Q4 and FY 2019 results

February 13th, 2020

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Consolidated financial statements as of December 31, 2019 were authorized for issue by the Board of Directors held on February 12, 2020.

2019 : THIRD SUCCESSIVE YEAR OF SOLID RESULTS, IN LINE WITH PLAN

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2019 achievements in a nutshell

- 2019 guidance achieved in a volatile year:
  - ✓ The trade war had unexpected effects, ranging from margin squeeze to rapid decrease in industrial demand in many geographies, including the US and Germany
  - ✓ Brexit-related issues contributed to a subdued environment
- The inflection in business model initiated in 2017, focusing on our organic development, has translated into further sales growth outperformance, earnings growth and value creation
  - ✓ More than €1.0bn organic sales since December 2016. Three successive years of sales growth for the first time since 2008
  - ✓ Double-digit growth in EPS[1] since 2016 (CAGR)
  - ✓ ROCE above the WACC for the first time since 2014
  - ✓ Continued improvement in indebtedness ratio
- Ability to generate strong free cash flow
  - ✓ FCF conversion at 62.5% (in % of EBITDAaL[2]) after 2 years of investments in inventories (mainly in the US) and restructurings in turnaround countries
- Rexel is increasingly data-driven and our 2018-2019 digital investments are paying off
- Active portfolio management: Agreement to dispose of Gexpro Services in the US signed end December.

[1] EPS based on Recurring Net Income, [2] EBITDA after leases

FY 2019 guidance achieved

Sales

13,742

€ million

+1.4% on same-day basis

Adj. EBITA

685.1

€ million

+5.1% [1] vs FY 18

Recurring net income

+7.5%

vs. FY 18

at €341.2m

Gross Margin

25.0%

+36bps [1] vs. FY 18

Adj. EBITA margin

5.0%

+18bps [1]

Indebtedness ratio

2.47x [2]

20bps improvement

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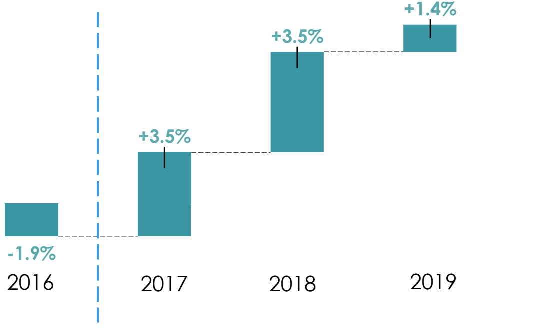
1 on a comparable basis

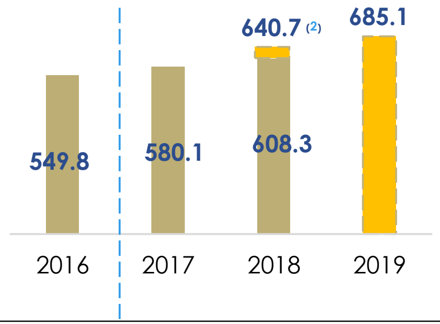
2 before expected proceed from Gexpro services

Three years of successful execution

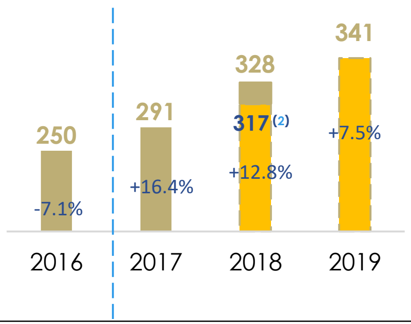
Same-day sales growth



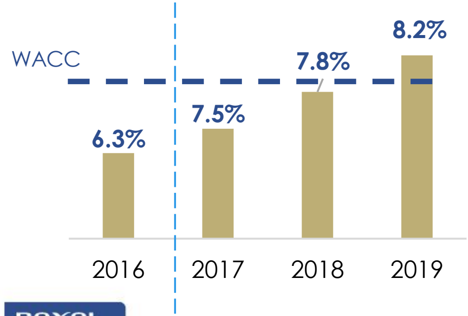
Adj. EBITA (€m) (1)



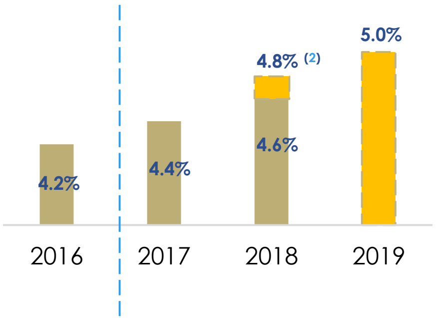
Recurring net income (€m) (1)



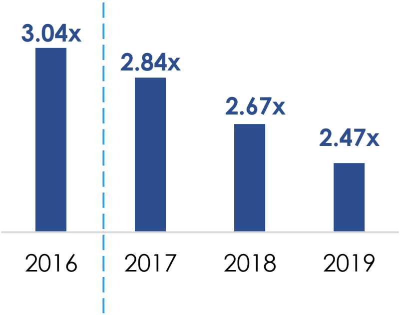
ROCE(1)



Adj. EBITA margin (1)



Indebtedness ratio



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(1) Pre IFRS 16 /on actual basis (2) Post IFRS 16

"Perform": A leaner, more agile organization

- Continued focus on productivity initiatives benefited 2019
  - Cost adaptation to offset industry slowdown in the US
    - Salary & Benefits productivity gain in the US : c.$15m
  - Efficiency of processes:
    - Lower product returns, claims, inventory obsolescence, override
  - Increased logistics productivity
  - Leaner back office
    - End-to-end solution: Email to EDI
  - Process automation in China :
    - 8 robots working in the back-office organization (Finance or legal : Customer screening, credit management, customers)

People adaptation in the US

$15m annualized savings

Logistics : Improved Line/Man/Day

Sweden	Canada
137 (+10)	**108 (+6)**

Email to EDI

40 FTE redeployed to front-office positions

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Enhanced customer focus through roll-out of NPS across the group

2016

No NPS measurement

Customers not regularly surveyed

2018

Initial NPS measurement

Moderate sampling

~ Live in 12 countries

2019

Systematic and ongoing NPS measurement

Extended sampling

Simple question:

"How likely is it that you would recommend Rexel?"

~ Live in 18 countries

2020

Full-fledged measurement

With internal feedback and tailor-made answers per market

- BtoC standard incorporated in Rexel
- Real-time survey
- Better understanding of our customer behaviors

~ Live in all 26 countries

- Greater customer stickiness
- Improved NPS driving lower non-quality cost (fewer credit notes and returns, lower transportation costs)

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"Transform:" Positive initial results from digital transformation

1 digital order
every second in Europe
every 30 seconds in the US

41%
Proportion of digital sales for a French connected customer
(up 800bps in a year)

c. 18%
Group digital sales
26% in Europe

42
Order lines picked up by customer to a European branch each minute

€2.4bn
Digital Sales in 2019
Up 12.9%

+22%
Web sales growth
in North America vs LY

70%
of European sales followed **by track and trace**

€30m
Annualized run rate of revenues "saved" with **"customer churn" solution**

c. 73k+ orders digitalized
40FTE reallocated
Live customer Email to EDI

2 digital hubs
in France and US
150+ data & digital experts

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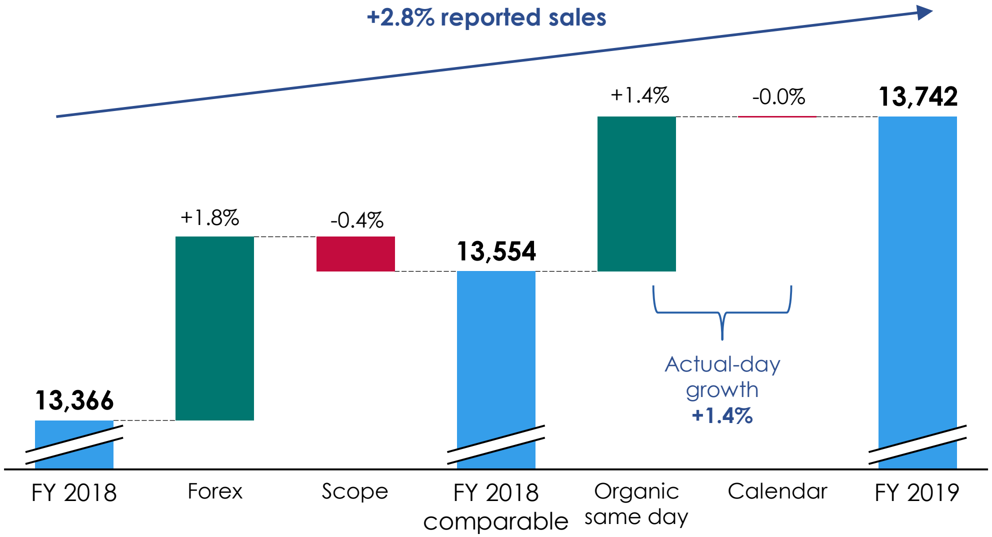
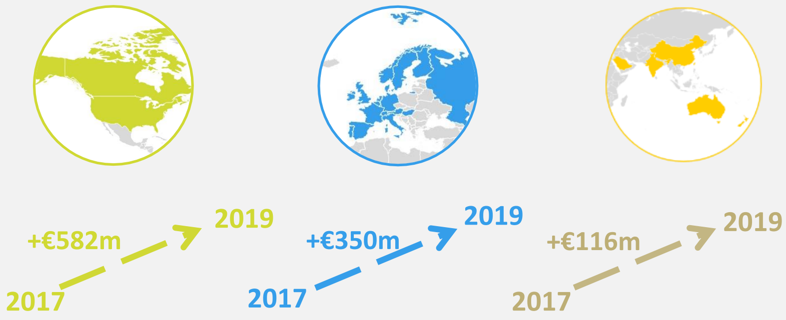
GROUP FINANCIAL REVIEW

