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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 AND EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): June 7, 2017

**WESCO International, Inc.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of  
incorporation)  
  
**225 West Station Square Drive**  
**Suite 700**  
**Pittsburgh, Pennsylvania**  
(Address of principal executive offices)

**001-14989**  
(Commission File Number)

**25-1723342**  
(IRS Employer  
Identification No.)

**15219**  
(Zip Code)

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

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

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.

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**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.

On June 7, 2017, members of senior management of WESCO International, Inc. (the "Company") will present to investors at the Company's Investor Day 2017. The presentation will include written communication comprised of slides and will be accessible on the Company's website. The slides from the presentation are attached hereto as Exhibit 99.1 to this report and are being furnished in accordance with Regulation FD of the Securities and Exchange Commission.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits

The following are furnished as exhibits to this report.

99.1 Slide presentation for investors

**SIGNATURE**

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.

June 7, 2017

\_\_\_\_\_  
(Date)

WESCO INTERNATIONAL, INC.

By: /s/ David S. Schulz

\_\_\_\_\_  
David S. Schulz

Senior Vice President and Chief Financial Officer

The banner features a blue background with a stylized globe on the right and abstract geometric shapes on the left. The WESCO logo and event title are positioned in the upper left corner of the banner.

 **WESCO**<sup>®</sup>  
2017 INVESTOR DAY

# **WESCO International 2017 Investor Day**

June 7, 2017

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## Safe Harbor Statement

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All statements made herein that are not historical facts should be considered as “forward-looking statements” within the meaning of the Private Securities Litigation Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially. Such risks, uncertainties and other factors include, but are not limited to: adverse economic conditions; disruptions in operations or information technology systems; supply chain disruptions, changes in supplier strategy or loss of key suppliers; product or other cost fluctuations; expansion of business activities; personnel turnover or labor cost increases; tax law changes or challenges to tax matters; increase in competition; risks related to acquisitions, including the integration of acquired businesses; exchange rate fluctuations; legal or regulatory matters; litigation, disputes, contingencies or claims; debt levels, terms, financial market conditions or interest rate fluctuations; goodwill or intangible asset impairment; stock market, economic or political instability; and other factors described in detail in the Form 10-K for WESCO International, Inc. for the year ended December 31, 2016 and any subsequent filings with the Securities & Exchange Commission. The following presentation includes a discussion of certain non-GAAP financial measures. Information required by Regulation G with respect to such non-GAAP financial measures can be found in the appendix and obtained via WESCO’s website, [www.wesco.com](http://www.wesco.com).



# Welcome and WESCO Overview

John Engel  
Chairman, President, and Chief Executive Officer

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## 2017 WESCO Investor Day Agenda

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*Investor Day begins at 1:00 p.m.*

<b>Welcome and WESCO Overview</b>	John Engel, <i>Chairman, President and Chief Executive Officer</i>
<b>United States</b>	Andy Bergdoll, <i>Group Vice President and General Manager, United States</i>
<b>WESCO's End Markets</b>	
Utility and Commercial, Institution, & Government	Andy Bergdoll, <i>Group Vice President and General Manager, United States</i>
Industrial	Kevin Kerby, <i>Vice President, Global Accounts</i>
Construction	Les Kebler, <i>Group Vice President and General Manager, International</i>
<i>Break</i>	
<b>Canada</b>	Nelson Squires, <i>Group Vice President and General Manager, Canada</i>
<b>Supply Chain and Operations</b>	Hemant Porwal, <i>Vice President, Global Supply Chain and Operations</i>
<b>Financial Update</b>	Dave Schulz, <i>Senior Vice President and Chief Financial Officer</i>
<b>Q&amp;A and Closing Remarks</b>	John Engel, <i>Chairman, President and Chief Executive Officer</i>

*Cocktail Reception immediately following*



# WESCO: A Leading Global Supply Chain Solutions Provider



## Capital Projects

Including new construction and retrofits, renovations, and upgrades



## MRO



## OEM

Founded  
1922 in  
Pittsburgh, PA

One of the world's largest distributors  
of electrical, industrial, and  
communications products and services

\$7.3 Billion in  
Revenue

#357 of the  
Fortune 500

9,000  
employees

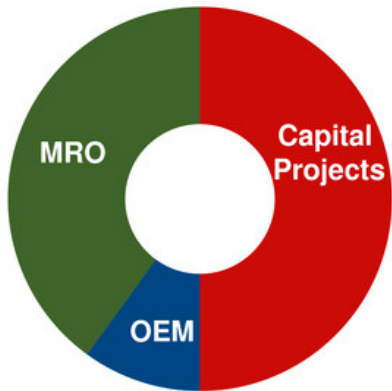
*...providing world-class brands and industry-leading service capabilities*





# WESCO's Go-to-Market Strategy


## Serving Three Customer Demand Streams



## WESCO Characteristics

<b>500</b> Branches	<b>75,000</b> Customers	<b>1,000,000</b> SKUs
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**Supporting a broad range of business models:**

<p><b>Supply Chain Solutions Partner</b></p>  <p>Standard Distribution Model</p>	<ul style="list-style-type: none"> <li>• Integrated Supply</li> <li>• Global Accounts</li> <li>• Kitting, assembly and pre-fabrication</li> <li>• Jobsite and field support</li> <li>• Engineering and design support</li> <li>• Local, branch-based distribution</li> </ul>
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*...providing full supply chain solutions to meet customers' unique requirements*



## WESCO's Value Proposition

### Combining our competitive differentiators...

- A broad product portfolio
- Technical expertise and a wide range of service offerings
- Blue-chip customer and supplier base
- A global footprint
- A culture of customer service excellence, cost control, and lean continuous improvement

### ...into customized supply chain solutions



### ...that result in:

- Long-term customer relationships and deep familiarity with their operations
  - Gaining additional business with existing customers
- Better outcomes for our customers
  - Identifying opportunities
  - Selecting the best solution
  - Reducing their project and operating risks
  - Increasing their productivity and reducing their costs
  - Supporting their global operations
  - Simplifying their supply chains and outsourcing non-core activities

*...driving deeper customer relationships than traditional distributors and e-commerce providers*



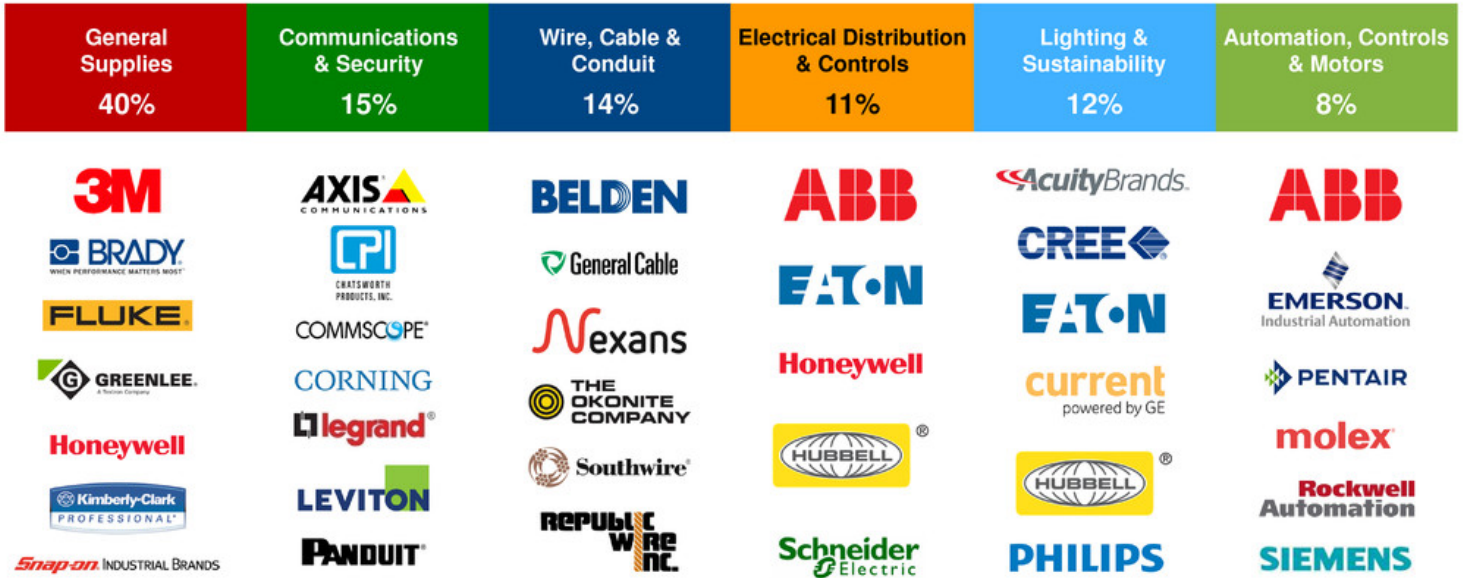
## The Importance of the Distributor



(1) Data Source: National Association of Electrical Distributors, 2017 NAED Market Overview, April 2017.



# Competitive Differentiator: Product Portfolio and Supplier Relationships



*...providing world class brands when and where needed*



## Competitive Differentiator: Service Capabilities

2016 Sales: \$7.3B



*Our services and technical expertise drive the majority of our product sales*

*...value-added services drive customer loyalty and long-term relationships*



## Service Capabilities Examples

### Supply Chain Solutions

- Integrated Supply
- Global sourcing
- Warehousing and logistics
- Storeroom management
- Vendor-managed inventory
- Transaction cost review



### Capital Project Solutions

- Engineering and design support
- Lean construction processes
- Materials management
- Pre-fabrication and assembly
- Jobsite trailers and "WESCO on Wheels" customized carts



### Technical Expert Solutions

- Energy usage analysis
- Lighting renovation and retrofit
- Data center assessment
- Automation upgrades
- Safety assessment and training
- Product and application training



### Customized Product Solutions

- Kitting
- Assembly
- Prefabricated systems
- Cable management
- Process streamlining



*...enabled by investments in technical expertise and digital capabilities*



## WESCO Performance Objectives and Strategies

### Performance Objectives:



Drive above-market sales growth



Expand margins



Generate strong free cash flow and allocate capital to drive growth and shareholder returns

### Strategies:

- Focus on growth markets
- Accelerate One WESCO growth initiatives
- Differentiate through services
- Leverage digital capabilities
- Make accretive acquisitions
- Grow with strategic suppliers
- Simplify and standardize product offerings
- Drive pricing discipline and tools
- Optimize distribution network
- Tightly manage operating costs
- Invest in organic growth and acquisition opportunities
- Manage debt within target range
- Repurchase shares

*...focused on driving profitable growth and shareholder value*



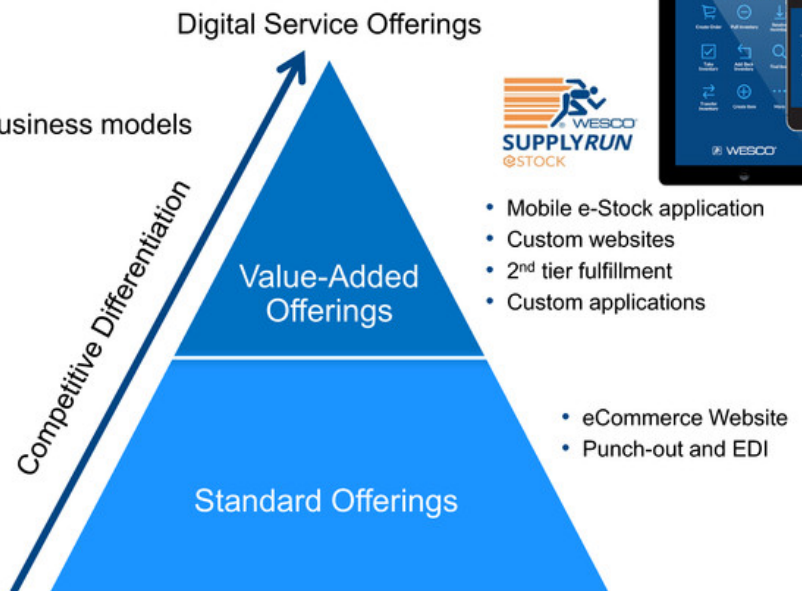
# Drive Above-Market Sales Growth: Evolution of WESCO's Digital Capabilities

## Drive Customer Adoption

- Dedicated eCommerce team
- Focus on current WESCO customers and business models
- Improved user experience
- Easier to transact business

## Develop New Revenue

- Win business with digital capabilities
- Develop new digital service offerings



*...using digital capabilities to drive customer sales, retention, and value*

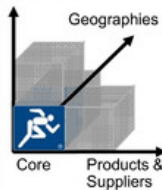




# Drive Above-Market Sales Growth: Make Accretive Acquisitions

## Strategy and Priorities

Markets & Customers



- 1 Consolidate core electrical products and services category in North America
- 2 Expand into adjacent product and services categories
- 3 Follow customers globally and establish local operations in high priority countries.

## Acquisition Criteria

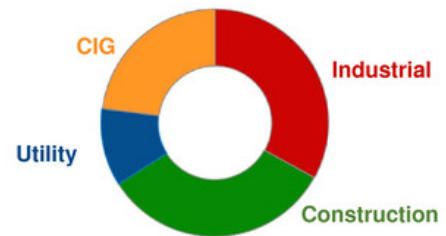
- ✓ Consistent with WESCO strategy
- ✓ Rate of return greater than WESCO risk-adjusted average cost of capital
- ✓ Accretive in first year of operation
- ✓ Margins higher than WESCO

## Cumulative Acquired Sales

(\$M, first 12 months)



## Acquired Sales by End Market since 2010



*...driving strategic growth and shareholder value*



## Acquisitions Have Strengthened WESCO



### Carlton-Bates (2005)

#### OEM ENTRY

- Value-added distribution
- New products and suppliers



### Communications Supply Corporation (2006)

#### DATA COM ENTRY

- IT, communications and security markets
- Data communications solutions and new suppliers
- IP security solutions



### TVC Communications (2010)

#### BROADBAND COMMUNICATIONS ENTRY

- Broadband communications markets
- New products and suppliers



### EECOL Electric (2012)

#### ELECTRICAL EXPANSION

- Doubled the size of WESCO's Canadian business
- Added new electrical supplier
- Established leading market share position in Canada



### Aelux / Lumigent (2015)

#### TURNKEY LIGHTING SOLUTIONS

- Optimal lighting solutions for new construction and retrofit/renovation/upgrades
- Expanded service offerings



### AED Hill Country Needham (2015-2016)

#### CONSTRUCTION STRENGTHENING

- Construction markets in U.S.
- Added new electrical supplier
- Strengthened geographic footprint

*...expanding our portfolio and capabilities while increasing market share*



## 2017 Priorities

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- Return to sales growth
  - Outperform end markets with One WESCO sales growth initiatives
  - Invest in and capitalize on growth markets
  - Maintain focus on execution and sales effectiveness
- Make accretive acquisitions to strengthen portfolio and take market share
- Sustain and expand operating margin
  - Improve margin through pricing and sourcing initiatives
  - Deliver productivity through LEAN operational excellence initiatives, organizational streamlining and branch network optimization efforts
- Maintain strong free cash flow generation and flexible capital structure

***...outperform the market while maintaining cost and cash management discipline***



## 2017 WESCO Investor Day Agenda

	Key Messages
<b>WESCO's Businesses and End Markets</b>	<ul style="list-style-type: none"> <li>• Significant growth markets and opportunities exist across businesses</li> <li>• Executing plans to drive above-market sales growth</li> <li>• Using services as a key differentiator</li> </ul>
<b>Supply Chain and Operations</b>	<ul style="list-style-type: none"> <li>• Significant opportunity to further improve our operations and supply chain</li> <li>• Executing plans to improve margins</li> </ul>
<b>Financial Overview</b>	<ul style="list-style-type: none"> <li>• 2017 update...on track and building momentum</li> <li>• Long-term growth algorithm remains intact</li> <li>• Free cash flow generation supports growth plans and drives shareholder value creation</li> </ul>

*...focused on growth and execution*



2017 INVESTOR DAY

## United States

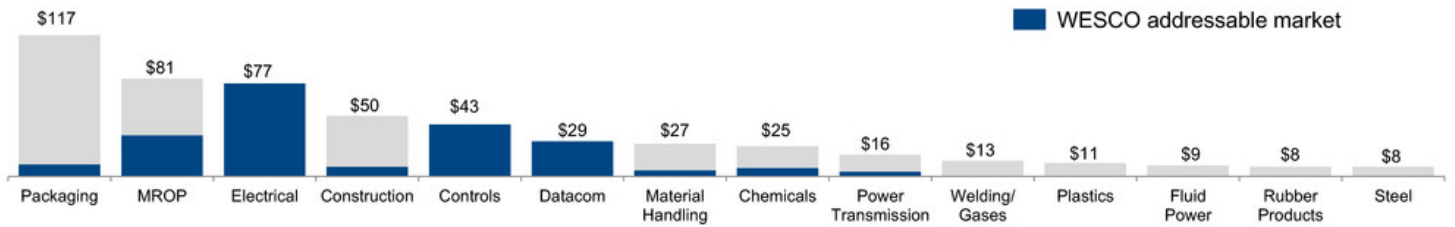
Andy Bergdoll  
Group Vice President, United States

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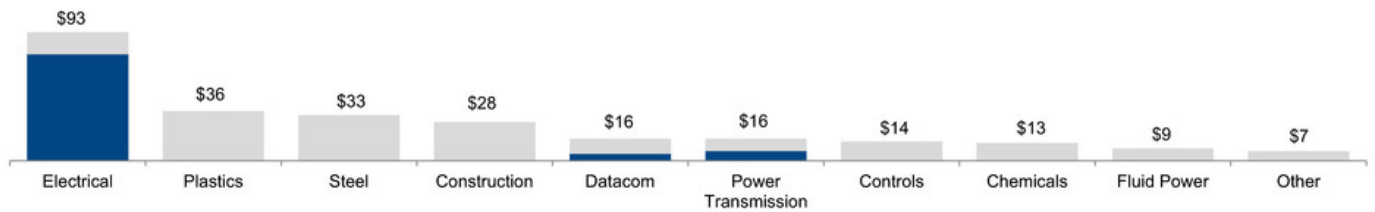


# Market Opportunity

**U.S. MRO Supply Market \$500B | WESCO Addressable Market ~\$200B**



**U.S. OEM Market \$300B | WESCO Addressable Market ~\$100B**



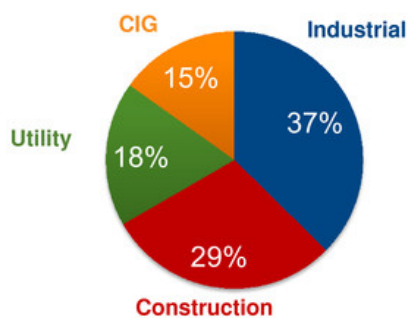
Source: Modern Distribution Management (MDM Analytics Market Prospector), April 2017

***...large fragmented market provides opportunities for growth and expansion***



## United States

**WESCO 2016 U.S. Sales by End Market (\$5.6B)**



**WESCO Organic Sales Growth vs. Prior Year**



Note: See appendix for non-GAAP reconciliations.

