Rexel

Q2 and H1 2017 RESULTS (unaudited)

July 31, 2017

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Consolidated financial statements as of June 30, 2017 were authorized for issue by the Board of Directors held on July 28, 2017.

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Q2 & H1 2017 AT A GLANCE

- **Q2 2017**
  Acceleration in same-day sales growth
- **H1 2017**
  +3,6% Adjusted EBITA growth
- **FY 2017**
  Full-year financial targets confirmed

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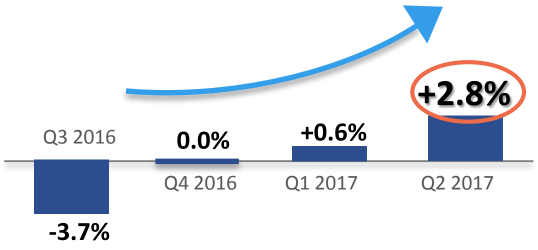
Q2 2017

Acceleration in organic[1] sales growth

- **Sales of €3,342.8m, up 2.8% on a constant and same-day basis, reflecting sequential improvement:**
  - **For the third consecutive quarter**



  - **in sales trends in all 3 geographies**

Trends improving in France (+4.7%)	Return to growth in Canada (+5.3%)	Solid growth in China (+16.9%) largely offset by difficult environment in SE Asia (-31.8%)

  - Down 0.2% on a reported basis, with a negative calendar effect of 2.7%

- **Gross margin up 10bps at 24.3%, improving both in Europe and North America.**
- **Stable adjusted EBITA[2] margin at 4.5%, at €149.9m.**
  - **Europe at 5.8%,** up 30bps year-on-year, despite negative temporary effects in some countries
  - **North America at 3.9%,** down 65bps year-on-year, impacted by US investments for growth
  - **Asia-Pacific at 0.9%,** down 65bps year-on-year, partly due to significant volume drop in SE Asia

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[1] Constant and same-day sales
[2] At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cables price

H1 2017

Improvement in profitability and full-year financial targets confirmed

- **Sales of €6,665.9m**
  - Up 1.7% on constant and same-day basis, including a 1.1% positive copper effect
  - Up 2.4% on a reported basis, benefiting from a 0.7% positive calendar effect, a positive +0.6% currency effect and a -0.6% negative scope impact
- **Adjusted EBITA[1] at €284.9m, up 3.6% year-on-year**
  - Improvement in gross margin, up 5bps at 24.5% of sales
    - Improving in North America and stable in Europe
    - Deteriorating in Asia-Pacific mainly due to weakness in South-East Asia
  - Improvement in adjusted EBITA[1] margin, up 10bps at 4.3% of sales
- **Solid year-on-year increase in reported EBITA, up 11.9% at €292m**
- **Sound financial structure**
  - Indebtedness ratio[2] at June 30 at 3.3x, in line with covenant and traditional seasonality effect
  - Strong financial flexibility and average debt maturity increased to around 4.2 years
- **Full-year financial targets confirmed**

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[1] At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cables price
[2] Net debt/EBITDA ratio as calculated under the Senior Credit Agreement terms

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Q2 REVIEW BY GEOGRAPHY

- **Europe**
  Sequential improvement in sales growth
- **North America**
  Sequential improvement, driven by return to growth in Canada
- **Asia-Pacific**
  Strong growth in China in Q2 offset by volume decline in SE Asia

Europe
Sequential improvement in sales growth

- **Q2 sales of €1,799.1m**
  - **Down 2.6% on a reported basis,** o/w –1.3% from currencies (mainly GBP vs. €), -0.6% from scope and -4.3% from calendar
  - **Up 3.6% on a constant and same-day basis**
- **Sales growth on a constant and same-day basis improved sequentially, driven by France**
  - **Sales in most of our markets were in positive territory supported by a broadly favorable environment:**
    - **France** (36% of the region's sales) was up 4.7%, with trends improving over the quarter, mostly driven by residential and commercial activity
    - **Scandinavia** (13% of the region's sales) **was up 4.3%,** driven by strong growth in Sweden (+12.9%)
    - **Germany** (11% of the region's sales) **was up 2.4%,** mainly driven by sales to industry (notably cables)
    - **Benelux** (9% of the region's sales) posted solid growth, with **Belgium up 9.3%** and **The Netherlands up 15.4% thanks to PV sales**
  - **However, sales dropped in some markets:**
    - **The UK** (12% of the region's sales) **was down 0.9%, which nevertheless represented a sequential improvement compared to Q1 2017 (-3.2%)**, despite an uncertain market environment. This sequential improvement was mainly due to the end of the negative impact from sales of photovoltaic equipment (PV). In Q2 2017, PV impact was neutral vs. -1.3% in Q1 2017
    - **Switzerland** (6% of the region's sales) **was down 2.4%,** impacted by continued unfavorable market conditions and competitive environment

Europe
Improvement in profitability

- **Gross margin at 26.8% of sales in Q2, up 30bps**
  - Positive impact from supplier concentration strategy, partly offset by temporary effects in France (competitive environment in the cable) and in the UK (delays in price increase)
- **Opex & depreciation were stable at 21.1% of sales in Q2, reflecting strict cost control**

