Q4 and FY 2017 results

February 14, 2018

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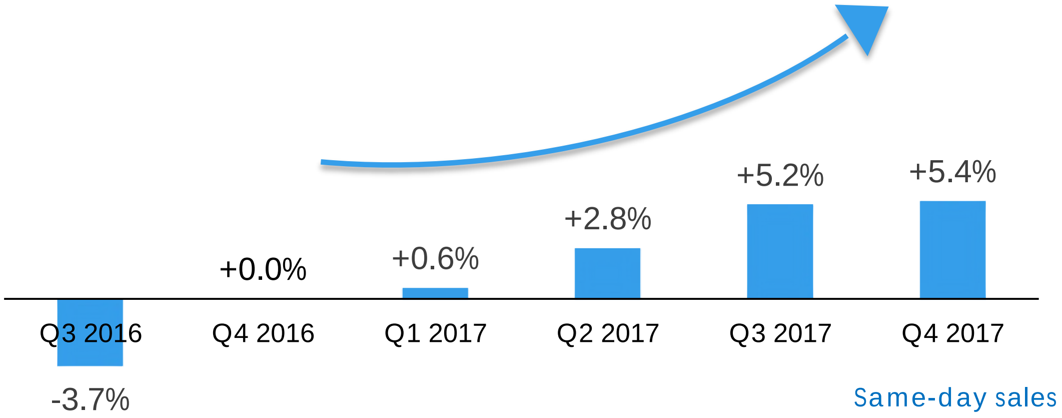
Consolidated financial statements as of December 31, 2017 were authorized for issue by the Board of Directors held on February 13, 2018.
They have been audited by statutory auditors.

Q4 AND FY17 KEY HIGHLIGHTS

Q4 2017 highlights:
Solid growth in sales and profitability

- **Continued acceleration in sales growth for the fifth consecutive quarter, despite a strengthening base effect**



- **Improved sales trends in all 3 geographies**

EUROPE	NORTH AMERICA	ASIA-PACIFIC
+5.5%	**+3.2%**	**+12.7%**
Acceleration in most countries	*Supported by Canada and Proximity in the US*	*Driven by China and Australia*

Sales
3,405 € million

Gross margin
24.5% +39bps

Adj. EBITA growth vs. Q4 16
+8.7% at €159m

Adj. EBITA margin
4.7% +26bps

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FY 2017 highlights: Numbers fully in line with our financial guidance

Sales

13,310

€ million

+3.5%

same-day basis

including

+1.4%

copper effect

Adj. EBITA growth

+6.1%

vs. FY16

at €580m

+7.5% excl. South East Asia

Adj. EBITA margin

4.4%

+13bps

Recurring net income

+16.4%

vs. FY16

at €291m

Indebtedness ratio[1]

2.8x

-20bps

1 Net debt/EBITDA ratio as calculated under the Senior Credit Agreement terms

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REVIEW BY GEOGRAPHY

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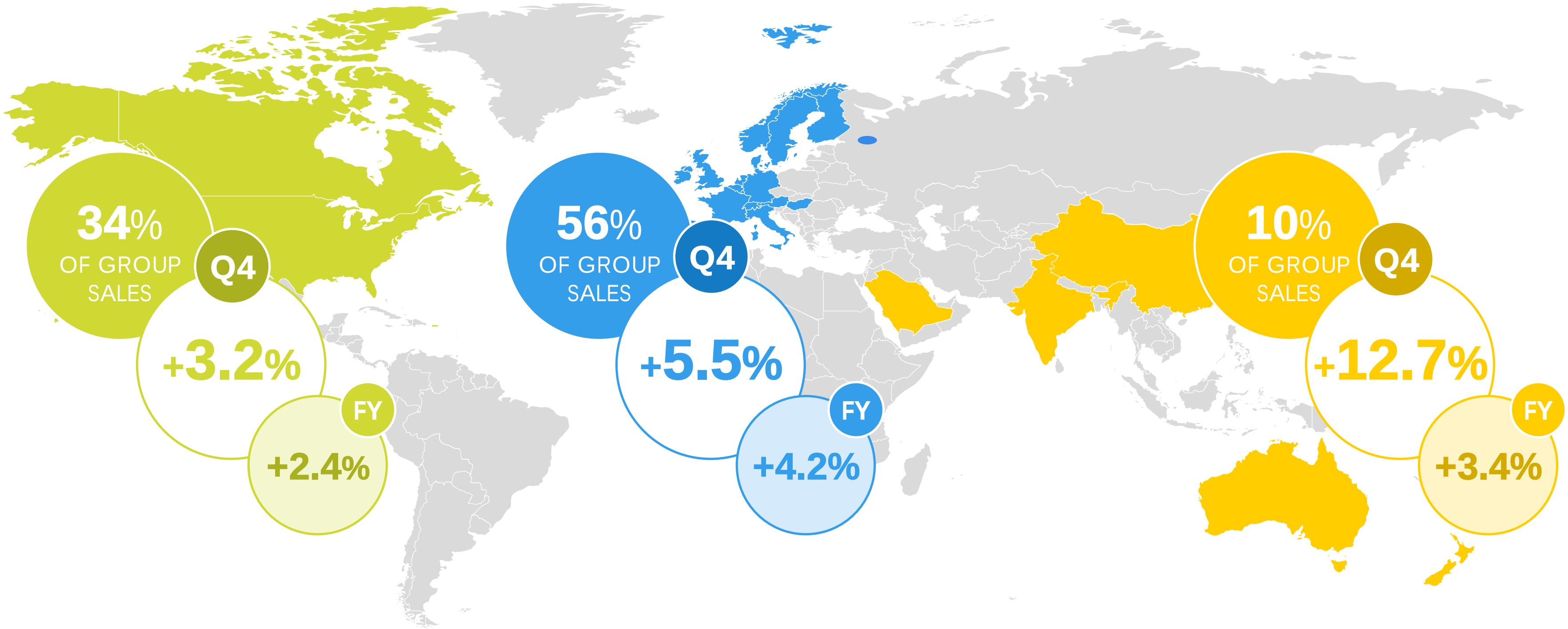
Solid sales momentum across geographies



Group same-day sales growth: +5.4% in Q4 and +3.5% in FY

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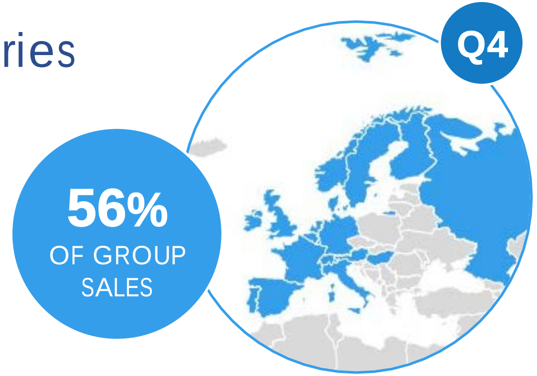
Europe: Sales growth acceleration across most countries

