

FIRST-HALF 2019 RESULTS
SAME-DAY SALES GROWTH OF +2.4% IN Q2 19
ADJUSTED EBITA UP +2.0% IN H1 2019, IN LINE WITH PLAN
FULL-YEAR 2019 TARGETS CONFIRMED

→ SALES OF €3.484bn IN Q2

- On a constant and same-day basis, sales up 2.4%, of which:
 - Europe: -0.9%, or up +1.7% excluding branch closures in Germany and Spain
 - North America: +6.8%, driven by project business in the US and Canada
 - Asia-Pacific: +3.4% or up +4.5% restated for the impact of the disposal in Australia
- Organic actual-day growth of 1.8%, including -0.6% from calendar and -0.2% from copper
- Reported sales growth of 3.3%, including currency (+1.8 %) and scope (-0.3%) effects

→ ADJUSTED EBITA UP 2.0% in H1 19, DESPITE UNFAVORABLE CALENDAR EFFECTS TO BE REVERSED IN H2

→ NET INCOME UP 70.6% IN H1 19 AND RECURRING NET INCOME UP 9.6%

→ FULL YEAR GUIDANCE CONFIRMED

Key figures ¹	Q2 2019	YoY change	H1 2019	YoY change ³
Sales	€3,484.4m		€6,799.5m	
On a reported basis		+3.3%		+3.7%
On a constant and actual-day basis		+1.8 %		+1.9%
On a constant and same-day basis		+2.4%		+2.7%
Adjusted EBITA²			€319.2m	+2.0%
As a percentage of sales			4.7%	
Change in bps as a % of sales ²			+0bps	
Reported EBITA			€319.6m	+5.3%
Operating income			€290.1m	+23.9%
Net income			€163.9m	+70.6%
Recurring net income			€167.7m	+9.6%
FCF before interest and tax			€(17.3)m	€(32.9)m
Net debt at end of period			€2,172.6m	3.8% increase

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 H1 2018 restated for IFRS 16

Patrick BERARD, Chief Executive Officer, said:

"I am pleased with Rexel's solid first-half performance, with continued organic sales growth in most key markets and profitability growth according to plan. This marks the 11th consecutive quarter of improved organic sales, demonstrating that Rexel has returned to sustainable growth.

Rexel also showed in the first half of the year its regained capacity to adjust rapidly to adverse conditions both in the macro-economic environment and in specific markets.

This improved operational flexibility makes me confident in our ability to deliver our 2019 targets, with the company increasingly focused on operating leverage and continuing its digital transformation journey."

FINANCIAL REVIEW FOR THE PERIOD ENDED JUNE 30, 2019

- ▶ Financial statements as of June 30, 2019 were authorized for issue by the Board of Directors on July 29th, 2019. They have been subjected to a limited review by statutory auditors.
- ▶ Financial statements as of June 30, 2018 have been restated for changes in accounting policies, following the adoption of IFRS 16 "Leases"; Impacts of IFRS 16 adoption and restated figures for the year ended December 31, 2018 are presented in note 3.2.1.1 of the condensed consolidated interim financial statements as of June 30, 2019.
- ▶ 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 Q2, sales were up 3.3% year-on-year on a reported basis and up 2.4% on a constant and same-day basis, reflecting sales momentum in the US, China and key European countries

In the second quarter, Rexel posted sales of €3,484.4 million, up 3.3% on a reported basis, including:

- A positive currency effect of €61.9 million (i.e. +1.8% of Q2 2018 sales), mainly due to the appreciation of the US dollar against the euro,
- A negative net scope effect of €11.2 million (i.e. -0.3% of Q2 2018 sales), resulting from divestments in China,
- A negative calendar effect of 0.6 percentage points.

On a constant and same-day basis, sales were up 2.4%, including a negative effect from the change in copper-based cable prices (-0.2% in Q2 19 vs +0.7% in Q2 18).

In H1 2019, Rexel posted sales of €6,799.5 million, up 3.7% on a reported basis. On a constant and same-day basis, sales were up 2.7%, including a negative impact of 0.3% from the change in copper-based cable prices.

The 3.7% increase in sales on a reported basis included:

- A positive currency effect of €138.0 million (i.e. +2.1% of H1 2018 sales), mainly due to the appreciation of the US dollar against the euro,
- A negative net scope effect of €23.3 million (i.e. -0.4% of H1 2018 sales), resulting from 2018 divestments in China.
- A negative calendar effect of 0.8 percentage points.

