H1 2019 Results

July 30th, 2019

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Consolidated financial statements as of June 30, 2019 were authorized for issue by the Board of Directors held on July 29th, 2019.

KEY HIGHLIGHTS

We continue to deliver on the key initiatives of our strategic journey

- **€1.0bn of organic sales** generated, since end 2016, with market share gains, notably fueled by our :
  - "More customers, More SKUs" strategy
  - Customer experience and service improvement
- **Digital journey** accelerating across key countries
  - Digital sales now stand at 17.2% of sales, with strong acceleration in countries like France
  - Leading digital player in BtB distribution business
    - €910m of digital revenue in H1 19 in Europe
    - 7 countries above 30% of sales
- **First** signs of recovery in Germany in H1

=> Regained confidence from customers, suppliers and employees

Organic sales growth since 2016

+ €1.0bn

More digital sales

17.2% of group sales

vs. 15.7% in June 18

With Europe at 25.1%

Germany

Underlying sales growth

+ 2.3% In H1 2019

with ongoing Ebita recovery

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11th consecutive quarter of same-day sales growth

- **Same-day sales growth** of +2.4% in Q2 19 or +3.8% excluding turnaround measures in Germany and Spain

- **Strong Q2 19 sales performance** despite unfavorable copper contribution of -0.2% vs +0.7% in Q2 18

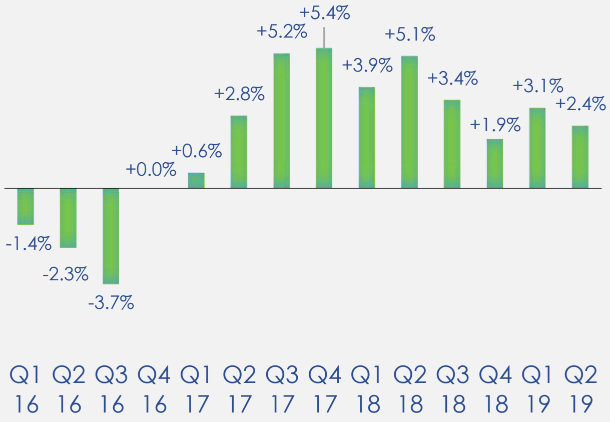
- **Sales growth** supported by North America, key European countries and China

Q2 19 Sales

3,484.4 € million

Q2 19 Same day sales growth

2.4% vs. Q2 18



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H1 financial highlights: Growth in sales and adjusted Ebita

Sales

6,799.5

€ million

+2.7% on same-day basis

Adj. EBITA

319.2

€ million

+2.0% vs H1 18

Recurring net income

+9.6%

vs. H1 18

at €167.7m

Gross Margin

25.0%

+11bps vs. H1 18

Adj. EBITA margin

4.7%

Stable vs H1 18

Free Cash Flow bef int. & tax

-€17.3m

vs €15.6m in H1 18

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In the first 6 months of 2019, we adapted rapidly to volatile conditions

- **We faced various headwinds in H1 2019**
  - **Business mix** weighted towards lower-margin project business, especially in North America
  - **Lag in passing tariff increase** in the US (trade war)
  - Wage and transportation **cost inflation**
  - **UK uncertainties**
  - **Negative contribution from copper**
  - **Unfavorable calendar effect**, impacting our Adjusted Ebita growth

- We took rapid action to defend margins
  - **Focus on proximity business** in the US towards the end of H1
  - **Focus on margin management** in the US
  - **Business selectivity** in France and in the UK
  - **Productivity initiatives** in Europe, notably in the UK and Spain

=> Sequential EBITA improvement towards the end of the first half

We are adapting to become more agile

- **Our "Repair journey" is nearly completed**
  - No need for additional resources for branch openings, inventory build up and sales force
  - Only exception is the UK, where we may adjust further to uncertain market conditions

- **Operational focus on operating leverage…**
  - Productivity measures implemented end of Q2 19 to offset cost inflation in US and key countries
  - Channel mix with a focus on proximity development
  - Commercial margin enhancement
  - Improve performance in turnaround countries

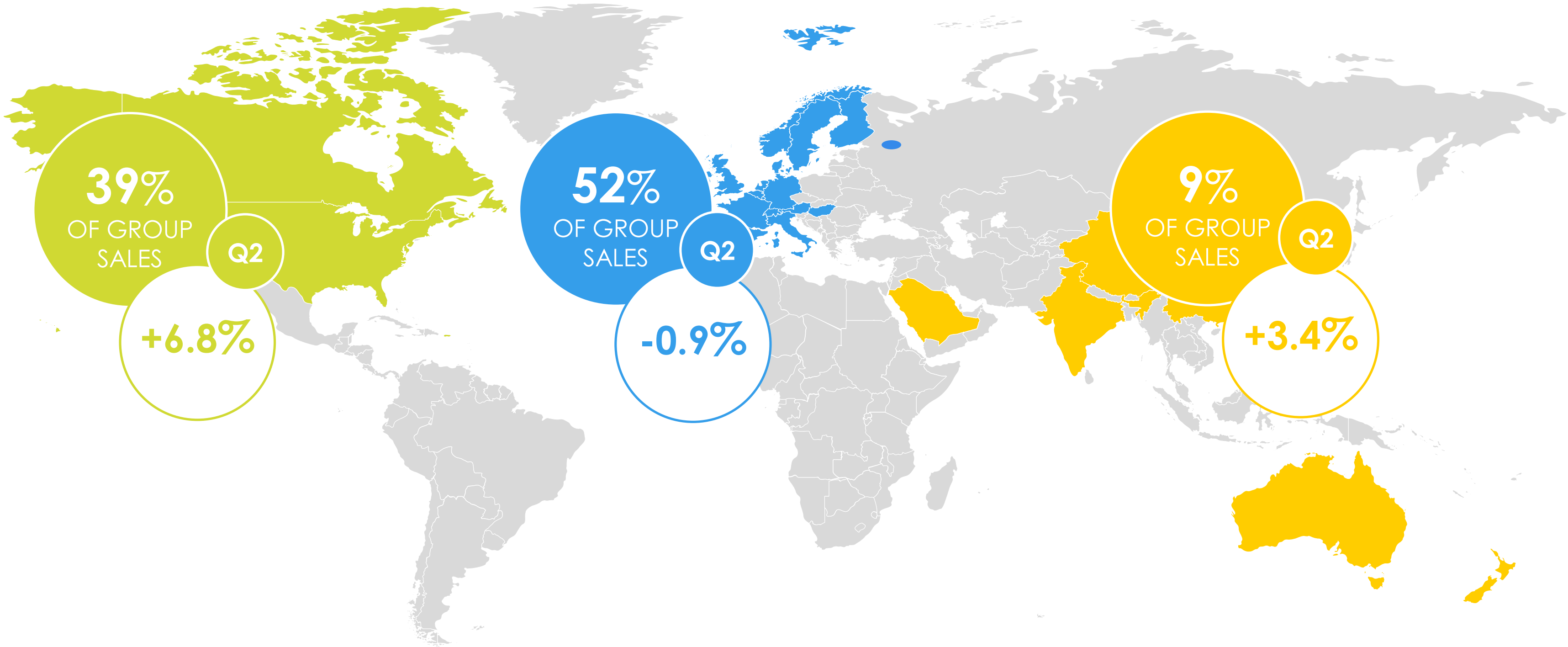
- **…and strategic priority to digital transformation**
  - US : Roll-out of Platt tool across regions
  - Europe : Tools introduced to improve business operations (Track-and-trace & Email to EDI)
  - Analytical tools deployment

