Rexel
a world of energy

PRESS RELEASE - Paris, February 13, 2014

FULL-YEAR 2013 RESULTS
RESILIENT PERFORMANCE IN A CHALLENGING ENVIRONMENT
SOLID CASH FLOW GENERATION
SIGNIFICANT DEBT REDUCTION
STABLE PROPOSED DIVIDEND AT €0.75 PER SHARE

RESILIENT PERFORMANCE IN A CHALLENGING ENVIRONMENT

- **Sales of €13.012bn, down 3.3% on a reported basis and down 2.7% on a constant and same-day basis ; sales sequentially improved in Q4 (-0.9% on a constant and same-day basis after -2.7% in Q3)**
- **Adj. EBITA[1] margin of 5.4%, down 26bps year-on-year, in line with the Group's operating efficiency ratio**

SOLID CASH FLOW GENERATION AND SIGNIFICANT DEBT REDUCTION

- **Free cash flow of €601m before interest and tax and €337m after interest and tax, in line with the Group's EBITDA conversion rate**
- **Net debt reduced by €407m or 16% year-on-year; improved indebtedness ratio at 2.72x EBITDA**

FULL-YEAR 2014 OUTLOOK

- **Sales in a range of around 1% below to around 2% above 2013 sales, on a constant and same-day basis**
- **Adjusted EBITA margin in a range of around 10bps below to around 20bps above the 2013 margin, consistent with targeted annual operating efficiency ratio of around 10bp change in adjusted EBITA margin for each percentage point change in sales**
- **Solid free cash-flow, consistent with targeted conversion rate of at least 75% of EBITDA, before interest and tax, and of around 40% of EBITDA, after interest and tax**

Full-year 2013 key figures[1]		YoY change
Sales	**€13,011.6m**	
On a reported basis		-3.3%
On a constant and actual-day basis		-3.0%
On a constant and same-day basis		-2.7%
Adjusted EBITA	**€702.2m**	**-7.6%**
As a percentage of sales	5.4%	
Change in bps as a % of sales	-26bps	
Reported EBITA	**€686.9m**	**-10.5%**
Operating income	**€521.0m**	**-19.5%**
Net income		
Net income	€211.0m	-33.8%
Recurring net income	€328.1m	-15.1%
Free cash flow before interest and tax	**€600.6m**	**-4.3%**
Net debt at year-end	**€2,192.0m**	**-15.7%**

1 See definition in the Glossary section on page 8

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

"Rexel's 2013 performance once again confirmed the strength of its business model in a persistently challenging environment, as well as its structural ability to generate solid cash flow throughout the cycle. Despite a 3% decline in organic sales, we delivered resilient profitability, driven by gross margin discipline and strict cost control.

In line with our policy of paying out at least 40% of recurring net income, we will propose to our shareholders to maintain the 2014 dividend at last year's level of €0.75 per share.

With respect to 2014, the evolution of our sales and margin will be closely tied to the speed and magnitude of the recovery in Europe and the US non-residential end-market. In this context, we will continue to focus on further developing our high-growth initiatives, enhancing cash generation and increasing operating efficiency through margin discipline and cost control.

Given Rexel's strong positions across the globe, its robust business model and engaged teams, we remain committed to our medium-term ambitions and are confident we will drive sustained value creation for all stakeholders."

FINANCIAL REVIEW FOR THE PERIOD ENDED DECEMBER 31, 2013

- ***Financial statements as of December 31, 2013 were authorized for issue by the Management Board on February 6, 2014 and reviewed by the Supervisory Board meeting held on February 12, 2014. They have been audited by statutory auditors.***
- ***The following terms: EBITA, Adjusted EBITA, EBITDA, Free Cash Flow and Net Debt are defined in the Glossary section of this document.***
- ***Unless otherwise stated, all comments are on a constant and adjusted basis and, for sales, at same number of working days.***

Sales of €3,288m in Q4, down 4.4% year-on-year on a reported basis; down 0.9% year-on-year on a constant and same-day basis, reflecting a sequential improvement over the 2.7% drop in Q3

Sales of €13,012m in FY 2013, down 3.3% year-on-year on a reported basis; down 2.7% year-on-year on a constant and same-day basis, reflecting challenging market conditions in most geographies throughout the year

In the fourth quarter, Rexel posted sales of €3,287.7 million, down 4.4% on a reported basis and down 0.9% on a constant and same-day basis. This 0.9% drop in Q4 represented a sequential improvement over the previous quarters: -3.7% in Q1, -3.3% in Q2 and -2.7% in Q3. Excluding the 0.8% negative impact due to the change in copper-based cable prices, sales were almost stable (-0.1%) on a constant and same-day basis.

The 4.4% drop in sales on a reported basis included:

- A negative currency effect of €138.6 million (mainly due to the depreciation of the US, Canadian and Australian dollars and British pound against the euro),
- A positive effect of €22.8 million from last year's acquisitions (mainly Munro in the US),
- A negative calendar effect of 0.2 percentage point.

The sequential improvement in sales trends on a constant and same-day basis mainly reflected an improvement in Europe (-1.4%, after -5.5% in Q1, -5.2% in Q2 and -4.9% in Q3), driven by first signs of recovery in the UK and Germany, even if these markets still posted slight sales drops in the quarter.

In the full-year, Rexel posted sales of €13,011.6 million, down 3.3% on a reported basis and down 2.7% on a constant and same-day basis. Excluding the 0.8% negative impact due to the change in copper-based cable prices, sales were down 1.9% on a constant and same-day basis.