€ million
1,912.8
sales

Constant
+5.5%
& same-day



- **France:** Efficiency of the business model allowing to benefit from market growth
- **Scandinavia:** Strong growth in a healthy Swedish market (+11.1%), driven by medium C&I as well as utility-related projects
- **Germany:** Growth mainly fueled by our focus on industrial end-market, notably cables
- **UK:** Internal restructuring and 15 branch closings impacting our sales in a declining market
- **Benelux:** Good momentum in Belgium (+7.6%) and in The Netherlands (+13.5%), driven by photovoltaic equipment
- **Switzerland:** +0.7% growth in a much more competitive environment

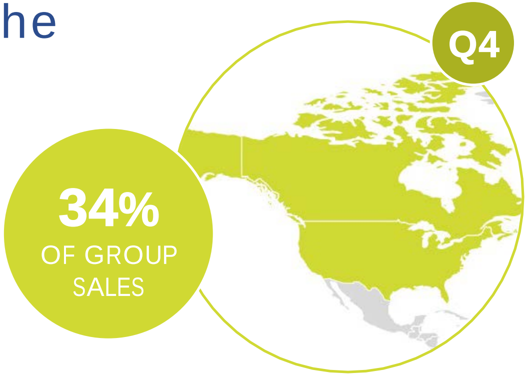
	WEIGHT	Q4 17 vs. Q4 16[1]
France	38%	+8.2%
Scandinavia	14%	+7.4%
Germany	11%	+4.1%
UK	10%	-5.3%
Benelux	9%	+10.1%
Switzerland	6%	+0.7%

1 Same-days change

North America: Sales growth driven by Canada and the Proximity business in the US

€ million
1,156.5
sales

Constant
+3.2%
& same-day



- **USA: Sales growth mainly driven by our Proximity and Automation businesses, offsetting pressure in our Project business**
  - Branch openings (17 in FY17 o/w 4 in Q4) contributing for +1.3% of growth
  - +1.2% contribution from demand in O&G, up 25% in the quarter
  - Project business continues to be affected by disruptions in the supply chain of a large supplier and by lower wind and power projects
- **Canada: Strong acceleration, mainly driven by commercial end market and O&G**
  - High single-digit rise in commercial thanks to lighting and building installation contractors
  - Strong recovery in our O&G business (8% of sales), up 37%

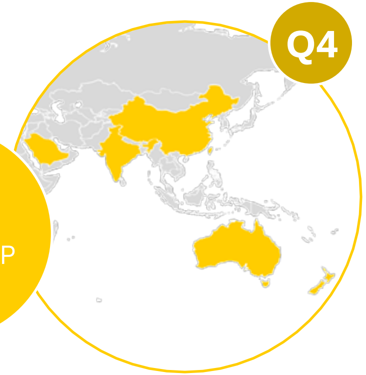
	WEIGHT	Q4 17 vs. Q4 16[1]
USA	77%	+2.1%
Canada	23%	+6.7%

1 Same-days change

Asia-Pacific: Sales growth improvement driven by China and Australia

€ million
336.1
sales

Constant
+12.7%
& same-day



10%
OF GROUP SALES

	WEIGHT	Q4 17 vs. Q4 16[1]
Asia	**52%**	**+18.2%**
Pacific	**48%**	**+7.2%**

- **Asia:**
  - **In China** (70% of Asia), sales grew by a strong 12.0%, reflecting good performance in industrial automation products and solutions
  - **In South-East Asia** (10% of Asia), sales dropped by 12.0%. Business sold in December (consolidated until November 30th)
  - **In Middle East and India** (20% of Asia), strong performance due to a large project in Middle East and a strong automation business in India

- **Pacific:**
  - **In Australia** (83% of Pacific), sales were up 9.8%, mainly reflecting good performance in residential market (up in double digits) and market share gain
  - **In New Zealand** (17% of Pacific), sales were down 3.7% due to lower project sales

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1 Same-days change

GROUP
FINANCIAL REVIEW

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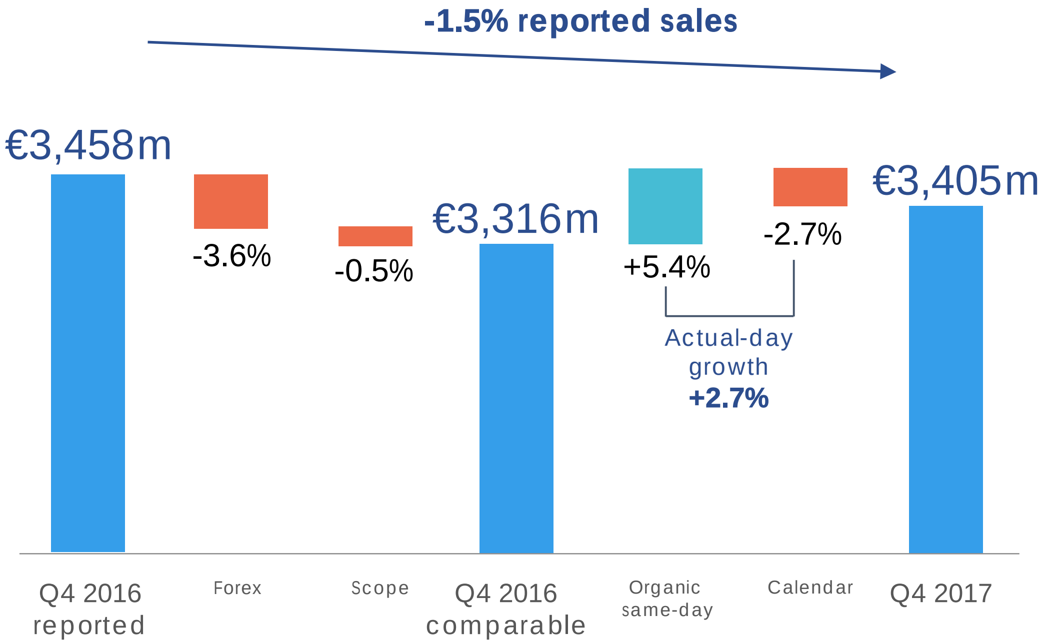
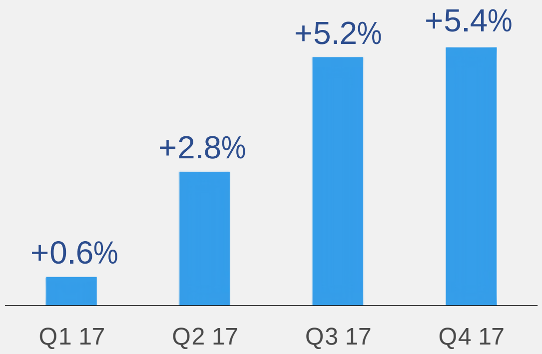
Q4 sales up +5.4% on a same-day basis