Europe (52% of Group sales): -0.9% in Q2 and -0.2% in H1 on a constant and same-day basis

In the second quarter, sales in Europe decreased by 1.5% on a reported basis, with non-material currency and scope effects. On a constant and same-day basis, sales were down 0.9% (or up 1.7% excluding branch closures in Germany and Spain).

- Sales in **France** (38% of the region's sales) were up 2.6%, on a challenging base effect, supported by good momentum in our commercial projects, residential and specialty (HVAC) businesses;
- Sales in **Scandinavia** (13% of the region's sales) were up 1.7%, with positive momentum in Sweden, up +5.0% thanks to large C&I business more than offsetting negative momentum in residential. Norway was down 3.5% and Finland flat;
- **Benelux** (11% of the region's sales) posted solid +12.1% growth, with good momentum in Belgium, up +10.3%, notably thanks to photovoltaic sales (+2.0% contribution) and the acquisition in July 2018 of a branch in the Courtrai area (+2.3% contribution); The Netherlands were up 14.6%;
- In **the UK** (10% of the region's sales), sales dropped by 8.2%, as a result of business selectivity (-7.6% impact) and branch closures (-2.4% impact – 30 branch closures of which 13 in 2019);

- Sales in **Germany** (9% of the region's sales) were down 21.7%, reflecting the transformation of the country's business to refocus on profitable activities (industrial segment on a national basis and C&I in the southern part of the country). Excluding the closure of 17 branches, same-day sales were broadly flat;
- Sales in **Switzerland** (6% of the region's sales) grew by 1.6% in a project environment that remains competitive.

North America (39% of Group sales): +6.8% in Q2 and +7.6% in H1 on a constant and same-day basis

In the second quarter, sales in North America were up 12.1% on a reported basis, including a positive currency effect of €63.8m (mainly due to the appreciation of the US dollar against the euro). On a constant and same-day basis, sales were up 6.8%, driven by the US and Canada.

- In **the US** (79% of the region's sales), sales grew 7.0% on more difficult base effect, confirming our ability to capture market growth and gain market share in specific regions.
 - Commercial and residential business are progressing in high single digits in the quarter
 - Industrial business is slowing on lower end-market demand and a tough comparable base.
 - Good contribution from past investment in sales reps, branch openings and refresh of existing branches
 - Investment in people: +5% compared to last year
 - Investment in branch openings:
 - 54 new branches/counters since 2017, including 6 in H1 2019, contributing for +1.0% of sales growth;
 - 29% of the existing network has been refreshed since 2016.
- In **Canada** (21% of the region's sales), sales were up 6.3% on a same-day basis, mainly driven by strong demand from industry end-users and initiatives in our proximity business (harmonization of our core offer plan across the country).

Asia-Pacific (9% of Group sales): +3.4% in Q2 and +0.8% in H1 on a constant and same-day basis

In the second quarter, sales in Asia-Pacific were down 2.2% on a reported basis, including a negative scope effect of €11.2m following the disposal of our business in China and a negative currency effect of €2.3m, mainly due to the depreciation of the Australian dollar against the euro. On a constant and same-day basis, sales were up 3.4% (or +4.5% excluding the disposal effect of part of our industrial business in Australia at the end of April 2018).

- In the Pacific (50% of the region's sales), sales were stable on a constant and same-day basis. In Australia (81% of Pacific's sales), sales were down 0.5% or +2.1% excluding asset disposal, outperforming the market. While residential and commercial markets are slowing down, our business benefited from positive momentum from infrastructure and mining spending (capex and MRO).
- In Asia (50% of the region's sales), sales were up 7.0%:
 - In China (85% of Asia), sales grew by 10.1%, driven by a large contract (10.6 million euros) that contributed positively since early 2019. The refocusing on promising markets is ongoing and is showing positive signs.
 - Middle East is down 41.3%, impacted by a large project that benefited Q2 2018 (+6.7 million euros)

PROFITABILITY**Adjusted EBITA margin at 4.7% in H1 2019, stable compared to H1 2018**

In the first half, gross margin was up 11 bps year-on-year, at 25.0% of sales, and opex (including depreciation) amounted to 20.3% of sales, representing a deterioration of 11 bps year-on-year.

