity holders of the parent	*(59.6)*	*115.5*	*96.5*	*200.5*
to non-controlling interests	*(0.9)*	*0.4*	*(1.2)*	*0.3*

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Balance Sheet *(unaudited)*

(in millions of euros)	***Note***	**As of September 30, 2015**	**As of December 31, 2014**
Assets			
Goodwill		4,287.6	4,243.9
Intangible assets		1,091.8	1,084.0
Property, plant and equipment		284.1	287.1
Long-term investments		42.6	24.8
Deferred tax assets		161.5	175.2
Total non-current assets		**5,867.6**	**5,815.0**
Inventories		1,519.7	1,487.2
Trade accounts receivable		2,313.6	2,206.0
Current tax assets		33.1	9.7
Other accounts receivable		511.7	499.0
Assets classified as held for sale		3.5	3.7
Cash and cash equivalents	***16***	387.5	1,159.8
Total current assets		**4,769.1**	**5,365.4**
Total assets		**10,636.7**	**11,180.4**
Equity			
Share capital		1,509.3	1,460.0
Share premium		1,680.6	1,599.8
Reserves and retained earnings		1,153.5	1,275.9
Total equity attributable to equity holders of the parent		**4,343.4**	**4,335.7**
Non-controlling interests		7.3	7.7
Total equity		**4,350.7**	**4,343.4**
Liabilities			
Interest bearing debt (non-current part)	***16***	2,518.9	2,995.9
Net employee defined benefit liabilities		316.8	344.2
Deferred tax liabilities		191.2	196.9
Provision and other non-current liabilities		83.4	93.7
Total non-current liabilities		**3,110.2**	**3,630.7**
Interest bearing debt (current part)	***16***	498.9	361.5
Accrued interest	***16***	25.6	9.7
Trade accounts payable		1,948.3	2,126.8
Income tax payable		19.4	42.1
Other current liabilities		683.6	666.2
Total current liabilities		**3,175.7**	**3,206.3**
Total liabilities		**6,285.9**	**6,837.0**
Total equity and liabilities		**10,636.7**	**11,180.4**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Statement of Cash Flows *(unaudited)*

(in millions of euros)	Note	For the quarter ended September 30, 2015	For the quarter ended September 30, 2014	For the period ended September 30, 2015	For the period ended September 30, 2014
Cash flows from operating activities					
Operating income		94.4	148.1	262.9	380.5
Depreciation, amortization and impairment of assets		21.3	25.1	129.7	102.6
Employee benefits		(8.2)	(9.4)	(19.4)	(16.7)
Change in other provisions		(4.0)	3.2	(3.2)	(3.2)
Other non-cash operating items		28.1	3.5	33.6	8.8
Interest paid		(33.9)	(39.4)	(113.5)	(115.5)
Income tax paid		(20.8)	(17.2)	(96.0)	(68.4)
Operating cash flows before change in working capital requirements		***76.8***	***113.8***	***194.1***	***288.1***
Change in inventories		4.7	(32.8)	(32.3)	(30.3)
Change in trade receivables		(22.9)	(80.9)	(110.6)	(266.7)
Change in trade payables		(72.7)	10.3	(139.7)	(83.5)
Change in other working capital items		11.0	(16.4)	(18.2)	(35.2)
Change in working capital requirements		***(79.9)***	***(119.8)***	***(300.7)***	***(415.7)***
Net cash from operating activities		**(3.1)**	**(6.0)**	**(106.6)**	**(127.6)**
Of which operating flows provided / (used) by discontinued operations		*(5.8)*	*2.5*	*(16.7)*	*(4.6)*
Cash flows from investing activities					
Acquisition of tangible and intangible assets		(20.7)	(26.0)	(82.0)	(75.7)
Proceeds from disposal of tangible and intangible assets		0.6	1.5	3.0	3.8
Acquisitions of subsidiaries, net of cash acquired		(13.6)	(16.6)	(27.7)	(28.3)
Proceeds from disposal of subsidiaries, net of cash disposed of	*10*	11.6	-	11.6	-
Change in long-term investments		4.1	6.1	3.2	9.0
Net cash from investing activities		**(18.0)**	**(35.1)**	**(91.9)**	**(91.2)**
Of which investing flows provided / (used) by discontinued operations		*(5.2)*	*(0.8)*	*(6.9)*	*(0.7)*
Cash flows from financing activities					
Issuance of capital		-	(0.4)	-	0.3
Contribution received from non-controlling interests		-	-	2.7	-
Disposal / (Purchase) of treasury shares		(3.6)	(27.4)	(3.7)	(30.2)
Acquisition of non-controlling interests		(5.7)	(12.1)	(10.7)	(12.5)
Issuance of senior notes net of transaction costs	*16*	-	-	489.7	-
Repayment of senior notes	*16*	-	-	(991.2)	-
Settlement of interest rate swaps qualified as fair value hedge		-	4.7	-	4.7
Net change in credit facilities, commercial papers and other financial borrowings	*16*	28.2	32.8	202.5	46.5
Net change in securitization	*16*	13.0	14.7	(150.0)	(64.0)
Net change in finance lease liabilities	*16*	(1.9)	(0.4)	(3.0)	(3.7)
Dividends paid	*12*	(91.2)	(65.6)	(91.3)	(65.6)
Net cash from financing activities		**(61.4)**	**(53.6)**	**(555.2)**	**(124.5)**
Of which financing flows provided / (used) by discontinued operations		*0.4*	*(1.3)*	*11.3*	*2.2*
Net (decrease) / increase in cash and cash equivalents		**(82.4)**	**(94.7)**	**(753.7)**	**(343.3)**
Cash and cash equivalents at the beginning of the period		460.3	716.6	1,159.8	957.8
Effect of exchange rate changes on cash and cash equivalents		(4.9)	1.8	(18.7)	9.2
Cash and cash equivalent from discontinued operations		14.4	-	-	-
Cash and cash equivalents at the end of the period		**387.5**	**623.7**	**387.5**	**623.7**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Statement of Changes in Equity *(unaudited)*

