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PRESS RELEASE

Paris, July 29, 2015

SECOND-QUARTER & HALF-YEAR 2015 RESULTS (unaudited)

SOLID GROWTH IN REPORTED SALES

SEQUENTIAL IMPROVEMENT IN ADJUSTED EBITA MARGIN IN Q2, DESPITE SLOWDOWN IN ORGANIC SALES

FULL-YEAR 2015 TARGETS CONFIRMED AT LOW END OF GUIDANCE

→ **SOLID GROWTH IN REPORTED SALES**

- **+8.4% in Q2 after +7.2% in Q1; +7.8% in H1, boosted by strong positive currency effect**

→ **SLOWDOWN IN ORGANIC SALES IN Q2**

- **Constant and same-day sales: -1.6% in Q2 after -0.4% in Q1; -1.0% in H1**
  - **Slowdown mainly due to North America, impacted by the strong drop in the Oil & Gas segment (-32% year-on-year in Q2)**
  - **Sequential improvement in Europe and Asia-Pacific**

→ **SEQUENTIAL IMPROVEMENT IN ADJUSTED EBITA MARGIN IN Q2, AT 4.4% OF SALES**

- **Despite slowdown in sales in North America and lower gross margin on cable sales in Europe**

→ **FULL-YEAR 2015 TARGETS CONFIRMED AT LOW END OF GUIDANCE**

Key figures[1]	Q2 2015	YoY	H1 2015	YoY
Sales	**€3,423.5m**		**€6,645.2m**	
On a reported basis		+8.4%		+7.8%
On a constant and same-day basis		-1.6%		-1.0%
Adjusted EBITA	**€149.7m**	**-18.4%**	**€280.6m**	**-14.9%**
As a percentage of sales	4.4%		4.2%	
Change in bps as a % of sales	-90bps		-70bps	
Reported EBITA	**€149.0m**	**-8.8%**	**€275.4m**	**-7.3%**
Operating income	**€102.6m**	**-29.0%**	**€207.6m**	**-18.9%**
Net income from continuing op.	**€20.0m**	**-70.4%**	**€43.2m**	**-61.4%**
Recurring net income	**€81.0m**	**-6.2%**	**€133.4m**	**-8.0%**
FCF before interest & tax from continuing op.	**€144.2m**	**€49.7m**	**€2.4m**	**€(13.7)m**
Net debt at end of period	**€2,556.5m**	**+6.2%**	**€2,556.5m**	**+6.2%**

[1] See definition in the Glossary section of this document; as from this announcement, Latin American operations are presented as “Discontinued operations” and related assets/liabilities as “Assets/Liabilities held for sale”

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

“In the second quarter, our profitability improved sequentially, despite a slowdown in organic sales, which was strongly impacted by a drop in demand of more than 30% in the Oil & Gas segment, representing around 10% of our total sales in North America. We are planning a year-on-year gain in profitability in the second half thanks to further actions on gross margin and enhanced cost efficiency, mainly in North America. This expected improvement allows us to confirm our full-year sales and margin targets at the low-end of our February guidance, while maintaining our cash-flow generation objective. Since the beginning of the year, we have also taken significant steps to further reduce our cost of financing.”

FINANCIAL REVIEW FOR THE PERIOD ENDED JUNE 30, 2015

- *Financial statements as of June 30, 2015 were authorized for issue by the Board of Directors on July 28, 2015. They have been subjected to a limited review by statutory auditors.*
- *As from this announcement, Latin American operations are presented as "Discontinued operations" and related assets/liabilities as "Assets/Liabilities held for sale".*
- *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

In Q2 2015, Rexel posted sales of €3,423.5m, up 8.4% on reported basis, boosted by strong currency effect, and down 1.6% on a constant and same-day basis, mainly reflecting a slowdown in North America, due to strong deterioration in sales to the Oil & Gas industry

In H1 2015, sales amounted to €6,645.2m, up 7.8% on a reported basis and down 1.0% on a constant and same-day basis

In Q2 2015, Rexel posted sales of €3,423.5 million, up 8.4% on a reported basis and down 1.6% on a constant and same-day basis. Excluding the 0.2% positive impact due to the change in copper-based cable prices, sales were down 1.8% on a constant and same-day basis.

The 8.4% increase in sales on a reported basis reflected:

- A positive currency effect of €303.2 million (mainly due to the appreciation of the US dollar against the euro),
- A positive net effect of €13.3 million from recent acquisitions (Elevite in Switzerland, 4 Knights in Thailand, Beijing Ouneng and Shanghai Maxqueen in China) partly offset by the divestment of the operations in the Czech Republic,
- A positive calendar effect of 0.2 percentage points.