(€m)	Q2 2017	YoY	H1 2017	YoY
Sales	**1,799.1**		**3,627.0**	
actual-day		-0.7%		+2.0%
same-day		*+3.6%*		*+2.4%*
Gross margin	**483.0**		**982.2**	
% of sales	*26.8%*	*+30bps*	*27.1%*	*stable*
Opex & depr.	**(379.3)**		**(774.2)**	
% of sales	*-21.1%*	*stable*	*-21.3%*	*+10bps*
Adj. EBITA[1]	**103.7**		**208.0**	
% of sales	*5.8%*	*+30bps*	*5.7%*	*+10bps*

[1] At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cables price

North America

Sequential improvement, driven by return to growth in Canada

- **Q2 sales of €1,210.8m**
  - **Up 3.3% on a reported basis,** o/w +1.7% from currencies (mainly USD vs. €) and -0.3% from calendar
  - **Up 1.9% on a constant and same-day basis**

- **Sales growth on a constant and same-day basis improved sequentially, driven by Canada**
  - **USA** (79% of the region's sales) **posted sales up 1.0%**
    - Faster organic sales growth, especially in our Proximity business, offsetting negative trends in our Project business
    - Continued improving trends in O&G industry, with sales up 16.2%
  - **Canada** (21% of the region's sales) **returned to growth, with sales up 5.3%**
    - Sequential improvement mostly driven by positive momentum in the commercial end -market and good sales of automation products in Q2
    - Strong demand for Wind in the quarter (contributing to 3% of sales growth) notably thanks to a large wind farm project
    - Situation in O&G remained subdued, albeit improving with O&G sales down 11% in Q2 compared to -26% in Q1 2017 and -23% in Q4 2016

North America

Profitability impacted by opex increase while gross margin improved

- **Gross margin at 22.4% of sales in Q2, up 15bps y-o-y, mainly driven by Canada's performance**
- **Opex & depreciation rose by 6.2% or €13.1m in Q2, to support :**
  - sales momentum in North America (up 1.9% on an actual-day basis in Q2)
  - branch/counter opening in the US : 4 branch openings in Q2 (6 branches in H1); medium-term target of 55 confirmed, including around 15 in the first year of the plan
  - commercial actions & inventories service/availability to support the "More customers X More SKUs" strategy
- **FTE increased by 166 in Q2 (FTE in US stood at 6,237 end of June)**

(€m)	Q2 2017	YoY	H1 2017	YoY
Sales	**1,210.8**		**2,401.3**	
Actual-day		*+1.6%*		*+4.1%*
same-day		*+1.9%*		*+1.6%*
Gross margin	**270.7**		**537.3**	
% of sales	*22.4%*	*+15bps*	*22.4%*	*+20bps*
Opex & depr.	**(223,9)**		**(456.1)**	
% of sales	*-18.5%*	*-80bps*	*-19.0%*	*-40bps*
Adj. EBITA[1]	**46.8**		**81.2**	
% of sales	*3.9%*	*-65bps*	*3.4%*	*-20bps*

[1] At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cables price

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Asia-Pacific

Strong growth in China in Q2 offset by volume decline in SE Asia

- **Q2 sales of €332.9m**
  - **Up 0.3% on a reported basis**, o/w +1.7% from currencies (mainly AUD vs. €), -0.4% from scope and - 2.3% from calendar
  - **Up 1.4% on a constant and same-day basis**

- **The 1.4% increase in sales on a constant and same-day basis reflected contrasting situations:**
  - **Asia** (51% of the region's sales) **was up 3.1%, driven by China but strongly impacted by SE Asia**
    - **China** (74% of Asia) **posted solid growth with sales up 16.9% on a constant and same-day basis,** helped by easier comps (-18.1% in Q2 2016) and reflecting increased sales of industrial automation products and solutions
    - **South-East Asia** (18% of Asia) **was down 31.8% on a constant and same-day basis,** largely attributable to the sharp drop in sales to the O&G industry
  - **Pacific** (49% of the region's sales) **was down 0.3%**
    - **Australia** (82% of Pacific) **was up 2.1% on a constant and same-day basis,** reflecting improvement compared to the +0,8% posted in Q1 2017; strong sales to the residential end-market were partly offset by lower project sales
    - **New Zealand** (18% of Pacific) **was down 9.6% on a constant and same-day basis,** mainly due to a challenging base effect (+7.2% in Q2 2016) and delay in project business

Asia-Pacific

Profitability impacted by poor performance in Asia

- **Gross margin at 17.4% of sales, down 130bps year-on-year**
  - Improvement in project mix in Pacific more than offset by the sharp drop in volume in SE Asia and negative banner/business mix in China
- **Opex & depreciation decreased by 4.8% or €2.7m mostly attributable to lower bad debt expense in Q2 2017**

(€m)	Q2 2017	YoY	H1 2017	YoY
Sales	**332.9**		**637.5**	
actual-day		*-1.0%*		*-2.0%*
same-day		*+1.4%*		*-1.6%*
Gross margin	**57.8**		**114.4**	
% of sales	*17.4%*	*-130bps*	*17.9%*	*-60bps*
Opex & depr.	**(-54.8)**		**(112.9)**	
% of sales	*-16.5%*	*+65bps*	*-17.7%*	*-40bps*
Adj. EBITA[1]	**3.0**		**1.5**	
% of sales	*0.9%*	*-65bps*	*0.2%*	*-100bps*

