

INVESTOR DAY

**UPDATE ON STRATEGY & MEDIUM-TERM FINANCIAL TARGETS
AND ANNOUNCEMENT OF TWO BOLT-ON ACQUISITIONS**

Rexel, a global leader in the professional distribution of products and services for the energy world, is holding an Investor Day today in Paris, during which it will provide an update on its medium-term strategy and financial targets. In addition, it is announcing two bolt-on acquisitions.

STRATEGY UPDATE

Staying the course and transforming for success in a changing energy world

Despite headwinds in key markets, Rexel has demonstrated continued resilience in performance and made significant progress in the implementation of its “Energy in Motion” company plan announced in May 2012.

Rexel’s roadmap is structured around four business imperatives:

1. Accelerating strategic high-growth initiatives

The strategic high-growth initiatives presented in May 2012 have proven their relevance and Rexel will continue to develop:

- **High-potential business categories**, in particular Energy Efficiency, Building Automation (incl. Home Automation) and Renewable Energies,
- **International customers and projects**,
- **Dedicated vertical markets**, specifically Oil & Gas and Mining.

With the exception of Renewable Energies and Mining, which have been negatively impacted by changes in government policies and adverse market conditions, all other segments have significantly outperformed the market and posted high single- to double-digit growth.

2. Enhancing customer-centricity for mainstream organic growth

Rexel continues to roll-out its customer-centricity model through advanced and innovative methods and tools to:

- **Provide customized project solutions**,
- **Implement multi-channel customer relationship management**,
- **Create competitive differentiation through e-business**.

Through this customer-centricity model, Rexel aims to broaden its active customer base, to multiply the number of touch points per customer and to increase the number and value of transactions per touch point. This will drive both sales and margin growth in the mainstream electrical distribution business.

3. Boosting growth through targeted acquisitions

Acquisitions remain a key driver, with around €650 million invested since the beginning of 2012. Two strategic acquisitions, Platt and Munro, significantly expanded the Group's footprint in the key US market as well as its Energy Efficiency portfolio, while other bolt-on acquisitions in Europe, Asia and Latin America also contributed as part of a focused M&A strategy to:

- **Gain market share and develop synergies in key mature countries,**
- **Increase footprint in developing markets,**
- **Extend portfolio of value-added services in key vertical markets.**

4. Driving operational excellence as an enabler for profitable growth

While the Group remains focused on gross margin discipline and tight cost control, Rexel's program to structurally embed operational excellence is well underway and covers organizational simplification, further harmonization and consolidation of its IT platform, accelerated optimization of its logistics network and supply chain effectiveness measures. Through the combination of these initiatives, Rexel targets a continuous improvement in customer service, asset utilization and cost productivity.

MEDIUM-TERM FINANCIAL TARGETS

By accelerating its strategic high-growth initiatives and deploying its customer-centricity model in its mainstream electrical distribution business, **Rexel's organic sales growth will outperform the markets in which it operates.**

In addition, Rexel will remain a leading market consolidator, **allocating an average annual budget of around €500 million to acquisitions, which will contribute on average 3% to 5% of additional sales per annum.**

On the basis of a gradual recovery in sales, combined with its capability to generate c. 10 basis points of EBITA margin improvement for each percentage point of sales growth, **Rexel targets an adjusted EBITA margin of around 6.5% in the medium-term** (between 3 and 5 years, depending on the speed and strength of the recovery in the Group's key markets).

Thanks to the low capital intensity of its business model and effective working capital management, **Rexel will continue to generate strong free cash-flow before interest and tax of at least 75% of EBITDA and after interest and tax of around 40% of EBITDA, allowing continued investment in acquisitions and the payment of an attractive dividend to shareholders representing at least 40% of recurring net income.**

Rexel also reiterates its commitment to **a sound and balanced financial structure, with a net-debt-to-EBITDA ratio not exceeding 3 times.**

TWO BOLT-ON ACQUISITIONS

Rexel also announces two acquisitions that expand its footprint in Asia and accelerate the development of its high-growth initiatives.

Acquisition of QT Lighting in Thailand, allowing Rexel to become the Nr. 3 player in one of the most attractive markets in Asia

Based in Bangkok, QT Lighting is one of the largest electrical distributors in the fast-growing Thai market. With 5 branches spread throughout Thailand, QT Lighting mainly addresses the industrial and commercial end-markets with a strong focus on OEM, MRO and Lighting. QT Lighting generated sales of c. 35 million euros in the last fiscal year. The transaction, subject to customary conditions, should close on November 29.

Acquisition of Esabora in France, accelerating the development of value-added digital solutions

Esabora is a French company editing advanced software tools for electrical contractors and installers. This acquisition will provide Rexel's customer base with innovative solutions to accelerate growth in Energy Efficiency and Building Automation. Esabora complements the 2011 acquisition of Inoveha and will contribute to the creation of a digital platform accelerating Rexel's transformation from a product distributor to a solution provider. Esabora generated sales of c. 2 million euros in the last fiscal year. The transaction, subject to customary conditions, should close in January.

Rudy PROVOOST, Chairman of the Management Board and CEO, said:

"Through the systematic implementation of its "Energy in Motion" plan, Rexel is demonstrating resilience in performance and staying the course in transforming the company for success in a changing energy world. Over the medium-term, we are committed to further strengthening our market position through a combination of organic and external growth, and to increasing our adjusted EBITA margin to a level of around 6.5%. We will continue to generate strong cash-flow in order to maintain an attractive dividend policy and invest in M&A, while maintaining a solid financial structure. By accelerating our strategic high-growth initiatives, capitalizing on our customer-centricity model for mainstream growth, boosting external growth and enhancing operational excellence, we are confident that we are focused on the right drivers for sustained value creation for all stakeholders."

Rexel, a global leader in the professional distribution of products and services for the energy world, addresses three main markets - industrial, commercial and residential. The Group supports customers around the globe, wherever they are, to create value and run their businesses better. With a network of some 2,300 branches in 37 countries, and over 31,000 employees, Rexel's sales were €13.4 billion in 2012. Its main shareholders are an investor group led by Clayton, Dubilier & Rice, Eurazeo and BAML Capital Partners.

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: DJSI Europe, FTSE4Good Europe & Global, STOXX Europe Sustainability, EURO STOXX

Sustainability, Euronext Vigeo Europe 120 and ESI Excellence Europe. Finally, Rexel is included on the Ethibel EXCELLENCE Investment Registers in recognition of its performance in corporate social responsibility (CSR). For more information, visit Rexel's web site at www.rexel.com

CONTACTS

FINANCIAL ANALYSTS / INVESTORS

Marc MAILLET
+33 1 42 85 76 12
marc.maillet@rexel.com

Florence MEILHAC
+33 1 42 85 57 61
florence.meilhac@rexel.com

PRESS

Pénélope LINAGE
+33 1 42 85 76 28
penelope.linage@rexel.com

Brunswick: Thomas KAMM
+33 1 53 96 83 92
tkamm@brunswickgroup.com