UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 13, 2020

WESCO International, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**001-14989**	**25-1723342**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)
225 West Station Square Drive **Suite 700** **Pittsburgh, Pennsylvania**		**15219**
(Address of principal executive offices)		(Zip Code)

(412) 454-2200
(Registrant's telephone number, including area code)

Not applicable.
(Former name or former address, if changed since last report)

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT:

Title of Class	Trading Symbol(s)	Name of Exchange on which registered
Common Stock, par value $.01 per share	WCC	New York Stock Exchange
Depositary Shares, each representing a 1/1,00th interest in a share of Series A Fixed-Rate Reset Cumulative Perpetual Preferred Stock	WCC PR A	New York Stock Exchange
Preferred Share Purchase Rights	N/A	New York Stock Exchange

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

The information in this Item 2.02 is being furnished and shall not be deemed “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information in this Item 2.02 shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended.

On August 13, 2020, WESCO International, Inc. (the “Company”) issued a press release announcing its financial results for the second quarter of 2020. A copy of the press release is attached hereto as Exhibit 99.1.

Item 7.01 Regulation FD Disclosure.

The information in this Item 7.01 is being furnished and shall not be deemed “filed” for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information in this Item 7.01 shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended.

A slide presentation to be used by senior management of the Company in connection with its discussions with investors regarding the Company's financial results for the second quarter of 2020 is included in Exhibit 99.2 to this report and is being furnished in accordance with Regulation FD of the Securities and Exchange Commission.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press Release, dated August 13, 2020

99.2 Slide presentation for investors

104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

	WESCO International, Inc.
	(Registrant)
August 13, 2020	By: /s/ David S. Schulz
(Date)	David S. Schulz
	Executive Vice President and Chief Financial Officer

NEWS RELEASE

WESCO International, Inc. / Suite 700, 225 West Station Square Drive / Pittsburgh, PA 15219

WESCO International, Inc. Reports Second Quarter 2020 Results

Second quarter summary:

- *Anixter merger completed on June 22, 2020*
- *Consolidated net sales of $2.1 billion, down 2.9% versus prior year*
  - *Organic sales down 12.3%*
- *Operating profit of $15.3 million, including $73.3 million of merger-related costs*
  - *Excluding merger-related costs, adjusted operating margin of 4.2%*
  - *Adjusted WESCO operating margin of 3.8%, representing decremental margin of approximately 10%*
- *Loss per diluted share of $0.84*
  - *Excluding merger-related costs, adjusted diluted earnings per share of $1.36*
  - *Adjusted WESCO diluted earnings per share of $1.04*
- *Operating cash flow of $101.2 million*
  - *Free cash flow of $141.9 million, or 248% of adjusted net income*

PITTSBURGH, August 13, 2020 /PRNewswire/ -- WESCO International, Inc. (NYSE: WCC), a leading provider of business-to-business distribution, logistics services and supply chain solutions, announces its results for the second quarter of 2020.

Mr. John J. Engel, WESCO's Chairman, President and CEO, commented, “We delivered a strong second quarter where our sales, margin, profit and cash generation results exceeded our expectations. Business momentum improved through the quarter as we outperformed the market and built an all-time record backlog. As we have done in prior economic downturns, we aggressively managed our WESCO business and took significant cost reduction and cash management actions, which enabled us to deliver decremental margins of 10% and generate exceptionally strong free cash flow of 248% of adjusted net income. Anixter also delivered a strong performance to close out the second quarter. I would like to recognize and thank all of our associates for their inspirational dedication, commitment and hard work in effectively managing through this COVID-19 driven crisis."

Mr. Engel added, "The second quarter will prove to be a watershed period in our history, as we successfully closed on our industry-shaping merger of WESCO and Anixter. In combining two industry-leading Fortune 500 companies with successful track records, we are creating the premier electrical, communications and utility distribution and supply chain solutions company in the world. Against the challenges imposed by the global pandemic, the extraordinary determination of our WESCO and Anixter associates to execute a flawless day one closing, just five months after signing the merger agreement, was impressive. I could not be more proud of the entire team in achieving this noteworthy milestone.”

Mr. Engel continued, “We have been executing a detailed, rigorous and process-oriented integration planning effort over the last several months. Now, all of our integration efforts and organizational focus shift from planning to execution and synergy realization. We are off to an excellent start in our first six weeks since closing, and have already completed actions to deliver over 50% of our year one cost synergy target of $68 million. We have also begun to realize our first sales synergies through leveraging our expanded global footprint and cross-selling our broader product and services portfolio. The strong cultural alignment between WESCO and Anixter is proving to be a key driver of our initial success. We are building on these early successes and remain highly confident in capturing the significant upside potential and exceeding our three year cost savings, sales growth, and cash generation synergy targets. With this merger, the new WESCO will capitalize on the accelerating secular trends of electrification, increased bandwidth demand driven by higher voice, data, video and mobile usage, and the digitization of our B2B value chain. We are more bullish than ever in the substantial value creation that this transformational combination will create for our customers, supplier partners, employees, investors, and the communities in which we operate."

The following are results for the three months ended June 30, 2020 compared to the three months ended June 30, 2019:

- Net sales were $2.1 billion for the second quarter of 2020, compared to $2.2 billion for the second quarter of 2019, a decrease of 2.9%. Organic sales for the second quarter of 2020 declined by 12.3% as the Anixter merger on June 22, 2020 positively impacted net sales by 10.3%.

- Cost of goods sold for the second quarter of 2020 and 2019 was $1.7 billion, and gross profit was $393.8 million and $409.0 million, respectively. As a percentage of net sales, gross profit was 18.9% and 19.0% for the second quarter of 2020 and 2019, respectively.

- Selling, general and administrative expenses were $359.8 million, or 17.2% of net sales, for the second quarter of 2020, compared to $295.9 million, or 13.8% of net sales, for the second quarter of 2019. SG&A expenses for the second quarter of 2020 include $73.3 million of costs related to the merger with Anixter. Adjusted for these costs, SG&A expenses were $286.4 million, or 13.7% of net sales, for the second quarter of 2020. As further adjusted for the nine days of legacy Anixter results, SG&A expenses were $262.8 million, or 14.1% of net sales, reflecting the favorable impact of cost actions initiated in response to the COVID-19 pandemic.

- Operating profit was $15.3 million for the second quarter of 2020, compared to $97.9 million for the second quarter of 2019. Operating profit as a percentage of net sales was 0.7% for the current quarter, compared to 4.6% for the second quarter of the prior year. Adjusted for merger-related costs of $73.3 million, operating profit was $88.6 million for the second quarter of 2020, or 4.2% of net sales. As further adjusted for the nine days of legacy Anixter results, operating profit was $70.2 million, or 3.8% of net sales, representing a decremental margin of approximately 10%.

- Net interest and other for the second quarter of 2020 was $60.6 million, compared to $17.3 million for the second quarter of 2019. Net interest and other for the second quarter of 2020 includes $44.7 million of merger-related financing and interest costs, of which $33.5 million was non-recurring.

- The effective tax rate for the second quarter of 2020 was 24.0%, compared to 21.6% for the second quarter of 2019. The higher effective tax rate in the current quarter is primarily due to costs incurred to complete the merger with Anixter. Excluding the impact of the merger, the effective tax rate for the current quarter would have been approximately 22%.

- Net loss attributable to common stockholders was $35.8 million for the second quarter of 2020, compared to net income attributable to common stockholders of $63.5 million for the second quarter of 2019. Adjusted for merger-related costs, net income attributable to common stockholders was $57.2 million for the second quarter of 2020. As further adjusted for the nine days of legacy Anixter results, net income attributable to common stockholders was $43.6 million.