FY 19 sales: Another year of organic growth



More than €1bn additional organic sales in 3 years



Same-day sales growth 2019 in line with guidance : +1.4% or +2.4% restated for branch closures in Germany & Spain

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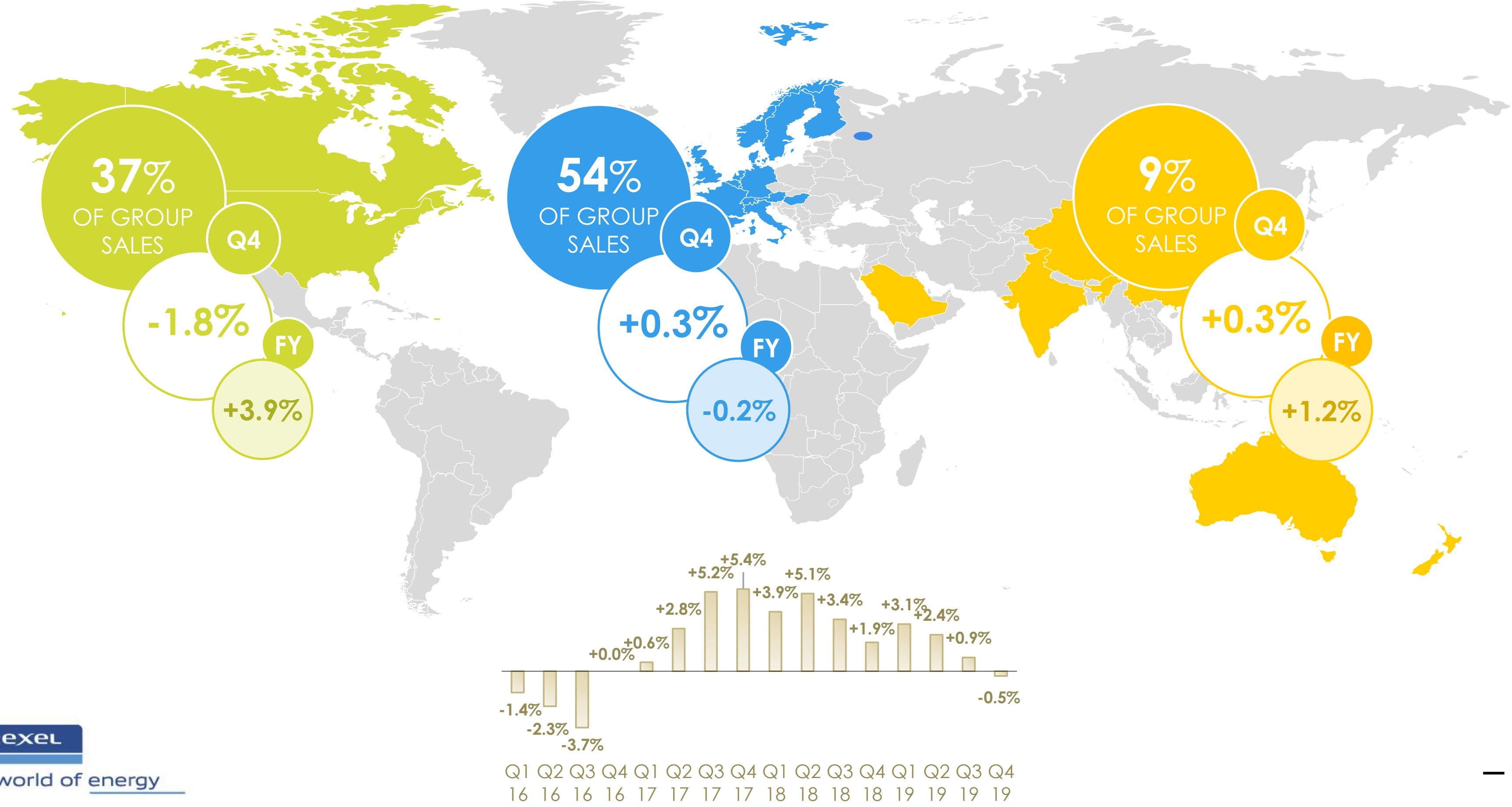
Same-day sales evolution of -0.5% in Q4, mainly due to lower industrial demand in key geographies, on challenging base effect



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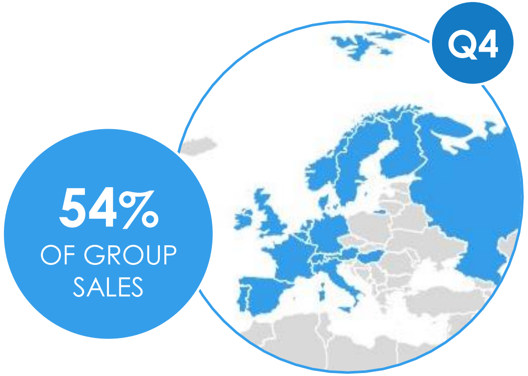
Europe: Resilient sales fueled by France



Sales
1,905.8
€ million

Constant
+0.3%
& same-day

- Sales in **France** were up 4.6%. Q4 benefited from positive momentum in large recurring project wins, digital adoption and good HVAC sales, resulting in market share gains in Q4 and in 2019
  - Increased efficiency resulting in higher customer satisfaction (NPS improvement)
  - Continued evolution towards a data-driven company : 18.8% digital sales in Q4 19 (from 14.5% in Q4 18), implementation of analytics and IoT (Energeasyconnect: 10,000 units sold in 2019- installed base 25,000), first AI use cases
- **UK** sales dropped by 7.4% partly reflecting market deterioration, but also customer selectivity (-4.2%) and 11 branch closures in Q4 19 (-1.6%)
- Sales in **Germany** down 7.0% due to lower industrial demand. Activity should benefit from leaner organization, better service configuration and customer base expansion

	WEIGHT	Q4 19 vs. Q4 18[1]
France	39%	+4.6%
Scandinavia	13%	-2.5%
Benelux	10%	+3.0%
UK	9%	-7.4%
Germany	8%	-7.0%
Switzerland	7%	-0.4%

1 Same-day change

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North America: Slowdown in industry in US; investments in proximity model paying off

Q4

Sales
1,314.0
€ million

Constant
-1.8%
& same-day

	WEIGHT	Q4 19 vs. Q4 18[1]
USA	78%	-2.7%
Canada	22%	+1.8%

37% OF GROUP SALES

- **USA:**
  - Same-day sales decrease impacted by industrial and commercial end-markets
    - Industrial business down in mid-single digit, with O&G down 10%.
    - Commercial projects activity is down in low-single digit
  - Light commercial / Residential: Investment in inventories, branch openings and refresh of existing branches, sales reps
    - Residential is up in high-single digit benefiting from our initiatives, including 57 branch openings in 2017/2019
    - Branch openings : Impact of 1.1% in Q4 19 and c. 1.2% in FY 2019, in line with objectives.
  - Refocusing on our core Electrical Distribution business: Agreement signed with LKCM Headwater for the disposal of Gexpro Services (400 employees, c.260MUSD of sales)
- **Canada :**
  - Driven by positive sales growth with large commercial contractors and industrial customers

