SECOND-QUARTER & HALF-YEAR 2016 RESULTS (unaudited)

ORGANIC SALES SLIGHTLY UP IN Q2, SUPPORTED BY STRONG CALENDAR EFFECT
IMPROVED GROSS MARGIN AND ADJUSTED EBITA MARGIN IN Q2
FULL-YEAR FINANCIAL TARGETS CONFIRMED

→ SALES OF €3.350bn IN Q2

- **Up 0.1% on an organic basis**
- **Down 2.2% on a reported basis, mainly due to a 2.8% negative currency effect**

→ IMPROVED GROSS MARGIN IN Q2, UP 26bps YEAR-ON-YEAR

- **Improvement in Europe and Asia-Pacific**
- **Broadly stable in North America**

→ ADJUSTED EBITA MARGIN OF 4.5% IN Q2, UP 5bps YEAR-ON-YEAR

- **First quarter of year-on-year improvement since Q4 2012**
- **Continued opex reduction in North America**

→ FULL-YEAR FINANCIAL TARGETS CONFIRMED

Key figures[1]	Q2 2016	YoY change	H1 2016	YoY change
Sales	**€3,349.9m**		**€6,510.5m**	
On a reported basis		-2.2%		-2.0%
On a constant and actual-day basis		+0.1%		-0.9%
On a constant and same-day basis		-2.3%		-1.9%
Adjusted EBITA	**€150.4m**	**+1.1%**	**€272.3m**	**-2.7%**
As a percentage of sales	4.5%		4.2%	
Change in bps as a % of sales	+5bps		-8bps	
Reported EBITA	**€147.1m**	**-1.3%**	**€260.9m**	**-5.3%**
Operating income	**€126.8m**	**+23.5%**	**€219.7m**	**+5.8%**
Net income from continuing op.	**€57.0m**	**+184.4%**	**€95.8m**	**+121.8%**
Recurring net income	**€77.3m**	**-7.2%**	**€134.0m**	**+0.5%**
FCF before interest and tax from continuing op.	**€188.1m**	**vs. €144.2m**	**€(6.9)m**	**vs. €2.4m**
Net debt at end of period	**€2,380.2m**	**-6.9%**	**€2,380.2m**	**-6.9%**

[1] See definition in the Glossary section of this document

Patrick BERARD, Chief Executive Officer, said:

"Rexel's second quarter performance showed a positive signal with a slight increase in profitability compared to last year, despite an environment that remained quite difficult. This improvement was mainly due to an increase in gross margin and the continuing effects of our cost reductions in North America.

The second half should benefit from positive elements, such as the construction recovery in France and a gradual reduction in the negative impact from oil and gas activity, mainly in North America. Nevertheless, uncertainty surrounding Brexit and industrial activity levels in North America and China lead us to remain cautious.

In this context and given the first-half performance, we confirm our financial targets for the full-year 2016, as announced in February.

In my new role as CEO of Rexel, I will focus in the second part of the year, with my team, on delivering our 2016 targets, along with reviewing our action plans and updating our 2020 ambitions. I will present the outcome of this review next February, along with our 2016 annual results."

Rexel
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FINANCIAL REVIEW FOR THE PERIOD ENDED JUNE 30, 2016

- *Financial statements as of June 30, 2016 were authorized for issue by the Board of Directors on July 28, 2016. They have been subjected to a limited review by statutory auditors.*
- *The following terms: EBITA, Adjusted EBITA, EBITDA, Recurring net income, Free Cash Flow and Net Debt are defined in the Glossary section of this document.*
- *Unless otherwise stated, all comments are on a constant and adjusted basis and, for sales, at same number of working days.*

SALES

In Q2, sales were slightly up on an organic basis (+0.1%), boosted by a strong calendar effect of 2.4% offsetting the 2.3% decline on a constant and same-day basis (including a 1.3% negative copper effect)

In H1, sales were down 0.9% on an organic basis, favored by a calendar effect of 1.0%, and down 1.9% on a constant and same-day basis (including a 1.2% negative copper effect)

In Q2, Rexel posted sales of €3,349.9 million, down 2.2% on a reported basis and slightly up (+0.1%) on an organic basis. On a constant and same-day basis, sales were down 2.3%, including a 1.3% negative impact due to the change in copper-based cable prices.

The 2.2% drop in sales on a reported basis included:

- A negative currency effect of €94.9 million (mainly due to the depreciation of the US and Canadian dollars as well as the British pound against the euro),
- A positive net scope effect of €19.4 million from recent acquisitions (Sofinther in France, Electro-Industrie en Acoustiek in Belgium, Zhonghao Technology in China and Brohl & Appell in the USA) and recent divestments (Poland, Slovakia and Baltics),
- A strong positive calendar effect of 2.4 percentage points.