The 3.3% drop in sales on a reported basis included:

- A negative currency effect of €367.9 million (mainly due to the depreciation of the US, Canadian, and Australian dollars and British pound against the euro),
- A positive effect of €334.6 million from last year's acquisitions (mainly Platt and Munro in the US),
- A negative calendar effect of 0.3 percentage point.

Europe (55% of Group sales): -1.4% in Q4 and -4.2% in FY on a constant and same-day basis

In the fourth quarter, sales in Europe decreased by 3.6% on a reported basis and by 1.4% on a constant and same-day basis.

At zone level, the impact of lower photovoltaic sales in Q4 2013 vs. Q4 2012 is not relevant; it is only relevant for Germany and Belgium, as detailed below.

- In France, sales were broadly stable (-0.1%) and continued to outperform the market. This very solid performance in the quarter was driven by large projects that continued to mitigate the decline in new construction and industrial end-market, as well as increased renovation activity in the residential end-market in anticipation of an announced increase in VAT (from 7% to 10% as from Jan. 1, 2014).
- In the UK, sales posted a significant sequential improvement over the previous quarter, reflecting a gradual improvement in market conditions. They were down 1.9% on a constant and same-day basis, after a 7.5% drop in Q3. Excluding branch restructuring, constant and same-day sales increased by 0.7% year-on-year, vs. a 5.7%-drop in Q3.
- In Germany, sales were down 3.9% in Q4, after a 7.6% drop in Q3. Excluding photovoltaic, sales were down 3.3%, continuing to reflect low activity in the construction and industrial end-markets but significantly improving over the 7.0% recorded in Q3.
- In Scandinavia, sales grew by 0.9%, after drops of 7.0% in Q1, 5.4% in Q2 and 2.9% in Q3. This performance mainly reflected a confirmed return to growth in Sweden (+8.1%, after +4.1% in Q3) and a sequential improvement in Finland (-3.1%, after -13.8% in Q3).
- In Belgium, sales declined by 6.2% in Q4 and by 3.9% excluding photovoltaic sales.
- In the Netherlands, sales posted a 12.3% decline and remained weak as the business continues to adapt to persistently difficult market conditions.
- Both Switzerland (+0.9%) and Austria (-1.3%) remained very resilient and improved performance vs. Q3 (-2.6% and -2.8% respectively).
- Southern European countries continued to be impacted by tough macro-economic conditions. Italy posted an 11% drop, while sales in Spain were down 4.5% and sales in Portugal were broadly stable (-0.1%).

North America (34% of Group sales): -0.3% in Q4 and +0.6% in FY on a constant and same-day basis

In the fourth quarter, sales in North America were down 3.7% on a reported basis and broadly stable (- 0.3%) on a constant and same-day basis. Both the US and Canada were impacted in the quarter by extremely severe weather conditions that continued in January.

- In the US, sales grew by 0.4% in the quarter, confirming the recovery in the residential end-market and improved trends in industry. It is the fourth consecutive quarter of growth resulting in a 2.1% growth in the full-year.
- In Canada, sales were down 2.3% in the quarter (after a drop of 3.4% in the previous quarter). In the full-year, despite the significant impact of lower sales to the mining industry in the first three quarters of the year, sales proved rather resilient with a 3.4% drop in sales on a constant and same-day basis.

Asia-Pacific (9% of Group sales): -1.5% in Q4 and -5.4% in FY on a constant and same-day basis

In the fourth quarter, sales in Asia-Pacific were down 10.7% on a reported basis, including a significant negative effect of €33.1m from currencies (primarily the Australian dollar against the euro) and a positive effect of €2.7m from the acquisition of LuxLight in Singapore.

On a constant and same-day basis, sales were down 1.5%.

- In China (c. 30% of the region's sales), sales were up 3.4%, in the quarter, driven by solid activity in the industrial automation segment.
- In South-East Asia (c. 5% of the region's sales), sales continued to show strong dynamism, growing by 4.7%.
- In Australia (c. 55% of the region's sales), sales were down 8.2%, still impacted by tough macroeconomic conditions and by the implementation of a new carbon tax since July 2012, which severely hit mining projects. This is however a sequential improvement over the double-digit declines recorded in the previous quarters (-13.4% in Q1, -15.5% in Q2 and -12.8% in Q3). Excluding the impact of branch closures, sales were down 7.2% (after -8.7% in Q3).
- In New Zealand (c. 10% of the region's sales), sales decreased by 4.8% after a limited 0.5% drop in Q3; this deterioration mainly reflected a more challenging base (Q4 2012 posted a 0.4% drop while Q3 2012 posted a 14.8% drop).

Latin America (2% of Group sales): +3.5% in Q4 and -0.5% in FY on a constant and same-day basis

In the fourth quarter, sales in Latin America were down 9.1% on a reported basis, including a negative currency effect of €10.2m (mainly attributable to the depreciation of the Brazilian real and Chilean peso against the euro).

On a constant and same-day basis, sales increased by 3.5%, reflecting contrasted performances:

- In Brazil (c. 60% of the region's sales), sales were stable and confirmed slowing momentum already apparent in Q3 (+6.6% in Q1, +7.8% in Q2 and +2.4% in Q3).
- In Chile (c. 30% of the region's sales), sales confirmed their return to growth and were up 7.9% in the quarter (after +5.4% in Q3). This compares to declines of 20.3% and 25.0% respectively in Q1 and Q2, which were strongly impacted by the slowdown in sales to the mining industry and challenging comparables.
- In Peru (c. 10% of the region's sales), sales increased by 9.5%.

