



Wesco International Reports Second Quarter 2025 Results

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- *Second quarter reported net sales up 7.7% YOY*
 - *Organic sales up 7.2% YOY and up 6.2% sequentially*
 - *Data center sales eclipsed \$1 billion, up ~65% YOY*
- *Second quarter EBITDA margin of 6.7%, up 90 basis points sequentially*
- *Second quarter diluted EPS of \$3.83; adjusted diluted EPS of \$3.39, up 6% YOY*
- *Backlog up YOY and sequentially across all three business units*
- *Preferred stock redeemed in June, creating substantial net income, EPS and cash flow benefits*
- *Full year 2025 organic sales growth outlook raised; reflects positive sales momentum from the first seven months of the year*

PITTSBURGH, July 31, 2025 /PRNewswire/ -- Wesco International (NYSE: WCC), a leading provider of business-to-business distribution, logistics services and supply chain solutions, announces its results for the second quarter of 2025.

"We continued to build on our positive sales momentum in the first half of 2025 and outperformed the market with our leading portfolio of products, services, and solutions. Sales growth is accelerating, with organic sales up 6% in the first quarter, 7% in the second quarter, and preliminary July sales per workday up approximately 10% year-over-year. The second quarter performance was led by 17% organic growth in CSS and 6% organic growth in EES. Total data center sales eclipsed \$1B in the quarter, setting a new mark, and were up 65% versus the prior year. And, on an encouraging note, our Utility business has begun to show signs of improvement as sales to investor-owned utilities returned to growth in the second quarter. Our Wesco opportunity pipeline continues to grow, bid activity levels remain very strong, and backlog is at record levels, increasing both year-over-year and sequentially across all three business segments. Adjusted EBITDA margin was up 90 basis points sequentially as we generated strong operating leverage on higher topline sales and stable gross margin. All in all, we're off to a good start in the first half of 2025 and we are building on that momentum for the remainder of the year," said John Engel, Chairman, President, and CEO.

Mr. Engel added, "As planned, we completed the redemption of our preferred stock in June improving both our cash flow and earnings per share run rates. Following this redemption, we have no significant debt maturities until 2028 and have strong liquidity to execute our capital allocation priorities. As we outlined in our last Investor Day, over 75% of our free cash flow generation is targeted to debt reduction, stock buybacks and acquisitions."

Mr. Engel concluded, "We are raising our full-year organic sales growth outlook based on our positive momentum through the first seven months of 2025 while maintaining our EPS mid-point. We remain firmly focused on executing our cross-selling initiatives and enterprise-wide margin improvement program while delivering operational improvements enabled by our technology-driven

business transformation. As the market leader, the enduring secular trends of AI-driven data centers, increased power generation, electrification, automation, and reshoring underpin my confidence that Wesco will continue to outperform our markets this year."

Key Financial Highlights

	Three Months Ended June 30			Six Months Ended June 30		
	2025	2024	Change vs prior	2025	2024	Change vs prior
<i>(\$ in millions except per share data)</i>	Reported	Reported	year quarter	Reported	Reported	year
	GAAP Results					
Net sales	\$5,899.6	\$5,479.7	7.7 %	\$11,243.3	\$10,829.7	3.8 %
Selling general, and administrative expenses	\$872.2	\$828.4	5.3 %	\$1,708.5	\$1,657.8	3.1 %
Net income attributable to common stockholders	\$189.2	\$217.7	(13.1) %	\$293.2	\$319.2	(8.1) %
Earnings per diluted share	\$3.83	\$4.28	(10.5) %	\$5.92	\$6.22	(4.8) %
Operating cash flow	\$107.8	\$(223.8)	148.2 %	\$135.8	\$522.5	(74.0) %
Effective tax rate	26.1 %	27.4 %	(130) basis points	25.0 %	25.4 %	(40) basis points
	2025	2024	Change vs prior	2025	2024	Change vs prior
<i>(\$ in millions except per share data)</i>	Adjusted	Adjusted	year quarter	Adjusted	Adjusted	year
	Non-GAAP Results					
Organic sales growth (decline)	7.2 %	(0.8) %	N/A	6.4 %	(2.0) %	N/A
Gross profit	\$1,242.7	\$1,198.0	3.7 %	\$2,368.3	\$2,335.9	1.4 %
Gross margin	21.1 %	21.9 %	(80) basis points	21.1 %	21.6 %	(50) basis points
Adjusted selling, general, and administrative expenses	\$864.1	\$803.6	7.5 %	\$1,693.1	\$1,614.1	4.9 %
Adjusted EBITDA	\$394.2	\$400.1	(1.5) %	\$704.9	\$740.5	(4.8) %
Adjusted EBITDA margin	6.7 %	7.3 %	(60) basis points	6.3 %	6.8 %	(50) basis points
Adjusted net income attributable to common stockholders	\$167.5	\$163.5	2.4 %	\$277.2	\$282.9	(2.0) %
Adjusted earnings per diluted share	\$3.39	\$3.21	5.6 %	\$5.60	\$5.51	1.6 %
Free cash flow	\$86.5	\$(234.1)	137.0 %	\$95.9	\$497.3	(80.7) %

Net Sales

- On an organic basis, which removes the impact of the Ascent, LLC ("Ascent") acquisition, sales for the second quarter of 2025 grew by 7.2%. The increase in organic sales reflects volume and price growth in the CSS and EES segments, partially offset by a volume decline in the UBS segment. Sequentially, net sales increased 10.4% and organic sales grew by 6.2%. Backlog at the end of the second quarter of 2025 increased by 11% compared to the end of the second quarter of 2024. Sequentially, backlog increased by approximately 5%.
- On an organic basis, which removes the impact of the Wesco Integrated Supply ("WIS") divestiture and Ascent acquisition, differences in foreign exchange rates, and the impact from the number of workdays, sales for the first six months of 2025 grew by 6.4%. The increase in organic sales reflects volume and price growth in the CSS and EES segments, partially offset by a volume decline in the UBS segment.

Gross Profit and Gross Margin

- The decrease in gross margin for the three and six months ended June 30, 2025 reflects a decrease in all three segments. Lower gross margin was driven by increased project activity

and product mix in the EES segment and growth with hyperscale data center customers in the CSS segment, which is inclusive of higher inventory adjustments, partially offset by higher supplier volume rebates. Sequentially, gross margin remained flat.