=> Action plans and favorable calendar effect in H2 make us confident in our ability to deliver on our FY guidance

2

REVIEW BY GEOGRAPHY

Same-day sales growth of 2.4% in Q2, supported by North America, key European countries and China



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Europe: Good momentum in most key countries

Q2

Sales
1,830.9
€ million

Constant
-0.9%
& same-day

52%
OF GROUP SALES

- Excluding branch closures in Germany & Spain, same-day sales growth in Europe stands at a solid 1.7%
- Sales in France were up 2.6%, supported by good momentum in our commercial projects, residential and specialty (HVAC) businesses.
- Positive trends in most key countries including Benelux, Sweden and Switzerland
- In Germany, the new organization with an industrial focus is fully operational and gaining momentum. Restated for the closure of 17 branches in Q3 2018, business is broadly flat.
- UK sales dropped 8.2%, as a result of business selectivity (-7.6% impact) and branch closures (-2.4% impact – 30 branch closures of which 13 in 2019)

	WEIGHT	Q2 19 vs. Q2 18[1]
France	**38%**	**+2.6%**
Scandinavia	**13%**	**+1.7%**
Benelux	**11%**	**+12.1%**
UK	**10%**	**-8.2%**
Germany	**9%**	**-21.7%**
Switzerland	**6%**	**+1.6%**

1 Same-day change

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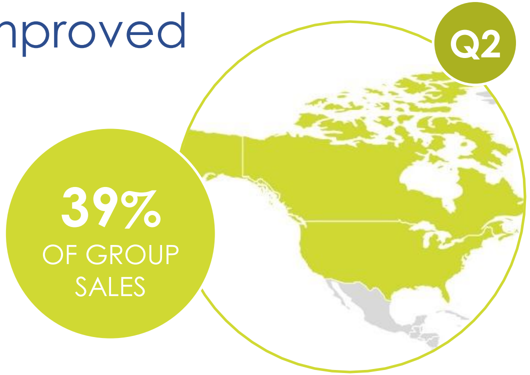
North America: Continued strong growth, driven by improved service level

Sales
1,350.4
€ million

Constant
+6.8%
& same-day

	WEIGHT	Q2 19 vs. Q2 18[1]
USA	79%	+7.0%
Canada	21%	+6.3%



- **USA: Sales grew 7% on more difficult base effect, confirming our ability to capture market growth and gain market share in specific regions**
  - Commercial and residential business are progressing in high single digits in the quarter
  - Our industrial business is slowing on lower end-market demand and tough comps
  - Good contribution from past investment in sales reps, branch openings and refresh of existing branches
    - Investment in people : +5% vs last year
    - Past investment in branch openings: 54 new branches/counters since 2017, including 6 in H1 2019, contribution to Q2 19 sales growth of +1.0%
    - 29% of the existing network has been refreshed since 2016.
- **Canada :**
  - Strong demand in industry end-users and initiatives in our proximity business (harmonization of our core offer plan across the country)

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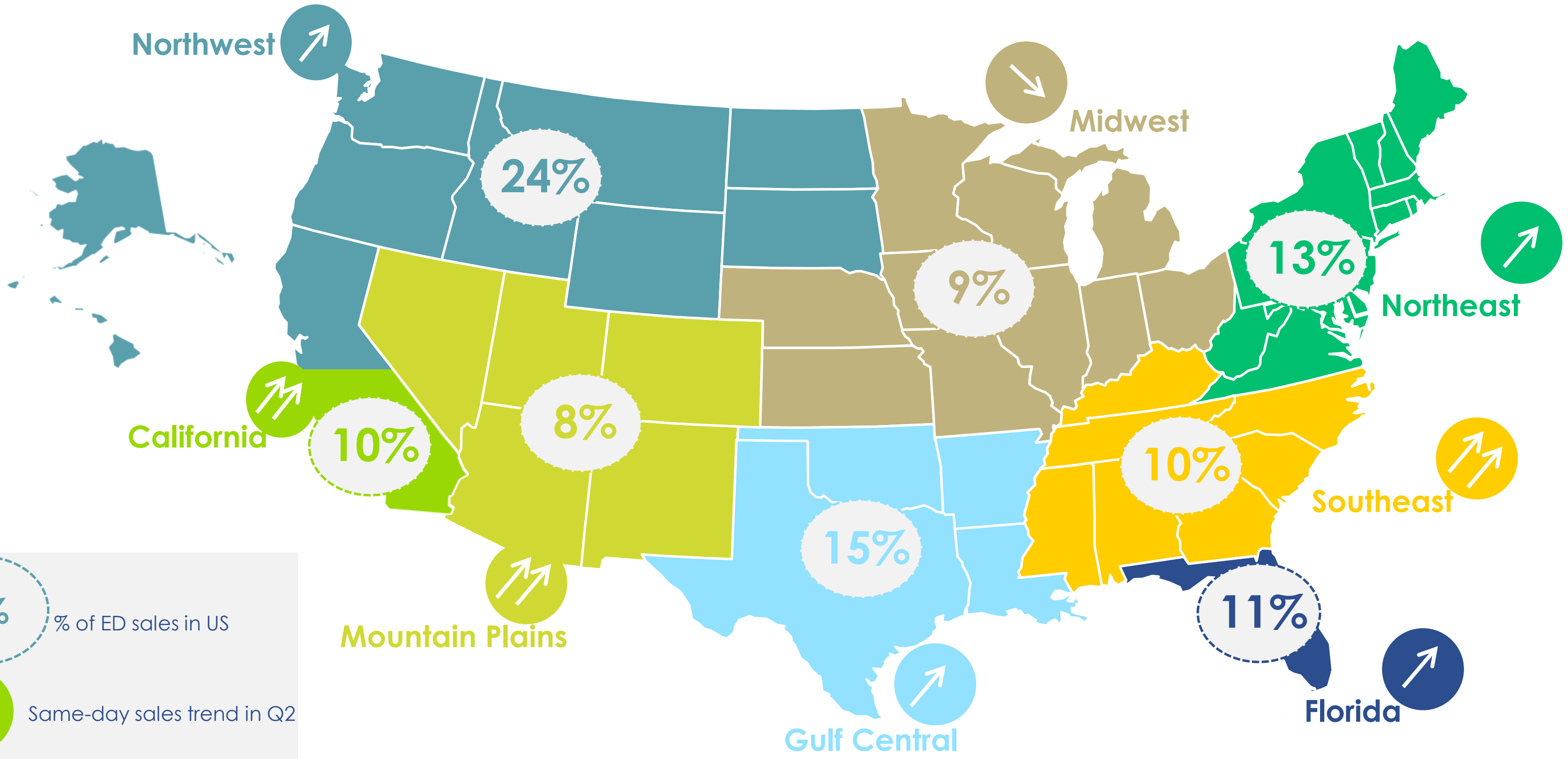
1 Same-day change