In H1, Rexel posted sales of €6,510.5 million, down 2.0% on a reported basis and down 0.9% on an organic basis. On a constant and same-day basis, sales were down 1.9%, including a 1.2% negative impact due to the change in copper-based cable prices.

The 2.0% drop in sales on a reported basis included:

- A negative currency effect of €130.0 million (mainly due to the depreciation of the Canadian dollar and the British pound against the euro),
- A positive net effect of €57.5 million from recent acquisitions (Sofinther in France, Electro-Industrie en Acoustiek in Belgium, Zhonghao Technology in China and Brohl & Appell in the USA) and recent divestments (Poland, Slovakia and Baltics),
- A positive calendar effect of 1.0 percentage point.

Europe (56% of Group sales): -0.9% in Q2 and -0.3% in H1 on a constant and same-day basis

In the second quarter, sales in Europe increased by 1.5% on a reported basis including a positive net scope effect of €5.0m and a negative currency effect of €34.7m (mainly due to the depreciation of the British pound against the Euro). On a constant and same-day basis, sales were down by 0.9% and grew by 0.7% excluding the negative impact of copper.

- In France (36% of the region's sales), sales were stable, demonstrating good resilience. The basis of comparison was more challenging in Q2 (-0.3% in Q2 2015) than it was in Q1 (-3.6% in Q1 2015). Moreover, floods impacted business in some regions in May.

- In the UK (14% of the region's sales), sales were down 6.4% on a constant and same-day basis due to lower PV sales and project delays linked to uncertainty preceding the Brexit vote. Excluding the 80% drop in sales of photovoltaic equipment, sales were down 3.2%.
- In Germany (11% of the region's sales), sales dropped by 2.0% including copper, but were up 2.1% excluding this effect. They continued to improve sequentially over Q1 2016 (-3.0% including copper and -0.3% excluding copper).
- In Scandinavia (13% of the region's sales), sales were up year-on-year (+3.5%). Sweden posted solid growth of +10.2% despite a challenging comparison base (+8.3% in Q2 2015) while sales in Norway were slightly down (-0.3%) on a challenging basis of comparison (+10.2% in Q2 2015) and sales in Finland dropped by 5.7% due to tough market conditions.
- In other European countries, performance was as follows:
  - The Netherlands confirmed its return to growth, with sales up 3.3% and in Belgium, sales were up 2.9%,
  - In Switzerland, sales were down 4.0%, impacted by lower residential activity, while in Austria, sales increased by 4.1%,
  - In Spain, sales dropped by 7.7% (as export activity dropped by 44% while domestic activity remained broadly stable) and in Italy sales were down 4.7%.

North America (34% of Group sales): -4.2% in Q2 and -4.3% in H1 on a constant and same-day basis

In the second quarter, sales in North America were down 6.3% on a reported basis including a negative currency effect of €37.9m (mainly due to the depreciation of the US and Canadian dollars against the Euro). On a constant and same-day basis, sales were down 4.2%. The year-on-year drop in sales to the Oil & Gas industry continued to impact sales since the beginning of the year, but it is gradually improving (-21% year-on-year).

- In the US (78% of the region's sales), sales were down 3.4%, of which:
  - 1.7 percentage points attributable to the 24% drop in sales to the Oil & Gas industry,
  - 2.0 percentage points attributable to lower cable sales,
  - 1.1 percentage points attributable to branch network optimization (part of a program of cost efficiency measures implemented in the USA and presented on July 29, 2015).

  Excluding these unfavorable effects, sales were up 1.4% in the quarter, mainly reflecting growth in the non-residential end-market.

- In Canada (22% of the region's sales), sales were down 7.1%, of which:
  - 0.8 percentage points attributable to the 9% drop in sales to the Oil & Gas industry,
  - 0.9 percentage points attributable to lower cable sales,
  - 1.4 percentage points attributable to the 89% drop in sales to the wind industry.

  Excluding these unfavorable effects, sales were down 4.0% in the quarter, reflecting a weak macro-economic environment.

Asia-Pacific (10% of Group sales): -3.2% in Q2 and -1.6% in H1 on a constant and same-day basis

In the second quarter, sales in Asia-Pacific were down 6.1% on a reported basis, including a negative effect of €22.3m from currencies due to the depreciation of the Chinese Yuan against the Euro. On a constant and same-day basis, sales were down 3.2%, reflecting contrasting performance between Pacific and Asia.

- In the Pacific (48% of the region's sales), sales were up 1.4%:
  - In Australia (c. 80% of Pacific), sales were stable and confirmed gradual improvement in sales trends,
  - In New Zealand (c. 20% of Pacific), sales posted solid growth of 7.2%.

