

FOURTH-QUARTER & FULL-YEAR 2018 RESULTS

FULL-YEAR 2018 TARGETS ACHIEVED

ADJUSTED EBITA UP +6.1% IN FY 2018 AND RECURRING NET INCOME UP IN DOUBLE DIGITS
INCREASE IN PROPOSED DIVIDEND TO €0.44 PER SHARE

→ FULL YEAR 2018 TARGETS ACHIEVED

- Sales of €13.37bn, up 3.5% on a constant and same day basis
- Adjusted EBITA of €608.3m, up 6.1%
- Indebtedness ratio of 2.67x, improving by 17bps

→ SALES OF €3.497bn IN Q4

- **On a constant and same-day basis, sales up 1.9%, of which:**
 - Europe: -0.8%, or up +1.2% excluding branch closures in Germany and Spain
 - North America: +6.9%, driven by the US
 - Asia-Pacific: -0.1% or up +2.9% restated for the impact of the disposal in Australia
- **Organic actual-day growth of 3.0%, including +1.1% from calendar and -0.3% from copper**
- **Reported sales growth of 2.7%, including currency (+0.3%) and scope (-0.5%) effects**

→ NET INCOME UP 45.6% IN FY 2018 AND RECURRING NET INCOME UP 12.8%.

→ INCREASE IN PROPOSED DIVIDEND TO €0.44 PER SHARE, PAYABLE IN CASH

Key figures ¹	Q4 2018	YoY change ³	FY 2018	YoY change ³
Sales	€3,496.9m		€13,365.7m	
On a reported basis		+2.7%		+0.5%
On a constant and actual-day basis		+3.0%		+3.8%
On a constant and same-day basis		+1.9%		+3.5%
Adjusted EBITA²	€173.3m	+8.9%	€608.3m	+6.1%
As a percentage of sales	5.0%		4.6%	
Change in bps as a % of sales ²	+27bps		+10bps	
Reported EBITA	€172.0m	+6.0%	€600.4m	+1.1%
Operating income	€56.9m	na	€409.8m	+27.2%
Net income	-€25.9m	+56.2%	€152.3m	+45.6%
Recurring net income	€90.5m	+9.7%	€328.1m	+12.8%
FCF before interest and tax	€300.4m	-€64.3m	€357.0m	-€27.0m
Net debt at end of period			€2,030.4m	0.5% reduction

¹ See definition in the Glossary section of this document ² At comparable scope of consolidation and exchange rates and excluding (i) amortization of PPA and (ii) the non-recurring effect related to changes in copper-based cable prices ³ Q4&FY 2017 restated for IFRS 9 and 15

Patrick BERARD, Chief Executive Officer, said:

"After two intense years, I am pleased to report that we have successfully delivered on our key objectives. We have posted nine consecutive quarters of sales growth. We have gained "More Customers & More SKUs," continued deleveraging and completed our initial asset disposal program with the recent sale of our Chinese non-industrial business. We have significantly improved our operations in the US and in Europe, notably Germany and Spain, and our sizeable digital investments are visible in the growing number of active multichannel customers. With a more robust business model, Rexel is now in a much better position to navigate market fluctuations and create value.

Our initiatives should continue to bear fruit in 2019 and contribute to further profitable growth. Consistent with our medium-term ambition and assuming no material changes in the macroeconomic environment, we target same-day sales growth of 2% to 4% (excluding a 1% unfavorable impact from branch closures in Germany and Spain), a 5% to 7% increase in adjusted EBITA and further deleveraging in 2019."

FINANCIAL REVIEW FOR THE PERIOD ENDED DECEMBER 31, 2018

- ▶ Financial statements as of December 31, 2018 were authorized for issue by the Board of Directors on February 12, 2019. They have been audited by statutory auditors.
- ▶ Financial statements as of December 31, 2017 have been restated for changes in accounting policies, following the adoption of IFRS 9 "Financial instruments" and IFRS 15 "Revenue from contracts with customers"; this restatement represented a €0.2 million negative impact on operating income (FY 2017 operating income stood at €322.3 million as reported on December 31, 2017 and stands at €322.1 million after restatement).
- ▶ The following terms: Reported EBITA, Adjusted EBITA, EBITDA, Recurring net income, Free Cash Flow and Net Debt are defined in the Glossary section of this document.
- ▶ Unless otherwise stated, all comments are on a constant and adjusted basis and, for sales, at same number of working days.

SALES

In Q4, sales were up 2.7% year-on-year on a reported basis (restated for IFRS 9 & 15 impact) and up 1.9% on a constant and same-day basis, reflecting sales momentum in the US

In the fourth quarter, Rexel posted sales of €3,496.9 million, up 2.7% on a reported basis, including:

- A positive currency effect of €10.5 million (i.e. +0.3% of Q4 2017 sales), mainly due to the appreciation of the US dollar, partly offset by the depreciation of the Swedish Krona, the Australian and Canadian dollars and Chinese renminbi against the euro,
- A negative net scope effect of €17.8 million (i.e. -0.5% of Q4 2017 sales), resulting from the divestments in South East Asia,
- A positive calendar effect of 1.1 percentage points.