Accelerating growth
on constant & same-day basis



Positive copper-based cable price impact

Q1 2017	Q2 2017	Q3 2017	Q4 2017
+1.2%	+1.1%	+1.5%	+1.6%

Good operating leverage in Q4 while investing in the US

Q4 2017 (€m)	EUROPE		NORTH AM.		ASIA-PACIFIC		HOLD.	Q4 GROUP		FY GROUP	
Sales	**1,912.8**	**+4.9%**	**1,156.5**	**-3.0%**	**336.1**	**+12.3%**		**3,405.4**	**+2.7%**	**13,310.1**	**+2.9%**
Constant and same-day		*+5.5%*		*+3.2%*		*+12.7%*			*+5.4%*		*+3.5%*
Gross margin	**514.8**	**+6.5%**	**260.5**	**-0.6%**	**58.9**	**+9.8%**		**834.3**	**+4.4%**	**3,249.6**	**+3.5%**
% of sales	*26.9%*	*+41bps*	*22.5%*	*+54bps*	*17.5%*	*-40bps*		*24.5%*	*+39bps*	*24.4%*	*+16bps*
Restated Opex + depreciation [2]	**(393.9)**	**+3.1%**	**(216.8)**	**+0.0%**	**(50.8)**	**+2.4%**	**(13.4)**	**(674.9)**	**+3.4%**	**(2,669.5)**	**+3.0%**
% of sales	*-20.6%*	*+35bps*	*-18.7%*	*-56bps*	*-15.1%*	*+146bps*		*-19.8%*	*-13bps*	*-20.1%*	*-3bps*
O/w change in corporate - hosted allocation	*-5.9*		*-4.4*		*+1.9*		*+8.4*	*0*			
Adj. EBITA[1, 2]	**120.9**	**+19.1%**	**43.7**	**-3.3%**	**8.1**	**+97.6%**	**(13.4)**	**159.3**	**+8.7%**	**580.1**	**+6.1%**
% of sales	*6.3%*	***+76bps***	*3.8%*	***0bps***	*2.4%*	***+104bps***		*4.7%*	***+26bps***	*4.4%*	*+13bps*

EUROPE

Adj. EBITA margin up 76bps :

Strong operating leverage in France and better purchasing conditions in the UK thanks to the merger of banners

NORTH AMERICA

Gross margin improvement in North America driven by better purchasing conditions and pricing initiatives, especially in our proximity business in the US, offset by investment in future growth

ASIA-PACIFIC

Adjusted EBITA margin up 104 bps due to country mix, volume contribution, bad debt reversal and strict cost control, offsetting the 40 bps GM impact due to phasing of project in Middle East

Fully in line with FY 2017 adj. EBITA target

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1 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 cables price
2 Restated from change in allocation of our corporate overhead cost

Strong increase in recurring net income, up 16.4% in FY

(€m)	FY 2016	FY 2017	Change
Adjusted EBITA [1]	**546.8**	**580.1**	**+6.1%**
Non recurring copper effect	(10.0)	**14.2**	
Reported EBITA	**539.6**	**594.3**	**+10.1%**
Amortization resulting from PPA	(18.7)	(19.0)	
Other income and expenses	(124.0)	**(253.0)**	
Operating income	**397.0**	**322.3**	**-18.8%**
Net financial expenses	(146.3)	**(145.9)**	
Profit before tax	**250.7**	**176.4**	**-29.6%**
Income tax	(116.4)	**(71.5)**	
Net income	**134.3**	**104.9**	**-21.9%**
Recurring net income [2]	250.3	291.2	+16.4%

- Positive **copper** contribution

- **Restructuring costs** for €(44.1)m vs. €(59.3)m in FY 2016
- **Goodwill impairment for €133.7m** including Germany €(86.2)m, Finland €(34.5)m and New Zealand €(13.0)m
- Loss on disposal for €68.7m including €(57.6)m for South East Asia in Q4

- Reduction in **average effective interest rate** on gross debt from 3.5% in FY 2016 to 3.2% in FY 2017

- **Effective tax rate** of 40.5% reflecting positive impact of US tax reform offset by non-deductible GW depreciation and capital loss on disposals

1 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
2 Cf. details on appendix 2

Reduction in net debt while increasing inventories to better serve our clients

(€m)	FY 2016	FY 2017
EBITDA	**636.7**	**694.1**
Other operating revenues & costs	(72.9)	(81.1)
Change in working capital	(26.1)	**(118.4)**
Net capital expenditure	(98.6)	(110.3)
Free cash-flow before I&T	**439.1**	**384.3**
Net interest paid	(118.8)	(101.9)
Income tax paid	(54.6)	(102.5)
Free cash-flow after I&T	**265.6**	**179.9**
Net financial investment	(91.6)	(24.3)
Dividend paid	(120.3)	(120.8)
Currency change	(16.1)	**111.0**
Other	(11.5)	(14.4)
Net change in cash / (debt)	**26.1**	**131.4**
Debt at the beginning of the period	2,198.7	2,172.6
Debt at the end of the period	**2,172.6**	**2,041.2**

Net debt reduction

-131€m

LTM WORKING CAPITAL

10.8% of sales

+50 bps due to :

- higher inventories (2 days) to support a deeper/larger offer and the opening of branches and counters in the US
- lower payables (1.5 days) through better phasing of inventory management

Currency effect

- Currency effect, mainly USD depreciation, on foreign currency debt

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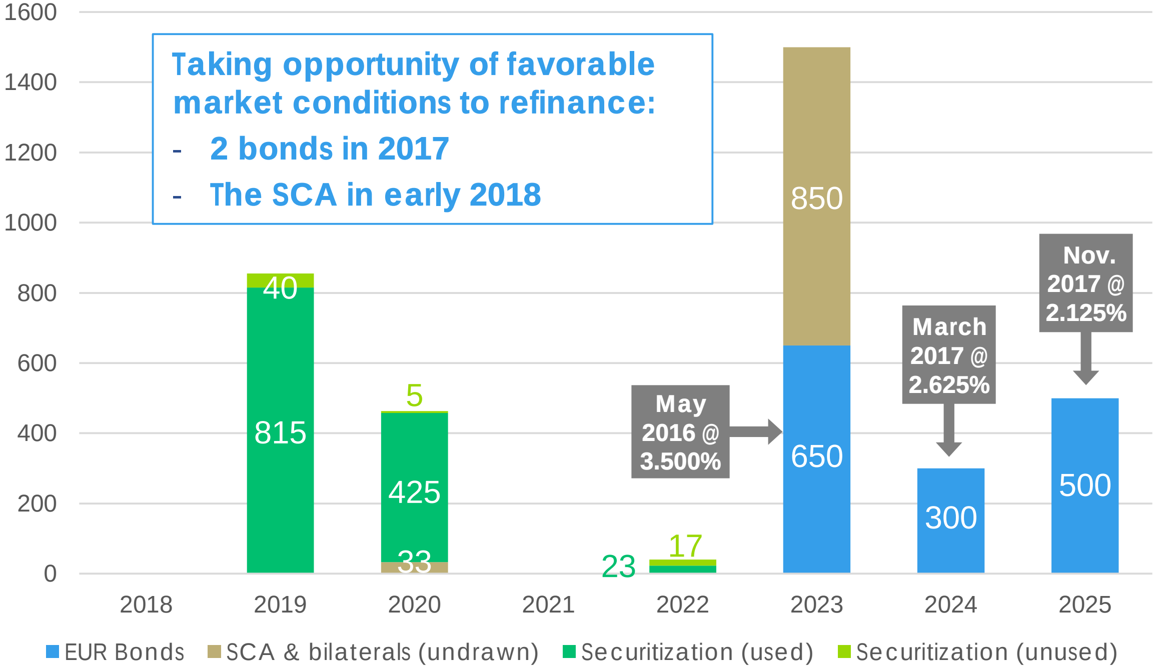
Indebtedness ratio below 3x, in line with target