Selling, General, and Administrative ("SG&A") Expenses

- The increase in SG&A expenses for the second quarter of 2025 is driven by higher salaries and benefits, increased costs to operate our facilities, an increase in transportation costs, and higher IT costs, partially offset by a decrease in other income and deductions. SG&A expenses for the second quarter of 2025 include \$8.1 million of digital transformation and restructuring costs. SG&A expenses for the second quarter of 2024 include a \$17.8 million loss on abandonment of assets and \$7.0 million of digital transformation and restructuring costs. Adjusted for these costs, SG&A expenses were 14.6% and 14.7% of net sales for the second quarter of 2025 and 2024, respectively, reflecting operating cost leverage on sales growth.
- The increase in SG&A expenses for the first six months of 2025 is driven by higher salaries and benefits, increased costs to operate our facilities, an increase in transportation costs, and higher IT costs, partially offset by a decrease in other income and deductions. SG&A expenses for the first six months of 2025 include \$15.4 million of digital transformation and restructuring costs. SG&A expenses for the first six months of 2024 include \$21.1 million of digital transformation and restructuring costs, a \$17.8 million loss on abandonment of assets, and \$4.8 million of excise taxes on excess pension plan assets. Adjusted for these costs, SG&A expenses were 15.1% and 14.9% of net sales for the first six months of 2025 and 2024, respectively.

Adjusted EBITDA and Adjusted EBITDA Margin

- The decrease in Adjusted EBITDA for the second quarter of 2025 primarily reflects lower gross margin due to large project wins, and a \$43.8 million increase in SG&A expenses as described above. Sequentially, Adjusted EBITDA margin increased 90 basis points.
- The decrease in Adjusted EBITDA for the first six months of 2025 primarily reflects lower gross margin due to large project wins, and a \$50.7 million increase in SG&A expenses as described above.

Effective Tax Rate

- The lower effective tax rate for the second quarter of 2025 is due to a higher provision for income taxes related to uncertain tax positions in the prior year period. The effective tax rate for the first six months of 2025 remained relatively consistent with the first six months of 2024.

Adjusted Earnings Per Diluted Share

- The increase in adjusted earnings per diluted share in the second quarter of 2025 primarily reflects lower adjusted EBITDA and a \$10.5 million decrease in adjusted other income primarily due to fluctuations in the U.S. dollar against certain foreign currencies, in which we recognized a net foreign currency exchange gain of \$3.0 million for the second quarter of 2025 compared to a net loss of \$3.4 million for the second quarter of 2024. Further, there was a \$6.0 million decrease in interest expense primarily due to debt refinancing activities and lower interest rates. There was a positive impact from the reduction in outstanding shares during the second quarter of 2025 as compared to the second quarter of 2024.
- The increase in adjusted earnings per diluted share in the first six months of 2025 primarily

reflects lower adjusted EBITDA, offset by a \$14.0 million decrease in interest expense due to debt refinancing activities and lower interest rates. Further, there was a \$26.7 million decrease in adjusted other income primarily due to fluctuations in the U.S. dollar against certain foreign currencies, in which we recognized an immaterial net foreign currency exchange gain for the first six months of 2025 compared to a net loss of \$20.7 million for the first six months of 2024. There was a positive impact from the reduction in outstanding shares during the first six months of 2025 as compared to the first six months of 2024.

Operating Cash Flow

- The net operating cash inflow in the second quarter of 2025 was primarily driven by net income of \$174.8 million and non-cash adjustments to net income totaling \$63.6 million, which primarily comprised depreciation and amortization, stock-based compensation expense, and amortization of debt issuance costs and debt discount. The inflow was partially offset by a net outflow of \$187.2 million from changes in net working capital consisting of an increase in trade accounts receivable of \$242.5 million primarily due to the timing of receipts from customers and an increase in inventories resulting in a use of cash of \$175.7 million, partially offset by an increase in accounts payable resulting in a cash inflow of \$230.9 million primarily due to the timing of payments to suppliers as well as inventory purchases. Other sources of cash include \$39.1 million from an increase in accrued payroll and benefit costs, primarily comprised of an increase in accrued variable compensation, accrued salaries and wages, and accrued sales incentives.
- The net operating cash inflow for the first six months of 2025 was primarily driven by net income of \$293.1 million and non-cash adjustments to net income totaling \$130.0 million, which primarily comprised depreciation and amortization, stock-based compensation expense, and amortization of debt issuance costs and debt discount. The inflow was partially offset by a net outflow of \$259.6 million from changes in working capital consisting of an increase in trade accounts receivable of \$431.2 million primarily due to the timing of receipts from customers and an increase in inventories resulting in a use of cash of \$403.1 million, partially offset by an increase in accounts payable resulting in a cash inflow of \$574.7 million. Uses of cash in the first six months of 2025 also included a decrease in accrued payroll and benefit costs of \$38.0 million primarily due to the payment of management incentive compensation earned in 2024 and a decrease in accrued sales incentives.

Webcast and Teleconference Access

Wesco will conduct a webcast and teleconference to discuss the second quarter of 2025 earnings as described in this News Release on Thursday, July 31, 2025, at 10:00 a.m. E.T. The call will be broadcast live over the internet and can be accessed from the Investor Relations page of the Company's website at <https://investors.wesco.com>. The call will be archived on this internet site for seven days.

Wesco International (NYSE: WCC) builds, connects, powers and protects the world. Headquartered in Pittsburgh, Pennsylvania, Wesco is a FORTUNE 500® company with approximately \$22 billion in annual sales in 2024 and a leading provider of business-to-business distribution, logistics services and supply chain solutions. Wesco offers a best-in-class product and services portfolio of Electrical and Electronic Solutions, Communications and Security Solutions, and Utility and Broadband Solutions. The Company employs approximately 20,000 people, partners with the industry's premier suppliers, and serves thousands of customers around the world. With millions of products, end-to-end supply chain services, and leading digital capabilities, Wesco provides innovative

solutions to meet customer needs across commercial and industrial businesses, contractors, educational institutions, government agencies, technology companies, telecommunications providers, and utilities. Wesco operates more than 700 sites, including distribution centers, fulfillment centers, and sales offices in approximately 50 countries, providing a local presence for customers and a global network to serve multi-location businesses and global corporations.

Forward-Looking Statements

All statements made herein that are not historical facts should be considered as "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially. These statements include, but are not limited to, statements regarding business strategy, growth strategy, competitive strengths, productivity and profitability enhancement, competition, new product and service introductions, and liquidity and capital resources. Such statements can generally be identified by the use of words such as "anticipate," "plan," "believe," "estimate," "intend," "expect," "project," and similar words, phrases or expressions or future or conditional verbs such as "could," "may," "should," "will," and "would," although not all forward-looking statements contain such words. These forward-looking statements are based on current expectations and beliefs of Wesco's management, as well as assumptions made by, and information currently available to, Wesco's management, current market trends and market conditions and involve risks and uncertainties, many of which are outside of Wesco's and Wesco's management's control, and which may cause actual results to differ materially from those contained in forward-looking statements. Accordingly, you should not place undue reliance on such statements.

