

FIRST-QUARTER 2019 SALES
REVENUE GROWTH FOR THE 10th CONSECUTIVE QUARTER
SAME-DAY SALES GROWTH UP 3.1%
FULL-YEAR GUIDANCE CONFIRMED

→ SALES OF €3.315bn IN Q1

- On a constant and same-day basis, sales up 3.1%, or 5.1% excluding asset disposals and turnaround measures, of which:
 - Europe: up +0.4%, or +3.4% excluding branch closures in Germany and Spain
 - North America: +8.5%, driven by the US
 - Asia-Pacific: -1.9% or up +1.9% restated for the impact of the disposal of our Rockwell industrial business in Australia
- Organic actual-day growth of 2.1%, including -1.0% from calendar and -0.5% from copper
- Reported sales growth of 4.2%, including currency (+2.4%) and scope (-0.4%) effects

→ DIGITAL REVENUE UP 13.8% IN Q1, NOW REPRESENTING 17.2% OF TOTAL SALES AND 24.8% OF SALES IN EUROPE (UP 290 BPS)

→ SUCCESSFUL REFINANCING AT 2.75% FOR A €600m BOND WITH 7-YEAR MATURITY

→ FULL YEAR FINANCIAL TARGETS CONFIRMED

Key figures ¹	Q1 2019	YoY change
Sales	€3,315.0m	
On a reported basis		+4.2%
On a constant and actual-day basis		+2.1%
On a constant and same-day basis		+3.1%
Same-day sales growth by geography		
Europe	€1,814.0m	+0.4%
France	€691.1m	+2.7%
Scandinavia	€231.4m	+6.8%
Benelux	€189.0m	+13.3%
UK	€197.3m	-7.5%
Germany	€163.4m	-19.9%
North America	€1,233.4m	+8.5%
USA	€989.7m	+9.8%
Canada	€243.7m	+3.4%
Asia-Pacific	€267.7m	-1.9%
China	€107.4m	+8.2%
Australia	€115.6m	-5.9%

¹ See definition in the Glossary section of this document

Patrick BERARD, Chief Executive Officer, said:

“Rexel continues to demonstrate consistent organic growth, with sales growth momentum in the first quarter supported by our strategic initiatives. We continue to execute the “Perform” side of our strategic plan, while accelerating our digital journey on the “Transform” side, focusing on the initiatives presented during our full-year results to further enhance customer satisfaction and improve productivity. The first quarter gives us confidence for the rest of the year and we confirm our full year targets.”

SALES REVIEW FOR THE PERIOD ENDED MARCH 31, 2019

- ▶ Q1 18 reported sales have been adjusted for delivery services invoiced to customers in connection with the adoption of IFRS 15 "Revenues from contracts with customers" for €3.9m.
- ▶ Unless otherwise stated, all comments are on a constant and adjusted basis and, for sales, at same number of working days.

SALES

In Q1, sales were up 4.2% year-on-year on a reported basis and up 3.1% on a constant and same-day basis, reflecting solid sales momentum in the US, our key European countries and China.

In the first quarter, Rexel posted sales of €3,315.0 million, up 4.2% on a reported basis, including:

- A positive currency effect of €76.1 million (i.e. +2.4% of Q1 2018 sales), mainly due to the appreciation of the US dollar,
- A negative net scope effect of €12.1 million (i.e. -0.4% of Q1 2018 sales), resulting from the divestments in China,
- A negative calendar effect of 1.0 percentage points.

On a constant and same-day basis, sales were up 3.1%, including a negative effect from the change in copper-based cable prices (-0.5% in Q1 19 vs +0.8% in Q1 18).

Europe (55% of Group sales): +0.4% in Q1 on a constant and same-day basis

In the first quarter, sales in Europe decreased by 0.5% on a reported basis, including a negative currency effect of €0.6m (mainly due to the depreciation of the Swedish Krona against the euro). On a constant and same-day basis, sales were up 0.4% (or up 3.4% excluding branch closures in Germany and Spain).

- Sales in **France** (38% of the region's sales) were up 2.7%, supported by good demand in our project and specialty businesses;
- Sales in **Scandinavia** (13% of the region's sales) were up 6.8%, with positive momentum in Sweden, up +6.8% in a good market environment; commercial and industrial projects (including demand in Electric Vehicles) more than offset negative momentum in residential. Norway was up 10.8% thanks to strong demand from Utilities and the award of a large customer (+6.2% contribution). Finland was up 2.3%;
- In **the UK** (11% of the region's sales), sales dropped by 7.5%, in an uncertain environment, due to greater customer selectivity (to protect margin and cash, -6.3% impact) as well as branch closures (-3.0% impact – 30 branch closures of which 13 in Q1 2019).
- **Benelux** (10% of the region's sales) posted solid +13.3% growth, with good momentum in a favorable environment in all 3 countries, including Belgium (+13.3%) notably driven by the photovoltaic business and the acquisition of a branch in the Courtrai Area (+3.2% contribution);
- Sales in **Germany** (9% of the region's sales) were down 19.9%, reflecting the transformation of the country's business to refocus on profitable activities (industrial segment on a national basis and C&I in the southern part of the country). Restated for the closure of 17 branches, same-day sales were up 3.6%, with positive momentum in C&I and industrial markets, notably utilities, chemical and manufacturing.
- Sales in **Switzerland** (6% of the region's sales) grew by 4.2% (large contract awarded, contributing 1.0%) with good underlying industrial demand.

