PRESS RELEASE

Paris, October 28, 2016

THIRD-QUARTER & NINE-MONTH 2016 RESULTS (unaudited)

ORGANIC SALES DOWN 4.3% IN Q3 IN A PERSISTENTLY CHALLENGING ENVIRONMENT

SOLID GROSS MARGIN IN Q3, ADJUSTED EBITA MARGIN IMPACTED BY LOWER SALES AND ONE-OFFS

FULL-YEAR FINANCIAL TARGETS CONFIRMED, AT THE LOW-END OF THE FEBRUARY GUIDANCE

NEW EXECUTIVE COMMITTEE WITH AN INCREASED REPRESENTATION OF COUNTRY/REGION MANAGERS

→ SALES OF €3.194bn IN Q3

- **Down 4.3% on an organic basis, including -0.6% from calendar and -0.9% from copper**
- **Down 5.6% on a reported basis, including -1.6% from currency**

→ ADJUSTED EBITA MARGIN OF 4.0% IN Q3

- **Solid gross margin of 23.9%, improvement in all three geographies**
- **Adj. EBITA margin down 51bps, of which 21bps due to one-off effects and 30bps mainly reflecting the impact of lower sales on opex as a percentage of sales**

→ FULL-YEAR FINANCIAL TARGETS CONFIRMED, AT THE LOW-END OF THE FEBRUARY GUIDANCE

→ NEW EXECUTIVE COMMITTEE WITH AN INCREASED REPRESENTATION OF COUNTRY/REGION MANAGERS

Key figures[1]	Q3 2016	YoY change	9m 2016	YoY change
Sales	**€3,193.9m**		**€9,704.4m**	
On a reported basis		-5.6%		-3.2%
On a constant and actual-day basis		-4.3%		-2.1%
On a constant and same-day basis		-3.7%		-2.5%
Adjusted EBITA	**€127.6m**	**-15.2%**	**€399.9m**	**-7.1%**
As a percentage of sales	4.0%		4.1%	
Change in bps as a % of sales	-51bps		-22bps	
Reported EBITA	**€124.9m**	**-10.7%**	**€385.8m**	**-7.1%**
Operating income	**€107.4m**	**-10.2%**	**€327.1m**	**stable**
Net income from continuing op.	**€37.6m**	**-20.9%**	**€133.4m**	**+47.0%**
Recurring net income	**€53.5m**	**-17.1%**	**€187.5m**	**-5.2%**
FCF before interest and tax from continuing op.	**€31.2m**	**vs. €36.6m**	**€24.4m**	**vs. €39.0m**
Net debt at end of period	**€2,511.0m**	**-4.3%**	**€2,511.0m**	**-4.3%**

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

Patrick BERARD, Chief Executive Officer, said:

"Rexel's sales in the third quarter were impacted by a persistently challenging environment, particularly in the US, the UK and China.

Nevertheless, our gross margin improved in all geographies, while adjusted EBITA margin was down year-on-year, reflecting the impact of lower sales on operating costs as a percentage of sales, as well as non-recurring effects.

We confirm our guidance for the current year, at the low-end of the range given in February, on the basis of our performance over the first nine months of the year and our expectations for the last quarter.

We are actively pursuing the measures that will enable Rexel to improve structurally its sales momentum and operational efficiency. To this end and as a first step in our transformation program, we have appointed a new Executive Committee, with an increased representation of country/region managers.

As stated last July, we will present an update on Rexel's strategy and ambitions on February 13, 2017, at a meeting to be held in Paris."

FINANCIAL REVIEW FOR THE PERIOD ENDED SEPTEMBER 30, 2016

- *Financial statements as of September 30, 2016 were authorized for issue by the Board of Directors on October 27, 2016. They were not audited by statutory auditors.*
- *The following terms: EBITA, Adjusted EBITA, EBITDA, Recurring net income, Free Cash Flow and Net Debt are defined in the Glossary section of this document.*
- *Unless otherwise stated, all comments are on a constant and adjusted basis and, for sales, at same number of working days.*

SALES

In Q3, sales were down 4.3% on an organic basis, including a cumulative 1.5% negative effect from copper (-0.9%) and calendar (-0.6%); on a constant and same-day basis, they were down 3.7%

In 9m, sales were down 2.1% on an organic basis, including a positive calendar effect of 0.4%; on a constant and same-day basis, they were down 2.5%, including a 1.1% negative copper effect

In Q3, Rexel posted sales of €3,193.9 million, down 5.6% on a reported basis. On a constant and same-day basis, sales were down 3.7%, including an 0.9% negative effect due to the change in copper-based cable prices.

The 5.6% drop in sales on a reported basis included:

- A negative currency effect of €53.9 million (mainly due to the depreciation of the British pound against the euro),
- A positive net scope effect of €9.1 million resulting from recent acquisitions (Sofinther in France, Zhonghao Technology in China and Brohl & Appell in the US) and recent divestments (Poland, Slovakia and Baltics),
- A negative calendar effect of 0.6 percentage points.

In 9m, Rexel posted sales of €9,704.4 million, down 3.2% on a reported basis. On a constant and same-day basis, sales were down 2.5%, including a 1.1% negative impact due to the change in copper-based cable prices.