Resilient profitability, confirming solid operational efficiency and strict cost control, in a challenging environment

In the fourth quarter, adjusted EBITA margin stood at 5.83%. This represented a drop of 27bps year-on-year (adjusted EBITA margin was 6.10 % in Q4 2012), while sales were down by 1.1% on a constant and actual-day basis.

The 27 basis point drop year-on-year reflected:

- A 20 basis point drop in gross margin, mainly reflecting a significant drop (-170bps) of the gross margin of our Canadian operations, which were adversely affected by a combination of the increased proportion of revenues generated by major photovoltaic projects that carry lower gross margin, lower rebates from suppliers and increased competitive pressure due to unusually severe weather conditions that affected the market,
- A 7 basis point increase in distribution and administrative expenses (including depreciation) as a percentage of sales to 18.95%. Excluding depreciation, these expenses were reduced by 0.7%, broadly in line with the 1.1% drop in sales on a constant and actual-day basis.

In the full-year, adjusted EBITA margin decreased by 26 basis points to 5.40% (compared to 5.66% in 2012), while sales were down by 3.0% on a constant and actual-day basis.

This 26 basis point drop reflected:

- A broadly stable gross margin, recording a limited drop of 4 basis points year-on-year at 24.63% (vs. 24.67% in 2012),
- A 22 basis point increase in distribution and administrative expenses (including depreciation) as a percentage of sales to 19.23%. Excluding depreciation, these expenses were reduced by 2.0%, compared to a 3.0% drop in sales on a constant and actual-day basis.

Reported EBITA stood at €686.9 million in the full-year, a decrease of 10.5% year-on-year.

Reported net income impacted by one-off financial expense, goodwill impairment and expected rise in tax rate
Recurring net income of €328m, down 15.1% year-on-year

Operating income stood at €521.0 million in the full-year, down 19.5% year-on-year.

- Amortization of intangibles resulting from purchase price allocation amounted to €19.7 million (vs. €13.3 million in 2012).
- Other income and expenses amounted to a net charge of €146.2 million (vs. a net charge of €106.7 million in 2012). They included €63.6 million of restructuring costs (vs. €49.9 million in 2012). They also included a €67.3 million goodwill impairment charge, of which €44.0 million were recorded at June 30 (almost entirely related to operations in The Netherlands) and €23.3 million were recorded at December 31 (related to operations in Brazil for €21.1 million and in Slovenia for €2.2 million).

Net financial expenses amounted to €213.5 million in the full-year (vs. €200.1 million in 2012). They included the one-off financial expense of €23.5 million due to the refinancing operations that took place in the first quarter. The average effective interest rate was significantly reduced throughout the year: it stood at 6.3% on net debt (vs. 7.0% in 2012) and at 5.4% on gross debt (vs. 6.3% in 2012).

Income tax represented a charge of €96.9 million in the full-year. The effective tax rate was 31.5% (vs. 29.4% in 2012).

As a result of the above elements (drop in operating income, increased restructuring costs, goodwill depreciation, one-off financial expense and higher tax rate), net income was down 33.8% in the full-year, at €211.0 million (vs. €318.6 million in 2012).

Recurring net income amounted to €328.1 million in the full-year, down 15.1% year-on-year, mainly reflecting the drop in EBITA (see appendix 2).

Solid generation of free cash-flow before interest and tax of €601m in the full-year
Net debt reduced by 15.7% to c. €2.2bn and indebtedness ratio well below 3x (2.72x EBITDA)

In the full-year, free cash flow before interest and tax was an inflow of €600.6 million (vs. an inflow of €627.5 million in 2012). This net inflow included:

- Gross capital expenditure of €102.3 million (vs. €90.6 million in 2012),
- Almost no change in working capital (very limited outflow of €1.1 million), as working capital has been tightly managed continuously.

At December 31, 2013, net debt stood at €2,192.0 million, reduced by slightly more than €400 million over the year (€2,599.2 million at December 31, 2012).

It took into account:

- €169.3 million of net interest paid during the year,
- €94.2 million of income tax paid during the year,
- €103.2 million of favorable currency effect during the year,
- €53.1 million of dividend paid in cash in the third quarter.

At December 31, 2013, the indebtedness ratio (Net financial debt / EBITDA), as calculated under the Senior Credit Agreement terms, stood at 2.72x, vs. 2.95x at December 31, 2012. This is well in line with our objective of an indebtedness ratio below 3 times EBITDA at year-end.

Stable proposed dividend of €0.75 per share, in line with the Group's pay-out policy

Rexel will propose to shareholders a dividend of €0.75 per share, representing 64% of the Group's recurring net income (vs. 53% last year). It will be paid in cash or shares, subject to approval at the Annual Shareholders' Meeting to be held in Paris on May 22, 2014.

This is in line with Rexel's policy of paying out at least 40% of recurring net income, reflecting the Group's confidence in its structural ability to generate strong cash-flow throughout the cycle.