Important factors that could cause actual results or events to differ materially from those presented or implied in the forward-looking statements include, among others, the failure to achieve the anticipated benefits of, and other risks associated with, acquisitions, joint ventures, divestitures and other corporate transactions; the inability to successfully integrate acquired businesses; the impact of increased interest rates or borrowing costs; fluctuations in currency exchange rates; evolving impacts from tariffs or other trade tensions between the U.S. and other countries (including implementation of new tariffs and retaliatory measures); failure to adequately protect Wesco's intellectual property or successfully defend against infringement claims; the inability to successfully deploy new technologies, digital products and information systems or to otherwise adapt to emerging technologies in the marketplace, such as those incorporating artificial intelligence; failure to execute on our efforts and programs related to environmental, social and governance (ESG) matters; unanticipated expenditures or other adverse developments related to compliance with new or stricter government policies, laws or regulations, including those relating to data privacy, sustainability and environmental protection; the inability to successfully develop, manage or implement new technology initiatives or business strategies, including with respect to the expansion of e-commerce capabilities and other digital solutions and digitalization initiatives; disruption of information technology systems or operations; natural disasters (including as a result of climate change), health epidemics, pandemics and other outbreaks; supply chain disruptions; geopolitical issues, including the impact of the evolving conflicts in the Middle East and Russia/Ukraine; the impact of sanctions imposed on, or other actions taken by the U.S. or other countries against, Russia or China; the failure to manage the increased risks and impacts of cyber incidents or data breaches; and exacerbation of key materials shortages, inflationary cost pressures, material cost increases, demand volatility, and logistics and capacity constraints, any of which may have a material adverse effect on the Company's business, results of operations and financial condition. All such factors are difficult to predict and are beyond the Company's control. Additional factors that

could cause results to differ materially from those described above can be found in Wesco's most recent Annual Report on Form 10-K and other periodic reports filed with the U.S. Securities and Exchange Commission.

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<http://www.wesco.com>

WESCO INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per share amounts)

(Unaudited)

	Three Months Ended			
	June 30, 2025		June 30, 2024	
Net sales	\$	5,899.6	\$	5,479.7
Cost of goods sold (excluding depreciation and amortization)		4,656.9	78.9 %	4,281.7 78.1 %
Selling, general and administrative expenses		872.2	14.8 %	828.4 15.1 %
Depreciation and amortization		48.3		46.1
Income from operations		322.2	5.5 %	323.5 5.9 %
Interest expense, net		92.9		98.8
Other income, net		(7.3)		(95.9)
Income before income taxes		236.6	4.0 %	320.6 5.9 %
Provision for income taxes		61.8		87.8
Net income		174.8	3.0 %	232.8 4.2 %
Less: Net income attributable to noncontrolling interests		0.3		0.7
Net income attributable to WESCO International, Inc.		174.5	3.0 %	232.1 4.2 %
Plus: Gain on redemption of Series A Preferred Stock		27.6		—
Less: Preferred stock dividends		12.9		14.4
Net income attributable to common stockholders	\$	189.2	3.2 %	\$ 217.7 4.0 %
Earnings per diluted share attributable to common stockholders	\$	3.83	\$	4.28
Weighted-average common shares outstanding and common share equivalents used in computing earnings per diluted common share		49.4		50.9

WESCO INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per share amounts)

(Unaudited)

	Six Months Ended			
	June 30, 2025		June 30, 2024	
Net sales	\$	11,243.3	\$	10,829.7
Cost of goods sold (excluding depreciation and amortization)		8,875.0	78.9 %	8,493.8 78.4 %
Selling, general and administrative expenses		1,708.5	15.2 %	1,657.8 15.3 %
Depreciation and amortization		96.7		91.6
Income from operations		563.1	5.0 %	586.5 5.4 %
Interest expense, net		179.2		193.2
Other income, net		(7.1)		(74.3)
Income before income taxes		391.0	3.5 %	467.6 4.3 %
Provision for income taxes		97.9		118.7
Net income		293.1	2.6 %	348.9 3.2 %
Less: Net income attributable to noncontrolling interests		0.2		1.0
Net income attributable to WESCO International, Inc.		292.9	2.6 %	347.9 3.2 %
Plus: Gain on redemption of Series A Preferred Stock		27.6		—
Less: Preferred stock dividends		27.3		28.7
Net income attributable to common stockholders	\$	293.2	2.6 %	\$ 319.2 2.9 %
Earnings per diluted share attributable to common stockholders	\$	5.92	\$	6.22
Weighted-average common shares outstanding and common share equivalents used in computing earnings per diluted common share		49.5		51.3

WESCO INTERNATIONAL, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

(dollar amounts in millions)

(Unaudited)

	As of	
	June 30, 2025	December 31, 2024
Assets		
Current Assets		
Cash and cash equivalents	\$ 667.0	\$ 702.6
Trade accounts receivable, net	3,942.8	3,454.4
Inventories	3,971.2	3,501.7
Other current assets	662.6	692.7
Total current assets	9,243.6	8,351.4
Goodwill and intangible assets	5,166.8	5,116.0
Other assets	1,792.1	1,594.0
Total assets	\$ 16,202.5	\$ 15,061.4

Liabilities and Stockholders' Equity**Current Liabilities**

Accounts payable	\$	3,291.4	\$	2,670.6
Short-term debt and current portion of long-term debt, net		27.3		19.5
Other current liabilities		1,112.5		1,113.9
Total current liabilities		4,431.2		3,804.0

Long-term debt, net		5,641.2		5,045.5
Other noncurrent liabilities		1,375.1		1,246.4
Total liabilities		11,447.5		10,095.9

Stockholders' Equity

Total stockholders' equity		4,755.0		4,965.5
Total liabilities and stockholders' equity	\$	16,202.5	\$	15,061.4

WESCO INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(dollar amounts in millions)

(Unaudited)