[1] At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cables price

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GROUP FINANCIAL REVIEW

- **Organic same-day sales up 1.7% in H1**
- **Improved Adjusted EBITA margin at 4.3% of sales (vs. 4.2% in H1 2016)**
- **Strong increase in reported EBITA, up 11.9%**
- **Free cash-flow generation mainly impacted by increase in inventories**
- **Slight decrease in net debt year-on-year**

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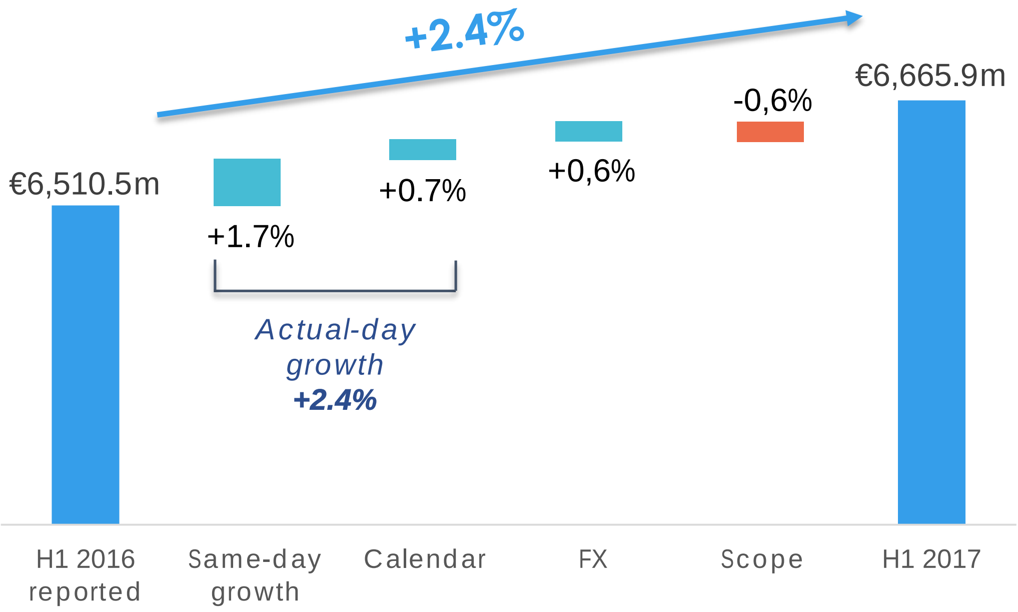
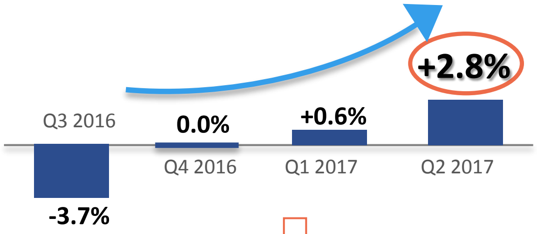
Same-day sales up 1.7% in H1 made of sequential improvement in Q2





Same-day sales growth **+1.7%** in H1 2017

Including a positive effect from copper of 1.1%

Improved profitability in H1 at 4.3% of sales (vs. 4.2% in H1 2016)

H1 2017 (€m)	EUROPE		NORTH AM.		ASIA-PACIFIC		HOLDING		GROUP	
Sales	**3,627.0**	**+2.0%**	**2,401.3**	**+4.1%**	**637.5**	**-2.0%**			**6,665.9**	**+2.4%**
Constant and same-day		*+2.4%*		*+1.6%*		*-1.6%*				*+1.7%*
Gross margin	**982.2**	**+2.0%**	**537.3**	**+5.1%**	**114.4**	**-5.0%**			**1,633.9**	**+2.5%**
% of sales	*27.1%*	*stable*	*22.4%*	*+20bps*	*17.9%*	*-60bps*			*24.5%*	*+5bps*
Opex + depreciation	**(774.2)**	**+1.5%**	**(456.1)**	**+6.5%**	**(112.9)**	**+0.5%**	**(5.7)**	**-62.0%**	**(1,349.0)**	**+2.3%**
% of sales	*-21.3%*	*+10bps*	*-19.0%*	*-40bps*	*-17.7%*	*-40bps*			*-20.2%*	*+5bps*
Adj. EBITA[1]	**208,0**	**+4.3%**	**81.2**	**-1.7%**	**1.5**	**-81.4%**	**(5.8)**	**-61.8%**	**284.9**	**+3.6%**
% of sales	*5.7%*	*+10bps*	*3.4%*	*-20bps*	*+0.2%*	*-100bps*			*4.3%*	*+10bps*

EUROPE

Improved profitability
+10bps in H1

Positive effect of supplier concentration strategy and strict control of opex offset pressure on gross margin mainly due to temporary effects in France and in the UK (cf. slide 7)

NORTH AMERICA

Lower profitability
- 20bps in H1

Reflecting investments in future growth which offset gross margin improvement

ASIA-PACIFIC

Lower profitability
-100bps in H1

due to poor performance in South-East Asia

HOLDING

Lower opex

mainly due to strict costs control and helped by a non-recurring adjustment related to LT incentives