OUTLOOK

Depending on the speed and magnitude of the recovery in Europe and in the US non-residential end-market, Rexel aims at delivering in 2014:

- **Sales in a range of around 1% below to around 2% above 2013 sales, on a constant and same-day basis,**
- **Adjusted EBITA margin in a range of around 10bps below to around 20bps above the 2013 margin, consistent with targeted annual operating efficiency ratio of a change of around 10bps in adjusted EBITA margin for each percentage point change in sales,**
- **Solid free cash-flow, consistent with targeted conversion rate of at least 75% of EBITDA, before interest and tax, and of around 40% of EBITDA, after interest and tax.**

As detailed during its Investor Day, held on November 26, 2013, Rexel will remain focused on four business imperatives:

- **Accelerate its strategic high-growth initiatives,**
- **Enhance its customer-centricity model in its mainstream electrical distribution business,**
- **Boost growth through acquisitions and remain a leading market consolidator,**
- **Drive operational excellence as an enabler for profitable growth,**

and confirms its medium-term ambitions:

- **Outperform the market through a combination of organic growth and targeted acquisitions,**
- **Grow adjusted EBITA margin to around 6.5% within 3 to 5 years,**
- **Generate strong free cash-flow before interest and tax of at least 75% of EBITDA and after interest and tax of around 40% of EBITDA,**
- **Maintain a sound and balanced financial structure, with a net-debt-to-EBITDA ratio not exceeding 3 times.**

CALENDAR

April 30, 2014	First-quarter results
May 22, 2014	Shareholders' Meeting in Paris
July 30, 2014	Second-quarter and Half-year results
October 29, 2014	Third-quarter and 9-month results

FINANCIAL INFORMATION

The financial report for the period ended December 31, 2013 is available on the Group's website (www.rexel.com), in the "Regulated information" section, and has been filed with the French *Autorité des Marchés Financiers*.

A slideshow of the fourth-quarter & full-year 2013 results is also available on the Group's website.

Rexel, a global leader in the professional distribution of products and services for the energy world, addresses three main markets - industrial, commercial and residential. The Group supports customers around the globe, wherever they are, to create value and run their businesses better. With a network of some 2,300 branches in 38 countries, and c. 30,000 employees, Rexel's sales were €13 billion in 2013. Its main shareholders are an investor group led by Clayton, Dubilier & Rice and Eurazeo.
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, STOXX600. Rexel is also part of the following SRI indices: DJSI Europe, FTSE4Good Europe & Global, STOXX Europe Sustainability, EURO STOXX Sustainability, Euronext Vigeo Europe 120 and ESI Excellence Europe. Finally, Rexel is included on the Ethibel EXCELLENCE Investment Registers in recognition of its performance in corporate social responsibility (CSR). For more information, visit Rexel's web site at www.rexel.com

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GLOSSARY

REPORTED EBITA (Earnings Before Interest, Taxes and Amortization) is defined as operating income before amortization of intangible assets recognized upon purchase price allocation and before other income and other expenses.

ADJUSTED EBITA is defined as EBITA excluding the estimated non-recurring net impact from changes in copper-based cable prices.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization) is defined as operating income before depreciation and amortization and before other income and other expenses.

RECURRING NET INCOME is defined as net income adjusted for non-recurring copper effect, other expenses and income, non-recurring financial expenses, net of tax effect associated with the above items.

FREE CASH FLOW is defined as cash from operating activities minus net capital expenditure.

NET DEBT is defined as financial debt less cash and cash equivalents.

APPENDICES

Appendix 1: Segment reporting – Constant and adjusted basis*

** Constant and adjusted = at comparable scope of consolidation and exchange rates, excluding the non-recurring effect related to changes in copper-based cables price and before amortization of purchase price allocation; the non-recurring effect related to changes in copper-based cables price was, at the EBITA level:*
- a loss of €1.3 million in Q4 2012 and a loss of €2.0 million in Q4 2013 ;
- a profit of €1.9 million in FY 2012 and a loss of €15.3 million in FY 2013.

GROUP

Constant and adjusted basis (€m)	Q4 2012	Q4 2013	Change	FY 2012	FY 2013	Change
Sales	3,324.1	**3,287.7**	**-1.1%**	13,415.9	**13,011.6**	**-3.0%**
on a constant basis and same days			***-0.9%***			***-2.7%***
Gross profit	830.3	**814.5**	**-1.9%**	3,309.8	**3,204.7**	**-3.2%**
as a % of sales	*24.98%*	*24.77%*	*-20bps*	*24.67%*	*24.63%*	*-4 bps*
Distribution & adm. expenses (incl. depreciation)	(627.5)	(622.9)	-0.7%	(2,550.2)	(2,502.5)	-1.9%
EBITA	202.8	**191.6**	**-5.5%**	759.6	**702.2**	**-7.6%**
as a % of sales	*6.10%*	*5.83%*	*-27bps*	*5.66%*	*5.40%*	*-26bps*
Headcount (end of period)	30,444	**29,852**	**-1.9%**			

EUROPE

Constant and adjusted basis (€m)	Q4 2012	Q4 2013	Change	FY 2012	FY 2013	Change
Sales	1,898.1	**1,853.0**	**-2.4%**	7,437.8	**7,078.6**	**-4.8%**
on a constant basis and same days			***-1.4%***			***-4.2%***
o/w France	659.1	**648.1**	*-1.7%*	2,505.2	**2,423.7**	*-3.3%*
on a constant basis and same days			*-0.1%*			*-2.1%*
United Kingdom	238.0	**233.4**	*-1.9%*	1,005.2	**950.7**	*-5.4%*
on a constant basis and same days			*-1.9%*			*-5.8%*
Germany	217.0	**201.9**	*-7.0%*	867.6	**804.0**	*-7.3%*
on a constant basis and same days			*-3.9%*			*-6.0%*
Scandinavia	234.5	**236.6**	*+0.9%*	923.4	**888.1**	*-3.8%*
on a constant basis and same days			*+0.9%*			*-3.6%*
Gross profit	516.3	**500.9**	**-3.0%**	2,006.6	**1,909.5**	**-4.8%**
as a % of sales	*27.20%*	*27.03%*	*-17bps*	*26.98%*	*26.98%*	*stable*
Distribution & adm. expenses (incl. depreciation)	(367.8)	(363.3)	-1.2%	(1,482.9)	(1,442.4)	-2.7%
EBITA	148.6	**137.7**	**-7.3%**	523.7	**467.1**	**-10.8%**
as a % of sales	*7.83%*	*7.43%*	*-40bps*	*7.04%*	*6.60%*	*-44bps*
Headcount (end of period)	17,052	**16,750**	**-1.8%**			