- **Debt maturity breakdown[1] at Dec. 31, 2017**



€1.3bn
Liquidity at Dec. 31, 2017

3.2% (-37bps yoy)
FY 2017 average effective interest rate on gross debt

c.4.5 years
Maturity of average debt

2.8x (-20bps yoy)
Indebtedness ratio[2] at Dec. 31, 2017

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1 Pro forma post SCA renegotiation as of January 31st, 2018
2 Net debt/EBITDA ratio as calculated under the Senior Credit Agreement terms

Increase in proposed dividend, payable in cash

- Dividend of €0.42 per share, payable in cash early July 2018, subject to approval at the AGM on May 24, 2018
- In line with Rexel's pay-out policy : ≥ 40% of recurring net income

	2014	2015	2016	**2017**
Dividend per share (€)	0.75	0.40	0.40	**0.42**
Net income (€m)	200.0	15.7	134.3	**104.9**
Recurring net income[1] (€m)	289.9	269.4	250.3	**291.2**
Pay-out as % of recurring net income	75%	45%	48%	**44%**

€0.42

per share

proposed dividend for FY 2017

44%

pay-out

as % of recurring net income

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OUR STRATEGIC ROADMAP

We implemented the strategy outlined at the Capital Markets Day

❶ Accelerate organic growth supported by 3 enablers

"More customers"

Net customer gains

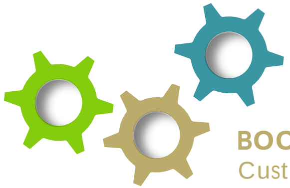
X

"More SKUs"

Increased share of wallet

LEVERAGE CUSTOMER KNOWLEDGE
Managing the different phases of customer lifecycle and accelerating multichannel evolution

ALIGN INCENTIVES AND KPIS
Focused performance management and aligned incentives



BOOST DIGITAL
Customer acquisition, retention and push marketing

- **Market share gains**
- **Profitability improvement**

❷ Increase selectivity in capital allocation and strengthen financial structure

- **Actively manage portfolio to focus on most attractive geographies/businesses**
- **Increase selectivity in capex allocation**
- **Strengthen balance-sheet through deleveraging, while maintaining an attractive dividend policy**
- **Seize targeted M&A opportunities with strict value-creation criteria**

❸ Improve operational and financial performance, while continuously upgrading customer service

❶ INCREASE PROFITABILITY IN ALL COUNTRIES

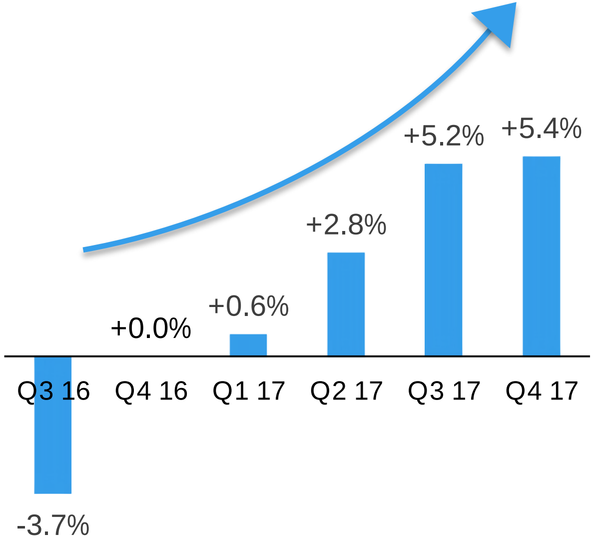
- **Increase gross margin through:**
  - Pricing
  - Supplier consolidation
- **Control cost base and focus on opex supporting growth strategy**

❷ ENHANCE OPERATIONS IN KEY GEOGRAPHIES

- **Top priority for the Group: Grow and increase efficiency in the US**
- **Transform or turn around operations in three key markets: Germany, Australia and UK**

We have started delivering on our key priorities

WE HAVE RETURNED TO EFFECTIVE ORGANIC GROWTH



WE HAVE IMPROVED GROSS MARGIN IN 2017

+16 bps

at 24.4%

outperforming our peers in BtoB distribution:

GM down between -30bps and -130 bps[1]

1 Range of the 4 main US peers

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We have started delivering on our key priorities

WE HAVE INCREASED OUR FOCUS ON DIGITAL

56% of capex dedicated to IT & Digitization in 2017

+68 People

Digital Sales

€1.9bn

14% of group sales

WE HAVE IMPROVED THE CUSTOMER SERVICE LEVEL

Investment in Service platforms
Sweden, Norway, Switzerland the Netherlands

+2 days of inventories

Redefinition of branch assortment
UK, France, US, Nordics, the Netherlands and Germany

Introduction of KPIs to better monitor the business
NPS in the UK

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We are on track to deliver our disposal plan

Expected sales impact

€800m

Disposal plan

17%

completed

TODAY

Feb 2017	Q2 2017	Q4 2017	Throughout 2018	H2 2018
CAPITAL MARKETS DAY	DISPOSAL OF LENN IN SINGAPORE	DISPOSAL OF THE REMAINING SOUTH EAST ASIA	CONTINUED PORTFOLIO DISPOSAL	TARGET CLOSING

We reinforced our leading position in our best-performing European countries

IN FRANCE, WE REGAINED MOMENTUM BY FOCUSING ON OUR PRIORITIES

Innovation (4,000 Energeasy connect)

Push on digital content

KPIs for salesforce motivation

Customer acquisition

=> Top line accelerated in Q4

=> Market share gain in the second half of the year

IN AUSTRIA, WE LEVERAGED ON OUR DIGITAL STRATEGY

2 specialized banners: Industry & construction

=> Strong focus on customers

Multichannel customer transformation

=> Digital representing 43% of sales

IN BELGIUM, WE ACCELERATED MULTICHANNEL ROLL-OUT

Focus on digital growth (+18% of sales growth) with customer interface enrichment (chat…)

Continuous geomarketing reassessment

=> Effective multichannel growth

We are turning around operations in key European countries

IN UK, WE MOVED FROM INDIVIDUAL BANNERS TO NATIONAL PRESENCE

Senate · WILTS electrical wholesalers · Newey & Eyre · PARKER MERCHANTING · Denmans

From 4+1 banners in the UK

↓

To 1+1 banners

Rexel · Denmans

=> Margin protected while sales declined by 3%

IN THE NETHERLANDS, WE REGAINED MOMENTUM BY RESHAPING THE BUSINESS

Management

Plan offering & Marketing

Footprint optimization

IT & Core model Digital

=> Top line is accelerating

=> Number of clients is growing

We accelerated the transformation in the US to reverse past trends

- **Increase in footprint, sales force and training**
  - 48 counters refreshed on top of branch and Platt-like counter openings
  - Local market share gains through +320 sales reps
- **Growth in e-commerce**
  - Digital sales up +29% (7% of sales)
- **Better Service Level / inventories**
  - Improved OTIF through 10% increase in inventories and +90 FTEs in logistics
- **Higher productivity/banner consolidation**
  - Regionalization starting in 2018