- Loss per diluted share for the second quarter of 2020 was $0.84, based on 42.7 million diluted shares, compared to earnings per diluted share of $1.45 for the second quarter of 2019, based on 43.8 million diluted shares. Adjusted for merger-related costs, earnings per diluted share for the second quarter of 2020 was $1.36, based on 42.0 million adjusted diluted shares. As further adjusted for the nine days of legacy Anixter results, earnings per diluted share was $1.04, based on 42.0 million adjusted diluted shares.

- Operating cash flow for the second quarter of 2020 was an inflow of $101.2 million, compared to an outflow of $37.7 million for the second quarter of 2019. Free cash flow for the second quarter of 2020 was $141.9 million, or 248% of adjusted net income. The net cash outflow in the second quarter of 2019 was primarily driven by working capital growth as a result of higher sales in the latter part of the quarter last year.

The following are results for the six months ended June 30, 2020 compared to the six months ended June 30, 2019:

- Net sales were $4.1 billion for the first six months of 2020 and 2019, a decrease of 1.4%. Organic sales for the first six months of 2020 declined by 7.3% as the Anixter merger on June 22, 2020 positively impacted net sales by 5.6%.

- Cost of goods sold for the first six months of 2020 and 2019 was $3.3 billion, and gross profit was $770.2 million and $791.5 million, respectively. As a percentage of net sales, gross profit was 19.0% and 19.3% for the first six months of 2020 and 2019, respectively.

- Selling, general and administrative expenses were $659.1 million, or 16.3% of net sales, for the first six months of 2020, compared to $592.4 million, or 14.4% of net sales, for the first six months of 2019. SG&A expenses for the first six months of 2020 include $78.0 million of costs related to the merger with Anixter. Adjusted for these costs, SG&A expenses were $581.1 million, or 14.3%

of net sales, for the first six months of 2020. As further adjusted for the nine days of legacy Anixter results, SG&A expenses were $557.5 million, or 14.5% of net sales, reflecting the favorable impact of cost actions initiated in response to the COVID-19.

- Operating profit was $76.2 million for the first six months of 2020, compared to $168.7 million for the first six months of 2019. Operating profit as a percentage of net sales was 1.9% for the current six month period, compared to 4.1% for the prior six month period. Adjusted for merger-related costs of $78.0 million, operating profit was $154.1 million for the first six months of 2020, or 3.8% of net sales. As further adjusted for the nine days of legacy Anixter results, operating profit was $135.8 million, or 3.5% of net sales.

- Net interest and other for the first six months of 2020 was $77.1 million, compared to $34.4 million for the first six months of 2019. Net interest and other for the first six months of 2020 includes $45.3 million of merger-related financing and interest costs, of which $33.5 million was non-recurring.

- The effective tax rate for the first six months of 2020 was 67.3%, compared to 21.7% for the first six months of 2019. The higher effective tax rate in the current six month period is primarily due to costs incurred to complete the merger with Anixter. Excluding the impact of the merger, the effective tax rate for the current six month period would have been approximately 22%.

- Net loss attributable to common stockholders was $1.4 million for the first six months of 2020, compared to net income attributable to common stockholders of $105.8 million for the first six months of 2019. Adjusted for merger-related costs, net income attributable to common stockholders was $95.6 million for the six months ended June 30, 2020. As further adjusted for the nine days of legacy Anixter results, net income attributable to common stockholders was $82.0 million.

- Loss per diluted share for the first six months of 2020 was $0.03, based on 42.3 million diluted shares, compared to earnings per diluted share of $2.37 for the first six months of 2019, based on 44.7 million diluted shares. Adjusted for merger-related costs, earnings per diluted share for the current six month period was $2.28, based on 42.0 million adjusted diluted shares. As further adjusted for the nine days of legacy Anixter results, earnings per diluted share was $1.95, based on 42.0 million adjusted diluted shares.

- Operating cash flow for the first six months of 2020 was an inflow of $132.7 million, compared to an outflow of $8.7 million for the first six months of 2019. Free cash flow for the first six months of 2020 was $161.7 million, or 169% of adjusted net income.

Webcast and Teleconference Access

WESCO will conduct a webcast and teleconference to discuss the second quarter of 2020 earnings as described in this News Release on Thursday, August 13, 2020, 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 www.wesco.investorroom.com. The call will be archived on this internet site for seven days.

WESCO International, Inc. (NYSE: WCC), a publicly traded FORTUNE 500® company headquartered in Pittsburgh, Pennsylvania, is a leading provider of business-to-business distribution, logistics services and supply chain solutions. Pro forma 2019 annual sales were over $17 billion, including Anixter International Inc., which it acquired in June 2020. 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 over 18,000 people, maintains relationships with over 30,000 suppliers, and serves more than 150,000 customers worldwide. With nearly 1.5 million 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, government agencies, institutions, telecommunications providers, and utilities. WESCO operates nearly 800 branch and warehouse locations in over 50 countries, providing a local presence for customers and a global network to serve multi-location businesses and multi-national 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 the process to divest the legacy WESCO Utility and Datacom businesses in Canada, including the expected length of the process, the expected benefits and costs of the transaction between WESCO and Anixter International Inc., including anticipated future financial and operating results, synergies, accretion and growth rates, and the combined company's plans, objectives, expectations and intentions, statements that address the combined company's expected future business and financial performance, and other statements identified by words such as "anticipate," "plan," "believe," "estimate," "intend," "expect," "project," "will" and similar words, phrases or expressions. 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.*

Those risks, uncertainties and assumptions include the risk of any unexpected costs or expenses resulting from the transaction, the risk of any litigation or post-closing regulatory action relating to the transaction, the risk that the transaction could have an adverse effect on the ability of the combined company to retain customers and retain and hire key personnel and maintain relationships with its suppliers, customers and other business relationships and on its operating results and business generally, the risk that problems may arise in successfully integrating the businesses of the companies or that the combined company could be required to divest one or more businesses, which may result in the combined company not operating as effectively and efficiently as expected, the risk that the combined company may be unable to achieve synergies or other anticipated benefits of the proposed transaction or it may take longer than expected to achieve those synergies or benefits, the risk that the leverage of the company may be higher than anticipated, the impact of natural disasters, health epidemics and other outbreaks, especially the outbreak of COVID-19 since December 2019, which may have a material adverse effect on the combined company's business, results of operations and financial conditions, the risk that the divesture of the legacy WESCO Utility and Datacom businesses in Canada may take longer than expected and other important factors that could cause actual results to differ materially from those projected. All such factors are difficult to predict and are beyond each company's control. Additional factors that could cause results to differ materially from those described above can be found in WESCO's Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and WESCO's other reports filed with the U.S. Securities and Exchange Commission ("SEC").

Contact Information:
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WESCO INTERNATIONAL, INC.

CONDENSED CONSOLIDATED STATEMENTS OF (LOSS) INCOME
(dollar amounts in thousands, except per share amounts)
(Unaudited)

	Three Months Ended			
	June 30, 2020		June 30, 2019	
Net sales	$ 2,086,706		$ 2,150,088	
Cost of goods sold (excluding depreciation and amortization)	1,692,931	81.1 %	1,741,114	81.0 %
Selling, general and administrative expenses	359,750	17.2 %	295,842	13.8 %
Depreciation and amortization	18,755		15,182	
Income from operations	15,270	0.7 %	97,950	4.6 %
Net interest and other	60,583		17,307	
(Loss) income before income taxes	(45,313)	(2.2) %	80,643	3.8 %
Income tax (benefit) expense	(10,854)		17,428	
Net (loss) income	(34,459)	(1.7) %	63,215	2.9 %
Net income (loss) attributable to noncontrolling interests	47		(249)	
Net (loss) income attributable to WESCO International, Inc.	(34,506)	(1.7) %	63,464	3.0 %
Preferred stock dividends	1,276		—	
Net (loss) income attributable to common stockholders	$ (35,782)	(1.7) %	$ 63,464	3.0 %
(Loss) earnings per share attributable to common stockholders	$ (0.84)		$ 1.45	
Weighted-average common shares outstanding and common share equivalents used in computing (loss) earnings per diluted common share (in thousands)	42,683		43,816	

WESCO INTERNATIONAL, INC.