NORTH AMERICA

	Constant and adjusted basis (€m)	Q4 2012	Q4 2013	Change	FY 2012	FY 2013	Change
Sales		1,074.3	**1,082.6**	**+0.8%**	4,417.6	**4,441.1**	**+0.5%**
	on a constant basis and same days			***-0.3%***			***+0.6%***
o/w	United States	773.6	**788.8**	*+2.0%*	3,151.0	**3,217.4**	*+2.1%*
	on a constant basis and same days			*+0.4%*			*+2.1%*
	Canada	300.6	**293.8**	*-2.3%*	1,266.5	**1,223.7**	*-3.4%*
	on a constant basis and same days			*-2.3%*			*-3.4%*
Gross profit		241.9	**240.5**	**-0.6%**	969.9	**982.3**	**+1.3%**
as a % of sales		*22.52%*	*22.21%*	*-31bps*	*21.96%*	*22.12%*	*+16bps*
Distribution & adm. expenses (incl. depreciation)		(180.5)	(186.7)	+3.4%	(738.4)	(748.7)	+1.4%
EBITA		61.4	**53.8**	**-12.3%**	231.5	**233.5**	**+0.9%**
	as a % of sales	*5.71%*	*4.97%*	*-74bps*	*5.24%*	*5.26%*	*+2bps*
Headcount (end of period)		8,647	**8,613**	**-0.4%**			

ASIA-PACIFIC

	Constant and adjusted basis (€m)	Q4 2012	Q4 2013	Change	FY 2012	FY 2013	Change
Sales		285.5	**282.1**	**-1.2%**	1,265.7	**1,196.8**	**-5.4%**
	on a constant basis and same days			***-1.5%***			***-5.4%***
o/w	China	86.7	**89.6**	*+3.2%*	350.9	**369.5**	*+5.3%*
	on a constant basis and same days			*+3.4%*			*+4.6%*
	Australia	145.4	**134.0**	*-7.9%*	696.4	**605.1**	*-13.1%*
	on a constant basis and same days			*-8.2%*			*-12.7%*
	New Zealand	32.2	**30.7**	*-4.8%*	130.9	**124.6**	*-4.8%*
	on a constant basis and same days			*-4.8%*			*-4.8%*
Gross	**profit**	56.8	**57.6**	**+1.4%**	264.9	**244.8**	**-7.6%**
	as a % of sales	*19.90%*	*20.43%*	*+53bps*	*20.93%*	*20.45%*	*-47bps*
Distribution & adm. expenses (incl. depreciation)		(47.4)	(46.5)	-1.9%	(207.0)	(195.9)	-5.4%
EBITA		9.4	**11.2**	**+18.5%**	57.9	**48.9**	**-15.5%**
	as a % of sales	*3.30%*	*3.95%*	*+66bps*	*4.57%*	*4.09%*	*-48bps*
Headcount (end of period)		2,758	**2,705**	**-1.9%**			

LATIN AMERICA

Constant and adjusted basis (€m)		Q4 2012	Q4 2013	Change	FY 2012	FY 2013	Change
Sales		66.2	**69.8**	**+5.4%**	294.6	**294.8**	**+0.1%**
	on a constant basis and same days			***+3.5%***			***-0.5%***
o/w	Brazil	38.5	**38.7**	*+0.3%*	166.0	**174.8**	*+5.3%*
	on a constant basis and same days			*+0.0%*			*+4.4%*
	Chile	22.3	**25.0**	*+12.2%*	106.2	**95.6**	*-10.0%*
	on a constant basis and same days			*+7.9%*			*-10.0%*
	Peru	5.4	**6.1**	*+13.6%*	22.4	**24.4**	*+9.0%*
	on a constant basis and same days			*+9.5%*			*+8.0%*
Gross	**profit**	14.9	**15.2**	**+1.9%**	66.6	**67.9**	**+1.9%**
	as a % of sales	*22.54%*	*21.78%*	*-75bps*	*22.61%*	*23.03%*	*+42bps*
Distribution & adm. expenses (incl. depreciation)		(14.2)	(15.7)	+10.6%	(60.5)	(67.0)	+10.8%
EBITA		0.7	**(0.5)**	**-179.6%**	6.2	**0.9**	**-85.2%**
	as a % of sales	*1.03%*	*-0.78%*	*-181bps*	*2.09%*	*0.31%*	*-178bps*
Headcount (end of period)		1,775	**1,552**	**-12.6%**			