### Strategic Priorities

- Achieve above-market organic sales growth
- Leverage our technical expertise, supplier relationships and scale
- Expand our industry-leading service offerings
- Expand capabilities to serve high growth and emerging markets
- Deploy digital tools to drive efficiency and effectiveness across the supply chain
- Optimize our distribution network for greater service and efficiency

**2017 outlook: flat to LSD sales increase**



# United States



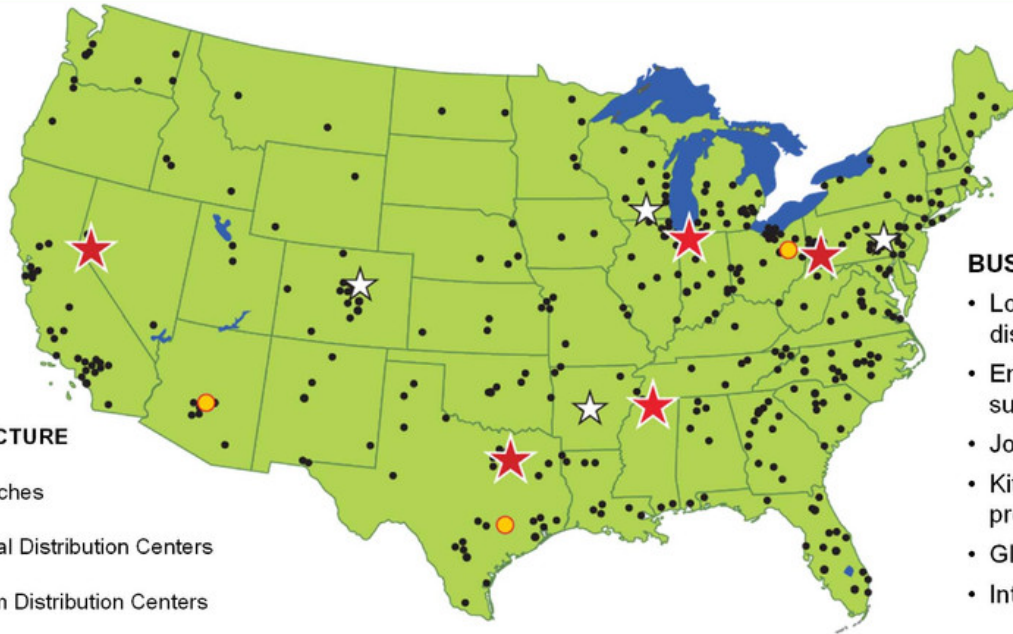
ALASKA



HAWAII

## INFRASTRUCTURE

- 350 Branches
- ★ 5 Regional Distribution Centers
- ☆ 4 Platform Distribution Centers
- 4 Assembly Operations (includes Saltillo, Mexico)



## BUSINESS MODELS

- Local, branch-based distribution
- Engineering and design support
- Jobsite and field support
- Kitting, assembly, and pre-fabrication
- Global Accounts
- Integrated Supply

*...a market leader with an extensive national footprint*





# U.S. Growth Opportunities

## WESCO initiatives to support growth

- Sales effectiveness
- Account management
- Integrate service capabilities
- Project Centers of Excellence
- Contractor / integrator partnership programs
- New account development



### INDUSTRIAL

Supply chain services  
 OEM and direct materials  
 Internet of Things



### CONSTRUCTION

LED lighting/  
 lighting renovation  
 Major projects  
 Project services



### UTILITY

Alternative energy  
 Utility infrastructure  
 Grid automation



### CIG

Critical Infrastructure  
 Cloud computing  
 Broadband / FTTX  
 Digital transformation

*...the portfolio and expertise to capitalize on new and specialized market growth opportunities*



2017 INVESTOR DAY

## Utility

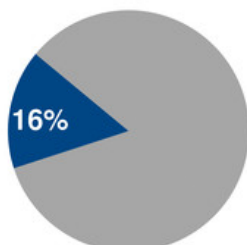
Andy Bergdoll  
Group Vice President, United States

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## Utility End Market

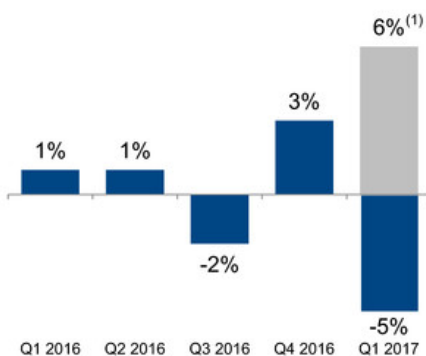
### WESCO 2016 Utility Sales (% of Total)



- Investor Owned
- Public Power
- Utility Contractors

- 89% U.S.
- 10% Canada
- 1% International

### WESCO Organic Sales Growth vs. Prior Year



Note: See appendix for non-GAAP reconciliations.

### WESCO Opportunities

- Industry investments in grid hardening, security, generation fleet conversion to gas, alternative energy integration, and transmission capacity expansion
- Emerging opportunities in street light conversions, broadband/FTTX, grid automation
- Accelerating outsourcing trends for supply chain services
- Continued expansion of current and new Alliance accounts
- Expand footprint in Canada

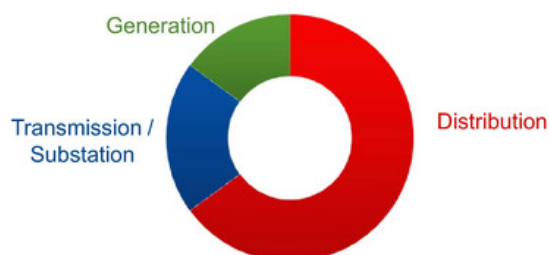
(1) Excludes the impact of the contract WESCO elected to exit in 2016.

**2017 outlook: flat to LSD sales increase**



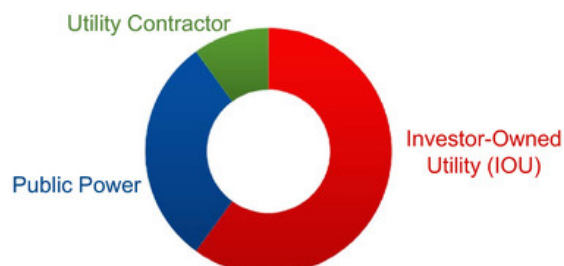
## WESCO Utility

### Utility Sales by Power Chain Segment



- Low projected load growth – electricity demand growth offset by efficiency gains
- Generation mix change - Replacing coal and nuclear with natural gas and renewables
- Infrastructure spending holding at historically high levels
- Continued investment in automation and reliability
- Communications infrastructure investments continuing
- Integration of renewables onto the grid

### Utility Sales by Customer Segment



- Declining revenues and rising costs driving changes in Utility operating models
- Cost savings and productivity programs becoming standard
- Workforce demographic changes opening opportunities for outsourcing
- Continued utilization of Utility contractors for infrastructure projects
- IOUs focusing on regulated business – selling generation assets, acquiring gas utilities and gas pipeline infrastructure

***...addressing the entire power chain through each customer segment***



## Utility Services Portfolio

		Service Offerings			Customer Value Proposition	
			Generation	Transmission/ Substation	Distribution Grid	
Supply Chain	1	Sourcing and Category Management	✓		✓	<ul style="list-style-type: none"> <li>• Procurement cost savings opportunities</li> <li>• Productivity and efficiency savings</li> <li>• Business process improvement</li> <li>• Resource availability</li> <li>• Business process outsourcing</li> </ul>
	2	Procurement and Expediting	✓	✓	✓	
	3	Inventory Optimization	✓		✓	
	4	Point of Use Programs	✓		✓	
	5	Cross-Dock and Logistics	✓	✓	✓	
	6	Warehouse and Site Operations	✓	✓	✓	
	7	Data and Transaction Integration	✓		✓	
Project	8	Bill of Material Development		✓		
	9	Project Material Sourcing	✓	✓	✓	
	10	Packaging, Kitting, Sub-Assembly		✓		
	11	Project Materials Requirements Management	✓	✓		
	12	Site Materials Management	✓	✓		
	13	Cable Management	✓			
	14	Site Warehousing and Logistics	✓	✓	✓	

*...broadest services portfolio serving the electric utility marketplace*



## Utility Products Portfolio

Product Categories					Customer Value Proposition	
		Generation	Transmission/ Substation	Distribution Grid		
Core	1	T&D Components		✓	✓	<ul style="list-style-type: none"> <li>• Access to a broad range of products and suppliers</li> <li>• National scale with local support</li> <li>• Commitment to customer service</li> <li>• Category management cost savings opportunities</li> <li>• Technical support and service offerings</li> </ul>
	2	Wire/Cable/Conduit	✓		✓	
	3	Equipment and Apparatus			✓	
	4	Electrical MRO	✓			
	5	Communication and Security	✓	✓	✓	
	6	Outdoor Lighting	✓		✓	
	7	Industrial MRO, Tools and Supplies	✓		✓	
	8	Safety	✓	✓	✓	
2nd Tier	9	Pipes, Valves, and Fittings	✓		✓	
	10	Power Transmission and Bearings	✓			
	11	Controls and Instrumentation	✓			
	12	Fasteners	✓			
	13	Packing, Gaskets, Seals	✓			
Mfr. Direct	14	Poles, Structures		✓	✓	
	15	Major Equipment		✓	✓	
	16	OEM, Spares	✓			

*...broadest product portfolio serving the electric utility marketplace*



# WESCO Utility Integrated Supply Program

**15%**  
MATERIAL  
COST  
SAVINGS

**85%**  
OPERATIONAL  
EFFICIENCY  
SAVINGS



**SOURCING & PROCUREMENT**

- Leverage spend
- Automated orders / VMI
- e-Catalogs
- Supplier Management
- Catalog clean-up and SKU reduction



**INVENTORY MANAGEMENT**

- Centralize placement
- Optimized inventory levels
- VMI and vending
- Integrated demand planning
- Safety and storm stock programs



**WAREHOUSING & LOGISTICS**

- Centralized cross-docking
- Route rationalization
- Materials quality assurance
- Reclamation support
- Kitting
- Shipment surge plan

*...innovative program has driven above-market growth*



## Success Story – Utility

### Investor-Owned Utility

## Modernizing and Upgrading Infrastructure

#### BACKGROUND

- A customer's transmission and distribution infrastructure required a \$1.4B investment to modernize and upgrade. The customer did not want to invest in non-core infrastructure, temporary facilities, or personnel to manage the project.

#### SCOPE

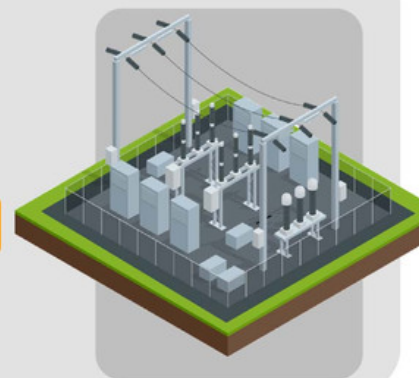
- The customer chose WESCO to provide a full range of services, including:
  - Project management and coordination with the customer, other suppliers, contractors and WESCO-managed suppliers
  - Demand planning, materials procurement and management
  - Project kitting
  - Investment recovery
  - On-demand reporting

Capital  
Project  
Solutions

Supply  
Chain  
Solutions

Technical  
Expert  
Solutions

Customized  
Product  
Solutions



#### OUTCOME

- New agreement provides ~\$200 million in incremental revenue opportunity over its six-year term

*...enabled the customer to outsource a significant non-core project investment*





## Success Story – Utility

Public Power

### Integrated Supply

#### BACKGROUND

- A long-time WESCO customer decided to adopt a category management philosophy to drive material cost savings. WESCO was invited to present our category management competencies as well as our service offerings.
- We executed a new Supply Chain Services agreement to deliver the desired material cost savings, as well as complementary services to drive increased operational efficiency and reduced working capital.

#### SCOPE

- Our One WESCO capabilities will support this new customer's generation, transmission and distribution businesses, including:
  - Category management and procurement of T&D and MRO supplies
  - Demand and Inventory planning to achieve working capital reductions
  - Management of multiple second-tier suppliers
  - Vending and Point-of-Use solutions
  - Integrated KPI reporting and management

Capital  
Project  
Solutions

Supply  
Chain  
Solutions

Technical  
Expert  
Solutions

Customized  
Product  
Solutions



#### OUTCOME

- Transitioned customer relationship from individual bid transactions into to a 5+ year integrated supply agreement, significantly expanding our scope and opportunities for growth with this customer.

***...converted a transactional into a strategic customer relationship***



# **Commercial, Institution, and Government (CIG)**

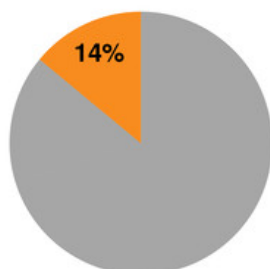
Andy Bergdoll  
Group Vice President, United States

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## Commercial, Institution & Government (CIG) End Market

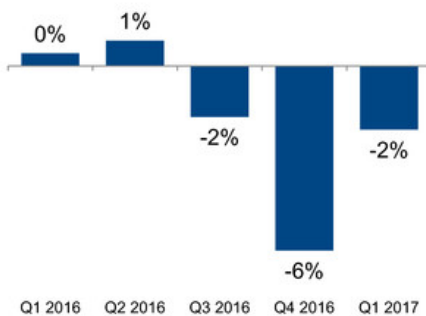
**WESCO 2016 CIG Sales  
(% of Total)**



- Commercial
- Institutional
- Government

- 83% U.S.
- 11% Canada
- 6% International

**WESCO Organic Sales Growth  
vs. Prior Year**



Note: See appendix for non-GAAP reconciliations.

### WESCO Opportunities

- Large, fragmented, and diverse market provides wide range of growth opportunities
- Increased infrastructure spending expectations in the U.S. and Canada
- Favorable market trends in data centers, security and mobility
- WESCO is one of two globally enabled data communications and security distributors
- Emerging market for WESCO services portfolio

**2017 outlook: LSD to MSD sales increase**



## CIG Customer Segments and Solutions

### Commercial

- Enterprise
- Retail



### Communication Service Providers

- Telco and Multi-System Operators
- Cable and Broadband
- Broadcast and Satellite



### Data Service Providers

- Internet and Cloud services (data centers)
- Outsourced data center facilities and services
- Software and Infrastructure as a Service

### Institution

- Healthcare
- Education



### Government

- Federal
- Defense Contractors
- State and Local



### PRODUCT & SERVICES SOLUTIONS

- Communication and IT infrastructure solutions
- Lighting and energy efficiency solutions
- Electrical distribution and control
- Head end and Central Office solutions
- Outside Plant Network solutions
- Data center infrastructure products and solutions
- Physical security and surveillance technology
- Auto-visual solutions
- FTTx infrastructure solutions
- Cellular Backhaul and Wi-Fi infrastructure solutions
- IoT – sensor/Data analytics/Artificial intelligence solutions
- Project Services
- Supply Chain services
- Multi-site technology roll out support services
- Turnkey renovation project delivery
- Diversity programs

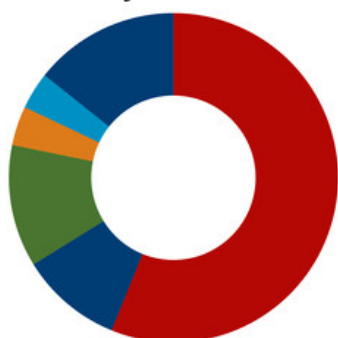
*...providing a full range of solutions to a variety of end users*



## WESCO CIG Opportunities

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### By Product



- Communications & Security
- Lighting & Sustainability
- Wire, Cable & Conduit
- Electrical Distribution & Controls
- Automation, Controls & Motors
- General Supplies

### Demand Drivers

- Expanding demand for broadband and data center capacity and infrastructure
- LED lighting retrofit, renovation, and upgrades
- Security and A/V technology upgrade and IT integration
- Increasing relevance of solar and energy efficiency programs
- Government and Institution contract vehicles
- Alternative sales models to access state, local, education and light commercial market
- Contractor/integrator supply chain services and partnership programs

*...well-positioned to grow with expanding demand for technology*



## Success Story – Security

### Independent K-12 School District Keeping Schools Safe

#### BACKGROUND

- School district with 21,000 students and dozens of buildings and campuses
- Their legacy system did not allow for high-quality imagery or on-demand viewing of events, creating a significant challenge in ensuring the safety of students, faculty and visitors
- Law enforcement did not have access to the legacy system, slowing response time

#### WESCO's SOLUTION

- The WESCO security team pulled together a specialty security integrator and world-class security manufacturers to address this customer's problem
- WESCO proposed and implemented a holistic IP-based digital security solution that included cameras, servers, software, network infrastructure and much more



Capital  
Project  
Solutions

Supply  
Chain  
Solutions

Technical  
Expert  
Solutions

Customized  
Product  
Solutions

***...24/7/365 digital surveillance providing increased safety for students, faculty and visitors***



## Success Story – Datacom

Global Technology Company

### Global Solutions for the Cloud

#### BACKGROUND

- Global technology customer is building and expanding datacenters in 10 countries.
- WESCO provides datacom, security and electrical products, along with project management, design and global logistics services.
  - Our model includes in-country and regional support structures for rapid deployment, scalability, global sourcing and local inventory.
  - This enables consistent customer service around the world.