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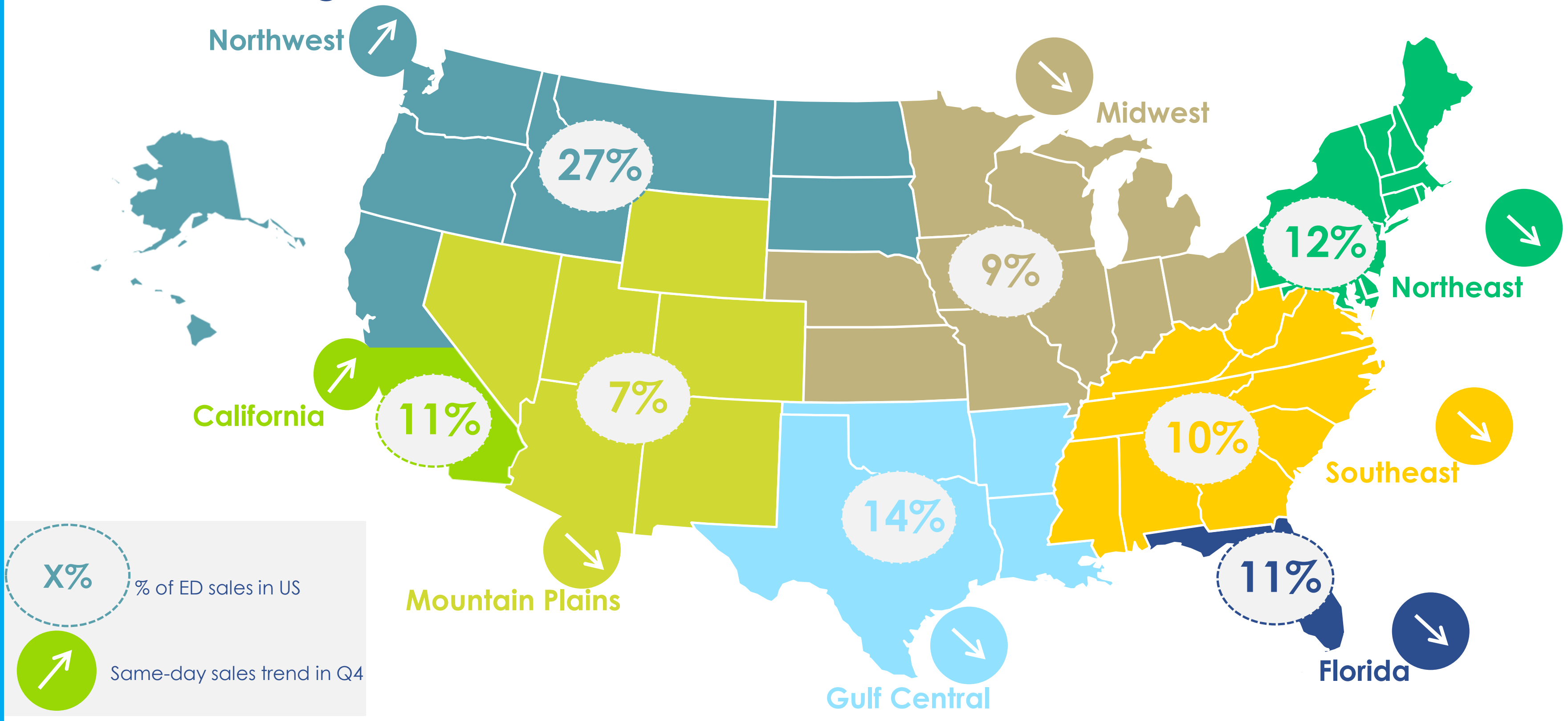
1 Same-day change

Contrasting performance across regions, with strong momentum in non-industrial regions



Good momentum in electrical distribution business in Northwest and California; slowdown in Florida and Midwest mainly driven by lower industrial demand

Asia-Pacific: Contrasting performance impacted by lower project activity

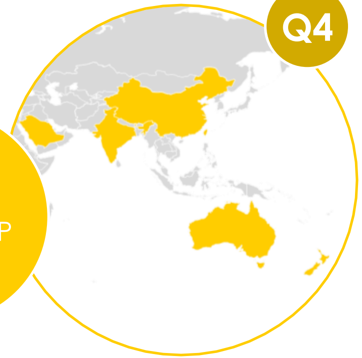
Q4

Sales
300.8
€ million

Constant
+0.3%
& same-day

	WEIGHT	Q4 19 vs. Q4 18[1]
Pacific	50%	+3.3%
Asia	50%	-2.5%

9%
OF GROUP SALES



- **Asia-Pacific is up +0.3% or 3.2% restated for a large project in the Middle East that boosted our Q4 2018 performance**
- **Pacific:**
  - Sales were up 5.9% in Australia, with an outperformance in residential market, which remains under pressure, and good momentum in industrial EPC
  - Sales were down 7.6% in New Zealand mainly due to industrial and commercial markets (notably agriculture)
- **Asia: -2.5% same day sales growth in Q4 19 or +3.2% restated for large project in Middle East**
  - Sales up 1.2% in China, despite slightly lower business than last year from a large project (-1.0% contribution to China) and a more challenging environment
  - India up in double digits, driven by strong automation activity, offsetting negative contribution from a large project in the Middle East that contributed to Q4 2018 (-5.7% contribution to Asia growth)

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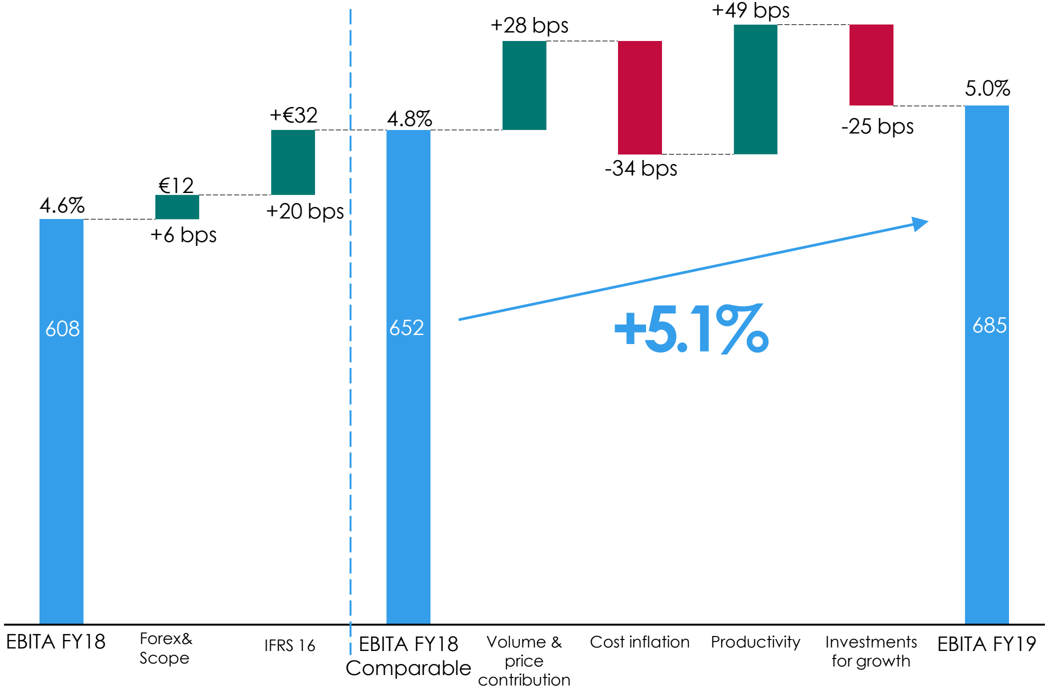
1 Same-day change

FY 19 adjusted EBITA margin up 18bps, reflecting productivity gains and initial benefits from investments



Adjusted EBITA margin

+18 bps

Impact of investment for growth on adjusted EBITA margin

-25 bps

FY adj. EBITA margin improvement, supported by Europe and Holding

FY 2019 (€m)	EUROPE		NORTH AM.		ASIA-PACIFIC		HOLDING	FY GROUP	
Sales	**7,331.5**	**-0.3%**	**5,233.0**	**+3.9%**	**1,177.9**	**+1.1%**		**13,742.3**	**+1.4%**
Constant and same-day		*-0.2%*		*+3.9%*		*+1.2%*			*+1.4%*
Gross margin	**2,004.0**	**+1.8%**	**1,221.6**	**+5.1%**	**214.2**	**+0.6%**	**+0.0**	**3,439.8**	**+2.9%**
% of sales	*27.3%*	*+57ps*	*23.3%*	*+26bps*	*18.2%*	*-9bps*		*25.0%*	*+36bps*
Opex + depreciation	**(1,554.1)**	**+1.3%**	**(991.6)**	**+5.3%**	**(186.7)**	**+0.9%**	**(22.3)**	**(2,754.6)**	**+2.3%**
% of sales	*-21.2%*	*-32bps*	*-18.9%*	*-26bps*	*-15.8%*	*+3bps*		*-20.0%*	*-18bps*
Adj. EBITA[1]	**449.9**	**+3.9%**	**230.0**	**+3.8%**	**27.5**	**-1.4%**	**(22.3)**	**685.1**	**+5.1%**
% of sales	*6.1%*	***+25bps***	*4.4%*	***0bp***	*2.3%*	***-6bps***		*5.0%*	***+18bps***
Group contribution (adj. EBITA[1])		*+13bps*		*-1bp*		*-1bp*	*+6bps*		*+18bps*