- In Asia (52% of the region's sales), sales were down 7.2%:
  - In China (c. 65% of Asia), sales dropped by 18.1%, reflecting tougher macro-economic conditions,
  - In South-East Asia (c. 25% of Asia), sales grew by 19.9%,
  - In the Rest of Asia (c. 10% of Asia), sales increased by 35.7%, driven by double-digit growth in India (+12.0%) and in the Middle East (+69.7%).

PROFITABILITY

Improved adjusted EBITA margin in Q2 (up 5bps at 4.5% of sales) thanks to increased gross margin (up 26bps at 24.2% of sales) and reduced opex in North America (down 15bps at 17.7% of sales)

In Q2, gross margin stood at 24.2% of sales, up 26bps year-on-year. It improved in Europe (up 17bps at 26.5% of sales) and Asia-Pacific (up 92bps at 18.5% of sales), while it was stable in North America (at 22.2% of sales).

Opex (incl. depreciation) stood at 19.7% of sales, up 21bps year-on-year. This reflected contrasting situations between Europe (up 22bps at 21.1% of sales) and Asia-Pacific (up 137bps at 17.1% of sales), on the one hand, and North America (down 15bps at 17.7% of sales), on the other hand. In Europe, opex mainly increased as a result of increased investment and depreciation, while in Asia-Pacific, opex increased due to Asia. In North America, opex were reduced by €10.2m, mainly reflecting the continued benefits from actions taken in recent quarters.

As a result, adjusted EBITA in the quarter stood at €150.4m (vs. €148.7m in Q2 2015), up 1.1% and 5bps year-on-year, at 4.5% of sales.

In H1, gross margin stood at 24.5% of sales, up 10bps year-on-year. It improved in Europe (up 7bps at 26.9% of sales) and Asia-Pacific (up 15bps at 18.3% of sales), while it was slightly down in North America (down 6bps at 22.2% of sales).

Opex (incl. depreciation) stood at 20.3% of sales, up 17bps year-on-year. This reflected contrasting situations between Europe (up 22bps at 21.4% of sales) and Asia-Pacific (up 92bps at 17.1% of sales), on the one hand, and North America (down 8bps at 18.6% of sales), on the other hand.

As a result, adjusted EBITA in the half-year stood at €272.3m (vs. €280.0m in H1 2015), down 2.7% and 8bps year-on-year, at 4.2% of sales (reminder: adjusted EBITA margin in Q1 was down 20bps year-on-year at 3.9% of sales).

Reported EBITA stood at €147.1m in Q2 (including a €3.3m negative one-off copper effect) and at €260.9m in H1 (including a €11.4m negative one-off copper effect).

NET INCOME

Strong increase in net income from continuing operations, mainly driven by lower net financial expenses
Recurring net income up 0.5%, at €134.0m in H1

Operating income in H1 stood at €219.7 million, up 5.8% year-on-year.

- Amortization of intangibles resulting from purchase price allocation amounted to €9.2 million (vs. €8.6 million in H1 2015).
- Other income and expenses amounted to a net charge of €32.0 million (vs. a net charge of €59.2 million in H1 2015). They included €23.0 million of restructuring costs (vs. €36.8 million in H1 2015, which also included a €18.8 million charge from goodwill impairment).

Net financial expenses in H1 amounted to €76.9 million (vs. €139.4 million in H1 2015). Both periods included charges related to refinancing operations. H1 2016 included a net charge of €10 million related to the early repayment of a €650m bond issued in 2013 and maturing in June 2020 at a coupon of 5.125%, which was replaced by a new issuance, in May, of a €650m maturing in June 2023 at a coupon of 3.500%. H1 2015 included a net charge of €52.5 million, related to early redemption of two bond lines at coupons of 7.000% and 6.125%. Restated for those net charges, net financial expenses fell from €86.9 million in H1 2015 to €66.9 million in H1 2016. This largely reflected lower average debt year-on-year and lower average effective interest rate, thanks to the various refinancing operations. The average effective interest rate decreased again by 50 basis points year-on-year in H1 2016 to 3.7% on gross debt (vs. 4.2% in H1 2015).

Income tax in H1 represented a charge of €47.0 million. The effective tax rate stood at 32.9% (vs. 36.7% in H1 2015).

Net income from continuing operations in H1 rose by 121.8% to €95.8 million (vs. €43.2 million in H1 2015).

As the disposal of our Latin American operations represented a loss of €41.7 million in H1 2015, net income was strongly up in the half-year at €95.8 million (vs. €1.5 million in H1 2015).