Strong momentum in most regions in the US



X% % of ED sales in US

Same-day sales trend in Q2

Strong double-digit growth in electrical distribution business in key regions : Denver area, California, Texas and Southeast

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Asia-Pacific: Good underlying performance in all countries

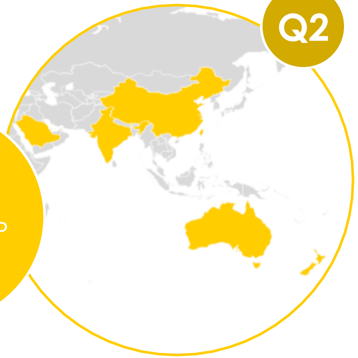
Q2

Sales
303.2
€ million

Constant
+3.4%
& same-day

	WEIGHT	Q2 19 vs. Q2 18[1]
Pacific	50%	0.0%
Asia	50%	+7.0%

9%
OF GROUP SALES



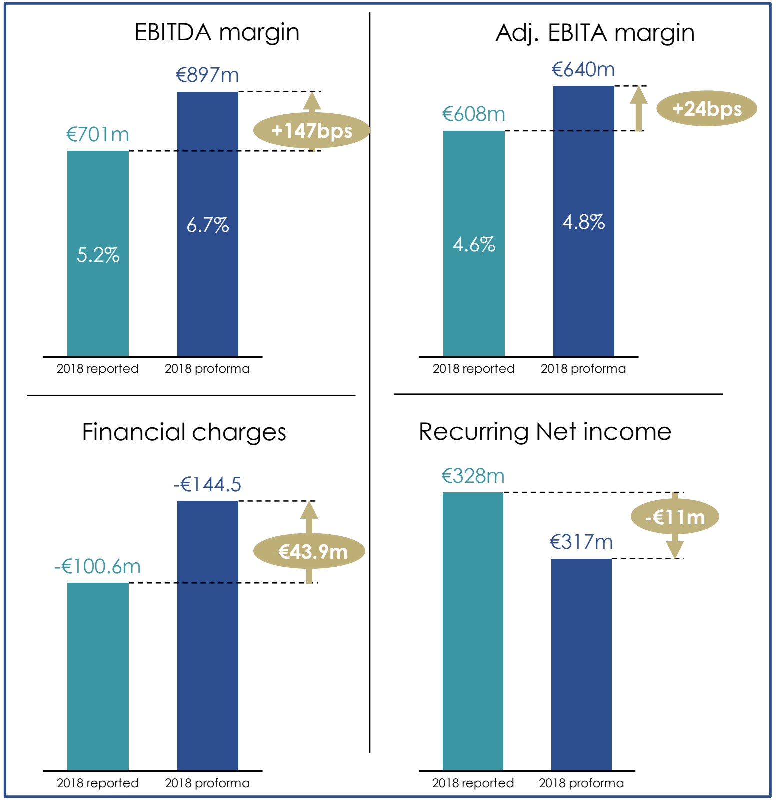
- **Asia-Pacific is up 4.5 % in Q2 19, restated for the impact of the disposal of our Rockwell automation business in Australia end of April 2018**

- **Pacific:**
  - Sales were down 0.5% in Australia or +2.1% excluding asset disposal, outperforming the market. While residential and commercial markets are slowing down, our business benefited from positive momentum from infrastructure and mining spending (capex and MRO)
- **Asia:**
  - Sales grew by 10.1% in China, driven by a large contract (10.6 million euros in Q2) that contributed positively since early 2019. The refocusing on promising markets is ongoing and is showing positive signs.
  - Middle East is down 41.3% impacted by a large project that benefited Q2 2018 (+6.7 million euros)

