PRESS RELEASE

Paris, October 31, 2018

THIRD-QUARTER & NINE-MONTH 2018 RESULTS

SALES GROWTH FOR THE 8th CONSECUTIVE QUARTER, SAME-DAY SALES UP 3.4%

ADJUSTED EBITA UP +9.2% AND RECURRING NET INCOME UP 20% IN Q3

STRONG MOMENTUM IN NORTH AMERICA

→ SALES OF €3.313bn IN Q3, UP IN EVERY GEOGRAPHY

- **On a constant and same-day basis, sales up 3.4%, of which:**
  - Europe: +0.8%, supported by key countries; transformation in Germany completed
  - North America: +7.3%, driven by both the US and Canada
  - Asia-Pacific: +3.3%, benefiting from sales growth across most countries
- **Organic actual-day growth of 3.8%, including +0.4% from calendar and +0.3% from copper**
- **Reported sales growth up 2.4%, including unfavorable currency (0.6%) and scope (0.7%) effects**

→ ADJUSTED EBITA UP A STRONG 9.2% IN Q3 WITH MARGIN UP 22bps YEAR-ON-YEAR AT 4.4%

- **Gross margin down 13bps at 24.2%,**
- **Adj. EBITA margin up 22bps, mainly driven by North America**

→ NET INCOME UP 15.4% IN Q3 AND RECURRING NET INCOME UP 20%.

→ POSITIVE FREE CASH FLOW BEFORE INTEREST AND TAX OF €56.6m IN THE 9 MONTHS

→ FULL-YEAR FINANCIAL TARGETS CONFIRMED

Key figures[1]	Q3 2018	YoY change[3]	9m 2018	YoY change[3]
Sales	**€3,313.0m**		**€9,868.8m**	
On a reported basis		+2.4%		-0.3%
On a constant and actual-day basis		+3.8%		+4.1%
On a constant and same-day basis		+3.4%		+4.1%
Adjusted EBITA[2]	**€146.8m**	**+9.2%**	**€435.0m**	**+5.1%**
As a percentage of sales	4.4%		4.4%	
Change in bps as a % of sales[2]	+22bps		+4bps	
Reported EBITA	**€141.4m**	**+1.3%**	**€428.4m**	**-0.8%**
Operating income	**€135.0m**	**+5.1%**	**€352.9m**	**-2.2%**
Net income	**€77.3m**	**+15.4%**	**€178.1m**	**+8.8%**
Recurring net income	**€82.4m**	**+20.0%**	**€240.1m**	**+15.3%**
FCF before interest and tax	**€38.8m**	**-€57.2m**	**€56.6m**	**+€37.3m**
Net debt at end of period			**€2,259.1m**	**4.0% reduction**

[1] See definition in the Glossary section of this document [2] 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 [3] Q3&9m 2017 restated for IFRS 9 and 15

Patrick BERARD, Chief Executive Officer, said:

"Rexel's performance in Q3 shows that the company is now in a position to capture growth opportunities in the US and gain market share in key regions. This represents a major advance after several years of underperformance and confirms that the strategy we have been implementing consistently for the past 18 months is starting to bear fruit. I am also pleased to see Canada progressing well.

At the same time, France posted a robust performance and we are making good progress in our European transformation. The restructuring in Germany, refocusing the company on the attractive industrial market, is now completed, and we expect to benefit from this in coming quarters.

Based on our performance over the first nine months and our expectations for the final quarter, we confirm our full-year financial targets."

FINANCIAL REVIEW FOR THE PERIOD ENDED SEPTEMBER 30, 2018

- *Financial statements as of September 30, 2018 were authorized for issue by the Board of Directors on October 30, 2018.*
- *Financial statements as of September 30, 2017 have been restated for changes in accounting policies, following the adoption of IFRS 9 "Financial instruments" and IFRS 15 "Revenue from contracts with customers"; this restatement represented a €0.1 million negative impact on operating income (9m 2017 operating income stood at €361.1 million as reported on September 30, 2017 and stands at €361.0 million after restatement).*
- *The following terms: Reported 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 Q3, sales were up 2.4% year-on-year on a reported basis (restated for IFRS 9 & 15 impact) and up 3.4% on a constant and same-day basis, reflecting sales growth in all three geographies

In the third quarter, Rexel posted sales of €3,313 million, up 2.4% on a reported basis, including:

- A negative currency effect of €20.9 million (i.e. -0.6% of Q3 2017 sales), mainly due to the depreciation of the Australian and Canadian dollars and the Swedish Krona against the euro, partly offset by the appreciation of the US dollar
- A negative net scope effect of €23.8 million (i.e. -0.7% of Q3 2017 sales), resulting from the divestments in South East Asia,
- A positive calendar effect of 0.4 percentage points.