In H1 2015, Rexel posted sales of €6,645.2 million, up 7.8% on a reported basis and down 1.0% on a constant and same-day basis. Excluding the 0.1% negative impact due to the change in copper-based cable prices, sales were down 0.9% on a constant and same-day basis.

The 7.8% increase in sales on a reported basis reflected:

- A positive currency effect of €546.1 million (mainly due to the appreciation of the US dollar against the euro),
- A positive net effect of €19.9 million from recent acquisitions (Elevite in Switzerland, 4 Knights in Thailand, Beijing Ouneng and Shanghai Maxqueen in China) partly offset by the divestment of the operations in the Czech Republic,
- A negative calendar effect of 0.2 percentage points.

Europe (54% of Group sales): +1.5% in Q2 and +0.7% in H1 on a constant and same-day basis

In the second quarter, sales in Europe increased by 4.0% on a reported basis and by 1.5% on a constant and same-day basis.

- In France (33% of the region's sales), sales were broadly stable and improved sequentially (down only 0.3% after a 3.6% drop in Q1). Construction activity remained at low levels in Q2. The sequential improvement vs. Q1 2015 mainly reflected an easier comparable base (sales dropped

3.4% year-on-year in Q2 2014 while they dropped by only 0.4% year-on-year in Q1 2014) and higher cable sales.

- In the UK (15% of the region's sales), sales were down 2.3%. Excluding the impact of branch network optimization, sales were down 1.8%, mainly reflecting lower project activity.
- In Germany (11% of the region's sales), sales confirmed their return to growth and were up 1.7%, reflecting the solid industrial end-market and higher cable sales.
- In Scandinavia (12% of the region's sales), sales continued to post solid growth of 7.8%, with Sweden up 8.3%, Norway up 10.2% and Finland up 3.3%.
- In other European countries, performance was as follows:
    - Sales in Belgium and Austria were up 6.0% and 2.1% respectively,
    - In Southern Europe, Spain posted double-digit growth (+16.1%), thanks to strong domestic and export activity, and Italy posted 2.0% growth,
    - In Switzerland, sales were down 2.8%, impacted by lower pricing due to the evolution of the Swiss franc while volumes were stable,
    - In the Netherlands, conditions remained difficult with sales down 3.1%, which marks a significant sequential improvement over the 13.2% drop posted in the previous quarter.

North America (36% of Group sales): -5.9% in Q2 and -3.3% in H1 on a constant and same-day basis

In the second quarter, sales in North America were up 12.8% on a reported basis including a significant positive currency effect of €223.6m (mainly due to the appreciation of the American dollar against the euro). On a constant and same-day basis, sales were down 5.9%, mainly reflecting both the strong deterioration in sales to the Oil & Gas industry, which represent about 10% of the region's sales and dropped by 32% on average in the quarter, as well as lower cable sales.

- In the US (77% of the region's sales), sales were down 4.6%, of which:
    - 3.4 percentage points attributable to the 33%-drop in sales to the Oil & Gas industry (the year-on-year drop stood at only 1.0% in the previous quarter),
    - 1.4 percentage points attributable to lower cable sales,
    - 1.2 percentage points attributable to branch network optimization.
- In Canada (23% of the region's sales), sales were down 10.3%, of which:
    - 2.9 percentage points attributable to the 29%-drop in sales to the Oil & Gas industry (the year-on-year drop stood at 11.7% in the previous quarter),
    - 2.4 percentage points attributable to lower cable sales,
    - 3.4 percentage points attributable to strong drop in photovoltaic sales (down 86% in the quarter after a drop of 60% in the previous quarter).

The above-mentioned branch network optimization in the US is part of a program of cost efficiency measures implemented in North America that will produce full effect as from H2. These measures include:

- In the US:
    - The merging of 23 branches with other existing branches in the same commercial regions and the closure of 9 other branches in Q2 (the number of branches was optimized from 400 branches at the end of Q1 to 370 branches at the end of Q2, including 2 openings in Q2),
    - A net FTE reduction of 237 people (from 6,310 people at the end of Q1 to 6,073 at the end of Q2),
    - The streamlining of the DC (Distribution Center) roll-out plan to 13 regional hub/DCs at the end of 2015 (vs. the 15 initially targeted).

  These measures are expected to generate opex savings of c. 20 million euros on an annualized basis.

- In Canada:
  - The implementation of an ANP ("Absence No Pay") program in Western Canada and Quebec,
  - The adjustment in health insurance costs.