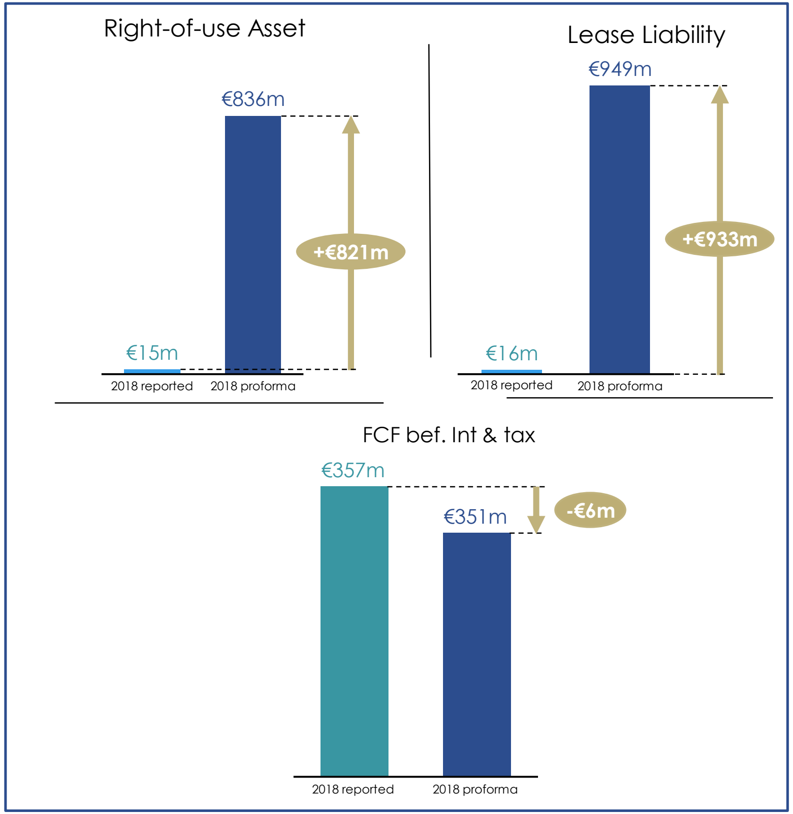
1 Same-day change

GROUP FINANCIAL REVIEW

We are publishing our results under IFRS16, with 2018 restated for comparability

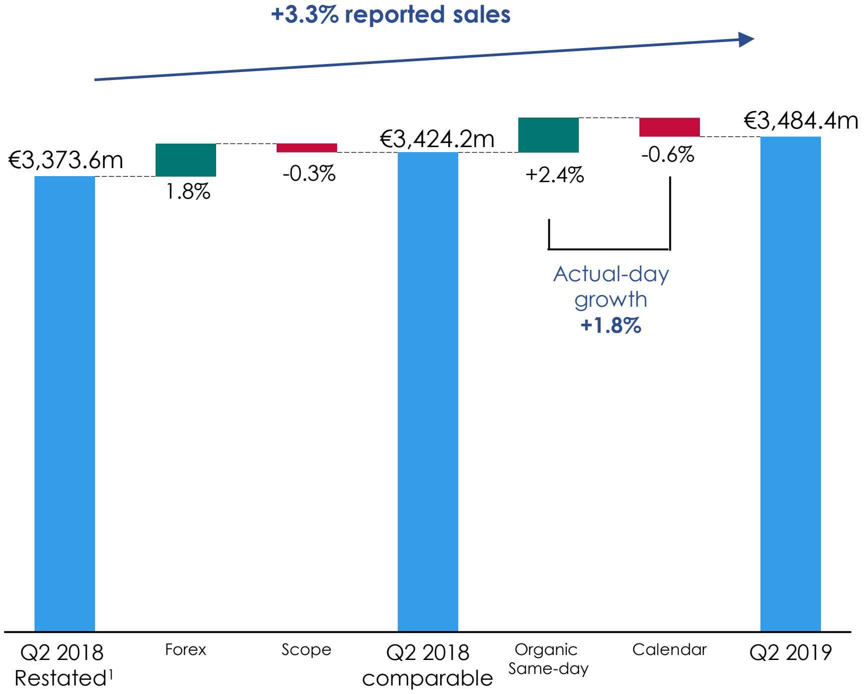


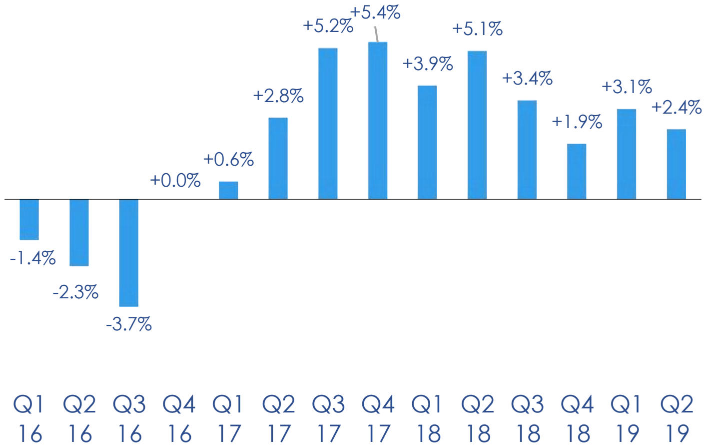
P&L impacts



Balance-sheet & FCF impacts

Q2 19 sales : Up +2.4% on a same-day basis and +3.3% on a reported basis thanks to FX





- Lower contribution from copper

Copper cable price contribution

FY 2017	Q1 18	Q2 18	Q3 18	Q4 18	Q1 19	Q2 19
+1.2%	+0.8%	+0.7%	+0.3%	-0.3%	-0.5%	-0.2%

FY 2018 : +0.4%

[1] Restated from IFRS 15 following additional information available after the transition date with respect to delivery services invoiced to customers.

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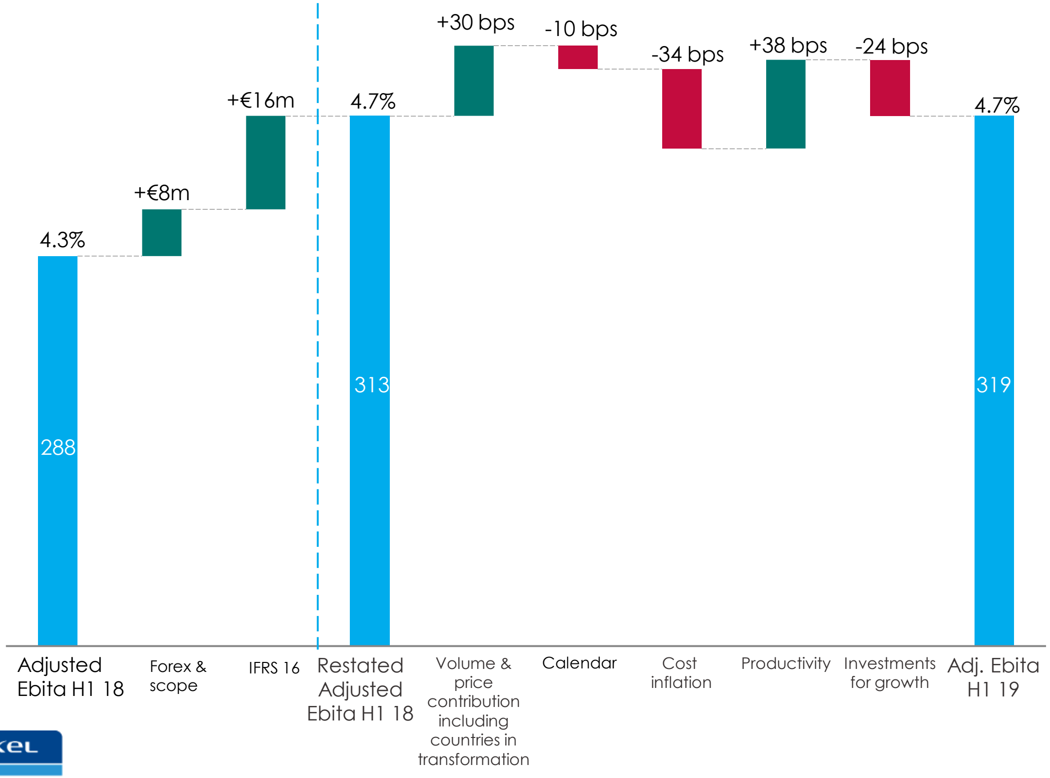
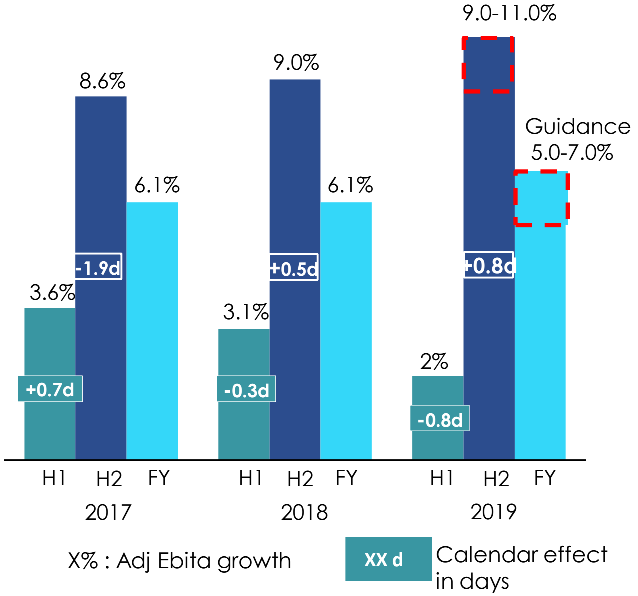
H1 19 adjusted Ebita up 2%, acceleration expected in H2



