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## **REXEL EXTENDS ITS DEBT MATURITY AND IMPROVES ITS FINANCIAL FLEXIBILITY THROUGH THE FULL REFINANCING OF ITS SENIOR CREDIT FACILITY**

Rexel, a global leader in the distribution of electrical supplies, completed on December 21<sup>st</sup> 2009 the refinancing of its existing €2.7 billion senior credit facility, of which €2.1 billion were drawn at this date.

This refinancing was implemented through the following transactions:

- (i) Issuance of €575 million senior unsecured notes (see company press release dated December 14<sup>th</sup> 2009, available at [www.rexel.com](http://www.rexel.com)), of which delivery and settlement took place today; and
- (ii) The implementation of a new senior credit agreement for a total amount of €1.7 billion, of which €1.1 billion were drawn on December 21<sup>th</sup>, 2009 ; conditions of this new senior credit agreement are further detailed in appendix.

The balance was paid using part of Rexel's available cash.

### **Michel FAVRE, Rexel's CFO and member of the Management Board, said :**

*"This refinancing allows Rexel to extend the average maturity of its debt under satisfactory financial conditions. The new financing structure allows the Group to improve its financial flexibility by diversifying its investor base and by optimizing cash management through the implementation of a new senior credit in the form of revolving lines.*

*The successful bond issuance combined with the renegotiation of our senior credit facility gives us greater leeway to accelerate our development.*

## APPENDIX – ADDITIONAL INFORMATION ON REFINANCING

### A. New senior credit agreement

The new €1.7 billion senior credit agreement comprises two revolving credit facilities structured as follows:

- a three-year multi-currency revolving credit facility in an initial amount of €600 million, which will reduce to €400 million after one year and to €200 million after two years (Facility A); and
- a five-year multi-currency revolving credit facility in an amount of €1,100 million (Facility B).

The obligations of Rexel under the new senior credit facilities will be guaranteed by the same guarantors as for the notes.

The applicable margins in the new senior credit facilities are 50bps lower for Facility A and 25bps lower for Facility B than in the previous senior credit agreement. The margin level varies according to the same Indebtedness Ratio thresholds as in the previous senior credit agreement (IR = adjusted consolidated net debt to adjusted consolidated EBITDA of the last 12 months):

Indebtedness Ratio	IR ≥ 5.0x	4.5x ≤ IR < 5.0x	4.0x ≤ IR < 4.5x	3.5x ≤ IR < 4.0x	3.0x ≤ IR < 3.5x	2.5x ≤ IR < 3.0x	IR < 2.5x
Facility A	4,25%	3,50%	3,00%	2,50%	2,00%	1,75%	1,50%
Facility B	4,50%	3,75%	3,25%	2,75%	2,25%	2,00%	1,75%

In addition, the margin applicable to both facilities shall be increased by an utilisation fee equal to:

- 25bps if the total amount drawn under both facilities is comprised between 33% and 66% of the total commitment,
- 50bps if the total amount drawn under both facilities equals or exceeds 66% of the total commitment.

The financial covenants related to the Indebtedness Ratio covenant, to the limitation of capital expenditure and to the limitation of dividend payment remain unchanged (see appendix 5 of the press release dated July 31<sup>st</sup>, 2009, available at [www.rexel.com](http://www.rexel.com)). The Indebtedness Ratio's covenant is as follows:

Date	31 dec. 2009	30 jun 2010	31 dec. 2010	30 jun 2011	31 dec. 2011	30 jun 2012	Thereafter
Covenant	5.15x	5.15x	4.90x	4.50x	4.00x	3.75x	3.5x

The new senior credit agreement contains customary clauses for this type of agreement. These include clauses restricting the ability of Rexel Group companies to pledge their assets, carry out mergers or restructuring programs, borrow or lend money or provide guarantees. In particular, the Rexel Group has no restriction on acquisitions if the Indebtedness Ratio does not exceed 3.5x and has an acquisition basket of up to €200 million for each 12-months period if the Indebtedness Ratio equals or exceeds 3.5x.

The new senior credit agreement has been entered into with BNP Paribas, CALYON, CM-CIC, HSBC France, Natixis, as Mandated Lead Arrangers and Bookrunners, and ING, The Royal Bank of Scotland plc, Société Générale Corporate & Investment Banking and Bank of America Securities Limited, as Mandated Lead Arrangers. CALYON will act as well as Facility Agent.

Rothschild and Cleary Gottlieb Steen & Hamilton LLP acted as advisors to Rexel in this transaction.

## B. Refinancing related fees

The fees related to the refinancing transaction are estimated to be at c. €35 million and will be amortized over the term of financings. A c. €16 million amount related to previously capitalized transaction fees will be written off in 2009 accounts.

Rexel, a global leader in the distribution of electrical supplies, serves three main end markets : industrial, commercial and residential. The Group operates in 34 countries, with a network of some 2,300 branches, and employs 30,000 people. Rexel's pro forma sales were €13.7 billion in 2008. Its majority shareholders are an investor group led by Clayton, Dubilier & Rice, Eurazeo and Merrill Lynch Global Private Equity.

Rexel is listed on the Eurolist market of Euronext Paris (compartment A, ticker RXL, ISIN code FR0010451203). It is integrated in the following indices: NEXT 150, SBF 120, and CAC Mid 100.

For more information, visit Rexel's web site at [www.rexel.com](http://www.rexel.com)

## FOR FURTHER INFORMATION, PLEASE CONTACT:

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