EUROPE

Gross margin improvement from outperformance in France, business selectivity in UK and lower share of sales in lower margin countries (turnaround in Germany & Spain), offset by cost of digital transformation and transportation

NORTH AMERICA

Better pricing management in the US benefiting gross margin, offset by digital investments, negative channel mix in Canada, cost inflation (wages & transportation) and higher average number of FTE in the US

ASIA-PACIFIC

Lower profitability mainly due to digital investments, negative volume impact in New Zealand and investment in China (to enter tier-two & tier-three cities)

HOLDING

Higher reallocation to operations of corporate-hosted expenses and lower corporate overheads compared to 2018

Fully in line with FY 2019 adj. EBITA target

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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 cable prices

Recurring net income up 7.5% in 2019

(€m)	FY 2018 [3]	FY 2019	Change
Adjusted EBITA [1] (Comparable base)	**652.0**	**685.1**	**+5.1%**
Currency/Scope impacts on Ebita	-11.3		
Adjusted EBITA [1]	**640.7**	**685.1**	
Non-recurring copper effect	-8.1	-7.6	
Reported EBITA	**632.6**	**677.5**	**+7.1%**
Amortization resulting from PPA	(15.7)	(14.3)	
Other income and expenses	(181.2)	(176.8)	
Operating income	**435.8**	**486.4**	**+11.6%**
Net financial expenses	(144.9)	(165.3)	
Profit before tax	**290.9**	**321.1**	**+10.4%**
Income tax	(155.3)	(117.3)	
Net income	**135.6**	**203.8**	**+50.3%**
Recurring net income [2]	317.5	341.2	+7.5%

- **Restructuring costs** of €(32.6)m vs. €(76.5)m in FY 2018
- **Goodwill impairment & distribution network of €(118.1)m vs €(61.9)m in 2018** including Norway €(58.9)m, New Zealand €(22)m, UK €(21.3)m, Finland €(9.3)m
- **Asset impairment** of €(17.3)m related to the agreements signed to dispose of Gexpro Services and Spanish export activity

- Reduction in **average effective interest rate** on gross debt from 2.80% in 2018 to 2.62% in 2019
- Net financial expenses at €96.6m (vs €97.7m in 2018), excluding IFRS16, refinancing and expense from forex & interest rate mark to market impacts

- **Effective tax rate** of 36.5% impacted by non-deductible GW depreciation and asset impairment, offset by release of a tax reserve of €29.5m.

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 3
3 Financial statements as of December 31, 2018 have been restated for changes in accounting policies, following the adoption of IFRS 16 "Leases" as described in note 3.2.1 of the Consolidated Financial statements.

FCF conversion back to normative level at 62.5%; further deleveraging

(€m)	FY 2018 [1]	FY 2019
EBITDA	**897.3**	**959.1**
Lease payment	(211.8)	(220.7)
EBITDA after Lease (EBITDAaL)	**685.5**	**738.4**
Restructuring	(67.3)	(51.9)
Change in working capital	(159.9)	(70.0)
Net capital expenditure	(90.6)	(116.5)
Other operating revenues & costs	(16.4)	(38.4)
Free cash-flow before I&T	**351.3**	**461.6**
FCF (before I&T) conversion (% EBITDAaL)	51.2%	62.5%
Net interest paid	(84.3)	(82.3)
Income tax paid	(80.7)	(118.2)
Free cash-flow after I&T	**186.3**	**261.1**
Net financial investment	(1.7)	(2.6)
Dividend paid	(126.8)	(133.0)
Currency change	(22.4)	**(26.4)**
Other	(29.4)	(30.3)
Net change in cash / (debt)	**6.0**	**68.8**
Debt at the end of the period	**2,014.7**	**1,945.9**

O/w €29m of cash-out related to restructuring in Germany & Spain as well as €11m in UK

Improved Working Capital

- Trade Working Capital at 12.6% of sales in 2019 vs. 13% in 2018, thanks to better receivables and stable inventories

Capex to sales at c. 0.9%

- 62% of capex related to IT & Digital

Lower net interest paid post-refinancing

O/w €21m from bond refinancing

Net debt reduction of €68.8m
Further improvement in indebtedness ratio[2] at 2.47x (-20 bps)

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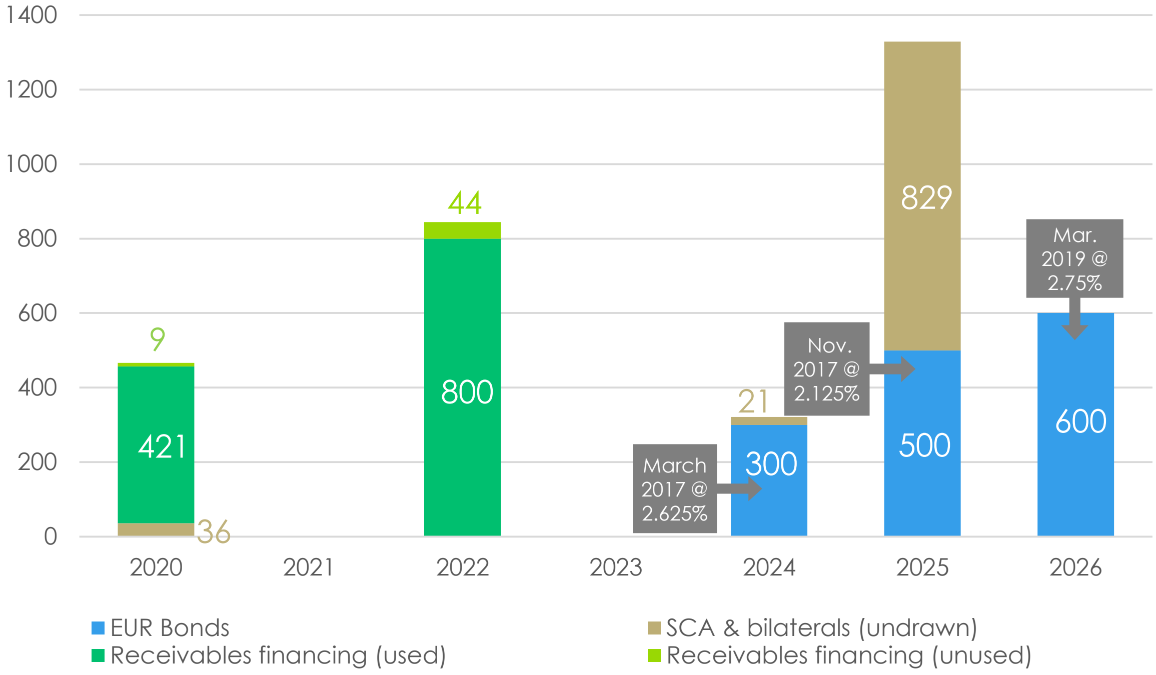
1 Financial statements as of December 31, 2018 have been restated for changes in accounting policies, following the adoption of IFRS 16 "Leases" as described in note 3.2.1 of the Consolidated Financial statements.
2 Net debt / EBITDAaL ratio as calculated under the SCA terms

Improved maturity profile from active refinancing strategy

- **Debt maturity breakdown at Dec. 31, 2019 [1]**



€1.28bn
Liquidity at December 31, 2019

c.4.2 years
(vs. 3.8 years in 2018)
Maturity of average debt

2.62% (-18bps yoy)
FY 2019 average effective interest rate on gross debt

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1 Pro forma post approval of the 2nd extension option of the SCA on January 16th, 2020

Proposed dividend up 9.0% to €0.48, payable in cash

- In line with Rexel's payout policy: ≥ 40% of recurring net income
- Third consecutive year of dividend increase
- Subject to approval at the AGM on April 23, 2020

	2015	2016	2017	2018	**2019**
Dividend per share (€)	0.40	0.40	0.42	0.44	**0.48**
Net income (€m)	15.7	134.3	104.9	152.3	**203.8**
Recurring net income[1] (€m)	269.4	250.3	291.2	328.1	**341.2**
Pay-out as % of recurring net income	45%	48%	44%	41%	**43%**