On a constant and same-day basis, sales were up 3.4%, including a lower positive effect from the change in copper-based cable prices (+0.3% in Q3 18 vs +1.5% in Q3 17).

In 9m, Rexel posted sales of €9,868.8 million, down 0.3% on a reported basis. On a constant and same day basis, sales were up 4.1%, including a positive impact of 0.7% from the change in copper-based cable prices.

The 0.3% decrease in sales on a reported basis included:

- A negative currency effect of €338.3 million (i.e. -3.4% of 9m 2017 sales), mainly due to the depreciation of the US, Australian and Canadian dollars against the euro,
- A negative net scope effect of €80.8 million (i.e. -0.8% of 9m 2017 sales), mainly resulting from the divestments in South East Asia.

Europe (53% of Group sales): +0.8% in Q3 and +2.6% in 9m on a constant and same-day basis

In the third quarter, sales in Europe increased by 0.9% on a reported basis, including a negative currency effect of €11.4m (mainly due to the depreciation of the Swedish Krona against the euro). On a constant and same-day basis, sales were up 0.8% (or 2.3% excluding branches closure in Germany and Spain), reflecting positive trends in key countries.

- Sales in **France** (36% of the region's sales) were up 0.8%, on a challenging comparable base, supported by good demand in residential and industrial markets;
- Sales in **Scandinavia** (13% of the region's sales) were up 3.5%, with positive momentum in Sweden, up +4.2% thanks to public spending and large C&I business, and Norway up 6.8%, offsetting the drop-in sales in Finland, down 1.7%;
- In **the UK** (12% of the region's sales), sales dropped by 2.9%, mainly due to lower business with 6 large C&I accounts (-2.2% impact), 30 branch closures (-1% impact) and the temporary effect of our sales force reorganization (57 FTE added in the quarter), which continued to affect us in a declining market;

- Sales in **Germany** (11% of the region's sales) were down 10.9%, resulting from the transformation of the country and the refocusing on profitable activities (industrial segment on a national basis and on C&I in the southern part of the country). With the closure of 17 branches in C&I in the North, our network reorganization is now completed. Excluding branch closures, same day sales were up 0.4%, thanks notably to the good momentum in the industrial business;
- **Benelux** (9% of the region's sales) posted a solid +6.8% growth, with good momentum in Belgium up +6.2%, notably thanks to photovoltaic sales (+2.6% contribution) and the acquisition of a branch in the Courtrai area, and in the Netherlands, up 8.0%;
- Sales in **Switzerland** (7% of the region's sales) grew by 7.4% (large contract awarded – 3.8% contribution) in a project environment that remains competitive.

North America (38% of Group sales): +7.3% in Q3 and +5.9% in 9m on a constant and same-day basis

In the third quarter, sales in North America were up 7.7% on a reported basis, including a positive currency effect of €3.8m (mainly due to the appreciation of the US dollar against the euro which offset the depreciation of the Canadian dollar). On a constant and same-day basis, sales were up 7.3%, driven by US and Canada.

- In **the US** (79% of the region's sales), sales were up 8.0% on a same-day basis. The sales growth was mainly driven by commercial and industrial (up in mid- to high-single-digits):
  - Initiatives are paying off with 6,970 new customers and a 1.8% sales growth contribution from branch openings;
  - Good commercial impact from our new regional organization, with strong growth in Florida (+20%), Gulf Central (+19%) and Northwest (+10%), offsetting slower growth in Northeast.
  - +1.4% contribution from demand in Oil & Gas, up 24% in the quarter;
  - Project business continues to be affected by lower wind and power projects (-1.0% contribution).

- In **Canada** (21% of the region's sales), sales were up 4.8% on a same-day basis, mainly driven by strong demand in mining and a large wind project (+2% impact).

Asia-Pacific (9% of Group sales): +3.3% in Q3 and 7.2% in 9m on a constant and same-day basis

In the third quarter, sales in Asia-Pacific were down 8.3% on a reported basis, including a negative scope effect of €23.8m following the disposal of our business in South East Asia and a negative currency effect of €13.4m, mainly due to the depreciation of the Australian dollar against the euro. On a constant and same-day basis, sales were up 3.3% (or 6.2% excluding the disposal effect of our industrial business in Australia).

- In the Pacific (52% of the region's sales), sales were down 0.9% on a constant and same-day basis:
  - In **Australia** (80% of Pacific), sales were down 2.9% but improved by +3.5% in Q3 restated for the impact of the disposal of our Rockwell automation business in the country (-6.4% impact). The underlying performance is driven by Small and Medium Electrician customers;
  - In **New Zealand** (20% of Pacific), sales were up 8.4% with a revitalization of the commercial approach.