	Six Months Ended	
	June 30, 2025	June 30, 2024
Operating Activities:		
Net income	\$ 293.1	\$ 348.9
Add back (deduct):		
Depreciation and amortization	96.7	91.6
Gain on divestiture	—	(102.9)
Loss on abandonment of assets	—	17.8
Change in trade receivables, net	(431.2)	(258.8)
Change in inventories	(403.1)	18.9
Change in accounts payable	574.7	341.9
Other, net	5.6	65.1
Net cash provided by operating activities	135.8	522.5
Investing Activities:		
Capital expenditures	(42.2)	(41.2)
Acquisition payments, net of cash acquired	(36.0)	(30.1)
Proceeds from divestiture, net of cash transferred	—	334.2
Other, net	1.3	6.2
Net cash (used in) provided by investing activities	(76.9)	269.1
Financing Activities:		

Debt borrowings (repayments), net ⁽¹⁾	605.0	(118.3)
Payments for taxes related to net-share settlement of equity awards	(18.4)	(26.0)
Repurchases of common stock	(50.0)	(350.0)
Redemption of preferred stock	(540.3)	—
Payment of common stock dividends	(44.2)	(41.2)
Payment of preferred stock dividends	(27.3)	(28.7)
Other, net	(33.1)	(17.2)
Net cash used in financing activities	(108.3)	(581.4)
Effect of exchange rate changes on cash and cash equivalents	13.8	(17.8)
Net change in cash and cash equivalents	(35.6)	192.4
Cash and cash equivalents at the beginning of the period	702.6	524.1
Cash and cash equivalents at the end of the period	\$ 667.0	\$ 716.5

(1) The six months ended June 30, 2025 includes the issuance of the Company's \$800 million aggregate principal amount of 6.375% Senior Notes due 2033 (the "2033 Notes"). The Company used the net proceeds from the issuance of the 2033 Notes to redeem all of the Company's outstanding 10.625% Series A Fixed-Rate Reset Cumulative Perpetual Preferred Stock (the "Series A Preferred Stock") and all of the related depositary shares representing fractional interests in the Series A Preferred Stock, and to repay a portion of the amounts outstanding under the Revolving Credit Facility. The six months ended June 30, 2024 includes the issuance of the Company's \$900 million aggregate principal amount of 6.375% senior notes due 2029 (the "2029 Notes") and \$850 million aggregate principal amount of 6.625% senior notes due 2032 (the "2032 Notes" and, together with the 2029 Notes, the "2029 and 2032 Notes"). The proceeds from the issuance of the 2029 and 2032 Notes were used for the redemption of the Company's \$1,500 million aggregate principal amount of 7.125% Senior Notes due 2025 (the "2025 Notes") and for other corporate purposes.

NON-GAAP FINANCIAL MEASURES

In addition to the results provided in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP") above, this earnings release includes certain non-GAAP financial measures. These financial measures include organic sales growth, gross profit, gross margin, earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted EBITDA, adjusted EBITDA margin, financial leverage, free cash flow, adjusted selling, general and administrative expenses, adjusted income from operations, adjusted operating margin, adjusted other non-operating (income) expense, adjusted provision for income taxes, adjusted income before income taxes, adjusted net income, adjusted net income attributable to WESCO International, Inc., adjusted net income attributable to common stockholders, and adjusted earnings per diluted share. The Company believes that these non-GAAP measures are useful to investors as they provide a better understanding of our financial condition and results of operations on a comparable basis. Additionally, certain non-GAAP measures either focus on or exclude items impacting comparability of results such as digital transformation costs, restructuring costs, cloud computing arrangement amortization, pension settlement cost and excise taxes on excess pension plan assets related to the final settlement of the Anixter Inc. Pension Plan, loss on abandonment of assets, the gain recognized on the divestiture of the WIS business, the loss on termination of business arrangement, and the related income tax effects, as well as the gain on the redemption of the Series A Preferred Stock, allowing investors to more easily compare the Company's financial performance from period to period. Management does not use these non-GAAP financial measures for any purpose other

than the reasons stated above.

WESCO INTERNATIONAL, INC.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(in millions, except per share amounts)

(Unaudited)

Organic Sales Growth by Segment - Three Months Ended:

	Three Months Ended		Growth/(Decline)				
	June 30, 2025	June 30, 2024	Reported	Acquisition	Foreign	Workday	Organic
			Sales		Exchange		Sales
EES ⁽¹⁾	\$ 2,257.8	\$ 2,134.5	5.8 %	— %	(0.2) %	— %	6.0 %
CSS ⁽¹⁾	2,265.2	1,904.3	19.0 %	1.5 %	0.2 %	— %	17.3 %
UBS	1,376.6	1,440.9	(4.5) %	— %	(0.1) %	— %	(4.4) %
Total net sales	\$ 5,899.6	\$ 5,479.7	7.7 %	0.5 %	— %	— %	7.2 %

(1) In the first quarter of 2025, a portion of the EES reportable segment was moved to the CSS reportable segment as a result of operational realignment. As a result, the reportable segment financial information for the three months ended June 30, 2024 has been recast to conform to the current year presentation. The recast does not impact previously reported condensed consolidated results.

Organic Sales Growth by Segment - Six Months Ended:

	Six Months Ended		Growth/(Decline)				
	June 30, 2025	June 30, 2024	Reported	Acquisition/	Foreign	Workday	Organic
			Sales	Divestiture	Exchange		Sales
EES ⁽¹⁾	\$ 4,323.1	\$ 4,198.8	3.0 %	— %	(0.9) %	(0.8) %	4.7 %
CSS ⁽¹⁾	4,265.5	3,609.1	18.2 %	1.9 %	(0.6) %	(0.8) %	17.7 %
UBS	2,654.7	3,021.8	(12.1) %	(6.3) %	(0.3) %	(0.8) %	(4.7) %
Total net sales	\$ 11,243.3	\$ 10,829.7	3.8 %	(1.2) %	(0.6) %	(0.8) %	6.4 %

(1) In the first quarter of 2025, a portion of the EES reportable segment was moved to the CSS reportable segment as a result of operational realignment. As a result, the reportable segment financial information for the six months ended June 30, 2024 has been recast to conform to the current year presentation. The recast does not impact previously reported condensed consolidated results.

Organic Sales Growth by Segment - Sequential:

	Three Months Ended		Growth/(Decline)				
	June 30, 2025	March 31, 2025	Reported	Acquisition	Foreign	Workday	Organic
			Sales		Exchange		Sales
EES	\$ 2,257.8	\$ 2,065.3	9.3 %	— %	1.2 %	3.2 %	4.9 %

CSS	2,265.2	2,000.3	13.2 %	— %	1.1 %	3.2 %	8.9 %
UBS	1,376.6	1,278.1	7.7 %	— %	0.4 %	3.2 %	4.1 %
Total net sales	\$ 5,899.6	\$ 5,343.7	10.4 %	— %	1.0 %	3.2 %	6.2 %

Note: Organic sales growth is a non-GAAP financial measure of sales performance. Organic sales growth is calculated by deducting the percentage impact from acquisitions and divestitures for one year following the respective transaction, fluctuations in foreign exchange rates and number of workdays from the reported percentage change in consolidated net sales. Workday impact represents the change in the number of operating days period-over-period after adjusting for weekends and public holidays in the United States. There was no change in the number of workdays in the second quarter of 2025 compared to the second quarter of 2024. The first six months of 2025 had one less workday compared to the first six months of 2024. The second quarter of 2025 had two more workdays compared to the first quarter of 2025.