Appendix 2: Extract of Financial Statements

CONSOLIDATED INCOME STATEMENT

Reported basis (€m)	Q4 2012	Q4 2013	Change	FY 2012	FY 2013	Change
Sales	**3,439.8**	**3,287.7**	**-4.4%**	**13,449.2**	**13,011.6**	**-3.3%**
Gross profit	**855.7**	**812.4**	**-5.1%**	**3,315.0**	**3,188.5**	**-3.8%**
as a % of sales	*24.9%*	*24.7%*		*24.6%*	*24.5%*	
Distribution & adm. expenses (excl. depreciation)	(630.1)	(604.3)	-4.1%	(2,473.9)	(2,424.6)	-2.0%
EBITDA	**225.6**	**208.1**	**-7.7%**	**841.1**	**763.9**	**-9.2%**
as a % of sales	*6.6%*	*6.3%*		*6.3%*	*5.9%*	
Depreciation	(19.4)	(18.5)		(73.7)	(77.0)	
EBITA	**206.2**	**189.7**	**-8.0%**	**767.4**	**686.9**	**-10.5%**
as a % of sales	*6.0%*	*5.8%*		*5.7%*	*5.3%*	
Amortization of intangibles resulting from purchase price allocation	(4.0)	(3.9)		(13.3)	(19.7)	
Operating income bef. other inc. and exp.	**202.2**	**185.7**	**-8.2%**	**754.1**	**667.2**	**-11.5%**
as a % of sales	*5.9%*	*5.6%*		*5.6%*	*5.1%*	
Other income and expenses	(37.0)	(51.3)		(106.7)	(146.2)	
Operating income	**165.2**	**134.4**	**-18.6%**	**647.4**	**521.0**	**-19.5%**
Financial expenses (net)	(51.1)	(50.0)		(200.1)	(213.5)	
Share of profit (loss) in associates	1.6	0.0		3.1	0.4	
Net income (loss) before income tax	**115.6**	**84.3**	**-27.1%**	**450.3**	**307.9**	**-31.6%**
Income tax	(33.4)	(24.4)		(131.7)	(96.9)	
Net income (loss)	**82.2**	**59.9**	**-27.1%**	**318.6**	**211.0**	**-33.8%**
Net income (loss) attr. to non-controlling interests	(0.2)	0.0		0.5	0.4	
Net income (loss) attr. to equity holders of the parent	**82.4**	**59.9**	**-27.3%**	**318.1**	**210.6**	**-33.8%**

Bridge Between Operating Income Before Other Income And Other Expenses And Adjusted EBITA

in €m	Q4 2012	Q4 2013	FY 2012	FY 2013
Operating income before other income and other expenses	**202.2**	**185.7**	**754.1**	**667.2**
Change in scope effects	2.5		13.1	
Foreign exchange effects	-7.1		-19.0	
Non-recurring effect related to copper	1.3	2	-1.9	15.3
Amortization of intangibles resulting from PPA	4	3.9	13.3	19.7
Adjusted EBITA on a constant basis	**202.8**	**191.6**	**759.6**	**702.2**

Recurring Net Income

In millions of euros	Q4 2012	Q4 2013	Change	FY 2012	FY 2013	Change
Reported net income	82.2	**59.9**	**-27.1%**	318.6	**211.0**	**-33.8%**
Non-recurring copper effect	1.3	**2.0**		-1.8	**15.3**	
Other expense & income	36.9	**51.3**		106.7	**146.2**	
Financial expense	0.0	**0.0**		-7.4	**23.5**	
Tax expense	-20.4	**-42.7**		-29.4	**-67.8**	
Recurring net income	100.1	**70.6**	**-29.5%**	386.7	**328.1**	**-15.1%**

Sales And Profitability By Segment

Reported basis (€m)	Q4 2012	Q4 2013	Change	FY 2012	FY 2013	Change
Sales	**3,439.8**	**3,287.7**	**-4.4%**	**13,449.2**	**13,011.6**	**-3.3%**
Europe	1,923.0	1,853.0	-3.6%	7,448.6	7,078.6	-5.0%
North America	1,124.2	1,082.6	-3.7%	4,348.6	4,441.1	+2.1%
Asia-Pacific	315.9	282.1	-10.7%	1,341.9	1,196.8	-10.8%
Latin America	76.7	69.8	-9.1%	310.0	294.8	-4.9%
Gross profit	**855.7**	**812.4**	**-5.1%**	**3,315.0**	**3,188.5**	**-3.8%**
Europe	521.0	499.1	-4.2%	2,015.2	1,897.4	-5.8%
North America	253.5	240.3	-5.2%	945.7	978.5	+3.5%
Asia-Pacific	63.6	57.6	-9.4%	281.2	244.8	-13.0%
Latin America	17.2	15.2	-11.7%	70.9	67.5	-4.8%
EBITA	**206.2**	**189.7**	**-8.0%**	**767.4**	**686.9**	**-10.5%**
Europe	148.2	135.9	-8.3%	535.4	455.5	-14.9%
North America	64.1	53.7	-16.3%	225.6	230.2	+2.0%
Asia-Pacific	10.5	11.2	+5.9%	60.0	48.9	-18.6%
Latin America	0.7	(0.6)	-180.5%	6.2	0.5	-91.1%

IMPACT ON SALES FROM ACQUISITIONS

Acquisitions	Country	Conso. as from	Q1 2013	Q2 2013	H1 2013	Q3 2013	Q4 2013	FY 2013
Europe	France, UK, Spain, Belgium	misc.	49.9	9.6	59.5	0.0	0.0	59.5
North America	USA	misc.	97.3	105.7	203.0	27.2	20.4	250.6
Asia-Pacific	Singapore	01/01/13	2.8	2.8	5.7	2.7	2.7	11.1
Latin America	Brazil, Peru	misc.	10.3	1.9	12.2	1.5	-0.3	13.4
Total acquisitions			**160.3**	**120.1**	**280.4**	**31.4**	**22.8**	**334.6**