- In **Europe**, gross margin stood at 27.4% of sales, up 32bps year-on-year thanks to France and the reprofiling of the German business. In the first half, opex (including depreciation) deteriorated by 23bps to 21.4% of sales, mainly due to investments and cost inflation that will be offset by productivity gains;
- In **North America**, gross margin stood at 23.1% of sales. This represented a 4bps improvement year-on-year, mainly thanks to our past initiatives and the improvement in service level, partially offset by a lag in passing on tariff increases. Opex (including depreciation) improved slightly (+4bp year-on-year) at 19.0% of sales, as volume effect more than offset higher wages and freight costs, as well as investments in people;
- In **Asia-Pacific**, gross margin stood at 18.3% of sales, a deterioration of 29bps year-on-year, and opex (including depreciation) deteriorated by 41bps, notably due to the disposal of our Rockwell business in Australia in April 2018. Opex was also impacted by wage inflation in China and India;
- At **corporate level**, opex amounted to €12.9 million, compared to €13.0 million a year ago with investment in IT & Digital offset by lower corporate costs.

As a result, adjusted EBITA stood at €319.2m, up 2.0% in the first half 2019.

Adjusted EBITA margin was flat at 4.7% of sales, reflecting:

- an improved adjusted EBITA margin in Europe at 5.9% of sales, up 9bps;
- an improved adjusted EBITA margin in North America at 4.1% of sales, up 8bps and
- a lower adjusted EBITA margin in Asia-Pacific at 1.7% of sales, down 69bps.

In H1 19, reported EBITA stood at €319.6 million (including a positive one-off copper effect of €0.4million), up 5.3% year-on-year.

NET INCOME**Net income of €163.9m in H1 2019, up 70.6%****Recurring net income up 9.6% to €167.7 million in H1 2019**

Operating income in the first half stood at €290.1 million vs. €234.1 million in H1 2018.

- Amortization of intangible assets resulting from purchase price allocation amounted to €7.1 million (vs. €8.3 million in H1 2018);
- Other income and expenses amounted to a net charge of €22.4 million (vs. a net charge of €61.1 million in H1 2018). They included €13.5 million of restructuring costs (vs. €59.0 million in H1 2018). They also included a charge of €9.3 million from intangible asset impairment in Finland.

Net financial expenses in the first half amounted to €93.6 million (vs. €72.5 million in H1 2018).

Excluding a €20.8m one-off expense (of which a €16.9 million redemption premium) recognized in the first half of 2019 related to the cost of the early repayment of the €650 million senior notes due 2023, net financial expenses were stable, with effective interest rate unchanged at 2.81% in H1 2019 (vs. 2.84% in H1 2018).

Income tax in the first half represented a charge of €32.6 million (vs. €65.5 million in H1 2018 restated for IFRS 16), reflecting a decrease in the tax rate (16.6% vs 40.5% in H1 2018), thanks to the release of a tax exposure provision of €29.5m.

Net income in the first half is up 70.6% to €163.9 million (vs. €96.1 million in H1 2018).

Recurring net income in the first half amounted to €167.7 million, up 9.6% compared to H1 2018 (see appendix 3).

FINANCIAL STRUCTURE

Outflow of free cash-flow before interest and tax of €17.3 million in first half 2019

Indebtedness ratio of 2.86x at June 30, 2019

In the first half, free cash flow before interest and tax was an outflow of €17.3 million (vs. an inflow of €15.6 million in H1 2018). This net outflow included:

- Higher cash outflow from restructuring (€28.7m vs. 18.8m in H1 2018), with the execution of the turnaround plans in Germany and Spain.
- An outflow of €270.5 million from change in working capital (vs. an outflow of €249.1 million in H1 2018), mainly due to payables.
- Higher capital expenditure (€53.5 million vs. €30.2 million in H1 2018), as H1 2018 benefited from the disposal of our Rockwell automation business in Australia. Gross capital expenditure stood at €55.9 million in H1 2019 compared to €48.5m in H1 2018;

At June 30, 2019, net debt stood at €2,172.6 million, up 3.8% year-on-year (vs. €2,093.7 million at June 30, 2018).

It took into account:

- €44.4 million of net interest paid in H1 2019 (vs €41.3 million paid in H1 2018),
- €62.5 million of income tax paid in the first half compared to €24.0 million paid in H1 2018, which benefited from a refund of 2017 income tax overpayment in France (€22 million) and of the 3% tax on dividends (€8m)
- €20.8m of costs related to the early redemption of the €650m bond maturing in 2023
- €8.4 million of negative currency effects during the first half (vs a negative effect of €9.7 million in H1 2018).