+48
counters refreshed

+320
sales reps

+29%
digital sales

+90
FTEs in logistics

We are investing in our footprint in the US

In 2017

+17
branch openings

+18
Platt-like counters

impact of 2017 initiatives (in €m)

	In 2017	In 2018
SALES	24 (Contribution of +0.8%)	62
Adj.EBITA	(2.0)	1.5

EXPECTED RETURN

Breakeven
12-18 months

Maturity
24-30 months

- **2018 target: At least the same number of branch openings as in 2017**
- **c.2% additional sales expected in 2018, from 2017/2018 branch openings**

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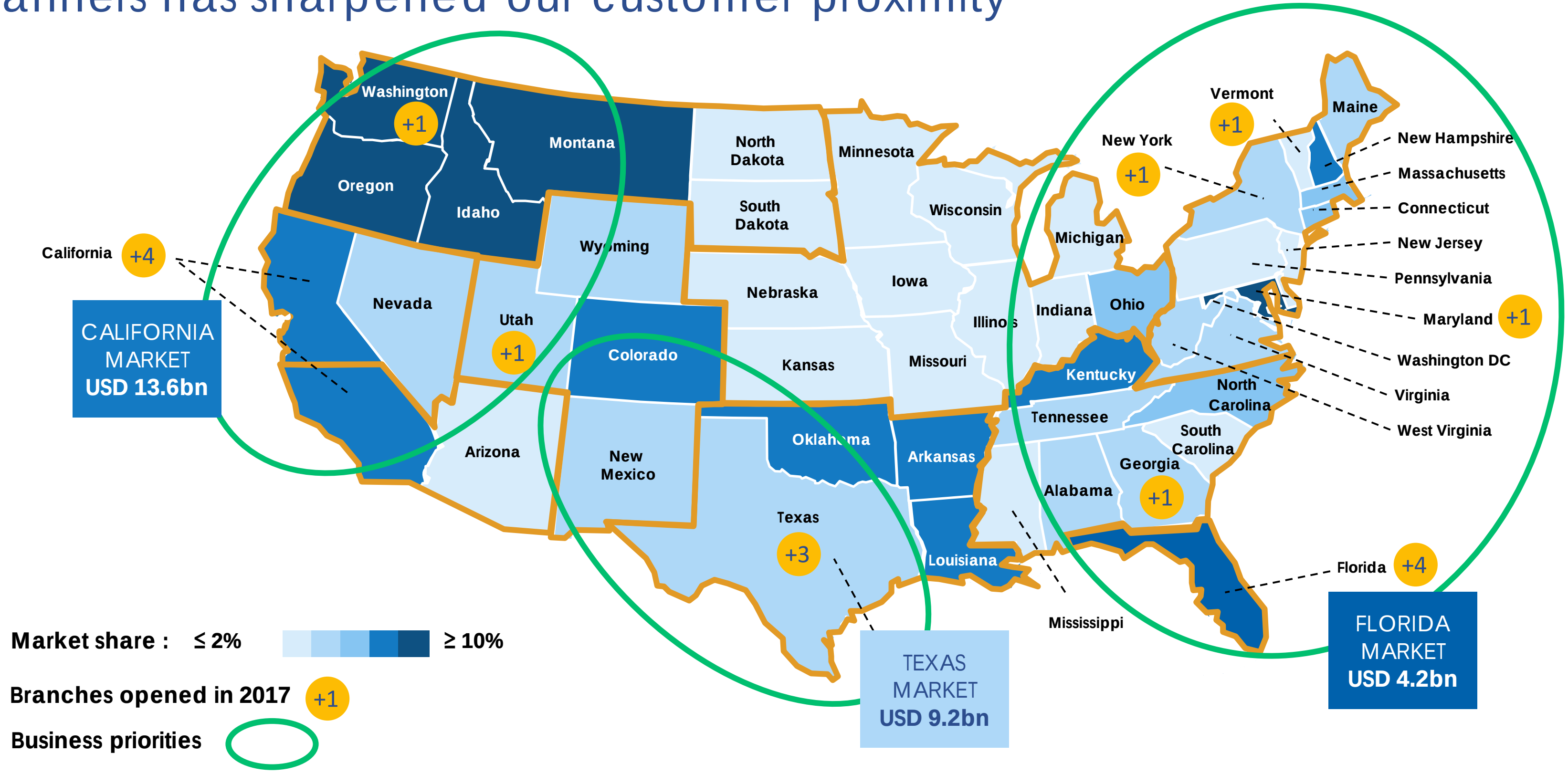
Effective January 2018, the move from national banners to regional multi-banners has sharpened our customer proximity



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2018 Outlook

- ***In 2018, we expect further growth in a market environment that should remain favorable in most of our main geographies. We will continue to invest in our digitization strategy across the Group and in our operations in the US and should also benefit from the contribution from our US initiatives launched in 2017.***

- **Consistent with our medium-term ambition, we target *at comparable scope of consolidation and exchange rates:***

  - **Sales** up in the low single digits (on a constant and 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])

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.

[1] excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cables price
[2] As calculated under the Senior Credit Agreement terms

APPENDICES

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Appendix 1 : Segment reporting – Constant and adjusted basis[1]

GROUP

Constant and adjusted basis (€m)	Q4 2016	Q4 2017	Change	FY 2016	FY 2017	Change
Sales	3,315.7	**3,405.4**	**+2.7%**	12,939.2	**13,310.1**	**+2.9%**
on a constant basis and same days			***+5.4%***			***+3.5%***
Gross profit	799.4	**834.3**	**+4.4%**	3,138.7	**3,249.6**	**+3.5%**
as a % of sales	*24.1%*	*24.5%*	*39 bps*	*24.3%*	*24.4%*	*16 bps*
Distribution & adm. expenses (incl. depreciation)	(652.7)	(674.9)	+3.4%	(2,591.9)	(2,669.5)	+3.0%
EBITA	146.6	**159.3**	**+8.7%**	546.8	**580.1**	**+6.1%**
as a % of sales	*4.4%*	*4.7%*	*26 bps*	*4.2%*	*4.4%*	*13 bps*
Headcount (end of period)	-	-	-	26,712	**27,125**	**-0.6%**

[1] 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 cables price.
The non-recurring effect related to changes in copper-based cable price was, at EBITA level and in €m:

Q4 2016	Q4 2017	FY 2016	FY 2017
4.2	3.1	(10.0)	14.2

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Appendix 1 : Segment reporting – Constant and adjusted basis[1]

EUROPE

Constant and adjusted basis (€m)	Q4 2016	Q4 2017	Change	FY 2016	FY 2017	Change
Sales	1,823.8	**1,912.8**	**+4.9%**	7,050.3	**7,292.3**	**+3.4%**
on a constant basis and same days			***+5.5%***			***+4.2%***
France	668.5	**722.8**	*+8.1%*	2,539.9	**2,659.2**	*+4.7%*
on a constant basis and same days			*+8.2%*			*+5.5%*
United Kingdom	206.0	**195.1**	*-5.3%*	872.6	**843.6**	*-3.3%*
on a constant basis and same days			*-5.3%*			*-2.9%*
Germany	203.3	**202.2**	*-0.6%*	801.4	**819.9**	*+2.3%*
on a constant basis and same days			*+4.1%*			*+3.9%*
Scandinavia	249.8	**264.3**	*+5.8%*	921.5	**974.0**	*+5.7%*
on a constant basis and same days			*+7.4%*			*+6.5%*
Gross profit	483.4	**514.8**	**+6.5%**	1,886.8	**1,956.4**	**+3.7%**
as a % of sales	*26.5%*	*26.9%*	*41 bps*	*26.8%*	*26.8%*	*7 bps*
Distribution & adm. expenses (incl. depreciation)	(381.9)	(388.0)	+1.6%	(1,504.2)	(1,532.1)	+1.9%
EBITA	101.6	**126.8**	**+24.8%**	382.5	**424.3**	**+10.9%**
as a % of sales	*5.6%*	*6.6%*	*106 bps*	*5.4%*	*5.8%*	*39 bps*
Headcount (end of period)	-	-	-	15,778	**15,753**	**-0.2%**

[1] 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 cables price.