(in millions of euros)	Note	Share capital	Share premium	Retained earnings	Foreign currency translation	Cash flow hedge reserve	Remeasurement of net defined benefit liability	Total attributable to the equity holders of the parent	Non-controlling interests	TOTAL EQUITY
For the period ended September 30, 2014										
As of January 1, 2014		**1,416.7**	**1,510.8**	**1,377.7**	**(21.4)**	**(1.7)**	**(65.1)**	**4,217.0**	**10.1**	**4,227.1**
Net income		-	-	157.8	-	-	-	**157.8**	(0.3)	157.5
Other comprehensive income		-	-	-	106.3	0.3	(63.9)	**42.7**	0.6	43.3
Total comprehensive income for the period		**-**	**-**	**157.8**	**106.3**	**0.3**	**(63.9)**	**200.5**	**0.3**	**200.8**
Cash dividends	***12***	-	-	(65.6)	-	-	-	**(65.6)**	-	(65.6)
Share capital increase		50.8	98.9	(149.2)	-	-	-	**0.5**	-	0.5
Share-based payments		-	-	9.9	-	-	-	**9.9**	-	9.9
Acquisition of subsidiaries		-	-	(9.2)	-	-	-	**(9.2)**	(3.3)	(12.5)
Disposal / (Purchase) of treasury shares		-	-	(30.2)	-	-	-	**(30.2)**	-	(30.2)
As of September 30, 2014		**1,467.5**	**1,609.7**	**1,291.3**	**84.9**	**(1.4)**	**(129.0)**	**4,323.0**	**7.1**	**4,330.1**
For the period ended September 30, 2015										
As of January 1, 2015		**1,460.0**	**1,599.8**	**1,351.5**	**79.5**	**(1.7)**	**(153.4)**	**4,335.7**	**7.7**	**4,343.4**
Net income		-	-	22.8	-	-	-	**22.8**	(1.4)	21.4
Other comprehensive income		-	-	-	51.7	(2.8)	24.8	**73.7**	0.2	73.9
Total comprehensive income for the period		**-**	**-**	**22.8**	**51.7**	**(2.8)**	**24.8**	**96.5**	**(1.2)**	**95.3**
Cash dividends	***12***	-	-	(91.2)	-	-	-	**(91.2)**	(0.1)	(91.3)
Share capital increase		49.3	80.8	(130.0)	-	-	-	**0.1**	2.7	2.8
Share-based payments		-	-	7.4	-	-	-	**7.4**	-	7.4
Acquisition of non-controlling interests		-	-	(2.2)	0.6	-	-	**(1.6)**	(2.4)	(4.0)
Acquisition of subsidiaries		-	-	-	-	-	-	**-**	0.6	0.6
Disposal / (Purchase) of treasury shares		-	-	(3.6)	-	-	-	**(3.6)**	-	(3.6)
As of September 30, 2015		**1,509.3**	**1,680.6**	**1,154.8**	**131.8**	**(4.5)**	**(128.6)**	**4,343.4**	**7.3**	**4,350.7**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Accompanying Notes

1. | GENERAL INFORMATION

Rexel was incorporated on December 16, 2004. Rexel's shares were admitted to trading on the Eurolist market of Euronext Paris on April 4, 2007. The group consists of Rexel and its subsidiaries (hereafter referred to as "the Group" or "Rexel").

The Group is mainly involved in the business of the distribution of low and ultra-low voltage electrical products to professional customers. It serves the needs of a large variety of customers and markets in the fields of construction, industry, and services. The product offering covers electrical installation equipment, conduits and cables, lighting, security and communication, climate control, tools, and white and brown goods. The principal markets in which the Group operates are in Europe, North America (United States and Canada) and Asia-Pacific (mainly in Australia, New Zealand and China).

In the third quarter of 2015, the Group divested from its operations in Latin America (Brazil, Chile and Peru). Therefore, results of Latin America operating segment are reported as discontinued operations in the income statement for all periods presented.

These consolidated financial statements cover the period from January 1 to September 30, 2015 and were authorized for issue by the Board of Directors on October 28, 2015.

2. | SIGNIFICANT ACCOUNTING POLICIES

2.1 | Statement of compliance

The condensed consolidated interim financial statements (hereafter referred to as "the condensed financial statements") for the period ended September 30, 2015 have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. These condensed financial statements are also compliant with the standards of the IASB in force at September 30, 2015. In particular, the condensed financial statements have been prepared in accordance with IAS 34, relating to Interim Financial Reporting. In accordance with the aforementioned standard, only a selection of explanatory notes is included in these condensed financial statements. These notes must be read in conjunction with the Group's financial statements prepared for the financial year closed on December 31, 2014 and included in the Registration Document filed with the *Autorité des Marchés Financiers* on March 25, 2015 under the number D.15-0201.

IFRS as adopted by the European Union can be consulted on the European Commission's website (http://ec.europa.eu/internal_market/accounting/ias/index_en.htm).

2.2 | Basis of preparation

The condensed financial statements as of September 30, 2015 are presented in euros and all values are rounded to the nearest tenth of a million, unless otherwise stated. Totals and sub-totals presented in the consolidated financial statements are first computed in thousands of euros and then rounded to the nearest tenth of a million. Thus, the numbers may not sum precisely due to this rounding.

The accounting principles and adopted methods are identical to those used as of December 31, 2014 and described in the notes to the consolidated financial statements for the financial year ended December 31, 2014, with the exception of the new standards and interpretations disclosed in note 2.2.1.

The preparation of financial statements in accordance with IFRS requires management to make judgments, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed frequently, and thus the effect of changes in accounting estimates is accounted for from the date of the revision.

2.2.1 | Changes in accounting policies - amended standards

Improvements cycle 2011-2013 that was issued in December 2013 includes minor changes to several standards that are applicable effective on January 1, 2015. These changes had no material effect on the Group's financial statements.

2.2.2 | New accounting standards and interpretations endorsed by the European Union with effect in future periods

- Amendment to IAS 19 "Defined Benefits Plans: Employee Contributions": the narrow scope amendment applies to contributions from employees or third parties to defined benefit plans. The objective of the amendment is to simplify the accounting for contributions that are independent of the number of years of employee service, for example, employee contributions that are calculated according to a fixed percentage of salary. This amendment is applicable for annual statements beginning on or after February 1, 2015.
- Improvements cycle 2010-2012, issued in December 2013, include minor changes to existing standards. These changes are applicable for annual statements beginning on or after February 1, 2015.