North America (37% of Group sales): +8.5% in Q1 on a constant and same-day basis

In the first quarter, sales in North America were up 14.7% on a reported basis, including a positive currency effect of €75.9m (mainly due to the appreciation of the US dollar against the euro). On a constant and same-day basis, sales were up 8.5%, driven by the US and Canada.

- In **the US** (80% of the region's sales), sales were up 9.8% on a same-day basis. Sales growth was driven by our three markets (residential, commercial and industrial) all progressing in a range of high single digits to double digits. More specifically:
 - Our new regional organization has a good commercial impact, with strong double-digit growth in the Denver area, California, Texas and Florida offsetting lower growth in the Eastern part of the country.
 - Our initiatives are paying off with 1.1% sales growth contribution from branch/counter openings (+52 since 2017, including 4 in the quarter);
- In **Canada** (20% of the region's sales), sales were up 3.4% on a same-day basis, mainly driven by strong demand in commercial and industrial end-markets, notably mining potash (+1.3% impact).

Asia-Pacific (8% of Group sales): -1.9% in Q1 on a constant and same-day basis

In the first quarter, sales in Asia-Pacific were down 5.8% on a reported basis, including a negative scope effect of €12.1m following the disposal of our business in China and a positive currency effect of €0.8m, mainly due to the appreciation of the US dollar against the euro. On a constant and same-day basis, sales were down 1.9% (but up +1.9% excluding the disposal of part of our industrial business in Australia).

- In the Pacific (53% of the region's sales), sales were down 4.8% on a constant and same-day basis:
 - In **Australia** (82% of Pacific's sales), sales were down 5.9%, or up 2.7% in Q1 restated for the impact of the disposal of our Rockwell automation business in the country (-8.5% impact). Industrial business remains positive; the residential and commercial sectors show signs of slowdown, notably affected by tougher lending conditions. Resources were reallocated to industrial business and public spending.
 - In **New Zealand** (18% of Pacific's sales), sales were up 0.5%.
- In Asia (47% of the region's sales), sales were up 1.5%:
 - In **China** (85% of Asia), sales grew by 8.2% on a challenging base effect (+10.3% in Q1 2018). We saw positive momentum in industrial automation products and solutions, with a refocusing on promising markets.
 - **Middle East and India** (15% of Asia). India posted a strong performance, up in high double digits, driven by strong automation activity, offsetting a negative contribution from a large project in the Middle East that boosted our Q1 2018 performance (-2.8% contribution to APAC growth).

REFINANCING

On February 26th, Rexel successfully placed €600 million of its 2.750% unsecured senior notes due 2026. Rexel used the proceeds of the issuance of the Notes, together with available cash, to redeem on March 19, 2019 the 3.50% senior Euro notes due June 2023.

This issuance will allow Rexel to enhance its financial structure by extending its debt maturity profile and reducing its overall cost of financing.

OUTLOOK

Consistent with our medium-term ambition and assuming no material changes in the macroeconomic environment, we target for 2019, at comparable scope of consolidation and exchange rates:

- **A 2% to 4% same-day sales growth, excluding an estimated unfavorable impact of 1% from branch closures in Germany and Spain;**
- **A 5% to 7% increase in adjusted EBITA¹;**
- **A further improvement of the indebtedness ratio (net debt-to-EBITDA²).**

¹ excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cable prices. At comparable scope and 2018 average currency conditions, we estimate an impact of +€1 million on our 2019 adjusted EBITA

² as calculated under the Senior Credit Agreement terms

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 2.

CALENDAR

May 23, 2019	Annual Shareholder' Meeting
July 30, 2019	Second-quarter and first half 2019 results

FINANCIAL INFORMATION

A slideshow of the first-quarter 2019 sales is also available on the Group's website.

ABOUT REXEL GROUP

Rexel, worldwide expert in the multichannel professional distribution of products and services for the energy world. The Group supports its residential, commercial and industrial customers by providing a tailored and scalable range of products and services in energy management for construction, renovation, production and maintenance.

Rexel operates through a network of nearly 2,000 branches in 26 countries, with almost 27,000 employees. The Group's sales were €13.37 billion in 2018.

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: FTSE4Good, STOXX® Global ESG Leaders, Ethibel Sustainability Index Excellence Europe, Euronext Vigeo Eiris Eurozone 120 and Dow Jones Sustainability Index Europe, 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. 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 cable prices and before amortization of purchase price allocation.