Similar adjusted Ebita growth pattern as in 2017 & 2018, excluding calendar effect



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H1 adj. EBITA growth, supported by North America & key European countries

H1 2019 (€m)	EUROPE		NORTH AM.		ASIA-PACIFIC		HOLDING	H1 GROUP	
Sales	**3,644.9**	**-1.0%**	**2,583.7**	**+6.8%**	**570.9**	**+0.3%**		**6,799.5**	**+1.9%**
Constant and same-day		*-0.2%*		*+7.6%*		*+0.8%*			*+2.7%*
Gross margin	**998.4**	**+0.2%**	**595.6**	**+6.9%**	**104.6**	**-1.3%**		**1,698.6**	**+2.4%**
% of sales	*27.4%*	*+32bps*	*23.1%*	*+4bps*	*18.3%*	*-29bps*		*25.0%*	*11bps*
Opex + depreciation	**(781.6)**	**+0.1%**	**(490.2)**	**+6.5%**	**(94.7)**	**+2.8%**	**(12.9)**	**(1,379.4)**	**+2.5%**
% of sales	*-21.4%*	*-23bps*	*-19.0%*	*+4bps*	*-16.6%*	*-41bps*		*-20.3%*	*-11bps*
Adj. EBITA[1]	**216.8**	**+0.6%**	**105.3**	**+8.9%**	**9.9**	**-28.3%**	**(12.9)**	**319.2**	**+2.0%**
% of sales	*5.9%*	*+9bps*	*4.1%*	*+8bps*	*1.7%*	*-69bps*		*4.7%*	*+0bps*
Group contribution (adj. EBITA[1])		*+4bps*		*+1bp*		*-6bps*	*+1bps*		*+0bps*

EUROPE

Positive volume contribution in key countries and gross margin improvement fueled by France and reprofiling in Germany, partially offset by cost inflation, IT costs as well as investments

NORTH AMERICA

Positive volume contribution offset by negative channel mix (higher growth in direct sales compared to proximity), tariffs, investment in people and wage inflation

ASIA-PACIFIC

Positive volume offset by the disposal effect of a Rockwell automation business (-22bps impact on Ebita) as well as cost inflation, notably China and India

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 cable prices

Recurring net income up 9.6% in H1 2019

(€m)	H1 2018 [3]	H1 2019	Change
Adjusted EBITA [1] (Comparable base)	**313.1**	**319.2**	**+2.0%**
Currency/Scope impacts on Ebita	-8.4		
Adjusted EBITA [1]	**304.7**	**319.2**	
Non-recurring copper effect	-1.3	+0.4	
Reported EBITA	**303.4**	**319.6**	**+5.3%**
Amortization resulting from PPA	(8.3)	(7.1)	
Other income and expenses	(61.1)	(22.4)	
Operating income	**234.1**	**290.1**	**+23.9%**
Net financial expenses	(72.5)	(93.6)	
Profit before tax	**161.6**	**196.5**	**+21.6%**
Income tax	(65.5)	(32.6)	
Net income	**96.1**	**163.9**	**+70.6%**
Recurring net income [2]	153.1	167.7	9.6%

- **Restructuring costs** for €(13.5)m vs. €(59)m in H1 2018
- **Intangible asset impairment for €(9.3)m for Finland**

- €20.8m one off cost from bond refinancing early March 2019
- Reduction in **average effective interest rate** on gross debt from 2.84% in H1 2018 to 2.81% in H1 2019, on a slightly higher average net debt in H1

- **Effective tax rate** of 16.6% thanks to the release of a tax exposure reserve of €29.5m

- **Strong growth in recurring net income**

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 cable prices*
2 *Cf. details on appendix 2*
3 *Financial statements as of June 30, 2018 have been restated for changes in accounting policies, following the adoption of IFRS 16 "Leases" as described in note 1 of the Consolidated Financial statements.*

Slight improvement in leverage ratio, with net debt slightly up

(€m)	H1 2018	H1 2019
EBITDA	**433.4**	**458.8**
Restructuring	(18.8)	**(28.7)**
Change in working capital	(249.1)	**(270.5)**
Net capital expenditure	(30.2)	**(53.5)**
Lease payment	(104.3)	(110.5)
Other operating revenues & costs	(15.4)	(12.9)
Free cash-flow before I&T	**15.6**	**(17.3)**
Net interest paid	(41.3)	(44.4)
Income tax paid	(24.0)	**(62.5)**
Free cash-flow after I&T	**(49.7)**	**(124.2)**
Net financial investment	(0.0)	(3.5)
Effect of currency exchange rates	(9.7)	(8.4)
Other	(13.6)	**(21.9)**
Net change in cash / (debt)	**(73.0)**	**(157.9)**
Debt at the beginning of the period	2,020.7	2,014.7
Debt at the end of the period	**2,093.7**	**2,172.6**
Net Debt / Ebitda	**2.91x**	**2.86x**

Increase in cash-out restructuring in Germany & Spain

Slight increase in working Capital outflow (€21.4m) from payables

H1 2018 positively impacted by the disposal of assets in Australia.

- Gross capex: €55.9m in H1 2019 vs €48.5m in H1 2018

H1 2018 benefited from

- €22m refund of 2017 income tax overpayment in France
- €8m reimbursement following decision related to the 3% dividend tax paid

Ow -€20.8m related to the cost for the early redemption of the €650m bond due 2023