These improvements and amendment are not expected to have any material impact on the Group's financial statements.

2.2.3 | Accounting standards and interpretations issued by IASB and IFRS Interpretation Committee but not yet approved by the European Union

The following standards and interpretations issued by IASB are not yet approved by the European Union. Their potential impact is currently under review by the Group.

- On July 24, 2014, the International Accounting Standards Board (IASB) completed the final element of its comprehensive response to the financial crisis by issuing IFRS 9 Financial Instruments. The package of improvements introduced by IFRS 9 includes a logical model for classification and measurement, a single, forward-looking expected loss impairment model and a substantially-reformed approach to hedge accounting. The new standard will come into effect as of January 1, 2018 with early application permitted.
- IFRS 15 "Revenue from Contracts with Customers": the new standard supersedes IAS 11 "Construction contracts" and IAS 18 "Revenues" on revenue recognition. Revenue will be recognized to depict the transfer of goods or services to customers in amounts that reflect the payment to which the company expects to be entitled in exchange for those goods or services. The new standard will come into effect as of January 1, 2018 with early application permitted.
- Improvements to IFRSs 2012-2014 cycle include a series of minor amendments to IFRS 5 "Non-Current Assets held for sale and Discontinued Operations", IFRS 7 "Financial Instruments Disclosures", IAS 19 "Employee Benefits" and IAS 34 "Interim Financial Reporting".
- IAS 1 "Disclosure initiative" amendment addresses professional judgement to apply in determining what information to disclose in the financial statements. For example, the amendment makes clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendment clarifies that professional judgement should be used in determining where and in what order information is presented in the financial disclosures.

3. | BUSINESS COMBINATIONS

3.1 | 2015 Acquisitions

For the period ended September 30, 2015, the Group made the following acquisitions:

- On February 26, 2015, acquisition of 60% controlling interest in Shanghai Maxqueen Industry Development Co. Ltd, a company based in China.
- On June 1, 2015, acquisition of Electro-Industrie en Acoustiek NV based in Belgium.

- On July 15, 2015, acquisition of the assets and business of Al Mousa for Industrial Projects Co Ltd, a company based in Saudi Arabia.
- On September 1, 2015, acquisition of 60% controlling interest in Zhonghao (Shanghai) Technology Co. Ltd, a company based in China. This entity has been consolidated as from October 1, 2015.

These entities are non-material relative to the Group's total assets, sales and operating income.

The table below shows the purchase price allocation to identifiable assets acquired and liabilities assumed.

Net assets acquired and consideration transferred of acquisitions consolidated for the period ended September 30, 2015

(in millions of euros)	
Other fixed assets	1.0
Other non current assets............	0.2
Current assets............	12.3
Net financial debt............	(3.6)
Other non current liabilities............	(0.6)
Current liabilities............	(4.1)
Net asset acquired (except goodwill acquired)............	**5.2**
Goodwill acquired	10.8
Consideration transferred............	**15.9**
Cash acquired	(0.9)
Purchase price of Zhonghao (Shanghai) Technology Co Ltd	4.8
Net cash paid for 2015 acquisitions............	**19.8**
Payments related to prior year acquisitions and deferred payments on year acquisitions	8.0
Net cash paid for acquisitions............	**27.7**

3.2 | Acquisition of non-controlling interests

On August 20, 2015, the Group exercised its purchase option to acquire a 35% equity interest of Rexel-Hualian Electric Equipment Commercial Co., Ltd, a company based in China, for a consideration of €4.0 million. As a result of this transaction, the Group holds 100% interests in this company.

4. | SEGMENT REPORTING

In accordance with IFRS 8 "Operating segments", operating segments are based on the Group's financial reporting structure. The information is shown by geographic zone for the electrical equipment distribution business, whereas the other businesses and holding entities are shown separately.

Operations that are substantially similar are combined as a single segment. Factors considered in identifying such segments include the similarity of economic and political conditions, the proximity of operations, the absence of special risks associated with operations in the various areas where the Group operates and when they have similar long-term financial performance.

The reportable operational segments are Europe, North America and Asia-Pacific. Latin America reporting segment is no longer presented following the divestment of Latin America operations on September 15, 2015 and is disclosed as discontinued operations (see note 10).

The Group's financial reporting is reviewed monthly by the Chief Executive Officer and the Deputy Chief Executive Officer acting as the chief operating decision maker.

Information by geographic segment for the periods ended September 30, 2015 and 2014

2015 *(in millions of euros)*	Europe	North America	Asia-Pacific	**Total Operating Segments**	Corporate Holdings and other reconciling items	**Total Group**
For the quarter ended September 30,						
Sales to external customers……………….	1,792.1	1,244.1	346.4	**3,382.6**	-	**3,382.6**
EBITA (1)………………………………………	90.3	60.4	0.3	**151.0**	(11.2)	**139.8**
Goodwill impairment…………………………	-	-	0.3	**0.3**	-	**0.3**

2014 (2) *(in millions of euros)*	Europe	North America	Asia-Pacific	**Total Operating Segments**	Corporate Holdings and other reconciling items	**Total Group**
For the quarter ended September 30,						
Sales to external customers……………….	1,764.6	1,176.2	319.5	**3,260.4**	0.1	**3,260.4**
EBITA (1)………………………………………	112.4	57.3	9.4	**179.1**	(10.5)	**168.6**
Goodwill impairment…………………………	-	-	-	**-**	-	**-**

2015 *(in millions of euros)*	Europe	North America	Asia-Pacific	**Total Operating Segments**	Corporate Holdings and other reconciling items	**Total Group**
For the period ended September 30,						
Sales to external customers ………………	5,396.9	3,623.5	1,007.4	**10,027.8**	-	**10,027.8**
EBITA (1) …………………………………	291.7	142.1	13.2	**447.0**	(31.7)	**415.2**
Goodwill impairment…………………………	(8.5)	-	(10.0)	**(18.5)**	-	**(18.5)**
As of September 30,						
Working capital………………………………	792.5	695.1	228.3	**1,715.9**	(19.1)	**1,696.7**
Goodwill ……………………………………	2,572.1	1,439.2	276.3	**4,287.6**	-	**4,287.6**