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[1] *At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cables price*

Strong increase in reported EBITA in H1, up 11.9%

- **Reported EBITA of €292.0m, up 11.9%, benefiting from a positive copper contribution.**
- **Other income and expense amounted to €(49.9)m vs €(32.0)m in H1 2016 and included:**
  - Restructuring costs for €(13.9)m vs. €(23.0)m in H1 2016
  - Goodwill impairment in Finland of €(12.8)m and loss on asset disposals & termination of business in SEA for €(20.4)m
- **Net financial expenses amounted to €(63.3)m vs. €(76.9)m in H1 2016**
  - Both periods include charges related to refinancing operations for €(6.3)m in H1 2017 vs. €(10.0)m in H1 2016
  - Excluding these one-offs, net financial expenses stood at €(57.0)m in H1 2017 vs. €(66.9)m in H1 2016; this improvement largely reflected a reduction in average effective interest rate on gross debt from 3.7% in H1 2016 to 3.2% in H1 2017
- **Effective tax rate of 43% (normalized tax rate of 34.7%)**

(€m)	H1 2016	H1 2017	Change
EBITA	**260.9**	**292.0**	**+11.9%**
Amortization resulting from PPA	(9.2)	(9.7)	
Other income and expense	(32.0)	(49.9)	
Operating income	**219.7**	**232.4**	**+5.8%**
Net financial expenses	(76.9)	(63.3)	
Profit before tax	**142.8**	**169.2**	**+18.5%**
Income tax	(47.0)	(72.7)	
Net income	**95.8**	**96.4**	**+0.7%**
Recurring net income[1]	**134.0**	**139.3**	**+4.0%**

[1] *cf. details on appendix 2*

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FCF generation mainly impacted by increase in inventories

- **FCF before interest and tax was down at €(76.5)m vs. €(6.8)m in H1 2016, despite higher EBITDA, reflecting:**
  - Higher cash outflow from restructuring
  - Increase in change in WCR of €(95.8)m
- **Increase in Trade WCR from 13.0% of sales in H1 2016 to 14.0% of sales in H1 2017 explained by:**
  - Higher inventories to support a deeper/larger offer and the opening of branches/counters, as presented during the Capital Market Day ; The temporary build-up in inventories is also explained by better sales momentum in major geographies
  - Higher receivables, reflecting higher sales
- **Slight decrease in capital expenditure at €(51.4)m vs. €(53.4)m in H1 2016**

(€m)	H1 2016	H1 2017
EBITDA	**308.4**	**341.6**
Other operating revenues & costs	(33.9)	(44.8)
o/w Restructuring outflow	*(18.5)*	*(29.3)*
Change in working capital	(224.4)	(320.3)
Net capital expenditure	(56.9)	(53.0)
Free cash-flow before I&T	**(6.8)**	**(76.5)**

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Slight decrease in net debt year-on-year

- **Net debt improved at €2.3bn (down €73.5m year-on-year)**
- **Indebtedness ratio[1] stood at 3.3x compared to 3.2x at June 30, 2016, below our covenant and reflecting traditional seasonality effect**
- **Rexel confirms its commitment to be below 3.0x at December 31, 2017**

(€m)	H1 2016	H1 2017
Free cash-flow before I&T	**(6.9)**	**(76.5)**
Net interest paid	(63.5)	(51.8)
Income tax paid	(34.3)	(63.5)
Free cash-flow after I&T	**(104.7)**	**(191.8)**
Net financial investment	(89.4)	4.2
Other	(8.7)	(10.5)
Net debt variation before currency effect	**(202.8)**	**(198.1)**
Currency change	21.3	63.9
Net debt variation after currency effect	**(181.5)**	**(134.1)**
Debt at the beginning of the period	2,198.7	2,172.6
Debt at the end of the period	**2,380.2**	**2,306.7**

(73.5)

[1] *Net debt/EBITDA ratio as calculated under the Senior Credit Agreement terms*

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Sound financial structure

- **Breakdown of net debt at June 30, 2017:** **€2,306.7m**
  - Senior unsecured notes €1,457.3m
    - EUR Bond issued May 2015 (maturity: June 2022) @ 3.250% €509.2m
    - EUR Bond issued May 2016 (maturity: June 2023) @ 3.500% €650.0m
    - EUR Bond issued March 2017 (maturity: June 2024) @ 2.625% €298.1m
    - USD Bond issues April 2013 (maturity: June 2020) @ 5,250% Redeemed
  - Senior Credit Agreement (SCA) undrawn
    - €1.0bn facility (maturity: Nov. 2021)
  - Securitization (4 programs for a compound commitment of €1.3bn) €996.3m
  - Commercial paper €190.7m
  - Other debt & cash €(337.6)m
- **In March 2017, Rexel successfully issued 7-year €300m senior notes due June 2024 @ 2.625%**
  - The proceeds of these notes were used to redeem in June 2017 the remaining outstanding 5.250% senior USD notes due June 2020
- **Strong financial flexibility, with liquidity of €1.2bn at June 30, 2017**
- **Average effective interest rate on gross debt was reduced by 50bps** (3.2% in H1 2017 vs. 3.7% in H1 2016)
- **Increased average debt maturity to around 4,2 years thanks to bond issuance and extension of 2 bilateral lines for around €80m**
- **Rexel has no significant repayment before June 2022**