- In Asia (48% of the region's sales), sales were up 8.1%:
  - In **China** (83% of Asia), sales grew by 1.9% on a challenging base effect (+9.6% in Q3 2017). Underlying demand reflects the good performance in industrial automation products and solutions;
  - **Middle East and India** (17% of Asia) posted a strong performance thanks to a large project in the Middle East (+€5.5m) and strong automation activity in India.

PROFITABILITY
Adjusted EBITA margin at 4.4% in Q3, up 22bps

In the third quarter, gross margin was down 13 bps year-on-year, at 24.2% of sales, and opex (including depreciation) amounted to 19.8% of sales, representing a 35bps improvement year-on-year. Positive volume contribution and good cost control offset the transformation costs in Germany and Spain, the carryover effect of investments in the US and digital as well as cost and wage inflation in some markets:

- In **Europe**, gross margin stood at 26.1% of sales, down 29bps year-on-year in Q3 due to a negative mix effect in Switzerland (focus on projects) and a more competitive environment in Norway. In the quarter, distribution and administrative expenses (including depreciation) improved by 21bps to 21.0% of sales, mainly thanks to positive volume effect and good cost control, which more than offset cost inflation (c. 1.6% in the quarter) and the costs related to the transformation in Germany and Spain;
- In **North America**, gross margin stood at 23.1% of sales. This represented an 18bps improvement year-on-year, mainly thanks to pricing initiatives, especially in Canada, where we acted proactively to prevent any margin impact from trade tariff increases. Opex (including depreciation) improved by 45bps (to 18.4% of sales), as volume effect more than offset higher wages and freight costs as well as investments in people and branch openings;
- In **Asia-Pacific**, gross margin stood at 17.7% of sales, a deterioration of 25bps year-on-year and opex (including depreciation) improved by 88bps. The positive volume contribution in the region and supplier concentration in Australia offset the disposal effect of our Rockwell automation business;
- At corporate holding level, opex amounted to €7.0 million, compared to €5.4 million a year ago, with investment in digital and further reduction in HQ costs.

As a result, adjusted EBITA stood at €146.8m, up 9.2% in Q3.

Adjusted EBITA margin was up by 22bps to 4.4% of sales, reflecting:

- a lower adjusted EBITA margin in Europe at 5.0% of sales, down 8bps;
- an improved adjusted EBITA margin in North America at 4.7% of sales, up 63bps and
- an improved adjusted EBITA margin in Asia-Pacific at 1.9% of sales, up 63bps.

In Q3 18, reported EBITA stood at €141.4 million (including a €5.4 million negative one-off copper effect), up 1.3% year-on-year.

In the first 9 months, gross margin stood at 24.6% of sales down 4bps, thanks to North America (up +39bps at 23.0%) which offset Europe (down 21bps at 26.7%) and Asia Pacific (down 24bps at 18.0%). Opex (including depreciation) improved by 8bps at 20.2% of sales. As a result, adjusted Ebita stood at €435.0 million, up +5.1% at 4.4% of sales, up 4bps year-on-year.

Reported EBITA stood at €428.4 million (including a €6.6m negative one-off copper effect), down 0.8% year-on-year.

NET INCOME

Net income of €178.1m in 9m 2018 up 8.8%
Recurring net income up 15.3% at €240.1 million in 9m

Operating income in the 9 months stood at €352.9 million, vs. €361.0 million in 9m 2017.

- Amortization of intangibles resulting from purchase price allocation amounted to €12.0 million (vs. €14.3 million in 9m 2017);
- Other income and expenses amounted to a net charge of €63.5 million (vs. a net charge of €56.5 million in 9m 2017). They included €60 million of restructuring costs (vs. €20.5 million in 2017) mainly in Germany and in Spain.

Net financial expenses in the 9 months amounted to €75.4 million (vs. €90.5 million in 9m 2017). Both periods included charges related to refinancing operations:

- 9m 2018 included a net charge of €1.1 million, related to the renegotiation of our Senior Credit Agreement in January 2018;
- 9m 2017 included a net charge of €6.3 million related to the early redemption of the USD330 million (c. €302 million) Senior notes issued in April 2013.

Restated for those net charges, net financial expenses decreased from €84.2 million in 9m 2017 to €74.3 million in 9m 2018. This largely reflected lower average debt year-on-year and lower average effective interest rate, thanks to the various refinancing operations in 2017. The average effective interest rate on gross debt decreased by 37bps year-on-year in 9m 2018 to 2.81% (vs. 3.18% in 9m 2017).