The 3.2% drop in sales on a reported basis included:

- A negative currency effect of €183.9 million (mainly due to the depreciation of the Canadian dollar and the British pound against the euro),
- A positive net effect of €66.6 million from recent acquisitions (Sofinther in France, Electro-Industrie en Acoustiek in Belgium, Zhonghao Technology in China and Brohl & Appell in the US) and recent divestments (Poland, Slovakia and Baltics),
- A positive calendar effect of 0.4 percentage points.

Europe (55% of Group sales): -1.6% in Q3 and -0.8% in 9m on a constant and same-day basis

In the third quarter, sales in Europe decreased by 5.8% on a reported basis, including a negative net scope effect of €5.9m and a negative currency effect of €50.9m (mainly due to the depreciation of the British pound against the euro). On a constant and same-day basis, sales were down 1.6%, and down 0.5% excluding the negative impact of copper.

- In France (35% of the region's sales), sales were down 1.1% on a constant and same-day basis, of which 0.7 percentage points came from lower cable sales. This drop in sales mainly reflected poor activity in July, while sales in August and September were broadly stable. As expected, the recovery in residential construction that is reflected in recent housing permits and starts has not materialized yet, due to the usual time lag between construction recovery and its materialization in sales of low and ultra-low voltage electrical equipment.

- In the UK (14% of the region's sales), sales were down 6.4% on a constant and same-day basis, of which 1.3 percentage points came from lower cable sales and 3.0 percentage points came from a sharp drop (-78%) in PV sales. The rest of the drop was mainly due to the market contraction that followed the Brexit vote.
- In Germany (11% of the region's sales), sales continued to improve sequentially, with a slight rise of 0.2% including the impact of copper and a more substantial rise of 1.8% excluding copper. This is the first quarter this year in positive territory, as the 0.2% increase in constant and same-day sales followed declines of 3.0% in Q1 and 2.0% in Q2.
- In Scandinavia (13% of the region's sales), sales were up 1.6% year-on-year. Sweden continued to post solid growth (+9.5% despite a challenging comparable base of +6.2% in Q3 2015) and Finland improved sequentially (-0.5% after -9.1% in Q1 and -5.7% in Q2) but sales in Norway were strongly impacted by lower cable sales (-5.6 percentage points out of the 8.3% decline in sales).
- In other European countries, performance was as follows:
  - Sales in The Netherlands and Belgium grew by 5.3% and 2.5% respectively,
  - Sales in Switzerland were down 4.7%, of which 1.5 percentage points came from lower cable sales, while sales in Austria, increased by 2.1%,
  - Sales in Spain dropped by 16.2% but, as in the previous quarters, this drop was almost entirely due to export activity (down 76%), while domestic activity remained broadly stable; sales in Italy were down 4.0%.

North America (35% of Group sales): -6.0% in Q3 and -4.9% in 9m on a constant and same-day basis

In the third quarter, sales in North America were down 5.8% on a reported basis, including a negative currency effect of €4.0m and a positive scope effect of €5.5m. On a constant and same-day basis, sales were down 6.0%. Despite an easier comparable base, the year-on-year drop in sales to the Oil & Gas industry continued to impact sales in Q3, notably in the US, where they were down 31% in Q3 2016 after a 36% drop in Q3 2015; in Canada, this effect started to improve as sales to the Oil & Gas industry were down 6% in Q3 2016 after a 38% drop in Q3 2015.

- ✓ In the US (78% of the region's sales), sales were down 6.6%, of which:
  - 2.0 percentage points attributable to the 31% drop in sales to the Oil & Gas industry,
  - 0.6 percentage points attributable to lower cable sales,
  - 1.6 percentage points attributable to branch network optimization.

  Excluding these unfavorable effects, sales were down 2.4% in the quarter, mainly reflecting a drop in sales to the industrial end-market. Platt, in the Northwest, continued to post solid sales growth.

- ✓ In Canada (22% of the region's sales), sales were down 4.0% (after -7.4% in Q1 and -7.1% in Q2), of which:
  - 0.4 percentage points attributable to the 6% drop in sales to the Oil & Gas industry,
  - 1.4 percentage points attributable to the 50% drop in sales to the wind industry.

  Excluding these unfavorable effects, sales were down 2.2% in the quarter, mainly reflecting a drop in sales to the industrial end-market.

Asia-Pacific (10% of Group sales): -5.6% in Q3 and -3.0% in 9m on a constant and same-day basis

In the third quarter, sales in Asia-Pacific were down 3.4% on a reported basis, including a positive scope effect of €9.4m and a positive currency effect of €1.1m. On a constant and same-day basis, sales were down 5.6%, mainly reflecting poor performance in Asia.

- ✓ In Asia (52% of the region's sales), sales were down 9.0%:
  - In China (67% of Asia), sales dropped by 11.2%, of which 3.0 percentage points came from a sharp drop (-28%) in wind sales; the remaining drop continued to reflect low sales to the industrial end-market (which represents the bulk of sales in China),
  - In South-East Asia (24% of Asia), sales dropped by 13.3%, most of which (11.8 percentage points) came from a sharp drop in sales to the Oil & Gas industry (-38%),
  - In the Rest of Asia (9% of Asia), sales grew by 25.9%, driven by double-digit growth in India (+16.1%) and the Middle East (+35.4%).
- ✓ In the Pacific (48% of the region's sales), sales were down 1.9%:
  - In Australia (80% of Pacific), sales were down 2.6%, mainly reflecting a slowdown in sales in Western Australia and Queensland,
  - In New Zealand (20% of Pacific), sales were slightly up (+0.6%).