#### WESCO's COMPETITIVE ADVANTAGES

- Global Accounts team coupled with regional/local presence
- Comprehensive offering of products and services (data + electrical + project management + global logistics) and complete One WESCO coverage
- Key supplier investment and support

#### OUTCOME

Sales with this customer went from zero to \$100 million over 36 months



Capital  
Project  
Solutions

Supply  
Chain  
Solutions

Technical  
Expert  
Solutions

Customized  
Product  
Solutions

*...clear, compelling, global value proposition*



## Summary

---



### WESCO U.S.

- U.S. Market is large and fragmented with many opportunities
- Customers are driving technology integration
- WESCO's product and service portfolio is uniquely positioned address customer needs



### UTILITY

- The utility industry is going through a period of dramatic change
- Infrastructure investment and demand is projected to continue
- WESCO is the leading provider of products and services across the Utility power chain



### CIG

- CIG is a growth market for WESCO's products and services
- Favorable market trends in lighting, data centers, mobility, security and AV
- Technology is both driving demand and enabling WESCO to develop innovative service solutions customized to this segment

*...significant opportunity to drive above-market growth*





# Industrial

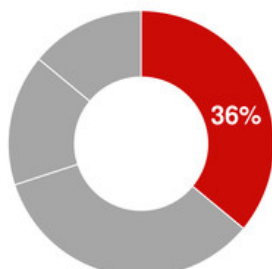
Kevin Kerby  
Vice President, Global Accounts

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## Industrial End Market

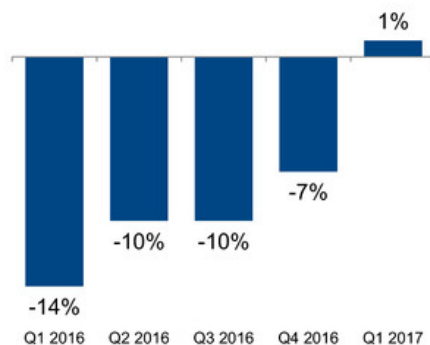
### WESCO Industrial Sales (% of Total)



- Aerospace & Defense
- Diversified Manufacturing
- Oil & Gas
- Metals & Mining
- Food & Beverage
- Pharmaceutical
- Pulp & Paper
- Transportation

- 78% U.S.
- 14% Canada
- 8% International

### WESCO Organic Sales Growth vs. Prior Year



Note: See appendix for non-GAAP reconciliations.

### Opportunities

- One WESCO expansion and new customers
- Expand services footprint
- Grow with value creation solutions
- Capitalize on industrial networking growth opportunities

**2017 end market outlook: LSD sales decline to LSD sales increase**



## Industrial Customer Base

2016 Industrial Sales \$2.6B



### Key Industrial Segments

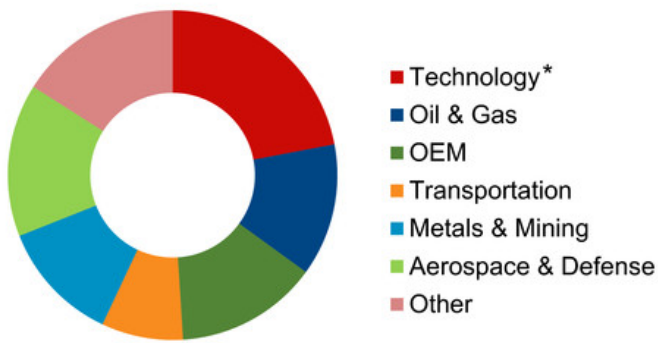
- Global Accounts – large customers with national/international footprint
  - Deep WESCO knowledge of customer's business and operations
  - 90%+ contract renewal rate in 2015 and 2016
- Integrated Supply – business process outsourcing
  - 5% growth in number of plants and 100% customer retention rate in 2016
- OEM – business process outsourcing for kits, assemblies and other products

*...long-term customer relationships, enabled by portfolio, footprint and supply chain expertise*



# Global Accounts and Integrated Supply

## Total 2016 Sales



\*Technology sales are included in CIG and Construction end markets

## New Contracts / Agreements

- Technology
- Oil & Gas
- Solar
- Pharmaceutical and Medical
- Transportation
- OEM



Approximately \$400 million\* in wins last year

\*Reflects sales over the total life of the agreement

*...winning diversified new business while retaining current customers*

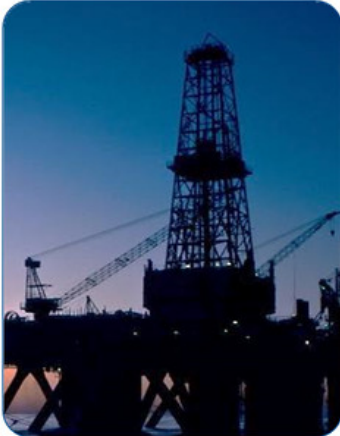


# Global Accounts Value Proposition

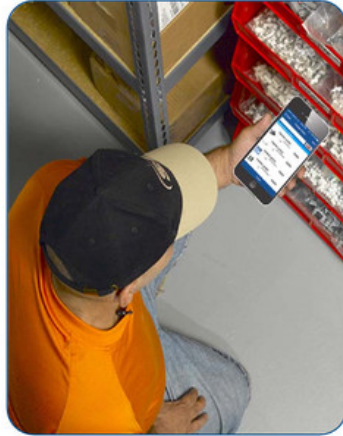
Standardizing products, pricing, terms and service across multiple customer facilities

## Supply Chain Solutions

### Industrial & Electrical Distribution



### Integrated Supply



### Customized Product Solutions



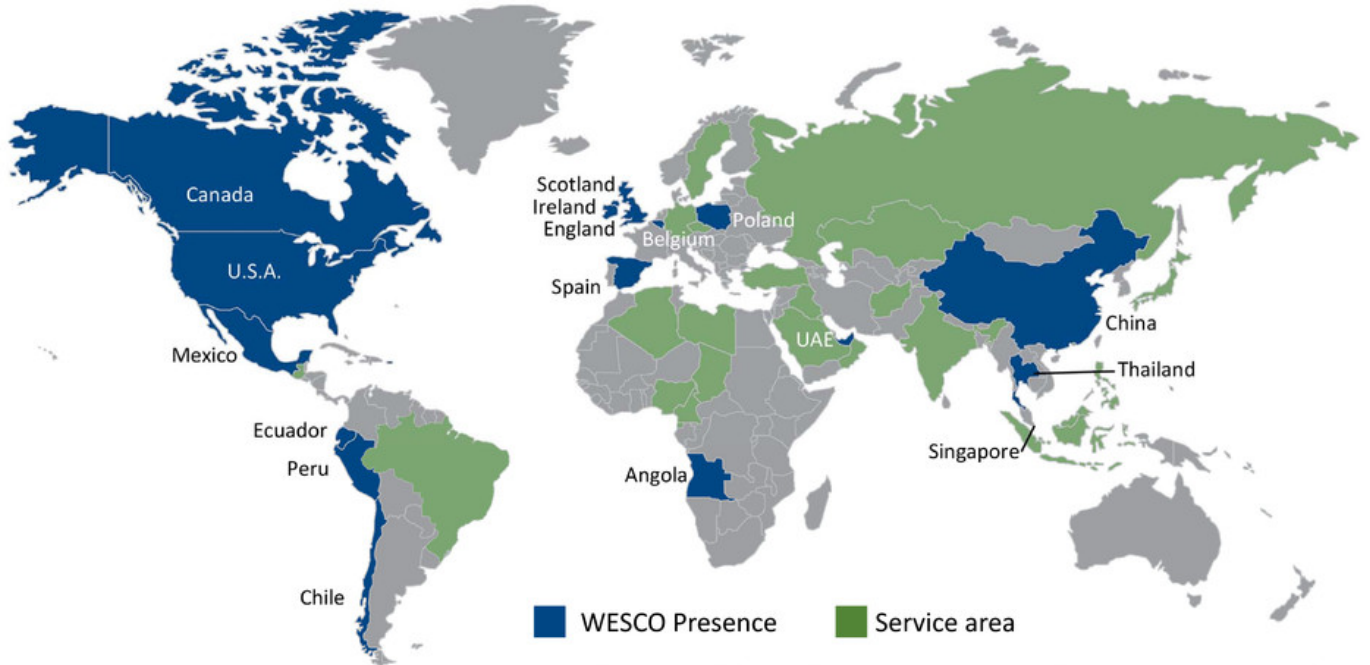
### Capital Project Solutions



*...addresses key customer needs and applications*



## WESCO's Global Reach



*...serving our blue-chip customers wherever they are located*



## Business Objectives and Customer Engagement

### Acquire new customers



Centralized lead generation team

### Penetrate existing customers and build C-level relationships



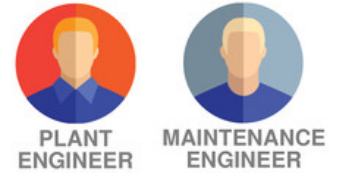
Global Account Managers with vertical market and key account focus