Income tax in the 9 months represented a charge of €99.3 million (vs. €106.7 million in 9m 2017), a decrease of 6.9%, reflecting a lower tax rate (35.8% vs 39.5% in 9m 2017) following the positive impact of the US tax reform.

Net income in the 9 months is up 8.8% to €178.1 million (vs. €163.7 million in 9m 2017).

Recurring net income in the 9 months amounted to €240.1 million, up 15.3% compared to 9m 2017 (see appendix 2).

FINANCIAL STRUCTURE

Positive free cash-flow before interest and tax of €56.6 million in the first nine months
Net debt reduced by 4.0% year-on-year at September 30, 2018

In the first 9 months, free cash flow before interest and tax was an inflow of €56.6 million (vs. an inflow of €19.3 million in 9 months 2017). This net inflow included:

- Lower capital expenditure, including disposal of assets in Australia (€58.8 million vs. €77.6 million in 9 months 2017). Gross capital expenditure stood at €76.8 million in 9m 18;
- An outflow of €338.2 million from change in working capital on a reported basis (vs. an outflow of €353.7 million in 9m 2017).

At September 30, 2018, net debt stood at €2,259.1 million, down 4.0% year-on-year (vs. €2,353.3 million at September 30, 2017).

It took into account:

- €64.0 million of net interest paid during the nine months (vs €77.1 million paid in 9m 2017),
- €46.2 million of income tax paid during the nine months (vs €91.3 million paid in 9m 2017). This lower income tax paid is due to 2017 income tax overpayment in France for €22 million and to the reimbursement of €8 million following the decision on the 3% dividend tax,
- €17.8 million of negative currency effect during the nine months (vs a positive effect of €97.7 million in 9m 2017).

OUTLOOK

Taking into consideration the performance of the first nine months and expectations for the last quarter, Rexel confirms its 2018 full-year financial targets.

We target at comparable scope of consolidation and exchange rates:

- **sales up in the low single digits** (on a same-day basis);
- **a mid- to high-single-digit increase in adjusted EBITA**[1];
- **a further improvement of the indebtedness ratio** (net debt-to-EBITDA[2]).

[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*

NB: The estimated impacts per quarter of (i) calendar effects by geography, (ii) changes in the consolidation scope and (iii) currency fluctuations (based on assumptions of average rates over the rest of the year for the Group's main currencies) are detailed in appendix 5.

CALENDAR

February 13, 2019	Fourth-quarter and full-year results 2018
April 30, 2019	First-quarter 2019 results

FINANCIAL INFORMATION

The financial report for the period ended September 30, 2018 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 third-quarter 2018 results is also available on the Group's website.

ABOUT REXEL GROUP

Rexel, worldwide expert in the multichannel professional distribution of products and services for the energy world, addresses three main markets - residential, commercial and industrial. The Group supports its residential, commercial and industrial customers by providing a tailored and scalable range of products and services in energy management for construction, renovation, production and maintenance.
Rexel operates through a network of some 2,000 branches in 26 countries, with more than 27,000 employees. The Group's sales were €13.3 billion in 2017.
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: FTSE4Good, STOXX® Global ESG Leaders, Ethibel Sustainability Index Excellence Europe, Euronext Vigeo Eiris Eurozone 120 and Dow Jones Sustainability Index Europe, 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 cable prices and before amortization of purchase price allocation.*

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

Constant basis (€m)	Q3 2017	Q3 2018	YTD 2017	YTD 2018
Non-recurring copper effect at EBITA level	3.9	(5.4)	10.7	(6.6)

GROUP

Constant and adjusted basis (€m)	Q3 2017	Q3 2018	Change	YTD 2017	YTD 2018	Change
Sales	3,191.4	**3,313.0**	**+3.8%**	9,480.1	**9,868.8**	**+4.1%**
on a constant basis and same days			**+3.4%**			**+4.1%**
Gross profit	777.1	**802.4**	**+3.3%**	2,339.0	**2,430.6**	**+3.9%**
as a % of sales	*24.4%*	*24.2%*	*-13 bps*	*24.7%*	*24.6%*	*-4 bps*
Distribution & adm. expenses (incl. depreciation)	(642.8)	(655.6)	+2.0%	(1,924.9)	(1,995.6)	+3.7%
EBITA	134.4	**146.8**	**+9.2%**	414.1	**435.0**	**+5.1%**
as a % of sales	*4.2%*	*4.4%*	*22 bps*	*4.4%*	*4.4%*	*4 bps*
Headcount (end of period)	27,298	**27,046**	**-0.9%**	27,298	**27,046**	**-0.9%**