CONDENSED CONSOLIDATED STATEMENTS OF (LOSS) INCOME
(dollar amounts in thousands, except per share amounts)
(Unaudited)

	Six Months Ended			
	June 30, 2020		June 30, 2019	
Net sales	$ 4,055,353		$ 4,111,355	
Cost of goods sold (excluding depreciation and amortization)	3,285,179	81.0 %	3,319,886	80.7 %
Selling, general and administrative expenses	659,143	16.3 %	592,370	14.4 %
Depreciation and amortization	34,848		30,424	
Income from operations	76,183	1.9 %	168,675	4.1 %
Net interest and other	77,055		34,427	
(Loss) income before income taxes	(872)	— %	134,248	3.3 %
Income tax (benefit) expense	(587)		29,084	
Net (loss) income	(285)	— %	105,164	2.6 %
Net loss attributable to noncontrolling interests	(185)		(668)	
Net (loss) income attributable to WESCO International, Inc.	(100)	— %	105,832	2.6 %
Preferred stock dividends	1,276		—	
Net (loss) income attributable to common stockholders	$ (1,376)	— %	$ 105,832	2.6 %
(Loss) earnings per share attributable to common stockholders	$ (0.03)		$ 2.37	
Weighted-average common shares outstanding and common share equivalents used in computing (loss) earnings per diluted common share (in thousands)	42,260		44,661	

WESCO INTERNATIONAL, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS
(dollar amounts in thousands)
(Unaudited)

	June 30, 2020	December 31, 2019
Assets		
Current Assets		
Cash and cash equivalents	$ 265,222	$ 150,902
Trade accounts receivable, net	2,454,262	1,187,359
Inventories	2,368,827	1,011,674
Other current assets	350,075	190,476
Total current assets	5,438,386	2,540,411
Other assets	6,293,628	2,477,224
Total assets	$ 11,732,014	$ 5,017,635
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	$ 1,660,094	$ 830,478
Short-term borrowings and current debt	27,696	26,685
Other current liabilities	613,936	226,896
Total current liabilities	2,301,726	1,084,059
Long-term debt, net	5,068,549	1,257,067
Other noncurrent liabilities	1,261,338	417,838
Total liabilities	8,631,613	2,758,964
Stockholders' Equity		
Total stockholders' equity	3,100,401	2,258,671
Total liabilities and stockholders' equity	$ 11,732,014	$ 5,017,635

WESCO INTERNATIONAL, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(dollar amounts in thousands)
(Unaudited)

	Six Months Ended	
	June 30, 2020	June 30, 2019
Operating Activities:		
Net (loss) income	$ (285)	$ 105,164
Add back (deduct):		
Depreciation and amortization	34,848	30,424
Deferred income taxes	1,062	1,983
Change in trade receivables, net	29,302	(157,387)
Change in inventories	55,431	(39,655)
Change in accounts payable	(83,085)	62,484
Other	95,415	(11,788)
Net cash provided by (used in) operating activities	132,688	(8,775)
Investing Activities:		
Capital expenditures	(27,163)	(21,402)
Other[1]	(3,700,792)	(28,897)
Net cash used in investing activities	(3,727,955)	(50,299)
Financing Activities:		
Debt borrowings, net[2]	3,800,637	199,934
Equity activity, net	(2,025)	(152,722)
Other[3]	(85,605)	2,803
Net cash provided by financing activities	3,713,007	50,015
Effect of exchange rate changes on cash and cash equivalents	(3,420)	(66)
Net change in cash and cash equivalents	114,320	(9,125)
Cash and cash equivalents at the beginning of the period	150,902	96,343
Cash and cash equivalents at the end of the period	$ 265,222	$ 87,218

[1] Includes payments to acquire Anixter of $3,708.3 million, net of cash acquired of $103.4 million.

[2] Primarily includes the net proceeds from the issuance of senior unsecured notes of $2,815.0 million, as well as borrowings under a new asset-based revolving credit facility and an amended account receivable securitization facility. These cash inflows were used to fund the merger.

[3] Includes approximately $79.5 million of costs associated with the debt financing used to fund a portion of the merger with Anixter.

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, decremental operating margin, earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted EBITDA, pro forma adjusted EBITDA, financial leverage, pro forma financial leverage, free cash flow, adjusted income from operations, adjusted operating margin, adjusted net income, 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 sales performance, and the use of debt and liquidity on a comparable basis. Additionally, certain non-GAAP measures either focus on or exclude transactions impacting comparability of results, 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
(dollar amounts in thousands, except organic sales data)
(Unaudited)

Organic Sales Growth:	Three Months Ended June 30, 2020	Six Months Ended June 30, 2020
Change in net sales	(2.9)%	(1.4)%
Impact from acquisitions	10.3 %	5.6 %
Impact from foreign exchange rates	(0.9)%	(0.5)%
Impact from number of workdays	— %	0.8 %
Organic sales growth	(12.3)%	(7.3)%

Note: Organic sales growth is a measure of sales performance. Organic sales growth is calculated by deducting the percentage impact from acquisitions in the first year of ownership, foreign exchange rates and number of workdays from the overall percentage change in consolidated net sales.

Gross Profit:	Three Months Ended		Six Months Ended	
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Net sales	$ 2,086,706	$ 2,150,088	$ 4,055,353	$ 4,111,355
Cost of goods sold (excluding depreciation and amortization)	1,692,931	1,741,114	3,285,179	3,319,886
Gross profit	$ 393,775	$ 408,974	$ 770,174	$ 791,469
Gross margin	18.9 %	19.0 %	19.0 %	19.3 %

Note: Gross profit is a financial measure commonly used within 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.

Decremental Operating Margin:	Three Months Ended		Change
	June 30, 2020	June 30, 2019	
	Adjusted WESCO[(1)]	Reported	
Net sales	$ 1,864,849	$ 2,150,088	$ (285,239)
Income from operations	70,248	97,950	(27,702)
Decremental operating margin			10 %

(1) See below for a reconciliation of adjusted WESCO results.

Note: Decremental operating margin is defined as the year-over-year decline in income from operations divided by the year-over-year decline in net sales. Decremental operating margin is a financial measure commonly used in an economic downturn to assess the Company's ability to reduce operating costs in response to declining sales.

WESCO INTERNATIONAL, INC.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(dollar amounts in thousands)
(Unaudited)

Financial Leverage:	**Pro Forma Twelve Months Ended June 30, 2020**	**Reported Twelve Months Ended December 31, 2019**
Net income attributable to WESCO	$ 319,580	$ 223,426
Net loss attributable to noncontrolling interests	(1,163)	(1,228)
Preferred stock dividends	1,276	—
Income tax (benefit) expense	54,503	59,863
Interest expense, net	177,157	64,156
Depreciation and amortization	132,719	62,107
EBITDA	$ 684,072	$ 408,324
Stock-based compensation	47,429	19,062
Foreign exchange and other	3,991	614
Merger-related costs	122,283	3,130
Adjusted EBITDA	$ 857,775	$ 431,130
	June 30, 2020	**December 31, 2019**
Short-term borrowings and current debt	$ 27,696	$ 26,685
Long-term debt	5,068,549	1,257,067
Debt discount and debt issuance costs[1]	96,322	8,876
Fair value adjustments to Anixter Notes due 2023 and 2025[1]	(2,017)	—
Total debt	5,190,550	1,292,628
Less: cash and cash equivalents	265,222	150,902
Total debt, net of cash	$ 4,925,328	$ 1,141,726
Financial leverage ratio	5.7	2.6

[1] Long-term debt is presented in the condensed consolidated balance sheets net of debt discount and debt issuance costs, and include adjustments to record the long-term debt assumed in the merger with Anixter at its acquisition date fair value.