On a constant and same-day basis, sales were up 1.9%, including a negative effect from the change in copper-based cable prices (-0.3% in Q4 18 vs +1.6% in Q4 17).

In FY 2018, Rexel posted sales of €13,365.7 million, up 0.5% on a reported basis. On a constant and same day basis, sales were up 3.5%, including a positive impact of 0.4% from the change in copper-based cable prices.

The 0.5% increase in sales on a reported basis included:

- A negative currency effect of €327.8 million (i.e. -2.5% of FY 2017 sales), mainly due to the depreciation of the US, Australian and Canadian dollars and the Swedish Krona against the euro,
- A negative net scope effect of €98.6 million (i.e. -0.7% of FY 2017 sales), resulting from the divestments in South East Asia.

Europe (54% of Group sales): -0.8% in Q4 and +1.7% in FY on a constant and same-day basis

In the fourth quarter, sales in Europe decreased by 0.5% on a reported basis, including a negative currency effect of €6.2m (mainly due to the depreciation of the Swedish Krona against the euro). On a constant and same-day basis, sales were down 0.8% (or up 1.2% excluding branch closures in Germany and Spain).

- Sales in **France** (38% of the region's sales) were down 1.3%, on a challenging base effect, lower export project business and a temporary impact from lower activity in December. Business was supported by good demand in residential and industrial markets;
- Sales in **Scandinavia** (14% of the region's sales) were up 5.2%, with positive momentum in Sweden, up +5.4% thanks to public spending and large C&I business more than offsetting negative momentum in residential. Norway was up 8.7% and Finland up 0.3%;
- In **the UK** (10% of the region's sales), sales dropped by 6.4%, mainly due to lower business with 6 large C&I accounts (-2.0% impact) and 33 branch closures (-1.4% impact). Political uncertainties remain high;

- **Benelux** (10% of the region's sales) posted solid +13.0% growth, with good momentum in Belgium, up +14.6%, notably thanks to photovoltaic sales (+2.7% contribution) and the acquisition of a branch in the Courtrai area (+3.0% contribution), and the Netherlands, up 11.4%;
- Sales in **Germany** (9% of the region's sales) were down 15.9%, 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, with positive momentum in the metals industry;
- Sales in **Switzerland** (6% of the region's sales) grew by 6.9% (large contract awarded, contributing 2.9%) in a project environment that remains competitive.

North America (37% of Group sales): +6.9% in Q4 and +6.1% in FY on a constant and same-day basis

In the fourth quarter, sales in North America were up 10.9% on a reported basis, including a positive currency effect of €24.9m (mainly due to the appreciation of the US dollar against the euro). On a constant and same-day basis, sales were up 6.9%, driven by the US and Canada.

- In **the US** (79% of the region's sales), sales were up 8.5% on a same-day basis. The sales growth was driven by all markets, with industrial up in double digits and residential/commercial up in high-single-digits:
 - Initiatives are paying off with 2.4% sales growth contribution from branch/counter openings (+48 in 2017/18), in line with our objectives, and c. 3,600 new customers;
 - Good commercial impact from our new regional organization, with strong double-digit growth in the Denver area, California, Texas and Florida offsetting lower growth in the Eastern part of the country.
- In **Canada** (21% of the region's sales), sales were up 1.3% on a same-day basis, mainly driven by strong demand in mining potash (+1.7% impact).

Asia-Pacific (9% of Group sales): -0.1% in Q4 and 5.2% in FY on a constant and same-day basis

In the fourth quarter, sales in Asia-Pacific were down 6.7% on a reported basis, including a negative scope effect of €17.8m following the disposal of our business in South East Asia and a negative currency effect of €8.2m, mainly due to the depreciation of the Australian dollar and Chinese renminbi against the euro. On a constant and same-day basis, sales were down 0.1% (or +2.9% excluding the disposal effect of part of our industrial business in Australia).

- In the Pacific (48% of the region's sales), sales were down 6.4% on a constant and same-day basis:
 - In **Australia** (81% of Pacific), sales were down 8.5%, or down 1.8% in Q4 restated for the impact of the disposal of our Rockwell automation business in the country (-6.6% impact), on a more difficult base effect and lower commercial projects in public areas;
 - In **New Zealand** (19% of Pacific), sales were up 3.5%.
- In Asia (52% of the region's sales), sales were up 6.4%:
 - In **China** (81% of Asia), sales grew by 9.3% on a challenging base effect (+12.0% in Q4 2017). Underlying demand reflects a good performance in industrial automation products and solutions. The retail & commercial business contributed negatively in the quarter and in 2018. An agreement has been signed to dispose of those businesses (€48.9m of 2018 annual sales)
 - **Middle East and India** (19% of Asia). India posted a strong performance, up in high double digits, driven by strong automation activity, offsetting negative contribution from a large project in the Middle East that boosted our Q4 2017 performance (-0.9% contribution to APAC growth).