Asia-Pacific (10% of Group sales): -1.1 in Q2 and -1.7% in H1 on a constant and same-day basis

In the second quarter, sales in Asia-Pacific were up 18.0% on a reported basis, including a significant positive effect of €37.6m from currencies (primarily the Chinese Yuan against the euro) and a positive effect of €18.2m from the acquisitions of 4 Knights International in Thailand and Beijing Ouneng and Shanghai Maxqueen in China. On a constant and same-day basis, sales were down 1.1%.

- In Asia (52% of the region's sales), sales were up 1.6%:
  - In China (70% of Asia), sales were broadly stable (+0.4%), despite a strong 59% drop in wind sales; excluding wind sales, sales were up 4.2%.
  - In South-East Asia (22% of Asia), sales were up 5.7%, driven by mainstream business and lighting projects, offsetting pressure on sales to the Oil & Gas industry.

- In the Pacific (48% of the region's sales), sales were down 3.8%:
  - In Australia (81% of Pacific), sales were down 3.8%, reflecting continuing low project activity and the impact of branch closures. Excluding the impact of branch closures, sales were down only 0.5%,
  - In New Zealand (19% of Pacific), sales posted a slight sequential improvement and were down 4.0%, after -6.5% in Q1.

PROFITABILITY

Sequential improvement in adjusted EBITA margin from 4.1% in Q1 to 4.4% in Q2, despite sequential slowdown in sales
Adjusted EBITA of €280.6m in H1, at 4.2% of sales, down 70bps year-on-year, mainly impacted by North America

In the first half, gross margin stood at 24.3% of sales, down 30 basis points year-on-year. This decline mainly reflected a drop in gross margin in Europe (down 65 basis points) due to pressure on cable sales during the second quarter, partly offset by a 15 basis point improvement in gross margin in North America, largely driven by efficient pricing initiatives in Canada.

In the first half, distribution and administrative expenses (including depreciation) stood at 20.1% of sales, up 40 basis points year-on-year as a percentage of sales. This rise mainly reflected a significant increase in North America (up 105 basis points), due to continued increase in transport and logistics costs related to the US transformation program underway, as well as the lag in adapting the cost base to the slowdown in sales in Q2 due to sequential deterioration in Oil & Gas sales. This increase in distribution and administrative expenses as a percentage of sales in North America was partly offset by solid cost control in Europe, where distribution and administrative expenses as a percentage of sales decreased by 20 basis points.

As a result, adjusted EBITA margin in the first half stood at 4.2% of sales, down 70 basis points year-on-year.

In the first half, reported EBITA stood at €275.4 million, down 7.3% year-on-year.

NET INCOME

Net income from continuing operations of €43.2m in H1, mainly impacted by €52.5m due to one-off costs related to financing optimization operations
Recurring net income of €133.4m in H1

Operating income in the first half stood at €207.6 million, down 18.9% year-on-year.

- Amortization of intangibles resulting from purchase price allocation amounted to €8.6 million (vs. €7.6 million in H1 2014),
- Other income and expenses amounted to a net charge of €59.2 million (vs. a net charge of €33.7 million in H1 2014). They included €36.8 million of restructuring costs (vs. €22.6 million in H1 2014) and €19.1 million from goodwill impairment related to operations in Australia and The Netherlands (vs. €6.3 million in H1 2014).

Net financial expenses in the first half amounted to €139.4 million (vs. €91.7 million in H1 2014) and included one-off costs of €52.5 million, due to financing optimization operations:

- €19.6 million due to the early redemption of the 7.000% EUR Senior notes due December 2018 (straight repayment) that took place in Q1,
- €33.0 million due to the early redemption of the 6.125% USD Senior notes due December 2019, which was refinanced through the new issuance of 3.250% EUR Senior notes due June 2022 that took place in Q2.

Both operations will generate significant savings in interest charges and contribute to the continuous improvement in Rexel's financial structure. In the first half, the average effective interest rate decreased by 85 basis points year-on-year: it stood at 4.15% on gross debt (vs. 5.0% in H1 2014).

Income tax in the first half represented a charge of €25.0 million. The effective tax rate was 36.7% (vs. 31.9% in H1 2014) and this rise is mainly due to non-deductible goodwill impairment losses recognized in 2015, as compared to 2014.

Net income from continuing operations in the first half was down 61.4%, at €43.2 million (vs. €111.9 million in H1 2014).

Net income from discontinued operations (Latin America) in the first half was a loss of €41.7 million (vs. a loss of €21.4 million in H1 2014).

As a result, reported net income in the first half amounted to €1.5 million (vs. €90.5 million in H1 2014).