At June 30, 2019, the indebtedness ratio (Net financial debt/ EBITDA), as calculated under the Senior Credit Agreement terms, stood at 2.86x vs. 2.91x at June 30, 2018.

CHANGE IN REPORTING

In H1 2019, Rexel implemented for the first time the IFRS 16 accounting standards, with H1 2018 comparable numbers.

On a full year basis, the impacts on our 2018 numbers are the following:

- Increase in “Lease liabilities” of €933m on the Balance Sheet
- Increase in EBITDA margin of 147bps
- Increase in EBITA margin of 24bps
- Decrease in FCF before interest and taxes of €6m
- Decrease in recurring net income of €11m

This evolution will not affect Rexel’s financial flexibility as the indebtedness ratio calculation, according to RCFA, will not take into consideration the IFRS 16 standard.

STRATEGIC ROADMAP AND OUTLOOK

We are adapting to become more agile in an increasingly volatile environment. Rexel's operational focus is on improving operating leverage and our strategic priority remains to advance our digital transformation. Combined with a favorable calendar effect in H2, this focus puts us on track to deliver our full year guidance.

Consistent with our medium-term ambition and assuming no material changes in the macroeconomic environment, we target for 2019, at comparable scope of consolidation and exchange rates:

- **A 2% to 4% same-day sales growth**, excluding an estimated unfavorable impact of 1% from branch closures in Germany and Spain;
- **A 5% to 7% increase in adjusted EBITA¹**;
- **A further improvement of the indebtedness ratio** (net debt-to-EBITDA²).

¹ excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cable prices. At comparable scope and 2018 average currency conditions, we estimate an impact of +€1 million on our 2019 adjusted EBITA

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 6.

CALENDAROctober 17th, 2019

Third-quarter 2019 sales

FINANCIAL INFORMATION

The financial report for the period ended June 30, 2019 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 sales and half-year 2019 results publication 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. 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 nearly 2,000 branches in 26 countries, with almost 27,000 employees. The Group's sales were €13.37 billion in 2018.

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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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.

APPENDIX
Appendix 1: Q2 and H1 2019 sales and adjusted Ebita bridge
SALES BRIDGE

Q2	Europe	North America	Asia-Pacific	Group
Reported sales 2018	1,858.6	1,205.0	310.0	3,373.6
+/- Net currency effect	0.0%	5.3%	-0.7%	1.8%
+/- Net scope effect	0.0%	0.0%	-3.6%	-0.3%
= Comparable sales 2018	1,859.0	1,268.7	296.5	3,424.2
+/- Actual-day organic growth, of which:	-1.5%	6.4%	2.3%	1.8%
<i>Constant-same day excl. copper</i>	-0.8%	7.3%	2.9%	2.6%
<i>Copper effect</i>	-0.1%	-0.5%	0.5%	-0.2%
Constant-same day incl. copper	-0.9%	6.8%	3.4%	2.4%
Calendar effect	-0.6%	-0.4%	-1.1%	-0.6%
= Reported sales 2019	1,830.9	1,350.4	303.2	3,484.4
YoY change	-1.5%	12.1%	-2.2%	3.3%

H1	Europe	North America	Asia-Pacific	Group
Reported sales 2018	3,681.0	2,280.6	594.1	6,555.8
+/- Net currency effect	0.0%	6.1%	-0.2%	2.1%
+/- Net scope effect	0.0%	0.0%	-3.9%	-0.4%
= Comparable sales 2018	3,680.9	2,420.3	569.3	6,670.4
+/- Actual-day organic growth, of which:	-1.0%	6.8%	0.3%	1.9%
<i>Constant-same day excl. copper</i>	0.0%	8.2%	0.4%	3.0%
<i>Copper effect</i>	-0.3%	-0.6%	0.4%	-0.3%
Constant-same day incl. copper	-0.2%	7.6%	0.8%	2.7%
Calendar effect	-0.8%	-0.8%	-0.5%	-0.8%
= Reported sales 2019	3,644.9	2,583.7	570.9	6,799.5
YoY change	-1.0%	13.3%	-3.9%	3.7%