Recurring net income in H1 amounted to €134.0 million, up 0.5% year-on-year (see appendix 2).

FINANCIAL STRUCTURE

Solid free cash flow generation of €188.1m before interest and tax and net debt reduced by €115.4m in Q2

Sound financial structure and reduced net financial expenses through continued optimization of financings

In Q2, free cash flow from continuing operations before interest and tax was an inflow of €188.1 million (vs. an inflow of €144.2 million in Q2 2015). This net inflow included:

- Gross capital expenditure of €26.9 million (vs. €25.2 million in Q2 2015),
- An inflow of €62.7 million from change in working capital on a reported basis (vs. an inflow of €27.0 million in Q2 2015). On a constant and adjusted basis, working capital decreased by 70bps as a percentage of the last 12 month sales, from 11.4% at June 30, 2015 to 10.7% at June 30, 2016.

At June 30, 2016, net debt stood at €2,380.2 million, reduced by €115.4 million compared to the net debt of €2,495.6 million at the end of March.

It took into account:

- €31.9 million of net interest paid in the quarter (€63.5 million paid in the half-year),
- €14.0 million of income tax paid in the quarter (€34.3 million paid in the half-year),
- €19.7 million of negative currency effect in the quarter (€21.3 million positive in the half-year).

At June 30, 2016, the indebtedness ratio (Net financial debt / EBITDA), as calculated under the Senior Credit Agreement terms, stood at 3.2x (stable vs. June 30, 2015), in line with our covenant and reflecting the traditional seasonality effect. Rexel confirms its strong commitment to maintaining a sound financial structure with an indebtedness ratio at or below 3x at the end of the year.

Rexel boasts a sound financial structure with strong financial flexibility, comfortable headroom *vis-à-vis* its bank covenant and an average debt maturity of 4 years, with no repayment before June 2020.

In Q2, Rexel continued to optimize its financings in order to further reduce its cost of financing.

In the past quarter, Rexel refinanced its 5.125% EUR Senior notes due June 2020 through the issuance of €650m 3.500% EUR Senior notes due June 2023. As previously commented, a one-off net charge was recognized in the net financial expenses for €10.0 million and the Net Present Value (NPV) of cash flows related to this refinancing transaction is c. €22 million. This operation will allow Rexel to further reduce its cost of financing in the coming quarters.

OUTLOOK

As regards the second half of the year, we expect contrasting effects:

- Some factors will favor the second half of the year in comparison to the first half:
  - Activity in France (c. 1/3 of Group sales) should gradually benefit from the first positive effects of the construction recovery,
  - The negative impact from the drop in sales to the Oil & Gas segment (c. 8% of sales in North America) should continue to decrease,
  - The copper effect should start being less negative, notably in Q4.
- Other factors lead to caution in the second half of the year:
  - The consequences of Brexit on activity in the UK (c. 8% of Group sales) are still difficult to estimate,
  - Uncertainty about industrial activity levels in North America and China.

As a result, 2016 full-year financial targets remain unchanged:

- **Organic sales growth on a constant and same-day basis of between -3% and +1%,**
- **Adjusted EBITA margin of between 4.1% and 4.5%,**
- **Solid free cash flow generation of:**
  - Between 70% and 80% of EBITDA, before interest and tax,
  - Between 35% and 45% of EBITDA, after interest and tax.

As announced on June 24, Ian Meakins, who joined the Board of Directors on July 1, will become Non-Executive Chairman of the Board on October 1.

Rexel will present both its 2017 full-year financial targets and its updated 2020 ambitions, along with the 2016 full-year results, at a financial meeting to be held in Paris on February 13, 2017.

CALENDAR

October 28, 2016	Third-quarter and 9-month results
February 13, 2017	Fourth-quarter and full-year results

FINANCIAL INFORMATION

The financial report for the period ended June 30, 2016 is available on the Group's website (www.rexel.com), in the "Regulated information" section, and has been filed with the French *Autorité des Marchés Financiers*.
A slideshow of the second-quarter 2016 results is also available on the Group's website.

ABOUT REXEL GROUP

Rexel, a global leader in the professional distribution of products and services for the energy world, addresses three main markets - residential, commercial and industrial. The Group supports its customers to be at their best in running their business, by providing a broad range of sustainable and innovative products, services and solutions in the field of technical supply, automation and energy management. Rexel operates through a network of some 2,100 branches in 35 countries, with c. 28,000 employees. The Group's sales were €13.5 billion in 2015.
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, EURO STOXX Sustainability, Euronext Vigeo Europe 120 and ESI Excellence Europe. Finally, Rexel is included on the Ethibel EXCELLENCE Investment Register in recognition of its performance in corporate social responsibility (CSR). For more information, visit Rexel's web site at www.rexel.com

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GLOSSARY

REPORTED EBITA (EARNINGS BEFORE INTEREST, TAXES AND AMORTIZATION) is defined as operating income before amortization of intangible assets recognized upon purchase price allocation and before other income and other expenses.