PROFITABILITY

Continued improvement in gross margin: +41bps in Q3 and +21bps since the beginning of the year
Adjusted EBITA margin of 4.0% in Q3, down 51bps, of which 21bps due to one-offs and 30bps mainly reflecting lower sales; adjusted EBITA margin of 4.1% since the beginning of the year, down 22bps

In Q3, gross margin stood at 23.9% of sales, up 41bps year-on-year. It improved in all geographies: Europe (up 26bps at 26.4% of sales), North America (up 27bps at 22.1% of sales) and Asia-Pacific (up 121bps at 17.7% of sales).

Opex (incl. depreciation) in the quarter stood at 19.9% of sales, up 92bps year-on-year. Opex in Q3 included two one-off effects:

- ✓ A one-off profit of €3.9m recorded in Q3 2015 as a result of amended post-retirement Medical and Healthcare plans in the US,
- ✓ A one-off charge of €3.0m recorded in Q3 2016 as a result of the "Opportunity 2016" Employee Share Purchase Plan launched in September,

Restated for those one-off effects, opex were down 0.7% (instead of rising by 0.4%) and represented 19.8% of sales (instead of 19.9%), up 71bps year-on-year (instead of 92bps).

Adjusted EBITA in the quarter stood at €127.6m at 4.0% of sales, down 51bps year-on-year, of which:

- ✓ 21bps came from the two one-off effects mentioned above,
- ✓ 30bps mainly resulted from the lower absorption of opex by sales, which dropped by 4.3% on a constant and actual-day basis.

In 9m, gross margin stood at 24.3% of sales, up 21bps year-on-year. It improved in all geographies: Europe (up 14bps at 26.7% of sales), North America (up 5bps at 22.1% of sales) and Asia-Pacific (up 54bps at 18.1% of sales).

Opex (incl. depreciation) were broadly stable in value; they stood at 20.1% of sales, up 43bps year-on-year.

As a result, adjusted EBITA stood at €399.9m at 4.1% of sales, down 22bps year-on-year.

Reported EBITA stood at €124.9m in Q3 (including a €2.7m negative one-off copper effect) and at €385.8m in 9m (including a €14.1m negative one-off copper effect).

NET INCOME

Strong increase of 47.0% in net income from continuing operations, mainly driven by lower net financial expenses

Operating income in 9m stood at €327.1 million, broadly stable year-on-year.

- Amortization of intangibles resulting from purchase price allocation amounted to €13.7 million (vs. €12.8 million in 9m 2015).
- Other income and expenses amounted to a net charge of €44.9 million (vs. a net charge of €75.3 million in 9m 2015). They included €32.4 million of restructuring costs (vs. €49.5 million in 9m 2015). The 9m 2015 also included a €18.5 million charge from goodwill impairment.

Net financial expenses in 9m amounted to €114.1 million (vs. €177.5 million in 9m 2015). Both periods included charges related to refinancing operations:

- ✓ 9m 2016 included a net charge of €17.1 million related to (i) the early repayment of a €650m Senior notes issued in 2013 and maturing in June 2020 that was already mentioned in our Q2 & H1 results Press Release and (ii) the early repayment of USD170m (c. €150m) from the USD500m Senior notes issued in April 2013 and maturing in June 2020,
- ✓ 9m 2015 included a net charge of €52.5 million, related to early redemption of two Senior notes at coupons of 7.000% and 6.125%.

Restated for those net charges, net financial expenses decreased from €125.0 million in 9m 2015 to €97.0 million in 9m 2016. This largely reflected lower average debt year-on-year and lower average effective interest rate, thanks to the various refinancing operations. The average effective interest rate on gross debt decreased again by 35bps year-on-year in 9m 2016 to 3.61% (vs. 3.96% in 9m 2015).

Income tax in 9m represented a charge of €79.7 million (vs. €59.0 million in 9m 2015), a rise of 35.1%, mainly reflecting a 42.4% increase in profit before tax. The effective tax rate stood at 37.4% (vs. 39.4% in 9m 2015).

Net income from continuing operations in 9m rose by 47.0% to €133.4 million (vs. €90.7 million in 9m 2015).

As the disposal of our Latin American operations represented a loss of €69.3 million in 9m 2015, net income in 9m was strongly up at €133.4 million (vs. €21.4 million in 9m 2015).

Recurring net income in 9m amounted to €187.5 million, down 5.2% year-on-year (see appendix 2).

