

OPERATIONAL EXCELLENCE AND **FURTHER INVESTMENT**



20.2
BILLION EUROS
OF SALES

+17.7%
VERSUS 2014

**FRANÇOIS
PONCÉT**

CHIEF FINANCIAL OFFICER

SALES PERFORMANCE

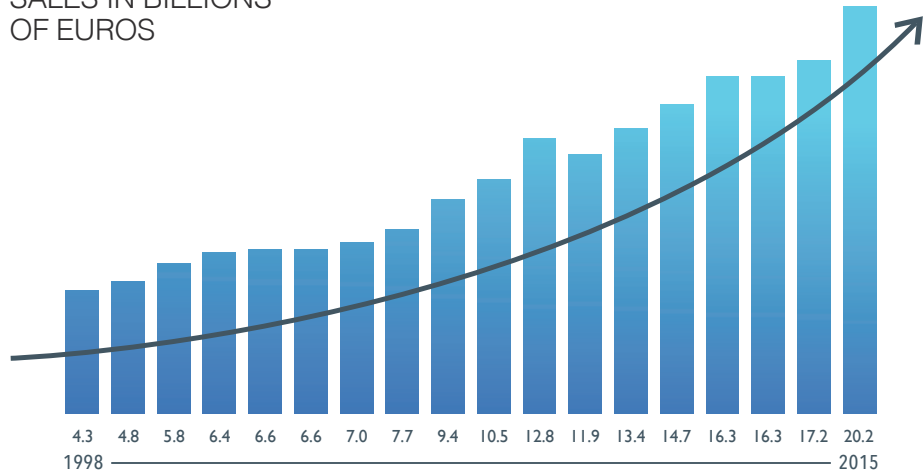
While business was down for our main competitors in 2015, Sonepar recorded sales of €20.2 billion. For the past ten years, we have had an average annual growth rate of over 10%.

I have identified three noteworthy points in this past year. First, our sales exceeded the €20-billion mark, reaching €20.2 billion. That's €3 billion more than in 2014. Our strong growth for the year can be analyzed as follows. The acquisitions we made in 2014 and 2015 accounted for 50% of the total, exchange rates for another 37% and autonomous growth for the remaining 13%, whereas our main competitors saw their sales decrease this past year. Admittedly, our autonomous growth was a bit lower in the second half of the year, due in part

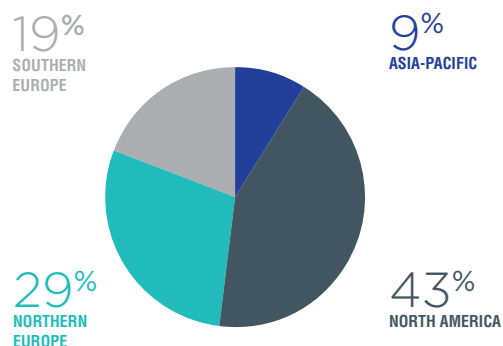
to the slowdown in the US economy that began in July. At the same time, copper prices held fairly steady in 2015 and therefore had very little impact on our business.

The second point that comes to mind is that the geographic balance in our sales shifted this past year as a result of our global strategy. 2015 was the first year in which we made over half of our sales outside of Europe. The key factors at work were our expansion in the United States—fueled by strong autonomous growth, acquisitions and an exchange rate that was

SALES IN BILLIONS OF EUROS



SALES BY REGION



favorable to the euro—and in Asia-Pacific. In contrast, we had a harder time in Australia due to commodity prices, and in Brazil, a country affected by a slowing economy and political instability. Those developments led us to recognize goodwill depreciation in both countries.

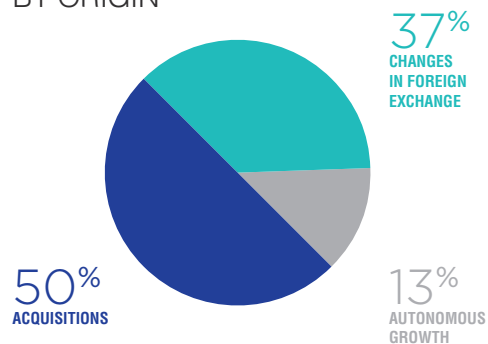
The third “hallmark” of the year was that we pressed ahead with our vigorous acquisition policy. In 2015, we carried out nineteen acquisitions in ten countries (including three new ones) across our four Regions. On a full-year basis, those additional entities represent sales of over €1 billion. And while these acquisitions were a major investment for us, Sonepar’s cash flow was still sufficient to finance the distribution of dividends and to support sales growth, while keeping the Group well below its security ratios. This past year, we took advantage of the

19
ACQUISITIONS
IN 2015

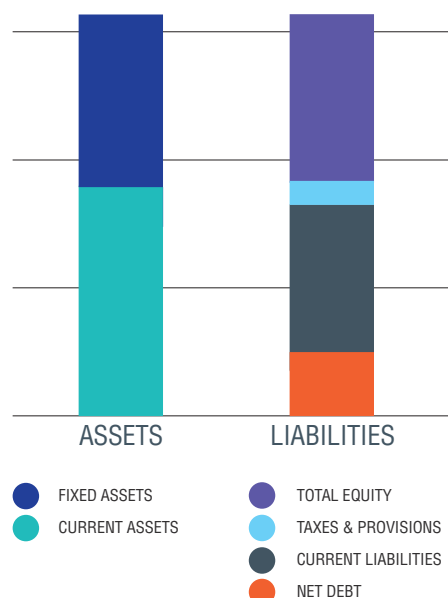
liquidity in the market and favorable interest rates to put our finances on a more sound footing. We now have confirmed lines of credit totaling €4 billion with an average term of five years.

In 2016, we will move forward with integration of the entities we acquired in the last two years. Sales figures will be harder to achieve due to global macroeconomic uncertainty and the indirect influence of changes in copper and oil prices. Sonepar will be focusing on operational excellence and e-commerce, and maintaining our ambitious investment policy. We have the resources we need to achieve that—without departing from our necessary financial prudence.

SALES GROWTH BY ORIGIN



SIMPLIFIED BALANCE SHEET



DEBT AND LINES OF CREDIT

