

PRESS RELEASE

Electrical Industry Well Positioned to Expand in face of Energy Efficiency Boom

New study finds Americans Driving Adoption of Energy Efficient Technologies

Dallas, TX - June 11th, 2013 – The United States has made great strides in becoming more energy efficient and is well positioned for future growth in the sector, according to consumers and the industry in a new study from the Rexel Foundation, *a recently launched charitable initiative founded by Rexel, a global leader in the professional distribution of products and services for the energy world.*

Published today, the Rexel Foundation study which looks at the state of energy efficiency, found that 94% of US electrical contractors feel well positioned for energy efficiency work and 79% think that the United States is advanced in adopting energy efficiency versus other countries. An overwhelming 98% would also recommend specializing in energy efficiency to today's young electrical contractors. This confidence is supported by consumer findings, which show that 75% of consumers have made energy efficiency improvements to their homes in the last 5 years and 70% plan to do so in the near future.

However, the study has uncovered several key obstacles impeding our progress as we look to become a more energy efficient society. By polling both electrical contractors and consumers, the study also identified the perceived disconnects between American homeowners and those in the industry, which can help address some of the key issues and effect change.

The study was also conducted in Germany, France and the United Kingdom, and unveiled interesting comparisons between energy efficiency progress in the United States and Europe.

The Ramifications of Energy Inefficiency

If nothing is done to improve energy efficiency in the United States, we will be left in a vulnerable position with negative consequences across several key areas.

According to the consumer survey, 92% of Americans agree that if nothing is done to improve energy efficiency the cost of energy will continue to rise, 83% said that political tensions will increase as we become more dependent on other countries to provide our energy, while 82% of respondents felt that more people will be unable to pay their bills and fall into fuel poverty. Finally, more than three quarters of Americans (78%) agree that irreversible damage will be made to the environment.



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UNDER THE AEGIS OF THE FONDATION DE FRANCE

Chris Hartmann, Executive Vice President and CEO Rexel Holdings USA, said: “As a whole, the electrical industry is well-positioned to take advantage of what appears to be a growth trend toward more energy efficient upgrades in U.S. households.

“In just a few years, we’ve made great strides in creating an environment that has facilitated the implementation of energy efficient solutions in both the residential and commercial construction sectors. However, there are still a lot of improvements that can be achieved and it will take the collective effort of the industry, government and consumers alike if we want to make a serious impact to improve our energy efficiency.”

The Rexel Foundation Study in focus

A Strong Desire to Change

With 70% of consumers planning to make energy efficient improvements to their homes in the next five years, the energy efficiency sector holds great potential. Solutions that ranked the most popular among respondents include LED lighting, insulation (window, wall, etc.) occupancy sensors and energy efficient heating and air conditioning systems.

Data also showed that today’s younger generation of consumers are more likely to make such improvements. It appears that those aged 18-34, who have grown-up in a world embedded in technology are more comfortable utilizing today’s newer, more technologically advanced products and solutions. Excluding energy audits and passive measures such as upgrading insulation of windows, walls and roofs, the age demographic of people planning “active technology driven” energy efficient upgrades in the next five years can be split as follows:

- 18-24 years – 68%
- 25-34 years – 68%
- 35-49 years – 52%
- 50-64 years – 44%
- 65 years+ – 28%

And with 79% of respondents from the electrical industry in agreement that the U.S. is very much or reasonably advanced in adopting energy efficiency, this compares very favorably to the European countries polled in the study. 79% of German contractors were on par with the US, but only 7% of contractors in France and 20% of contractors in the U.K. felt they were very much or reasonably advanced.

Cost is the Catalyst for Change

The United States is emerging from a difficult economic environment and the data collected from the Rexel Foundation study reinforces the belief that money is still top-of-mind for most consumers.

Among those polled, 76% said that a reduction in their energy bills was the primary reason why improvements were made to their home. Reflecting the strong environmental movement in this country, *Concern for the Environment* ranked second with 35%.

American consumers also believe that by upgrading to more energy efficient products and solutions, the potential for cost savings to their energy bills is significant. This point is reinforced by an overwhelming majority with 93% of American consumers stating that they are convinced that investing in energy efficiency products will allow them to save money.

Among those respondents, 56% think they could save up to 20% or more on their bills per year (26% of consumers would expect savings of up to 30% or more per year).

Although the majority of Americans are planning to make energy improvements to their homes, the cost and other financial considerations are cited as the recurring reason why we are not doing more. When consumers were asked *“What needs to be done on a local, national and international level to encourage people to make greater energy efficiency improvements to their homes:”*

- 59% insist that to encourage people to make energy efficiency improvements in the future the price of technologies and products will have to come down
- 35% say better financial incentives or subsidies from the government are needed
- 30% say access to attractive financial packages/plans to help them manage the cost would make a difference

Those within the industry see a similar pattern in their businesses. When electrical contractors were asked, *“What do you think are the greatest obstacles for customers”*, those surveyed said:

- The high price of energy efficient products/new technology – 40%
- A limited disposable income/budget – 34%
- Poor understanding/awareness of the subsidies/tax incentives that are available to them – 28%

Energy Efficiency Must Come from Within

The Rexel Foundation’s study addressed the issue of responsibility and the results showed differing perspectives between consumers and contractors.