PROFITABILITY**Adjusted EBITA margin at 5.0% in Q4, up 27bps**

In the fourth quarter, gross margin was stable year-on-year, at 24.7% of sales, thanks to North America (up 49bps at 23.2%) and Asia Pacific (up 60bps at 18.5%) which offset Europe (down 30bps at 26.8%). Opex (including depreciation) amounted to 19.8% of sales, representing a 27bps improvement year-on-year. As a result, adjusted EBITA stood at €173.3 million, up 8.9% at 5.0%, up 27 bps yoy.

In Q4 18, reported EBITA stood at €172.0 million (including a €1.3 million negative one-off copper effect), up 6.0% year-on-year.

In FY 2018, gross margin stood at 24.7% of sales, down 3bps, and opex (including depreciation) amounted to 20.1% of sales, representing a 13bps improvement year-on-year. Positive volume contribution and good cost control offset investments in IT & Digital and people as well as cost and wage inflation in some markets.

- In **Europe**, gross margin stood at 26.8% of sales, down 24bps year-on-year due to countries in transformation (Germany and Spain) and the competitive environment in Norway. In the full year, distribution and administrative expenses (including depreciation) improved by 5bps to 21.1% of sales, mainly thanks to positive volume effect and good cost control, which more than offset cost inflation (c. 1.6% in the quarter) as well as lower absorption of SG&A costs in the UK;
- In **North America**, gross margin stood at 23.1% of sales. This represented a 41bps improvement year-on-year, mainly thanks to pricing initiatives and supplier concentration. Opex (including depreciation) were stable (-1bp year-on-year) at 18.9% of sales, as volume effect more than offset higher wages and freight costs, as well as investments in people and branch openings;
- In **Asia-Pacific**, gross margin stood at 18.1% of sales, a deterioration of 2bps year-on-year, and opex (including depreciation) improved by 65bps. The positive volume contribution in China and the positive impact due to project phasing in the Middle East offset the disposal effect of our Rockwell automation business in Australia;
- At corporate holding level, opex amounted to €31.4 million, compared to €32.9 million a year ago, with investment in digital and further reduction in HQ costs.

As a result, adjusted EBITA stood at €608.3m, up 6.1% in full-year 2018.

Adjusted EBITA margin was up by 10bps to 4.6% of sales, reflecting:

- a lower adjusted EBITA margin in Europe at 5.6% of sales, down 19bps;
- an improved adjusted EBITA margin in North America at 4.2% of sales, up 40bps and
- an improved adjusted EBITA margin in Asia-Pacific at 2.0% of sales, up 64bps.

In the full year, reported EBITA stood at €600.4 million (including a €7.9m negative one-off copper effect), up 1.1% year-on-year. While 2017 reported EBITA benefited from a €13.9m positive impact from the non-recurring copper effect, 2018 recorded a negative €7.9m impact.

NET INCOME**Net income of €152.3m in FY 2018, up 45.6%****Recurring net income up 12.8% at €328.1 million in FY 2018**

Operating income in the full year stood at €409.8 million, vs. €322.1 million in FY 2017.

- Amortization of intangibles resulting from purchase price allocation amounted to €15.7 million (vs. €19.0 million in FY 2017);
- Other income and expenses amounted to a net charge of €174.9 million (vs. a net charge of €253.0 million in FY 2017). They included €82.5 million of restructuring costs (vs. €35.4 million in 2017 at comparable scope) mainly in Germany and in Spain. They also include a charge of €61.9 million from goodwill impairment in Norway, Finland and Spain, as well as asset depreciation for €25.4 million related to the disposal of our retail and virtually all of our commercial business in China (classified in assets held for sale in the balance sheet).

Net financial expenses in the full year amounted to €100.6 million (vs. €145.6 million in FY 2017). Both periods included charges related to refinancing operations:

- Full-year 2018 included a net charge of €1.1 million, related to the renegotiation of our Senior Credit Agreement in January 2018;
- 2017 included a net charge of €18.8 million, related to early redemptions of (i) the remaining outstanding USD330m from the Senior notes issued in April 2013 and (ii) the €500m from Senior notes issued in May 2015. 2017 was also impacted by a €10.9 million non-recurring expense associated with the discounting of letters of credit due from overseas financial institutions;

Restated for those net charges and IFRS 15 impact in 2017 (+€0.3 million), net financial expenses decreased from €115.9 million in the full year 2017 to €99.5 million in full-year 2018. This largely reflected lower average debt year-on-year and lower average effective interest rate, thanks to the various refinancing operations in 2017. The average effective interest rate on gross debt decreased by 37bps year-on-year in full-year 2018 to 2.81% (vs. 3.18% in full year 2017).

Income tax in the full year represented a charge of €157.0 million (vs. €71.9 million in FY 2017 restated for IFRS 15), an increase in the tax rate (50.8% vs 40.7% in FY 2017). In 2017, our income tax benefited from a one-off gain from the US tax reform. In 2018, our tax rate is sharply above our 33% normative level due to the non-deductibility of goodwill depreciation, asset impairment and restructuring expenses in Germany and Spain, where deferred tax assets cannot be recognized.

Net income in the full year is up 45.6% to €152.3 million (vs. €104.6 million in FY 2017).