WESCO INTERNATIONAL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(in millions, except per share amounts)

(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Gross Profit:				
Net sales	\$ 5,899.6	\$ 5,479.7	\$ 11,243.3	\$ 10,829.7
Cost of goods sold (excluding depreciation and amortization)	4,656.9	4,281.7	8,875.0	8,493.8
Gross profit	\$ 1,242.7	\$ 1,198.0	\$ 2,368.3	\$ 2,335.9
Gross margin	21.1 %	21.9 %	21.1 %	21.6 %

	Three Months Ended	
	March 31, 2025	
Net sales	\$ 5,343.7	
Cost of goods sold (excluding depreciation and amortization)	4,218.1	
Gross profit	\$ 1,125.6	
Gross margin	21.1 %	

Note: Gross profit is a financial measure commonly used in the distribution industry. Gross profit is calculated by deducting cost of goods sold, excluding depreciation and amortization, from net sales. Gross margin is calculated by dividing gross profit by net sales.

WESCO INTERNATIONAL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(in millions, except per share amounts)

(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Adjusted SG&A Expenses:				

Selling, general and administrative expenses	\$	872.2	\$	828.4	\$	1,708.5	\$	1,657.8
Digital transformation costs ⁽¹⁾		(7.6)		(6.1)		(13.8)		(12.1)
Restructuring costs ⁽²⁾		(0.5)		(0.9)		(1.6)		(9.0)
Loss on abandonment of assets ⁽³⁾		—		(17.8)		—		(17.8)
Excise taxes on excess pension plan assets ⁽⁴⁾		—		—		—		(4.8)
Adjusted selling, general and administrative expenses	\$	864.1	\$	803.6	\$	1,693.1	\$	1,614.1
Percentage of net sales		14.6 %		14.7 %		15.1 %		14.9 %

Adjusted Income from Operations:

Income from operations	\$	322.2	\$	323.5	\$	563.1	\$	586.5
Digital transformation costs ⁽¹⁾		7.6		6.1		13.8		12.1
Restructuring costs ⁽¹⁾		0.5		0.9		1.6		9.0
Loss on abandonment of assets ⁽³⁾		—		17.8		—		17.8
Excise taxes on excess pension plan assets ⁽⁴⁾		—		—		—		4.8
Adjusted income from operations	\$	330.3	\$	348.3	\$	578.5	\$	630.2
Adjusted income from operations margin %		5.6 %		6.4 %		5.1 %		5.8 %

Adjusted Other (Income) Expense, net:

Other income, net	\$	(7.3)	\$	(95.9)	\$	(7.1)	\$	(74.3)
Gain on divestiture		—		102.9		—		102.9
Loss on termination of business arrangement ⁽⁵⁾		—		(3.8)		(0.3)		(3.8)
Pension settlement cost ⁽⁶⁾		—		—		—		(5.5)
Adjusted other (income) expense, net	\$	(7.3)	\$	3.2	\$	(7.4)	\$	19.3

Adjusted Provision for Income Taxes:

Provision for income taxes	\$	61.8	\$	87.8	\$	97.9	\$	118.7
Income tax effect of adjustments to income from operations and other (income) expense, net ⁽⁷⁾		2.2		(20.1)		4.1		(13.6)
Adjusted provision for income taxes	\$	64.0	\$	67.7	\$	102.0	\$	105.1

(1) Digital transformation costs include costs associated with certain digital transformation initiatives.

(2) Restructuring costs include severance costs incurred pursuant to an ongoing restructuring plan.

(3) Loss on abandonment of assets represents the write-off of certain capitalized cloud computing arrangement implementation costs relating to a third-party developed operations management software product in favor of an application with functionality that better suits the Company's operations.

(4) Excise taxes on excess pension plan assets represent the excise taxes applicable to the excess pension plan assets following the final settlement of the Company's U.S. pension plan.

(5) Loss on termination of business arrangement represents the loss recognized as a result of management's decision to terminate a business arrangement with a third party.

(6) Pension settlement cost represents expense related to the final settlement of the Company's U.S. pension plan.

(7) The adjustments to income from operations and other (income) expense, net have been tax effected at rates of 26.3% for the three and six months ended June 30, 2025 and 27.1% for the three and six months ended June 30, 2024.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(in millions, except per share amounts)

(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Adjusted Net Income Attributable to Common Stockholders:				
Net income attributable to common stockholders	\$ 189.2	\$ 217.7	\$ 293.2	\$ 319.2
Digital transformation costs ⁽¹⁾	7.6	6.1	13.8	12.1
Restructuring costs ⁽²⁾	0.5	0.9	1.6	9.0
Loss on abandonment of assets ⁽³⁾	—	17.8	—	17.8
Excise taxes on excess pension plan assets ⁽⁴⁾	—	—	—	4.8
Gain on divestiture	—	(102.9)	—	(102.9)
Loss on termination of business arrangement ⁽⁵⁾	—	3.8	0.3	3.8
Pension settlement cost ⁽⁶⁾	—	—	—	5.5
Income tax effect of adjustments to income from operations and other (income) expense, net ⁽⁷⁾	(2.2)	20.1	(4.1)	13.6
Gain on redemption of Series A Preferred Stock	(27.6)	—	(27.6)	—
Adjusted net income attributable to common stockholders	\$ 167.5	\$ 163.5	\$ 277.2	\$ 282.9

(1) Digital transformation costs include costs associated with certain digital transformation initiatives.

(2) Restructuring costs include severance costs incurred pursuant to an ongoing restructuring plan.

(3) Loss on abandonment of assets represents the write-off of certain capitalized cloud computing arrangement implementation costs relating to a third-party developed operations management software product in favor of an application with functionality that better suits the Company's operations.

(4) Excise taxes on excess pension plan assets represent the excise taxes applicable to the excess pension plan assets following the final settlement of the Company's U.S. pension plan.

(5) Loss on termination of business arrangement represents the loss recognized as a result of management's decision to terminate a business arrangement with a third party.