### Grow plant-level sales and drive LEAN initiatives



Geographically based implementation teams

### Provide local sales, service, and technical support

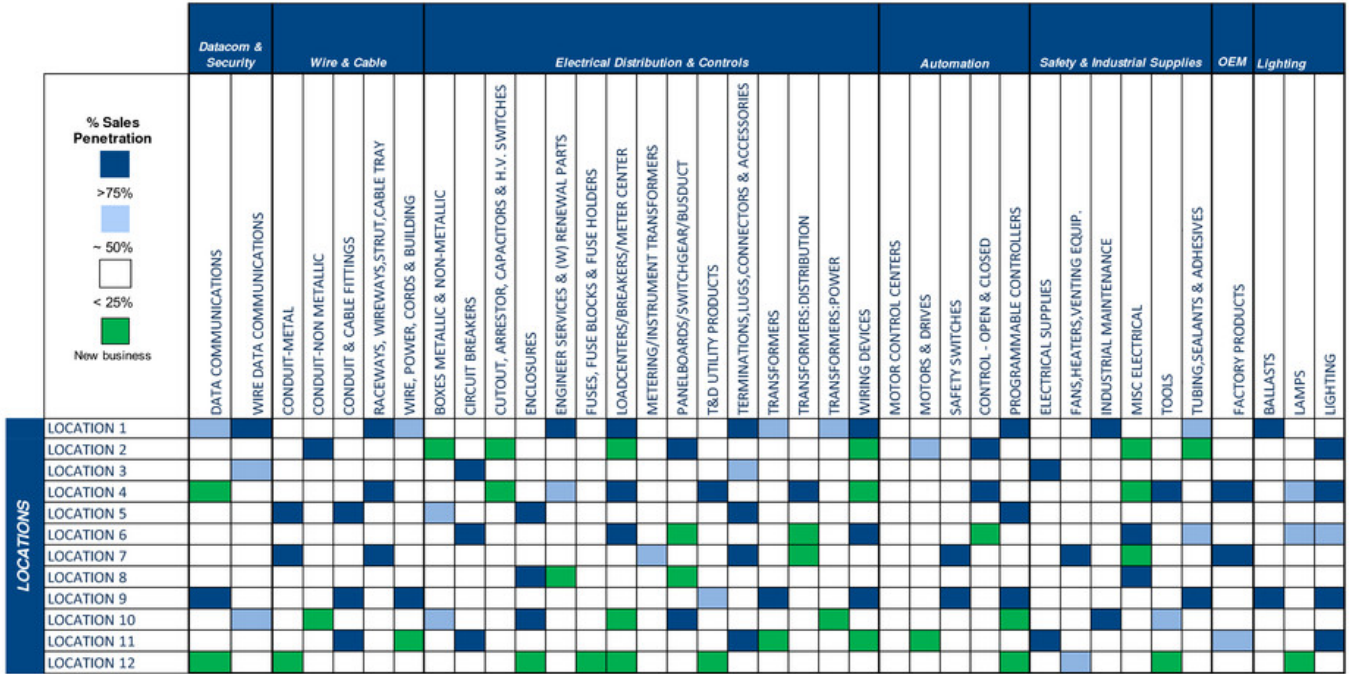


Branch personnel

*...working all organizational levels and key customer decision makers*



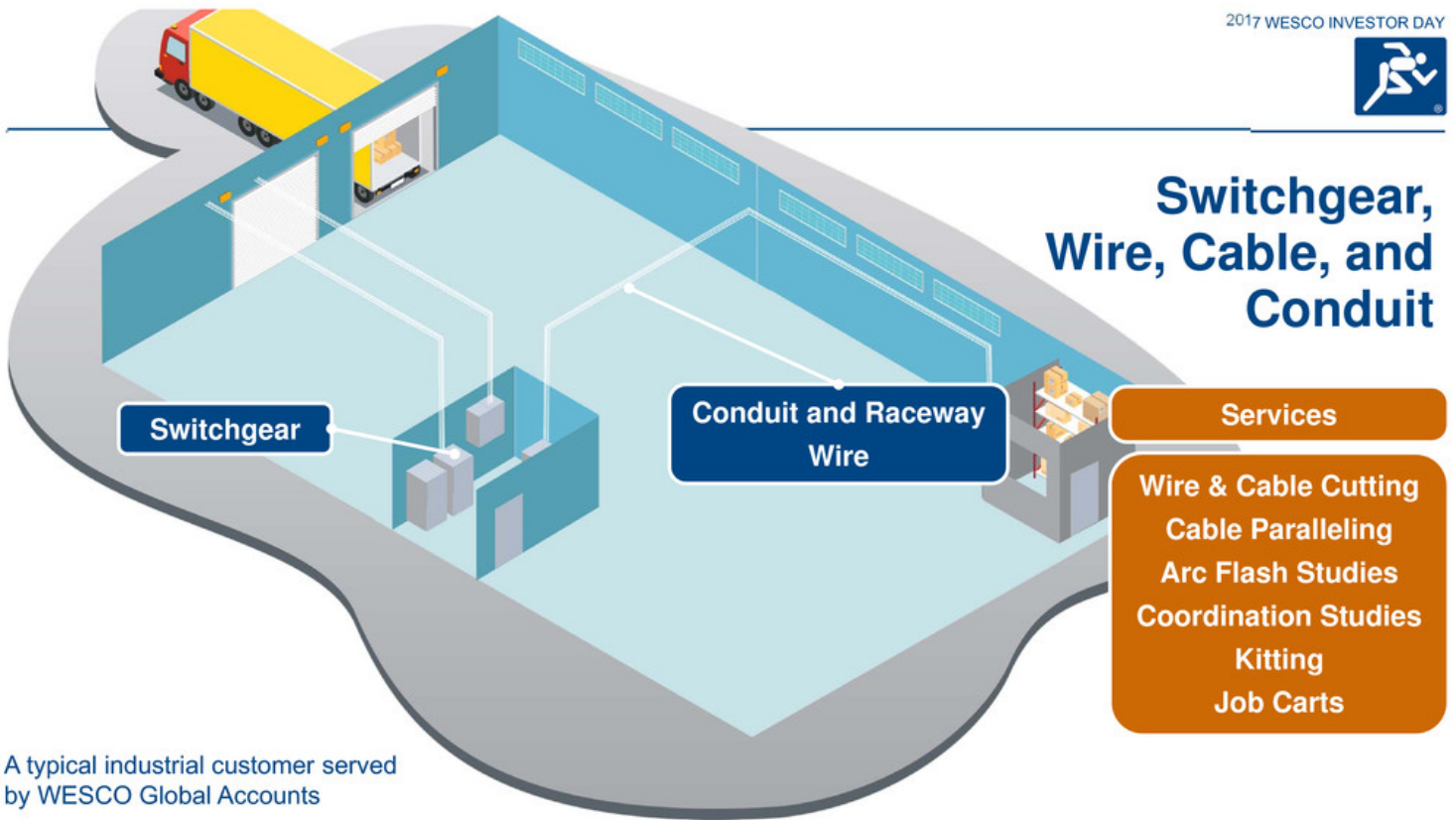
# A Typical Customer







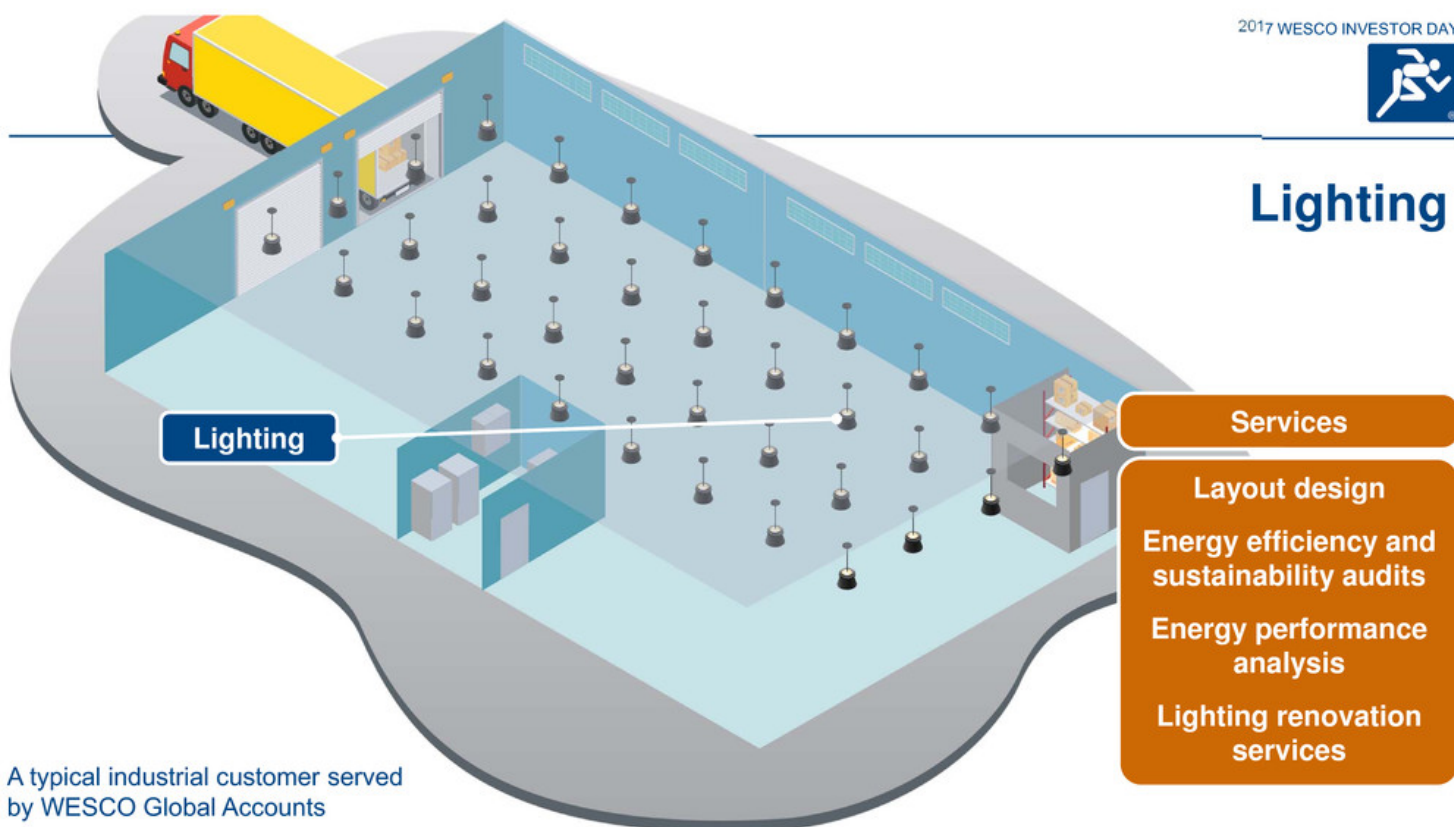
# Switchgear, Wire, Cable, and Conduit



A typical industrial customer served by WESCO Global Accounts



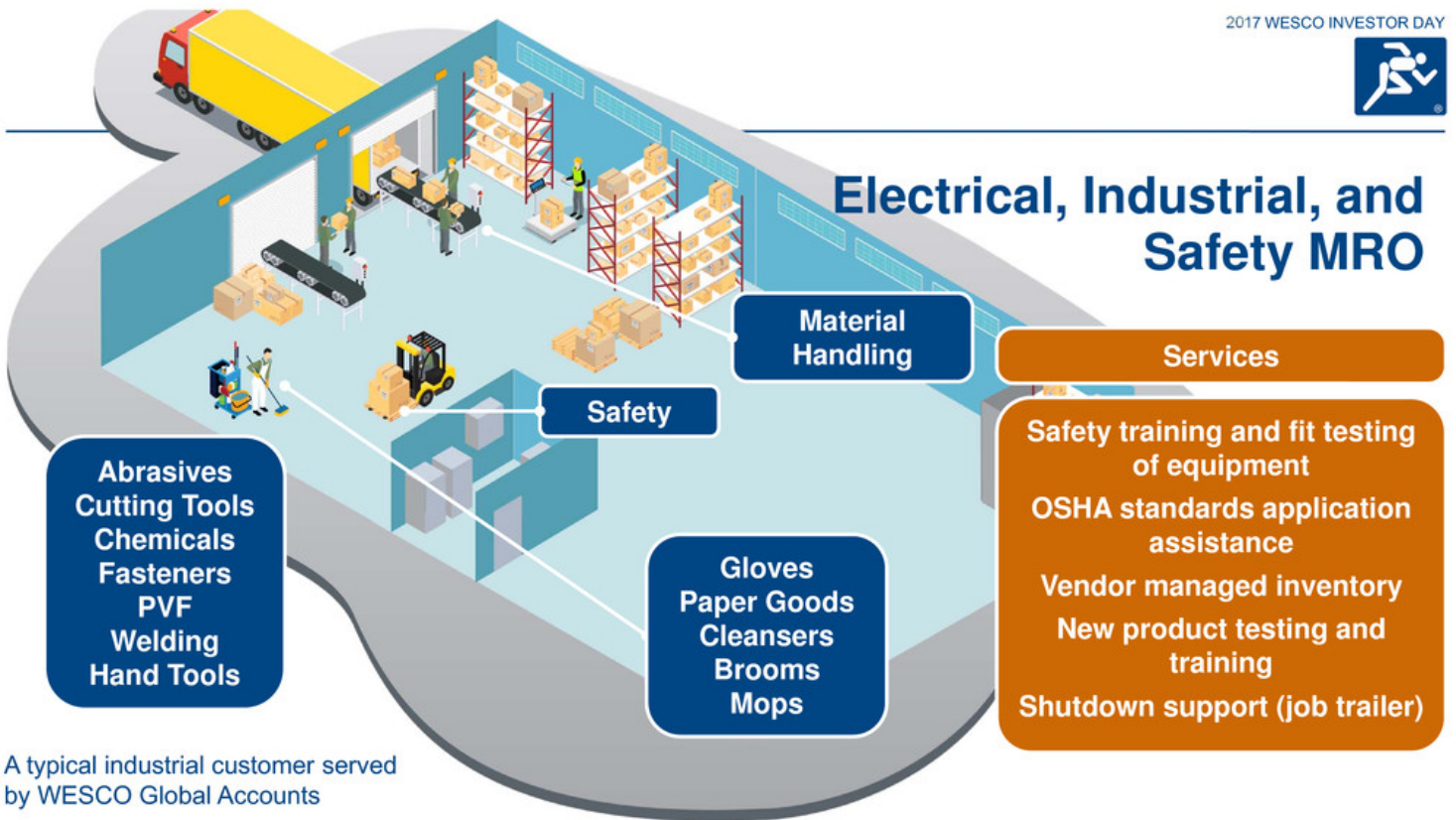
# Lighting



A typical industrial customer served by WESCO Global Accounts



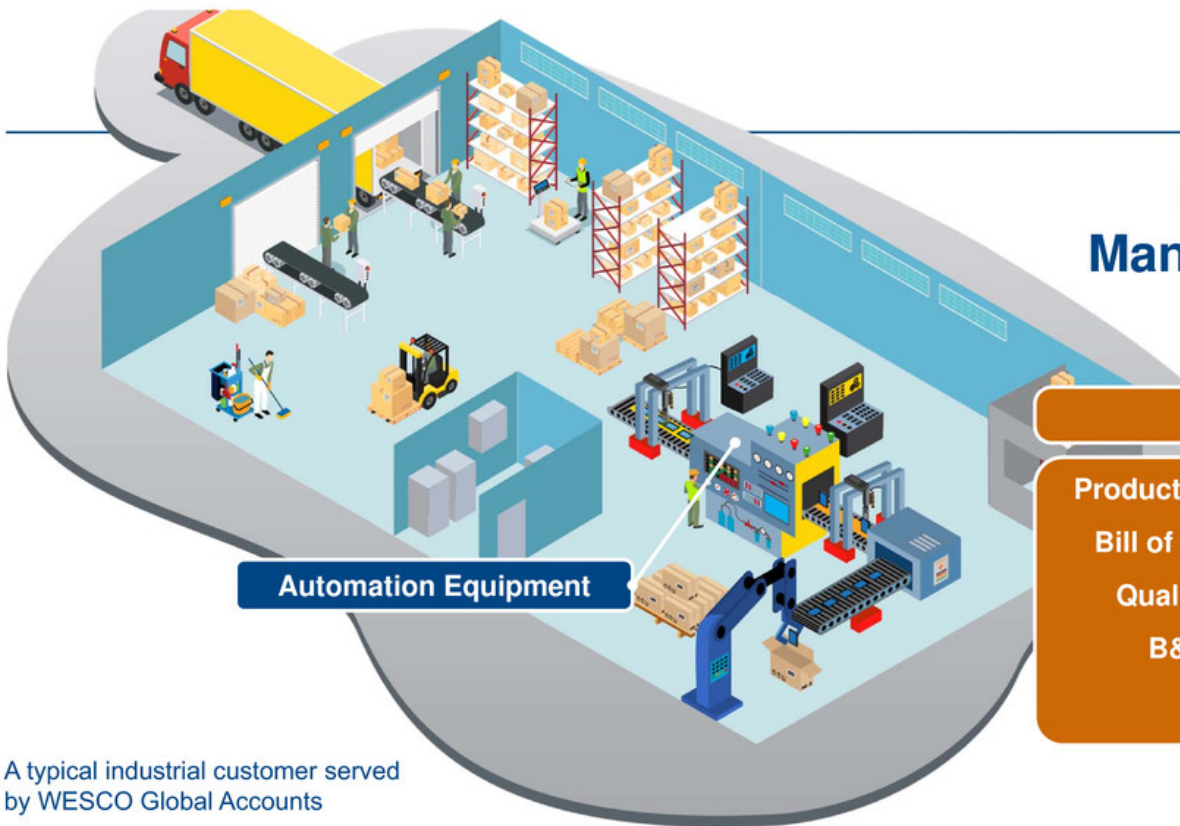
# Electrical, Industrial, and Safety MRO



A typical industrial customer served by WESCO Global Accounts



# Diversified Manufacturing



Automation Equipment

Services

Production Line Services

Bill of Material Review

Quality, Kitting, JIT

B&C Sourcing

Kanban

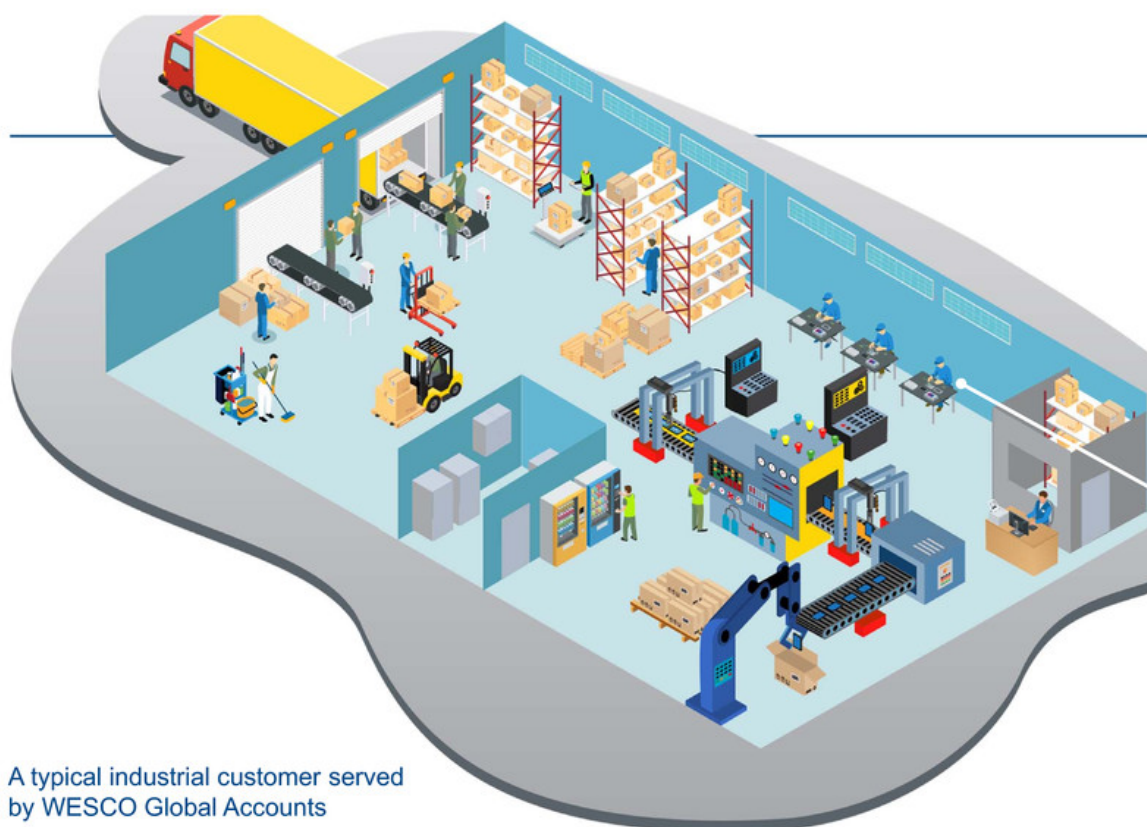
A typical industrial customer served by WESCO Global Accounts



## Assembly

Services

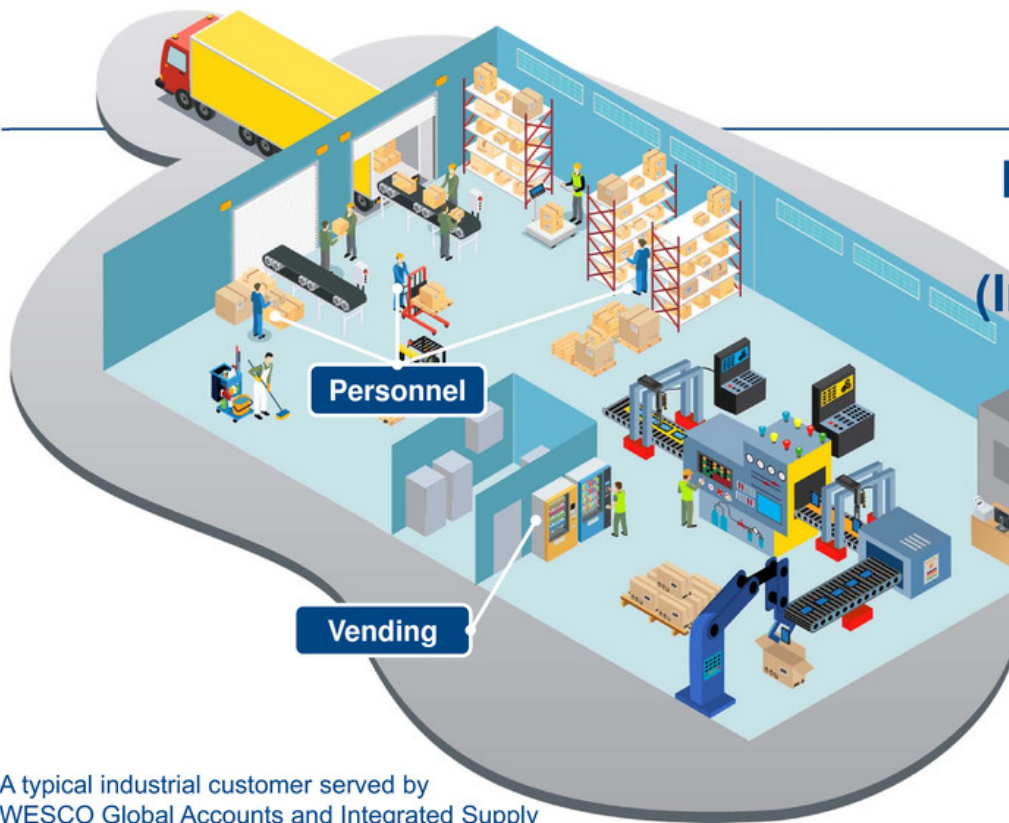
Wire Harnesses  
Cable Assemblies  
Panel builds  
Sensors  
Switches  
PLCs



A typical industrial customer served  
by WESCO Global Accounts



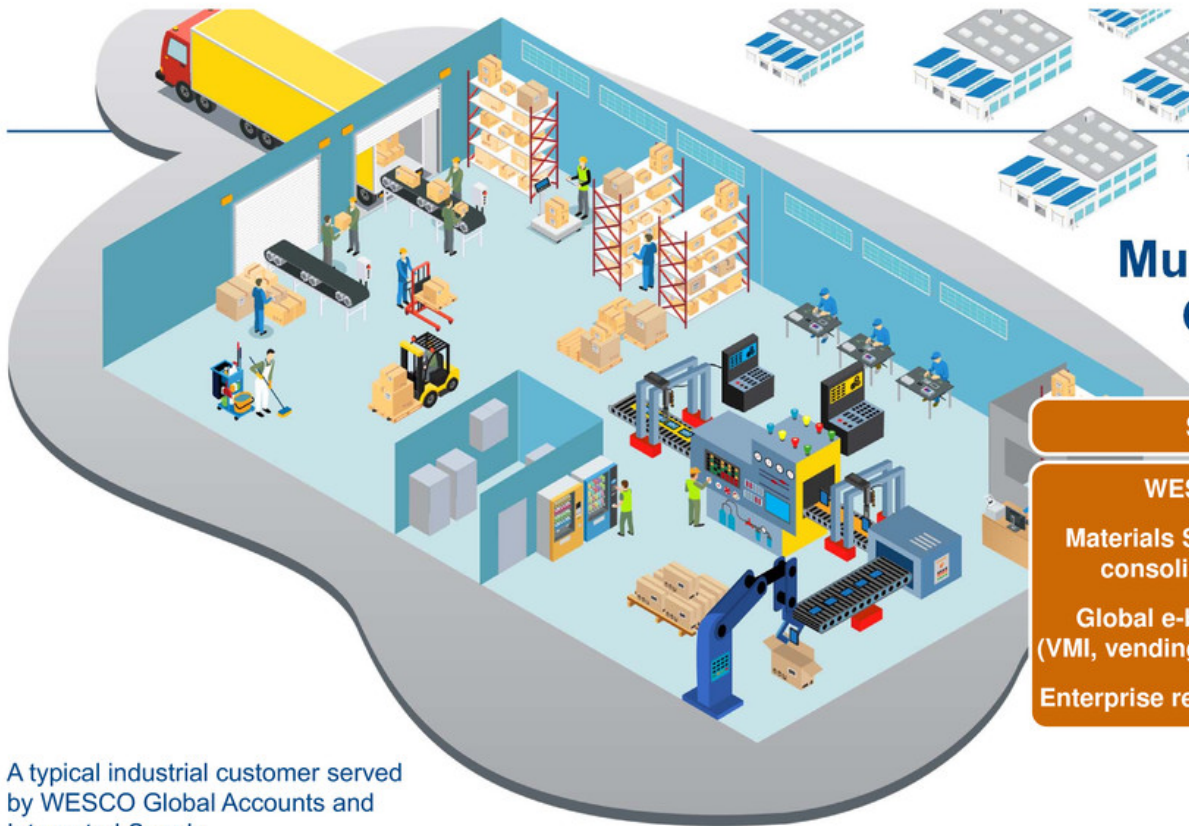
## Business Process Outsourcing (Integrated Supply)



### Services

- Strategic Sourcing
- Storeroom Management
- Inventory Management
- Quality Assurance
- VMI
- Shutdown support (job trailers)
- E-Catalog
- Inventory Optimization
- Lean Warehousing optimization
- Category Management
- Tactical procurement services
- 2<sup>nd</sup> tier supplier management

A typical industrial customer served by  
WESCO Global Accounts and Integrated Supply