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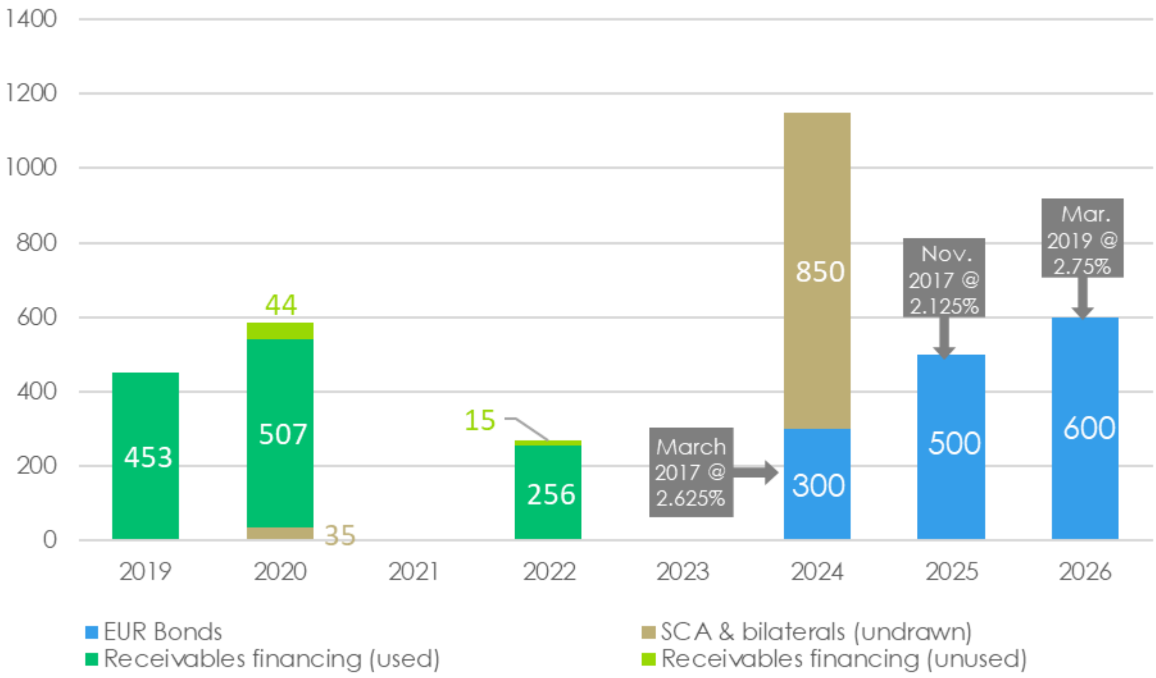
Successful refinancing of our 2023 bond
Maturity extension & financing optimization

Debt maturity breakdown at June 30, 2019*



*Including renewal of securitization program in Europe on July 24th, 2019

€1.05bn
Liquidity at June 30, 2019

2.81% (-3bps yoy)
H1 2019 average effective interest rate on gross debt

c.4.0 years
Maturity of average debt extended by +0.7 years following bond issue & securitization renewal

2.86x (-5bps yoy)
Indebtedness ratio[2] at June 30, 2019

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2019 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**:**
    - 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 EBITA**[1]
    - a further improvement of the **indebtedness ratio** (net debt-to-EBITDA [2])

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 6.

[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*

5 APPENDIX

Appendix 1: Q2 and H1 2019 sales and adjusted EBITA bridge

SALES BRIDGE

Q2	Europe	North America	Asia-Pacific	Group
Reported sales 2018	**1,858.6**	**1,205.0**	**310.0**	**3,373.6**
+/- Net currency effect	0.0%	5.3%	-0.7%	1.8%
+/- Net scope effect	0.0%	0.0%	-3.6%	-0.3%
= Comparable sales 2018	**1,859.0**	**1,268.7**	**296.5**	**3,424.2**
+/- Actual-day organic growth, of which:	**-1.5%**	**6.4%**	**2.3%**	**1.8%**
Constant-same day excl. copper	*-0.8%*	*7.3%*	*2.9%*	2.6%
Copper effect	*-0.1%*	*-0.5%*	*0.5%*	-0.2%
Constant-same day incl. copper	**-0.9%**	**6.8%**	**3.4%**	**2.4%**
Calendar effect	-0.6%	-0.4%	-1.1%	-0.6%
= Reported sales 2019	**1,830.9**	**1,350.4**	**303.2**	**3,484.4**
YoY change	-1.5%	12.1%	-2.2%	3.3%

H1	Europe	North America	Asia-Pacific	Group
Reported sales 2018	**3,681.0**	**2,280.6**	**594.1**	**6,555.8**
+/- Net currency effect	0.0%	6.1%	-0.2%	2.1%
+/- Net scope effect	0.0%	0.0%	-3.9%	-0.4%
= Comparable sales 2018	**3,680.9**	**2,420.3**	**569.3**	**6,670.4**
+/- Actual-day organic growth, of which:	**-1.0%**	**6.8%**	**0.3%**	**1.9%**
Constant-same day excl. copper	*0.0%*	*8.2%*	*0.4%*	3.0%
Copper effect	*-0.3%*	*-0.6%*	*0.4%*	-0.3%
Constant-same day incl. copper	**-0.2%**	**7.6%**	**0.8%**	**2.7%**
Calendar effect	-0.8%	-0.8%	-0.5%	-0.8%
= Reported sales 2019	**3,644.9**	**2,583.7**	**570.9**	**6,799.5**
YoY change	-1.0%	13.3%	-3.9%	3.7%

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Appendix 1: Q2 and H1 2019 sales and adjusted EBITA bridge

EBITA BRIDGES:

From H1 Adjusted EBITA as reported to H1 18 on a comparable basis

	2018 adjusted EBITA	2018 copper effect	2018 reported EBITA	IFRS 16 impacts	2019 FX impact	2019 scope impact	2018 copper effect @2019 FX	2018 adjusted EBITA on a comparable basis
Rexel Group	**288.2**	-1.3	**287.0**	16.5	5.8	2.6	1.3	**313.1**

Adjusted EBITA from H1 18 to H1 19

2018 adjusted EBITA on a comparable basis	Organic growth	2019 adjusted EBITA	2019 copper effect	2019 reported EBITA
313.1	6.1	**319.2**	0.4	**319.6**

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Appendix 2 : Segment reporting – Constant and adjusted basis[1]

GROUP

Constant and adjusted basis (€m)	Q2 2018	Q2 2019	Change	H1 2018	H1 2019	Change
Sales	3.424,2	**3.484,4**	**+1,8%**	6.670,4	**6.799,5**	**+1,9%**
on a constant basis and same days			**+2,4%**			**+2,7%**
Gross profit				1.659,2	**1.698,6**	**+2,4%**
as a % of sales				*24,9%*	*25,0%*	*11 bps*
Distribution & adm. expenses (incl. depreciation)				(1.346,1)	(1.379,4)	+2,5%
EBITA				313,1	**319,2**	**+2,0%**
as a % of sales				*4,7%*	*4,7%*	*0 bps*
Headcount (end of period)				27.011	**26.731**	**-1,0%**

[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 cable prices.
The non-recurring effect related to changes in copper-based cable prices was, at EBITA level and in €m:

Constant basis (€m)	H1 2018	H1 2019
Non-recurring copper effect at EBITA level	**(1,3)**	**0,4**

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Appendix 2 : Segment reporting – Constant and adjusted basis[1]