ADJUSTED EBITA is defined as EBITA excluding the estimated non-recurring net impact from changes in copper-based cable prices.

EBITDA (EARNINGS BEFORE INTEREST, TAXES, DEPRECIATION AND AMORTIZATION) is defined as operating income before depreciation and amortization and before other income and other expenses.

RECURRING NET INCOME is defined as net income adjusted for non-recurring copper effect, other expenses and income, non-recurring financial expenses, net of tax effect associated with the above items.

FREE CASH FLOW is defined as cash from operating activities minus net capital expenditure.

NET DEBT is defined as financial debt less cash and cash equivalents. Net debt includes debt hedge derivatives.

APPENDICES

Appendix 1: Segment reporting – Constant and adjusted basis*

** Constant and adjusted = at comparable scope of consolidation and exchange rates, excluding the non-recurring effect related to changes in copper-based cables price and before amortization of purchase price allocation.*

The non-recurring effect related to changes in copper-based cables price was, at the EBITA level:

	Q2 2015	Q2 2016	H1 2015	H1 2016
Non-recurring copper effect at EBITA level	(0.7)	(3.3)	(5.1)	(11.4)

GROUP

Constant and adjusted basis (€m)	Q2 2015	Q2 2016	Change	H1 2015	H1 2016	Change
Sales	3,348.0	**3,349.9**	**+0.1%**	6,572.7	**6,510.5**	**-0.9%**
on a constant basis and same days			***-2.3%***			***-1.9%***
Gross profit	801.0	**810.1**	**+1.1%**	1,600.9	**1,591.9**	**-0.6%**
as a % of sales	*23.9%*	*24.2%*	*26 bps*	*24.4%*	*24.5%*	*10 bps*
Distribution & adm. expenses (incl. depreciation)	(652.3)	(659.8)	+1.1%	(1,320.9)	(1,319.6)	-0.1%
EBITA	148.7	**150.4**	**+1.1%**	280.0	**272.3**	**-2.7%**
as a % of sales	*4.4%*	*4.5%*	*5 bps*	*4.3%*	*4.2%*	*-8 bps*
Headcount (end of period)				27,778	**27,383**	**-1.4%**

EUROPE

Constant and adjusted basis (€m)	Q2 2015	Q2 2016	Change	H1 2015	H1 2016	Change
Sales	1,789.6	**1,846.4**	**+3.2%**	3,586.4	**3,641.5**	**+1.5%**
on a constant basis and same days			***-0.9%***			***-0.3%***
France	626.1	**656.6**	*+4.9%*	1,253.7	**1,300.0**	*+3.7%*
on a constant basis and same days			*-0.0%*			*+1.2%*
United Kingdom	245.1	**237.1**	*-3.3%*	511.7	**496.5**	*-3.0%*
on a constant basis and same days			*-6.4%*			*-3.7%*
Germany	194.7	**200.4**	*+3.0%*	389.6	**389.6**	*+0.0%*
on a constant basis and same days			*-2.0%*			*-2.4%*
Scandinavia	230.2	**247.5**	*+7.5%*	445.5	**458.2**	*+2.8%*
on a constant basis and same days			*+3.5%*			*+1.8%*
Gross profit	470.3	**488.4**	**+3.8%**	963.0	**980.4**	**+1.8%**
as a % of sales	*26.3%*	*26.5%*	*17 bps*	*26.9%*	*26.9%*	*7 bps*
Distribution & adm. expenses (incl. depreciation)	(372.9)	(388.7)	+4.2%	(761.2)	(780.8)	+2.6%
EBITA	97.4	**99.7**	**+2.3%**	201.8	**199.6**	**-1.1%**
as a % of sales	*5.4%*	*5.4%*	*-5 bps*	*5.6%*	*5.5%*	*-15 bps*
Headcount (end of period)				15,907	**15,998**	**0.6%**