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2017 Outlook

- **Sales**
  Growth in the low single digits (on a constant and same-day basis)
- **Adjusted EBITA**
  Growth in the mid-to-high single digits
- **Indebtedness ratio**
  Below 3x at year-end

2017 Outlook

- **Our first half performance and our expectations for the remainder of the year allows us to confirm our annual financial targets, as announced on February 13:**
  - **Resuming organic growth, with sales up in the low single digits** (on a constant and same-day basis) after two years of decline;
  - **A mid to high single-digit increase in adjusted EBITA**[1];
  - **An indebtedness ratio** (net-debt-to-EBITDA, as calculated under the Senior Credit Agreement terms) **of below 3 times at December 31, 2017.**

NB: The estimated impacts per quarter of (i) calendar effects by geography, (ii) changes in the consolidation scope and (iii) currency fluctuations (based on assumptions of average rates over the rest of the year for the Group's main currencies) are detailed in appendix 5.

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[1] *At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cables price*

Update on our key initiatives

- **Rexel's three medium-term strategic priorities**
  - Accelerating growth through "More customers & More SKUs", supported by a multichannel approach and growing digitization
  - Increasing selectivity in capital allocation, focusing on key geographies and business segments, and strengthening its financial structure
  - Improving operational and financial performance

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Appendices

- Segment reporting
- Consolidated financial data
- Working capital analysis
- Headcount & branches by geography
- Calendar, scope and change effects on sales
- Historical copper price evolution

Appendix 1 : Segment reporting – Constant and adjusted basis[1]

GROUP

Constant and adjusted basis (€m)	Q2 2016	Q2 2017	Change	H1 2016	H1 2017	Change
Sales	3,339.1	**3,342.8**	**+0.1%**	6,510.9	**6,665.9**	**+2.4%**
on a constant basis and same days			***+2.8%***			***+1.7%***
Gross profit	808.2	**811.4**	**+0.4%**	1,594.0	**1,633.9**	**+2.5%**
as a % of sales	*24.2%*	*24.3%*	*10 bps*	*24.5%*	*24.5%*	*5 bps*
Distribution & adm. expenses (incl. depreciation)	(656.7)	(661.5)	-0.7%	(1,319.0)	(1,349.0)	-2.3%
EBITA	151.4	**149.9**	**-1.0%**	275.0	**284.9**	**+3.6%**
as a % of sales	*4.5%*	*4.5%*	*0 bps*	*4.2%*	*4.3%*	*10 bps*
Headcount (end of period)	27,365	**27,653**	**1.1%**	27,365	**27,653**	**1.1%**

[1] At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cables price.
The non-recurring effect related to changes in copper-based cable price was, at EBITA level and in €m:

Q2 2016	Q2 2017	H1 2016	H1 2017
(3.3)	(2.3)	(11.6)	7.1

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Appendix 1 : Segment reporting – Constant and adjusted basis[1]

EUROPE

Constant and adjusted basis (€m)	Q2 2016	Q2 2017	Change	H1 2016	H1 2017	Change
Sales	1,811.4	**1,799.1**	**-0.7%**	3,555.0	**3,627.0**	**+2.0%**
on a constant basis and same days			***+3.6%***			***+2.4%***
France	656.6	655.3	*-0.2%*	1,300.0	1,323.3	*+1.8%*
on a constant basis and same days			*+4.7%*			*+2.6%*
United Kingdom	217.0	207.7	*-4.3%*	449.3	439.9	*-2.1%*
on a constant basis and same days			*-0.9%*			*-2.1%*
Germany	200.4	195.8	*-2.3%*	389.6	401.1	*+3.0%*
on a constant basis and same days			*+2.4%*			*+2.9%*
Scandinavia	242.2	240.7	*-0.6%*	454.4	475.9	*+4.7%*
on a constant basis and same days			*+4.3%*			*+4.7%*
Gross profit	480.7	**483.0**	**+0.5%**	962.6	**982.2**	**+2.0%**
as a % of sales	*26.5%*	*26.8%*	*30 bps*	*27.1%*	*27.1%*	*0 bps*
Distribution & adm. expenses (incl. depreciation)	(381.4)	(379.3)	+0.6%	(763.2)	(774.2)	+1.5%
EBITA	99.3	**103.7**	**+4.4%**	199.4	**208.0**	**+4.3%**
as a % of sales	*5.5%*	*5.8%*	*30 bps*	*5.6%*	*5.7%*	*10 bps*
Headcount (end of period)	15,998	**15,803**	**-1.2%**	15,998	**15,803**	**-1.2%**

[1] At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cables price.