Recurring net income amounted to €133.4 million (vs. €145.0 million in H1 2014) (see appendix 2).

FINANCIAL STRUCTURE

Net debt of €2,556.5m, impacted by an unfavorable currency effect and financing optimization one-offs

In the first half, free cash flow before interest and tax from continuing operations was an inflow of €2.4 million (vs. an inflow of €16.0 million in H1 2014), of which €144.2 million was generated during the second quarter (vs. €94.5 million in Q2 2014).

The €2.4 million net inflow in the half-year included:

- Gross capital expenditure of €51.2 million (vs. €41.5 million in H1 2014),
- An outflow of €213.8 million from change in working capital (vs. an outflow of €238.0 million in H1 2014).

At June 30, 2015, net debt stood at €2,556.5 million, up 6.2% year-on-year.

Change in net debt in the first half included:

- €76.6 million of net interest paid,
- €75.6 million of income tax paid,
- €51.0 million of one-offs related to financing optimization operations,
- €133.9 million of unfavorable currency effect.

At June 30, 2015, the indebtedness ratio (Net financial debt / EBITDA), as calculated under the Senior Credit Agreement terms, stood at 3.2x, vs. 3.0x at June 30, 2014.

Successful placement of €500m notes due 2022 @3.250%

Following the straight repayment of its 7.000% EUR Senior notes due December 2018 in the first quarter, Rexel refinanced its 6.125% USD notes due December 2019 in Q2 through the issuance of €500m 3.250% EUR Senior notes due June 2022. The nominal redeemed amounted to USD500m and represented an outstanding amount of €442.5m as of June 30, 2015.

A one-off refinancing charge was recognized for €33.0m, including:

- A redemption premium of €12.2m,
- Interest charge for the period from June 22 to December 16 of €13.3m,
- And other refinancing costs of €7.5m.

The Net Present Value (NPV) of cash flows related to this refinancing transaction is €14.4m.

This improvement in financing structure allows significant savings in interest charge:

- c. €34m on an annual basis from the straight repayment of the 7% EUR notes
- c. €7m on an annual basis from the refinancing of the 6.125% USD notes

ACQUISITION

Rexel strengthens its market share in Belgium through the acquisition of Electro-Industrie en Acoustiek

In June, Rexel acquired Electro-Industrie en Acoustiek, an electrical distributor based in the Antwerp port. The company mainly addresses clients of the industrial zone of Antwerp's port and benefits from a strong industrial end-market exposure.

With around 30 employees and 3 branches, Electro-Industrie en Acoustiek posted sales of c. €15 million in 2014, with profitability above Group average.

OUTLOOK

In view of the first-half performance, on the one hand, and lower-than-expected copper prices and worse-than-expected Oil & Gas evolution, on the other hand, Rexel now expects to be at the low end of its full-year guidance for sales and profitability:

- **Organic sales decline of a maximum of 2%** *(on a constant and same-day basis and vs. February guidance of "Organic sales growth of between -2% and +2%"),*
- **Adjusted EBITA margin of at least 4.8%** *(vs. 5.0% recorded in 2014 and vs. February guidance of "Adjusted EBITA margin of between 4.8% and 5.2%").*

The adjusted EBITA margin target for full-year 2015 represents a year-on-year improvement in adjusted EBITA margin in the second half of the year.

Rexel maintains unchanged its February target of generating solid free cash-flow in the full-year of:

- **At least 75% of EBITDA before interest and tax,**
- **Around 40% of EBITDA after interest and tax.**

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CALENDAR

October 29, 2015	Third-quarter and 9-month results

FINANCIAL INFORMATION

The financial report for the period ended June 30, 2015 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 second-quarter and half-year 2015 results is also available on the Group's website.

ABOUT REXEL GROUP

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 2,200 branches in 38 countries, and c. 30,000 employees, Rexel's sales were €13.1 billion in 2014.
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, 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

CONTACTS

FINANCIAL ANALYSTS / INVESTORS

Marc MAILLET	+33 1 42 85 76 12	marc.maillet@rexel.com
Florence MEILHAC	+33 1 42 85 57 61	florence.meilhac@rexel.com

PRESS

Pénélope LINAGE	+33 1 42 85 76 28	penelope.linage@rexel.com
Brunswick: Thomas KAMM	+33 1 53 96 83 92	tkamm@brunswickgroup.com

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. Net debt includes debt hedge derivatives.