GROUP

Constant and adjusted basis (€m)	Q1 2018	Q1 2019	Change
Sales	3,246.2	3,315.0	+2.1%
<i>on a constant basis and same days</i>			+3.1%

EUROPE

Constant and adjusted basis (€m)	Q1 2018	Q1 2019	Change
Sales	1,821.9	1,814.0	-0.4%
<i>on a constant basis and same days</i>			+0.4%
France	683.5	691.1	+1.1%
<i>on a constant basis and same days</i>			+2.7%
United Kingdom	213.3	197.3	-7.5%
<i>on a constant basis and same days</i>			-7.5%
Germany	203.9	163.4	-19.9%
<i>on a constant basis and same days</i>			-19.9%
Scandinavia	215.8	231.4	+7.2%
<i>on a constant basis and same days</i>			+6.8%

NORTH AMERICA

Constant and adjusted basis (€m)	Q1 2018	Q1 2019	Change
Sales	1,151.5	1,233.4	+7.1%
<i>on a constant basis and same days</i>			+8.5%
United States	915.7	989.7	+8.1%
<i>on a constant basis and same days</i>			+9.8%
Canada	235.8	243.7	+3.4%
<i>on a constant basis and same days</i>			+3.4%

ASIA-PACIFIC

Constant and adjusted basis (€m)	Q1 2018	Q1 2019	Change
Sales	272.8	267.7	-1.9%
<i>on a constant basis and same days</i>			-1.9%
China	99.2	107.4	+8.2%
<i>on a constant basis and same days</i>			+8.2%
Australia	122.5	115.6	-5.6%
<i>on a constant basis and same days</i>			-5.9%
New Zealand	25.7	25.9	+0.5%
<i>on a constant basis and same days</i>			+0.5%

Appendix 2: Calendar, scope and currency effects on sales

Based on the assumption of the following average exchange rates:

1 €	=	1.13	USD
1 €	=	1.51	CAD
1 €	=	1.58	AUD
1 €	=	0.87	GBP

and based on acquisitions/divestments to date, 2018 sales should take into account the following estimated impacts to be comparable to 2019 :

	Q1 actual	Q2e	Q3e	Q4e	FYe
Scope effect at Group level	(12.1)	(11.5)	(10.9)	(15.7)	(50.2)
<i>as% of 2018 sales</i>	-0.4%	-0.3%	-0.3%	-0.4%	-0.4%
Currency effect at Group level	76.1	65.0	47.0	22.7	210.8
<i>as% of 2018 sales</i>	2.4%	1.9%	1.4%	0.6%	1.6%
Calendar effect at Group level	-1.0%	-0.6%	1.0%	0.3%	0.0%
Europe	-0.8%	-0.6%	1.6%	-0.3%	-0.1%
USA	-1.7%	-0.1%	0.0%	1.6%	0.0%
Canada	0.0%	-1.6%	1.6%	0.0%	0.0%
North America	-1.4%	-0.4%	0.3%	1.2%	0.0%
Asia	-0.2%	-0.4%	-0.5%	0.6%	-0.1%
Pacific	0.2%	-1.7%	1.6%	0.1%	0.0%
Asia-Pacific	0.0%	-1.1%	0.6%	0.4%	0.0%

Appendix 3: Analysis of change in revenues (€m)

Q1	North			Group
	Europe	America	Asia-Pacific	
Reported sales 2018	1,822.4	1,075.7	284.1	3,182.2
+/- Net currency effect	0.0%	7.1%	0.3%	2.4%
+/- Net scope effect	0.0%	0.0%	-4.3%	-0.4%
= Comparable sales 2018	1,821.9	1,151.5	272.8	3,246.2
+/- Actual-day organic growth, of which:	-0.4%	7.1%	-1.9%	2.1%
<i>Constant-same day excl. copper</i>	0.9%	9.1%	-2.3%	3.5%
<i>Copper effect</i>	-0.5%	-0.7%	0.3%	-0.5%
Constant-same day incl. copper	0.4%	8.5%	-1.9%	3.1%
Calendar effect	-0.8%	-1.4%	0.0%	-1.0%
= Reported sales 2019	1,814.0	1,233.4	267.7	3,315.0
YoY change	-0.5%	14.7%	-5.8%	4.2%

Appendix 4: Historical copper price evolution



USD/t	Q1	Q2	Q3	Q4	FY
2017	5,855	5,692	6,384	6,856	6,200
2018	6,997	6,907	6,139	6,158	6,544
2019	6,219				
2017 vs. 2016	+25%	+20%	+33%	+30%	+27%
2018 vs. 2017	+20%	+21%	-4%	-10%	+6%
2019 vs. 2018	-11%				

€/t	Q1	Q2	Q3	Q4	FY
2017	5,498	5,168	5,434	5,823	5,483
2018	5,693	5,797	5,279	5,395	5,538
2019	5,476				
2017 vs. 2016	+30%	+23%	+27%	+19%	+24%
2018 vs. 2017	+4%	+12%	-3%	-7%	+1%
2019 vs. 2018	-4%				

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 cable 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 April 3, 2019 under number D.19-0264. 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 April 3, 2019 under number D.19-0264, as well as the consolidated financial statements and activity report for the 2018 fiscal year which may be obtained from Rexel's website (www.rexel.com).