CONSOLIDATED BALANCE SHEET

Assets (€m)	December 31, 2012	December 31, 2013
Goodwill	4,369.2	4,111.2
Intangible assets	1,035.8	1,038.3
Property, plant & equipment	282.7	278.1
Long-term investments(1)	79.5	51.7
Investments in associates	10.8	-
Deferred tax assets	171.9	162.9
Total non-current assets	**5,949.9**	**5,642.2**
Inventories	1,426.7	1,389.5
Trade receivables	2,123.9	2,062.8
Other receivables	502.5	486.1
Assets classified as held for sale	21.2	3.4
Cash and cash equivalents	291.9	957.8
Total current assets	**4,366.2**	**4,899.7**
Total assets	**10,316.1**	**10,541.9**

Liabilities (€m)	December 31, 2012	December 31, 2013
Total equity	**4,117.6**	**4,224.7**
Long-term debt	2,303.2	2,908.2
Deferred tax liabilities	152.3	172.1
Other non-current liabilities	474.6	351.4
Total non-current liabilities	**2,930.1**	**3,431.7**
Interest bearing debt & accrued interests	627.6	216.8
Trade payables	1,937.2	2,009.9
Other payables	703.7	658.8
Liabilities classified as held for sale	-	-
Total current liabilities	**3,268.5**	**2,885.5**
Total liabilities	**6,198.6**	**6,317.2**
Total equity & liabilities	**10,316.1**	**10,541.9**

1 *Includes Debt hedge derivatives for €(39.8)m at December 31, 2012 and for €25.1m at December 31, 2013*

CHANGE IN NET DEBT

€m	Q4 2012	Q4 2013	FY 2012	FY 2013
EBITDA	**225.6**	**208.1**	**841.1**	**763.9**
Other operating revenues & costs(1)	(27.9)	(29.5)	(92.6)	(90.0)
Operating cash flow	**197.7**	**178.7**	**748.5**	**674.0**
Change in working capital(2)	230.8	257.8	(37.2)	(1.1)
Net capital expenditure, of which:	(29.6)	(24.0)	(83.8)	(72.1)
Gross capital expenditure	*(36.8)*	*(34.5)*	*(90.6)*	*(102.3)*
Disposal of fixed assets & other	*7.2*	*10.5*	*6.8*	*30.2*
Free cash flow before interest and tax	**398.9**	**412.4**	**627.5**	**600.6**
Net interest paid / received(3)	(43.6)	(40.3)	(169.7)	(169.3)
Income tax paid	(48.5)	(13.4)	(143.4)	(94.2)
Free cash flow after interest and tax	**306.8**	**358.7**	**314.4**	**337.2**
Net financial investment	(125.9)	(1.0)	(617.5)	(5.4)
Dividends paid	0.0	0.0	(143.0)	(53.1)
Net change in equity	0.0	0.0	0.0	0.0
Other	(35.3)	54.1	(83.4)	25.3
Currency exchange variation	28.4	40.0	8.5	103.2
Decrease (increase) in net debt	**174.0**	**451.9**	**(521.0)**	**407.2**
Net debt at the beginning of the period	**2,773.2**	**2,643.9**	**2,078.2**	**2,599.2**
Net debt at the end of the period	**2,599.2**	**2,192.0**	**2,599.2**	**2,192.0**

1 *Includes restructuring outflows:*

- *of €14.0m in Q4 2012 and €25.8m in Q4 2013*
- *and of €46.9m in FY2012 and €71.5m in FY 2013*

2 *Working Capital adjustment to reflect suppliers payments scheduled on Dec. 31, 2013 and executed only on Jan.2nd, 2014 for €51.9m*

3 *Excluding settlement of fair value hedge derivatives*

Appendix 3: Working Capital Analysis

Constant basis	December 31, 2012	December 31, 2013
Net inventories		
as a % of sales 12 rolling months	***10.5%***	***11.0%***
as a number of days	*48.2*	*49.4*
Net trade receivables		
as a % of sales 12 rolling months	***16.0%***	***16.7%***
as a number of days	*54.6*	*55.1*
Net trade payables		
as a % of sales 12 rolling months	***14.1%***	***15.2%***
as a number of days	*58.3*	*60.8*
Trade working capital		
as a % of sales 12 rolling months	***12.4%***	***12.4%***
Total working capital		
as a % of sales 12 rolling months	***11.2%***	***11.4%***

Appendix 4: Headcount and branches by geography

FTEs at end of period comparable	31/12/2012	31/12/2013	Year-on-Year Change
Europe	**17,052**	**16,750**	**-1.8%**
USA	*6,241*	*6,234*	*-0.1%*
Canada	*2,406*	*2,379*	*-1.1%*
North America	**8,647**	**8,613**	**-0.4%**
Asia-Pacific	**2,758**	**2,705**	**-1.9%**
Latin America	**1,775**	**1,552**	**-12.6%**
Other	**212**	**232**	**9.4%**
Group	**30,444**	**29,852**	**-1.9%**

Branches comparable	31/12/2012	31/12/2013	Year-on-Year Change
Europe	**1,359**	**1,306**	**-3.9%**
USA	*401*	*401*	*0.0%*
Canada	*218*	*216*	*-0.9%*
North America	**619**	**617**	**-0.3%**
Asia-Pacific	**262**	**259**	**-1.1%**
Latin America	**96**	**90**	**-6.3%**
Group	**2,336**	**2,272**	**-2.7%**