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 €4.0 million in Q2 2014 and a loss of €0.8 million in Q2 2015 and*
- *a loss of €6.7 million in H1 2014 and a loss of €5.1 million in H1 2015.*

GROUP

Constant and adjusted basis (€m)	Q2 2014	Q2 2015	Change	H1 2014	H1 2015	Change
Sales	3,473.9	**3,423.5**	**-1.4%**	6,727.6	**6,645.2**	**-1.2%**
on a constant basis and same days			***-1.6%***			***-1.0%***
Gross profit	845.1	**815.7**	**-3.5%**	1,655.0	**1,614.9**	**-2.4%**
as a % of sales	*24.3%*	*23.8%*	*-50bps*	*24.6%*	*24.3%*	*-30bps*
Distribution & adm. expenses (incl. depreciation)	(661.7)	(665.9)	+0.6%	(1,325.3)	(1,334.3)	+0.7%
EBITA	183.4	**149.7**	**-18.4%**	329.6	**280.6**	**-14.9%**
as a % of sales	*5.3%*	*4.4%*	*-90bps*	*4.9%*	*4.2%*	*-70bps*
Headcount (end of period)				28,524	**28,006**	**-1.8%**

EUROPE

Constant and adjusted basis (€m)	Q2 2014	Q2 2015	Change	H1 2014	H1 2015	Change
Sales	1,787.8	**1,819.2**	**+1.8%**	3,579.4	**3,604.8**	**+0.7%**
on a constant basis and same days			***+1.5%***			***+0.7%***
o/w France	586.4	**584.4**	*-0.3%*	1,197.6	**1,173.5**	*-2.0%*
on a constant basis and same days			*-0.3%*			*-2.0%*
United Kingdom	274.4	**267.9**	*-2.3%*	554.1	**544.2**	*-1.8%*
on a constant basis and same days			*-2.3%*			*-1.8%*
Germany	188.3	**194.7**	*+3.4%*	386.0	**389.6**	*+0.9%*
on a constant basis and same days			*+1.7%*			*+0.9%*
Scandinavia	217.3	**235.9**	*+8.6%*	422.0	**456.3**	*+8.1%*
on a constant basis and same days			*+7.8%*			*+7.7%*
Gross profit	487.8	**475.0**	**-2.6%**	980.3	**964.7**	**-1.6%**
as a % of sales	*27.3%*	*26.1%*	*-115bps*	*27.4%*	*26.8%*	*-65bps*
Distribution & adm. expenses (incl. depreciation)	(376.0)	(377.1)	+0.3%	(763.7)	(762.2)	-0.2%
EBITA	111.8	**97.9**	**-12.4%**	216.6	**202.5**	**-6.5%**
as a % of sales	*6.3%*	*5.4%*	*-85bps*	*6.1%*	*5.6%*	*-45bps*
Headcount (end of period)				16,544	**16,179**	**-2.2%**

NORTH AMERICA

Constant and adjusted basis (€m)	Q2 2014	Q2 2015	Change	H1 2014	H1 2015	Change
Sales	1,330.6	**1,250.9**	**-6.0%**	2,475.7	**2,379.3**	**-3.9%**
on a constant basis and same days			***-5.9%***			***-3.3%***
o/w United States	1,012.2	**965.3**	*-4.6%*	1,885.0	**1,825.4**	*-3.2%*
on a constant basis and same days			*-4.6%*			*-2.4%*
Canada	318.4	**285.6**	*-10.3%*	590.7	**554.0**	*-6.2%*
on a constant basis and same days			*-10.3%*			*-6.2%*
Gross profit	290.6	**277.8**	**-4.4%**	545.8	**528.6**	**-3.2%**
as a % of sales	*21.8%*	*22.2%*	*+40bps*	*22.0%*	*22.2%*	*+15bps*
Distribution & adm. expenses (incl. depreciation)	(220.0)	(223.1)	+1.4%	(434.9)	(442.9)	+1.8%
EBITA	70.6	**54.7**	**-22.5%**	110.9	**85.7**	**-22.7%**
as a % of sales	*5.3%*	*4.4%*	*-90bps*	*4.5%*	*3.6%*	*-90bps*
Headcount (end of period)				8,487	**8,298**	**-2.2%**