FINANCIAL STRUCTURE

Net debt reduced by 4.3% year-on-year at September 30, 2016

Sound financial structure; continued actions to reduce net financial expenses and optimize financings

In Q3, free cash flow from continuing operations before interest and tax was an inflow of €31.2 million (vs. an inflow of €36.6 million in Q3 2015). This net inflow included:

- Net capital expenditure of €23.3 million (vs. €20.0 million in Q3 2015),
- An outflow of €75.8 million from change in working capital on a reported basis (vs. an outflow of €81.0 million in Q3 2015). On a constant and adjusted basis, working capital decreased by 40bps as a percentage of the last 12 month sales, from 12.7% at September 30, 2015 to 12.3% at September 30, 2016.

At September 30, 2016, net debt stood at €2,511.0 million, down 4.3% year-on-year (vs. €2,622.6 million at September 30, 2015).

It took into account:

- €120.3 million of dividend paid in Q3 (early July),
- €28.5 million of net interest paid in Q3 (€92.0 million paid in 9m),
- €12.1 million of income tax paid in Q3 (€46.4 million paid in 9m),
- €4.2 million of net financial investment in Q3 (€93.6 million in 9m),
- €10.0 million of positive currency effect in Q3 (positive effect of €31.4 million in 9m).

In Q3, Rexel continued to optimize its financings in order to further reduce its cost of financing and enhance its financial structure.

Further to the early repayment of a €650m bond line issued in 2013 and maturing in June 2020 that was already mentioned in our Q2 & H1 results Press Release, Rexel will redeem in November USD170 million (c. €150 million) from the USD500m bond line issued in April 2013 and maturing in June 2020 (at a 5.250% coupon). In addition, Rexel also extended its Senior Credit Agreement by one year, to November 2021.

All these actions contribute to further reduce Rexel's cost of financing and enhance its financial structure. The average effective interest rate on gross debt is expected to decrease by c. 30bps between the first half and the second half of the year, from c. 3.7% in H1 2016 to c. 3.4% in H2 2016. Rexel boasts a sound financial structure with average maturity of around 4 years and with no significant repayment before June 2020.

UPDATE ON MANAGEMENT TEAM AND GOVERNANCE

Appointment of a new Executive committee with an increased representation of country/region managers
Ian Meakins became Non-Executive Chairman of the Board of Directors on October 1

As a first step in its transformation program, Rexel announced today, in a separate Press Release, the appointment of a new Executive Committee with a strong focus on operations. The new Executive Committee, comprising 11 members, of which 6 are in charge of key business units, will be headed by and report to Patrick BERARD, Chief Executive Officer, and will also include:

Group functions

- Catherine GUILLOUARD, Group CFO and Deputy CEO,
- Mathieu LARROUMET, Group Business Transformations,
- Sébastien THIERRY, Secretary-General in charge of Legal Affairs, Compliance, Holding corporate matters and Secretary of the Board,
- Frank WALDMANN, Group Human Resources,

Business Operations

- Vincent DEMANGE, France General Manager,
- John HOGAN, UK General Manager,
- Joakim FORSMARK, Nordics General Manager,
- Brian McNALLY, CEO Rexel North America,
- Jeff BAKER, President and CEO Platt Electric Supply & Rexel Commercial & Industrial,
- Eric GAUTHIER, CEO Rexel Asia-Pacific.

As regards the Group governance and as announced on June 24, Ian MEAKINS, who joined the Board of Directors on July 1, became Non-Executive Chairman of the Board of Directors on October 1. Under his chairmanship, Rexel's Board of Directors, along with Rexel's management team, will define the next strategic steps for the Group. As announced on July 29, the outcome of this strategic review and updated ambitions for the Group will be presented on February 13, 2017.

OUTLOOK

Taking into consideration the performance of the first nine months and also:

- Continuous uncertainty in some markets, such as the UK (post-Brexit), the US (weak industrial end-markets and deterioration in indicators such as the ABI) and Asia (even if China could start gradually improving), on the one hand,
- The reduction in negative impact from copper in Q4 (current price is c. USD4,700 per ton vs. average Q4 2015 at USD4,882 per ton), on the other hand,

we confirm our 2016 full-year financial targets, at the low-end of the February guidance:

- **Organic sales decline on a constant and same-day basis of at most 3%** *(February guidance was "organic sales growth on a constant and same-day basis of between -3% and +1%")*,
- **Adjusted EBITA margin of at least 4.1%** *(February guidance was "adjusted EBITA margin of between 4.1% and 4.5%")*,
- **Solid free cash flow generation of:**
    - Between 70% and 80% of EBITDA, before interest and tax *(unchanged)*,
    - Between 35% and 45% of EBITDA, after interest and tax *(unchanged)*.

An update on Rexel's strategy and ambitions will be presented at a financial meeting to be held in Paris on February 13, 2017.

CALENDAR

February 13, 2017	Fourth-quarter and full-year results 2016

FINANCIAL INFORMATION

The financial report for the period ended September 30, 2016 is available on the Group's website (www.rexel.com), in the "Regulated information" section, and has been filed with the French *Autorité des Marchés Financiers*.
A slideshow of the third-quarter and 9-month 2016 results is also available on the Group's website.