2014 *(in millions of euros)*	Europe	North America	Asia-Pacific	**Total Operating Segments**	Corporate Holdings and other reconciling items	**Total Group**
For the period ended September 30, (2)						
Sales to external customers ………………	5,272.6	3,257.3	892.0	**9,421.9**	0.2	**9,422.1**
EBITA (1) …………………………………	321.0	148.0	25.6	**494.6**	(28.8)	**465.8**
Goodwill impairment…………………………	(6.3)	-	-	**(6.3)**	-	**(6.3)**
As of December 31, (3)						
Working capital………………………………	598.1	558.9	185.7	**1,342.8**	56.5	**1,399.3**
Goodwill ……………………………………	2,548.3	1,394.2	290.5	**4,232.9**	11.0	**4,243.9**

(1) EBITA is defined as operating income before amortization of intangible assets recognized upon purchase price allocation and before other income and other expenses

(2) Restated for the presentation of Latin America reporting segment as discontinued operations (see note 10)

(3) Latin America working capital and Goodwill are included under the caption “Corporate Holdings and other reconciling items”

The reconciliation of EBITA with net income before tax of continuing operations is presented in the following table:

(in millions of euros)	For the quarter ended September 30, 2015	For the quarter ended September 30, 2014 (1)	For the period ended September 30, 2015	For the period ended September 30, 2014 (1)
EBITA - Total continuing operations	**139.8**	**168.6**	**415.2**	**465.8**
Amortization of intangible assets recognized upon allocation of the acquisition price of acquired entities	(4.2)	(3.9)	(12.8)	(11.5)
Other income and other expenses	(16.1)	(14.6)	(75.3)	(48.3)
Net financial expenses	(38.1)	(43.8)	(177.5)	(135.5)
Net income before tax from continuing operations	**81.4**	**106.3**	**149.6**	**270.6**

(1) Restated for the presentation of Latin America reporting segment as discontinued operations (see note 10)

The reconciliation of the total allocated assets and liabilities with the Group's consolidated total assets is presented in the following table:

(in millions of euros)	As of September 30, 2015	As of December 31, 2014
Working capital	1,696.7	1,399.3
Goodwill	4,287.6	4,243.9
Total allocated assets & liabilities	**5,984.3**	**5,643.2**
Liabilities included in allocated working capital	2,626.1	2,792.2
Accrued interest receivable	3.4	0.7
Other non-current assets	1,418.6	1,395.9
Deferred tax assets	161.5	175.2
Current tax assets	33.1	9.7
Assets classified as held for sale	3.5	3.7
Derivatives	18.8	-
Cash and cash equivalents	387.5	1,159.8
Group consolidated total assets	**10,636.7**	**11,180.4**

5. | DISTRIBUTION & ADMINISTRATIVE EXPENSES

(in millions of euros)	For the period ended September 30, 2015	For the period ended September 30, 2014 (1)
Personnel costs (salaries & benefits)	1,200.7	1,112.2
Building and occupancy costs	205.9	199.1
Other external costs	479.3	444.3
Depreciation expense	66.4	58.9
Amortization of intangible assets recognized upon the allocation of the acquisition price of acquired entities	12.8	11.5
Bad debt expense	23.5	20.5
Total distribution and administrative expenses	**1,988.6**	**1,846.3**

(1) Restated for the presentation of Latin America reporting segment as discontinued operations (see note 10)

6. | OTHER INCOME & OTHER EXPENSES

(in millions of euros)	For the period ended September 30, 2015	2014 (1)
Gains on disposal of tangible assets	0.3	2.2
Write-back asset impairment	0.2	0.1
Release of unused provisions	0.2	0.5
Gains on earn-out	-	1.6
Other operating income	0.2	0.1
Total other income	**0.8**	**4.4**
Restructuring costs (2)	(49.5)	(35.0)
Losses on non-current assets disposed of	(1.2)	(1.6)
Impairment of goodwill and asset write-offs (3)	(19.1)	(6.5)
Acquisition related costs	(2.2)	(7.8)
Other operating expenses	(4.1)	(1.8)
Total other expenses	**(76.1)**	**(52.7)**

(1) Restated for the presentation of Latin America reporting segment as discontinued operations (see note 10)

(2) Restructuring costs were mainly incurred in connection with branch network optimization and logistic rationalization in Europe (mainly in Germany, Spain and the United Kingdom) and branch and banner reorganizations in North America and in Australia.

(3) For the period ended September 30, 2015, goodwill impairment expense was attributable to Australia for €10.0 million and to The Netherlands for €8.5 million (see note 7). For the period ended September 30, 2014, goodwill impairment was mainly related to Slovakia (€3.4 million) and Luxembourg (€2.7 million).

7. | GOODWILL IMPAIRMENT

Goodwill is tested for impairment annually (as of December 31) and when circumstances indicate the carrying value may be impaired. The Group's impairment test for goodwill and intangible assets with indefinite lives is based on value-in-use calculations that use a discounted cash flow model.

The Group considers the actual level of performance compared to the current year budget of cash generating units (CGUs) when reviewing for indicators of impairment. As a result, management carried-out an impairment test as of June 30, 2015 limited to the cash-generating units showing a value-in-use close to their carrying value at December 31, 2014.

For the period ended September 30, 2015, the company recognized an impairment expense of €18.5 million against goodwill (€6.3 million for the period ended September 30, 2014). This impairment is relating to Australia for €10.0 million and to The Netherlands for €8.5 million.

The calculation of value in use is mostly sensitive to the EBITA margin computed in the terminal value, the discount rate and the perpetual growth rate:

- EBITA Margin

EBITA margin factored in the terminal value cash flow is set on a country by country basis based on both historical and expected performance, Rexel's market share and characteristics of the local market and by reference to other cash generating units within the Group with similar profile. EBITA margin is set in increments of 50 basis points.

- Discount rates: unchanged as compared to December 31, 2014.
- Perpetual growth rates: unchanged as compared to December 31, 2014.