EBITA BRIDGES:
FROM H1 18 ADJUSTED EBITA AS REPORTED TO H1 18 ON A COMPARABLE BASIS

	2018 adjusted EBITA	2018 copper effect	2018 reported EBITA	IFRS 16 impacts	2019 FX impact	2019 scope impact	2018 copper effect @2019 FX	2018 adjusted EBITA on a comparable basis
Rexel Group	288.2	-1.3	287.0	16.5	5.8	2.6	1.3	313.1

ADJUSTED EBITA FROM H1 18 TO H1 19

2018 adjusted EBITA on a comparable basis	Organic growth	2019 adjusted EBITA	2019 copper effect	2019 reported EBITA
313.1	6.1	319.2	0.4	319.6

Appendix 2: 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)	H1 2018	H1 2019
Non-recurring copper effect at EBITA level	(1.3)	0.4

GROUP

Constant and adjusted basis (€m)	Q2 2018	Q2 2019	Change	H1 2018	H1 2019	Change
Sales	3,424.2	3,484.4	+1.8%	6,670.4	6,799.5	+1.9%
<i>on a constant basis and same days</i>			+2.4%			+2.7%
Gross profit				1,659.2	1,698.6	+2.4%
<i>as a % of sales</i>				24.9%	25.0%	11 bps
Distribution & adm. expenses (incl. depreciation)				(1,346.1)	(1,379.4)	+2.5%
EBITA				313.1	319.2	+2.0%
<i>as a % of sales</i>				4.7%	4.7%	0 bps
Headcount (end of period)				27,011	26,731	-1.0%

EUROPE

Constant and adjusted basis (€m)	Q2 2018	Q2 2019	Change	H1 2018	H1 2019	Change
Sales	1,859.0	1,830.9	-1.5%	3,680.9	3,644.9	-1.0%
<i>on a constant basis and same days</i>			-0.9%			-0.2%
France	679.9	697.4	+2.6%	1,363.4	1,388.6	+1.8%
<i>on a constant basis and same days</i>			+2.6%			+2.7%
United Kingdom	199.8	180.4	-9.7%	413.1	377.6	-8.6%
<i>on a constant basis and same days</i>			-8.2%			-7.8%
Germany	200.4	155.9	-22.2%	404.3	319.3	-21.0%
<i>on a constant basis and same days</i>			-21.7%			-20.8%
Scandinavia	241.5	241.1	-0.2%	457.3	472.4	+3.3%
<i>on a constant basis and same days</i>			+1.7%			+4.1%
Gross profit				996.3	998.4	+0.2%
<i>as a % of sales</i>				27.1%	27.4%	32 bps
Distribution & adm. expenses (incl. depreciation)				(780.8)	(781.6)	+0.1%
EBITA				215.5	216.8	+0.6%
<i>as a % of sales</i>				5.9%	5.9%	9 bps
Headcount (end of period)				15,898	15,257	-4.0%

NORTH AMERICA

Constant and adjusted basis (€m)	Q2 2018	Q2 2019	Change	H1 2018	H1 2019	Change
Sales	1,268.7	1,350.4	+6.4%	2,420.3	2,583.7	+6.8%
<i>on a constant basis and same days</i>			+6.8%			+7.6%
United States	1,002.8	1,071.9	+6.9%	1,918.5	2,061.6	+7.5%
<i>on a constant basis and same days</i>			+7.0%			+8.3%
Canada	266.0	278.5	+4.7%	501.7	522.2	+4.1%
<i>on a constant basis and same days</i>			+6.3%			+4.9%
Gross profit				556.9	595.6	+6.9%
<i>as a % of sales</i>				23.0%	23.1%	4 bps
Distribution & adm. expenses (incl. depreciation)				(460.2)	(490.2)	+6.5%
EBITA				96.7	105.3	+8.9%
<i>as a % of sales</i>				4.0%	4.1%	8 bps
Headcount (end of period)				8,432	8,803	4.4%

ASIA-PACIFIC

Constant and adjusted basis (€m)	Q2 2018	Q2 2019	Change	H1 2018	H1 2019	Change
Sales	296.5	303.2	+2.3%	569.3	570.9	+0.3%
<i>on a constant basis and same days</i>			+3.4%			+0.8%
China	116.0	127.7	+10.1%	215.2	235.1	+9.2%
<i>on a constant basis and same days</i>			+10.1%			+9.2%
Australia	125.7	123.1	-2.1%	248.2	238.7	-3.9%
<i>on a constant basis and same days</i>			-0.5%			-3.2%
New Zealand	29.6	29.7	+0.2%	55.4	55.5	+0.3%
<i>on a constant basis and same days</i>			+1.8%			+1.2%
Gross Profit				106.0	104.6	-1.3%
<i>as a % of sales</i>				18.6%	18.3%	-29 bps
Distribution & adm. expenses (incl. depreciation)				(92.1)	(94.7)	+2.8%
EBITA				13.9	9.9	-28.3%
<i>as a % of sales</i>				2.4%	1.7%	-69 bps
Headcount (end of period)				2,518	2,513	-0.2%