EUROPE

Constant and adjusted basis (€m)	Q3 2017	Q3 2018	Change	YTD 2017	YTD 2018	Change
Sales	1,739.7	**1,766.8**	**+1.6%**	5,315.6	**5,447.8**	**+2.5%**
on a constant basis and same days			**+0.8%**			**+2.6%**
France	613.7	**629.3**	+2.5%	1,938.2	**1,992.8**	+2.8%
on a constant basis and same days			*+0.8%*			*+2.8%*
United Kingdom	210.7	**204.5**	-2.9%	642.0	**614.8**	-4.2%
on a constant basis and same days			*-2.9%*			*-4.2%*
Germany	216.6	**193.0**	-10.9%	617.7	**597.3**	-3.3%
on a constant basis and same days			*-10.9%*			*-2.9%*
Scandinavia	219.0	**226.7**	+3.5%	668.7	**694.7**	+3.9%
on a constant basis and same days			*+3.5%*			*+4.0%*
Gross profit	458.9	**460.9**	**+0.4%**	1,432.9	**1,457.0**	**+1.7%**
as a % of sales	*26.4%*	*26.1%*	*-29 bps*	*27.0%*	*26.7%*	*-21 bps*
Distribution & adm. expenses (incl. depreciation)	(369.7)	(371.7)	+0.5%	(1,138.4)	(1,161.6)	+2.0%
EBITA	89.2	**89.2**	**+0.0%**	294.5	**295.4**	**+0.3%**
as a % of sales	*5.1%*	*5.0%*	*-8 bps*	*5.5%*	*5.4%*	*-12 bps*
Headcount (end of period)	15,919	**15,726**	**-1.2%**	15,919	**15,726**	**-1.2%**

NORTH AMERICA

Constant and adjusted basis (€m)	Q3 2017	Q3 2018	Change	YTD 2017	YTD 2018	Change
Sales	1,155.0	**1,239.9**	**+7.3%**	3,325.0	**3,520.5**	**+5.9%**
on a constant basis and same days			**+7.3%**			**+5.9%**
United States	907.8	**980.8**	+8.0%	2,609.2	**2,772.3**	+6.3%
on a constant basis and same days			+8.0%			+6.3%
Canada	247.2	**259.0**	+4.8%	715.8	**748.1**	+4.5%
on a constant basis and same days			+4.8%			+4.5%
Gross profit	264.9	**286.6**	**+8.2%**	753.2	**811.1**	**+7.7%**
as a % of sales	*22.9%*	*23.1%*	*18 bps*	*22.7%*	*23.0%*	*39 bps*
Distribution & adm. expenses (incl. depreciation)	(218.0)	(228.4)	+4.8%	(632.5)	(667.5)	+5.5%
EBITA	47.0	**58.2**	**+23.9%**	120.6	**143.6**	**+19.1%**
as a % of sales	*4.1%*	*4.7%*	*63 bps*	*3.6%*	*4.1%*	*45 bps*
Headcount (end of period)	8,414	**8,483**	**0.8%**	8,414	**8,483**	**0.8%**

ASIA-PACIFIC

Constant and adjusted basis (€m)	Q3 2017	Q3 2018	Change	YTD 2017	YTD 2018	Change
Sales	296.7	**306.4**	**+3.3%**	839.6	**900.5**	**+7.3%**
on a constant basis and same days			**+3.3%**			**+7.2%**
China	121.3	**123.6**	+1.9%	344.2	**361.1**	+4.9%
on a constant basis and same days			+1.9%			+4.9%
Australia	131.5	**127.5**	-3.1%	372.2	**380.7**	+2.3%
on a constant basis and same days			-2.9%			+2.3%
New Zealand	28.5	**30.9**	+8.4%	81.7	**85.9**	+5.2%
on a constant basis and same days			+8.4%			+5.2%
Gross Profit	53.3	**54.3**	**+1.8%**	153.0	**161.9**	**+5.9%**
as a % of sales	*18.0%*	*17.7%*	*-25 bps*	*18.2%*	*18.0%*	*-24 bps*
Distribution & adm. expenses (incl. depreciation)	(49.6)	(48.5)	-2.2%	(142.8)	(146.3)	+2.5%
EBITA	3.7	**5.7**	**+55.3%**	10.1	**15.6**	**+53.8%**
as a % of sales	*1.2%*	*1.9%*	*63 bps*	*1.2%*	*1.7%*	*52 bps*
Headcount (end of period)	2,742	**2,673**	**-2.5%**	2,742	**2,673**	**-2.5%**