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Appendix 1 : Segment reporting – Constant and adjusted basis[1]

NORTH AMERICA

Constant and adjusted basis (€m)	Q2 2016	Q2 2017	Change	H1 2016	H1 2017	Change
Sales	1,191.5	**1,210.8**	**+1.6%**	2,305.6	**2,401.3**	**+4.1%**
on a constant basis and same days			***+1.9%***			***+1.6%***
United States	944.0	954.4	*+1.1%*	1,812.0	1,900.1	*+4.9%*
on a constant basis and same days			*+1.0%*			*+1.6%*
Canada	247.5	256.4	*+3.6%*	493.6	501.2	*+1.5%*
on a constant basis and same days			*+5.3%*			*+1.5%*
Gross profit	264.7	**270.7**	**+2.3%**	511.0	**537.3**	**+5.1%**
as a % of sales	*22.2%*	*22.4%*	*15 bps*	*22.2%*	*22.4%*	*20 bps*
Distribution & adm. expenses (incl. depreciation)	(210.8)	(223.9)	-6.2%	(428.4)	(456.1)	-6.5%
EBITA	53.8	**46.8**	**-13.1%**	82.6	**81.2**	**-1.7%**
as a % of sales	*4.5%*	*3.9%*	*-65 bps*	*3.6%*	*3.4%*	*-20 bps*
Headcount (end of period)	7,904	**8,304**	**5.1%**	7,904	**8,304**	**5.1%**

[1] *At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cables price.*

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Appendix 1 : Segment reporting – Constant and adjusted basis[1]

ASIA-PACIFIC

Constant and adjusted basis (€m)	Q2 2016	Q2 2017	Change	H1 2016	H1 2017	Change
Sales	336.2	**332.9**	**-1.0%**	650.2	**637.5**	**-2.0%**
on a constant basis and same days			***+1.4%***			***-1.6%***
China	107.3	125.4	*+16.9%*	210.6	230.8	*+9.6%*
on a constant basis and same days			*+16.9%*			*+9.6%*
Australia	134.7	133.3	*-1.1%*	258.2	261.9	*+1.4%*
on a constant basis and same days			*+2.1%*			*+1.5%*
New Zealand	34.2	30.0	*-12.3%*	64.1	58.8	*-8.2%*
on a constant basis and same days			*-9.6%*			*-8.2%*
Gross Profit	62.8	**57.8**	**-8.0%**	120.4	**114.4**	**-5.0%**
as a % of sales	*18.7%*	*17.4%*	*-130 bps*	*18.5%*	*17.9%*	*-60 bps*
Distribution & adm. expenses (incl. depreciation)	(57.5)	(54.8)	+4.8%	(112.3)	(112.9)	-0.5%
EBITA	5.3	**3.0**	**-42.9%**	8.1	**1.5**	**-81.4%**
as a % of sales	*1.6%*	*0.9%*	*-65 bps*	*1.2%*	*0.2%*	*-100 bps*
Headcount (end of period)	3,216	**3,323**	**3.3%**	3,216	**3,323**	**3.3%**

[1] At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cables price.

Appendix 2 : Consolidated Income statement

Reported basis (€m)	Q2 2016	Q2 2017	Change	H1 2016	H1 2017	Change
Sales	**3,349.9**	**3,342.8**	**-0.2%**	**6,510.5**	**6,665.9**	**2.4%**
Gross profit	**806.4**	**809.0**	**0.3%**	**1,579.6**	**1,641.3**	**3.9%**
as a % of sales	*24.1%*	*24.2%*		*24.3%*	*24.6%*	
Distribution & adm. expenses (excl. depreciation)	(635.3)	(636.8)	-0.2%	(1,271.2)	(1,299.7)	-2.2%
EBITDA	**171.1**	**172.2**	**0.7%**	**308.4**	**341.6**	**10.8%**
as a % of sales	*5.1%*	*5.2%*		*4.7%*	*5.1%*	
Depreciation	(24.0)	(24.7)		(47.5)	(49.5)	
EBITA	**147.1**	**147.5**	**0.3%**	**260.9**	**292.0**	**11.9%**
as a % of sales	*4.4%*	*4.4%*		*4.0%*	*4.4%*	
Amortization of intangibles resulting from purchase price allocation	(5.3)	(4.8)		(9.2)	(9.7)	
Operating income bef. other inc. and exp.	**141.8**	**142.7**	**0.7%**	**251.7**	**282.3**	**12.2%**
as a % of sales	*4.2%*	*4.3%*		*3.9%*	*4.2%*	
Other income and expenses	(15.0)	(40.1)		(32.0)	(49.9)	
Operating income	**126.7**	**102.6**	**-19.0%**	**219.7**	**232.4**	**5.8%**
Financial expenses (net)	(43.7)	(29.6)		(76.9)	(63.3)	
Net income (loss) before income tax	**83.0**	**73.1**	**-12.0%**	**142.8**	**169.2**	**18.5%**
Income tax	(26.1)	(39.4)		(47.0)	(72.7)	
Net income (loss)	**57.0**	**33.7**	**-40.9%**	**95.8**	**96.4**	**0.7%**

Appendix 2 : Adjusted EBITA bridge and Recurring net income

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

in €m	Q2 2016	Q2 2017	H1 2016	H1 2017
Operating income before other income and other expenses	**141.8**	**142.7**	**251.7**	**282.3**
Change in scope of consolidation	0.5	0.0	1.3	0.0
Foreign exchange effects	0.5	0.0	1.2	0.0
Non-recurring effect related to copper	3.3	2.3	11.6	-7.1
Amortization of intangible assets resulting from PPA	5.3	4.8	9.2	9.7
Adjusted EBITA on a constant basis	**151.4**	**149.9**	**275.0**	**284.9**