Appendix 3: Consolidated Financial Statement
CONSOLIDATED INCOME STATEMENT

Reported basis (€m)	H1 2018	H1 2019	Change
Sales	6,555.8	6,799.5	3.7%
Gross profit	1,626.9	1,699.1	4.4%
<i>as a % of sales</i>	24.8%	25.0%	
Distribution & adm. expenses (excl. depreciation)	(1,193.4)	(1,240.2)	3.9%
EBITDA	433.4	458.8	5.9%
<i>as a % of sales</i>	6.6%	6.7%	
Depreciation	(130.0)	(139.3)	
EBITA	303.4	319.6	5.3%
<i>as a % of sales</i>	4.6%	4.7%	
Amortization of intangibles resulting from purchase price allocation	(8.3)	(7.1)	
Operating income bef. other inc. and exp.	295.1	312.5	5.9%
<i>as a % of sales</i>	4.5%	4.6%	
Other income and expenses	(61.1)	(22.4)	
Operating income	234.1	290.1	23.9%
Net financial expenses	(72.5)	(93.6)	
Net income (loss) before income tax	161.6	196.5	21.6%
Income tax	(65.5)	(32.6)	
Net income (loss)	96.1	163.9	70.6%

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

in €m	H1 2018	H1 2019
Operating income before other income and other expenses on a reported basis	295.1	312.5
Change in scope of consolidation	2.6	-
Foreign exchange effects	5.8	-
Non-recurring effect related to copper	1.3	(0.4)
Amortization of intangibles assets resulting from PPA	8.3	7.1
Adjusted EBITA on a constant basis	313.1	319.2

RECURRING NET INCOME

in €m	H1 2018	H1 2019	Change
Net income (as reported)	100.8	163.9	+62.6%
IFRS16 restatement	(4.7)	-	
Net income (restated)	96.1	163.9	+70.6%
Non-recurring copper effect	1.3	(0.4)	
Other expense & income	61.1	22.4	
Financial expense	1.1	20.8	
Tax expense	(6.4)	(39.0)	
Recurring net income	153.1	167.7	+9.6%

SALES AND PROFITABILITY BY SEGMENT

Reported basis (€m)	Q2 2018	Q2 2019	Change	H1 2018	H1 2019	Change
Sales	3,373.6	3,484.4	+3.3%	6,555.8	6,799.5	+3.7%
Europe	1,858.6	1,830.9	-1.5%	3,681.0	3,644.9	-1.0%
North America	1,205.0	1,350.4	+12.1%	2,280.6	2,583.7	+13.3%
Asia-Pacific	310.0	303.2	-2.2%	594.1	570.9	-3.9%
Gross profit				1,626.9	1,699.1	+4.4%
Europe				994.7	999.9	+0.5%
North America				524.5	594.6	+13.4%
Asia-Pacific				107.7	104.6	-2.8%
EBITA				303.4	319.6	+5.3%
Europe				214.0	218.2	+2.0%
North America				91.1	104.3	+14.5%
Asia-Pacific				11.3	9.9	-12.2%
Other				(13.0)	(12.9)	0.9%

CONSOLIDATED BALANCE SHEET¹

Assets (Reported basis in €m)	December 31, 2018	June 30, 2019
Goodwill	3,871.1	3,899.7
Intangible assets	1,037.9	1,027.3
Property, plant & equipment	266.6	266.8
Right-of-use assets	835.4	843.9
Long-term investments	42.6	52.7
Deferred tax assets	88.1	100.4
Total non-current assets	6,141.6	6,190.8
Inventories	1,674.2	1,742.5
Trade receivables	2,091.5	2,292.6
Other receivables	520.6	509.3
Assets classified as held for sale	42.5	2.4
Cash and cash equivalents	544.9	438.4
Total current assets	4,873.7	4,985.1
Total assets	11,015.3	11,175.9