Note: Financial leverage measures the use of debt. Financial leverage ratio is calculated by dividing total debt, excluding debt discount and debt issuance costs, 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 foreign exchange and other non-operating expenses, non-cash stock-based compensation, and costs associated with the merger with Anixter. Pro forma financial leverage ratio is calculated by dividing total debt, excluding debt discount and debt issuance costs, net of cash, by pro forma adjusted EBITDA. Pro forma EBITDA and pro forma adjusted EBITDA gives effect to the combination of WESCO and Anixter as if it had occurred at the beginning of the respective trailing twelve month period.

WESCO INTERNATIONAL, INC.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(dollar amounts in thousands)
(Unaudited)

Free Cash Flow:	**Three Months Ended June 30, 2020**			**Three Months Ended June 30, 2019**
	Total	Anixter	WESCO	
Cash flow provided by (used in) operations	$ 101,160	$ 39,176	$ 61,984	$ (37,584)
Less: Capital expenditures	(11,401)	(601)	(10,800)	(10,574)
Add: Merger-related expenditures	52,142	—	52,142	—
Free cash flow	$ 141,901	$ 38,575	$ 103,326	$ (48,158)
Percentage of adjusted net income	248 %	278 %	238 %	(76)%

Free Cash Flow:	**Six Months Ended June 30, 2020**			**Six Months Ended June 30, 2019**
	Total	Anixter	WESCO	
Cash flow provided by (used in) operations	$ 132,688	$ 39,176	$ 93,512	$ (8,775)
Less: Capital expenditures	(27,163)	(601)	(26,562)	(21,402)
Add: Merger-related expenditures	56,134	—	56,134	—
Free cash flow	$ 161,659	$ 38,575	$ 123,084	$ (30,177)
Percentage of adjusted net income	169 %	278 %	151 %	(29)%

Note: Free cash flow is a 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, 2020, the Company paid certain fees, expenses and other costs to consummate the merger with Anixter. Such expenditures have been added back to cash flow provided by operations to determine free cash flow for such periods.

WESCO INTERNATIONAL, INC.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(dollar amounts in thousands, except per share amounts)
(Unaudited)

The following tables set forth adjusted net income attributable to common stockholder and adjusted earnings per diluted share for the periods presented:

Adjusted Net Income Attributable to Common Stockholders and Adjusted Earnings Per Diluted Share:	**Three Months Ended June 30, 2020**					**Three Months Ended June 30, 2019**
(In thousands, except per share data)	**Reported**	**Adjustments[1]**	**Adjusted Consolidated**	**Anixter[2]**	**Adjusted WESCO**	**Reported**
Net sales	$ 2,086,706	$ —	$ 2,086,706	$ 221,857	$ 1,864,849	$ 2,150,088
Cost of goods sold (excluding depreciation and amortization)	1,692,931	—	1,692,931	176,743	1,516,188	1,741,114
Selling, general and administrative expenses	359,750	73,345	286,405	23,655	262,750	295,842
Depreciation and amortization	18,755	—	18,755	3,092	15,663	15,182
Income from operations	15,270	(73,345)	88,615	18,367	70,248	97,950
Net interest and other	60,583	44,738	15,845	543	15,302	17,307
(Loss) income before income taxes	(45,313)	(118,083)	72,770	17,824	54,946	80,643
Income tax (benefit) expense	(10,854)	(26,363)	15,509	3,961	11,548	17,428
Net (loss) income	(34,459)	(91,720)	57,261	13,863	43,398	63,215
Net income (loss) attributable to noncontrolling interests	47	—	47	209	(162)	(249)
Net (loss) income attributable to WESCO International, Inc.	(34,506)	(91,720)	57,214	13,654	43,560	63,464
Preferred stock dividends	1,276	1,276	—	—	—	—
Net (loss) income attributable to common stockholders	$ (35,782)	$ (92,996)	$ 57,214	$ 13,654	$ 43,560	$ 63,464
Adjusted diluted shares[3]	42,683		41,969		41,969	43,816
Adjusted earnings per diluted share	$ (0.84)		$ 1.36		$ 1.04	$ 1.45

WESCO INTERNATIONAL, INC.

RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(dollar amounts in thousands, except per share amounts)
(Unaudited)

Adjusted Net Income Attributable to Common Stockholders and Adjusted Earnings Per Diluted Share:	**Six Months Ended June 30, 2020**					**Six Months Ended June 30, 2019**
(In thousands, except per share data)	**Reported**	**Adjustments(1)**	**Adjusted Consolidated**	**Anixter(2)**	**Adjusted WESCO**	**Reported**
Net sales	$ 4,055,353	$ —	$ 4,055,353	$ 221,857	$ 3,833,496	$ 4,111,355
Cost of goods sold (excluding depreciation and amortization)	3,285,179	—	3,285,179	176,743	3,108,436	3,319,886
Selling, general and administrative expenses	659,143	77,953	581,190	23,655	557,535	592,370
Depreciation and amortization	34,848	—	34,848	3,092	31,756	30,424
Income from operations	76,183	(77,953)	154,136	18,367	135,769	168,675
Net interest and other	77,055	45,253	31,802	543	31,259	34,427
(Loss) income before income taxes	(872)	(123,206)	122,334	17,824	104,510	134,248
Income tax (benefit) expense	(587)	(27,492)	26,905	3,961	22,944	29,084
Net (loss) income	(285)	(95,714)	95,429	13,863	81,566	105,164
Net (loss) income attributable to noncontrolling interests	(185)	—	(185)	209	(394)	(668)
Net (loss) income attributable to WESCO International, Inc.	(100)	(95,714)	95,614	13,654	81,960	105,832
Preferred stock dividends	1,276	1,276	—	—	—	—
Net (loss) income attributable to common stockholders	$ (1,376)	$ (96,990)	$ 95,614	$ 13,654	$ 81,960	$ 105,832
Adjusted diluted shares(3)	42,260		42,009		42,009	44,661
Adjusted earnings per diluted share	$ (0.03)		$ 2.28		$ 1.95	$ 2.37

(1) Reflects merger-related transaction costs of $73.3 million and $78.0 million, and merger-related financing and interest costs of $44.7 million and $45.3 million for the three and six months ended June 30, 2020, respectively. These adjustments have been tax effected at a rate of approximately 22%.

(2) Represents Anixter's results for the nine day period from June 22, 2020 to June 30, 2020.

(3) Adjusted diluted shares for the three and six months ended June 30, 2020 exclude the weighted-average impact of approximately 8.15 million shares of common stock issued as equity consideration to fund a portion of the merger with Anixter.

Note: Adjusted consolidated net income attributable to common stockholders is defined as net income (loss) attributable to common stockholders, plus: 1) merger-related costs, 2) merger-related financing and interest costs, and 3) preferred stock dividends, less the income tax effect of such merger-related adjustments (as applicable). Adjusted earnings per diluted share is computed by dividing adjusted net income attributable to common stockholders by the weighted-average common shares outstanding and common share equivalents, excluding the impact of common stock issued as equity consideration to fund a portion of the merger with Anixter. Adjusted WESCO net income attributable to common stockholders is defined as adjusted net income attributable to common stockholders excluding nine days of legacy Anixter results. Adjusted WESCO earnings per diluted share is computed by dividing adjusted WESCO net income attributable to common stockholders by the weighted-average common shares outstanding and common share equivalents, excluding the impact of common stock issued as equity consideration to fund a portion of the merger with Anixter. The Company believes that these non-GAAP financial measures are useful to investors' overall understanding of the Company's current financial performance and provides a consistent measure for assessing the current and historical financial results.