ABOUT REXEL GROUP

Rexel, a global leader in the professional distribution of products and services for the energy world, addresses three main markets - residential, commercial and industrial. The Group supports its customers to be at their best in running their business, by providing a broad range of sustainable and innovative products, services and solutions in the field of technical supply, automation and energy management. Rexel operates through a network of some 2,000 branches in 32 countries, with c. 27,000 employees. The Group's sales were €13.5 billion in 2015.
Rexel is listed on the Eurolist market of Euronext Paris (compartment A, ticker RXL, ISIN code FR0010451203). It is included in the following indices: SBF 120, CAC Mid 100, CAC AllTrade, CAC AllShares, FTSE EuroMid, STOXX600. Rexel is also part of the following SRI indices: DJSI Europe, FTSE4Good Europe & Global, EURO STOXX Sustainability, Euronext Vigeo Europe 120 and ESI Excellence Europe. Finally, Rexel is included on the Ethibel EXCELLENCE Investment Register in recognition of its performance in corporate social responsibility (CSR). For more information, visit Rexel's web site at www.rexel.com

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GLOSSARY

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

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

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

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

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

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

APPENDICES

Appendix 1: Segment reporting – Constant and adjusted basis*

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

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

	Q3 2015	Q3 2016	9m 2015	9m 2016
Non-recurring copper effect at EBITA level	(8.2)	(2.7)	(13.3)	(14.1)

GROUP

Constant and adjusted basis (€m)	Q3 2015	Q3 2016	Change	9m 2015	9m 2016	Change
Sales	3,337.8	**3,193.9**	**-4.3%**	9,910.5	**9,704.4**	**-2.1%**
on a constant basis and same days			***-3.7%***			***-2.5%***
Gross profit	783.5	**763.0**	**-2.6%**	2,384.4	**2,354.9**	**-1.2%**
as a % of sales	*23.5%*	*23.9%*	*41 bps*	*24.1%*	*24.3%*	*21 bps*
Distribution & adm. expenses (incl. depreciation)	(633.2)	(635.4)	+0.4%	(1,954.1)	(1,955.0)	0.0%
EBITA	150.4	**127.6**	**-15.2%**	430.3	**399.9**	**-7.1%**
as a % of sales	*4.5%*	*4.0%*	*-51 bps*	*4.3%*	*4.1%*	*-22 bps*
Headcount (end of period)				27,566	**27,319**	**-0.9%**

EUROPE

Constant and adjusted basis (€m)	Q3 2015	Q3 2016	Change	9m 2015	9m 2016	Change
Sales	1,735.4	**1,687.7**	**-2.7%**	5,321.8	**5,329.1**	**+0.1%**
on a constant basis and same days			***-1.6%***			***-0.8%***
France	588.9	**571.3**	*-3.0%*	1,842.6	**1,871.4**	*+1.6%*
on a constant basis and same days			*-1.1%*			*+0.5%*
United Kingdom	244.1	**228.3**	*-6.4%*	755.8	**724.9**	*-4.1%*
on a constant basis and same days			*-6.4%*			*-4.6%*
Germany	209.6	**208.5**	*-0.5%*	599.2	**598.1**	*-0.2%*
on a constant basis and same days			*+0.2%*			*-1.6%*
Scandinavia	214.7	**218.0**	*+1.5%*	660.3	**676.2**	*+2.4%*
on a constant basis and same days			*+1.6%*			*+1.8%*
Gross profit	452.9	**444.9**	**-1.8%**	1,415.9	**1,425.2**	**+0.7%**
as a % of sales	*26.1%*	*26.4%*	*26 bps*	*26.6%*	*26.7%*	*14 bps*
Distribution & adm. expenses (incl. depreciation)	(355.2)	(362.6)	+2.1%	(1,116.4)	(1,143.4)	+2.4%
EBITA	97.6	**82.2**	**-15.8%**	299.4	**281.8**	**-5.9%**
as a % of sales	*5.6%*	*4.9%*	*-75 bps*	*5.6%*	*5.3%*	*-34 bps*
Headcount (end of period)				15,802	**15,901**	**0.6%**

NORTH AMERICA

Constant and adjusted basis (€m)	Q3 2015	Q3 2016	Change	9m 2015	9m 2016	Change
Sales	1,245.6	**1,171.8**	**-5.9%**	3,593.4	**3,408.2**	**-5.2%**
on a constant basis and same days			***-6.0%***			***-4.9%***
United States	971.8	**908.8**	*-6.5%*	2,805.6	**2,664.6**	*-5.0%*
on a constant basis and same days			*-6.6%*			*-4.6%*
Canada	273.8	**263.0**	*-4.0%*	787.8	**743.6**	*-5.6%*
on a constant basis and same days			*-4.0%*			*-6.1%*
Gross profit	271.7	**258.8**	**-4.8%**	793.6	**754.5**	**-4.9%**
as a % of sales	*21.8%*	*22.1%*	*27 bps*	*22.1%*	*22.1%*	*5 bps*
Distribution & adm. expenses (incl. depreciation)	(209.9)	(209.2)	-0.3%	(647.8)	(624.6)	-3.6%
EBITA	61.8	**49.6**	**-19.8%**	145.8	**129.9**	**-10.9%**
as a % of sales	*5.0%*	*4.2%*	*-73 bps*	*4.1%*	*3.8%*	*-25 bps*
Headcount (end of period)				8,272	**7,917**	**-4.3%**