€0.48

per share

proposed dividend for FY 2019

43%

pay-out

as % of recurring net income

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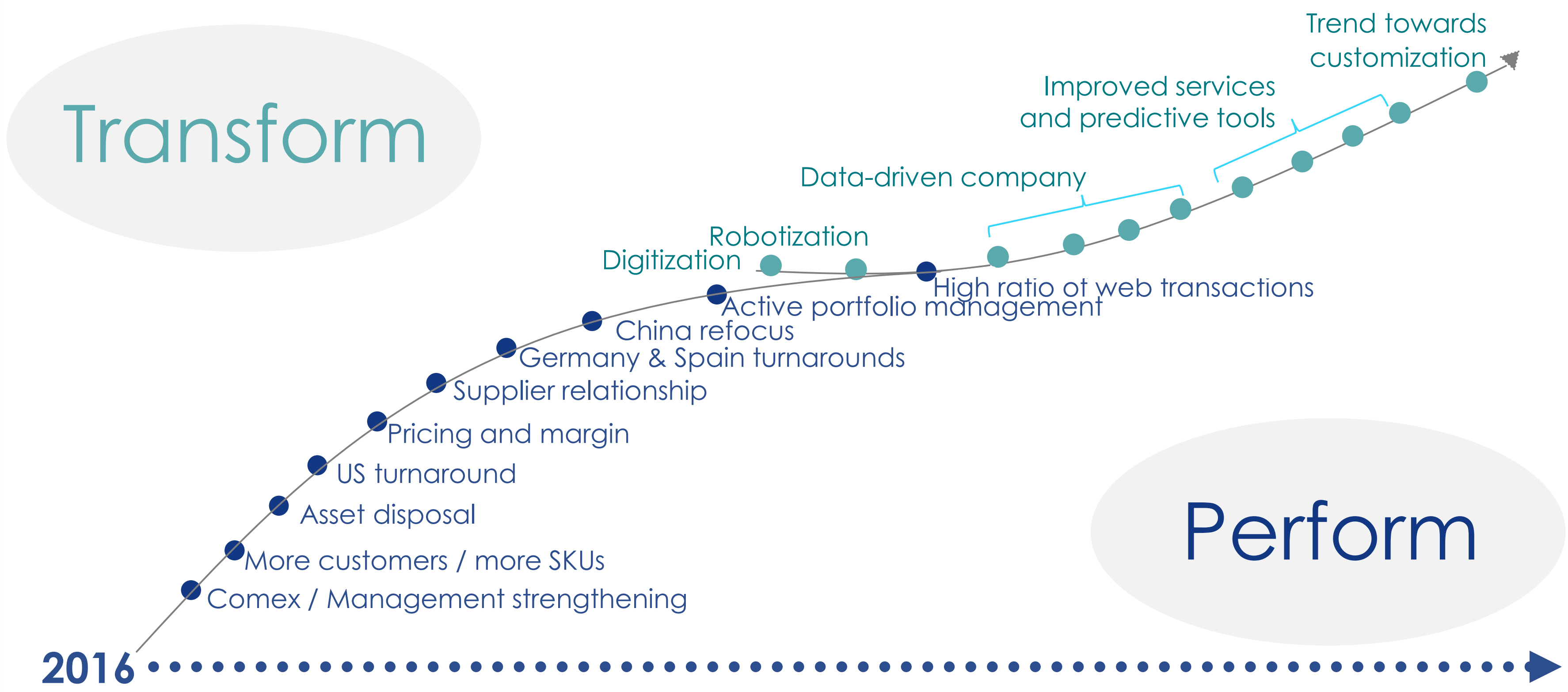
2020 PRIORITIES

When Perform & Transform converge



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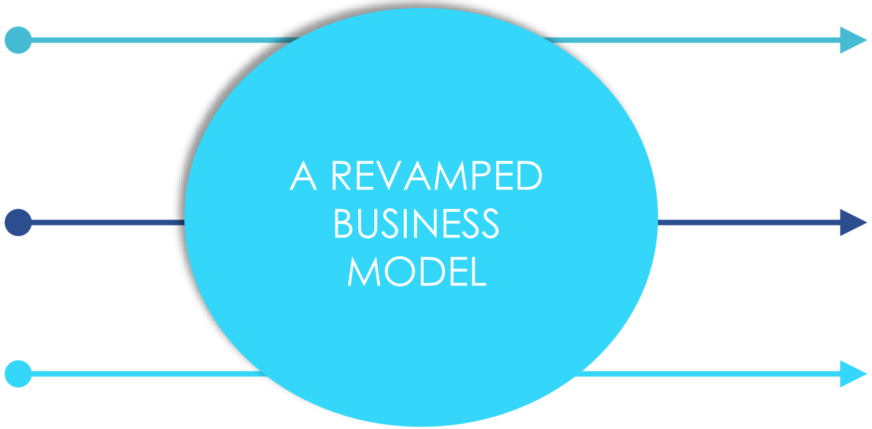
Shift in business model initiated in 2017 has resulted in value creation

- Logistics-focused « Box mover »
- M&A-fueled model
- Below-market growth



- Customer-focused within an enriched offer of services and solutions
- Digital transformation to foster efficiency & greater customer stickiness
- Value-added supplier relationships
- Focus on organic growth
- Reinforced ability to capture attractive Business and Environmental « Mega Trends »

A model combining financial and environmental performance

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2020 priorities: Further value creation through self help & strategic initiatives

Self-help initiatives

- Capitalize on investments in our US network, regionalization and sales organization
  - Ramp-up of the 57 branch/counter openings
- Extract full benefit of productivity initiatives implemented in 2019
  - Leaner organization in US
  - Process efficiency
- Leverage first benefits of 2018-2019 digital transformation and of best practice sharing between countries
  - AI-assisted "customer churn" deployed in 6 countries
  - "Email to EDI" implemented in 6 countries

Strategic initiatives

- Foster strong omnichannel experience : "More digital, more proximity"
  - Increasing customer proximity with agile points of delivery (e.g. France and US)
  - Track & Trace to be rolled-out in the US
- Improve customer service, notably through AI-assisted assortment and pricing
  - Deployment of branch assortment in France
  - Implementation of AI pricing model in Germany
- Use data to switch from reactive to predictive sales actions (churn, Next Best Offer)
  - 84% of sales covered by customer churn end-2020
- Enhance back office efficiency through digital robotics and automatization (email to EDI/Autostore)
  - Further roll-out of email to EDI in 3 new countries

Towards an increasingly data-driven and digital model

France: Designing the next model

- Continue network digitalization
  - Digital outlet (Smart lockers) to enrich proximity
  - Self check-out
  - Product recognition
  - Digital services platform
  - Personalized augmented reality pricing
- Use AI to better predict customer needs (branch assortment)
- Enhance customer satisfaction through continuous feedback tools and personalized answers
- Increase customer stickiness through software and services (Esabora, Energeasyconnect)
- Personalize marketing and customer service, capitalizing on segmented sales organization

Number of branches in France

c. 450

Proximity initiative in France

Containers	Lockers	24/7 Pick-up rooms
35	**100**	**100**

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US : Leveraging scalability

- Proximity serves our digital strategy
  - "Brick and mortar" and digital serving customer satisfaction in a mutually beneficial way
  - Platt In Motion (PIM) initiatives: Rapid deployment of delocalized PIM site (Vehicle, Jobsite, Shop) and Lockers
- Deploy Track-and-Trace in the US (75% of sales to be covered) to further improve customer experience
- Foster salesforce adoption of analytical tools (Salesforce, Power BI) and AI tools (Customer churn)
- Increase resources for software and services
- Capture new routes to market through partnerships

Number of branches across US

c. 393

Additional initiatives at Platt in the US

PIM Site	Lockers
3,500	40

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Germany & UK: "Cross the digital bridge" to leapfrog transformation steps