ASIA-PACIFIC

Constant and adjusted basis (€m)	Q2 2014	Q2 2015	Change	H1 2014	H1 2015	Change
Sales	355.4	**353.4**	**-0.6%**	672.4	**661.1**	**-1.7%**
on a constant basis and same days			***-1.1%***			***-1.7%***
o/w China	134.3	**134.9**	*+0.4%*	244.7	**239.7**	*-2.0%*
on a constant basis and same days			*+0.4%*			*-2.0%*
Australia	140.0	**136.2**	*-2.7%*	271.7	**257.9**	*-5.1%*
on a constant basis and same days			*-3.8%*			*-5.6%*
New Zealand	33.2	**31.9**	*-4.0%*	63.7	**60.4**	*-5.2%*
on a constant basis and same days			*-4.0%*			*-5.2%*
Gross profit	66.7	**62.9**	**-5.7%**	128.7	**121.6**	**-5.5%**
as a % of sales	*18.8%*	*17.8%*	*-95bps*	*19.1%*	*18.4%*	*-75bps*
Distribution & adm. expenses (incl. depreciation)	(54.8)	(56.2)	+2.6%	(108.3)	(108.7)	+0.4%
EBITA	11.9	**6.7**	**-43.8%**	20.4	**12.9**	**-36.9%**
as a % of sales	*3.3%*	*1.9%*	*-145bps*	*3.0%*	*1.9%*	*-110bps*
Headcount (end of period)				3,260	**3,264**	**0.1%**

Appendix 2: Extract of Financial Statements

CONSOLIDATED INCOME STATEMENT

Reported basis (€m)	Q2 2014	Q2 2015	Change	H1 2014	H1 2015	Change
Sales	**3,157.3**	**3,423.5**	**+8.4%**	**6,161.7**	**6,645.2**	**+7.8%**
Gross profit	**771.2**	**814.9**	**+5.7%**	**1,521.3**	**1,609.4**	**+5.8%**
as a % of sales	*24.4%*	*23.8%*		*24.7%*	*24.2%*	
Distribution & adm. expenses (excl. depreciation)	(588.4)	(643.0)	+9.3%	(1,185.2)	(1,289.6)	+8.8%
EBITDA	**182.8**	**171.9**	**-5.9%**	**336.1**	**319.8**	**-4.9%**
as a % of sales	*5.8%*	*5.0%*		*5.5%*	*4.8%*	
Depreciation	(19.5)	(22.9)		(38.8)	(44.4)	
EBITA	**163.3**	**149.0**	**-8.8%**	**297.3**	**275.4**	**-7.3%**
as a % of sales	*5.2%*	*4.4%*		*4.8%*	*4.1%*	
Amortization of intangibles resulting from purchase price allocation	(3.8)	(4.3)		(7.6)	(8.6)	
Operating income bef. other inc. and exp.	**159.5**	**144.7**	**-9.3%**	**289.7**	**266.8**	**-7.9%**
as a % of sales	*5.1%*	*4.2%*		*4.7%*	*4.0%*	
Other income and expenses	(15.0)	(42.1)		(33.7)	(59.2)	
Operating income	**144.6**	**102.6**	**-29.0%**	**256.0**	**207.6**	**-18.9%**
Financial expenses (net)	(46.3)	(69.8)		(91.7)	(139.4)	
Net income (loss) before income tax	**98.3**	**32.8**	**-66.6%**	**164.3**	**68.2**	**-58.5%**
Income tax	(30.7)	(12.8)		(52.4)	(25.0)	
Net income (loss) from continuing operations	**67.6**	**20.0**	**-70.4%**	**111.9**	**43.2**	**-61.4%**
Net income (loss) from discontinued operations	(20.3)	(39.2)		(21.4)	(41.7)	
Net income (loss)	**47.3**	**(19.2)**	**n.a.**	**90.5**	**1.5**	**-98.4%**

BRIDGE BETWEEN OPERATING INCOME BEFORE OTHER INCOME AND OTHER EXPENSES AND ADJUSTED EBITA

in €m	Q2 2014	Q2 2015	H1 2014	H1 2015
Operating income before other income and other expenses	**159.5**	**144.7**	**289.7**	**266.8**
Change in scope of consolidation	1.2		1.6	
Foreign exchange effects	14.9		23.9	
Non-recurring effect related to copper	4.0	0.8	6.8	5.1
Amortization of intangibles assets resulting from PPA	3.8	4.3	7.6	8.6
Adjusted EBITA on a constant basis	**183.4**	**149.7**	**329.6**	**280.6**

RECURRING NET INCOME

In millions of euros	Q2 2014 [1]	Q2 2015	Change	H1 2014 [1]	H1 2015	Change
Reported net income	47.3	**20.0**	**-57.7%**	90.5	**43.2**	**-52.2%**
Non-recurring copper effect	3.7	**0.7**		6.3	**5.1**	
Other expense & income	38.8	**42.1**		57.6	**59.2**	
Financial expense		**32.9**			**52.5**	
Tax expense	-3.5	**-14.7**		-9.4	**-26.7**	
Recurring net income	86.4	**81.0**	**-6.2%**	145.0	**133.4**	**-8.0%**

