

Appointment of Rudy Provoost to the Management Board Compensation and severance packages

Allocation of free shares to Rexel's corporate officers

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Appointment of Rudy Provoost

At its meeting of October 6, 2011, Rexel's Supervisory Board approved the appointment of Rudy Provoost as a member of the Management Board, effective on October 1, 2011, bringing the number of corporate officers to five in line with the bylaws of Rexel.

In February 2012, Rudy Provoost will become Chairman of the Management Board when Jean-Charles Pauze steps down from his current position following the publication of Rexel's 2011 results.

Jean-Charles Pauze, who has been leading Rexel since 2002, has agreed to remain at the disposal of the Group through the end of 2012 to ensure a smooth transition.

Compensation and severance packages for Rudy Provoost

At the same meeting on October 6, 2011, the Supervisory Board, upon recommendation of the Compensation Committee, determined the following compensation package for Rudy Provoost, member of the Management Board, for the financial year 2011:

- gross fixed compensation, amounting to €800,000;
- an annual variable target-based portion which may reach 100% of the gross annual fixed compensation if 100% of the set targets are met. This variable bonus is based for 75% on financial criteria and for 25% on qualitative criteria. If performance achieved exceed 100% of the target, the variable bonus in 2011 may increase up to 145.5% of the 75% portion based on financial criteria and will stay at 100% for the remaining 25%. For the year 2011, Rudy Provoost will receive a variable bonus guaranteed at 100% of the gross annual compensation pro rata temporis;
- an annual gross housing allowance, amounting to €60,000. For the year 2011, this amount will be paid pro rata temporis.

Rudy Provoost will also benefit from the supplementary defined-benefit pension plan that Rexel SA has offered since July 1, 2009, as described in the *2010 document de référence* published on 11 April 2011 that can be consulted on the Rexel website (www.rexel.com).

The terms of the severance package are as follows:

Rudy Provoost does not have an employment contract with any of the companies of the Rexel Group.

In the event of dismissal as a corporate officer, Rudy Provoost would benefit from a gross contractual severance payment equal to 24 months of his monthly reference compensation. The monthly reference compensation is defined as the gross, fixed annual compensation, plus the average gross amount of the last two variable compensation portions received, excluding any exceptional bonus, the sum of which is divided by 12 months.

This gross contractual severance package includes, where applicable, an indemnity for honoring the non-competition clause.

Pursuant to the provisions of Article L 225-90-1 of the French *Code de Commerce*, the severance package, excluding the indemnity for honoring the non-competition clause, would be contingent on meeting performance conditions. At the October 6 meeting, the Supervisory Board decided, subject to the approval of the next General Meeting, that the performance criteria pertaining to the severance package for Rudy Provoost would be the same as those applicable to the other members of the Management Board, as described in detail in the company's *document de référence* (pages 195 to 199).

Rexel considers that it complies with the corporate governance principles, as defined by the AFEP-MEDEF Corporate Governance Code, with the exception of the following items:

- the severance packages of Management Board members are not subject to the following cumulative conditions: (1) forced dismissal and (2) change of control or of strategy;
- to protect Rexel's interests, in case of voluntary or compulsory retirement, non-competition clauses may be applicable.

Allocation of free shares to Rexel's corporate officers

On October 11, 2011, based on the authorization of the General Shareholders' Meeting of May 19, 2011, the Management Board, acting on the recommendation of the Compensation Committee and upon the authorization of the Supervisory Board, decided to proceed with the allocation of free shares to the principal Group executives including corporate officers.

Exceptional free shares plan for Comex members and certain key contributors :

To engage top executives in the creation of value, this exceptional free shares plan is conditional on a three-year presence and on a performance criterion based on the evolution of the Rexel's Total Shareholder Return (TSR) over a 3-year period compared to the evolution of the TSR of a panel of companies in the Electronics & Electrical Equipment sector. This performance criterion covers the entire allocation.

Number of free shares allocated to Rudy Provoost:	430,155
Number of free shares allocated to Michel Favre:	90,419
Number of free shares allocated to Pascal Martin:	90,419
Number of free shares allocated to Jean-Dominique Perret:	57,485

The final amount of free shares acquired will depend upon the degree to which the performance criteria will be met at the end of the 3 year period.

In addition, the following free shares were also allocated to Rudy Provoost:

- 236,532 free shares conditioned on a two-year presence and on performance criteria covering the entire allocation. The plan provides for the possibility of reaching 130% of the nominal amount allocated in the event of the outperformance of indicators. The above figure include the possibility of the outperformance of the following indicators:
 - EBITDA margin increase over 2 years
 - EBITDA level
 - Net debt/EBITDA ratio
- 59,018 free shares conditioned on a two-year presence. This free share allocation marks the arrival of Rudy Provoost within the Group.

Rexel, a global leader in the distribution of electrical supplies, serves three main end markets: industrial, commercial and residential. The Group operates in 36 countries, with a network of some 2,200 branches, and employs 28,000 people. Rexel's sales were €12.0 billion in 2010. Its majority shareholders are an investor group led by Clayton, Dubilier & Rice, Eurazeo and BAML Capital Partners. Rexel is listed on the Eurolist market of Euronext Paris (compartment A, ticker RXL, ISIN code FR0010451203). It is integrated in the following indices: SBF 120, CAC Mid 100, CAC AllTrade, CAC AllShares, FTSE EuroMid, FTSE4Good and STOXX600.

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