ASIA-PACIFIC

Constant and adjusted basis (€m)	Q3 2015	Q3 2016	Change	9m 2015	9m 2016	Change
Sales	356.8	**334.5**	**-6.3%**	995.3	**967.1**	**-2.8%**
on a constant basis and same days			***-5.6%***			***-3.0%***
China	135.0	**118.2**	*-12.5%*	377.3	**333.0**	*-11.7%*
on a constant basis and same days			*-11.2%*			*-11.7%*
Australia	133.7	**130.2**	*-2.6%*	375.4	**373.9**	*-0.4%*
on a constant basis and same days			*-2.6%*			*-0.5%*
New Zealand	34.3	**34.6**	*+0.7%*	89.5	**94.1**	*+5.1%*
on a constant basis and same days			*+0.6%*			*+4.5%*
Gross Profit	58.9	**59.3**	**+0.6%**	174.9	**175.1**	**+0.1%**
as a % of sales	*16.5%*	*17.7%*	*121 bps*	*17.6%*	*18.1%*	*54 bps*
Distribution & adm. expenses (incl. depreciation)	(58.3)	(56.0)	-4.0%	(161.7)	(164.3)	+1.6%
EBITA	0.6	**3.3**	**+420.0%**	13.1	**10.8**	**-17.5%**
as a % of sales	*0.2%*	*1.0%*	*82 bps*	*1.3%*	*1.1%*	*-20 bps*
Headcount (end of period)				3,242	**3,256**	**0.4%**

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Appendix 2: Extract of Financial Statements

CONSOLIDATED INCOME STATEMENT

Reported basis (€m)	Q3 2015	Q3 2016	Change	9m 2015	9m 2016	Change
Sales	**3,382.6**	**3,193.9**	**-5.6%**	**10,027.8**	**9,704.4**	**-3.2%**
Gross profit	**781.6**	**760.0**	**-2.8%**	**2,391.0**	**2,339.5**	**-2.2%**
as a % of sales	*23.1%*	*23.8%*		*23.8%*	*24.1%*	
Distribution & adm. expenses (excl. depreciation)	(619.8)	(611.0)	-1.4%	(1,909.5)	(1,882.2)	-1.4%
EBITDA	**161.8**	**148.9**	**-8.0%**	**481.6**	**457.3**	**-5.0%**
as a % of sales	*4.8%*	*4.7%*		*4.8%*	*4.7%*	
Depreciation	(22.0)	(24.0)		(66.4)	(71.5)	
EBITA	**139.8**	**124.9**	**-10.7%**	**415.2**	**385.8**	**-7.1%**
as a % of sales	*4.1%*	*3.9%*		*4.1%*	*4.0%*	
Amortization of intangibles resulting from purchase price allocation	(4.2)	(4.5)		(12.8)	(13.7)	
Operating income bef. other inc. and exp.	**135.6**	**120.3**	**-11.3%**	**402.4**	**372.1**	**-7.5%**
as a % of sales	*4.0%*	*3.8%*		*4.0%*	*3.8%*	
Other income and expenses	(16.0)	(12.9)		(75.3)	(44.9)	
Operating income	**119.6**	**107.4**	**-10.2%**	**327.2**	**327.1**	**0.0%**
Financial expenses (net)	(38.1)	(37.2)		(177.5)	(114.1)	
Net income (loss) before income tax	**81.4**	**70.2**	**-13.7%**	**149.7**	**213.0**	**42.4%**
Income tax	(33.9)	(32.7)		(59.0)	(79.7)	
Net income (loss) from continuing operations	**47.5**	**37.6**	**-20.9%**	**90.7**	**133.4**	**47.0%**
Net income (loss) from discontinued operations	(27.5)	0.0		(69.3)	0.0	
Net income (loss)	**20.0**	**37.6**	**88.2%**	**21.4**	**133.4**	**522.4%**

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

in €m	Q3 2015	Q3 2016	9m 2015	9m 2016
Operating income before other income and other expenses	**135.6**	**120.3**	**402.4**	**372.1**
Change in scope of consolidation	3.8	0.0	9.5	0.0
Foreign exchange effects	(1.5)	0.0	(7.7)	0.0
Non-recurring effect related to copper	8.2	2.7	13.3	14.1
Amortization of intangibles assets resulting from PPA	4.2	4.5	12.8	13.7
Adjusted EBITA on a constant basis	**150.4**	**127.6**	**430.3**	**399.9**

Recurring Net Income

in €m	Q3 2015	Q3 2016	Change	9m 2015	9m 2016	Change
Reported net income	47.5	**37.6**	**-20.9%**	90.7	**133.4**	**-47.0%**
Non-recurring copper effect	8.4	**2.7**		13.5	**14.1**	
Other expense & income	16.0	**12.9**		75.3	**44.9**	
Financial expense		**7.1**		52.5	**17.1**	
Tax expense	(7.5)	**(6.8)**		(34.1)	**(22.0)**	
Recurring net income	64.5	**53.5**	**-17.1%**	197.9	**187.5**	**-5.2%**