(6) Pension settlement cost represents expense related to the final settlement of the Company's U.S. pension plan.

(7) The adjustments to income from operations and other (income) expense, net have been tax effected at rates of 26.3% for the three and six months ended June 30, 2025 and 27.1% for the three and six months ended June 30, 2024.

WESCO INTERNATIONAL, INC.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(in millions, except per share amounts)

(Unaudited)

	Three Months Ended		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Adjusted Earnings per Diluted Share:				
Adjusted income from operations	\$ 330.3	\$ 348.3	\$ 578.5	\$ 630.2

Interest expense, net	92.9	98.8	179.2	193.2
Adjusted other (income) expense, net	(7.3)	3.2	(7.4)	19.3
Adjusted income before income taxes	244.7	246.3	406.7	417.7
Adjusted provision for income taxes	64.0	67.7	102.0	105.1
Adjusted net income	180.7	178.6	304.7	312.6
Net income attributable to noncontrolling interests	0.3	0.7	0.2	1.0
Adjusted net income attributable to WESCO International, Inc.	180.4	177.9	304.5	311.6
Preferred stock dividends	12.9	14.4	27.3	28.7
Adjusted net income attributable to common stockholders	\$ 167.5	\$ 163.5	\$ 277.2	\$ 282.9
Diluted shares	49.4	50.9	49.5	51.3
Adjusted earnings per diluted share	\$ 3.39	\$ 3.21	\$ 5.60	\$ 5.51

Note: For the three and six months ended June 30, 2025, SG&A expenses, income from operations, the provision for income taxes, net income attributable to common stockholders and earnings per diluted share have been adjusted to exclude digital transformation costs, restructuring costs, and the related income tax effects, and the gain on redemption of the Company's Series A Preferred Stock. Other non-operating (income) expense, the provision for income taxes, net income attributable to common stockholders and earnings per diluted share for the six months ended June 30, 2025 was also adjusted to exclude the loss on termination of business arrangement and the related income tax effect. For the three and six months ended June 30, 2024, SG&A expenses, income from operations, other non-operating (income) expense, the provision for income taxes, net income attributable to common stockholders and earnings per diluted share have been adjusted to exclude the loss on abandonment of assets, digital transformation costs, restructuring costs, excise taxes on excess pension plan assets related to the final settlement of the Anixter Inc. Pension Plan, the gain recognized on the divestiture of the WIS business, the loss on termination of business arrangement, pension settlement cost, and the related income tax effects. These non-GAAP financial measures provide a better understanding of our financial results on a comparable basis.

WESCO INTERNATIONAL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(in millions, except per share amounts)

(Unaudited)

EBITDA and Adjusted EBITDA by Segment:	Three Months Ended June 30, 2025				
	EES	CSS	UBS	Corporate	Total
Net income attributable to common stockholders	\$ 162.1	\$ 162.1	\$ 137.8	\$ (272.8)	\$ 189.2
Net income (loss) attributable to noncontrolling interests	0.1	0.6	—	(0.4)	0.3
Gain on redemption of Series A Preferred Stock	—	—	—	(27.6)	(27.6)
Preferred stock dividends	—	—	—	12.9	12.9
Provision for income taxes ⁽¹⁾	—	—	—	61.8	61.8
Interest expense, net ⁽¹⁾	—	—	—	92.9	92.9
Depreciation and amortization	12.4	19.1	7.6	9.2	48.3
EBITDA	\$ 174.6	\$ 181.8	\$ 145.4	\$ (124.0)	\$ 377.8
Other expense (income), net	7.3	15.7	(2.2)	(28.1)	(7.3)
Stock-based compensation expense	1.0	1.4	0.5	5.5	8.4
Digital transformation costs ⁽²⁾	—	—	—	7.6	7.6
Cloud computing arrangement amortization ⁽³⁾	—	—	—	7.2	7.2

Restructuring costs ⁽⁴⁾	—	—	—	0.5	0.5
Adjusted EBITDA	\$ 182.9	\$ 198.9	\$ 143.7	\$ (131.3)	\$ 394.2
Adjusted EBITDA margin %	8.1 %	8.8 %	10.4 %		6.7 %

(1) The reportable segments do not incur income taxes and interest expense as these costs are centrally controlled through the Corporate tax and treasury functions.

(2) Digital transformation costs include costs associated with certain digital transformation initiatives.

(3) Cloud computing arrangement amortization consists of expense recognized in selling, general and administrative expenses for capitalized implementation costs

for cloud computing arrangements to support our digital transformation initiatives.

(4) Restructuring costs include severance costs incurred pursuant to an ongoing restructuring plan.

EBITDA and Adjusted EBITDA by Segment:	Three Months Ended June 30, 2024				
	EES ⁽¹⁾	CSS ⁽¹⁾	UBS	Corporate	Total
Net income attributable to common stockholders	\$ 174.4	\$ 119.2	\$ 268.5	\$ (344.4)	\$ 217.7
Net income (loss) attributable to noncontrolling interests	0.1	0.7	—	(0.1)	0.7
Preferred stock dividends	—	—	—	14.4	14.4
Provision for income taxes ⁽²⁾	—	—	—	87.8	87.8
Interest expense, net ⁽²⁾	—	—	—	98.8	98.8
Depreciation and amortization	11.3	18.3	7.4	9.1	46.1
EBITDA	\$ 185.8	\$ 138.2	\$ 275.9	\$ (134.4)	\$ 465.5
Other expense (income), net	3.3	15.7	(103.2)	(11.7)	(95.9)
Stock-based compensation expense	1.1	1.6	0.8	(0.8)	2.7
Loss on abandonment of assets ⁽³⁾	—	—	—	17.8	17.8
Digital transformation costs ⁽⁴⁾	—	—	—	6.1	6.1
Cloud computing arrangement amortization ⁽⁵⁾	—	—	—	3.0	3.0
Restructuring costs ⁽⁶⁾	—	—	—	0.9	0.9
Adjusted EBITDA	\$ 190.2	\$ 155.5	\$ 173.5	\$ (119.1)	\$ 400.1
Adjusted EBITDA margin %	8.9 %	8.2 %	12.0 %		7.3 %

(1) In the first quarter of 2025, a portion of the EES reportable segment was moved to the CSS reportable segment as a result of operational realignment. As a result,

the reportable segment financial information for the three months ended June 30, 2024 has been recast to conform to the current year presentation. The recast

does not impact previously reported condensed consolidated results.

(2) The reportable segments do not incur income taxes and interest expense as these costs are centrally controlled through the Corporate tax and treasury functions.