Sensitivity analysis

The table below summarizes the sensitivity analysis by CGU on EBITA margin, discount rate and perpetual growth rate:

	Goodwill & intangible assets after impairment[(1)]	EBITA margin (-50 bps)	Discount rate (+50 bps)	Perpetual growth rate (-50 bps)
Australia	176.2	(19.4)	(18.5)	(11.5)
The Netherlands	61.6	(16.2)	(8.6)	(5.2)
Other tested CGUs	61.4	(7.0)	(3.9)	(2.3)

[(1)] Intangible assets with an indefinite useful life

8. | NET FINANCIAL EXPENSES

(in millions of euros)	For the period ended September 30, 2015	2014 [(1)]
Interest income on cash and cash equivalents	0.5	2.2
Interest income on receivables and loans	1.1	1.3
Financial income	**1.5**	**3.5**
Interest expense on financial debt (stated at amortized cost).................	(104.4)	(125.6)
Interest expense on interest rate derivatives..	6.5	7.7
Gains and losses on derivative instruments previously deferred in other comprehensive income and recycled in the income statement.........	(0.0)	0.2
Change in fair value of interest rate derivatives through profit and loss ...	0.7	(6.6)
Interest expense on borrowings	**(97.1)**	**(124.4)**
Non-recurring redemption costs .... [(2)]	**(52.5)**	**-**
Foreign exchange gain (loss)	*(23.4)*	*0.1*
Change in fair value of exchange rate derivatives through profit and loss............	*17.1*	*0.1*
Net foreign exchange gain (loss)	(6.3)	0.2
Net financial expense on employee benefit obligations..........................	(8.8)	(7.7)
Others..	(14.3)	(7.2)
Other financial expenses	**(29.4)**	**(14.6)**
Net financial expenses	**(177.5)**	**(135.5)**

(1) Restated for the presentation of Latin America reporting segment as discontinued operations (see note 10)

(2) Non-recurring costs related to the early repayment of the senior notes due 2018 and 2019 (see note 16.1.1).

9. | INCOME TAX

Income tax expense for an interim period is calculated based on the average estimated tax rate for the 2015 financial year applied to the interim income before taxes. The effective tax rate on continuing operations for the period ended September 30, 2015 is 39.4%, compared with 30.4% for the period ended September 30, 2014. This rise was mainly due to the level of non-deductible goodwill impairment losses recognized in 2015 as compared to 2014.

10. | DISCONTINUED OPERATIONS

On April 29, 2015, the Group entered into an agreement to dispose of its operations in Latin America to Sonepar for a selling price of €17.2 million (US$ 18.6 million). The sale transaction was effective on September 15, 2015. As a result, the Group recognized a divestment loss of €60.0 million which is included in the €69.3 million net loss from discontinued operations.

For the period ended September 30, 2015, net proceeds received from the buyer were €16.7 million less cash disposed of €5.1 million representing a net amount of €11.6 million. The outstanding balance due from Sonepar was €0.5 million as of September 30, 2015.

The sale and purchase agreement provides for indemnification by Rexel for any damage incurred by the purchaser. The aggregate liability for indemnification shall not exceed USD9.0 million.

The income statement of Latin America operating segment is presented below:

(in millions of euros)	For the quarter ended September 30, 2015	For the quarter ended September 30, 2014	For the period ended September 30, 2015	For the period ended September 30, 2014
Sales	41.5	65.2	169.7	191.1
Cost of goods sold	(33.1)	(51.4)	(134.4)	(148.9)
Gross profit	**8.4**	**13.9**	**35.3**	**42.3**
Distribution and administrative expenses	(8.1)	(14.7)	(37.0)	(42.8)
Operating income before other income and expenses	**0.3**	**(0.8)**	**(1.7)**	**(0.5)**
Other income and expenses	(25.4)	(1.2)	(62.5)	(25.1)
Operating income	**(25.1)**	**(2.0)**	**(64.2)**	**(25.6)**
Net financial expenses	(2.6)	(1.3)	(7.0)	(3.1)
Net income / (loss) before income tax	**(27.7)**	**(3.3)**	**(71.2)**	**(28.7)**
Income tax	0.2	(6.1)	2.0	(2.2)
Net income / (loss) from discontinued operations	**(27.5)**	**(9.4)**	**(69.3)**	**(30.8)**
Earnings per share for discontinued operations:				
Basic earnings per share (in euros)	*(0.09)*	*(0.03)*	*(0.24)*	*(0.11)*
Fully diluted earnings per share (in euros)	*(0.09)*	*(0.03)*	*(0.23)*	*(0.11)*

11. | SHARE CAPITAL AND PREMIUM

Rexel's share capital is composed of ordinary shares, with a par value of €5. The following table shows changes in the share capital and share premium:

	Number of Shares	Share capital *(in millions of euros)*	Share premium *(in millions of euros)*
As of January 1, 2014	**283,337,214**	**1,416.7**	**1,510.8**
Exercise of share subscription rights	17,000	0.1	-
Issuance of shares in connection with payments of dividends	9,269,384	46.3	99.5
Employee share purchase plan	35,237	0.2	0.5
Issuance of shares in connection with free shares plan	846,741	4.2	-
Reduction in share capital	(1,500,000.0)	(7.5)	(14.1)
Allocation of free shares	-	-	(8.2)
Free shares cancelled	-	-	11.3
As of December 31, 2014	**292,005,576**	**1,460.0**	**1,599.8**
Exercise of share subscription rights	11,000	0.1	-
Issuance of shares in connection with payments of dividends	8,955,801	44.8	82.4
Employee share purchase plan	109,181	0.5	-
Issuance of shares in connection with free shares plans	772,185	3.9	-
Allocation of free shares	-	-	(9.0)
Free shares cancelled	-	-	7.4
As of September 30, 2015	**301,853,743**	**1,509.3**	**1,680.6**

Treasury shares

As of September 30, 2015, Rexel held 1,845,691 treasury shares (1,737,761 as of December 31, 2014) that were recognized as a reduction in shareholders' equity, for an amount of €23.5 million (€22.9 million as of December 31, 2014).

12. | DIVIDENDS

The Shareholders's Meeting of May 27, 2015 decided dividend payment of €0.75 per share, either in cash or in Rexel shares to be issued at a price of €14.21, at the option of each shareholder. The effective date of dividend payment was July 1, 2015.