Sales And Profitability By Segment

Reported basis (€m)	Q3 2015	Q3 2016	Change	9m 2015	9m 2016	Change
Sales	**3,382.6**	**3,193.9**	**-5.6%**	**10,027.8**	**9,704.4**	**-3.2%**
Europe	1,792.1	1,687.7	-5.8%	5,396.9	5,329.1	-1.3%
North America	1,244.1	1,171.8	-5.8%	3,623.5	3,408.2	-5.9%
Asia-Pacific	346.4	334.5	-3.4%	1,007.4	967.1	-4.0%
Gross profit	**781.6**	**760.0**	**-2.8%**	**2,391.0**	**2,339.5**	**-2.2%**
Europe	455.4	445.6	-2.1%	1,419.0	1,421.5	+0.2%
North America	269.9	255.0	-5.5%	794.0	742.9	-6.4%
Asia-Pacific	56.4	59.3	+5.2%	178.0	175.1	-1.6%
EBITA	**139.8**	**124.9**	**-10.7%**	**415.2**	**385.8**	**-7.1%**
Europe	90.0	83.0	-7.8%	290.8	278.3	-4.3%
North America	60.4	46.1	-23.7%	142.1	119.2	-16.1%
Asia-Pacific	(0.2)	3.3	n.a.	12.6	10.8	-13.7%

CONSOLIDATED BALANCE SHEET[1]

Assets (€m)	December 31, 2015	September 30, 2016
Goodwill	4,266.6	4,265.6
Intangible assets	1,108.0	1,100.2
Property, plant & equipment	288.7	287.3
Long-term investments	33.8	57.5
Deferred tax assets	159.0	133.3
Total non-current assets	**5,856.2**	**5,843.9**
Inventories	1,535.0	1,533.2
Trade receivables	2,129.4	2,253.9
Other receivables	542.8	515.2
Assets classified as held for sale	53.8	0.3
Cash and cash equivalents	804.8	410.6
Total current assets	**5,065.8**	**4,713.2**
Total assets	**10,922.1**	**10,557.1**

Liabilities (€m)	December 31, 2015	September 30, 2016
Total equity	**4,352.9**	**4,228.6**
Long-term debt	2,342.1	2,136.1
Deferred tax liabilities	211.2	208.1
Other non-current liabilities	415.6	492.1
Total non-current liabilities	**2,968.9**	**2,836.4**
Interest bearing debt & accrued interests	668.5	820.5
Trade payables	2,138.3	2,007.2
Other payables	742.7	664.4
Liabilities related to assets held for sale	50.7	0.0
Total current liabilities	**3,600.2**	**3,492.1**
Total liabilities	**6,569.1**	**6,328.5**
Total equity & liabilities	**10,922.1**	**10,557.1**

1 *Net debt includes Debt hedge derivatives for €(32.6)m at September 30, 2016 and €(6.4)m at December 31, 2015. It also includes accrued interest receivables for €(2.5)m at September 30, 2016 and for €(0.7)m at December 31, 2015.*

CHANGE IN NET DEBT

€m	Q3 2015	Q3 2016	9m 2015	9m 2016
EBITDA	**161.8**	**148.9**	**481.6**	**457.3**
Other operating revenues & costs[1]	(24.1)	(18.7)	(70.5)	(52.6)
Operating cash-flow	**137.7**	**130.2**	**411.0**	**404.7**
Change in working capital	(81.0)	(75.8)	(294.8)	(300.2)
Net capital expenditure, of which:	(20.0)	(23.3)	(77.2)	(80.1)
Gross capital expenditure	*(22.8)*	*(31.4)*	*(74.0)*	*(84.8)*
Disposal of fixed assets & other	*2.8*	*8.1*	*(3.2)*	*4.7*
Free cash-flow from continuing op. before int. & tax	**36.6**	**31.2**	**39.0**	**24.4**
Net interest paid / received[2]	(33.2)	(28.5)	(109.8)	(92.0)
Income tax paid	(20.8)	(12.1)	(96.3)	(46.4)
Free cash-flow from continuing op. after int. & tax	**(17.3)**	**(9.4)**	**(167.2)**	**(114.0)**
FCF from discontinued operations	(5.8)	0.0	(18.5)	0.0
Net financial investment	(3.6)	(4.2)	(23.6)	(93.6)
Dividends paid	(91.2)	(120.3)	(91.3)	(120.3)
Net change in equity	(3.7)	1.7	(1.1)	1.5
Other	3.8	(8.7)	(25.7)	(17.2)
Currency exchange variation	51.7	10.0	(82.2)	31.4
Decrease (increase) in net debt	**(66.1)**	**(130.8)**	**(409.5)**	**(312.3)**
Net debt at the beginning of the period	**2,556.5**	**2,380.2**	**2,213.1**	**2,198.7**
Net debt at the end of the period	**2,622.6**	**2,511.0**	**2,622.6**	**2,511.0**

1 *Includes restructuring outflows of €17.3m in Q3 2015 and €14.1m in Q3 2016 and of €55.1m in 9m 2015 and €32.6m in 9m 2016*
2 *Excluding settlement of fair value hedge derivatives*