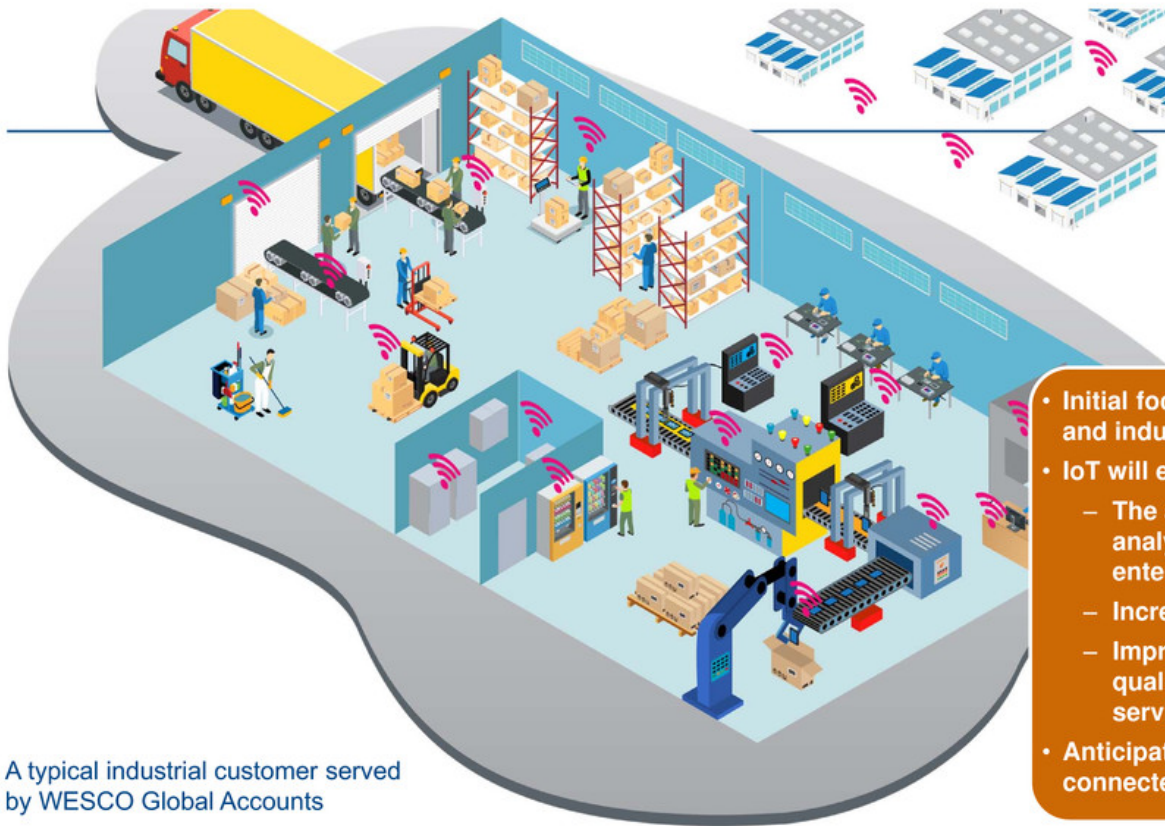


# Multi-location Customers

Services

- WESCO Express
- Materials Standardization and consolidation programs
- Global e-business solutions (VMI, vending, e-catalog, EDI/XML)
- Enterprise reporting and analytics

A typical industrial customer served by WESCO Global Accounts and Integrated Supply



## Industrial Networking

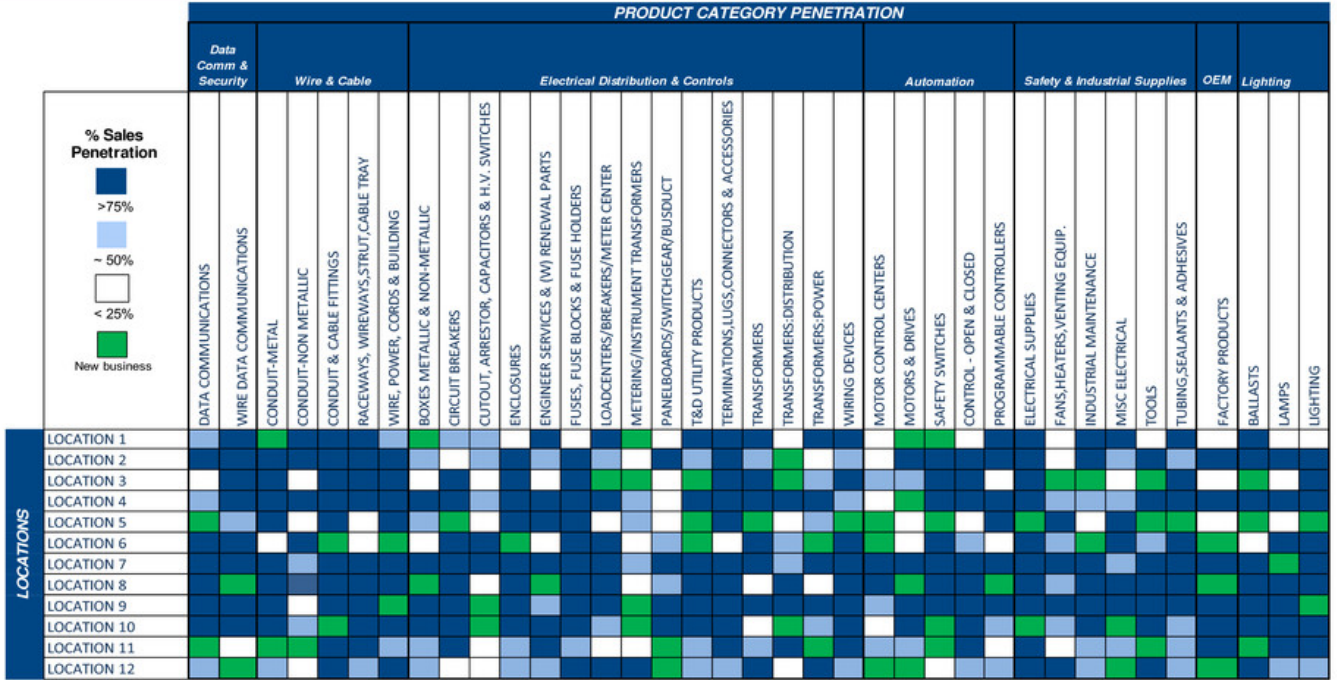
- Initial focus on digital ceiling and industrial plant floor
- IoT will enable:
  - The ability to gather and analyze data across the enterprise
  - Increased productivity
  - Improvements to product quality and customer service
- Anticipating growth in connected lighting

A typical industrial customer served by WESCO Global Accounts





# A One WESCO Customer





## Industrial End Market Success Story

### Global Multi Division Manufacturer OEM Supply Chain and Business Process Outsourcing

#### BACKGROUND

Customer engaged WESCO to support its new OEM supply chain strategy in one division and its outsourcing strategy in another division

#### SCOPE

##### OEM Supply Chain

- WESCO Global Accounts and Field Operations interlock ensures seamless execution – 18 plants, 5,000 SKUs
- Services:
  - Global sourcing/supplier, JIT, supplier rationalization, BOM review, quality assurance
- Deployment of our U.S. and Mexico Assembled Solutions group to design/source/fabricate a diverse array of assembled components such as:
  - Wire harnesses, enclosures, custom panels, and relays / switches

##### Business Process Outsourcing

- WESCO Integrated Supply – Industrial and Electrical MRO, 25 plants in North America and Europe
- Services:
  - Global sourcing
  - Order entry and technical support
  - VMI
  - Multi tier supplier management
- 61 personnel to support the customer; 38 dedicated
- 100% of transactions run through the WESCO software platform

#### OUTCOME

Multi year agreement extension -- \$250M total value with \$65M in incremental opportunity

Capital  
Project  
Solutions

Supply  
Chain  
Solutions

Technical  
Expert  
Solutions

Customized  
Product  
Solutions



## Industrial Growth Opportunities

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- Lighting Retrofit
- Critical Infrastructure Upgrade
- Supply Chain Services
- OEM/Direct Material
- Industrial Networking



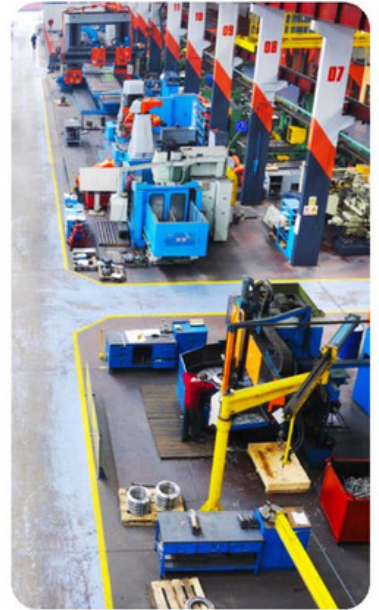
*...significant opportunities for growth and expanding customer relationships*



## Summary

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- The Industrial end market is large and offers excellent growth opportunities.
- WESCO has key competitive differentiators to enable us to outperform the market:
  - Long-term customer relationships with opportunities for expansion
  - Diversified end market customer verticals
  - Global Accounts' portfolio of products and services and worldwide footprint
  - Integrated Supply's ability to manage supply chain and other functions
- The evolution of technology provides an opportunity for WESCO to combine our expertise in electrical, datacom, and automation into new products and services.



*...large market with many opportunities for growth*



2017 INVESTOR DAY

# Construction

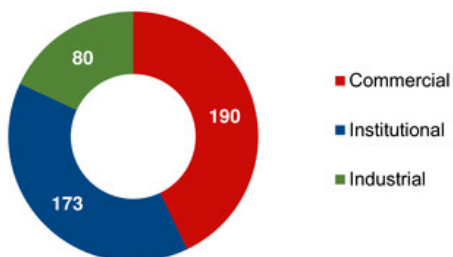
Les Kebler  
Group Vice President, International

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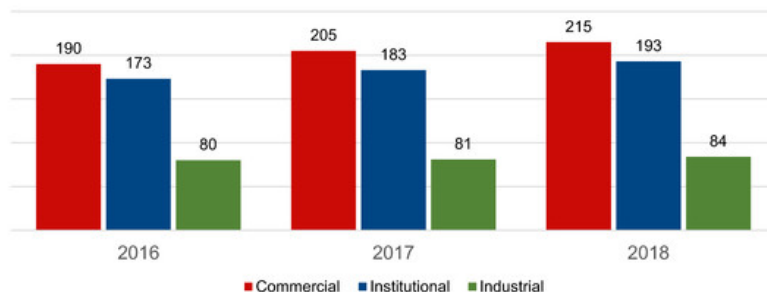
# North American Construction Market

2016 Construction Market (\$B)



Sources: AIA (U.S.), CanaData Forecaster (Canada)

Construction Trend (\$B)



- ~\$450B construction market - \$44B\* WESCO addressable market
- Low to mid single digit increase in non-residential fixed investment
- Infrastructure spending provides additional upside
- Potential incremental tailwinds (regulations, tax, business sentiment)

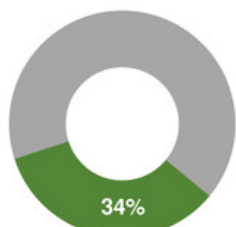
\*Source: MDM data

*...large market with favorable conditions for growth*



## Construction End Market

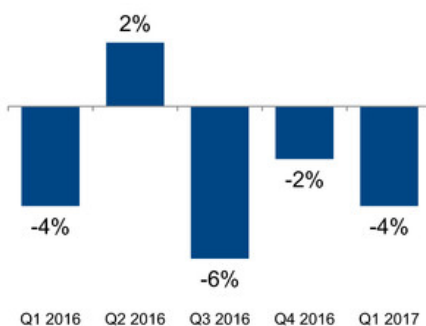
### WESCO Construction Sales (% of Total)



- Non-residential
  - Commercial
  - Industrial
  - Infrastructure
  - Institutional
- Residential

65% U.S.  
32% Canada  
3% International

### WESCO Organic Sales Growth vs. Prior Year



Note: See appendix for non-GAAP reconciliations.

### WESCO Opportunities

- Full suite of services to support contractors
- Infrastructure and resources in place today
- Capitalize on high-growth markets
- Global expansion and capital projects
- Increased infrastructure spending

**2017 end market outlook: Flat to LSD sales increase**



## Characteristics of the Construction Industry

---

- Highly fragmented market
- Cyclical market with high growth segments
- Shortage of skilled workers
- Slower digital adoption relative to manufacturing, retail and agriculture
- Cost overruns and missed schedules on mega-projects
- Increasingly global nature of engineering, design and construction (EPC) firms
- Productivity growth has remained relatively flat over the past 20 years\*

### WESCO Value Creation

- Engineering and design phase
- Construction phase
- Transition to operations
- Supply chain management
- On-site execution
- Digital tools

\*Source: McKinsey research

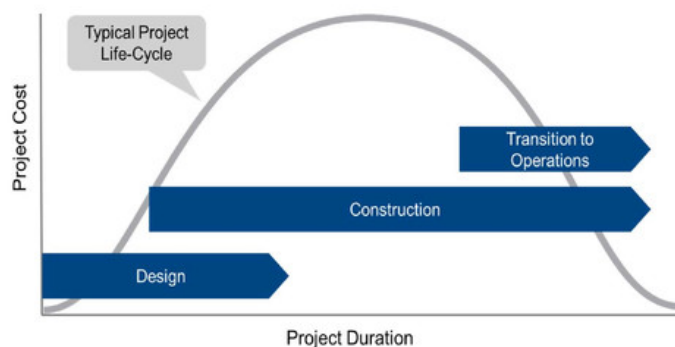
*...industry challenges provide significant opportunity to add value*





## Construction Strategy Focused on Cost and Schedule

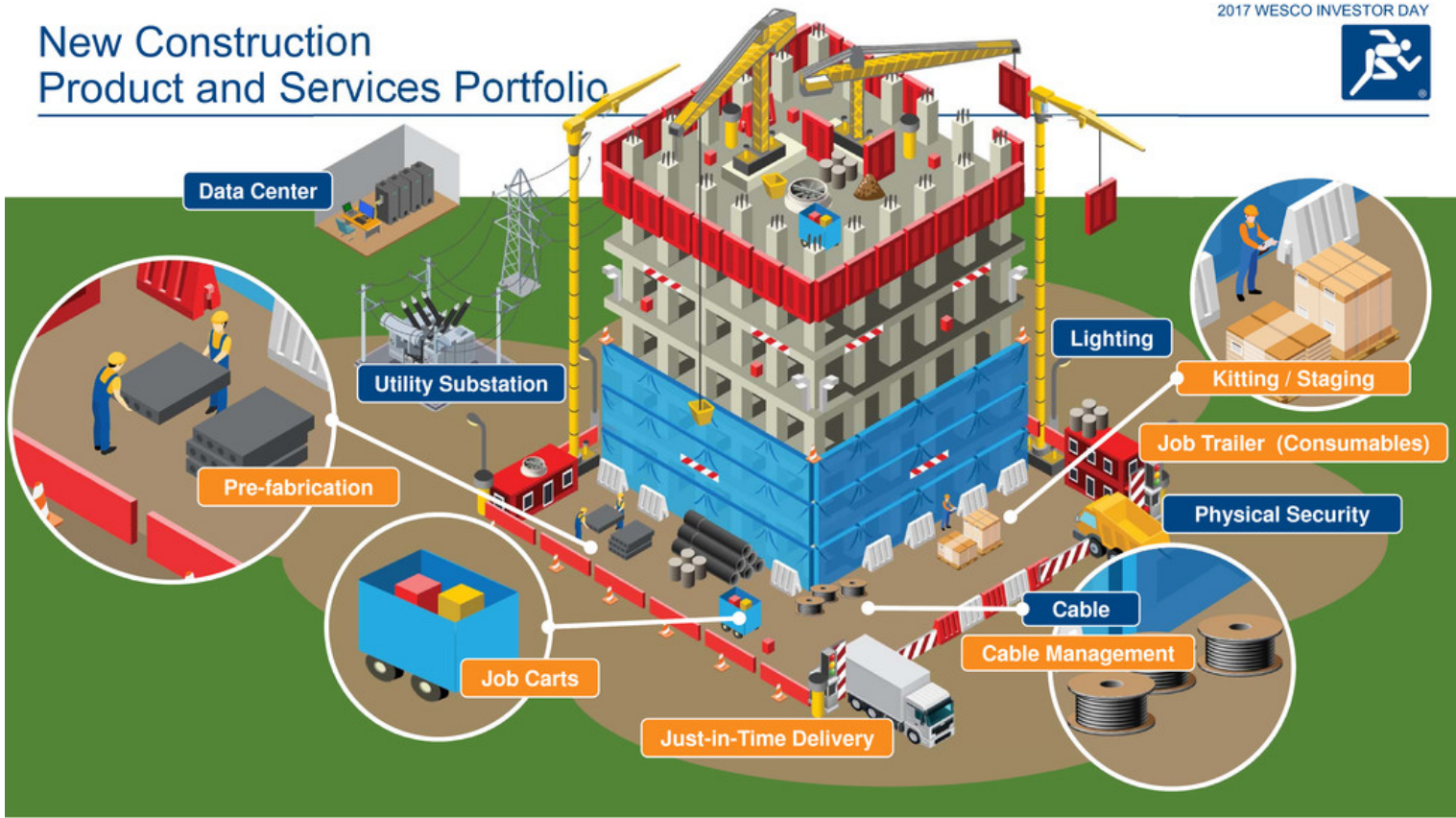
- Transparency of activity through the construction cycle
- Visibility and accountability for all stakeholders
- Position product close to craft to increase productivity
- Differentiate material management by risk to the project
- Provide innovative products and services that reduce installed cost
- Utilize data warehouse to lower product cost and reduce engineering and craft man-hours
- Project management software for complex projects