WESCO

Second Quarter 2020

Webcast Presentation

August 13, 2020

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 A 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 l statements regarding the process to divest the legacy WESCO Utility and Datacom businesses in Canada, including the expected length of the process, the expected benefits of the transaction between WESCO and Anixter International Inc., including anticipated future financial and operating results, synergies, accretion and growth rates, and the company's plans, objectives, expectations and intentions, statements that address the combined company's expected future business and financial performance, and other identified by words such as "anticipate," "plan," "believe," "estimate," "intend," "expect," "project," "will" and similar words, phrases or expressions. These forward-looking st 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, cu 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 r differ materially from those contained in forward-looking statements. Accordingly, you should not place undue reliance on such statements.

Those risks, uncertainties and assumptions include the risk of any unexpected costs or expenses resulting from the transaction, the risk of any litigation or post-closing regu action relating to the transaction, the risk that the transaction could have an adverse effect on the ability of the combined company to retain customers and retain and hire l personnel and maintain relationships with its suppliers, customers and other business relationships and on its operating results and business generally, the risk that proble arise in successfully integrating the businesses of the companies or that the combined company could be required to divest one or more businesses, which may result in the company not operating as effectively and efficiently as expected, the risk that the combined company may be unable to achieve synergies or other anticipated benefits of th transaction or it may take longer than expected to achieve those synergies or benefits, the risk that the leverage of the company may be higher than anticipated, the impact disasters, health epidemics and other outbreaks, especially the outbreak of COVID-19 since December 2019, which may have a material adverse effect on the combined com business, results of operations and financial conditions, the risk that the divesture of the legacy WESCO Utility and Datacom businesses in Canada may take longer than exp other important factors that could cause actual results to differ materially from those projected. All such factors are difficult to predict and are beyond each company's cont Additional factors that could cause results to differ materially from those described above can be found in WESCO's Annual Report on Form 10-K for the fiscal year ended De 2019 and WESCO's other reports filed with the U.S. Securities and Exchange Commission ("SEC").

Non-GAAP Measures

In addition to the results provided in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP") above, this presentation includes certain non-GAAP financ measures. These financial measures include organic sales growth, gross profit, gross margin, decremental operating margin, earnings before interest, taxes, depreciation an amortization (EBITDA), adjusted EBITDA, pro forma adjusted EBITDA, financial leverage, pro forma financial leverage, free cash flow, adjusted income from operations, adjus operating margin, adjusted net income, and adjusted earnings per diluted share. The Company believes that these non-GAAP measures are useful to investors as they provi understanding of sales performance, and the use of debt and liquidity on a comparable basis. Additionally, certain non-GAAP measures either focus on or exclude transacti impacting comparability of results, allowing investors to more easily compare the Company's financial performance from period to period. Management does not use these financial measures for any purpose other than the reasons stated above.

Highlights

Second quarter

- **Q2 results exceeded our expectations on sales, opex, EBIT, EBIT%, EPS, and free cash flow**
- **Reported sales down 3%; Organic sales down 12%**
  - Sequential sales improvement through the quarter (April -13%, May +9%, June +5%)
  - Continued strength in Utility; up 7% over prior year with growth in U.S. and Canada
- **Cost reduction actions significantly exceeded expectations**
- **Decremental margin of 10% for legacy WESCO[1]**
- **Exceptionally strong free cash flow generation**
- **Record backlog for legacy WESCO**
- **Improving momentum in Q3 with over 40% of the quarter completed**
  - Pro forma Q3 sales down 8% versus prior year through first 28 work days; Up 11% sequentially

Completed Anixter merger on June 22, 2020

- **Successful capital raise**
- **Closed five months after signing agreement, meeting expectation of closing in Q2 or Q3**
- **Announced senior management team; new segment reporting beginning in Q3**
- **Reached consent agreement with Competition Bureau of Canada in early August**
- **Excellent progress on integration; accelerating our execution**
- **Significant upside potential on our sales growth, cost, margin, and free cash flow targets**
- **WESCO + Anixter well positioned for evolving secular growth trends**

Transformational combination of WESCO and Anixter is underway

[1] Decremental margin is defined as the year-over-year decline in adjusted income from operations divided by the year-over-year decline in sales.
See appendix for reconciliation of all non-GAAP measures.

Second Quarter Results Overview

$ in millions Except per share amounts	Three Months Ended June 30, 2020 GAAP WESCO + Anixter[1]	Merger-related Adjustments	Adjusted WESCO + Anixter[1]	Anixter Only[1]	Adjusted WESCO	2019 GAAP WESCO
Sales	$ 2,087		$ 2,087	$ 222	$ 1,865	$ 2,150
Gross Profit	394		394	45	349	409
% of Sales	18.9%		18.9%	20.3%	18.7%	19.0%
Selling, general and administrative expenses	360	73	286	24	263	296
% of Sales	17.2%		13.7%	10.7%	14.1%	13.8%
Operating Profit	15	(73)	89	18	70	98
% of Sales	0.7%		4.2%	8.3%	3.8%	4.6%
Net interest and other	61	45	16	1	15	17
(Loss) income before income taxes	(45)	(118)	73	18	55	81
Income tax (benefit) expense	(11)	(26)	16	4	12	17
Net (loss) income	(34)	(92)	57	14	43	63
Minority Interests	-	-	-	-	-	-
Net (loss) income attributable to WESCO International,	(35)	(92)	57	14	44	63
Preferred dividends	1	1	-	-	-	-
Net (loss) income attributable to common stockholders	$ (36)	$ (93)	$ 57	$ 14	$ 44	$ 63
Diluted shares[2]	42.7		42.0		42.0	43.8
Diluted EPS	$ (0.84)		$ 1.36		$ 1.04	$ 1.45

Decremental margin of 10% for legacy WESCO business

[1] Results of Anixter from June 22 – June 30, 2020
[2] Adjusted diluted shares for the three months ended June 30, 2020 exclude the weighted-average impact of 8.15 million shares of common stock issued as equity consideration to fund a portion of the merger with Anixter.

Second Quarter Sales Summary (Legacy WESCO)

ORGANIC SALES GROWTH[1]	Year Over Year			
	Total	U.S.	Canada	International
Industrial	(20)%	(21)%	(22)%	(2)%
Construction	(18)%	(16)%	(21)%	(19)%
Utility	7%	6%	36%	(53)%
CIG	(5)%	(4)%	(10)%	(7)%
	(12)%	**(12)%**	**(17)%**	**(7)%**

[1] Excludes results of Anixter International from June 22- June 30, 2020 and differences due to foreign exchange rates

ORGANIC SALES GROWTH	Year Over Year
April	(16)%
May	(10)%
June	(13)%

INDUSTRIAL
- Global Account bidding activity robust
- COVID-19 driven declines with industrial customers
- Secured five-year renewal worth $1.5 billion with long-term Aerospace customer to provide MRO materials and integrated supply services

CONSTRUCTION
- Backlog reached new record level, exceeding prior record at the end of March
- Project pipeline remains strong with order conversion being paced by customer project restart schedules
- Impact from COVID-19 continued with sales down versus prior year, however with an improving trend each month in the quarter

UTILITY
- Year-over-year and sequential growth in U.S. and Canada
- New wins and scope expansion continues to drive organic growth
- Awarded new fiber to the home project that is scheduled to launch in C
- Integrated Supply service offering continues to drive customer value

CIG
- Positive momentum in Q2 with sequential growth in U.S. and Canada
- Supply chain solutions driving results in datacenter, security, and cloud technology projects
- Well positioned to serve data center construction, LED lighting renovati retrofits, FTTx deployments and broadband build outs

Strong sales results against COVID-19 driven economic cycle

[1] See appendix for non-GAAP reconciliations.