Recurring net income in the full year amounted to €328.1 million, up 12.8% compared to FY 2017 (see appendix 2).

FINANCIAL STRUCTURE

Positive free cash-flow before interest and tax of €357.0 million in full-year 2018

Indebtedness ratio of 2.67x at December 31st, 2018

In the full year, free cash flow before interest and tax was an inflow of €357.0 million (vs. an inflow of €384.0 million in the full year 2017). This net inflow included:

- Lower capital expenditure (€93.8 million vs. €110.3 million in the full year 2017), including disposal of assets in Australia. Gross capital expenditure stood at €122.1 million in the full year 2018;
- An outflow of €161.8 million from change in working capital on a reported basis (vs. an outflow of €118.5 million in the full year 2017), higher inventories in North America to improve service and support growth as well as the phasing of sales tax.

At December 31, 2018, net debt stood at €2,030.4 million, down 0.5% year-on-year (vs. €2,041.2 million at December 31, 2017).

It took into account:

- €85.3 million of net interest paid in full-year 2018 (vs €101.6 million paid in 2017),
- €80.7 million of income tax paid in full-year 2018 (vs €102.5 million paid in 2017). This lower income tax paid is mainly due to 2017 income tax overpayment in France for €22 million and to the refund of the 3% tax on dividends for €8m.
- €22.4 million of negative currency effect during the year 2018 (vs a positive effect of €111.0 million in 2017).

At December 31, 2018, the indebtedness ratio (Net financial debt/ EBITDA), as calculated under the Senior Credit Agreement terms, stood at 2.67x vs. 2.84x at December 31, 2017.

INCREASE IN PROPOSED DIVIDEND TO €0.44 PER SHARE, PAYABLE IN CASH

Rexel will propose to shareholders a dividend of €0.44 per share, 2 cents higher compared to last year and representing 41% of the Group's recurring net income. This is in line with Rexel's policy of paying out at least 40% of recurring net income.

This dividend, payable in cash early in July 2019, will be subject to approval at the Annual Shareholders' Meeting to be held in Paris on May 23, 2019.

COMPLETION OF OUR DISPOSAL PLAN

With the sale of our retail and virtually all our commercial business in China, concluded in Q4, and the downsizing of our UK business, Rexel has completed its disposal plan. We have achieved our target of a positive contribution of 25bps to the Group's consolidated adjusted Ebita margin (compared to FY 2016) with a reduction of sales of circa €650 million.

CHANGE IN REPORTING

From 2019 and in line with French market practice, Rexel will switch to half-year and full-year results, and report only on sales in Q1 and Q3. This change will allow Rexel to improve operational efficiency.

In 2019, Rexel will also implement the IFRS 16 accounting standards, effective in our H1 2019 release, with H1 2018 comparable numbers. This change has the following estimated impact on our 2018 numbers (subject to change in the final proforma and auditor's review):

- Increase in Net debt of €0.9 billion, to be disclosed under "Lease liabilities" on the Balance Sheet
- Increase in EBITDA margin of 150bps
- Increase in EBITA margin of 30bps
- No impact/reclassification on Cash Flow
- 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

Rexel has successfully delivered the first phase of its strategic roadmap, consolidating its geographic footprint, revamping its operating model, increasing its digital penetration and strengthening its financial structure, making it a more robust company.

Rexel has now begun the second phase, a transformation journey towards a data-driven services company, with more software and connected solutions, in a fast-changing electrical distribution world.

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 5.

CALENDAR

April 30, 2019	First-quarter 2019 sales
May 23, 2019	Annual Shareholder' Meeting

FINANCIAL INFORMATION

The financial report for the period ended December 31, 2018 is available on the Group's website (www.rexel.com), in the "Regulated information" section, and has been filed with the French *Autorité des Marchés Financiers*.

A slideshow of the fourth-quarter and full-year 2018 results is also available on the Group's website.

ABOUT REXEL GROUP

Rexel, worldwide expert in the multichannel professional distribution of products and services for the energy world. 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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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 0: Q4 and FY 2018 sales and adjusted Ebita bridge
SALES BRIDGE

Q4	2017 reported sales	IFRS 15 impact	2017 proforma	FX impact	Scope impact	2017 comparable sales	Organic growth	2018 reported	Total growth 2017/2018
Asia Pacific	336.1	0.11%	336.5	-2.5%	-5.3%	310.4	1.1%	313.9	-6.6%
North America	1,156.5	-0.11%	1,155.3	2.2%	0.0%	1,180.2	8.5%	1,280.8	10.7%
Europe	1,912.8	-0.04%	1,912.1	-0.3%	0.0%	1,906.0	-0.2%	1,902.2	-0.6%
Rexel Group	3,405.4	-0.05%	3,403.9	0.3%	-0.5%	3,396.6	3.0%	3,496.9	2.7%