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NORTH AMERICA

Constant and adjusted basis (€m)	Q2 2015	Q2 2016	Change	H1 2015	H1 2016	Change
Sales	1,219.4	**1,171.6**	**-3.9%**	2,347.8	**2,236.4**	**-4.7%**
on a constant basis and same days			***-4.2%***			***-4.3%***
United States	952.7	**920.0**	*-3.4%*	1,833.8	**1,755.8**	*-4.3%*
on a constant basis and same days			*-3.4%*			*-3.5%*
Canada	266.7	**251.6**	*-5.7%*	514.0	**480.6**	*-6.5%*
on a constant basis and same days			*-7.1%*			*-7.2%*
Gross profit	271.0	**260.2**	**-4.0%**	521.9	**495.7**	**-5.0%**
as a % of sales	*22.2%*	*22.2%*	*stable*	*22.2%*	*22.2%*	*-6 bps*
Distribution & adm. expenses (incl. depreciation)	(217.6)	(207.4)	-4.7%	(437.9)	(415.4)	-5.1%
EBITA	53.3	**52.8**	**-1.0%**	84.0	**80.3**	**-4.3%**
as a % of sales	*4.4%*	*4.5%*	*14 bps*	*3.6%*	*3.6%*	*stable*
Headcount (end of period)				8,318	**7,904**	**-5.0%**

ASIA-PACIFIC

Constant and adjusted basis (€m)	Q2 2015	Q2 2016	Change	H1 2015	H1 2016	Change
Sales	339.0	**331.9**	**-2.1%**	638.4	**632.6**	**-0.9%**
on a constant basis and same days			***-3.2%***			***-1.6%***
China	133.9	**109.8**	*-18.0%*	242.2	**214.8**	*-11.3%*
on a constant basis and same days			*-18.1%*			*-12.0%*
Australia	127.7	**130.2**	*+2.0%*	241.7	**243.7**	*+0.8%*
on a constant basis and same days			*+0.0%*			*+0.6%*
New Zealand	29.5	**32.6**	*+10.4%*	55.2	**59.5**	*+7.8%*
on a constant basis and same days			*+7.2%*			*+6.9%*
Gross Profit	59.7	**61.5**	**+3.0%**	115.9	**115.8**	**-0.1%**
as a % of sales	*17.6%*	*18.5%*	*92 bps*	*18.2%*	*18.3%*	*15 bps*
Distribution & adm. expenses (incl. depreciation)	(53.2)	(56.7)	+6.4%	(103.4)	(108.3)	+4.7%
EBITA	6.5	**4.8**	**-25.5%**	12.5	**7.5**	**-40.0%**
as a % of sales	*1.9%*	*1.4%*	*-46 bps*	*2.0%*	*1.2%*	*-77 bps*
Headcount (end of period)				3,299	**3,234**	**-2.0%**

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Appendix 2: Extract of Financial Statements

Consolidated Income Statement

Reported basis (€m)	Q2 2015	Q2 2016	Change	H1 2015	H1 2016	Change
Sales	**3,423.5**	**3,349.9**	**-2.2%**	**6,645.2**	**6,510.5**	**-2.0%**
Gross profit	**814.9**	**806.4**	**-1.0%**	**1,609.4**	**1,579.6**	**-1.9%**
as a % of sales	*23.8%*	*24.1%*		*24.2%*	*24.3%*	
Distribution & adm. expenses (excl. depreciation)	(643.0)	(635.3)	-1.2%	(1,289.6)	(1,271.2)	-1.4%
EBITDA	**171.9**	**171.1**	**-0.5%**	**319.8**	**308.4**	**-3.6%**
as a % of sales	*5.0%*	*5.1%*		*4.8%*	*4.7%*	
Depreciation	(22.9)	(24.0)		(44.4)	(47.5)	
EBITA	**149.0**	**147.1**	**-1.3%**	**275.4**	**260.9**	**-5.3%**
as a % of sales	*4.4%*	*4.4%*		*4.1%*	*4.0%*	
Amortization of intangibles resulting from purchase price allocation	(4.3)	(5.3)		(8.6)	(9.2)	
Operating income bef. other inc. and exp.	**144.7**	**141.8**	**-2.0%**	**266.8**	**251.7**	**-5.7%**
as a % of sales	*4.2%*	*4.2%*		*4.0%*	*3.9%*	
Other income and expenses	(42.1)	(15.0)		(59.2)	(32.0)	
Operating income	**102.6**	**126.8**	**23.5%**	**207.6**	**219.7**	**5.8%**
Financial expenses (net)	(69.8)	(43.7)		(139.4)	(76.9)	
Net income (loss) before income tax	**32.8**	**83.0**	**153.1%**	**68.2**	**142.8**	**109.2%**
Income tax	(12.8)	(26.1)		(25.0)	(47.0)	
Net income (loss) from continuing operations	**20.0**	**57.0**	**184.4%**	**43.2**	**95.8**	**121.8%**
Net income (loss) from discontinued operations	(39.2)	0.0		(41.7)	0.0	
Net income (loss)	**(19.2)**	**57.0**	**n.a.**	**1.5**	**95.8**	**n.a**