Appendix 5: Calendar, scope and change effects on sales

To be comparable to 2014 sales, 2013 sales must take into account the following impacts:

	Q1	Q2	Q3	Q4	FY
Calendar effect	**0.0%**	**-0.5%**	**-0.3%**	**+1.1%**	**0.0%**
Scope effect (1)	**c. €14m**	**c. €11m**	**c. €12m**	**c. €11m**	**c. 48m**
Change effect (2)	**-2.6%**	**-2.6%**	**-1.0%**	**+0.2%**	**-1.5%**

(1) Based on acquisitions made in 2013 (mainly Lenn in Singapore and Quality Trading in Thailand)
(2) Based on following main assumptions:

- *1 USD = €1.35*
- *1 AUD = €1.50*
- *1 CAD = €1.40*

Appendix 6: Changes due to the enforcement of IFRIC 21 as from January 1, 2014

IFRIC Interpretation 21 "Levies" clarifies that the obligating event that gives rise to a liability to pay a levy is the activity described in the relevant legislation that triggers the payment of the levy. IFRIC Interpretation 21 applies for accounting period starting from January, 1 2014 with retrospective application as of January, 1 2013. In 2013, the Group reviewed the impact of applying IFRIC Interpretation 21 and estimated the adjustment to be an increase in shareholders' equity of € 2.6 million after tax (€3.9 million before tax) as of January 1, 2013 as a result of a timing difference in the liability recognition. In addition, IFRIC Interpretation 21 prohibits the progressive recognition of a liability for tax levies over the fiscal year and rather requires the one-time recognition of the liability when the obligating event for the payment of the levy is met. As a result of this guidance, the Group expects that 2014 interim financial statements will be impacted by timing differences in the recognition of tax levies due to the adoption of IFRIC Interpretation 21.

€m	Q1	Q2	Q3	Q4	FY
2013 EBITA as reported on Feb. 13, 2014	148.8	172.4	175.9	189.7	686.9
IFRIC 21 restatement	c. (6)	c. 2	c. 2	c. 2	c. 0
2013 EBITA as proforma for 2014 accounts	c. 143	c. 174	c. 178	c. 192	c. 687

Appendix 7: PV, Wind and Mining sales in 2013

YoY change	H1 2013	H2 2013	FY 2013
Photovoltaic sales	-8.2%	+16.8%	+3.4%
Wind sales	-46.4%	+7.4%	-22.0%
Mining sales	-21.0%	+6.2%	-8.9%

DISCLAIMER

The Group is exposed to fluctuations in copper prices in connection with its distribution of cable products. Cables accounted for approximately 15% of the Group's sales, and copper accounts for approximately 60% of the composition of cables. This exposure is indirect since cable prices also reflect copper suppliers' commercial policies and the competitive environment in the Group's markets. Changes in copper prices have an estimated so-called "recurring" effect and an estimated so called "non-recurring" effect on the Group's performance, assessed as part of the monthly internal reporting process of the Rexel Group:
- the recurring effect related to the change in copper-based cable prices corresponds to the change in value of the copper part included in the sales price of cables from one period to another. This effect mainly relates to the Group's sales;
- the non-recurring effect related to the change in copper-based cables prices corresponds to the effect of copper price variations on the sales price of cables between the time they are purchased and the time they are sold, until all such inventory has been sold (direct effect on gross profit). Practically, the non-recurring effect on gross profit is determined by comparing the historical purchase price for copper-based cable and the supplier price effective at the date of the sale of the cables by the Rexel Group. Additionally, the non-recurring effect on EBITA corresponds to the non-recurring effect on gross profit, which may be offset, when appropriate, by the non-recurring portion of changes in the distribution and administrative expenses.

The impact of these two effects is assessed for as much of the Group's total cable sales as possible, over each period. Group procedures require that entities that do not have the information systems capable of such exhaustive calculations to estimate these effects based on a sample representing at least 70% of the sales in the period. The results are then extrapolated to all cables sold during the period for that entity. Considering the sales covered, the Rexel Group considers such estimates of the impact of the two effects to be reasonable.

This document may contain statements of future expectations and other forward-looking statements. By their nature, they are subject to numerous risks and uncertainties, including those described in the Document de Référence registered with the French Autorité des Marchés Financiers (AMF) on March 13, 2013 under number D.13-0130. These forward-looking statements are not guarantees of Rexel's future performance. Rexel's actual results of operations, financial condition and liquidity as well as development of the industry in which Rexel operates may differ materially from those made in or suggested by the forward-looking statements contained in this release. The forward-looking statements contained in this communication speak only as of the date of this communication and Rexel does not undertake, unless required by law or regulation, to update any of the forward-looking statements after this date to conform such statements to actual results, to reflect the occurrence of anticipated results or otherwise.

The market and industry data and forecasts included in this document were obtained from internal surveys, estimates, experts and studies, where appropriate, as well as external market research, publicly available information and industry publications. Rexel, its affiliates, directors, officers, advisors and employees have not independently verified the accuracy of any such market and industry data and forecasts and make no representations or warranties in relation thereto. Such data and forecasts are included herein for information purposes only.

This document includes only summary information and must be read in conjunction with Rexel's Document de Référence registered with the AMF March 13, 2013 under number D.13-0130, as well as the consolidated financial statements and activity report for the 2013 fiscal year, which may be obtained from Rexel's website (www.rexel.com).