BRIDGE BETWEEN REPORTED NET INCOME AND RECURRING NET INCOME

in €m	Q2 2016	Q2 2017	Change	H1 2016	H1 2017	Change
Net income	57.0	33.7	**-40.9%**	95.8	96.4	**+0.7%**
Non-recurring copper effect	3.3	2.3		11.4	-7.1	
Other expense & income	15.0	40.1		32.0	49.9	
Financial expense	10.0	-0.4		10.0	6.3	
Tax expense	-8.0	-4.1		-15.2	-6.2	
Recurring net income	77.3	71.6	**-7.3%**	134.0	139.3	**+4.0%**

Appendix 2 : Sales and profitability by segment – reported basis

Reported basis (€m)	Q2 2016	Q2 2017	Change	H1 2016	H1 2017	Change
Sales	**3,349.9**	**3,342.8**	**-0.2%**	**6,510.5**	**6,665.9**	**+2.4%**
Europe	1,846.4	1,799.1	-2.6%	3,641.5	3,627.0	-0.4%
North America	1,171.6	1,210.8	+3.3%	2,236.4	2,401.3	+7.4%
Asia-Pacific	331.9	332.9	+0.3%	632.6	637.5	+0.8%
Gross profit	**806.4**	**809.0**	**+0.3%**	**1,579.6**	**1,641.3**	**+3.9%**
Europe	487.7	480.1	-1.6%	975.9	987.7	+1.2%
North America	257.1	271.1	+5.4%	487.9	539.2	+10.5%
Asia-Pacific	61.5	57.8	-6.0%	115.8	114.4	-1.2%
EBITA	**147.1**	**147.5**	**+0.3%**	**260.9**	**292.0**	**+11.9%**
Europe	99.3	100.9	+1.7%	195.3	213.2	+9.1%
North America	50.0	47.3	-5.5%	73.1	83.1	+13.6%
Asia-Pacific	4.8	3.0	-37.6%	7.5	1.5	-80.0%

Appendix 2 : Consolidated balance sheet[1]

Assets (€m)	December 31, 2016	June 30, 2017
Goodwill	4,300.2	4,141.8
Intangible assets	1,109.5	1,075.9
Property, plant & equipment	282.4	273.4
Long-term investments	41.8	35.0
Deferred tax assets	128.4	100.8
Total non-current assets	**5,862.3**	**5,626.8**
Inventories	1,579.3	1,573.6
Trade receivables	2,187.3	2,292.0
Other receivables	513.1	511.4
Assets held for sale	0.3	0.0
Cash and cash equivalents	619.3	459.04
Total current assets	**4,899.3**	**4,836.1**
Total assets	**10,761.6**	**10,462.9**

Liabilities (€m)	December 31, 2016	June 30, 2017
Total equity	**4,383.3**	**4,223.1**
Long-term debt	2,195.1	2,122.2
Deferred tax liabilities	240.0	208.2
Other non-current liabilities	423.2	399.0
Total non-current liabilities	**2,858.3**	**2,729.4**
Interest bearing debt & accrued interests	610.0	659.6
Trade payables	2,179.0	2,058.9
Other payables	730.9	791.8
Total current liabilities	**3,519.9**	**3,510.3**
Total liabilities	**6,378.3**	**6,239.7**
Total equity & liabilities	**10,761.6**	**10,462.9**

[1] *Net debt includes Debt hedge derivatives for €(12.3)m at December 31, 2016 and €(15.4)m at June 30, 2017.*
It also includes accrued interest receivables for €(0.9)m at December 31, 2016 and for €(0.7)m at June 30, 2017.

Appendix 2 : Change in net debt

€m	Q2 2016	Q2 2017	H1 2016	H1 2017
EBITDA	**171.1**	**172.2**	**308.4**	**341.6**
Other operating revenues & costs[(1)]	(19.8)	(23.2)	(34.0)	(44.8)
Operating cash flow	**151.3**	**149.1**	**274.5**	**296.8**
Change in working capital	62.7	8.5	(224.4)	(320.3)
Net capital expenditure, of which:	(25.9)	(27.4)	(56.9)	(53.0)
Gross capital expenditure	*(26.9)*	*(30.4)*	*(53.4)*	*(51.4)*
Disposal of fixed assets & other	*1.0*	*3.0*	*(3.5)*	*(1.6)*
Free cash flow from continuing op. before interest and tax	**188.1**	**130.1**	**(6.9)**	**(76.5)**
Net interest paid / received	(31.9)	(26.0)	(63.5)	(51.8)
Income tax paid	(14.0)	(39.3)	(34.3)	(63.5)
Free cash flow from continuing op. after interest and tax	**142.2**	**64.8**	**(104.7)**	**(191.8)**
Net financial investment	(0.0)	6.1	(89.4)	4.2
Dividends paid	(0.0)	(0.0)	(0.0)	(0.0)
Net change in equity	(1.2)	(2.7)	(0.2)	(0.6)
Other	(5.8)	(1.5)	(8.5)	(9.9)
Currency exchange variation	(19.7)	60.0	21.3	63.9
Decrease (increase) in net debt	**115.4**	**126.8**	**(181.5)**	**(134.1)**
Net debt at the beginning of the period	**2,495.6**	**2,433.4**	**2,198.7**	**2,172.6**
Net debt at the end of the period	**2,380.2**	**2,306.7**	**2,380.2**	**2,306.7**