(3) Loss on abandonment of assets represents the write-off of certain capitalized cloud computing arrangement implementation costs relating to a third-party

developed operations management software product in favor of an application with functionality that better suits the Company's operations.

(4) Digital transformation costs include costs associated with certain digital transformation initiatives.

(5) Cloud computing arrangement amortization consists of expense recognized in selling, general and administrative expenses for capitalized implementation costs

for cloud computing arrangements to support our digital transformation initiatives.

(6) Restructuring costs include severance costs incurred pursuant to an ongoing restructuring plan.

WESCO INTERNATIONAL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(in millions, except per share amounts)

(Unaudited)

EBITDA and Adjusted EBITDA by Segment:	Three Months Ended March 31, 2025				
	EES	CSS	UBS	Corporate	Total
Net income attributable to common stockholders	\$ 125.1	\$ 127.2	\$ 130.3	\$ (278.6)	\$ 104.0
Net (loss) income attributable to noncontrolling interests	(0.1)	0.1	—	(0.1)	(0.1)
Preferred stock dividends	—	—	—	14.4	14.4
Provision for income taxes ⁽¹⁾	—	—	—	36.1	36.1
Interest expense, net ⁽¹⁾	—	—	—	86.3	86.3
Depreciation and amortization	12.2	19.0	7.8	9.4	48.4
EBITDA	\$ 137.2	\$ 146.3	\$ 138.1	\$ (132.5)	\$ 289.1
Other expense (income), net	4.4	10.9	(0.2)	(14.9)	0.2
Stock-based compensation expense	1.0	1.3	0.4	7.5	10.2
Digital transformation costs ⁽²⁾	—	—	—	6.2	6.2
Cloud computing arrangement amortization ⁽³⁾	—	—	—	3.9	3.9
Restructuring costs ⁽⁴⁾	—	—	—	1.1	1.1
Adjusted EBITDA	\$ 142.6	\$ 158.5	\$ 138.3	\$ (128.7)	\$ 310.7
Adjusted EBITDA margin %	6.9 %	7.9 %	10.8 %		5.8 %

(1) The reportable segments do not incur income taxes and interest expense as these costs are centrally controlled through the Corporate tax and treasury functions.

(2) Digital transformation costs include costs associated with certain digital transformation initiatives.

(3) Cloud computing arrangement amortization consists of expense recognized in selling, general and administrative expenses for capitalized implementation costs

for cloud computing arrangements to support our digital transformation initiatives.

(4) Restructuring costs include severance costs incurred pursuant to an ongoing restructuring plan.

Note: EBITDA, Adjusted EBITDA and Adjusted EBITDA margin % are non-GAAP financial measures that provide indicators of the Company's performance and its ability to meet debt service requirements. For the three months ended June 30, 2025, Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization before other non-operating expenses (income), non-cash stock-based compensation expense, digital transformation costs, cloud computing arrangement amortization, and restructuring costs. For the three months ended June 30, 2024, Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization before other non-operating expenses (income), non-cash stock-based compensation expense, loss on the abandonment of assets, digital transformation costs, cloud computing arrangement amortization, and restructuring. For the three months ended March 31, 2025, Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization before other non-operating expenses (income), non-cash stock-based compensation expense, digital transformation costs, cloud computing arrangement amortization, and restructuring costs. Adjusted EBITDA margin % is calculated by dividing Adjusted EBITDA by net sales.

(in millions, except per share amounts)

(Unaudited)

Six Months Ended June 30, 2025

EBITDA and Adjusted EBITDA by Segment:

	EES	CSS	UBS	Corporate	Total
Net income attributable to common stockholders	\$ 287.2	\$ 289.3	\$ 268.1	\$ (551.4)	\$ 293.2
Net income (loss) attributable to noncontrolling interests	—	0.7	—	(0.5)	0.2
Gain on redemption of Series A Preferred Stock	—	—	—	(27.6)	(27.6)
Preferred stock dividends	—	—	—	27.3	27.3
Provision for income taxes ⁽¹⁾	—	—	—	97.9	97.9
Interest expense, net ⁽¹⁾	—	—	—	179.2	179.2
Depreciation and amortization	24.6	38.1	15.4	18.6	96.7
EBITDA	\$ 311.8	\$ 328.1	\$ 283.5	\$ (256.5)	\$ 666.9
Other expense (income), net	11.7	26.6	(2.4)	(43.0)	(7.1)
Stock-based compensation expense	2.0	2.7	0.9	13.0	18.6
Digital transformation costs ⁽²⁾	—	—	—	13.8	13.8
Cloud computing arrangement amortization ⁽³⁾	—	—	—	11.1	11.1
Restructuring costs ⁽⁵⁾	—	—	—	1.6	1.6
Adjusted EBITDA	\$ 325.5	\$ 357.4	\$ 282.0	\$ (260.0)	\$ 704.9
Adjusted EBITDA margin %	7.5 %	8.4 %	10.6 %		6.3 %

(1) The reportable segments do not incur income taxes and interest expense as these costs are centrally controlled through the Corporate tax and treasury functions.

(2) Digital transformation costs include costs associated with certain digital transformation initiatives.

(3) Cloud computing arrangement amortization consists of expense recognized in selling, general and administrative expenses for capitalized implementation costs

for cloud computing arrangements to support our digital transformation initiatives.

(4) Restructuring costs include severance costs incurred pursuant to an ongoing restructuring plan.

Six Months Ended June 30, 2024

EBITDA and Adjusted EBITDA by Segment:

	EES ⁽¹⁾	CSS ⁽¹⁾	UBS	Corporate	Total
Net income attributable to common stockholders	\$ 319.4	\$ 210.8	\$ 429.3	\$ (640.3)	\$ 319.2
Net (loss) income attributable to noncontrolling interests	(0.4)	1.1	—	0.3	1.0
Preferred stock dividends	—	—	—	28.7	28.7
Provision for income taxes ⁽²⁾	—	—	—	118.7	118.7
Interest expense, net ⁽²⁾	—	—	—	193.2	193.2
Depreciation and amortization	22.5	36.4	14.4	18.3	91.6
EBITDA	\$ 341.5	\$ 248.3	\$ 443.7	\$ (281.1)	\$ 752.4
Other expense (income), net	8.3	35.2	(102.4)	(15.4)	(74.3)
Stock-based compensation expense	2.1	3.3	1.6	5.8	12.8
Loss on abandonment of assets ⁽³⁾	—	—	—	17.8	17.8
Digital transformation costs ⁽⁴⁾	—	—	—	12.1	12.1
Restructuring costs ⁽⁵⁾	—	—	—	9.0	9.0

Cloud computing arrangement amortization ⁽⁶⁾	—	—	—	5.9	5.9
Excise taxes on excess pension plan assets ⁽⁷⁾	—	—	—	4.8	4.8
Adjusted EBITDA	\$ 351.9	\$ 286.8	\$ 342.9	\$ (241.1)	\$ 740.5
Adjusted EBITDA margin %	8.4 %	7.9 %	11.3 %		6.8 %

(1) In the first quarter of 2025, a portion of the EES reportable segment was moved to the CSS reportable segment as a result of operational realignment. As a result,

the reportable segment financial information for the six months ended June 30, 2024 has been recast to conform to the current year presentation.