	For the period ended September 30,	
(in millions of euros)	**2015**	**2014**
Dividends on ordinary shares	€ 0.75	€ 0.75
Dividends paid	**218.5**	**211.9**
of which: - dividends paid in cash	91.2	65.6
- dividends paid in shares	127.3	146.3

13. | EARNINGS PER SHARE

Information on the earnings and number of ordinary and potential dilutive shares included in the calculation is presented below:

	For the period ended September 30,	
	2015	**2014**
Net income attributed to ordinary shareholders :		
- of which continuing operations (in millions of euros)	*92.1*	*188.6*
- of which discontinuing operations (in millions of euros)	*(69.3)*	*(30.8)*
Net income attributed to ordinary shareholders *(in millions of euros)*...........	***22.8***	***157.8***
Weighted average number of ordinary shares (*in thousands*)	293,318	284,844
Potential dilutive shares in connection with payments of dividends (in thousands)	172	671
Non-dilutive potential shares (in thousands)	949	1,382
Weighted average number of issued common shares adjusted for non - dilutive potential shares (in thousands)	***294,439***	***286,897***
Basic earning per share (in euros)	**0.08**	**0.55**
Dilutive potential shares (in thousands)	1,124	2,801
- of which share options (in thousands)	*99*	*124*
- of which bonus shares (in thousands) .... [(1)]	*1,025*	*2,676*
Weighted average number of common shares adjusted for dilutive potential shares (in thousands)	***295,563***	***289,698***
Fully diluted earnings per share (in euros)..	**0.08**	**0.54**

[(1)] The number of potential dilutive shares does not take into account the free shares whose allocation is subject to future performance or market conditions not yet met at the balance sheet date

14. | SHARE BASED PAYMENT

On July 28, 2015, Rexel entered into free share plans for top executive managers amounting to a maximum of 1,798,393 shares. According to these plans, the beneficiaries will be eligible to receive Rexel shares depending on their country of residence:

- either three years after the grant date (July 29, 2018), these being restricted for an additional two-year period (until July 29, 2020), the so-called "3+2 Plan",

- or four years after the grant date (July, 29 2019) with no subsequent restrictions, the so-called “4+0 Plan”.

The actual delivery of these bonus shares is subject to service, performance and market conditions as described below:

Vesting conditions	Three year service condition from grant date and performance conditions based on: (i) 2014/2017 average EBITA margin variation (ii) average free cash flow before interest and tax to EBITDA between 2015 to 2017 (iii) Rexel share market performance compared to peers	Four year service condition from grant date and performance conditions based on: (i) 2014/2017 average EBITA margin variation (ii) average free cash flow before interest and tax to EBITDA between 2015 to 2017 (iii) Rexel share market performance compared to peers	**Total**
Plan	3+2	4+0	
Delivery date	July 29, 2018	July 29, 2019	
Share fair value at grant date July 28, 2015	10.56	9.91	**10.20**
Maximum number of shares granted on July 28, 2015	**795,775**	**1,002,618**	**1,798,393**

The fair value of Rexel’s shares was computed based on a Monte Carlo model which simulates the evolution of Rexel and panel shares quotations at the end of the three or four-year vesting period. The impact of restrictions attached to the dividends until the delivery date of the shares to the beneficiaries was excluded from the fair value.

15. | POST-EMPLOYMENT AND LONG-TERM BENEFITS

As of September 30, 2015, the major Group’s defined benefit plan obligations were re-measured including pension plans in Canada, in Switzerland and in the United Kingdom. The impacts of actuarial changes were estimated based on a sensitivity analysis that considered changes in discount rates and differences between actual and expected plan asset performance.

For the period ended September 30, 2015, remeasurement of pension and post-retirement benefits, accounted for a gain of €22.5 million, was recognized in other comprehensive income (a loss of €68.8 million for the period ended September 30, 2014).

They are as follow:

Discount rate (in %)	As of September 2015	As of December 2014	As of September 2014
United Kingdom	3.75	3.50	4.00
Canada	4.00	4.00	4.00
Switzerland	1.00	1.25	1.50

For the period ended September 30, 2015, the Group amended its post-retirement Medical and Healthcare plans in Canada and in the United States of America to reduce medical coverage of future retirees. As a result of these amendments, the Group recognized gains of respectively €3.6 million and €3.9 million in the income statement (personal costs).

16. | FINANCIAL LIABILITIES

This note provides information on financial liabilities as of September 30, 2015. Financial liabilities include interest-bearing loans from financial institutions, borrowings and accrued interests less transaction costs.

16.1 | Net financial debt

As of September 30, 2015, Rexel's consolidated net debt stood at €2,622.6 million, consisting of the following items:

(in millions of euros)	As of September 30, 2015			As of December 31, 2014		
	Current	**Non-current**	**Total**	**Current**	**Non-current**	**Total**
Senior notes	-	1,630.1	1,630.1	-	1,992.2	1,992.2
Securitization	113.4	899.1	1,012.5	128.2	1,013.9	1,142.1
Bank loans	80.9	1.6	82.5	65.0	4.4	69.3
Commercial paper	211.3	-	211.3	85.9	-	85.9
Bank overdrafts and other credit facilities	92.4	-	92.4	81.7	-	81.7
Finance lease obligations	8.0	15.5	23.5	8.8	18.4	27.2
Accrued interests (1)	25.6	-	25.6	9.7	-	9.7
Less transaction costs	(6.9)	(27.4)	(34.3)	(8.0)	(32.9)	(40.9)
Total financial debt and accrued interest	***524.5***	***2,518.9***	***3,043.4***	***371.2***	***2,995.9***	***3,367.1***
Cash and cash equivalents			(387.5)			(1,159.8)
Accrued interest receivable			(3.4)			(0.7)
Debt hedge derivatives			(29.9)			6.5
Net financial debt			**2,622.6**			**2,213.1**

(1) Of which accrued interests on Senior Notes for €22.3 million as of September 30, 2015 (€4.9 million as of December 31, 2014)

16.1.1 | Senior notes

As of September 30, 2015, the carrying amount of the existing senior notes is detailed as follows:

	As of September 30, 2015					As of December 31, 2014				
	Nominal amount *(in millions of currency)*		**Nominal amount** *(in millions of euros)*	Fair value adjust-ments (1)	**Total**	**Nominal amount** *(in millions of currency)*		**Nominal amount** *(in millions of euros)*	Fair value adjust-ments	**Total**
Senior notes due 2018	-	-	-	-	**-**	EUR	488.8	488.8	10.2	**499.0**
Senior notes due 2019	-	-	-	-	**-**	USD	500.0	411.8	(4.1)	**407.7**
Senior notes due 2020	USD	500.0	446.3	11.2	**457.5**	USD	500.0	411.8	0.8	**412.6**
Senior notes due 2020	EUR	650.0	650.0	20.2	**670.2**	EUR	650.0	650.0	22.8	**672.8**
Senior notes due 2022	EUR	500.0	500.0	2.4	**502.4**	-	-	-	-	**-**
TOTAL			1,596.3	33.8	**1,630.1**			1,962.5	29.7	**1,992.2**