Liabilities (Reported basis in €m)	December 31, 2018	June 30, 2019
Total equity	4,144.9	4,154.0
Long-term debt	1,925.0	1,757.9
Lease liabilities (non-current part)	785.7	789.4
Deferred tax liabilities	208.1	195.8
Other non-current liabilities	320.6	354.2
Total non-current liabilities	3,239.4	3,097.4
Interest bearing debt & accrued int.	649.4	880.0
Lease liabilities (current part)	162.7	165.3
Trade payables	2,024.1	2,083.3
Other payables	755.8	795.6
Liabilities rel. to assets held for sale	38.9	0.4
Total current liabilities	3,631.0	3,924.5
Total liabilities	6,870.4	7,021.9
Total equity & liabilities	11,015.3	11,175.9

¹ Net debt includes Debt hedge derivatives for €(10.2)m at June 30, 2018 and €(24.5)m at June 30, 2019
It also includes accrued interest receivables for €(1.3)m at June 30, 2018 and for €(2.5)m at June 30, 2019

CHANGE IN NET DEBT

Reported basis (€m)	H1 2018	H1 2019
EBITDA	433.4	458.8
Lease payments	(104.3)	(110.5)
Other operating revenues & costs ⁽¹⁾	(34.3)	(41.6)
Operating cash-flow	294.9	306.7
Change in working capital	(249.1)	(270.5)
Net capital expenditure, of which:	(30.2)	(53.5)
<i>Gross capital expenditure</i>	(48.5)	(55.9)
<i>Disposal of fixed assets & other</i>	19.6	6.3
Free cash-flow from continuing op. before int. & tax	15.6	(17.3)
Net interest paid / received	(41.3)	(44.4)
Income tax paid	(24.0)	(62.5)
Free cash-flow from continuing op. after int. & tax	(49.7)	(124.2)
Net financial investment	0.0	(3.5)
Dividends paid	0.0	0.0
Net change in equity	(8.7)	1.6
Other	(4.9)	(23.5)
Currency exchange variation	(9.7)	(8.4)
Decrease (increase) in net debt	(73.0)	(157.9)
Net debt at the beginning of the period	2,020.7	2,014.7
Net debt at the end of the period	2,093.7	2,172.6

¹ Includes restructuring outflows of:

- €28.7m in H1 2019 vs. €18.8m in H1 2018.

Appendix 4: Working Capital Analysis

Constant basis	June 30, 2018	June 30, 2019
Net inventories		
<i>as a % of sales 12 rolling months</i>	12.2%	12.8%
<i>as a number of days</i>	55.1	58.4
Net trade receivables		
<i>as a % of sales 12 rolling months</i>	17.2%	16.8%
<i>as a number of days</i>	52.0	52.3
Net trade payables		
<i>as a % of sales 12 rolling months</i>	15.6%	15.1%
<i>as a number of days</i>	61.5	60.8
Trade working capital		
<i>as a % of sales 12 rolling months</i>	13.8%	14.5%
Total working capital		
<i>as a % of sales 12 rolling months</i>	11.3%	12.2%

Appendix 5: Headcount and branches by geography

FTEs at end of period comparable	June 30, 2018	December 31, 2018	June 30, 2019	Year-on-Year Change
Europe	15,898	15,260	15,257	-4.0%
USA	6,337	6,474	6,653	5.0%
Canada	2,095	2,131	2,150	2.6%
North America	8,432	8,605	8,803	4.4%
Asia-Pacific	2,518	2,524	2,513	-0.2%
Other	163	152	158	-3.1%
Group	27,011	26,541	26,731	-1.0%

Branches comparable	June 30, 2018	December 31, 2018	June 30, 2019	Year-on-Year Change
Europe	1,166	1,127	1,112	-4.6%
USA*	384	384	389	1.3%
Canada	190	190	191	0.5%
North America	574	574	580	1.0%
Asia-Pacific	245	244	243	-0.8%
Group	1,985	1,945	1,935	-2.5%