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Appendix 1 : Segment reporting – Constant and adjusted basis[1]

NORTH AMERICA

Constant and adjusted basis (€m)	Q4 2016	Q4 2017	Change	FY 2016	FY 2017	Change
Sales	1,192.6	**1,156.5**	**-3.0%**	4,619.4	**4,710.1**	**+2.0%**
on a constant basis and same days			***+3.2%***			***+2.4%***
United States	941.4	**888.5**	*-5.6%*	3,614.4	**3,685.6**	*+2.0%*
on a constant basis and same days			*+2.1%*			*+2.4%*
Canada	251.2	**268.1**	*+6.7%*	1,005.0	**1,024.5**	*+1.9%*
on a constant basis and same days			*+6.7%*			*+2.4%*
Gross profit	262.1	**260.5**	**-0.6%**	1,020.6	**1,060.8**	**+3.9%**
as a % of sales	*22.0%*	*22.5%*	*54 bps*	*22.1%*	*22.5%*	*43 bps*
Distribution & adm. expenses (incl. depreciation)	(216.9)	(212.4)	-2.1%	(844.8)	(884.0)	+4.6%
EBITA	45.2	**48.1**	**+6.2%**	175.8	**176.8**	**+0.6%**
as a % of sales	*3.8%*	*4.2%*	*36 bps*	*3.8%*	*3.8%*	*-5 bps*
Headcount (end of period)	-	-	-	8,003	**8,451**	**5.6%**

[1] 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 cables price.

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Appendix 1 : Segment reporting – Constant and adjusted basis[1]

ASIA-PACIFIC

Constant and adjusted basis (€m)	Q4 2016	Q4 2017	Change	FY 2016	FY 2017	Change
Sales	299.3	**336.1**	**+12.3%**	1,269.6	**1,307.7**	**+3.0%**
on a constant basis and same days			***+12.7%***			***+3.4%***
China	111.5	**122.9**	*+10.2%*	434.5	**476.9**	*+9.8%*
on a constant basis and same days			*+12.0%*			*+10.2%*
Australia	122.1	**134.0**	*+9.7%*	509.1	**535.9**	*+5.3%*
on a constant basis and same days			*+9.8%*			*+5.6%*
New Zealand	28.5	**27.5**	*-3.6%*	126.0	**117.1**	*-7.0%*
on a constant basis and same days			*-3.7%*			*-6.7%*
Gross Profit	53.7	**58.9**	**+9.9%**	231.2	**232.4**	**+0.5%**
as a % of sales	*17.9%*	*17.5%*	*-40 bps*	*18.2%*	*17.8%*	*-44 bps*
Distribution & adm. expenses (incl. depreciation)	(49.6)	(52.7)	+6.2%	(215.8)	(220.4)	+2.1%
EBITA	4.1	**6.2**	**+53.1%**	15.4	**12.0**	**-22.3%**
as a % of sales	*1.4%*	*1.9%*	*49 bps*	*1.2%*	*0.9%*	*-30 bps*
Headcount (end of period)	-	-	-	2,690	**2,701**	**0.4%**

[1] 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 cables price.

Appendix 2 : Consolidated Income statement

Reported basis (€m)	Q4 2016	Q4 2017	Change	FY 2016	FY 2017	Change
Sales	**3,457.7**	**3,405.4**	**-1.5%**	**13,162.1**	**13,310.1**	**1.1%**
Gross profit	**833.3**	**837.5**	**0.5%**	**3,172.8**	**3,264.2**	**2.9%**
as a % of sales	*24.1%*	*24.6%*		*24.1%*	*24.5%*	
Distribution & adm. expenses (excl. depreciation)	(653.9)	(649.3)	-0.7%	(2,536.1)	(2,570.1)	1.3%
EBITDA	**179.4**	**188.3**	**4.9%**	**636.7**	**694.1**	**9.0%**
as a % of sales	*5.2%*	*5.5%*		*4.8%*	*5.2%*	
Depreciation	(25.5)	(25.9)		(97.1)	(99.8)	
EBITA	**153.9**	**162.4**	**5.5%**	**539.6**	**594.3**	**10.1%**
as a % of sales	*4.5%*	*4.8%*		*4.1%*	*4.5%*	
Amortization of intangibles resulting from purchase price allocation	(5.0)	(4.6)		(18.7)	(19.0)	
Operating income bef. other inc. and exp.	**148.9**	**157.8**	**6.0%**	**521.0**	**575.3**	**10.4%**
as a % of sales	*4.3%*	*4.6%*		*4.0%*	*4.3%*	
Other income and expenses	(79.0)	(196.6)		(124.0)	(253.0)	
Operating income	**69.9**	**(38.8)**	**N/A**	**397.0**	**322.3**	**-18.8%**
Net financial expenses	(32.2)	(55.1)		(146.3)	(145.9)	
Net income (loss) before income tax	**37.7**	**(93.9)**	**N/A**	**250.7**	**176.4**	**-29.6%**
Income tax	(36.7)	35.2		(116.4)	(71.5)	
Net income (loss)	**1.0**	**(58.6)**	**N/A**	**134.3**	**104.9**	**-21.9%**

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Appendix 2 : Adjusted EBITA bridge and Recurring net income

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

in €m	Q4 2016	Q4 2017	FY 2016	FY 2017
Operating income before other income and other expenses on a reported basis	**148.9**	**157.8**	**521.0**	**575.3**
Change in scope of consolidation	1.1	0.0	2.5	0.0
Foreign exchange effects	(4.2)	0.0	(5.2)	0.0
Non-recurring effect related to copper	(4.2)	(3.1)	10.0	(14.2)
Amortization of intangibles assets resulting from PPA	5.0	4.6	18.7	19.0
Adjusted EBITA on a constant basis	**146.6**	**159.3**	**546.8**	**580.1**

BRIDGE BETWEEN REPORTED NET INCOME AND RECURRING NET INCOME

in €m	Q4 2016	Q4 2017	Change	FY 2016	FY 2017	Change
Reported net income	1.0	**(58.6)**	**N/A**	134.3	**104.9**	**-21.9%**
Non-recurring copper effect	(4.0)	**(3.1)**		10.1	**(14.2)**	
Other expense & income	79.0	**196.6**		124.0	**253.0**	
Financial expense	(0.8)	**24.1**		16.3	**30.4**	
Tax expense	(12.4)	**(75.9)**		(34.4)	**(82.9)**	
Recurring net income	62.8	**83.0**	**+32.2%**	250.3	**291.2**	**+16.4%**