*...leveraging decades of WESCO construction experience*

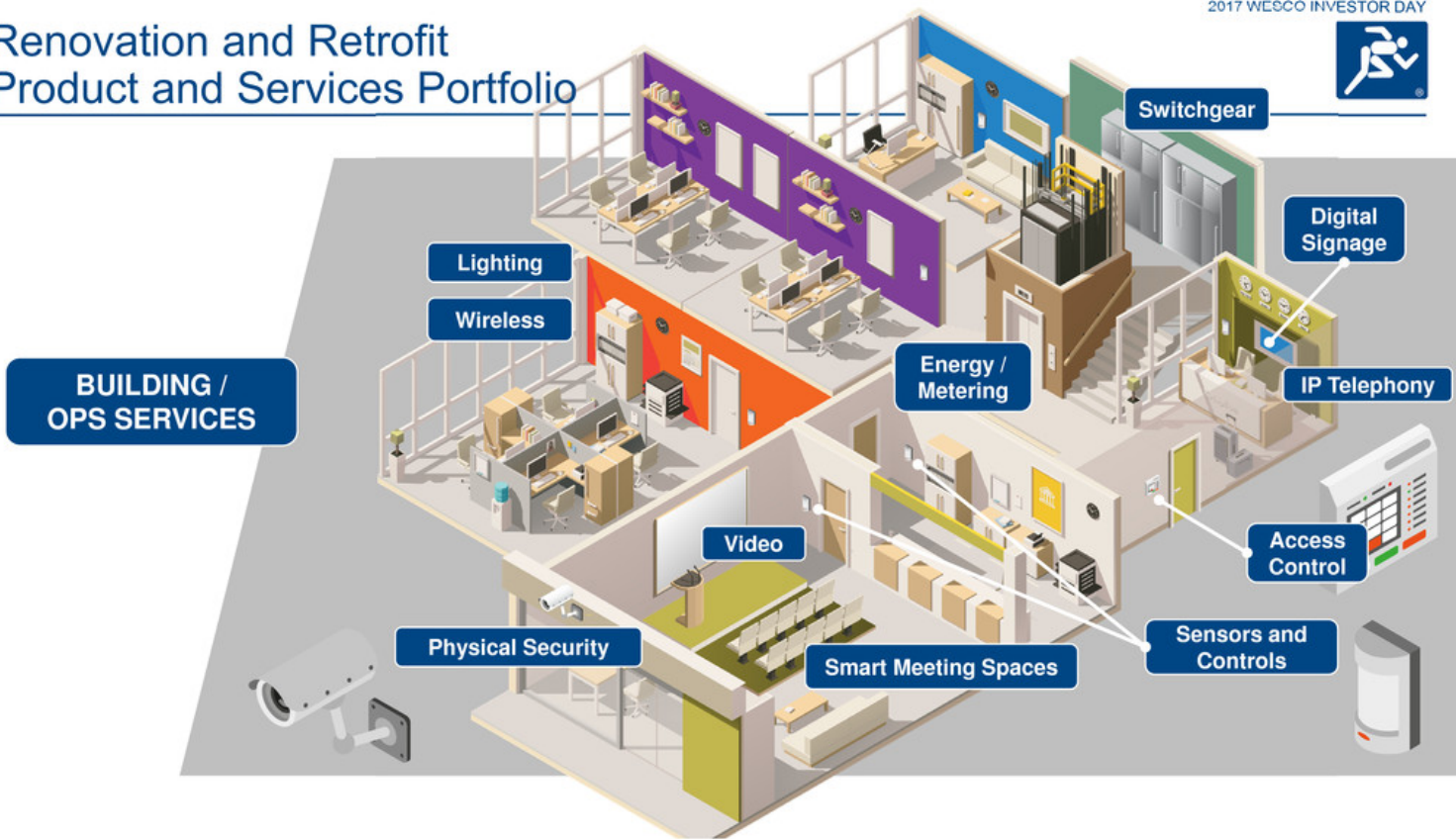
# New Construction Product and Services Portfolio

2017 WESCO INVESTOR DAY





# Renovation and Retrofit Product and Services Portfolio










# Services for the Construction Industry

Construction Phase	Customer Needs	WESCO Services							
Engineering & Design	<ul style="list-style-type: none"> <li>• Specification assistance</li> <li>• Product alternatives</li> <li>• Turnkey solutions</li> <li>• Design layouts</li> <li>• Reduced engineering man-hours</li> </ul>	 Global Sourcing	 Major CAPX Material Management	 New Concepts – Intelligent Buildings	 Turnkey Lighting Solutions	 Project Specific Catalogs			
Construction	<ul style="list-style-type: none"> <li>• Right product, right time</li> <li>• Lower installed cost</li> <li>• Higher productivity</li> <li>• Real-time information</li> <li>• Continuous improvement</li> </ul>	 Pre-built Data Racks	 eStock Next Gen Site Replenishment	 Automated VMI	 Vending Machines	 Cable Management	 On-site Trailers	 Customized Kitting	 eCommerce



## Capitalizing on High Growth Markets

Market	Market Drivers	WESCO Differentiators
	<b>LED Lighting</b> <ul style="list-style-type: none"> <li>• \$300B “traditional” base, \$15B+ LED market in 2017</li> <li>• Current 15% adoption projected to double by 2020</li> </ul>	<ul style="list-style-type: none"> <li>• Specialized sales leaders and resources</li> <li>• Turn-key design, procure and install offering</li> <li>• Lighting COEs</li> </ul>
	<b>Cloud Computing</b> <ul style="list-style-type: none"> <li>• Large market with significant growth expectations</li> <li>• Companies racing to provide cloud based solutions</li> </ul>	<ul style="list-style-type: none"> <li>• Leadership position in Datacom</li> <li>• Leverages Global Account structure</li> <li>• Global infrastructure in place today</li> </ul>
	<b>Major Projects</b> <ul style="list-style-type: none"> <li>• Petrochem, Power, Unconventional oil all active</li> <li>• Trend toward lump sum benefits WESCO</li> </ul>	<ul style="list-style-type: none"> <li>• Decades of experience</li> <li>• Services provided through global centers in the Americas, Europe and Asia</li> </ul>
	<b>Solar</b> <ul style="list-style-type: none"> <li>• \$35B North American market, LSD growth rate</li> <li>• Over 25% WESCO sales CAGR over last 3 years</li> </ul>	<ul style="list-style-type: none"> <li>• Specialized sales and marketing teams</li> <li>• Leverage footprint for quick turn projects</li> </ul>
	<b>Digital Transformation</b> <ul style="list-style-type: none"> <li>• Rapidly developing market to “connect the dots”</li> <li>• Converged networks and POE lighting</li> </ul>	<ul style="list-style-type: none"> <li>• Existing businesses engaged</li> <li>• Strategic partnerships with leading vendors</li> </ul>

*...we have the resources, infrastructure, and scale*



## Acquisitions Expanded Construction Footprint



*...opportunities to penetrate additional markets*



## Success Stories – Construction

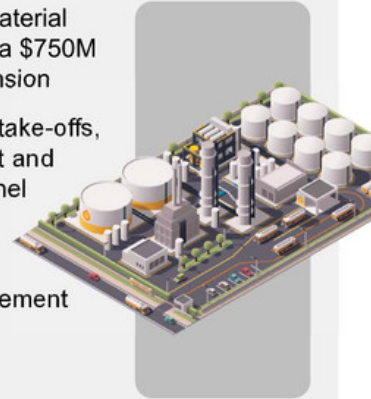
### National Retail Store LED Lighting Project

- Awarded multi-store contract to upgrade interior and exterior lighting to energy efficient LED technology
- Initial order for 20 stores rolling out to 100+ locations across the U.S.
- Scope of work includes design services, lighting and controls
- Leverages WESCO's Global Account model and commercial construction COEs



### Integrated Oil Company Capital Project Material Management

- Awarded a product and material management contract for a \$750M petrochemical plant expansion
- Services include material take-offs, kitting, cable management and on-site trailer plus personnel
- Leverages WESCO's experience, footprint and proprietary project management software (RPM)





## Construction Summary

---

- The non-residential construction market is large and growing
- Significant Incremental spending potential from infrastructure spending and tax and regulatory reform
- Industry challenges present opportunities to add value
- WESCO is very active today in a number of high growth segments
- Comprehensive product and service portfolio coupled with decades of global WESCO experience



*...well-positioned in attractive end market*





2017 INVESTOR DAY

# Canada

Nelson Squires  
Group Vice President, Canada

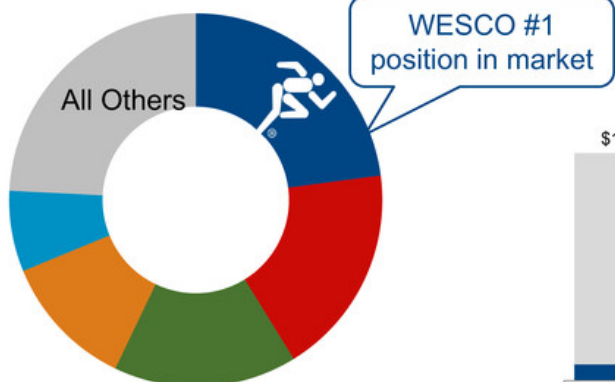
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# WESCO's Canadian Market Share and Addressable Market

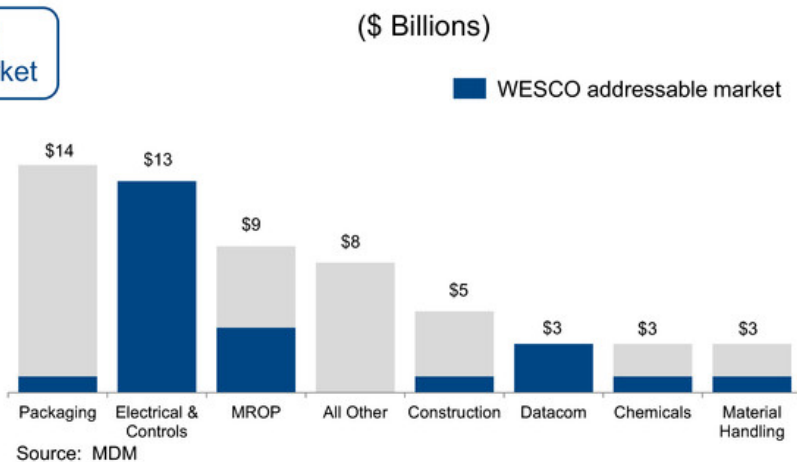
**Canadian Electrical Distribution Market (~\$10B)**

**Canada MRO Supply Market ~\$60B  
WESCO Addressable Market ~\$25B**



Source: ElectroFed

Top 5 distributors total ~75%

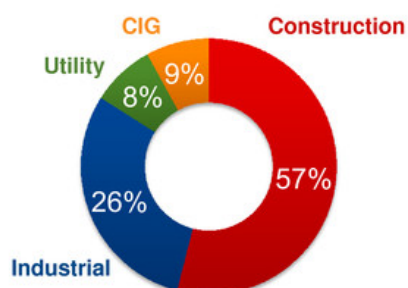


*...market leadership position with opportunities for growth*

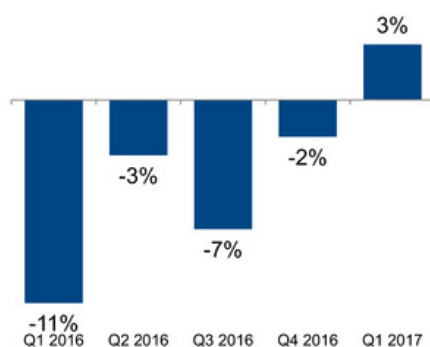


## Canada

### WESCO 2016 Canadian Sales by End Market (U.S. \$1.4B)



### WESCO Organic Sales Growth vs. Prior Year



Note: See appendix for non-GAAP reconciliations.

### Strategic Priorities

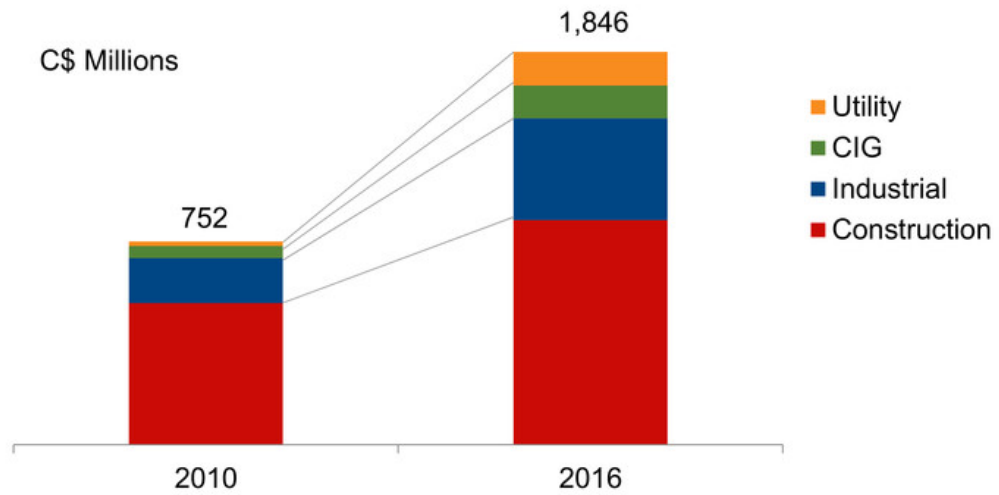
- Build on our market leadership position
- Capitalize on increased infrastructure spending
- Increase our industrial footprint
- Continue to broaden our utilities business
- Continue to diversify the business beyond traditional markets
- Drive One WESCO opportunities
- Fully leverage our acquisitions

**2017 outlook: flat to LSD sales increase**



## WESCO's Canadian Business

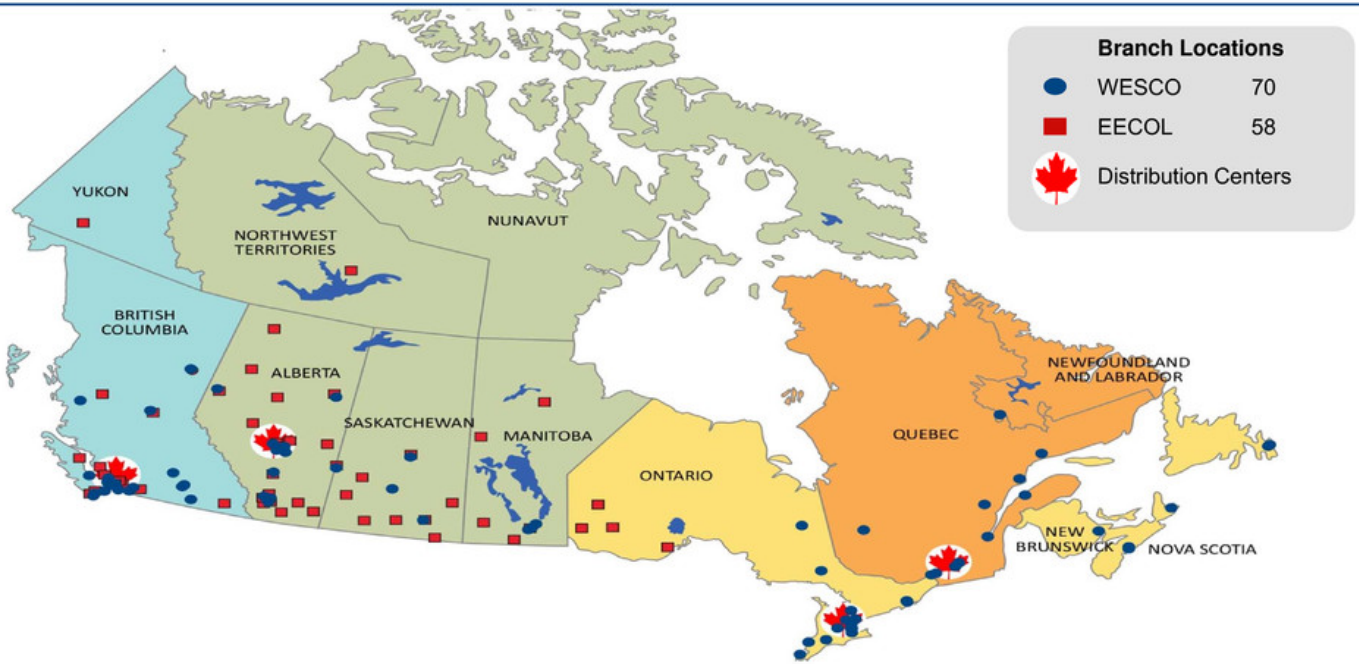
- 19% of total WESCO sales in 2016
- Expanded and diversified through acquisitions and organic growth since recession trough



*...larger, stronger, and more diversified business*



# Canada



*...strong national presence*



## WESCO's Industrial End Market in Canada

Modest recovery in business sentiment<sup>(1)</sup> supported by:

- Foreign (export) demand
- Expected rebound in activity in energy-producing regions

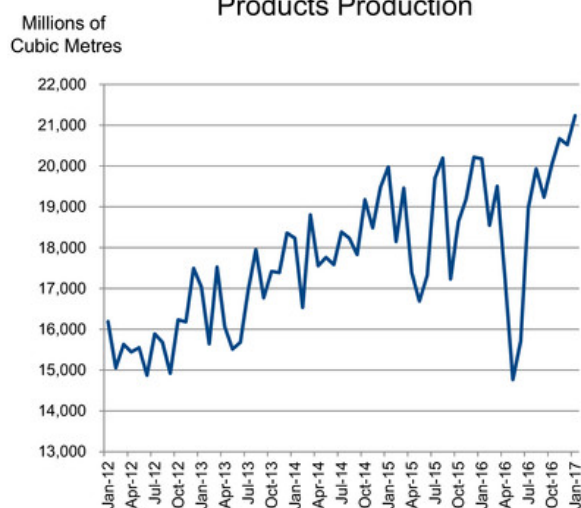
### LARGEST WESCO VERTICALS

OIL & GAS

MINING

WATER TREATMENT

### Crude Oil & Equivalent Products Production



Source: Statistics Canada, CANSIM tables 126-0001 and 126-0003.

<sup>(1)</sup> Source: Bank of Canada Business Outlook Survey, 3 April 2017

*...poised to benefit from increased activity*



## Oil Sands Update

---

- Drilling activity is increasing
- Consolidation a positive in the mid to long term
- Companies more disciplined in spend
- Maintenance spending beginning to pick up
- Pipeline projects provide significant opportunity
- Rebuild is picking up pace in Fort McMurray
- WESCO backlog growing, strongest in three years



*...activity is picking up in 2017*



## WESCO's Construction End Market in Canada

- Population growth is expected to drive construction of housing, schools, healthcare facilities and infrastructure
- Tight office space market in Toronto, Winnipeg and Vancouver
- Industrial capacity utilization has grown to over 80%

Source: CanadaData Forecaster, April 2017

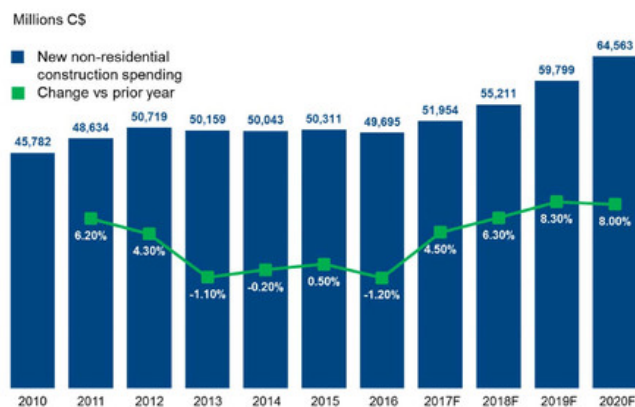
### LARGEST WESCO PROJECT TYPES

COMMERCIAL

INDUSTRIAL

DATA CENTERS

### Canadian Construction Market Trends Non-Residential Put-In-Place Activity



Source: April 2017 CanaData Forecaster. Includes commercial, institutional, and industrial sectors.