Strong Balance Sheet

Liquidity (as of 6/30/20)

- **Liquidity: $819 million**
  - Invested cash: $169 million
  - Revolver availability: $585 million
  - AR facility availability: $65 million

Bank Credit Facilities

- **Mature in 2023 and 2025**
- **Low cost LIBOR based**
- **Borrowing bases provide confidence in availability**
  - Inventory holds value throughout the cycle
  - Diversified receivables pool with limited concentration
    - Largest balances with high credit quality customers
    - Collection activities performing consistent with historical levels
    - Bad debt experience consistent with recent quarters

Limited Operating Covenants

- **No maximum leverage covenant**
- **Fixed charge coverage covenant based on liquidity or availability**
- **No maintenance covenants in bond indentures**

Covenant Summary

Facility	Maturity	Fixed Charge Covenant	Measurement	Test
Revolver	June 2025	1.0 to 1.0	Revolver availability >$110 million	$585 million
AR Facility	June 2023	1.0 to 1.0	Liquidity > $100 million	$915 million[1]

[1] Balance sheet cash plus borrowing availability

Strong liquidity and free cash flow generation post Anixter merger closing on June 22

Key Second Half Priorities

- **Build on improving sales momentum**
- **Maintain disciplined cost management**
- **Deploy Anixter's gross margin improvement programs that generated seve consecutive quarters of year-over-year improvement through Q2 2020**
- **Rapidly execute Anixter merger synergies**
- **Focus free cash flow generation on debt repayment**
- **Begin reporting under new Strategic Business Unit structure**

MERGER UPDATE

WESCO-Anixter Merger Highlights

- Transformational Combination Creates the Industry Leader in Electrical, Communications, and Utility Distribution and Supply Chain Solutions
- Differentiated Scale and Capabilities in Highly Fragmented Industry
- Complementary Products, Industries and Geographies Drive Accelerated Growth
- Significant Estimated Cost Synergies Identified with Meaningful Upside
- Expected to Accelerate Growth and Meaningfully Expand Margins
- Resilient Business Model with Substantial Free Cash Flow and Proven Ability to Deleverage
- Results Oriented Management Team Focused on Execution and Efficient Integration

Combination creates the industry leader with substantial free cash flow

Transformational Combination Creates the Industry Leader in Electrical, Communications, and Utility Distribution and Supply Chain Solutions

WESCO

A leader in electrical distribution

ANIXTER

A leader in data communications, security, and wire & cable distribution

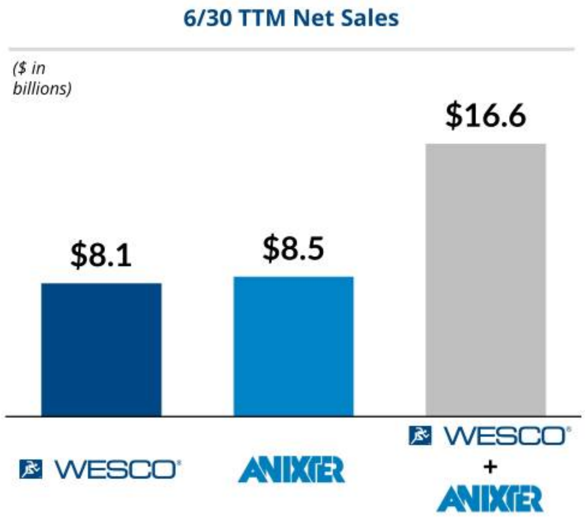
~$17 billion	~$1 billion	~50	~18,900
Pro Forma 6/30 TTM Sales	Pro Forma 6/30 TTM Adjusted EBITDA [1]	Countries [2]	Employees [2]

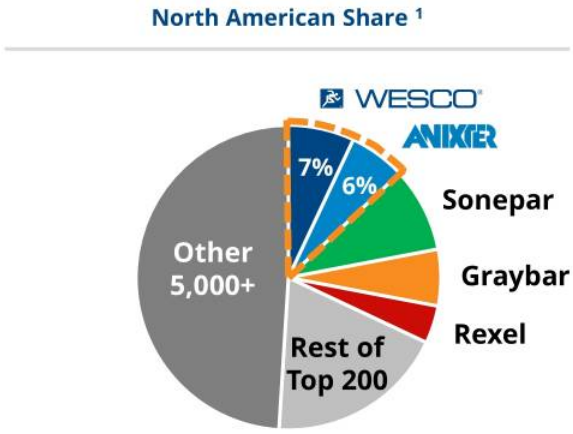
Cross Selling to Expanded Customer Base | **Premier Supply Chain Services** | **Digital Technologies and Innovation to Drive Value** | **Operational Excellence and Logistics Optimization** | **Back Office Scale and Efficiencies**

Combination expected to generate significant **annual cost synergies of $200+ million, enhance cash flow and accelerate growth**

1. Adj. EBITDA includes stock based compensation expense at WESCO and Anixter, merger-related costs, foreign exchange and the impact of year three synergies of $200mm. Adj. EBITDA is a non-GAAP financial metric. 2. Country and employee counts reflect FY2019.

Differentiated Scale and Capabilities in Highly Fragmented Industry



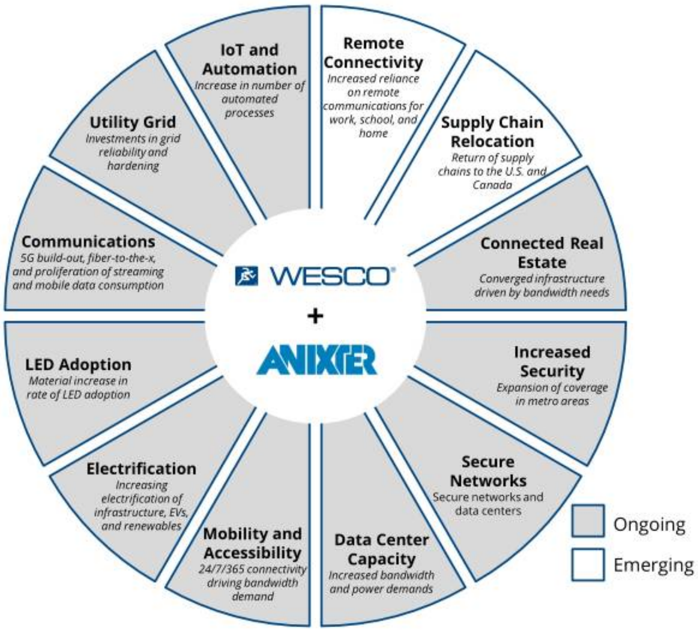


Combination enhances capabilities, expands share and increases scale

1. Source: Electrical Wholesaling Top 200 Electrical Distributors, 2019. Based on 2018 net sales.

Evolving Secular Trends Benefit WESCO + Anixter

Secular Trends Benefitting WESCO and Anixter….



…Contribute to Financial Benefits of the Transformational Combination

Estimated Impact in Year Three

- ✓ Accelerates sales growth by more than 100 bps
- ✓ Significant cross-selling and international expansion opportunitie
- ✓ Doubles standalone EPS growth rate
- ✓ Expands adjusted EBITDA margin 100+ bps and delivers 50 - 60% EPS accretion
- ✓ Generates annual pro forma free cas flow of ~$600 million

WESCO + Anixter combination benefits from numerous ongoing and attractive growth opportuni

Anixter Merger – Consistently Meeting Commitments

Commitments	Results
Complete capital raise to fund Anixter merger	**Successfully raised bank and bond debt of ~$5 billi Bond offerings were substantially oversubscribed**
Close transaction in Q2 or Q3	**Transaction Closed on June 22, 2020**
Maintain ample liquidity	**Increased liquidity to over $800 million**
Rapidly integrate the businesses and begin generating year one synergies	**Six weeks post-close, completed actions to deliver 50% of our year one cost savings target of $68 milli**
Generate sales synergies that are additive to $200 million minimum cost synergies	**Realized cross-sell sales synergies in the first mont after closing**