Germany

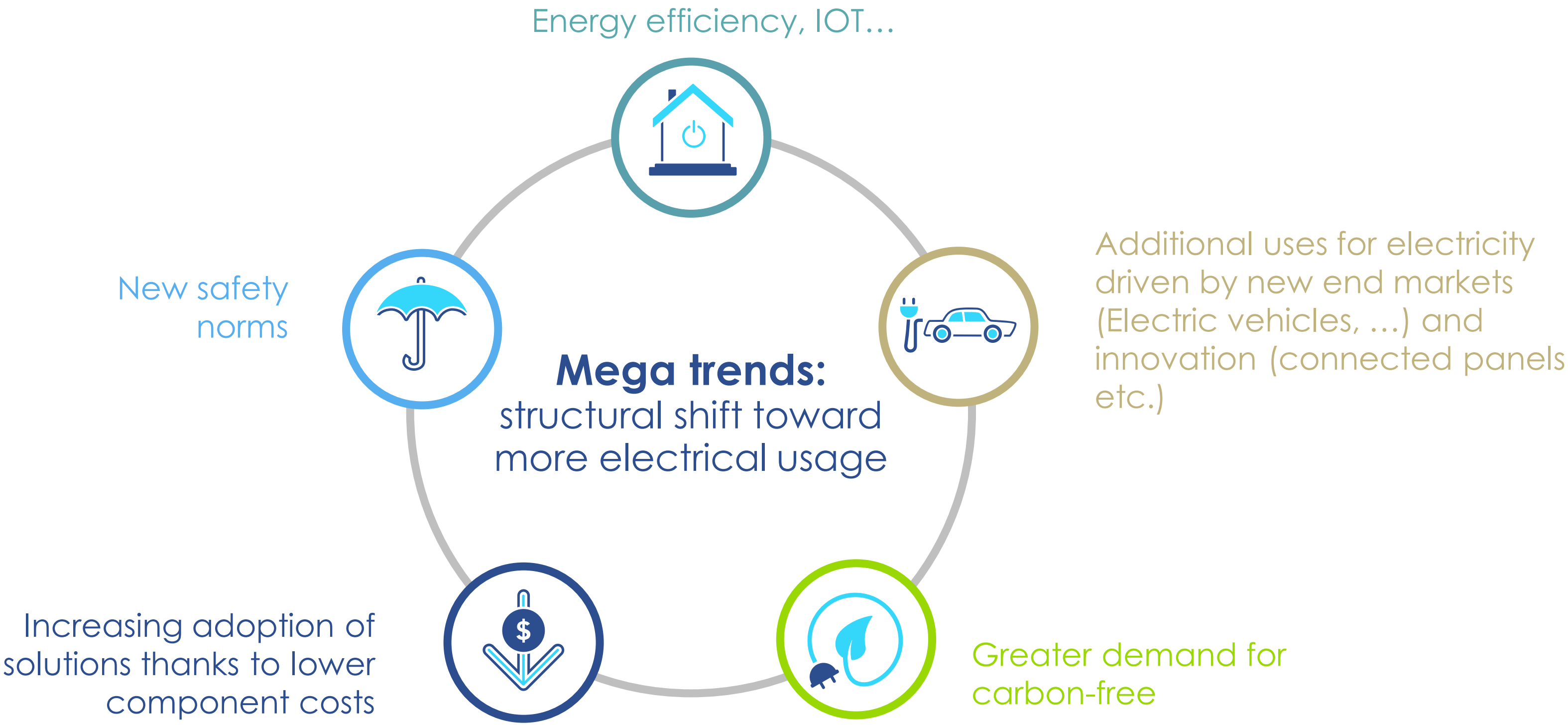
- Rationalization completed, resulting in stronger local market share
- Executive Committee renewed
- Leverage analytical tools initiative deployed in 2019 to improve internal efficiency (Email to EDI)
- Improve sales efficiency through better use of data and digital tools
- Deploy segmented AI pricing model and further roll-out in Europe

United Kingdom

- Front office rationalization well advanced
  - Closure of 57 branches in 2018 and 2019
  - Leaner sales organization to increase productivity and develop proximity
- New CEO with proven expertise in proximity in the US
- 2020 will be the digital year for Rexel UK
  - Features to be implemented : Track & Trace, online payment, product lead time
  - Target to reach at least 5% of digital sales
  - 95% of customers to have web login

4 OUTLOOK

Rexel's upgraded customer service allows us to capture positive structural trends



Clear 2030 environmental roadmap after 2020 objectives achieved ahead of plan

	2020 targets	Achievements	2030 roadmap	Achievements
Improving environmental performance	**-30%** **Reduction in CO_2 emissions of our operations** (by 2020 vs. 2010)	✓ 2017	**-35%** **Reduction in CO_2 emissions of our operations** (by 2030 vs. 2016)	**-13.8%** (2019 vs. 2016) SCIENCE BASED TARGETS
	× 2 **(at least) sales of energy efficiency solutions** (by 2020 vs. 2011)	✓ 2017	**-45%** **Reduction in CO_2 emissions from the use of products sold** (per € of sales, by 2030 vs. 2016)	**-14,1%** (2019 vs. 2016) SCIENCE BASED TARGETS

- CDP A rating confirmed end-2019 – Rexel ranked among the top 22 French companies
- 2030 environmental roadmap fully aligned with our Science-Based Targets
- Improving environmental performance now a KPI for variable compensation of CEO

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Capital allocation priorities maintained

Organic growth to fund the core business

Dividend policy

Further Deleveraging
w/o M&A

Selective Acquisitions

Focus on capex and opex allocated to digital transformation

Minimum payout of 40% of recurring net income

Balanced between shareholder return and investment

Focus on digital M&A

Bolt-on driven by active portfolio management

Strict M&A criteria

2020 Outlook

- The benefits from our initial digital investments strengthen our conviction that Rexel's evolution towards a data-driven company will reinforce Rexel's positioning and contribute to market share gains and margin improvement.

- Our priority will be to improve our adjusted EBITA margin and free cash flow generation notwithstanding the challenging environment, while continuing to invest in digital transformation.

- In an environment of low sales growth and with a more challenging base effect in H1, we target for 2020, at comparable scope of consolidation and exchange rates:
  - Adjusted EBITA[1] growth of between 2% and 5%
  - FCF conversion of c. 65%
  - Further improvement of the indebtedness ratio[2] (Net Debt/EBITDAaL[3])

- The revamped business model of the company and expected results of our digital transformation will be presented during our next Capital Market Day in 2020.

[1] *excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cable prices*
[2] *As calculated under the Senior Credit Agreement terms*
[3] *EBITDAaL : Earnings Before Interest, Taxes, Depreciation and Amortization after Leases*

APPENDIX

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Appendix 1: Q4 and FY 2019 sales and adjusted EBITA bridge

SALES BRIDGE

Q4	Europe	North America	Asia-Pacific	Group
Reported sales 2018	**1,902.2**	**1,280.8**	**313.9**	**3,496.9**
+/- Net currency effect	0.2%	3.2%	0.0%	1.3%
+/- Net scope effect	0.0%	0.0%	-4.8%	-0.4%
= Comparable sales 2018	**1,905.4**	**1,322.3**	**298.8**	**3,526.4**
+/- Actual-day organic growth, of which:	**0.0%**	**-0.6%**	**0.7%**	**-0.2%**
Constant-same day excl. copper	*0.5%*	*-1.4%*	*0.1%*	-0.2%
Copper effect	*-0.2%*	*-0.4%*	*0.2%*	-0.3%
Constant-same day incl. copper	**0.3%**	**-1.8%**	**0.3%**	**-0.5%**
Calendar effect	-0.3%	1.2%	0.4%	0.3%
= Reported sales 2019	**1,905.8**	**1,314.0**	**300.8**	**3,520.6**
YoY change	0.2%	2.6%	-4.2%	0.7%

FY	Europe	North America	Asia-Pacific	Group
Reported sales 2018	**7,350.0**	**4,801.3**	**1,214.4**	**13,365.7**
+/- Net currency effect	0.0%	4.9%	-0.1%	1.8%
+/- Net scope effect	0.0%	0.0%	-4.0%	-0.4%
= Comparable sales 2018	**7,351.6**	**5,038.0**	**1,164.6**	**13,554.2**
+/- Actual-day organic growth, of which:	**-0.3%**	**3.9%**	**1.1%**	**1.4%**
Constant-same day excl. copper	*0.1%*	*4.4%*	*0.9%*	1.7%
Copper effect	*-0.3%*	*-0.5%*	*0.3%*	-0.3%
Constant-same day incl. copper	**-0.2%**	**3.9%**	**1.2%**	**1.4%**
Calendar effect	-0.1%	0.0%	-0.1%	0.0%
= Reported sales 2019	**7,331.5**	**5,233.0**	**1,177.9**	**13,742.3**
YoY change	-0.3%	9.0%	-3.0%	2.8%

EBITA BRIDGE

	2018 adjusted EBITA (2018 FX/ 2018 scope)	2018 copper effect @2018 FX	2018 reported EBITA	IFRS 16 impacts	2019 FX impact	2019 scope impact	2018 copper effect @2019 FX	2018 adjusted EBITA on a comparable basis	Organic growth	2019 adjusted EBITA	2019 copper effect	2019 reported EBITA
Rexel Group	**608.3**	-7.9	**600.4**	32.2	10.7	0.5	8.1	**652.0**	33.1	**685.1**	-7.6	**677.5**