* 9 openings and 4 mergers/closures of branches

Appendix 6: Calendar, scope and currency effects on sales

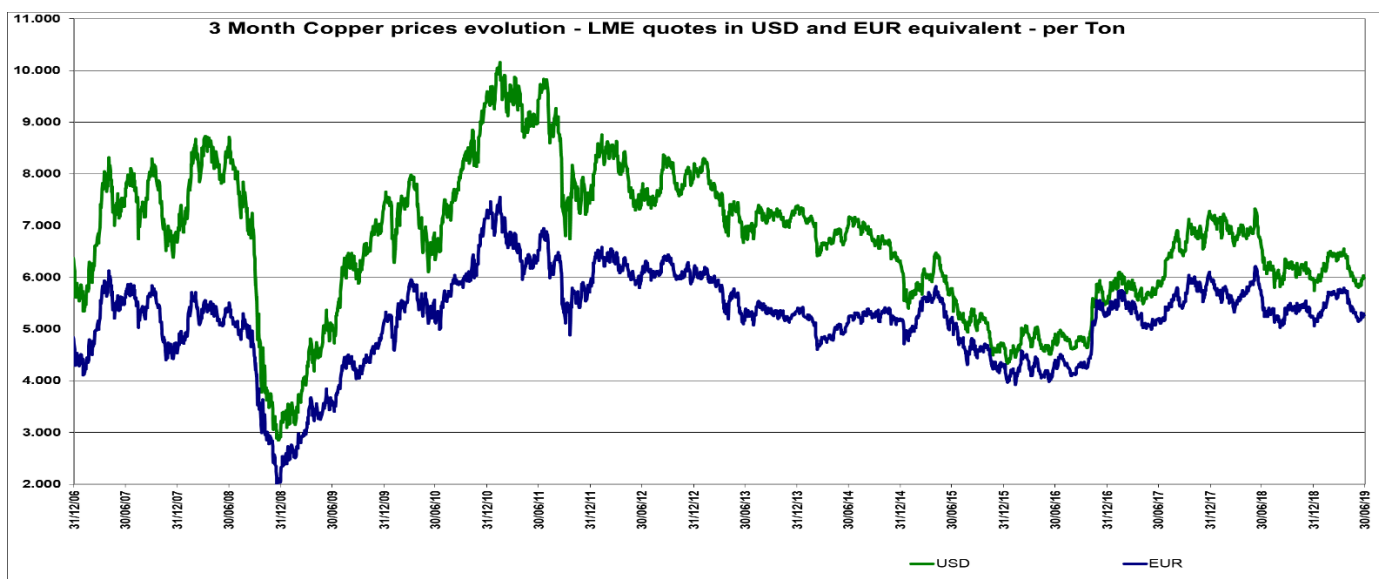
Based on the assumption of the following average exchange rates:

1 €	=	1.12	USD
1 €	=	1.49	CAD
1 €	=	1.60	AUD
1 €	=	0.88	GBP

and based on acquisitions/divestments to date, 2018 sales should take into account the following estimated impacts to be comparable to 2019 :

	Q1 actual	Q2 actual	Q3e	Q4e	FYe
Scope effect at Group level	(12.1)	(11.2)	(10.9)	(15.5)	(49.7)
<i>as% of 2018 sales</i>	<i>-0.4%</i>	<i>-0.3%</i>	<i>-0.3%</i>	<i>-0.4%</i>	<i>-0.4%</i>
Currency effect at Group level	76.1	61.9	50.2	38.3	226.5
<i>as% of 2018 sales</i>	<i>2.4%</i>	<i>1.8%</i>	<i>1.5%</i>	<i>1.1%</i>	<i>1.7%</i>
Calendar effect at Group level	-1.0%	-0.6%	1.0%	0.3%	0.0%
Europe	-0.8%	-0.6%	1.6%	-0.3%	-0.1%
USA	-1.7%	-0.1%	0.0%	1.6%	0.0%
Canada	0.0%	-1.6%	1.6%	0.0%	0.0%
North America	-1.4%	-0.4%	0.3%	1.2%	0.0%
Asia	-0.2%	-0.4%	-0.5%	0.6%	-0.1%
Pacific	0.2%	-1.7%	1.6%	0.1%	0.0%
Asia-Pacific	0.0%	-1.1%	0.6%	0.4%	0.0%

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			
2017 vs. 2016	+25%	+20%	+33%	+30%	+27%
2018 vs. 2017	+20%	+21%	-4%	-10%	+6%
2019 vs. 2018	-11%	-11%			

€/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			
2017 vs. 2016	+30%	+23%	+27%	+19%	+24%
2018 vs. 2017	+4%	+12%	-3%	-7%	+1%
2019 vs. 2018	-4%	-6%			

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 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 2018 fiscal year which may be obtained from Rexel's website (www.rexel.com).