FY	2017 reported sales	IFRS 15 impact	2017 proforma	FX impact	Scope impact	2017 comparable sales	Organic growth	2018 reported	Total growth 2017/2018
Asia Pacific	1,307.7	0.10%	1,309.0	-4.6%	-7.5%	1,150.0	5.6%	1,214.4	-7.1%
North America	4,710.1	-0.06%	4,707.1	-4.3%	0.0%	4,505.2	6.6%	4,801.3	1.9%
Europe	7,292.3	-0.07%	7,286.9	-0.9%	0.0%	7,221.5	1.8%	7,350.0	0.8%
Rexel Group	13,310.1	-0.05%	13,303.0	-2.5%	-0.7%	12,876.7	3.8%	13,365.7	0.4%

ADJUSTED EBITA BRIDGE

Q4	2017 adjusted EBITA	2017 copper effect	2017 reported EBITA	IFRS 15 & IFRS 9 impacts	2018 FX impact	2018 scope impact	2017 copper effect @2018 FX	2017 comparable EBITA	Organic growth	2018 adjusted EBITA	2018 copper effect	2018 reported EBITA
Rexel Group	159.3	3.1	162.4	-0.1	0.1	0	-3.2	159.2	8.9%	173.3	-1.3	172.0

FY	2017 adjusted EBITA	2017 copper effect	2017 reported EBITA	IFRS 15 & IFRS 9 impacts	2018 FX impact	2018 scope impact	2017 copper effect @2018 FX	2017 comparable EBITA	Organic growth	2018 adjusted EBITA	2018 copper effect	2018 reported EBITA
Rexel Group	580.1	14.2	594.3	-0.2	-12.0	5.2	-13.9	573.3	6.1%	608.3	-7.9	600.4

Appendix 1: Segment reporting – Constant and adjusted basis*

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

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

Constant basis (€m)	Q4 2017	Q4 2018	FY 2017	FY 2018
Non-recurring copper effect at EBITA level	3.2	(1.3)	13.9	(7.9)

GROUP

Constant and adjusted basis (€m)	Q4 2017	Q4 2018	Change	FY 2017	FY 2018	Change
Sales	3,396.6	3,496.9	+3.0%	12,876.7	13,365.7	+3.8%
<i>on a constant basis and same days</i>			+1.9%			+3.5%
Gross profit	839.6	864.4	+3.0%	3,178.7	3,295.0	+3.7%
<i>as a % of sales</i>	24.7%	24.7%	0 bps	24.7%	24.7%	-3 bps
Distribution & adm. expenses (incl. depreciation)	(680.4)	(691.1)	+1.6%	(2,605.4)	(2,686.7)	+3.1%
EBITA	159.2	173.3	+8.9%	573.3	608.3	+6.1%
<i>as a % of sales</i>	4.7%	5.0%	27 bps	4.5%	4.6%	10 bps
Headcount (end of period)	27,161	26,673	-1.8%	27,161	26,673	-1.8%

EUROPE

Constant and adjusted basis (€m)	Q4 2017	Q4 2018	Change	FY 2017	FY 2018	Change
Sales	1,906.0	1,902.2	-0.2%	7,221.5	7,350.0	+1.8%
<i>on a constant basis and same days</i>			-0.8%			+1.7%
France	723.8	724.6	+0.1%	2,661.9	2,717.3	+2.1%
<i>on a constant basis and same days</i>			-1.3%			+1.7%
United Kingdom	195.9	186.5	-4.8%	837.9	801.3	-4.4%
<i>on a constant basis and same days</i>			-6.4%			-4.8%
Germany	202.2	166.8	-17.5%	819.9	764.1	-6.8%
<i>on a constant basis and same days</i>			-15.9%			-6.0%
Scandinavia	253.4	267.7	+5.6%	922.2	962.5	+4.4%
<i>on a constant basis and same days</i>			+5.2%			+4.4%
Gross profit	516.3	509.6	-1.3%	1,949.3	1,966.6	+0.9%
<i>as a % of sales</i>	27.1%	26.8%	-30 bps	27.0%	26.8%	-24 bps
Distribution & adm. expenses (incl. depreciation)	(389.9)	(390.3)	+0.1%	(1,528.4)	(1,551.9)	+1.5%
EBITA	126.4	119.3	-5.6%	420.9	414.7	-1.5%
<i>as a % of sales</i>	6.6%	6.3%	-36 bps	5.8%	5.6%	-19 bps
Headcount (end of period)	15,789	15,260	-3.4%	15,789	15,260	-3.4%

NORTH AMERICA

Constant and adjusted basis (€m)	Q4 2017	Q4 2018	Change	FY 2017	FY 2018	Change
Sales	1,180.2	1,280.8	+8.5%	4,505.2	4,801.3	+6.6%
<i>on a constant basis and same days</i>			+6.9%			+6.1%
United States	914.8	1,008.0	+10.2%	3,524.0	3,780.3	+7.3%
<i>on a constant basis and same days</i>			+8.5%			+6.9%
Canada	265.4	272.8	+2.8%	981.2	1,020.9	+4.0%
<i>on a constant basis and same days</i>			+1.3%			+3.6%
Gross profit	267.8	296.8	+10.8%	1,020.9	1,107.9	+8.5%
<i>as a % of sales</i>	22.7%	23.2%	49 bps	22.7%	23.1%	41 bps
Distribution & adm. expenses (incl. depreciation)	(219.1)	(240.7)	+9.8%	(851.6)	(908.1)	+6.6%
EBITA	48.7	56.1	+15.4%	169.3	199.8	+18.0%
<i>as a % of sales</i>	4.1%	4.4%	26 bps	3.8%	4.2%	40 bps
Headcount (end of period)	8,451	8,605	1.8%	8,451	8,605	1.8%