Appendix 2: Consolidated Financial Statement

Consolidated Income Statement

Reported basis (€m)	Q3 2017	Q3 2018	Change	YTD 2017	YTD 2018	Change
Sales	**3,236.1**	**3,313.0**	**2.4%**	**9,899.1**	**9,868.8**	**-0.3%**
Gross profit	**789.4**	**797.0**	**1.0%**	**2,439.7**	**2,423.9**	**-0.6%**
as a % of sales	*24.4%*	*24.1%*		*24.6%*	*24.6%*	
Distribution & adm. expenses (excl. depreciation)	(625.4)	(630.2)	0.8%	(1,934.0)	(1,921.7)	-0.6%
EBITDA	**164.1**	**166.8**	**1.7%**	**505.7**	**502.2**	**-0.7%**
as a % of sales	*5.1%*	*5.0%*		*5.1%*	*5.1%*	
Depreciation	(24.4)	(25.4)		(74.0)	(73.9)	
EBITA	**139.6**	**141.4**	**1.3%**	**431.7**	**428.4**	**-0.8%**
as a % of sales	*4.3%*	*4.3%*		*4.4%*	*4.3%*	
Amortization of intangibles resulting from purchase price allocation	(4.6)	(3.7)		(14.3)	(12.0)	
Operating income bef. other inc. and exp.	**135.0**	**137.7**	**2.0%**	**417.4**	**416.4**	**-0.3%**
as a % of sales	*4.2%*	*4.2%*		*4.2%*	*4.2%*	
Other income and expenses	(6.6)	(2.8)		(56.5)	(63.5)	
Operating income	**128.4**	**135.0**	**5.1%**	**361.0**	**352.9**	**-2.2%**
Net financial expenses	(27.5)	(25.2)		(90.5)	(75.4)	
Net income (loss) before income tax	**101.0**	**109.7**	**8.7%**	**270.4**	**277.5**	**2.6%**
Income tax	(34.0)	(32.4)		(106.7)	(99.3)	
Net income (loss)	**67.0**	**77.3**	**15.4%**	**163.7**	**178.1**	**8.8%**

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

in €m	Q3 2017	Q3 2018	YTD 2017	YTD 2018
Operating income before other income and other expenses on a reported basis	**135.0**	**137.7**	**417.4**	**416.4**
Change in scope of consolidation	(0.2)	-	5.2	-
Foreign exchange effects	(1.2)	-	(12.1)	-
Non-recurring effect related to copper	(3.9)	5.4	(10.7)	6.6
Amortization of intangibles assets resulting from PPA	4.6	3.7	14.3	12.0
Adjusted EBITA on a constant basis	**134.4**	**146.8**	**414.1**	**435.0**

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Recurring Net Income

in €m	Q3 2017	Q3 2018	Change	YTD 2017	YTD 2018	Change
Reported net income	67.0	**77.3**	**+15.4%**	163.7	**178.1**	**+8.8%**
Non-recurring copper effect	(4.0)	**5.4**		(11.1)	**6.6**	
Other expense & income	6.6	**2.8**		56.5	**63.5**	
Financial expense	-	**-**		6.3	**1.1**	
Tax expense	(0.9)	**(3.1)**		(7.1)	**(9.3)**	
Recurring net income	68.7	**82.4**	**+20.0%**	208.3	**240.1**	**+15.3%**

Sales And Profitability By Segment

Reported basis (€m)	Q3 2017	Q3 2018	Change	YTD 2017	YTD 2018	Change
Sales	**3,236.1**	**3,313.0**	**+2.4%**	**9,899.1**	**9,868.8**	**-0.3%**
Europe	1,751.1	1,766.8	+0.9%	5,374.8	5,447.8	+1.4%
North America	1,151.1	1,239.9	+7.7%	3,551.8	3,520.5	-0.9%
Asia-Pacific	334.0	306.4	-8.3%	972.5	900.5	-7.4%
Gross profit	**789.4**	**797.0**	**+1.0%**	**2,439.7**	**2,423.9**	**-0.6%**
Europe	463.8	458.4	-1.2%	1,456.0	1,453.1	-0.2%
North America	266.0	283.7	+6.7%	808.3	808.2	-0.0%
Asia-Pacific	59.6	54.3	-9.0%	175.4	161.9	-7.7%
EBITA	**139.6**	**141.4**	**+1.3%**	**431.7**	**428.4**	**-0.8%**
Europe	91.8	86.7	-5.5%	305.0	291.6	-4.4%
North America	49.2	55.3	+12.5%	132.4	140.8	+6.3%
Asia-Pacific	4.1	5.7	+39.2%	5.6	15.6	
Other	(5.5)	(6.4)	+16.4%	(11.2)	(19.6)	

CONSOLIDATED BALANCE SHEET[1]