(1) Includes restructuring outflows of :

- *€12.4m in Q2 2017 vs. €10.5m in Q2 2016*
- *€29.3m in H1 2017 vs. €18.5m in H1 2016.*

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Appendix 3 : Working capital

Constant basis	June 30, 2016	June 30, 2017
Net inventories		
as a % of sales 12 rolling months	***11.4%***	***12.1%***
as a number of days	*52.1*	*55.2*
Net trade receivables		
as a % of sales 12 rolling months	***17.1%***	***17.5%***
as a number of days	*53.0*	*52.4*
Net trade payables		
as a % of sales 12 rolling months	***15.5%***	***15.5%***
as a number of days	*62.7*	*62.4*
Trade working capital		
as a % of sales 12 rolling months	***13.0%***	***14.0%***
Total working capital		
as a % of sales 12 rolling months	***10.8%***	***11.7%***

Appendix 4 : Headcount and branch evolution

FTEs at end of period comparable	30/06/17	31/12/16	30/06/16	Year-on-Year Change
Europe	**15,803**	**15,778**	**15,998**	**-1.2%**
USA	*6,237*	*5,935*	*5,831*	**7.0%**
Canada	*2,067*	*2,068*	*2,073*	**-0.3%**
North America	**8,304**	**8,003**	**7,904**	**5.1%**
Asia-Pacific	**3,323**	**3,260**	**3,216**	**3.3%**
Other	**223**	**241**	**248**	**-10.1%**
Group	**27,653**	**27,282**	**27,365**	**1.1%**

Branches comparable	30/06/17	31/12/16	30/06/16	Year-on-Year Change
Europe	**1,189**	**1,196**	**1,202**	**-1.1%**
USA	*375*	*372*	370	**1.4%**
Canada	*189*	*188*	194	**-2.6%**
North America	**564**	**560**	**564**	**0.0%**
Asia-Pacific	**273**	**275**	**266**	**2.6%**
Group	**2,026**	**2,031**	**2,032**	**-0.3%**

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Appendix 5 : Calendar, scope and change effects on sales

Based on the assumption of the following average exchange rates:

1 € =	1.11	USD
1 € =	1.46	CAD
1 € =	1.46	AUD
1 € =	0.87	GBP

and based on acquisitions to date, 2016 sales should take into account the following estimated impacts to be comparable to 2017 :

	Q1 actual	Q2 actual	Q3 est	Q4 est	FY est
Scope effect at Group level	**-26.0**	**-12.9**	**-4.3**	**-6.4**	**-49.6**
as% of 2016 sales	*-0.8%*	*-0.4%*	*-0.1%*	*-0.2%*	*-0.4%*
Currency effect at Group level*	**37.2**	**2.2**	**-39.7**	**-73.8**	**-74.1**
as% of 2016 sales	*1.2%*	*0.1%*	*-1.2%*	*-2.1%*	*-0.6%*
Calendar effect at Group level	**4.1%**	**-2.6%**	**-1.0%**	**-2.5%**	**-0.6%**
Europe	3.6%	-4.3%	-1.6%	-0.6%	-0.7%
USA	*6.8%*	*0.2%*	*-0.2%*	*-7.4%*	*-0.4%*
Canada	*1.6%*	*-1.6%*	*-1.5%*	*0.0%*	*-0.4%*
North America	5.6%	-0.2%	-0.5%	-6.0%	-0.4%
Asia	*0.4%*	*-1.6%*	*0.6%*	*-0.8%*	*-0.4%*
Pacific	*3.3%*	*-2.9%*	*-1.4%*	*-0.1%*	*-0.4%*
Asia-Pacific	1.7%	-2.3%	-0.4%	-0.4%	-0.4%

Appendix 6 : Historical copper price evolution

USD/t	Q1	Q2	Q3	Q4	FY
2015	5,801	6,058	5,275	4,882	**5,493**
2016	4,669	4,730	4,793	5,291	4,870
2017	**5,855**	**5,692**			
2015 vs. 2014	-17%	-10%	-24%	-26%	**-20%**
2016 vs. 2015	-20%	-22%	-9%	+8%	-11%
2017 vs. 2016	**+25%**	**+20%**			

€/t	Q1	Q2	Q3	Q4	FY
2015	5,154	5,483	4,751	4,455	**4,951**
2016	4,237	4,187	4,293	4,911	4,407
2017	**5,498**	**5,168**			
2015 vs. 2014	1%	11%	-10%	-15%	**-4%**
2016 vs. 2015	-18%	-24%	-10%	+10%	-11%
2017 vs. 2016	**+30%**	**+23%**			

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Financial Calendar

October 27, 2017
Third-quarter 2017 results

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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:

- *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 31, 2017 under number D 17-0272. 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 on March 31, 2017 under number D 17-0272, as well as the consolidated financial statements and activity report for the 2016 fiscal year, which may be obtained from Rexel's website (www.rexel.com).