Bridge Between Operating Income Before Other Income And Other Expenses And Adjusted EBITA

in €m	Q2 2015	Q2 2016	H1 2015	H1 2016
Operating income before other income and other expenses	**144.7**	**141.8**	**266.8**	**251.7**
Change in scope of consolidation	3.5	0.0	5.7	0.0
Foreign exchange effects	(4.4)	0.0	(6.2)	0.0
Non-recurring effect related to copper	0.7	3.3	5.1	11.4
Amortization of intangibles assets resulting from PPA	4.3	5.3	8.6	9.2
Adjusted EBITA on a constant basis	**148.7**	**150.4**	**280.0**	**272.3**

RECURRING NET INCOME

in €m	Q2 2015	Q2 2016	Change	H1 2015	H1 2016	Change
Reported net income	22.5	**57.0**	**+152.9%**	43.2	**95.8**	**+121.8%**
Non-recurring copper effect	0.8	**3.3**		5.1	**11.4**	
Other expense & income	41.8	**15.0**		59.2	**32.0**	
Financial expense	32.9	**10.0**		52.5	**10.0**	
Tax expense	(14.7)	**(8.0)**		(26.7)	**(15.2)**	
Recurring net income	83.4	**77.3**	**-7.2%**	133.4	**134.0**	**+0.5%**

SALES AND PROFITABILITY BY SEGMENT

Reported basis (€m)	Q2 2015	Q2 2016	Change	H1 2015	H1 2016	Change
Sales	**3,423.5**	**3,349.9**	**-2.2%**	**6,645.2**	**6,510.5**	**-2.0%**
Europe	1,819.2	1,846.4	+1.5%	3,604.8	3,641.5	+1.0%
North America	1,250.9	1,171.6	-6.3%	2,379.3	2,236.4	-6.0%
Asia-Pacific	353.4	331.9	-6.1%	661.1	632.6	-4.3%
Gross profit	**814.9**	**806.4**	**-1.0%**	**1,609.4**	**1,579.6**	**-1.9%**
Europe	476.7	487.7	+2.3%	963.6	975.9	+1.3%
North America	275.3	257.1	-6.6%	524.2	487.9	-6.9%
Asia-Pacific	62.9	61.5	-2.2%	121.6	115.8	-4.8%
EBITA	**149.0**	**147.1**	**-1.3%**	**275.4**	**260.9**	**-5.3%**
Europe	99.2	99.3	+0.1%	200.8	195.3	-2.7%
North America	52.5	50.0	-4.7%	81.7	73.1	-10.5%
Asia-Pacific	6.6	4.8	-27.2%	12.7	7.5	-41.1%

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Consolidated Balance Sheet[1]

Assets (€m)	December 31, 2015	June 30, 2016
Goodwill	4,266.6	4,285.8
Intangible assets	1,108.0	1,107.4
Property, plant & equipment	288.7	290.6
Long-term investments	33.8	57.2
Deferred tax assets	159.0	145.6
Total non-current assets	**5,856.2**	**5,886.6**
Inventories	1,535.0	1,524.8
Trade receivables	2,129.4	2,289.2
Other receivables	542.8	549.9
Assets classified as held for sale	53.8	0.3
Cash and cash equivalents	804.8	535.1
Total current assets	**5,065.8**	**4,899.2**
Total assets	**10,922.1**	**10,785.8**

Liabilities (€m)	December 31, 2015	June 30, 2016
Total equity	**4,352.9**	**4,258.4**
Long-term debt	2,342.1	2,315.9
Deferred tax liabilities	211.2	205.6
Other non-current liabilities	415.6	457.8
Total non-current liabilities	**2,968.9**	**2,979.3**
Interest bearing debt & accrued interests	668.5	629.9
Trade payables	2,138.3	2,105.9
Other payables	742.7	812.0
Liabilities related to assets held for sale	50.7	0.2
Total current liabilities	**3,600.2**	**3,548.1**
Total liabilities	**6,569.1**	**6,527.4**
Total equity & liabilities	**10,922.1**	**10,785.8**

1 *Net debt includes Debt hedge derivatives for €(29.9)m at June 30, 2016 and €(6.4)m at December 31, 2015. It also includes accrued interest receivables for €(8.1)m at June 30, 2016 and for €(0.7)m at December 31, 2015.*