[1] as reported in 2014

SALES AND PROFITABILITY BY SEGMENT

Reported basis (€m)	Q2 2014	Q2 2015	Change	H1 2014	H1 2015	Change
Sales	**3,157.3**	**3,423.5**	**+8.4%**	**6,161.7**	**6,645.2**	**+7.8%**
Europe	1,748.6	1,819.2	+4.0%	3,508.0	3,604.8	+2.8%
North America	1,109.0	1,250.9	+12.8%	2,081.1	2,379.3	+14.3%
Asia-Pacific	299.6	353.4	+18.0%	572.5	661.1	+15.5%
Gross profit	**771.2**	**814.9**	**+5.7%**	**1,521.3**	**1,609.4**	**+5.8%**
Europe	473.7	476.7	+0.6%	954.7	963.6	+0.9%
North America	239.7	275.3	+14.8%	455.0	524.2	+15.2%
Asia-Pacific	57.7	62.9	+9.0%	111.6	121.6	+9.0%
EBITA	**163.3**	**149.0**	**-8.8%**	**297.3**	**275.4**	**-7.3%**
Europe	107.6	99.5	-7.6%	208.6	201.4	-3.4%
North America	57.3	52.5	-8.5%	90.7	81.7	-10.0%
Asia-Pacific	9.2	6.7	-27.4%	16.2	12.9	-20.7%

CONSOLIDATED BALANCE SHEET[1]

Assets (€m)	December 31, 2014	June 30, 2015
Goodwill	4 243,9	4 377,0
Intangible assets	1 084,0	1 114,9
Property, plant & equipment	287,1	289,0
Long-term investments	24,8	35,0
Deferred tax assets	175,2	164,3
Total non-current assets	**5 815,0**	**5 980,2**
Inventories	1 487,2	1 551,5
Trade receivables	2 206,0	2 335,5
Other receivables	508,7	519,7
Assets classified as held for sale	3,7	122,0
Cash and cash equivalents	1 159,8	460,4
Total current assets	**5 365,4**	**4 989,1**
Total assets	**11 180,4**	**10 969,3**

Liabilities (€m)	December 31, 2014	June 30, 2015
Total equity	**4 343,4**	**4 415,7**
Long-term debt	2 995,9	2 510,5
Deferred tax liabilities	196,9	177,9
Other non-current liabilities	437,9	416,2
Total non-current liabilities	**3 630,7**	**3 104,5**
Interest bearing debt & accrued interests	371,2	501,8
Trade payables	2 126,8	2 075,9
Other payables	708,3	767,1
Liabilities related to assets held for sale	0,0	104,4
Total current liabilities	**3 206,3**	**3 449,1**
Total liabilities	**6 837,0**	**6 553,6**
Total equity & liabilities	**11 180,4**	**10 969,3**

1 *Net debt includes:*

- *Debt hedge derivatives for €6.5m at December 31, 2014 and €5.3m at June 30, 2015*
- *Accrued interest receivables for €(0.7)m at December, 2014 and for €(0.7)m at June 30, 2015*

CHANGE IN NET DEBT

€m	Q2 2014	Q2 2015	H1 2014	H1 2015
EBITDA	**182.8**	**171.9**	**336.1**	**319.8**
Other operating revenues & costs[1]	(15.6)	(28.7)	(35.5)	(46.4)
Operating cash flow	**167.2**	**143.2**	**300.6**	**273.4**
Change in working capital	(50.0)	27.0	(238.0)	(213.8)
Net capital expenditure, of which:	(22.7)	(26.0)	(46.5)	(57.2)
Gross capital expenditure	*(23.6)*	*(25.2)*	*(41.5)*	*(51.2)*
Disposal of fixed assets & other	*0.9*	*(0.8)*	*(5.0)*	*(6.0)*
Free cash flow from continuing op. before interest and tax	**94.5**	**144.2**	**16.0**	**2.4**
Net interest paid / received[2]	(37.3)	(36.5)	(74.6)	(76.6)
Income tax paid	(23.4)	(41.8)	(50.6)	(75.6)
Free cash flow from continuing op. after interest and tax	**33.9**	**66.0**	**(109.2)**	**(149.8)**
FCF from discontinued operations	(2.8)	(4.3)	(8.0)	(12.6)
Net financial investment	(2.4)	(9.8)	(9.2)	(20.0)
Dividends paid	0.0	(0.1)	0.0	(0.1)
Net change in equity	(1.5)	0.7	(2.1)	2.6
Other	(5.4)	(5.0)	(68.0)	(29.5)
Currency exchange variation	(23.0)	48.6	(17.9)	(133.9)
Decrease (increase) in net debt	**(1.1)**	**96.1**	**(214.4)**	**(343.4)**
Net debt at the beginning of the period	**2,405.3**	**2,652.5**	**2,192.0**	**2,213.1**
Net debt at the end of the period	**2,406.4**	**2,556.5**	**2,406.4**	**2,556.5**