Appendix 3: Working Capital Analysis

Constant basis	September 30, 2015	September 30, 2016
Net inventories		
as a % of sales 12 rolling months	***11.4%***	***11.7%***
as a number of days	*51.9*	*55.1*
Net trade receivables		
as a % of sales 12 rolling months	***17.1%***	***17.2%***
as a number of days	*54.2*	*54.8*
Net trade payables		
as a % of sales 12 rolling months	***14.1%***	***15.2%***
as a number of days	*57.1*	*62.2*
Trade working capital		
as a % of sales 12 rolling months	***14.3%***	***13.8%***
Total working capital		
as a % of sales 12 rolling months	***12.7%***	***12.3%***

Appendix 4: Headcount and branches by geography

FTEs at end of period comparable	30/09/2015	31/12/2015	30/09/2016	Year-on-Year Change
Europe	**15,802**	**15,805**	**15,901**	**0.6%**
USA	*6,070*	*6,046*	*5,852*	-3.6%
Canada	*2,202*	*2,213*	*2,065*	-6.2%
North America	**8,272**	**8,259**	**7,917**	**-4.3%**
Asia-Pacific	**3,242**	**3,227**	**3,256**	**0.4%**
Other	**250**	**246**	**245**	**-2.1%**
Group	**27,566**	**27,538**	**27,319**	**-0.9%**

Branches comparable	30/09/2015	31/12/2015	30/09/2016	Year-on-Year Change
Europe	**1,212**	**1,205**	**1,198**	**-1.2%**
USA	*374*	*377*	*369*	-1.3%
Canada	*202*	*197*	*191*	-5.4%
North America	**576**	**574**	**560**	**-2.8%**
Asia-Pacific	**261**	**263**	**266**	**1.9%**
Group	**2,049**	**2,042**	**2,024**	**-1.2%**

Appendix 5: Calendar, scope and change effects on sales

Based on the assumption of the following average exchange rates:

- 1€ = 1.11USD
- 1€ = 1.47CAD
- 1€ = 1.50AUD
- 1€ = 0.81GBP

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

	Q1	Q2	Q3	Q4e	FYe
Calendar effect	**-0.6%**	**+2.4%**	**-0.6%**	**-0.4%**	**+0.2%**
Scope effect	**€38.1m**	**€19.4m**	**€9.1m**	**€(4.4)m**	**€62.2m**
Change effect	**-1.1%**	**-2.8%**	**-1.6%**	**-1.7%**	**-1.8%**

DISCLAIMER

The Group is exposed to fluctuations in copper prices in connection with its distribution of cable products. Cables accounted for approximately 14% of the Group's sales and copper accounts for approximately 60% of the composition of cables. This exposure is indirect since cable prices also reflect copper suppliers' commercial policies and the competitive environment in the Group's markets. Changes in copper prices have an estimated so-called "recurring" effect and an estimated so called "non-recurring" effect on the Group's performance assessed as part of the monthly internal reporting process of the Rexel Group: i) the recurring effect related to the change in copper-based cable prices corresponds to the change in value of the copper part included in the sales price of cables from one period to another. This effect mainly relates to the Group's sales; ii) the non-recurring effect related to the change in copper-based cables prices corresponds to the effect of copper price variations on the sales price of cables between the time they are purchased and the time they are sold, until all such inventory has been sold (direct effect on gross profit). Practically, the non-recurring effect on gross profit is determined by comparing the historical purchase price for copper-based cable and the supplier price effective at the date of the sale of the cables by the Rexel Group. Additionally, the non-recurring effect on EBITA corresponds to the non-recurring effect on gross profit, which may be offset, when appropriate, by the non-recurring portion of changes in the distribution and administrative expenses.

The impact of these two effects is assessed for as much of the Group's total cable sales as possible, over each period. Group procedures require that entities that do not have the information systems capable of such exhaustive calculations to estimate these effects based on a sample representing at least 70% of the sales in the period. The results are then extrapolated to all cables sold during the period for that entity. Considering the sales covered. the Rexel Group considers such estimates of the impact of the two effects to be reasonable.

This document may contain statements of future expectations and other forward-looking statements. By their nature, they are subject to numerous risks and uncertainties, including those described in the Document de Référence registered with the French Autorité des Marchés Financiers (AMF) on April 7, 2016 under number D16-0299. These forward-looking statements are not guarantees of Rexel's future performance, Rexel's actual results of operations, financial condition and liquidity as well as development of the industry in which Rexel operates may differ materially from those made in or suggested by the forward-looking statements contained in this release. The forward-looking statements contained in this communication speak only as of the date of this communication and Rexel does not undertake, unless required by law or regulation, to update any of the forward-looking statements after this date to conform such statements to actual results to reflect the occurrence of anticipated results or otherwise.

The market and industry data and forecasts included in this document were obtained from internal surveys, estimates, experts and studies, where appropriate, as well as external market research, publicly available information and industry publications. Rexel, its affiliates, directors, officers, advisors and employees have not independently verified the accuracy of any such market and industry data and forecasts and make no representations or warranties in relation thereto. Such data and forecasts are included herein for information purposes only.

This document includes only summary information and must be read in conjunction with Rexel's Document de Référence registered with the AMF on April 7, 2016 under number D16-0299, as well as the consolidated financial statements and activity report for the 2015 fiscal year which may be obtained from Rexel's website (www.rexel.com).