Assets (Reported basis in €m)	December 31, 2017	September 30, 2018
Goodwill	3,914.9	3,939.3
Intangible assets	1,049.7	1,045.4
Property, plant & equipment	272.0	271.0
Long-term investments	38.0	44.1
Deferred tax assets	96.6	48.2
Total non-current assets	**5,371.2**	**5,348.0**
Inventories	1,544.9	1,664.5
Trade receivables	2,074.4	2,250.5
Other receivables	560.7	530.9
Assets classified as held for sale	(0.0)	(0.0)
Cash and cash equivalents	563.6	350.9
Total current assets	**4,743.7**	**4,796.9**
Total assets	**10,114.9**	**10,144.8**

Liabilities (Reported basis in €m)	December 31, 2017	September 30, 2018
Total equity	**4,157.6**	**4,246.1**
Long-term debt	2,450.5	2,282.7
Deferred tax liabilities	172.8	165.3
Other non-current liabilities	376.3	381.0
Total non-current liabilities	**2,999.6**	**2,829.0**
Interest bearing debt & accrued int.	161.8	336.9
Trade payables	2,034.8	1,986.5
Other payables	761.1	746.4
Total current liabilities	**2,957.7**	**3,069.7**
Total liabilities	**5,957.3**	**5,898.7**
Total equity & liabilities	**10,114.9**	**10,144.8**

[1] Net debt includes Debt hedge derivatives for €(6.5)m at December 31, 2017 and €(7.2)m at September 30, 2018.
It also includes accrued interest receivables for €(1.0)m at December 31, 2017 and for €(2.4)m at September 30, 2018.

Change in Net Debt

Reported basis (€m)	Q3 2017	Q3 2018	YTD 2017	YTD 2018
EBITDA	**164.1**	**166.8**	**505.7**	**502.2**
Other operating revenues & costs[1]	(10.3)	(12.7)	(55.1)	(48.6)
Operating cash-flow	**153.7**	**154.0**	**450.6**	**453.6**
Change in working capital	(33.1)	(88.6)	(353.7)	(338.2)
Net capital expenditure, of which:	(24.6)	(26.7)	(77.6)	(58.8)
Gross capital expenditure	*(25.3)*	*(26.4)*	*(76.7)*	*(76.8)*
Disposal of fixed assets & other	*1.1*	*(0.8)*	*2.5*	*18.8*
Free cash-flow from continuing op. before int. & tax	**96.0**	**38.8**	**19.3**	**56.6**
Net interest paid / received	(25.5)	(22.2)	(77.1)	(64.0)
Income tax paid	(27.8)	(22.2)	(91.3)	(46.2)
Free cash-flow from continuing op. after int. & tax	**42.7**	**(5.6)**	**(149.0)**	**(53.6)**
Net financial investment	(2.8)	(5.4)	1.4	(5.4)
Dividends paid	(120.8)	(126.8)	(120.8)	(126.8)
Net change in equity	2.4	2.3	1.9	(6.5)
Other	(2.0)	(3.0)	(11.9)	(7.9)
Currency exchange variation	33.8	(8.1)	97.7	(17.8)
Decrease (increase) in net debt	**(46.6)**	**(146.7)**	**(180.7)**	**(217.9)**
Net debt at the beginning of the period	**2,306.7**	**2,112.4**	**2,172.6**	**2,041.2**
Net debt at the end of the period	**2,353.3**	**2,259.1**	**2,353.3**	**2,259.1**

1 *Includes restructuring outflows of:*

- *€13.2m in Q3 2018 vs. €9.9m in Q3 2017 and*
- *€31.9m in 9m 2018 vs. €38.8m in 9m 2017.*

Appendix 3: Working Capital Analysis

Constant basis	September 30, 2017	September 30, 2018
Net inventories		
as a % of sales 12 rolling months	***12.2%***	***12.4%***
as a number of days	*56.5*	*57.7*
Net trade receivables		
as a % of sales 12 rolling months	***17.3%***	***16.9%***
as a number of days	*53.9*	*54.3*
Net trade payables		
as a % of sales 12 rolling months	***15.4%***	***14.7%***
as a number of days	*62.1*	*59.4*
Trade working capital		
as a % of sales 12 rolling months	***14.1%***	***14.6%***
Total working capital		
as a % of sales 12 rolling months	***12.5%***	***12.8%***

Appendix 4: Headcount and branches by geography

FTEs at end of period comparable	September 30, 2017	December 31, 2017	September 30, 2018	Year-on-Year Change
Europe	**15,919**	**15,789**	**15,726**	**-1.2%**
USA	*6,350*	*6,358*	*6,387*	**0.6%**
Canada	*2,064*	*2,093*	*2,096*	**1.5%**
North America	**8,414**	**8,451**	**8,483**	**0.8%**
Asia-Pacific	**2,742**	**2,701**	**2,673**	**-2.5%**
Other	**223**	**219**	**164**	**-26.5%**
Group	**27,298**	**27,161**	**27,046**	**-0.9%**