EUROPE

Constant and adjusted basis (€m)	**Q2 2018**	**Q2 2019**	**Change**	**H1 2018**	**H1 2019**	**Change**
Sales	1.859,0	**1.830,9**	**-1,5%**	3.680,9	**3.644,9**	**-1,0%**
on a constant basis and same days			***-0,9%***			***-0,2%***
France	679,9	**697,4**	+2,6%	1.363,4	**1.388,6**	+1,8%
on a constant basis and same days			*+2,6%*			*+2,7%*
United Kingdom	199,8	**180,4**	-9,7%	413,1	**377,6**	-8,6%
on a constant basis and same days			*-8,2%*			*-7,8%*
Germany	200,4	**155,9**	-22,2%	404,3	**319,3**	-21,0%
on a constant basis and same days			*-21,7%*			*-20,8%*
Scandinavia	241,5	**241,1**	-0,2%	457,3	**472,4**	+3,3%
on a constant basis and same days			*+1,7%*			*+4,1%*
Gross profit				996,3	**998,4**	**+0,2%**
as a % of sales				*27,1%*	*27,4%*	*32 bps*
Distribution & adm. expenses (incl. depreciation)				(780,8)	(781,6)	+0,1%
EBITA				215,5	**216,8**	**+0,6%**
as a % of sales				*5,9%*	*5,9%*	*9 bps*
Headcount (end of period)				15.898	**15.257**	**-4,0%**

[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 cable prices.

Appendix 2 : Segment reporting – Constant and adjusted basis[1]

NORTH AMERICA

Constant and adjusted basis (€m)	Q2 2018	Q2 2019	Change	H1 2018	H1 2019	Change
Sales	1.268,7	**1.350,4**	**+6,4%**	2.420,3	**2.583,7**	**+6,8%**
on a constant basis and same days			***+6,8%***			***+7,6%***
United States	1.002,8	**1.071,9**	+6,9%	1.918,5	**2.061,6**	+7,5%
on a constant basis and same days			*+7,0%*			*+8,3%*
Canada	266,0	**278,5**	+4,7%	501,7	**522,2**	+4,1%
on a constant basis and same days			*+6,3%*			*+4,9%*
Gross profit				556,9	**595,6**	**+6,9%**
as a % of sales				*23,0%*	*23,1%*	*4 bps*
Distribution & adm. expenses (incl. depreciation)				(460,2)	(490,2)	+6,5%
EBITA				96,7	**105,3**	**+8,9%**
as a % of sales				*4,0%*	*4,1%*	*8 bps*
Headcount (end of period)				8.432	**8.803**	**4,4%**

[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 cable prices.

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Appendix 2 : Segment reporting – Constant and adjusted basis[1]

ASIA-PACIFIC

Constant and adjusted basis (€m)	**Q2 2018**	**Q2 2019**	**Change**	**H1 2018**	**H1 2019**	**Change**
Sales	296,5	**303,2**	**+2,3%**	569,3	**570,9**	**+0,3%**
on a constant basis and same days			***+3,4%***			**+0,8%**
China	116,0	**127,7**	*+10,1%*	215,2	**235,1**	+9,2%
on a constant basis and same days			*+10,1%*			+9,2%
Australia	125,7	**123,1**	*-2,1%*	248,2	**238,7**	-3,9%
on a constant basis and same days			*-0,5%*			-3,2%
New Zealand	29,6	**29,7**	*+0,2%*	55,4	**55,5**	+0,3%
on a constant basis and same days			*+1,8%*			+1,2%
Gross Profit				106,0	**104,6**	**-1,3%**
as a % of sales				*18,6%*	*18,3%*	*-29 bps*
Distribution & adm. expenses (incl. depreciation)				(92,1)	(94,7)	+2,8%
EBITA				13,9	**9,9**	**-28,3%**
as a % of sales				*2,4%*	*1,7%*	*-69 bps*
Headcount (end of period)				2.518	**2.513**	**-0,2%**

[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 cable prices.

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Appendix 3 : Consolidated Income statement

Reported basis (€m)	H1 2018	H1 2019	Change
Sales	**6.555,8**	**6.799,5**	**3,7%**
Gross profit	**1.626,9**	**1.699,1**	**4,4%**
as a % of sales	*24,8%*	*25,0%*	
Distribution & adm. expenses (excl. depreciation)	(1.193,4)	(1.240,2)	3,9%
EBITDA	**433,4**	**458,8**	**5,9%**
as a % of sales	*6,6%*	*6,7%*	
Depreciation	(130,0)	(139,3)	
EBITA	**303,4**	**319,6**	**5,3%**
as a % of sales	*4,6%*	*4,7%*	
Amortization of intangibles resulting from purchase price allocation	(8,3)	(7,1)	
Operating income bef. other inc. and exp.	**295,1**	**312,5**	**5,9%**
as a % of sales	*4,5%*	*4,6%*	
Other income and expenses	(61,1)	(22,4)	
Operating income	**234,1**	**290,1**	**23,9%**
Net financial expenses	(72,5)	(93,6)	
Net income (loss) before income tax	**161,6**	**196,5**	**21,6%**
Income tax	(65,5)	(32,6)	
Net income (loss)	**96,1**	**163,9**	**70,6%**

Appendix 3 : Adjusted EBITA bridge and Recurring net income

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

in €m	H1 2018	H1 2019
Operating income before other income and other expenses on a reported basis	**295,1**	**312,5**
Change in scope of consolidation	2,6	-
Foreign exchange effects	5,8	-
Non-recurring effect related to copper	1,3	(0,4)
Amortization of intangibles assets resulting from PPA	8,3	7,1
Adjusted EBITA on a constant basis	**313,1**	**319,2**

BRIDGE BETWEEN REPORTED NET INCOME AND RECURRING NET INCOME

in €m	H1 2018	H1 2019	Change
Net income (as reported)	100,8	**163,9**	**+62,6%**
IFRS16 restatement	(4,7)	**-**	
Net income (restated)	96,1	**163,9**	**+70,6%**
Non-recurring copper effect	1,3	**(0,4)**	
Other expense & income	61,1	**22,4**	
Financial expense	1,1	**20,8**	
Tax expense	(6,4)	**(39,0)**	
Recurring net income	153,1	**167,7**	**+9,6%**

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Appendix 3 : Sales and profitability by segment – reported basis

Reported basis (€m)	Q2 2018	Q2 2019	Change	H1 2018	H1 2019	Change
Sales	**3.373,6**	**3.484,4**	**+3,3%**	**6.555,8**	**6.799,5**	**+3,7%**
Europe	1.858,6	1.830,9	-1,5%	3.681,0	3.644,9	-1,0%
North America	1.205,0	1.350,4	+12,1%	2.280,6	2.583,7	+13,3%
Asia-Pacific	310,0	303,2	-2,2%	594,1	570,9	-3,9%
Gross profit				**1.626,9**	**1.699,1**	**+4,4%**
Europe				994,7	999,9	+0,5%
North America				524,5	594,6	+13,4%
Asia-Pacific				107,7	104,6	-2,8%
EBITA				**303,4**	**319,6**	**+5,3%**
Europe				214,0	218,2	+2,0%
North America				91,1	104,3	+14,5%
Asia-Pacific				11,3	9,9	-12,2%
Other				(13,0)	(12,9)	0,9%