The recast

does not impact previously reported condensed consolidated results.

(2) The reportable segments do not incur income taxes and interest expense as these costs are centrally controlled through the Corporate tax and treasury functions.

(3) Loss on abandonment of assets represents the write-off of certain capitalized cloud computing arrangement implementation costs relating to a third-party

developed operations management software product in favor of an application with functionality that better suits the Company's operations.

(4) Digital transformation costs include costs associated with certain digital transformation initiatives.

(5) Restructuring costs include severance costs incurred pursuant to an ongoing restructuring plan.

(6) Cloud computing arrangement amortization consists of expense recognized in selling, general and administrative expenses for capitalized implementation costs

for cloud computing arrangements to support our digital transformation initiatives.

(7) Excise taxes on excess pension plan assets represent the excise taxes applicable to the excess pension plan assets following the final settlement of the Company's

U.S. pension plan.

Note: Adjusted EBITDA and Adjusted EBITDA margin % are non-GAAP financial measures that provide indicators of the Company's performance and its ability to meet debt service requirements. For the six months ended June 30, 2025, Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization before other non-operating expenses (income), non-cash stock-based compensation expense, digital transformation costs, cloud computing arrangement amortization, and restructuring costs. For the six months ended June 30, 2024, Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization before other non-operating expenses (income), non-cash stock-based compensation expense, loss on abandonment of assets, digital transformation costs, restructuring costs, cloud computing arrangement amortization, and excise taxes on excess pension plan assets related to the final settlement of the Anixter Inc. Pension Plan.

WESCO INTERNATIONAL, INC.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

(in millions, except per share amounts)

(Unaudited)

	Twelve Months Ended	
	June 30, 2025	December 31, 2024
Financial Leverage:		
Net income attributable to common stockholders	\$ 634.2	\$ 660.2
Net income attributable to noncontrolling interests	1.1	1.8
Gain on redemption of Series A Preferred Stock	(27.6)	—
Preferred stock dividends	56.0	57.4
Provision for income taxes	210.7	231.6

Interest expense, net	350.8	364.9
Depreciation and amortization	188.4	183.2
EBITDA	\$ 1,413.6	\$ 1,499.1
Other income, net	(25.4)	(92.7)
Stock-based compensation expense	34.7	28.9
Digital transformation costs ⁽¹⁾	26.5	24.9
Restructuring costs ⁽²⁾	4.8	12.1
Cloud computing arrangement amortization ⁽³⁾	19.3	14.1
Loss on abandonment of assets ⁽⁴⁾	—	17.8
Excise taxes on excess pension plan assets ⁽⁵⁾	0.1	4.9
Adjusted EBITDA	\$ 1,473.6	\$ 1,509.1
	As of	
	June 30,	December 31,
	2025	2024
Short-term debt and current portion of long-term debt, net	\$ 27.3	\$ 19.5
Long-term debt, net	5,641.2	5,045.5
Debt issuance costs and debt discount ⁽⁶⁾	54.5	47.2
Fair value adjustments to the Anixter Senior Notes ⁽⁶⁾	—	(0.1)
Total debt	5,723.0	5,112.1
Less: Cash and cash equivalents	667.0	702.6
Total debt, net of cash	\$ 5,056.0	\$ 4,409.5

Financial leverage ratio	3.4	2.9
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(1) Digital transformation costs include costs associated with certain digital transformation initiatives.

(2) Restructuring costs include severance costs incurred pursuant to an ongoing restructuring plan.

(3) Cloud computing arrangement amortization consists of expense recognized in selling, general and administrative expenses for capitalized implementation costs for cloud computing arrangements to support our digital transformation initiatives.

(4) Loss on abandonment of assets represents the write-off of certain capitalized cloud computing arrangement implementation costs relating to a third-party developed operations management software product in favor of an application with functionality that better suits the Company's operations.

(5) Excise taxes on excess pension plan assets represent the excise taxes applicable to the excess pension plan assets following the final settlement of the Company's U.S. pension plan.

(6) Debt is presented in the condensed consolidated balance sheets net of debt issuance and debt discount costs, and includes adjustments to record the long-term debt assumed in the merger with Anixter at its acquisition date fair value.

Note: Financial leverage ratio is a non-GAAP measure of the use of debt. Financial leverage ratio is calculated by dividing total debt, excluding debt issuance costs, debt discount and fair value adjustments, net of cash, by adjusted EBITDA. EBITDA is defined as the trailing twelve months earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as the trailing twelve months EBITDA before other non-operating income, non-cash stock-based compensation expense, digital transformation costs, restructuring costs, cloud computing arrangement amortization, loss on abandonment of assets, and excise taxes on excess pension plan assets related to the final settlement of the Anixter Inc. Pension Plan.

WESCO INTERNATIONAL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(in millions, except per share amounts)

(Unaudited)

Free Cash Flow:	Three Months Ended		Six Months Ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Cash flow provided by (used in) operations	\$ 107.8	\$ (223.8)	\$ 135.8	\$ 522.5
Less: Capital expenditures	(21.8)	(20.8)	(42.2)	(41.2)
Add: Other adjustments	0.5	10.5	2.3	16.0
Free cash flow	<u>\$ 86.5</u>	<u>\$ (234.1)</u>	<u>\$ 95.9</u>	<u>\$ 497.3</u>
Percentage of adjusted net income	47.9 %	(131.1) %	31.5 %	159.1 %

Note: Free cash flow is a non-GAAP financial measure of liquidity. Capital expenditures are deducted from operating cash flow to determine free cash flow. Free cash flow is available to fund investing and financing activities. For the three and six months ended June 30, 2025 and 2024, the Company paid for certain costs related to digital transformation and restructuring. Such expenditures have been added back to operating cash flow to determine free cash flow for such periods. Our calculation of free cash flow may not be comparable to similar measures used by other companies.

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