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Appendix 2 : Sales and profitability by segment – reported basis

Reported basis (€m)	Q4 2016	Q4 2017	Change	FY 2016	FY 2017	Change
Sales	**3,457.7**	**3,405.4**	**-1.5%**	**13,162.1**	**13,310.1**	**+1.1%**
Europe	1,839.4	1,912.8	+4.0%	7,168.5	7,292.3	+1.7%
North America	1,280.9	1,156.5	-9.7%	4,689.1	4,710.1	+0.4%
Asia-Pacific	337.5	336.1	-0.4%	1,304.6	1,307.7	+0.2%
Gross profit	**833.3**	**837.5**	**+0.5%**	**3,172.8**	**3,264.2**	**+2.9%**
Europe	493.6	518.3	+5.0%	1,915.1	1,967.6	+2.7%
North America	279.6	260.2	-6.9%	1,022.4	1,064.1	+4.1%
Asia-Pacific	60.0	59.0	-1.6%	235.1	232.5	-1.1%
EBITA	**153.9**	**162.4**	**+5.5%**	**539.6**	**594.3**	**+10.1%**
Europe	108.5	130.1	+19.8%	386.9	435.1	+12.5%
North America	46.4	47.7	+2.9%	165.6	180.1	+8.7%
Asia-Pacific	3.5	6.4	+83.3%	14.3	12.1	-15.6%

Appendix 2 : Consolidated balance sheet[1]

Assets (Reported basis in €m)	December 31, 2016	December 31, 2017
Goodwill	4,300.2	3,914.9
Intangible assets	1,109.5	1,049.7
Property, plant & equipment	282.4	272.0
Long-term investments	41.8	38.0
Deferred tax assets	128.4	95.9
Total non-current assets	**5,862.3**	**5,370.4**
Inventories	1,579.3	1,543.8
Trade receivables	2,187.3	2,077.0
Other receivables	513.1	543.9
Assets classified as held for sale	0.3	0.0
Cash and cash equivalents	619.3	563.6
Total current assets	**4,899.3**	**4,728.3**
Total assets	**10,761.6**	**10,098.7**

Liabilities (Reported basis in €m)	December 31, 2016	December 31, 2017
Total equity	**4,383.3**	**4,163.6**
Long-term debt	2,195.1	2,450.5
Deferred tax liabilities	240.0	173.7
Other non-current liabilities	423.2	376.3
Total non-current liabilities	**2,858.3**	**3,000.5**
Interest bearing debt & accrued int.	610.0	161.8
Trade payables	2,179.0	2,034.8
Other payables	730.9	738.0
Liabilities rel. to assets held for sale	0.0	0.0
Total current liabilities	**3,519.9**	**2,934.6**
Total liabilities	**6,378.3**	**5,935.0**
Total equity & liabilities	**10,761.6**	**10,098.7**

[1] *Net debt includes Debt hedge derivatives for €(12.3)m at December 31, 2016 and €(6.5)m at December 31, 2017.*
It also includes accrued interest receivables for €(0.9)m at December 31, 2016 and for €(1.0)m at December 31, 2017.

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Appendix 2 : Change in net debt

Reported basis (€m)	Q4 2016	Q4 2017	FY 2016	FY 2017
EBITDA	**179.4**	**188.3**	**636.7**	**694.1**
Other operating revenues & costs(1)	(20.3)	(26.0)	(72.9)	(81.2)
Operating cash-flow	**159.1**	**162.3**	**563.8**	**612.9**
Change in working capital	274.1	235.2	(26.1)	(118.4)
Net capital expenditure, of which:	(18.5)	(32.7)	(98.6)	(110.3)
Gross capital expenditure	*(31.0)*	*(35.8)*	*(115.8)*	*(112.5)*
Disposal of fixed assets & other	*11.3*	*1.1*	*22.1*	*3.5*
Free cash-flow from continuing op. before int. & tax	**414.7**	**364.8**	**439.1**	**384.3**
Net interest paid / received	(26.8)	(24.5)	(118.8)	(101.9)
Income tax paid	(8.2)	(11.2)	(54.6)	(102.5)
Free cash-flow from continuing op. after int. & tax	**379.7**	**329.0**	**265.6**	**179.9**
Net financial investment	2.1	(25.7)	(91.6)	(24.3)
Dividends paid	0.0	(0.0)	(120.3)	(120.8)
Net change in equity	4.7	(1.2)	6.2	0.7
Other	(0.6)	(3.2)	(17.8)	(15.0)
Currency exchange variation	(47.4)	13.3	(16.1)	111.0
Decrease (increase) in net debt	**338.4**	**312.1**	**26.1**	**131.4**
Net debt at the beginning of the period	**2,511.0**	**2,353.3**	**2,198.7**	**2,172.6**
Net debt at the end of the period	**2,172.6**	**2,041.2**	**2,172.6**	**2,041.2**

(1) Includes restructuring outflows of :
- *€6.8m in Q4 2017 vs. €16.5m in Q4 2016*
- *€45.6m in FY 2017 vs. €49.1m in FY 2016.*

Appendix 3 : Working capital

Constant basis	December 31, 2016	December 31, 2017
Net inventories		
as a % of sales 12 rolling months	***11.7%***	***12.0%***
as a number of days	*51.4*	*53.3*
Net trade receivables		
as a % of sales 12 rolling months	***16.2%***	***16.0%***
as a number of days	*49.3*	*51.0*
Net trade payables		
as a % of sales 12 rolling months	***16.1%***	***15.5%***
as a number of days	*62.0*	*60.5*
Trade working capital		
as a % of sales 12 rolling months	***11.8%***	***12.5%***
Total working capital		
as a % of sales 12 rolling months	***10.3%***	***10.8%***

Appendix 4 : Headcount and branch evolution

FTEs at end of period comparable	31/12/16	31/12/17	Year-on-Year Change
Europe	**15,778**	**15,753**	**-0.2%**
USA	*5,935*	*6,358*	**7.1%**
Canada	*2,068*	*2,093*	**1.2%**
North America	**8,003**	**8,451**	**5.6%**
Asia-Pacific	**2,690**	**2,701**	**0.4%**
Other	**241**	**219**	**-9.1%**
Group	**26,712**	**27,125**	**1.5%**

Branches comparable	31/12/16	31/12/17	Year-on-Year Change
Europe	**1,196**	**1,183**	**-1.1%**
USA	*372*	*384*	**3.2%**
Canada	*188*	*190*	**1.1%**
North America	**560**	**574**	**2.5%**
Asia-Pacific	**250**	**255**	**2.0%**
Group	**2,006**	**2,012**	**0.3%**

Appendix 5 : Calendar, scope and currency effects on sales

Based on the assumption of the following average exchange rates:

1 €	=	1,25	USD
1 €	=	1,50	CAD
1 €	=	1,50	AUD
1 €	=	0,90	GBP

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

	Q1e	Q2e	Q3e	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	**-190,7**	**-138,0**	**-56,8**	**-43,6**	**-429,1**
as% of 2017 sales	*-5,7%*	*-4,1%*	*-1,8%*	*-1,3%*	*-3,2%*
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	*-1,6%*	*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)

Q4	Europe	North America	Asia-Pacific	Group
Reported sales 2016	1,839.4	1,280.9	337.5	3,457.7
+/- Net currency effect	-0.8%	-6.9%	-5.9%	-3.6%
+/- Net scope effect	0.0%	0.0%	-5.4%	-0.5%
= Comparable sales 2016	**1,823.8**	**1,192.6**	**299.3**	**3,315.7**
+/- Actual-day organic growth, of which:	**4.9%**	**-3.0%**	**12.3%**	**+2.7%**
Constant-same day excl. copper	*3.6%*	*1.6%*	*12.5%*	*+3.8%*
Copper effect	*1.9%*	*1.5%*	*0.2%*	*+1.6%*
Constant-same day incl. copper	**5.5%**	**3.2%**	**12.7%**	**+5.4%**
Calendar effect	-0.6%	-6.2%	-0.4%	-2.7%
= Reported sales 2017	**1,912.8**	**1,156.5**	**336.1**	**3,405.4**
YoY change	4.0%	-9.7%	-0.4%	-1.5%

FY	Europe	North America	Asia-Pacific	Group
Reported sales 2016	7,168.5	4,689.1	1,304.6	13,162.1
+/- Net currency effect	-1.1%	-1.6%	-0.9%	-1.2%
+/- Net scope effect	-0.6%	0.1%	-1.8%	-0.5%
= Comparable sales 2016	**7,050.3**	**4,619.4**	**1,269.6**	**12,939.2**
+/- Actual-day organic growth, of which:	**3.4%**	**2.0%**	**3.0%**	**+2.9%**
Constant-same day excl. copper	*2.5%*	*1.2%*	*3.4%*	*2.1%*
Copper effect	*1.7%*	*1.2%*	*0.0%*	*1.4%*
Constant-same day incl. copper	**4.2%**	**2.4%**	**3.4%**	**+3.5%**
Calendar effect	-0.7%	-0.4%	-0.4%	-0.6%
= Reported sales 2017	**7,292.3**	**4,710.1**	**1,307.7**	**13,310.1**
YoY change	1.7%	0.4%	0.2%	+1.1%

Appendix 7: Restatement of adjusted EBITA by geography

This quarter, we have restated Opex and Depreciation to reflect a change in corporate – hosted allocation in order to provide greater clarity of underlying operating leverage by region.

Q4 2017 (€m and YoY change)	EUROPE		NORTH AM.		ASIA-PACIFIC		HOLDING	GROUP	
Sales	**1,912.8**	**+4.9%**	**1,156.5**	**-3.0%**	**336.1**	**+12.3%**		**3,405.4**	**+2.7%**
Constant and same-day		*+5.5%*		*+3.2%*		*+12.7%*			*+5.4%*
Gross margin	**514.8**	**+6.5%**	**260.5**	**-0.6%**	**58.9**	**+9.8%**		**834.3**	**+4.4%**
% of sales	*26.9%*	*+41bps*	*22.5%*	*+54bps*	*17.5%*	*-40bps*		*24.5%*	*+39bps*
Restated Opex + depre. [2]	**(393.9)**	**+3.1%**	**(216.8)**	**+0.0%**	**(50.8)**	**+2.4%**	**(13.4)**	**(674.9)**	**+3.4%**
% of sales	*-20.6%*	*+35bps*	*-18.7%*	*-56bps*	*-15.1%*	*+146bps*		*-19.8%*	*-13bps*
o/w change in corporate costs allocation	*-5.9*		*-4.4*		*+1.9*		*+8.4*	*0.0*	
Adjusted EBITA[1, 2]	**120.9**	**+19.1%**	**43.7**	**-3.3%**	**8.1**	**+97.6%**	**(13.4)**	**159.3**	**+8.7%**
% of sales	*6.3%*	*+76bps*	*3.8%*	*0bps*	*+2.4%*	*+104bps*		*4.7%*	*+26bps*

1 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 cables price
2 Restated from change in allocation of our corporate overhead cost

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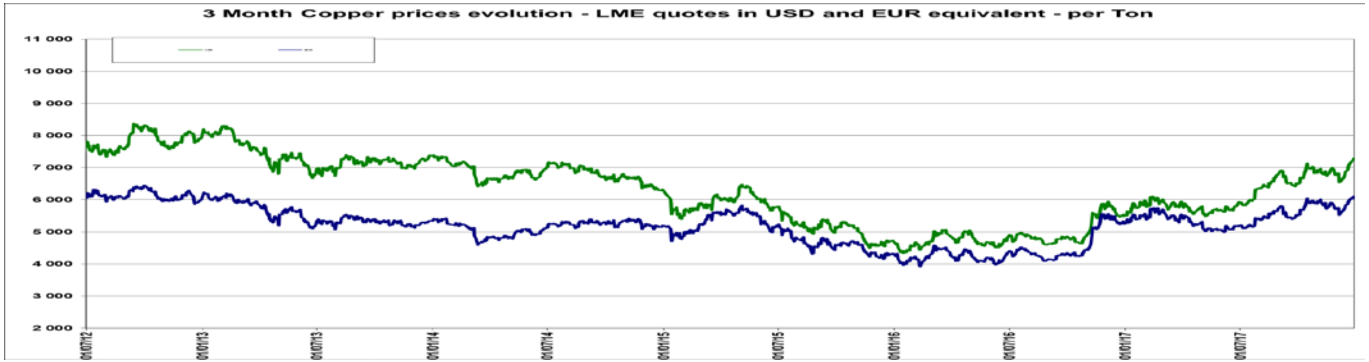
Appendix 8 : Historical copper price evolution



USD/t	Q1	Q2	Q3	Q4	FY
2015	5,801	6,058	5,275	4,882	**5,493**
2016	4,669	4,730	4,793	5,291	4,870
2017	**5,855**	**5,692**	**6,384**	**6,856**	**6,200**
2015 vs. 2014	-17%	-10%	-24%	-26%	**-20%**
2016 vs. 2015	-20%	-22%	-9%	+8%	-11%
2017 vs. 2016	**+25%**	**+20%**	**+33%**	**+30%**	**+27%**

€/t	Q1	Q2	Q3	Q4	FY
2015	5,154	5,483	4,751	4,455	**4,951**
2016	4,237	4,187	4,293	4,911	4,407
2017	**5,498**	**5,168**	**5,434**	**5,823**	**5,483**
2015 vs. 2014	1%	11%	-10%	-15%	**-4%**
2016 vs. 2015	-18%	-24%	-10%	+10%	-11%
2017 vs. 2016	**+30%**	**+23%**	**+27%**	**+19%**	**+24%**

Financial Calendar

April 27, 2018
First-quarter 2018 results

May 24, 2018
Annual Shareholders' Meeting

July 31, 2018
Second-quarter 2018 results

October 31, 2018
Third-quarter 2018 results

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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:

- *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;*
- *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 March 31, 2017 under number D 17-0272. 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 March 31, 2017 under number D 17-0272, 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).