Appendix 3 : Consolidated balance sheet[1]

Assets (Reported basis in €m)	December 31, 2018	June 30, 2019
Goodwill	3,871.1	3,899.7
Intangible assets	1,037.9	1,027.3
Property, plant & equipment	266.6	266.8
Right-of-use assets	835.4	843.9
Long-term investments	42.6	52.7
Deferred tax assets	88.1	100.4
Total non-current assets	**6,141.6**	**6,190.8**
Inventories	1,674.2	1,742.5
Trade receivables	2,091.5	2,292.6
Other receivables	520.6	509.3
Assets classified as held for sale	42.5	2.4
Cash and cash equivalents	544.9	438.4
Total current assets	**4,873.7**	**4,985.1**
Total assets	**11,015.3**	**11,175.9**

Liabilities (Reported basis in €m)	December 31, 2018	June 30, 2019
Total equity	**4,144.9**	**4,154.0**
Long-term debt	1,925.0	1,757.9
Lease liabilities (non-current part)	785.7	789.4
Deferred tax liabilities	208.1	195.8
Other non-current liabilities	320.6	354.2
Total non-current liabilities	**3,239.4**	**3,097.4**
Interest bearing debt & accrued int.	649.4	880.0
Lease liabilities (current part)	162.7	165.3
Trade payables	2,024.1	2,083.3
Other payables	755.8	795.6
Liabilities rel. to assets held for sale	38.9	0.4
Total current liabilities	**3,631.0**	**3,924.5**
Total liabilities	**6,870.4**	**7,021.9**
Total equity & liabilities	**11,015.3**	**11,175.9**

[1] *Net debt includes Debt hedge derivatives for €(10.2)m at June 30, 2018 and €(24.5)m at June 30, 2019*
It also includes accrued interest receivables for €(1.3)m at June 30, 2018 and for €(2.5)m at June 30, 2019.

Appendix 3 : Change in net debt

Reported basis (€m)	H1 2018	H1 2019
EBITDA	**433.4**	**458.8**
Lease payments	(104.3)	(110.5)
Other operating revenues & costs(1)	(34.3)	(41.6)
Operating cash-flow	**294.9**	**306.7**
Change in working capital	(249.1)	(270.5)
Net capital expenditure, of which:	(30.2)	(53.5)
Gross capital expenditure	*(48.5)*	*(55.9)*
Disposal of fixed assets & other	*19.6*	*6.3*
Free cash-flow from continuing op. before int. & tax	**15.6**	**(17.3)**
Net interest paid / received	(41.3)	(44.4)
Income tax paid	(24.0)	(62.5)
Free cash-flow from continuing op. after int. & tax	**(49.7)**	**(124.2)**
Net financial investment	0.0	(3.5)
Dividends paid	0.0	0.0
Net change in equity	(8.7)	1.6
Other	(4.9)	(23.5)
Currency exchange variation	(9.7)	(8.4)
Decrease (increase) in net debt	**(73.0)**	**(157.9)**
Net debt at the beginning of the period	**2,020.7**	**2,014.7**
Net debt at the end of the period	**2,093.7**	**2,172.6**

(1) Includes restructuring outflows of:
- *€28.7m in H1 2019 vs. €18.8m in H1 2018.*

Appendix 4 : Working capital

Constant basis	June 30, 2018	June 30, 2019
Net inventories		
as a % of sales 12 rolling months	***12,2%***	***12,8%***
as a number of days	*55,1*	*58,4*
Net trade receivables		
as a % of sales 12 rolling months	***17,2%***	***16,8%***
as a number of days	*52,0*	*52,3*
Net trade payables		
as a % of sales 12 rolling months	***15,6%***	***15,1%***
as a number of days	*61,5*	*60,8*
Trade working capital		
as a % of sales 12 rolling months	***13,8%***	***14,5%***
Total working capital		
as a % of sales 12 rolling months	***11,3%***	***12,2%***

Appendix 5 : Headcount and branch evolution

FTEs at end of period comparable	June 30, 2018	December 31, 2018	June 30, 2019	Year-on-Year Change
Europe	**15,898**	**15,260**	**15,257**	**-4.0%**
USA	*6,337*	*6,474*	*6,653*	**5.0%**
Canada	*2,095*	*2,131*	*2,150*	**2.6%**
North America	**8,432**	**8,605**	**8,803**	**4.4%**
Asia-Pacific	**2,518**	**2,524**	**2,513**	**-0.2%**
Other	**163**	**152**	**158**	**-3.1%**
Group	**27,011**	**26,541**	**26,731**	**-1.0%**

Branches comparable	June 30, 2018	December 31, 2018	June 30, 2019	Year-on-Year Change
Europe	**1,166**	**1,127**	**1,112**	**-4.6%**
*USA**	*384*	*384*	*389*	**1.3%**
Canada	*190*	*190*	*191*	**0.5%**
North America	**574**	**574**	**580**	**1.0%**
Asia-Pacific	**245**	**244**	**243**	**-0.8%**
Group	**1,985**	**1,945**	**1,935**	**-2.5%**

* 9 openings and 4 mergers/closures of branches

Appendix 6 : Calendar, scope and currency effects on sales

Based on the assumption of the following average exchange rates:

1 €	=	1.12	USD
1 €	=	1.49	CAD
1 €	=	1.60	AUD
1 €	=	0.88	GBP

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

	Q1 actual	Q2 actual	Q3e	Q4e	FYe
Scope effect at Group level	**(12.1)**	**(11.2)**	**(10.9)**	**(15.5)**	**(49.7)**
as% of 2018 sales	*-0.4%*	*-0.3%*	*-0.3%*	*-0.4%*	*-0.4%*
Currency effect at Group level	**76.1**	**61.9**	**50.2**	**38.3**	**226.5**
as% of 2018 sales	*2.4%*	*1.8%*	*1.5%*	*1.1%*	*1.7%*
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 7 : 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**	**6,129**			
2017 vs. 2016	+25%	+20%	+33%	+30%	+27%
2018 vs. 2017	+20%	+21%	-4%	-10%	+6%
2019 vs. 2018	**-11%**	**-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**	**5,454**			
2017 vs. 2016	+30%	+23%	+27%	+19%	+24%
2018 vs. 2017	+4%	+12%	-3%	-7%	+1%
2019 vs. 2018	**-4%**	**-6%**			

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Financial Calendar

October 17, 2019
3rd quarter sales publication

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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 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.

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