ASIA-PACIFIC

Constant and adjusted basis (€m)	Q4 2017	Q4 2018	Change	FY 2017	FY 2018	Change
Sales	310.4	313.9	+1.1%	1,150.0	1,214.4	+5.6%
<i>on a constant basis and same days</i>			-0.1%			+5.2%
China	120.9	134.2	+10.9%	465.2	495.3	+6.5%
<i>on a constant basis and same days</i>			+9.3%			+6.0%
Australia	129.6	120.4	-7.1%	501.8	501.1	-0.1%
<i>on a constant basis and same days</i>			-8.5%			-0.5%
New Zealand	27.4	28.8	+5.2%	109.1	114.7	+5.2%
<i>on a constant basis and same days</i>			+3.5%			+4.8%
Gross Profit	55.5	58.0	+4.5%	208.5	220.0	+5.5%
<i>as a % of sales</i>	17.9%	18.5%	60 bps	18.1%	18.1%	-2 bps
Distribution & adm. expenses (incl. depreciation)	(49.6)	(49.0)	-1.3%	(192.5)	(195.3)	+1.5%
EBITA	5.9	9.1	+54.0%	16.0	24.7	+53.9%
<i>as a % of sales</i>	1.9%	2.9%	99 bps	1.4%	2.0%	64 bps
Headcount (end of period)	2,701	2,656	-1.7%	2,701	2,656	-1.7%

Appendix 2: Consolidated Financial Statement
CONSOLIDATED INCOME STATEMENT

Reported basis (€m)	Q4 2017	Q4 2018	Change	FY 2017	FY 2018	Change
Sales	3,403.9	3,496.9	2.7%	13,303.0	13,365.7	0.5%
Gross profit	842.5	863.0	2.4%	3,282.1	3,286.9	0.1%
as a % of sales	24.8%	24.7%		24.7%	24.6%	
Distribution & adm. expenses (excl. depreciation)	(654.3)	(664.8)	1.6%	(2,588.2)	(2,586.5)	-0.1%
EBITDA	188.2	198.2	5.3%	693.9	700.5	0.9%
as a % of sales	5.5%	5.7%		5.2%	5.2%	
Depreciation	(25.9)	(26.2)		(99.8)	(100.1)	
EBITA	162.4	172.0	6.0%	594.1	600.4	1.1%
as a % of sales	4.8%	4.9%		4.5%	4.5%	
Amortization of intangibles resulting from purchase price allocation	(4.6)	(3.7)		(19.0)	(15.7)	
Operating income bef. other inc. and exp.	157.7	168.4	6.7%	575.1	584.7	1.7%
as a % of sales	4.6%	4.8%		4.3%	4.4%	
Other income and expenses	(196.6)	(111.4)		(253.0)	(174.9)	
Operating income	(38.8)	56.9	N/A	322.1	409.8	27.2%
Net financial expenses	(55.1)	(25.2)		(145.6)	(100.6)	
Net income (loss) before income tax	(93.9)	31.8	N/A	176.5	309.2	75.2%
Income tax	34.8	(57.6)		(71.9)	(157.0)	
Net income (loss)	(59.1)	(25.9)	56.2%	104.6	152.3	45.6%

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

in €m	Q4 2017	Q4 2018	FY 2017	FY 2018
Operating income before other income and other expenses on a reported basis	157.7	168.4	575.1	584.7
Change in scope of consolidation	0.0	-	5.2	-
Foreign exchange effects	0.1	-	(12.0)	-
Non-recurring effect related to copper	(3.2)	1.3	(13.9)	7.9
Amortization of intangibles assets resulting from PPA	4.6	3.7	19.0	15.7
Adjusted EBITA on a constant basis	159.2	173.3	573.3	608.3

RECURRING NET INCOME

in €m	Q4 2017	Q4 2018	Change	FY 2017	FY 2018	Change
Reported net income	(59.1)	(25.9)	+56.2%	104.6	152.3	+45.6%
Non-recurring copper effect	(3.1)	1.3		(14.2)	7.9	
Other expense & income	196.6	114.0		253.0	174.9	
Financial expense	24.1	-		30.4	1.1	
Tax expense	(75.8)	1.1		(82.9)	(8.1)	
Recurring net income	82.6	90.5	+9.7%	290.9	328.1	+12.8%