Change in Net Debt

€m	Q2 2015	Q2 2016	H1 2015	H1 2016
EBITDA	**171.9**	**171.1**	**319.8**	**308.4**
Other operating revenues & costs[1]	(28.7)	(19.8)	(46.4)	(34.0)
Operating cash-flow	**143.2**	**151.3**	**273.4**	**274.4**
Change in working capital	27.0	62.7	(213.8)	(224.4)
Net capital expenditure, of which:	(26.0)	(25.9)	(57.2)	(56.9)
Gross capital expenditure	*(25.2)*	*(26.9)*	*(51.2)*	*(53.4)*
Disposal of fixed assets & other	*(0.8)*	*1.0*	*(6.0)*	*(3.5)*
Free cash-flow from continuing op. before int. & tax	**144.2**	**188.1**	**2.4**	**(6.9)**
Net interest paid / received[2]	(36.5)	(31.9)	(76.6)	(63.5)
Income tax paid	(41.8)	(14.0)	(75.6)	(34.3)
Free cash-flow from continuing op. after int. & tax	**66.0**	**142.2**	**(149.8)**	**(104.7)**
FCF from discontinued operations	(4.3)	0.0	(12.6)	0.0
Net financial investment	(9.8)	(0.0)	(20.0)	(89.4)
Dividends paid	(0.1)	(0.0)	(0.1)	(0.0)
Net change in equity	0.7	(1.2)	2.6	(0.2)
Other	(5.0)	(5.8)	(29.5)	(8.5)
Currency exchange variation	48.6	(19.7)	(133.9)	21.3
Decrease (increase) in net debt	**96.1**	**115.4**	**(343.4)**	**(181.5)**
Net debt at the beginning of the period	**2,652.5**	**2,495.6**	**2,213.1**	**2,198.7**
Net debt at the end of the period	**2,556.5**	**2,380.2**	**2,556.5**	**2,380.2**

1 *Includes restructuring outflows of €21.2m in Q2 2015 and €10.5m in Q2 2016 and of €37.8m in H1 2015 and €18.5m in H1 2016*
2 *Excluding settlement of fair value hedge derivatives*

Appendix 3: Working Capital Analysis

Constant basis	June 30, 2015	June 30, 2016
Net inventories		
as a % of sales 12 rolling months	***11.3%***	***11.5%***
as a number of days	*52.6*	*52.4*
Net trade receivables		
as a % of sales 12 rolling months	***16.8%***	***17.1%***
as a number of days	*53.0*	*53.3*
Net trade payables		
as a % of sales 12 rolling months	***14.7%***	***15.7%***
as a number of days	*59.7*	*62.9*
Trade working capital		
as a % of sales 12 rolling months	***13.5%***	***12.9%***
Total working capital		
as a % of sales 12 rolling months	***11.4%***	***10.7%***

Appendix 4: Headcount and branches by geography

FTEs at end of period comparable	30/06/2015	31/12/2015	30/06/2016	Year-on-Year Change
Europe	**15,907**	**15,805**	**15,998**	**0.6%**
USA	*6,093*	*6,046*	*5,831*	-4.3%
Canada	*2,226*	*2,213*	*2,073*	-6.8%
North America	**8,318**	**8,259**	**7,904**	**-5.0%**
Asia-Pacific	**3,299**	**3,227**	**3,234**	**-2.0%**
Other	**254**	**246**	**248**	**-2.5%**
Group	**27,778**	**27,538**	**27,383**	**-1.4%**

Branches comparable	30/06/2015	31/12/2015	30/06/2016	Year-on-Year Change
Europe	**1,219**	**1,205**	**1,202**	**-1.4%**
USA	*377*	*377*	*370*	-1.9%
Canada	*204*	*197*	*194*	-4.9%
North America	**581**	**574**	**564**	**-2.9%**
Asia-Pacific	**263**	**263**	**262**	**-0.4%**
Group	**2,063**	**2,042**	**2,028**	**-1.7%**

Appendix 5: Calendar, scope and change effects on sales

Based on the assumption of the following average exchange rates:

- 1€ = 1.11USD
- 1€ = 1.46CAD
- 1€ = 1.51AUD
- 1€ = 0.80GBP

and based on acquisitions to date, 2015 sales should take into account the following estimated impacts to be comparable to 2016:

	Q1	Q2	Q3e	Q4e	FYe
Calendar effect	**-0.6%**	**+2.4%**	**-0.6%**	**-0.4%**	**+0.2%**
Scope effect	**€38.1m**	**c.€19.4m**	**c.€8.2m**	**c.€(7.5)m**	**c.€58.2m**
Change effect	**-1.1%**	**-2.8%**	**-1.1%**	**-1.4%**	**-1.6%**

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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: i) the recurring effect related to the change in copper-based cable prices corresponds to the change in value of the copper part included in the sales price of cables from one period to another. This effect mainly relates to the Group's sales; ii) the non-recurring effect related to the change in copper-based 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 7, 2016 under number D16-0299. 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.

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