42% of contractors felt that it was the role of the federal government to promote energy efficiency as a whole, followed by 38% saying it was the role of utilities/energy companies and 25% who said state or local governments are responsible.

The importance of the role of government was further highlighted by 78% of contractors who absolutely or somewhat agreed with the statement that; *“if the government does not intervene by imposing strict regulations, consumers will not do a great deal to adopt energy efficiency solutions and the energy sector will not take off.”*

Interestingly, consumers said that responsibility for improving energy efficiency in the home falls primarily on themselves (42%), followed by Utilities (29%), state, regional or local government (22%) and the Federal Government (20%).

Greater Awareness and access to simplified solutions are needed

When contractors were asked the question, “*What are the reasons stopping your customers from adopting energy efficient solutions*” the most popular, non-financially related response was ‘*lack of knowledge/awareness of what energy efficiency is all about*’ (46%). That was followed closely by ‘*the complexity of technology/products and a fear of not understanding how to use them*’ (33%).

This was reinforced by the fact that 64% of contractors also said that knowing how to explain the use and benefits of the products and technologies would help them to better advise their customers on energy efficiency in the future.

Consumers had a similar feeling towards this issue with 18% saying they are overwhelmed by the number of different products/technology available and that the products are too complex 11%.

Conclusions

The survey conducted by the Rexel Foundation shows that while Americans are gaining ground in the race to become more energy efficient and they have a greater willingness to do so, there is still a lot of work that needs to happen in order to make this goal a reality.

Cost serves as the catalyst for change. Reducing cost is the biggest reason cited for becoming more energy efficient, but cost is also the primary reason prohibiting consumers from doing so.

While the Federal Government and industry play a key role in advancing the energy efficiency agenda, consumers understand that the responsibility also falls on them in order to make a difference. It also appears that today’s younger generation could also serve as the frontrunners for driving progress in energy efficiency in the future.

Methodology

This survey was conducted on-behalf of the Rexel Foundation for a better energy future by OpinionWay. A sample size of 2,021 individuals aged 18 years and over, representative of the population of the United States of America were interviewed for the US consumer poll. The uncertainty margin is between 0.5 and 2 points for the full sample size (including the USA, France, the UK and Germany).

A sample size of 100 electrical contractors, with 10 or fewer employees, working in the residential sector in the United States of America, were interviewed for the US industry poll. The uncertainty margin is between 2 and 5 points for the full sample size (including the USA, France, the UK and Germany).

All responses were collected online with the CAWI system (Computer Assistance for Web Interview) and fieldwork was conducted from April 10 – 22, 2013.

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About the Rexel Foundation for a better energy future

The Rexel Foundation for a better energy future was founded in May 2013 by the Rexel Group, a global leader in the professional distribution of products and services for the energy world, under the aegis of the Foundation de France. The Rexel Foundation's mission is to promote access to energy efficiency for all based on three key pillars: to improve understanding and raise awareness of energy efficiency; to encourage innovation through research and education, and to support community projects both in France and abroad in partnership with NGOs, social entrepreneurs and other key stakeholders. For more information, please visit: www.rexelfoundation.com

About Rexel Holdings USA

Rexel Holdings USA is the U.S. subsidiary of the Rexel Group, a global leader in the professional distribution of products and services for the energy world. With annual sales of more than \$4.2 billion in 2012, more than 6,200 employees and some 400 branches throughout the U.S., Rexel Holdings USA is a market leader serving the industrial, commercial and residential electrical contractor markets. Through its portfolio of businesses, including Gexpro, Gexpro Services, Rexel Inc., Rexel International Projects Group, Capitol Light, Parts Super Center, Munro Distributing Company and Platt Electric Supply, the Company offers an integrated platform of products, solutions and services in datacom, energy efficiency and renewable energy, from lighting upgrades to alternative energy technologies, helping customers maximize their business operations. For more information, please visit www.rexelholdingsusa.com

About Rexel Group

Rexel, a global leader in the professional distribution of products and services for the energy world, addresses three main markets - industrial, commercial and residential. The Group supports customers around the globe, wherever they are, to create value and run their businesses better. With a network of some 2,300 branches in 37 countries, and over 31,000 employees, Rexel's sales were €13.4 billion in 2012. Its major shareholders are an investor group led by Clayton, Dubilier & Rice, Eurazeo and BAML Capital Partners.

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, FTSE4Good, STOXX600, STOXX Europe Sustainability, Euronext Vigeo Europe 120 and ASPI Eurozone.

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