SALES AND PROFITABILITY BY SEGMENT

Reported basis (€m)	Q4 2017	Q4 2018	Change	FY 2017	FY 2018	Change
Sales	3,403.9	3,496.9	+2.7%	13,303.0	13,365.7	+0.5%
Europe	1,912.1	1,902.2	-0.5%	7,286.9	7,350.0	+0.9%
North America	1,155.3	1,280.8	+10.9%	4,707.1	4,801.3	+2.0%
Asia-Pacific	336.5	313.9	-6.7%	1,309.0	1,214.4	-7.2%
Gross profit	842.5	863.0	+2.4%	3,282.1	3,286.9	+0.1%
Europe	521.2	508.0	-2.5%	1,977.2	1,961.1	-0.8%
North America	261.7	297.0	+13.5%	1,070.0	1,105.3	+3.3%
Asia-Pacific	59.6	58.0	-2.6%	234.9	220.0	-6.4%
EBITA	162.4	172.0	+6.0%	594.1	600.4	+1.1%
Europe	130.0	117.7	-9.5%	435.0	409.3	-5.9%
North America	47.7	56.4	+18.1%	180.2	197.1	+9.4%
Asia-Pacific	6.3	9.1	+43.5%	11.9	24.7	
Other	(21.7)	(11.2)	+48.6%	(33.0)	(30.7)	6.8%

CONSOLIDATED BALANCE SHEET¹

Assets (Reported basis in €m)	December 31, 2017	December 31, 2018
Goodwill	3,914.9	3,871.1
Intangible assets	1,049.7	1,038.8
Property, plant & equipment	272.0	281.1
Long-term investments	38.0	42.6
Deferred tax assets	96.6	85.8
Total non-current assets	5,371.2	5,319.4
Inventories	1,544.9	1,674.2
Trade receivables	2,074.4	2,091.5
Other receivables	560.7	533.4
Assets classified as held for sale	(0.0)	41.9
Cash and cash equivalents	563.6	544.9
Total current assets	4,743.7	4,885.9
Total assets	10,114.9	10,205.3

Liabilities (Reported basis in €m)	December 31, 2017	December 31, 2018
Total equity	4,157.6	4,232.2
Long-term debt	2,450.5	1,936.2
Deferred tax liabilities	172.8	225.2
Other non-current liabilities	376.3	329.3
Total non-current liabilities	2,999.6	2,490.7
Interest bearing debt & accrued int.	161.8	654.0
Trade payables	2,034.8	2,024.6
Other payables	761.1	765.6
Liabilities rel. to assets held for sale	-	38.3
Total current liabilities	2,957.7	3,482.4
Total liabilities	5,957.3	5,973.1
Total equity & liabilities	10,114.9	10,205.3

¹ Net debt includes Debt hedge derivatives for €(6.5)m at December 31, 2017 and €(12.7)m at December 31, 2018.

It also includes accrued interest receivables for €(1.0)m at December 31, 2017 and for €(2.2)m at December 31, 2018.

CHANGE IN NET DEBT

Reported basis (€m)	Q4 2017	Q4 2018	FY 2017	FY 2018
EBITDA	188.2	198.2	693.9	700.5
Other operating revenues & costs ⁽¹⁾	(26.0)	(39.3)	(81.2)	(87.9)
Operating cash-flow	162.2	158.9	612.8	612.6
Change in working capital	235.2	176.4	(118.5)	(161.8)
Net capital expenditure, of which:	(32.7)	(35.0)	(110.3)	(93.8)
<i>Gross capital expenditure</i>	(35.8)	(45.3)	(112.5)	(122.1)
<i>Disposal of fixed assets & other</i>	1.1	5.2	3.5	24.0
Free cash-flow from continuing op. before int. & tax	364.7	300.4	384.0	357.0
Net interest paid / received	(24.5)	(21.3)	(101.6)	(85.3)
Income tax paid	(11.2)	(34.5)	(102.5)	(80.7)
Free cash-flow from continuing op. after int. & tax	329.0	244.5	179.9	191.0
Net financial investment	(25.7)	3.7	(24.3)	(1.7)
Dividends paid	(0.0)	(0.0)	(120.8)	(126.8)
Net change in equity	(1.2)	(3.6)	0.7	(10.1)
Other	(3.2)	(11.3)	(15.0)	(19.2)
Currency exchange variation	13.3	(4.6)	111.0	(22.4)
Decrease (increase) in net debt	312.1	228.6	131.4	10.7
Net debt at the beginning of the period	2,353.3	2,259.1	2,172.6	2,041.2
Net debt at the end of the period	2,041.2	2,030.4	2,041.2	2,030.4

¹ Includes restructuring outflows of:

- €35.4m in Q4 2018 vs. €6.8m in Q4 2017 and
- €67.3m in 2018 vs. €45.6m in 2017.