All commitments are on track with high confidence of significant upside

Process-Oriented Approach to Drive Integration Execution

OBJECTIVES:

Flawless Day 1 / Day 100 Execution

- Ensure uninterrupted operations and protect the base business
- Detailed plans for key business processes for Day 1, including integration architecture, tracking and governance
- Communication and onboarding for combined teams

Deliver Value Capture

- Combined company spend and growth synergy targets by function, geography, and business
- Prioritize and deliver synergy in functions that drive majority of value capture
- Optimize working capital

Build World Class New Company

- Implement operating model and desig organization structure
- Talent selection and retention plans
- Build change management into integration
- Deploy cutting edge digital business capabilities

INTEGRATION GOVERNANCE:

Partnering with a leading global consulting firm to support integration management and execution

VALUE DELIVERY WORKSTREAMS:

COMMERCIAL | DIGITAL / IT | SUPPLY CHAIN | OPERATIONS | MARKETING / BRANDING | CORPORATE FUNCTIONS

Resources and detailed roadmap support synergy realization with upside

On-Track to Deliver on the Core Integration Objectives

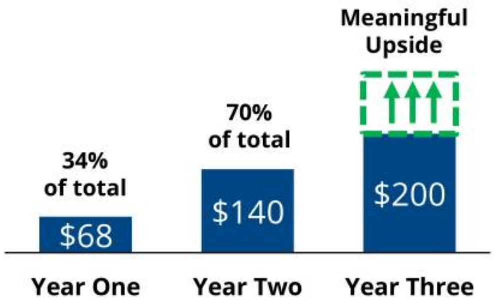
G On-Track

Objective	Execute a Flawless Day One	Deliver Value Capture	Build a World-Class Ne
Status	Complete	G	G
Highlights	• **Executed Day One with minimal disruption** to the business • **Stood up dedicated employee, customer and supplier issue response** teams (no major issues) • **Launched a combined intranet** site with comprehensive list of Frequently Asked Questions • **Held townhalls company-wide,** at Strategic Business Unit (SBU) and Corporate functional levels • **Received positive feedback** from customers, suppliers, employees and investors	• **All master planning and value capture integration initiatives** are on-track with our accelerated time frame • **Planned $200 million+ in recurring cost savings initiatives:** – On-track to exceed $68 million in year one synergies – Executed required actions to capture over $35 million in year one synergies since closing • **Deployed commercial targets** for sales growth and cash flow to businesses • **Demonstrating initial success with first cross-sell** pilots	• **Announced new organizatio structure** organized around t Strategic Business Units and levels of the senior leadershi • **Launched company-wide, br based cultural survey** to ider areas of compatibility and pl harmonize the best of both c • **Identified critical talent** acrc legacy organizations and ens strong employee engagemer

Completed flawless day one; accelerating execution

Making Rapid Progress on Synergy Capture

Cost Synergies ($ millions)



Substantial Progress Since Closir

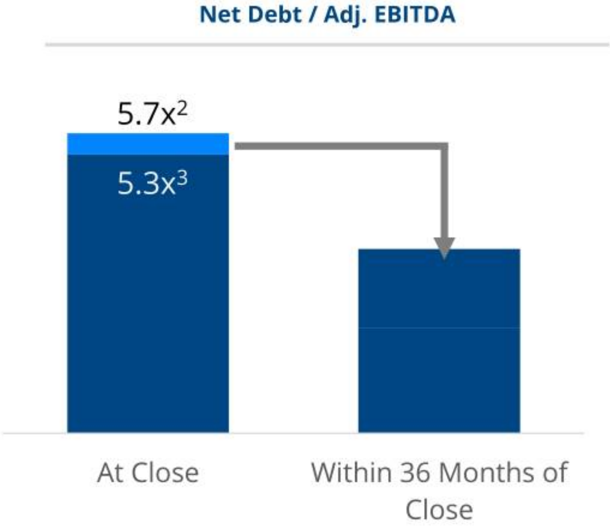
- Captured operational synergies includir renegotiating contracts, reducing duplic spend with vendors, and redundant hea
- Delivered on over 30 unique initiatives
  - Eliminated duplicative public comp related expenses reducing costs b than $7 million
  - Eliminated C-suite and other dupli roles providing over $20 million in

Executed required actions to captur $35 million in annual synergies since

Highly confident in delivering upside to $200 million cost synergies target

Resilient Business Model with Substantial Free Cash Flow and Proven Ability to Deleverage

- ✓ Anticipated deleveraging to be driven through a combination of:
  - \+ Strong free cash flow[1] generation
  - \+ Cost savings realization
  - – Additional capital expenditures to drive synergies
- ✓ At closing, strong liquidity of $800+ million
- ✓ Strength of combined company's cash flows and significant synergies provide a path to reaching leverage target of 2.0 – 3.5x within 36 months of close

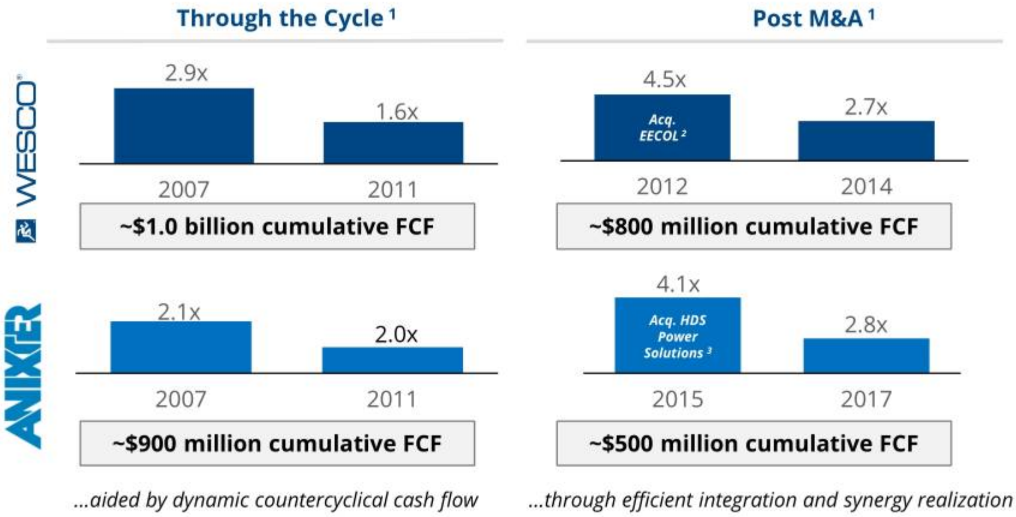


Combined platform expected to generate significant free cash flow[1] to drive rapid deleveraging

1. Free cash flow defined as cash flow from operating activities less capital expenditures and merger-related expenditures. See appendix for non-GAAP reconciliation.
2. Excludes $68 million of expected year one synergies.
3. Includes $68 million of expected year one synergies.

Resilient Business Model with Substantial Free Cash Flow and Rapid Deleveraging

Proven ability to deleverage.....



Q2 Free Cash Flow[5]

$103 million legacy WESC

+

$39 million Anixter

$142 million to
248% of adjust
net income

Since the Global Financial Crisis [4], on a combined basis, WESCO and Anixter have generated free cash flow [5] in excess of $4.0 billion

1. Charts reflect net debt to EBITDA. 2. WESCO completed its acquisition of EECOL in December 2012 for ~$1.1 billion. 3. Anixter competed its acquisition of HD Supply Power Solutions in October 2015 for ~$825 million. 4. Period reflects CY2009 through CY2019. 5. See appendix for non-GAAP reconciliation.