1 *Includes restructuring outflows of €21.2m in Q2 2015 and €37.8m in H1 2015*
2 *Excluding settlement of fair value hedge derivatives*

Appendix 3: Working Capital Analysis

Constant basis	June 30, 2014	June 30, 2015
Net inventories		
as a % of sales 12 rolling months	***10.9%***	***11.3%***
as a number of days	*49.6*	*52.3*
Net trade receivables		
as a % of sales 12 rolling months	***17.3%***	***16.8%***
as a number of days	*53.4*	*52.9*
Net trade payables		
as a % of sales 12 rolling months	***14.1%***	***14.7%***
as a number of days	*58.1*	*59.4*
Trade working capital		
as a % of sales 12 rolling months	***14.0%***	***13.4%***
Total working capital		
as a % of sales 12 rolling months	***12.0%***	***11.3%***

Appendix 4: Headcount and branches by geography

FTEs at end of period comparable	30/06/2014	31/12/2014	30/06/2015	Year-on-Year Change
Europe	**16,544**	**16,296**	**16,179**	**-2.2%**
USA	*6,131*	*6,297*	*6,073*	*-1.0%*
Canada	*2,356*	*2,355*	*2,226*	*-5.5%*
North America	**8,487**	**8,652**	**8,298**	**-2.2%**
Asia-Pacific	**3,260**	**3,312**	**3,264**	**0.1%**
Other	**233**	**261**	**265**	**13.7%**
Group	**28,524**	**28,520**	**28,006**	**-1.8%**

Branches comparable	30/06/2014	31/12/2014	30/06/2015	Year-on-Year Change
Europe	**1,285**	**1,260**	**1,246**	**-3.0%**
USA	*395*	*398*	*370*	*-6.3%*
Canada	*213*	*207*	*204*	*-4.2%*
North America	**608**	**605**	**574**	**-5.6%**
Asia-Pacific	**272**	**264**	**262**	**-3.7%**
Group	**2,165**	**2,129**	**2,082**	**-3.8%**

Appendix 5: Discontinued operations

- In H1, net income from discontinued operations amounted to €(41.7)m:
  - Sales €128.2m
  - EBITA €(1.8)m
  - PPA amortization €(0.3)m
  - Other income & expense, o/w GW impairment: €(36.2)m €(37.1)m
  - Net financial expense €(4.4)m
  - Income tax €1.8m
  - Net income from discontinued operation €(41.7)m

- As indicated in April 30 press release, divestment of Latin American operations for the FY 2015 should result in an estimated loss of c. €(70)m before tax. This estimated amount includes a negative currency translation effect to be released at completion date.

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Appendix 6: 2014 continuing operations (i.e. excl. Latam) at 2014 exchange rates

In €m	Q1 2014	Q2 2014	Q3 2014	Q4 2014	FY 2014
Sales	**3,004.4**	**3,157.3**	**3,260.4**	**3,402.3**	**12,824.3**
Gross margin	**750.2**	**771.2**	**779.4**	**817.8**	**3,118.6**
EBITA	**134.0**	**163.3**	**168.6**	**180.8**	**646.7**

Appendix 7: Calendar, scope and change effects on sales

Based on the assumption of the following average exchange rates:

- 1€ = 1.12USD
- 1€ = 1.38CAD
- 1€ = 1.44AUD
- 1€ = 0.72GBP

and based on acquisitions to date. 2014 sales should take into account the following estimated impacts to be comparable to 2015:

	Q1	Q2	Q3e	Q4e	FYe
Calendar effect	**-0.6%**	**+0.2%**	**+0.5%**	**+0.8%**	**+0.2%**
Scope effect	**€6.5m**	**€13.3m**	**€16.4m**	**€14.1m**	**€50.4m**
Change effect	**8.1%**	**9.6%**	**7.3%**	**5.3%**	**7.5%**

DISCLAIMER

The Group is exposed to fluctuations in copper prices in connection with its distribution of cable products. Cables accounted for approximately 14% 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: i) 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; ii) 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 25, 2015 under number D.15-0201. 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.

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