Appendix 3: Working Capital Analysis

Constant basis	December 31, 2017	December 31, 2018
Net inventories		
<i>as a % of sales 12 rolling months</i>	12.0%	12.4%
<i>as a number of days</i>	53.2	55.5
Net trade receivables		
<i>as a % of sales 12 rolling months</i>	16.1%	15.6%
<i>as a number of days</i>	51.0	51.0
Net trade payables		
<i>as a % of sales 12 rolling months</i>	15.6%	15.0%
<i>as a number of days</i>	61.5	58.9
Trade working capital		
<i>as a % of sales 12 rolling months</i>	12.4%	12.9%
Total working capital		
<i>as a % of sales 12 rolling months</i>	10.6%	11.2%

Appendix 4: Headcount and branches by geography

FTEs at end of period comparable	December 31, 2017	December 31, 2018	Year-on-Year Change
Europe	15,789	15,260	-3.4%
<i>USA</i>	6,358	6,474	1.8%
<i>Canada</i>	2,093	2,131	1.8%
North America	8,451	8,605	1.8%
Asia-Pacific	2,701	2,656	-1.7%
Other	219	152	-30.6%
Group	27,161	26,673	-1.8%

Branches comparable	December 31, 2017	December 31, 2018	Year-on-Year Change
Europe	1,183	1,127	-4.7%
<i>USA</i>	384	384	0.0%
<i>Canada</i>	190	190	0.0%
North America	574	574	0.0%
Asia-Pacific	255	249	-2.4%
Group	2,012	1,950	-3.1%

Appendix 5: Calendar, scope and currency effects on sales

Based on the assumption of the following average exchange rates:

1 €	=	1.15	USD
1 €	=	1.51	CAD
1 €	=	1.58	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 :

	Q1e	Q2 e	Q3 e	Q4e	FYe
Scope effect at Group level	(12.3)	(11.1)	(10.7)	(15.5)	(49.6)
<i>as% of 2018 sales</i>	-0.4%	-0.3%	-0.3%	-0.4%	-0.4%
Currency effect at Group level	65.9	42.5	25.3	1.2	135.0
<i>as% of 2018 sales</i>	2.1%	1.3%	0.8%	0.0%	1.0%
Calendar effect at Group level	-1.0%	-0.5%	0.9%	0.2%	-0.1%
Europe	-0.9%	-0.5%	1.4%	-0.5%	-0.2%
<i>USA</i>	-1.7%	-0.1%	0.0%	1.6%	0.0%
<i>Canada</i>	0.0%	-1.6%	1.6%	0.0%	0.0%
North America	-1.4%	-0.4%	0.3%	1.2%	0.0%
<i>Asia</i>	-0.1%	-0.5%	-0.5%	0.6%	-0.1%
<i>Pacific</i>	0.2%	-1.7%	1.6%	0.1%	0.0%
Asia-Pacific	0.0%	-1.1%	0.6%	0.4%	0.0%

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

Q4	Europe	North America	Asia-Pacific	Group
Reported sales 2017	1,912.1	1,155.3	336.5	3,403.9
+/- Net currency effect	-0.3%	2.2%	-2.5%	0.3%
+/- Net scope effect	0.0%	0.0%	-5.3%	-0.5%
= Comparable sales 2017	1,906.0	1,180.2	310.4	3,396.6
+/- Actual-day organic growth, of which:	-0.2%	8.5%	1.1%	3.0%
<i>Constant-same day excl. copper</i>	-0.4%	7.3%	-0.4%	2.3%
<i>Copper effect</i>	-0.4%	-0.4%	0.3%	-0.3%
Constant-same day incl. copper	-0.8%	6.9%	-0.1%	1.9%
Calendar effect	0.6%	1.6%	1.2%	1.1%
= Reported sales 2018	1,902.2	1,280.8	313.9	3,496.9
YoY change	-0.5%	10.9%	-6.7%	2.7%

FY	Europe	North America	Asia-Pacific	Group
Reported sales 2017	7,286.9	4,707.1	1,309.0	13,303.0
+/- Net currency effect	-0.9%	-4.3%	-4.6%	-2.5%
+/- Net scope effect	0.0%	0.0%	-7.5%	-0.7%
= Comparable sales 2017	7,221.5	4,505.2	1,150.0	12,876.7
+/- Actual-day organic growth, of which:	1.8%	6.6%	5.6%	3.8%
<i>Constant-same day excl. copper</i>	1.3%	5.6%	4.9%	3.1%
<i>Copper effect</i>	0.4%	0.5%	0.3%	0.4%
Constant-same day incl. copper	1.7%	6.1%	5.2%	3.5%
Calendar effect	0.1%	0.5%	0.4%	0.3%
= Reported sales 2018	7,350.0	4,801.3	1,214.4	13,365.7
YoY change	0.9%	2.0%	-7.2%	0.5%

DISCLAIMER

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

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

This document may contain statements of future expectations and other forward-looking statements. By their nature, they are subject to numerous risks and uncertainties, including those described in the Document de Référence registered with the French Autorité des Marchés Financiers (AMF) on April 4, 2018 under number D.18-0263. These forward-looking statements are not guarantees of Rexel's future performance, Rexel's actual results of operations, financial condition and liquidity as well as development of the industry in which Rexel operates may differ materially from those made in or suggested by the forward-looking statements contained in this release. The forward-looking statements contained in this communication speak only as of the date of this communication and Rexel does not undertake, unless required by law or regulation, to update any of the forward-looking statements after this date to conform such statements to actual results to reflect the occurrence of anticipated results or otherwise.

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

This document includes only summary information and must be read in conjunction with Rexel's Document de Référence registered with the AMF on April 4, 2018 under number D.18-0263, as well as the consolidated financial statements and activity report for the 2018 fiscal year which may be obtained from Rexel's website (www.rexel.com).