Branches comparable	September 30, 2017	December 31, 2017	September 30, 2018	Year-on-Year Change
Europe	**1,186**	**1,183**	**1,153**	**-2.8%**
USA	*380*	*384*	*384*	**1.1%**
Canada	*189*	*190*	*190*	**0.5%**
North America	**569**	**574**	**574**	**0.9%**
Asia-Pacific	**251**	**255**	**250**	**-0.4%**
Group	**2,006**	**2,012**	**1,977**	**-1.4%**

Appendix 5: Calendar, scope and currency effects on sales

Based on the assumption of the following average exchange rates:

1 €	=	1.19	USD
1 €	=	1.53	CAD
1 €	=	1.58	AUD
1 €	=	0.88	GBP

and based on aquisitions/divestments to date, 2017 sales should take into account the following estimated impacts to be comparable to 2018 :

	Q1 actual	Q2 actual	Q3 actual	Q4e	FYe
Scope effect at Group level	**(27.2)**	**(29.8)**	**(23.8)**	**(17.8)**	**(98.6)**
as% of 2017 sales	*-0.8%*	*-0.9%*	*-0.7%*	*-0.5%*	*-0.7%*
Currency effect at Group level	**(198.6)**	**(118.7)**	**(20.9)**	**(3.5)**	**(341.8)**
as% of 2017 sales	*-6.0%*	*-3.6%*	*-0.6%*	*-0.1%*	*-2.6%*
Calendar effect at Group level	**-1.1%**	**0.6%**	**0.4%**	**1.0%**	**0.2%**
Europe	-1.6%	0.7%	0.7%	0.7%	0.1%
USA	*0.0%*	*0.0%*	*0.0%*	*1.7%*	*0.4%*
Canada	*-1.7%*	*1.5%*	*0.0%*	*1.5%*	*0.4%*
North America	-0.4%	0.4%	0.0%	1.6%	0.4%
Asia	*0.0%*	*0.1%*	*0.2%*	*0.8%*	*0.3%*
Pacific	*-1.7%*	*1.7%*	*-0.1%*	*1.5%*	*0.4%*
Asia-Pacific	-1.0%	1.0%	0.0%	1.1%	0.4%

Appendix 6: analysis of change in revenues (€m)

Q3	Europe	North America	Asia-Pacific	Group
Reported sales 2017	**1,751.1**	**1,151.1**	**334.0**	**3,236.1**
+/- Net currency effect	-0.6%	0.3%	-4.0%	-0.6%
+/- Net scope effect	0.0%	0.0%	-7.1%	-0.7%
= Comparable sales 2017	**1,739.7**	**1,155.0**	**296.7**	**3,191.4**
+/- Actual-day organic growth, of which:	**1.6%**	**7.3%**	**3.3%**	**+3.8%**
Constant-same day excl. copper	*0.3%*	*7.4%*	*2.8%*	*+3.1%*
Copper effect	*0.5%*	*-0.1%*	*0.5%*	*+0.3%*
Constant-same day incl. copper	**0.8%**	**7.3%**	**3.3%**	**+3.4%**
Calendar effect	0.7%	0.0%	0.0%	0.4%
= Reported sales 2018	**1,766.8**	**1,239.9**	**306.4**	**3,313.0**
YoY change	0.9%	7.7%	-8.3%	2.4%

YTD	Europe	North America	Asia-Pacific	Group
Reported sales 2017	**5,374.8**	**3,551.8**	**972.5**	**9,899.1**
+/- Net currency effect	-1.1%	-6.4%	-5.4%	-3.4%
+/- Net scope effect	0.0%	0.0%	-8.3%	-0.8%
= Comparable sales 2017	**5,315.6**	**3,325.0**	**839.6**	**9,480.1**
+/- Actual-day organic growth, of which:	**2.5%**	**5.9%**	**7.3%**	**+4.1%**
Constant-same day excl. copper	*1.9%*	*5.0%*	*6.9%*	*+3.4%*
Copper effect	*0.7%*	*0.9%*	*0.3%*	*+0.7%*
Constant-same day incl. copper	**2.6%**	**5.9%**	**7.2%**	**+4.1%**
Calendar effect	-0.1%	0.0%	0.0%	0.0%
= Reported sales 2018	**5,447.8**	**3,520.5**	**900.5**	**9,868.8**
YoY change	1.4%	-0.9%	-7.4%	-0.3%

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 cable 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 4, 2018 under number D.18-0263. 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 4, 2018 under number D.18-0263, as well as the consolidated financial statements and activity report for the 2017 fiscal year which may be obtained from Rexel's website (www.rexel.com).