(1) Adjustment to reflect interest rate fluctuations on the part of the notes hedged through fair value hedge derivatives (see note 17)

Repayment of €500 million notes due 2018

On March 16, 2015, Rexel redeemed its 7% senior notes due 2018 for a total amount of €522.6 million, including the principal amount of €488.8 million, an applicable "make-whole" redemption premium of €25.4 million and interests due for the period December 18, 2014 to March 16, 2015 of €8.5 million.

In relation to the repayment of the senior notes due 2018, the Group revised the amortized cost of such notes and recognized a financial expense of €19.6 million as a result of the effective interest rate method. This loss includes the "make-whole" premium plus the unamortized initial transaction costs of €3.9 million and minus fair value hedge adjustments for a profit of €9.7 million.

Issuance of €500 million notes due 2022

On May 27, 2015, Rexel issued €500 million of senior unsecured notes due 2022 which bear interests at 3.25% annually.

The notes rank *pari passu* with Rexel's senior credit facility and other senior unsecured notes. Rexel pays interest on the notes semi-annually on June 15 and December 15, starting from December 15, 2015. The notes mature on June 15, 2022 and are listed on the Luxembourg Stock Exchange.

These notes are redeemable in whole or in part at any time prior to June 15, 2018 at a redemption price equal to 100% of their principal amount, plus a "make-whole" premium and accrued and unpaid interest. On or after June 15, 2018, the notes are redeemable in whole or in part by paying the redemption price set forth below:

Redemption period beginning on:	Redemption price (as a % of principal amount)
June 15, 2018 …………………………………	101.625%
June 15, 2019 …………………………………	100.813%
June 15, 2020 and after ………………………	100.000%

In June 2015, Rexel entered into several interest rate swaps in order to hedge the € 500 million senior notes due 2022. These swaps have a nominal value of €500 million and are classified as fair value hedges. They pay interests at a rate of Euribor 3 months and receive a fixed rate ranging from 0.47% to 0.73%. These swaps mature on June 15, 2022.

Repayment of $500 million notes due 2019

On June 22, 2015, Rexel redeemed its 6.125% senior notes due 2019 for a total amount of €468.6 million, including the principal amount of €442.5 million ($500 million), an applicable "make-whole" redemption premium of €25.5 million and interests due for the period June 15, 2015 to June 22, 2015 of €0.5 million.

In relation to the repayment of the senior notes due 2019, the Group revised the amortized cost of such notes and recognized a financial expense of €33.0 million as a result of the effective interest rate method. This loss includes the "make-whole" premium plus the unamortized initial transaction costs of €6.5 million and fair value hedge adjustments for a loss of €0.9 million.

The financial expense related to the redemption of the senior notes due 2018 and 2019 is detailed as follows:

(in millions of euros)	For the period ended September 30, 2015
Make-whole redemption premium ………………………………………………	51.0
Write back of transaction fees …………………………………………………	10.4
Less fair value adjustments ……………………………………………………	(8.9)
Non-recurring redemption costs ………………………………………	**52.5**

Hedging of €500 million notes due 2020

In July 2015, Rexel entered into several interest rate swaps in order to hedge the € 500 million senior notes due 2020. These swaps have a nominal value of €150 million and are classified as fair value hedges. They pay interests at a rate of Euribor 3 months and receive a fixed rate ranging from 0.29% to 0.30%. These swaps mature on June 15, 2020.

16.1.2| Securitization programs

The Rexel Group runs several on-going securitization programs which enable it to obtain financing at a lower cost than issuing bonds or incurring bank loans.

The specific characteristics of the Rexel Group's securitization programs vary depending on the country. The relevant subsidiaries remain responsible for the collection of receivables once assigned. These receivables are assigned to special-purpose entities operating with no action required by the subsidiaries. The special purpose vehicles obtain the financing required to purchase these receivables, notably through the issuance of short-term debt instruments such as French, US, or Canadian commercial paper, which is rated by rating agencies.

Securitization programs are subject to certain covenants concerning the quality of the trade receivables portfolio including dilution (ratio of credit notes to eligible receivables), delinquency and default criteria (aging ratios measured respectively as overdue and doubtful receivables to eligible receivables). As of September

30, 2015, Rexel had satisfied all of these covenants. All the programs are on-going programs and therefore are not subject to seasonality other than seasonality arising in the ordinary course of business.

The difference between the sale price and the carrying value of these receivables is recorded in the income statement as a financial expense.

Information with respect to Rexel's securitization programs including the off-balance sheet programs is provided in the table below:

Program	Commitment	Amount of receivables assigned as of September 30, 2015	Amount drawn down as of September 30, 2015	Balance as of September 30, 2015	Balance as of December 31, 2014	Repayment Date
		(in millions of currency)		*(in millions of euros)*		
Europe and Australia	EUR 425.0	EUR 381.9	EUR 286.9	286.9	396.1	12/18/2017
United States	USD 545.0	USD 655.2	USD 487.8	435.4	422.9	12/20/2017
Canada	CAD 190.0	CAD 246.2	CAD 170.5	113.4	128.2	11/19/2015
Europe	EUR 384.0	EUR 512.5	EUR 364.3	364.3	374.9	12/20/2016
TOTAL				**1,200.0**	**1,322.2**	
Of which :	***- on balance sheet:***			***1,012.5***	***1,142.1***	
	- off balance sheet :			***187.5***	***180.1***	

These securitization programs pay interest at variable rates including a specific credit spread to each program. As of September 30, 2015, the total outstanding amount authorized for these securitization programs was €1,421.9 million, of which €1,200.0 million were used.

16.1.3| Commercial paper program

Rexel runs a €500 million commercial paper program, with fixed maturities ranging from one to three months depending on the notes, issued to diversify its investor base and minimize the cost of financing.