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

GROUP

Constant and adjusted basis (€m)	Q4 2018	Q4 2019	Change	FY 2018	FY 2019	Change
Sales	3,526.4	**3,520.6**	**-0.2%**	13,554.2	**13,742.3**	**+1.4%**
on a constant basis and same days			***-0.5%***			***+1.4%***
Gross profit				3,344.1	**3,439.8**	**+2.9%**
as a % of sales				*24.7%*	*25.0%*	*36 bps*
Distribution & adm. expenses (incl. depreciation)				(2,692.1)	(2,754.6)	+2.3%
EBITA				652.0	**685.1**	**+5.1%**
as a % of sales				*4.8%*	*5.0%*	*18 bps*
Headcount (end of period)				26,540	**26,333**	**-0.8%**

[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)	FY 2018	FY 2019
Non-recurring copper effect at EBITA level	**(8.1)**	**(7.6)**

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

EUROPE

Constant and adjusted basis (€m)	Q4 2018	Q4 2019	Change	FY 2018	FY 2019	Change
Sales	1,905.4	**1,905.8**	**+0.0%**	7,351.6	**7,331.5**	**-0.3%**
on a constant basis and same days			***+0.3%***			***-0.2%***
France	724.6	**746.6**	+3.0%	2,717.3	**2,796.9**	+2.9%
on a constant basis and same days			*+4.6%*			*+3.3%*
United Kingdom	192.4	**178.2**	-7.4%	807.6	**736.5**	-8.8%
on a constant basis and same days			*-7.4%*			*-8.4%*
Germany	166.8	**157.9**	-5.3%	764.1	**639.1**	-16.4%
on a constant basis and same days			*-7.0%*			*-16.8%*
Scandinavia	260.0	**252.7**	-2.8%	939.8	**953.8**	+1.5%
on a constant basis and same days			*-2.5%*			*+1.6%*
Gross profit				1,967.7	**2,004.0**	**+1.8%**
as a % of sales				*26.8%*	*27.3%*	*57 bps*
Distribution & adm. expenses (incl. depreciation)				(1,534.9)	(1,554.1)	+1.3%
EBITA				432.9	**449.9**	**+3.9%**
as a % of sales				*5.9%*	*6.1%*	*25 bps*
Headcount (end of period)				15,260	**15,107**	**-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.

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

NORTH AMERICA

Constant and adjusted basis (€m)	Q4 2018	Q4 2019	Change	FY 2018	FY 2019	Change
Sales	1,322.3	**1,314.0**	**-0.6%**	5,038.0	**5,233.0**	**+3.9%**
on a constant basis and same days			***-1.8%***			***+3.9%***
United States	1,041.3	**1,027.9**	-1.3%	3,986.9	**4,135.1**	+3.7%
on a constant basis and same days			*-2.7%*			*+3.7%*
Canada	281.0	**286.1**	+1.8%	1,051.1	**1,097.8**	+4.4%
on a constant basis and same days			*+1.8%*			*+4.4%*
Gross profit				1,162.8	**1,221.6**	**+5.1%**
as a % of sales				*23.1%*	*23.3%*	*26 bps*
Distribution & adm. expenses (incl. depreciation)				(941.3)	(991.6)	+5.3%
EBITA				221.5	**230.0**	**+3.8%**
as a % of sales				*4.4%*	*4.4%*	*0 bps*
Headcount (end of period)				8,605	**8,547**	**-0.7%**

[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)	**Q4 2018**	**Q4 2019**	**Change**	**FY 2018**	**FY 2019**	**Change**
Sales	298.8	**300.8**	**+0.7%**	1,164.6	**1,177.9**	**+1.1%**
on a constant basis and same days			***+0.3%***			***+1.2%***
China	120.5	**122.6**	*+1.8%*	450.5	**480.5**	*+6.7%*
on a constant basis and same days			*+1.2%*			*+6.6%*
Australia	118.2	**125.3**	*+6.0%*	491.4	**492.8**	*+0.3%*
on a constant basis and same days			*+5.9%*			*+0.2%*
New Zealand	28.5	**26.4**	*-7.6%*	115.2	**113.6**	*-1.4%*
on a constant basis and same days			*-7.6%*			*-1.4%*
Gross Profit				212.9	**214.2**	**+0.6%**
as a % of sales				*18.3%*	*18.2%*	*-9 bps*
Distribution & adm. expenses (incl. depreciation)				(185.0)	(186.7)	+0.9%
EBITA				27.9	**27.5**	**-1.4%**
as a % of sales				*2.4%*	*2.3%*	*-6 bps*
Headcount (end of period)				2,523	**2,507**	**-0.6%**

[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 3 : Consolidated Income statement

Reported basis (€m)	FY 2018	FY 2019	Change
Sales	**13,365.7**	**13,742.3**	**2.8%**
Gross profit	**3,286.9**	**3,432.0**	**4.4%**
as a % of sales	*24.6%*	*25.0%*	
Distribution & adm. expenses (excl. depreciation)	(2,389.6)	(2,472.9)	3.5%
EBITDA	**897.3**	**959.1**	**6.9%**
as a % of sales	*6.7%*	*7.0%*	
Depreciation	(264.7)	(281.6)	
EBITA	**632.6**	**677.5**	**7.1%**
as a % of sales	*4.7%*	*4.9%*	
Amortization of intangibles resulting from purchase price allocation	(15.7)	(14.3)	
Operating income bef. other inc. and exp.	**617.0**	**663.2**	**7.5%**
as a % of sales	*4.6%*	*4.8%*	
Other income and expenses	(181.2)	(176.8)	
Operating income	**435.8**	**486.4**	**11.6%**
Net financial expenses	(144.9)	(165.3)	
Net income (loss) before income tax	**290.9**	**321.1**	**10.4%**
Income tax	(155.3)	(117.3)	
Net income (loss)	**135.6**	**203.8**	**50.3%**

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Appendix 3 : Adjusted EBITA bridge and Recurring net income

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

in €m	FY 2018	FY 2019
Operating income before other income and other expenses on a reported basis	**617.0**	**663.2**
Change in scope of consolidation	0.5	-
Foreign exchange effects	10.7	-
Non-recurring effect related to copper	8.1	7.6
Amortization of intangibles assets resulting from PPA	15.7	14.3
Adjusted EBITA on a constant basis	**652.0**	**685.1**

BRIDGE BETWEEN REPORTED NET INCOME AND RECURRING NET INCOME

in €m	FY 2018	FY 2019	Change
Net income (as reported)	152.3	**203.8**	**n.a.**
IFRS16 restatement	(16.7)	**-**	
Net income (restated)	135.6	**203.8**	**+50.3%**
Non-recurring copper effect	7.9	**7.6**	
Other expense & income	181.2	**176.8**	
Financial expense	1.1	**20.8**	
Tax expense	(8.3)	**(67.8)**	
Recurring net income	317.5	**341.2**	**+7.5%**

Appendix 3 : Sales and profitability by segment – reported basis

Reported basis (€m)	FY 2018	FY 2019	Change
Sales	**13,365.7**	**13,742.3**	**+2.8%**
Europe	7,350.0	7,331.5	-0.3%
North America	4,801.3	5,233.0	+9.0%
Asia-Pacific	1,214.4	1,177.9	-3.0%
Gross profit	**3,286.9**	**3,432.0**	**+4.4%**
Europe	1,961.1	1,999.7	+2.0%
North America	1,105.3	1,218.2	+10.2%
Asia-Pacific	220.0	214.2	-2.6%
EBITA	**632.6**	**677.5**	**+7.1%**
Europe	427.0	445.7	+4.4%
North America	208.5	226.6	+8.7%
Asia-Pacific	27.4	27.5	+0.5%
Other	(30.3)	(22.3)	+26.4%

Appendix 3 : Consolidated balance sheet[1]

Assets (Reported basis in €m)	December 31, 2018	December 31, 2019
Goodwill	3,871.1	3,785.5
Intangible assets	1,037.9	1,027.5
Property, plant & equipment	266.6	273.3
Right-of-use assets	833.4	898.2
Long-term investments	42.6	49.2
Deferred tax assets	88.1	60.1
Total non-current assets	**6,139.7**	**6,093.8**
Inventories	1,674.2	1,696.9
Trade receivables	2,091.5	2,059.3
Other receivables	520.6	541.0
Assets classified as held for sale	42.5	169.4
Cash and cash equivalents	544.9	514.3
Total current assets	**4,873.7**	**4,980.9**
Total assets	**11,013.3**	**11,074.8**

Liabilities (Reported basis in €m)	December 31, 2018	December 31, 2019
Total equity	**4,146.4**	**4,235.3**
Long-term debt	1,925.0	1,733.1
Lease liabilities (non-current part)	783.9	846.5
Deferred tax liabilities	208.6	184.6
Other non-current liabilities	320.6	352.9
Total non-current liabilities	**3,238.1**	**3,117.1**
Interest bearing debt & accrued int.	649.4	748.8
Lease liabilities (current part)	160.6	163.5
Trade payables	2,024.1	2,021.7
Other payables	755.7	753.0
Liabilities rel. to assets held for sale	38.9	35.3
Total current liabilities	**3,628.8**	**3,722.3**
Total liabilities	**6,867.0**	**6,839.4**
Total equity & liabilities	**11,013.3**	**11,074.8**

[1] *Net debt includes Debt hedge derivatives for €(12.7)m at December 31, 2018 and €(19.6)m at December 31, 2019*
It also includes accrued interest receivables for €(2.2)m at December 31, 2018 and for €(2.0)m at December 31, 2019.