*...focused on commercial non-resi construction across Canada*





## Canadian Construction Market Trends Infrastructure Opportunities

The Canadian government recently announced plans to more than double their existing infrastructure funding, targeting a total of C\$186 billion in combined public and private investments over the next 11 years

Key Areas of Focus	Incremental Investment, 2017-2028	Stated Investment Priorities	Where WESCO competes
Green infrastructure	\$22B	Support Canada's ongoing transition to a clean growth economy.	<ul style="list-style-type: none"> <li>Water and wastewater systems</li> <li>LED lighting – new construction and retrofits</li> <li>Alternative energy sources</li> </ul>
Public transit	\$20B	Shorten commute times, cut air pollution, economic growth	<ul style="list-style-type: none"> <li>Toronto Transit Commission (TTC) project experience</li> </ul>
Social infrastructure	\$22B	Invest in indigenous communities, child care, housing, culture & recreation	<ul style="list-style-type: none"> <li>Construction of child care, culture and recreational facilities</li> </ul>
Rural & Northern communities	\$2B	Invest in unique local needs	<ul style="list-style-type: none"> <li>Broadband infrastructure</li> </ul>

Source: [www.infrastructure.gc.ca](http://www.infrastructure.gc.ca). Excludes \$10B Trade and Transportation investments.

***...WESCO has the experience and expertise to win incremental infrastructure business***



## Canada Growth Opportunities

---



### INDUSTRIAL

OEM and direct materials

Supply chain services

Internet of Things



### CONSTRUCTION

Energy efficiency solutions

LED lighting/lighting retrofit

Major projects

General infrastructure



### UTILITY

Utility infrastructure



### CIG

Broadband / FTTX

*...well-positioned to capitalize on a wide variety of growth opportunities*



## Success Story – University

Canadian University

### Transition from Outsourced to In-House

#### BACKGROUND

- Facilities are a mix of new and aging buildings
- Customer is transitioning from outsourced to internal maintenance and construction teams

#### SCOPE

- Includes all electrical material
- Lighting infrastructure
- Datacom infrastructure
- Inventory

#### OPPORTUNITY

- \$1M per year; 5-year term
- Already have signed up a second university with similar scope



Capital  
Project  
Solutions

Supply  
Chain  
Solutions

Technical  
Expert  
Solutions

Customized  
Product  
Solutions



## Success Story – Utility

### Utility

## Broadened the Customer Base With Customized Solutions

#### BACKGROUND

- Utilities business leveraging key customer relationships to grow
- Worked with suppliers to broaden the business at three significant customers

#### SCOPE

- Partnered with suppliers to:
  - Develop solutions to meet a unique specification
  - Utilize WESCO versus going direct to lever WESCO's relationship and solution
  - Displace a competitor by offering a more effective solution

#### OPPORTUNITY

- New sales of \$4M per year for the next three years
- Win-Win for suppliers, customer and WESCO
- Ability to leverage this beyond the first set of customers



Capital  
Project  
Solutions

Supply  
Chain  
Solutions

Technical  
Expert  
Solutions

Customized  
Product  
Solutions



## Success Story – Telecom

### Telecom Company Outsourcing Supply Chain Management

#### BACKGROUND

- Customer is transitioning from insource to outsource
- WESCO is the only distributor to offer a full Canadian geographic footprint

#### SCOPE

- Full leverage of existing DCs, equipment, and people
- Management of supply chain
- No incremental investment required

#### OPPORTUNITY

- \$20M per year; 5-year term
- Opportunity to broaden scope of supply



Capital  
Project  
Solutions

Supply  
Chain  
Solutions

Technical  
Expert  
Solutions

Customized  
Product  
Solutions



## Success Story – Industry Association

### Provincial Farmers Association Safety Solutions

#### BACKGROUND

- Access to 42,000 farmers and foresters via a single web portal
- First partnership of its kind in Canada

#### SCOPE

- Single provider of safety solutions, PPE, and technical support
- Customized website and portal
- Exclusive e-Commerce store

#### OPPORTUNITY

- \$3M per year; 3-year term
- Opportunity to develop similar partnerships across Canada





## Summary

---

- WESCO is a market leader in Canada
  - Strong resources and capabilities, the broadest infrastructure and a diverse customer base
  - Attractive growth opportunities are available across the business
  - One WESCO provides a strategic advantage to further leverage Canadian acquisitions and deliver profitable growth
- Solid progress in diversifying the business
- Lean efforts driving cost improvement and focus



*...focused on growth and execution*



# Supply Chain and Operations

Hemant Porwal

Vice President, Global Supply Chain and Operations

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## Supply Chain and Operations

### Our Mandate

Deliver growth and increase profitability by leveraging the value chain from sourcing to customer fulfillment with the right people, process, infrastructure and technology.

### Our Values

- Promote safety
- Feel the heat of the business
- Supply Chain leadership across value chain
- Win with high level of integrity and respect for our supplier partners
- Operational excellence via lean



*...the nerve center of One WESCO*



## Functional Overview



Lean organization designed for efficiency and effectiveness in sync with marketing demand creation, sales operations, and category management

 <p><b>Sourcing</b> \$6B spend 12,000+ Special Pricing Agreements</p>	 <p><b>Pricing</b> ~75,000 customers</p>	 <p><b>Inventory</b> \$800M+ inventory 1M+ products</p>	 <p><b>Operations</b> 9 distribution centers ~500 branches</p>	 <p><b>Transportation</b> \$90M+ spend</p>	 <p><b>Safety, Sustainability &amp; Supplier Diversity</b> 6x safer 1300+ diversity suppliers</p>
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*...focused on customer satisfaction, profitability, and social responsibility*



# Processes to Drive Operating Margin Expansion



**Sourcing Optimization**



**Inventory Optimization**



**Pricing Optimization**



**Network Optimization**



**Transportation Optimization**

*...new capabilities and ways of working*



## Sourcing and Inventory Evolution

**1**

### Assessed Opportunities

- Spend negotiated locally
- Costs negotiated at the customer level
- Limited strategic supplier base

**2**

### Continuous Improvement

- Deep dives to understand customer specifications and preference
- Consolidate requirements and negotiate regionally/ nationally
- Optimize inventory
- Standardize pay terms

**3**

### Best-In-Class

- Strategic and diverse supply base
- Spend managed by category
- Centralized and automated source to pay transactions
- Higher product turns and improved cash conversion cycle

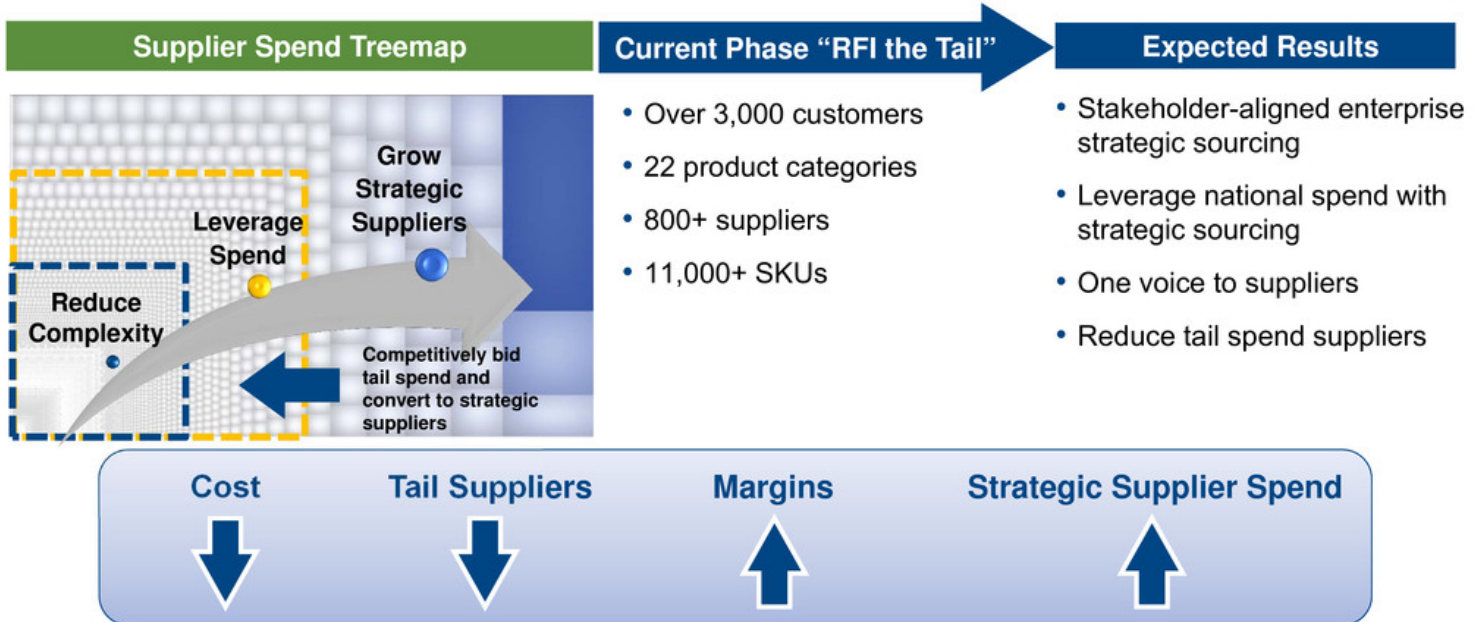
Status:



*...significant progress made in 2016*



# Leverage Spend to Grow Strategic Suppliers



*...reducing cost and strengthening strategic supplier relationships*



## Reduce Complexity and Leverage Spend – Direct Materials

### Specialty Wire & Cable

- 9 cable categories reviewed, including:
  - LAN, coax, audio, and speaker cables
  - 180 SKUs
- 9 reverse auctions in about 2.5 hours
- 10 suppliers to 6 suppliers
- Maintained or improved product quality

### Safety Products

- First aid products, remedies equipment and kits
  - 158 SKUs
- 3 reverse auctions in about 2 hours
- 20+ suppliers to 9
- Extensive product review pre- and post-auction

## SAVINGS

**Double-digit % savings achieved**

*...expanding e-auctions to direct materials*



## Pricing Evolution

**1**

### Assessed Opportunities

- Prices set primarily by branch, initiating shift to category
- Most customer orders are priced at the local (branch / customer) level
- In-house developed pricing analytics

**2**

### Continuous Improvement

- Region, Platform and Category pricing structure with KPIs in place
- Expand use of pricing tool kit:
  - Customer segmentation
  - Gap-to-goal
  - Standard cost
  - Floor pricing
  - Margin thresholds

**3**

### Best-In-Class

- Pricing analytics and optimization tools
- Price intelligence spanning product categories, industry verticals and customer size
- Pricing established as a Center of Excellence

Status:



*...early stages; made significant progress in 2016*



## Disciplined Approach to Pricing

### Pricing Approach



### 2016 Accomplishments

- Proved margin improvement opportunity with successful branch pilots
- Conducted ~200 gap-to-goal sessions

### 2017 Action Plan

- District level margin reviews with sales, sourcing and pricing
- Regular review process and timing for invoice pricing and supplier price increases
- Margin performance daily reviews at branch level

*...focused on improving billing margins with accountability, analytics, and tools*





## Operations and Transportation Evolution

1

### Assessed Opportunities

- One WESCO branch consolidations
- Transportation managed by country

2

### Continuous Improvement

- Further develop and expand distribution center and network
- Manage transportation spend to deliver improvements in service and capabilities

3

### Best-In-Class

- Strategically located branches, distribution centers and sales offices worldwide
- Transportation is a global function with agile capabilities for the "last mile"
- Infrastructure that enables growth, exceeds customer requirements and delivers economic value

Status:



*...significant progress made in 2016*



## U.S. Distribution Network Optimization

### 2016 Accomplishments

- Reconfigured systems to support One WESCO DC network strategy
- Determined multiyear network roadmap

### 2017 Action Plan

- Open two One WESCO regional distribution centers
- Convert the three U.S. distribution centers to One WESCO distribution centers

### One WESCO Distribution Center

- Consolidated inventory across multiple categories
- Providing a variety of services



*...improving customer service while reducing cost*



## Reduced Transportation Spend While Improving Service

### Pre Bid

- Local negotiations with poor Service Level Agreements
- Manual process
- 8 different carriers

### Post Bid

- Center-led negotiations
- Electronic sourcing event with multiple rounds of bidding activity
- Consolidated to 3 carriers
- Improved service levels and costs



## SAVINGS

**Double-digit % savings achieved**



## Supply Chain and Operations Summary

---

- Laid the groundwork in 2015 to support operating margin expansion
- Made significant progress in 2016 to implement Global Supply Chain strategy
- Continued engagement with local and Corporate teams
- Executing plans which target at least 20 bps of annual margin improvement through Supply Chain and Operations initiatives
- Have the footprint and capacity to support growth



*...significant opportunity to further improve our operations and supply chain*



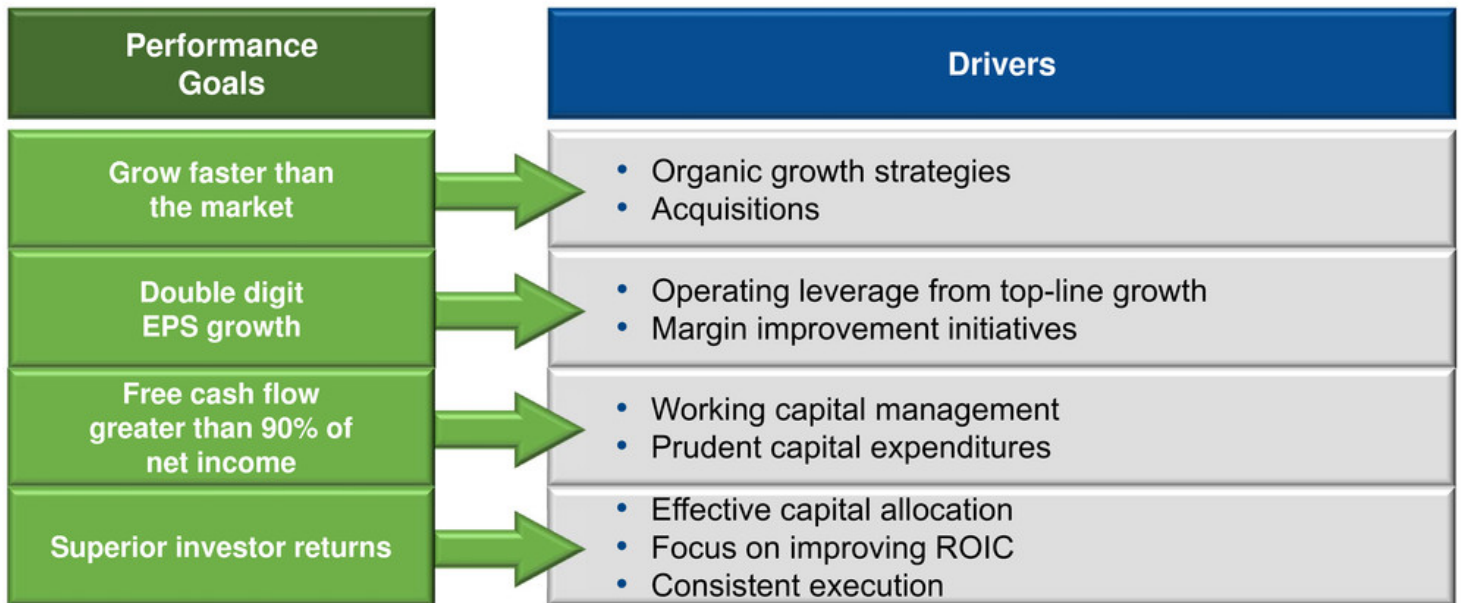
# Financial Update

Dave Schulz, Chief Financial Officer

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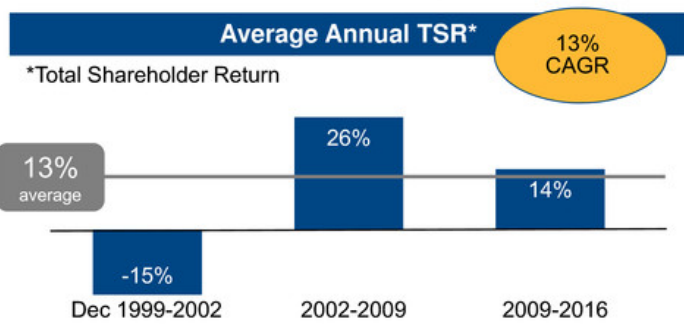
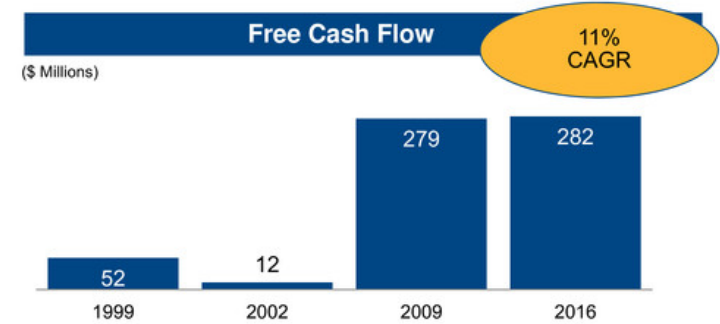
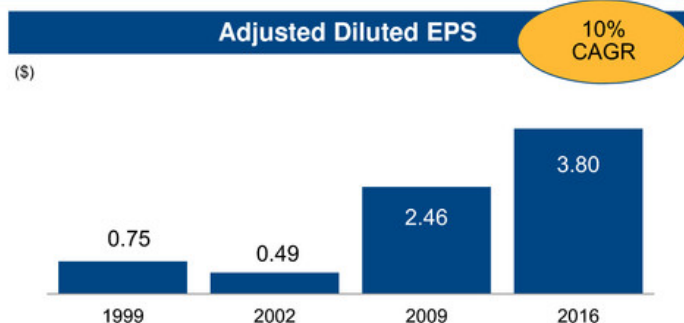
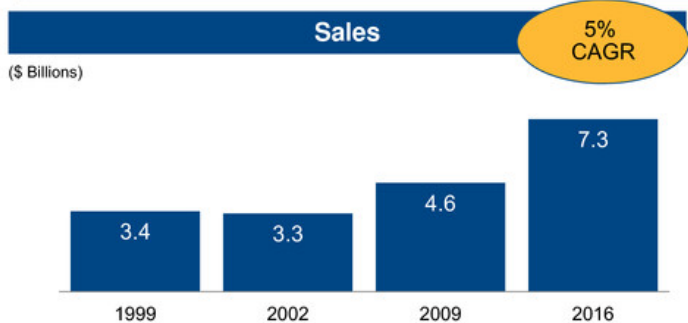


## WESCO Financial Performance Goals





# Financial Performance

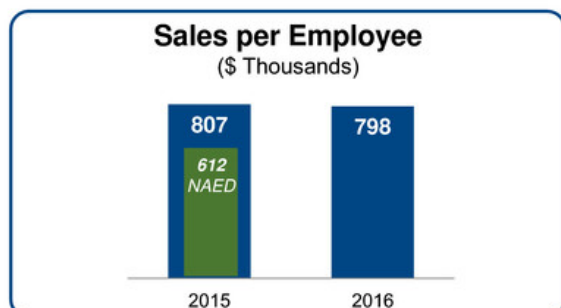


Note: See appendix for non-GAAP reconciliations.