As of September 30, 2015, the Company had issued €211.3 million of commercial paper (€85.9 million as of December 31, 2014).

16.2 |Change in net financial debt

As of September 30, 2015 and September 30, 2014, the change in net financial debt was as follows:

(in millions of euros)	For the period ended September 30, 2015	2014
As of January 1,	**2,213.1**	**2,192.0**
Issuance of senior notes net of transaction cost	489.7	-
Repayment of senior notes	(991.2)	-
Net change in credit facilities, commercial papers and other financial borrowings	202.5	46.5
Net change in credit facilities	**(298.9)**	**46.5**
Net change in securitization	(150.0)	(64.0)
Net change in finance lease liabilities	(3.0)	(3.7)
Net change in financial liabilities	***(451.9)***	***(21.1)***
Change in cash and cash equivalents	753.7	343.3
Effect of exchange rate changes on net financial debt	82.2	117.3
Effect of changes in consolidation scope on gross indebtedness	4.5	6.1
Debt disposed of	(33.6)	-
Amortization of transaction costs	6.6	8.6
Non recurring refinancing costs	52.5	-
Other changes	(4.5)	8.7
As of September 30,	**2,622.6**	**2,654.8**

16.3 | Liquidity Risk

The Group's approach to managing liquidity is to ensure that it will have sufficient liquidity to meet its financial liabilities when they are due. The Group aims to maintain the level of its cash and cash equivalents and available credit facilities at an amount in excess of its cash outflows on financial liabilities over the next 12 months.

The contractual repayment schedule of financial liabilities is as follows:

(in millions of euros) ***Due within***	As of September 30, 2015	As of December 31, 2014
One year	531.4	379.1
Two years	371.7	384.2
Three years	538.4	644.8
Four years	2.2	501.5
Five years	1,128.7	409.3
Thereafter	505.4	1,088.9
Total gross financial debt before transaction costs........	**3,077.8**	**3,407.9**
Transaction costs	(34.3)	(40.9)
Gross financial debt	**3,043.4**	**3,367.1**

The €650 million and the US$500 million senior notes issued in April 2013 mature in June 2020, the €500 million senior notes issued in May 2015 mature in 2022.

The Senior Facility Agreement was amended in November 2014 for a period of 5 years ending in November 2019. The Senior Facility Agreement together with the Bilateral Term loans provide a five-year multicurrency revolving credit facility for an aggregate maximum available amount of €1,062.7 million which can also be drawn down through swingline loans for an aggregate amount of €157.5 million.

On June 26, 2015, Rexel extended the maturity of its $40 million Revolving Credit Facility agreement with Wells Fargo Bank International for a period of two years ending on June 27, 2017. As of September 30, 2015 this Facility was not drawn down.

Lastly, securitization programs mature in 2015, 2016 and 2017. The financing under these programs directly depends on the amounts and quality of transferred receivables. In the event that the relevant companies do not comply with certain obligations, these securitization programs may have to be repaid earlier, which could have an adverse effect on the Group's liquidity and financial situation. In addition, if the special purpose entities to which the receivables have been transferred were unable to issue short term debt (commercial paper) under conditions that are equal to those available up to now, the Group's liquidity and financial position could be affected.

As of September 30, 2015, the Group's liquidity amounted to €1,146.6 million (€2,052.2 million as of December 31, 2014) in excess of €614.7 million compared to €531.9 million expected to be paid within the next twelve months with respect to debt repayment.

(in millions of euros)	As of September 30, 2015	As of December 31, 2014
Cash and cash equivalents	387.5	1,159.8
Bank overdrafts	(92.4)	(81.7)
Commercial paper	(211.3)	(85.9)
Undrawn Senior credit agreement	982.0	982.0
Bilateral facilities	80.7	77.9
Liquidity	**1,146.6**	**2,052.2**

17. | FAIR VALUE OF FINANCIAL INSTRUMENTS

As of September 30, 2015, the Group held the following classes of financial instruments measured at fair value:

(in millions of euros)	September 30, 2015		December 31, 2014		
	Carrying amount	*Fair value*	Carrying amount	*Fair value*	IFRS13 Hierarchy
Financial assets					
Hedging derivatives …………………	31.1	31.1	-	-	Level 2
Other derivatives ……………………	-	-	0.1	0.1	Level 2
Financial liabilities					
Senior notes …………………………	1,630.1	1,587.7	1,992.2	2,045.9	Level 1
Hedging derivatives …………………	6.3	6.3	7.6	7.6	Level 2
Other derivatives ……………………	10.5	10.5	12.1	12.1	Level 2

IFRS hierarchy:

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is material to the fair value measurement as a whole:

- Level 1 — Quoted market prices in an active market (that are unadjusted) for identical assets or liabilities
- Level 2 — Valuation techniques (for which the lowest level input that is material to the fair value measurement is directly or indirectly observable)
- Level 3 — Valuation techniques (for which the lowest level input that is material to the fair value measurement is unobservable)

Valuation techniques:

The foreign currency forward contracts are measured based on observable spot exchange rates, the yield curves of the respective currencies as well as the currency basis spreads between the respective currencies.

Interest rate swaps are measured using present value techniques based on observable interest yield curves. The Group also takes into account the counterparties credit risk for derivative assets or the Group's own credit risk for derivatives liabilities.

18. | SEASONALITY

Despite the low impact of seasonality on sales, changes in the Group's working capital requirements lead to variations in cash flows over the course of the year. As a general rule, the Group's cash flows are the strongest in the fourth quarter while relatively lower in the three other quarters, because of higher working capital requirements in those periods.

19. | LITIGATION

For the period ended September 30, 2015, there was no change relating to the litigation disclosed in the financial statements as of December 31, 2014 with a material impact on Rexel's financial position or profitability.

20. | EVENTS AFTER THE REPORTING PERIOD

On October 13, 2015, Rexel announced the signing of an agreement to acquire Sofinther, a distribution company specializing in thermal, heating and control solutions. This acquisition reinforces Rexel's multi-energy expertise in France, which the Group has been developing since 2012 to complement its electrical solutions offer. This transaction remains subject to the approval of relevant authorities and should be completed by the beginning of 2016.

On October 19, 2015, the maturity date of Rexel’s senior facility agreement was extended by one year to November 12, 2020.