Consent Agreement with Canadian Competition Bureau

- **Announced agreement with Canadian Competition Bureau on August 6, 2020**
- **Merger was permitted to close when the waiting period expired on June 18, 2020**
- **Agreement requires WESCO to divest legacy businesses in Canada:**
  - **Utility**
  - **Datacom (inside plant)**
- **These businesses had total sales of approximately US $150 million in 2019**
- **Will complete transactions as expeditiously as possible**

Summary

- **Continue to take decisive actions in response to COVID-19 pandemic**
- **Executed successful capital raise with strong liquidity and favorable borrowing terms**
- **Completed Anixter merger on June 22, 2020 meeting our expectation of second or third quarter closing**
- **Larger and more diverse by product line, end market, and geography**
- **Differentiated scale and capabilities in highly fragmented industry**
- **Resilient business model and strong free cash flow throughout the cycle**
- **Substantial progress made on integration execution in first six weeks**
- **WESCO + Anixter exceptionally well positioned for evolving secular growth trends**
- **Expect to exceed cost savings, sales growth and cash generation synergy targets of the transformational combination of WESCO and Anixter**

The start of a new era for WESCO

APPENDIX

Second Quarter Diluted EPS and Sales Growth Walk

Diluted EPS Walk[1]

Reported Q2 2019 Diluted EPS	$1.45
Core operations	$(0.45)
Foreign exchange rates	$(0.02)
Tax	$0.02
Lower share count	$0.04
Legacy WESCO Diluted EPS	$1.04
Anixter	$0.32
Adjusted Q2 2020 Diluted EPS	$1.36
Merger-related adjustments	$(2.20)
Reported Q2 2020 Diluted EPS	$(0.84)

Sales Growth Walk

Q2 2019 Sales	$2,150 M
U.S.	(860) bps
Canada	(340) bps
International	(30) bps
Organic Growth	(12.3)%
Foreign exchange rates	(90) bps
Acquisitions	1,030 bps
Q2 2020 Sales	$2,087 M
Reported Growth	(2.9)%

[1] Calculation differences due to rounding.

Gross Profit and Free Cash Flow

Gross Profit

	Three Months Ended,	
	June 30, 2019	June 30, 2020
Net sales	$ 2,150	$ 2,087
Cost of goods sold[1]	1,741	1,693
Gross profit[2]	**$ 409**	**$ 394**
Gross margin [2]	*19.0%*	*18.9%*

Free Cash Flow

	Three Months Ended,			
	June 30, 2019	June 30, 2020		
		Total	Anixter	WESCO
Net cash (used in) provided by operating activities	$ (38)	$ 101	$ 39	$ 62
Less: capital expenditures	(11)	(11)	(1)	(11)
Add: merger-related expenditures	-	52	-	52
Free cash flow[3]	**$ (48)**	**$ 142**	**$ 39**	**$ 103**
Adjusted net income	63	57	14	43
% of adjusted net income	*(76)%*	*248%*	*278%*	*238%*

[1] Excluding depreciation and amortization.
[2] 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.
[3] Free cash flow is provided by the Company as an additional liquidity measure. Capital and merger-related expenditures are deducted from operating cash flow to determine free cash flow. Free cash flow is available to
and financing activities.

Note: For gross profit in prior periods, see quarterly earnings webcasts as previously furnished to the Securities & Exchange Commission, which can be obtained from the Investor Relations page of WESCO's website at w

Second Quarter Organic Sales Growth

$ in millions

Year-over-Year	Three Months Ended, June 30, 2019	Three Months Ended, June 30, 2020	Core Growth	Less: FX Impact	Less: Workday	Organic Growth
Industrial core sales	765	608	(20.6)%	(1.0)%	0.0%	(19.6)%
Construction core sales	707	575	(18.7)%	(1.1)%	0.0%	(17.6)%
Utility core sales	348	372	6.7%	(0.3)%	0.0%	7.0%
CIG core sales	338	317	(6.4)%	(1.2)%	0.0%	(5.2)%
Total core sales	**$ 2,159**	**$ 1,871**	**(13.2)%**	**(0.9)%**	**0.0%**	**(12.3)%**
U.S. core sales	1,623	1,437	(11.5)%	0.0%	0.0%	(11.5)%
Canada core sales	417	332	(20.4)%	(3.0)%	0.0%	(17.4)%
International core sales	119	103	(13.7)%	(6.4)%	0.0%	(7.3)%
Total core sales	**$ 2,159**	**$ 1,871**	**(13.2)%**	**(0.9)%**	**0.0%**	**(12.3)%**
Plus: Anixter	-	222				
Less: Sales discounts and reductions	(9)	(8)				
Total net sales	**$ 2,150**	**$ 2,086**				

Sequential	Three Months Ended, March 31, 2020	Three Months Ended, June 30, 2020	Reported Growth	Less: FX Impact	Less: Workday	Organic Growth
Industrial sales	705	608	(13.8)%	(1.1)%	0.0%	(12.7)%
Construction sales	639	575	(9.9)%	(1.6)%	0.0%	(8.3)%
Utility sales	342	372	8.6%	(0.5)%	0.0%	9.1%
CIG sales	290	317	9.3%	(1.4)%	0.0%	10.7%
Total core sales	**1,975**	**1,871**	**(5.3)%**	**(1.2)%**	**0.0%**	**(4.1)%**
Plus: Anixter	-	222				
Less: Sales discounts and reductions	(7)	(8)				
Total net sales	**$ 1,969**	**$ 2,086**				

Capital Structure and Leverage

$ in millions

EBITDA	Reported		Pro Forma	
	Twelve Months Ended,			
	December 31,2019		June 30, 2020	
Income from operations	$	346	$	551
Depreciation and amortization		62		133
EBITDA	**$**	**408**	**$**	**684**
Stock-based compensation		**19**		**47**
Foreign exchange and other		**1**		**4**
Merger-related costs		**3**		**122**
Adjusted EBITDA	**$**	**431**	**$**	**858**
Cost synergies		-		68
Pro Forma Adjusted EBITDA	**$**	**431**	**$**	**926**

Debt	As of,				Maturity
	December 31, 2019		June 30, 2020		
AR Revolver (variable)	$	415	$	960	2023
Inventory Revolver (variable)		-		450	2025
2021 Senior Notes (fixed)		500		500	2021
2023 Senior Notes AXE (fixed)		-		59	2023
2024 Senior Notes (fixed)		350		350	2024
2025 Senior Notes AXE (fixed)		-		4	2025
2025 Senior Notes (fixed)		-		1,500	2025
2028 Senior Notes (fixed)		-		1,325	2028
Other		28		43	Various
Total debt[1]	**$**	**1,293**	**$**	**5,191**	
Less: cash and cash equivalents		151		265	
Total debt, net of cash	**$**	**1,142**	**$**	**4,925**	
Leverage		2.6x		5.7x	
Pro Forma Leverage		2.6x		5.3x	
Liquidity[2]	**$**	**823**	**$**	**819**	

(1) Debt is presented in the condensed consolidated balance sheets net of debt discount and debt issuance costs and include adjustments to record the long-term debt assumed in the merger with Anixter at its acquisition date f
(2) Total availability under asset-backed credit facilities plus cash in investment accounts.

Note: For financial leverage ratio in prior periods, see quarterly earnings webcasts as previously furnished to the Securities & Exchange Commission, which can be obtained from the Investor Relations page of WESCO's website

Decremental Operating Margin

Decremental Operating Margin	**Three Months Ended**		
	June 30, 2020	**June 30, 2019**	
$ in millions	**Adjusted WESCO**	**Reported**	**Change**
Net sales	$ 1,865	$ 2,150	$ (285)
Income from operations	70	98	(28)
Decremental operating margin			10%

Note: Decremental operating margin is defined as the year-over-year decline in income from operations divided by the year-over-year decline in net sales. Decremental operating margin is a financial measure commonly used in an economic downturn to assess the Company's ability to reduce operating costs in response to declining sales.

Work Days

	Q1	Q2	Q3	Q4	FY
2018	64	64	63	62	253
2019	63	64	63	62	252
2020	64	64	64	61	253