Appendix 3 : Change in net debt

Reported basis (€m)	FY 2018	FY 2019
EBITDA	**897,3**	**959,1**
Lease payments	(211,8)	(220,7)
EBITDAaL	**685,5**	**738,4**
Other operating revenues & costs(1)	(83,7)	(90,3)
Operating cash-flow	**601,9**	**648,1**
Change in working capital	(159,9)	(70,0)
Net capital expenditure, of which:	(90,6)	(116,5)
Gross capital expenditure	*(118,8)*	*(125,5)*
Disposal of fixed assets & other	*23,9*	*7,9*
Free cash-flow from continuing op. before int. & tax	**351,3**	**461,6**
Cash conversion	***51,2%***	***62,5%***
Net interest paid / received	(84,3)	(82,3)
Income tax paid	(80,7)	(118,2)
Free cash-flow from continuing op. after int. & tax	**186,3**	**261,1**
Net financial investment	(1,7)	(2,6)
Dividends paid	(126,8)	(133,0)
Net change in equity	(10,1)	2,2
Other	(19,2)	(32,5)
Currency exchange variation	(22,4)	(26,4)
Decrease (increase) in net debt	**6,0**	**68,8**
Net debt at the beginning of the period	**2.020,7**	**2.014,7**
Net debt at the end of the period	**2.014,7**	**1.945,9**

(1) Includes restructuring outflows of:

- *€(51.9)m in FY 2019 vs. €67.3m in FY 2018.*

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Appendix 4 : Working capital

Constant basis	December 31, 2018	December 31, 2019
Net inventories		
as a % of sales 12 rolling months	***12.5%***	***12.3%***
as a number of days	*56.0*	*56.4*
Net trade receivables		
as a % of sales 12 rolling months	***15.6%***	***14.9%***
as a number of days	*51.3*	*49.9*
Net trade payables		
as a % of sales 12 rolling months	***15.0%***	***14.6%***
as a number of days	*59.3*	*59.4*
Trade working capital		
as a % of sales 12 rolling months	***13.0%***	***12.6%***
Total working capital		
as a % of sales 12 rolling months	***11.3%***	***11.0%***

Appendix 5 : Headcount and branch evolution

FTEs at end of period comparable	December 31, 2018	December 31, 2019	Year-on-Year Change
Europe	**15,260**	**15,107**	**-1.0%**
USA	*6,474*	*6,422*	**-0.8%**
Canada	*2,131*	*2,125*	**-0.3%**
North America	**8,605**	**8,547**	**-0.7%**
Asia-Pacific	**2,523**	**2,507**	**-0.6%**
Other	**152**	**172**	**13.2%**
Group	**26,540**	**26,333**	**-0.8%**

Branches comparable	December 31, 2018	December 31, 2019	Year-on-Year Change
Europe	**1,127**	**1,100**	**-2.4%**
USA	*384*	*393*	**2.3%**
Canada	*190*	*191*	**0.5%**
North America	**574**	**584**	**1.7%**
Asia-Pacific	**242**	**238**	**-1.7%**
Group	**1,943**	**1,922**	**-1.1%**

Appendix 6 : Calendar, scope and currency effects on sales

Based on the assumption of the following average exchange rates:

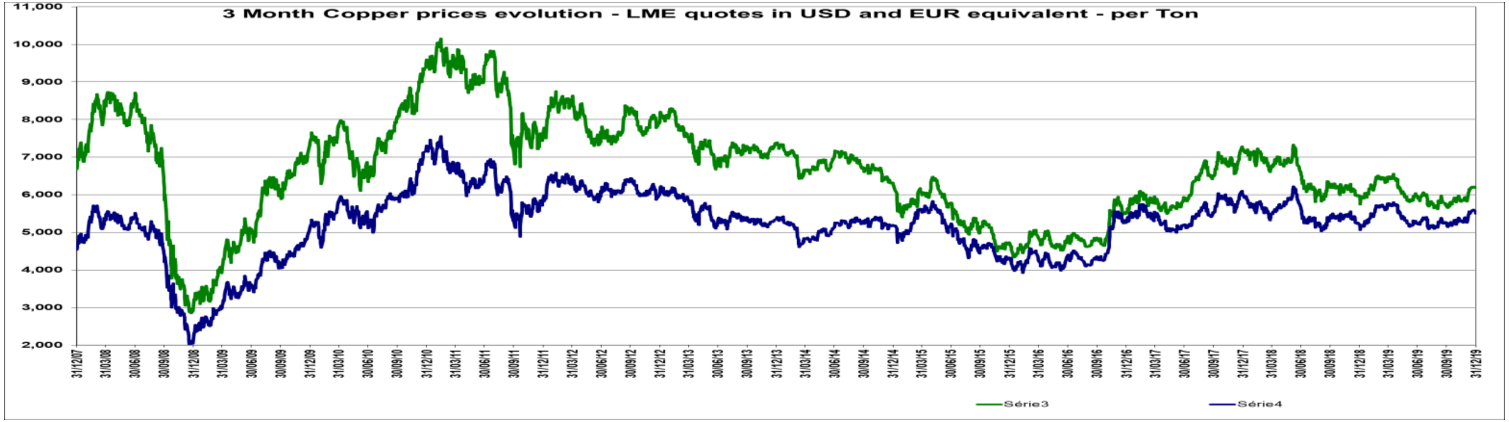
1 €	=	1.10	USD
1 €	=	1.45	CAD
1 €	=	1.61	AUD
1 €	=	0.84	GBP

and based on aquisitions/divestments to date, 2019 sales should take into account the following estimated impacts to be comparable to 2020 :

	Q1e	Q2e	Q3e	Q4e	FYe
Scope effect at Group level *	-	-	-	-	-
as% of 2019 sales	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Currency effect at Group level	**45.7**	**43.7**	**32.8**	**17.6**	**139.8**
as% of 2019 sales	*1.4%*	*1.3%*	*1.0%*	*0.5%*	*1.0%*
Calendar effect at Group level	**0.2%**	**0.1%**	**0.4%**	**1.6%**	**0.6%**
Europe	1.2%	0.1%	0.7%	1.3%	0.8%
USA	*-1.6%*	*0.0%*	*0.0%*	*3.4%*	*0.4%*
Canada	*1.7%*	*0.1%*	*0.0%*	*0.0%*	*0.4%*
North America	-0.9%	0.0%	0.0%	2.6%	0.4%
Asia	*-2.0%*	*-0.6%*	*1.4%*	*-1.2%*	*-0.5%*
Pacific	*1.7%*	*1.0%*	*0.0%*	*-0.2%*	*0.6%*
Asia-Pacific	-0.1%	0.2%	0.7%	-0.7%	0.1%

** Gexpro Services & Spanish Export business impacts will be communicated after closing*

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**	**5,829**	**5,916**	**6,020**
2017 vs. 2016	+25%	+20%	+33%	+30%	+27%
2018 vs. 2017	+20%	+21%	-4%	-10%	+6%
2019 vs. 2018	**-11%**	**-11%**	**-5%**	**-4%**	**-8%**

€/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**	**5,243**	**5,343**	**5,377**
2017 vs. 2016	+30%	+23%	+27%	+19%	+24%
2018 vs. 2017	+4%	+12%	-3%	-7%	+1%
2019 vs. 2018	**-4%**	**-6%**	**-1%**	**-1%**	**-3%**

Financial Calendar

April 23, 2020
First quarter 2020 sales

April 23, 2020
Annual Shareholders' Meeting

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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.

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 2019 fiscal year, which may be obtained from Rexel's website (www.rexel.com).