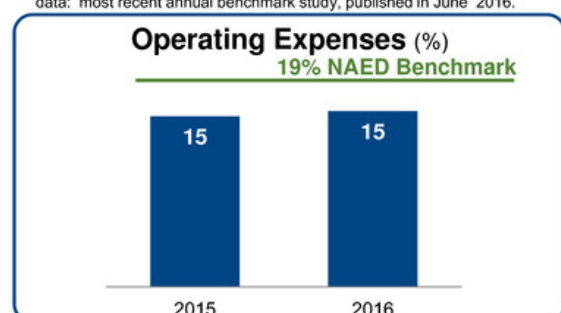
*...solid long-term performance*



## Cost Leverage



NAED: National Association of Electrical Distributors. Source of NAED data: most recent annual benchmark study, published in June 2016.



### 2015 - 2016

- Eliminated approximately 1,000 positions
- Eliminated or consolidated 40 branches, including our businesses in Australia and Brazil
- Invested in resources to deliver competitive advantage and improve margin:
  - Added end market sales & marketing leaders and product category managers
  - Established and expanded eCommerce organization
  - Created WESCO's first Global Supply Chain organization
  - Improved IT and business unit finance capabilities

### 2017

- Adding technical sales resources (reflected in 2017 Outlook)
- Continuing to tightly manage operating costs

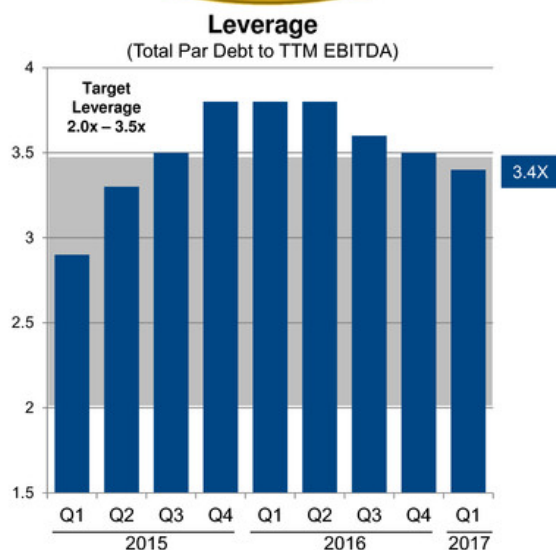
*...compares favorably to industry benchmarks*





## Balanced Capital Structure

> \$1B of free cash flow over last 4 years



Note: See appendix for non-GAAP reconciliations.

### Capital Structure (\$ Millions)

Outstanding Debt	December 31, 2016	March 31, 2017	Matures
AR Revolver <sup>(V)</sup>	380	345	2018
Inventory Revolver <sup>(V)</sup>	4	-	2020
2019 Term Loans <sup>(V)</sup>	145	130	2019
2021 Senior Notes <sup>(F)</sup>	500	500	2021
2024 Senior Notes <sup>(F)</sup>	350	350	2024
Other <sup>(V)</sup>	24	31	N/A
<b>Total Par Debt</b>	<b>1,403</b>	<b>1,356</b>	
<b>Liquidity<sup>(1)</sup></b>	<b>705</b>	<b>727</b>	

V = Variable Rate Debt  
F = Fixed Rate Debt

(1) = Total availability under asset-backed credit facilities plus invested cash

*...maintaining fiscal discipline and flexible capital structure*



## 2017 Year to Date Results

---

### First Quarter

- Improved business momentum driven by a return to growth in the Industrial end market and Canada
- Reported sales flat
- Organic sales down 2% vs. prior year
  - down 4% sequentially; better than typical seasonality
- EBIT margin down 10 bps vs. prior year, reflecting normal lag effect in passing inflation to customers
- Free cash flow of 114% of net income

Note: See appendix for non-GAAP reconciliations

### Second Quarter to date

- Continued growth in the Industrial end market and Canada
- QTD organic sales flat vs. prior year, including the impact of Easter timing
- Sales momentum continues to improve

***...results to date are in line with our 2017 expectations and outlook***



## 2017 Outlook

### 2017 Outlook:

Sales	Flat to +4%
EBIT Margin	4.4% to 4.6%
Effective Tax Rate	~30%
EPS	\$3.60 to \$4.00
Shares outstanding	~49 million
Free cash flow	At least 90% of net income

**Reaffirming our  
original 2017  
outlook**

### Year to date results vs original expectations:



Canada  
Industrial  
Utility  
Tax Rate



Timing of supplier price increases  
ahead of customer price increases,  
which impacted margin

*...will update our 2017 outlook on July 27*

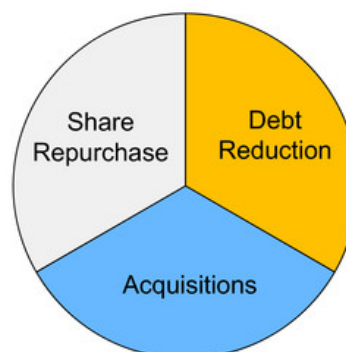


## Capital Allocation Strategy

### Priorities for Driving Shareholder Value

- Support organic growth ✓
- Fund accretive acquisitions ✓
- Maintain target leverage ✓
- Repurchase shares ✓
  - Authorization from Board
  - Offset dilution from annual equity awards
  - Opportunistic purchases

### Cash Deployment After Organic Growth Investments 2015 - YTD 2017



***...completed \$50M share repurchase in May to offset dilution impact of 2016 & 2017 equity awards***



## Long-Term Growth Algorithm

---

### Annual Expectations over the Long-Term

#### Sales

- Market growth
- 1% to 2% from market outperformance
- 1% to 3% from acquisitions

#### EPS

- ~50% operating profit pull-through on organic growth
  - gross margin improvement
  - operating cost leverage
- ~30% effective tax rate

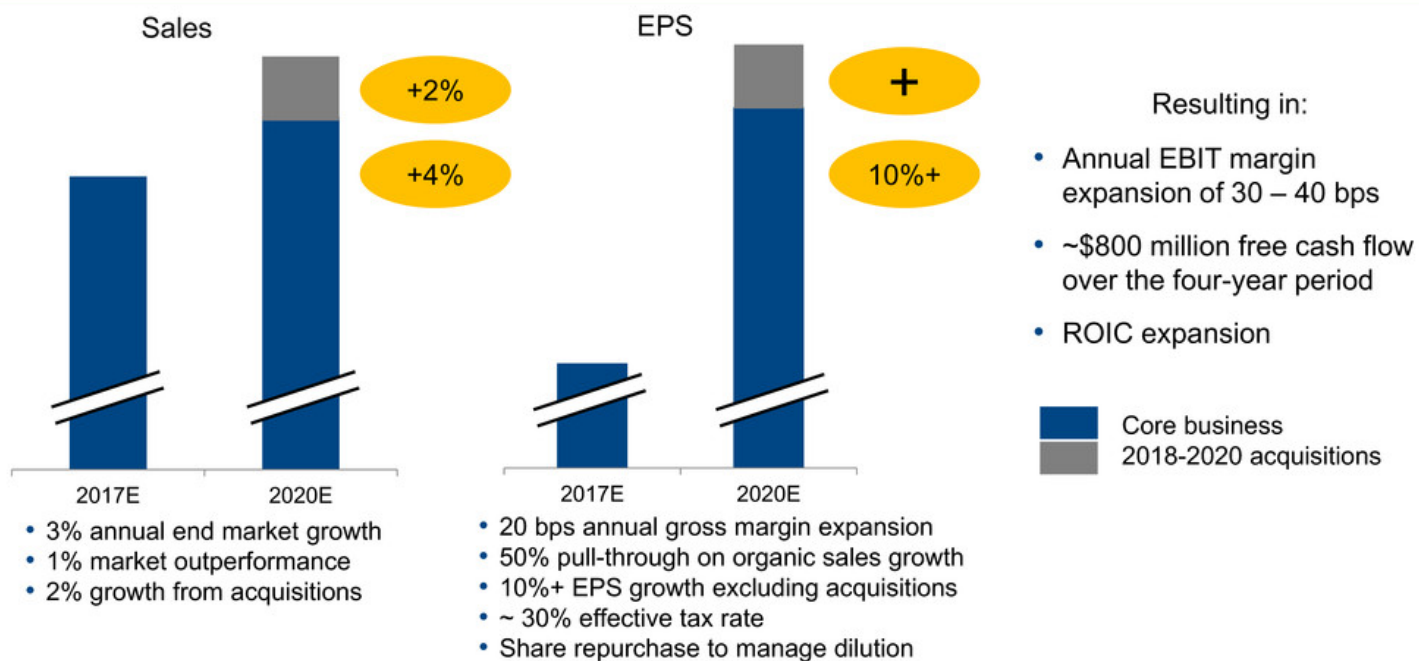
#### Free Cash Flow

- Greater than 90% of net income

*...managing the business for strong EPS growth and cash flow*



## WESCO Long-Term Algorithm – Illustrative for 2020



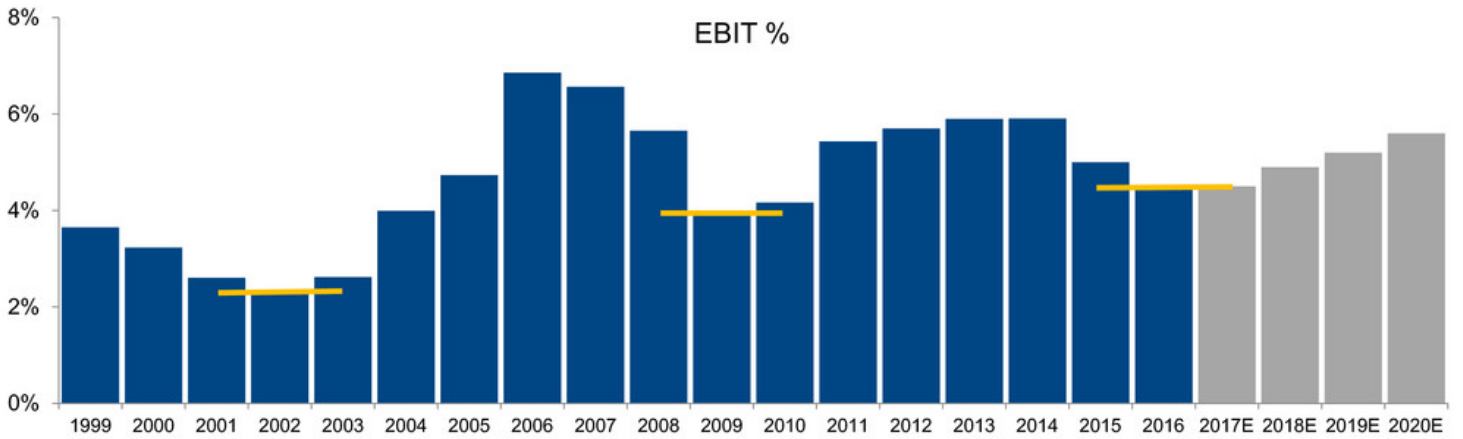
***...margin expansion, double-digit EPS growth and strong cash generation***



# Expecting Operating Margin Expansion

**DRIVERS:**

- Volume leverage
- Procurement, pricing and distribution network optimization
- Continued cost focus



*...driven by volume leverage, supply chain initiatives and continued cost focus*



## Summary

---

- We have right-sized the organization and added capabilities to drive growth and margin expansion as end markets improve
- Our long-term growth algorithm delivers margin expansion and double-digit EPS growth from:
  - Organic sales growth and strong operating leverage
  - Accretive acquisitions
  - Global Supply Chain initiatives
  - Continuing focus on expense control
- Deployment of capital to drive shareholder value enabled by strong cash flow generation
- ROIC expansion

***...focused on delivering above-market growth, strong cash generation and shareholder returns***





# **WESCO International**

John Engel  
Chairman, President and Chief Executive Officer

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## Invest in WESCO

- Industry leader with deep domain expertise in electrical, industrial, construction, and utility
- Proven business model and well positioned in large, fragmented markets
- Blue-chip customer and supplier base
- Proven acquirer and integrator in a consolidating industry
- Extensive global supply chain capability
- Operational excellence culture founded on lean principles
- Operating margin expansion results and future potential
- Strong free cash flow generation through economic cycle



*...strong company with proven and effective supply chain solutions*



**WESCO**  
INTERNATIONAL

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# Appendix

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## Sales Growth

(%)

	2015					2016					2017
	Q1	Q2	Q3	Q4	FY	Q1	Q2	Q3	Q4	FY	Q1
<b>Change in Net Sales</b>	0.3	(4.4)	(7.4)	(6.7)	(4.7)	(2.2)	(0.3)	(3.6)	(3.7)	(2.4)	(0.2)
Acquisition Impact	1.2	1.6	2.0	3.0	2.0	3.9	3.7	2.9	1.8	3.1	0.9
<b>Core</b>	(0.9)	(6.0)	(9.4)	(9.7)	(6.7)	(6.1)	(4.0)	(6.5)	(5.5)	(5.5)	(1.1)
FX Impact	(2.5)	(3.0)	(4.1)	(3.7)	(3.4)	(2.6)	(0.9)	(0.3)	(0.3)	(1.0)	0.6
Workday Impact	(1.6)			1.6		3.2			(1.6)	0.4	
<b>Organic</b>	3.2	(3.0)	(5.3)	(7.6)	(3.3)	(6.7)	(3.1)	(6.2)	(3.6)	(4.9)	(1.7)

Note: Core sales growth excludes acquisitions during the first year of ownership.



## Q1 2017 Sales Growth – Geography

(%)

	U.S.	Canada	International	Total
<b>Change in net sales (USD)</b>	(0.8)	7.4	(13.4)	(0.2)
Impact from acquisitions	1.3	-	-	0.9
Impact from foreign exchange rates	-	4.2	(2.4)	0.6
Impact from number of workdays	-	-	-	-
<b>Organic sales growth</b>	(2.1)	3.2	(11.0)	(1.7)

For organic sales growth in 2016, see quarterly earnings webcasts as previously furnished to the Securities & Exchange Commission, which can be obtained from the 'Investors' page of WESCO's website at [www.wesco.com](http://www.wesco.com).



## Sales Growth-End Markets

(\$ Millions)

	Q1 2017 vs. Q1 2016			Q1 2017 vs. Q4 2016		
	Q1 2017	Q1 2016	% Growth	Q1 2017	Q4 2016	% Growth
Industrial Core	680	670	1.5%	681	647	5.3%
Construction Core	554	567	(2.4)%	574	613	(6.4)%
Utility Core	267	279	(4.2)%	267	294	(8.9)%
CIG Core	258	262	(1.6)%	258	247	4.4%
Total Core Gross Sales	1,759	1,778	(1.1)%	1,780	1,800	(1.1)%
Total Gross Sales from Acquisitions	21	4	-	-	-	-
Total Gross Sales	1,780	1,782	(0.1)%	1,780	1,800	(1.1)%
Gross Sales Reductions/Discounts	(8)	(6)	-	(8)	(7)	-
Total Net Sales	1,773	1,776	(0.2)%	1,773	1,793	(1.2)%

Note: The prior period end market amounts noted above may contain reclassifications to conform to current period presentation.



## Q1 2017 Organic Sales by End Market

(%)

	Industrial	Construction	Utility	CIG	WESCO
<b>Core Sales Growth</b>	1.5	(2.4)	(4.2)	(1.6)	(1.1)
FX Impact	0.3	1.2	0.3	0.4	0.6
Workday Impact	-	-	-	-	-
<b>Organic Growth</b>	1.2	(3.6)	(4.5)	(2.0)	(1.7)

For organic sales growth in 2016, see quarterly earnings webcasts as previously furnished to the Securities & Exchange Commission, which can be obtained from the 'Investors' page of WESCO's website at [www.wesco.com](http://www.wesco.com).





## Financial Leverage

(\$ Millions)

	<b>Twelve Months Ended March 31, 2017</b>	
<b>Financial leverage ratio:</b>		
Income from operations	\$	330
Depreciation and amortization		66
EBITDA	\$	396
		<b>March 31, 2017</b>
Current debt and short-term borrowings	\$	29
Long-term debt		1,310
Debt discount and deferred financing <sup>(1)</sup>		16
Total debt	\$	1,355
Less: cash and cash equivalents	\$	103
Total debt, net of cash	\$	1,252
Financial leverage ratio		3.4X
Financial leverage ratio, net of cash		3.2X

<sup>(1)</sup>Long-term debt is presented in the condensed consolidated balance sheet as of March 31, 2017 net of deferred financing fees and debt discount.



## 2016 Adjusted Diluted EPS

(\$ Millions, except for EPS)

	FY 2016		
	Reported Results	Adjustments	Adjusted Results
Operating profit	\$ 332.0	-	\$ 332.0
Interest	76.6	-	76.6
Loss on debt redemption	123.9	(123.9) <sup>1</sup>	-
<b>Income before income taxes</b>	<b>131.5</b>	<b>123.9</b>	<b>255.4</b>
<b>Taxes</b>	<b>30.4</b>	<b>41.2</b> <sup>1</sup>	<b>71.6</b>
Effective tax rate	23.1%		28.0%
Net income	101.1	82.7	183.8
Less: Non-controlling interest	(0.5)	-	(0.5)
<b>Net income attributable to WESCO</b>	<b>\$ 101.6</b>	<b>82.7</b>	<b>\$ 184.3</b>

### Adjusted Earnings per Diluted Shares:

Diluted earnings per common share (as reported)	\$2.10
Loss on debt redemption <sup>2</sup>	2.54
Tax effect of loss on debt redemption <sup>2</sup>	(0.84)
Adjusted diluted earnings per common share	\$3.80

<sup>(1)</sup> Represents the third quarter loss on debt redemption and related income tax benefit.

<sup>(2)</sup> The loss on debt redemption and related income tax benefits are based on third quarter diluted shares of 48.7 million.



## Free Cash Flow Reconciliation

(\$ Millions)

	FY 2016	Q1 2017
Cash flow provided by operations	300.2	47.6
Less: Capital expenditures	(18.0)	(4.5)
Free Cash Flow	282.2	43.1

Note: Free cash flow is provided by the Company as an additional liquidity measure. Capital expenditures are deducted from operating cash flow to determine free cash flow. Free cash flow is available to fund other investing and financing activities.

