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 4, 2022

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 1/1,000th interest in a share of Series A Fixed-Rate Reset Cumulative Perpetual Preferred Stock	WCC PR 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 4, 2022, WESCO International, Inc. (the "Company") issued a press release announcing its financial results for the second quarter of 2022. 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 executive management of the Company in connection with its discussions with investors regarding the Company's financial results for the second quarter of 2022 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 4, 2022

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 4, 2022
(Date)

By: /s/ David S. Schulz
David S. Schulz
Executive Vice President and Chief Financial Officer

NEWS RELEASE

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

Wesco International Reports Second Quarter 2022 Results

- *Record net sales of $5.5 billion, up 19% YOY*
  - *Organic sales growth of 21%*
  - *Record backlog as of June 30, 2022, up more than 80% YOY and up approximately 10% sequentially*
- *Record operating profit of $371 million, up 69% YOY; operating margin of 6.8%, up 200 basis points YOY*
  - *Record gross margin of 21.7%, up 70 basis points YOY and up 40 basis points sequentially*
  - *Record adjusted operating profit of $388 million, up 48% YOY; record adjusted operating margin of 7.1%, up 140 basis points YOY and 70 basis points sequentially*
  - *Record adjusted EBITDA of $444 million, up 44% YOY; record adjusted EBITDA margin of 8.1%, up 140 basis points YOY and 70 basis points sequentially*
- *Record earnings per diluted share of $3.95*
  - *Adjusted earnings per diluted share of $4.19, up 59% YOY and 15% sequentially*
- *Leverage of 3.4x; decrease of 0.2x sequentially*
- *Raising 2022 outlook for adjusted earnings per diluted share to a range of $15.60 to $16.40, or up 55% to 65% versus prior year*

PITTSBURGH, August 4, 2022 /Business Wire/ -- Wesco International (NYSE: WCC), a leading provider of business-to-business distribution, logistics services and supply chain solutions, announces its results for the second quarter of 2022.

“The exceptional results we are reporting today for the second quarter should be a clear signal that the beat goes on in terms of the value creation of Wesco’s new business model as we pass the second anniversary of the Anixter merger. We once again set new company records for sales, backlog, margin and profitability, and leverage is back to within our target range, a full year earlier than what we guided the market to expect after we completed our merger in June 2020. It is important to understand that our momentum continues to build as we outperform the market and deliver superior value to our customers. The power of our scale, expanded portfolio, and industry-leading positions is made clearer quarter after quarter and is undeniable.”

Mr. Engel continued, “Strong demand in our end markets continues to underpin the accelerating performance of each of our strategic business units. Each strategic business unit again delivered double-digit sales and profit growth in the quarter driven by the ongoing success of our enterprise-wide cross selling and margin improvement programs. Our increased profitability continues to fuel our investment in advanced digital capabilities creating a virtuous cycle which is expected to result in an even higher level of performance, operating efficiency and customer loyalty.”

Mr. Engel added, “As you recall, after excellent results in the first quarter, we substantially increased our outlook for the year. As a result of our outstanding results in the second quarter and the strong execution across our business, we are again raising our outlook for 2022. We now expect sales to increase 16% to 18% and adjusted EBITDA to expand to between 7.8% and 8.0%, equating to approximately $1.68 billion of adjusted EBITDA at the midpoint of our outlook range. We are increasing our outlook for adjusted EPS to a range of $15.60 to $16.40. Given our robust growth and continued investment in inventory to support our record backlog, we are revising our full year 2022 outlook for free cash flow to 50% of adjusted net income. The demonstrated strength of our business model and the success of our integration efforts over the last two years have established a track record of superior results for the new Wesco. While we are pleased with our progress, we are excited because there is still substantial value to be generated from the transformational combination of Wesco and Anixter, and we look forward with confidence to a future of sustained growth and market outperformance.”

The following are results for the three months ended June 30, 2022 compared to the three months ended June 30, 2021:

- Net sales were $5.5 billion for the second quarter of 2022 compared to $4.6 billion for the second quarter of 2021, an increase of 19.3% reflecting pricing, strong demand, secular growth trends, and expanded product and service offerings. Organic sales for the second quarter of 2022 grew by 20.9% as fluctuations in foreign exchange rates negatively impacted reported net sales by 1.6%. Sequentially, net sales grew 11.2% and organic sales grew 10.0%. Backlog at the end of the second quarter of 2022 increased by more than 80% to a record level compared to the end of the second quarter of 2021. Sequentially, backlog grew approximately 10%, marking the sixth consecutive quarter of sequential growth.

- Cost of goods sold for the second quarter of 2022 was $4.3 billion compared to $3.6 billion for the second quarter of 2021, and gross profit was $1.2 billion and $1.0 billion, respectively. As a percentage of net sales, gross profit was 21.7% and 21.0% for the second quarter of 2022 and 2021, respectively. Gross profit as a percentage of net sales for the second quarter of 2022 reflects our focus on value-driven pricing and the continued momentum of our gross margin improvement program, along with a benefit from inflation due to the use of the average cost method to value inventories. The second quarter of 2021 included a write-down to the carrying value of certain personal protective equipment inventories that unfavorably impacted gross profit as a percentage of net sales by approximately 20 basis points. Sequentially, gross profit as a percentage of net sales increased 40 basis points from 21.3% for the first quarter of 2022.

- Selling, general and administrative ("SG&A") expenses were $772.9 million, or 14.1% of net sales, for the second quarter of 2022, compared to $699.6 million, or 15.2% of net sales, for the second quarter of 2021. SG&A expenses for the second quarter of 2022 and 2021 include merger-related and integration costs of $13.4 million and $37.7 million, respectively. Adjusted for these amounts, SG&A expenses were $759.4 million, or 13.8% of net sales, for the second quarter of 2022 and $661.9 million, or 14.4% of net sales, for the second quarter of 2021. SG&A expenses for the second quarter of 2022 reflect higher salaries and variable compensation expense, as well as higher volume-related costs driven by significant sales growth. In addition, digital transformation initiatives contributed to higher information technology expenses in the second quarter of 2022. The realization of integration cost synergies partially offset these increases.

- Depreciation and amortization for the second quarter of 2022 was $45.9 million compared to $46.7 million for the second quarter of 2021, a decrease of $0.8 million. In connection with an integration initiative to review the Company's brand strategy, certain legacy trademarks are migrating to a master brand architecture, which resulted in $3.7 million and $5.0 million of accelerated amortization expense for the second quarter of 2022 and 2021, respectively.

- Operating profit was $370.7 million for the second quarter of 2022 compared to $218.9 million for the second quarter of 2021, an increase of $151.8 million, or 69.4%. Operating profit as a percentage of net sales was 6.8% for the current quarter compared to 4.8% for the second quarter of the prior year. Adjusted for the merger-related and integration costs, and accelerated trademark amortization described above, operating profit was $387.8 million, or 7.1% of net sales, for the second quarter of 2022 and $261.6 million, or 5.7% of net sales, for the second quarter of 2021. Adjusted operating margin was up 140 basis points compared to the prior year.

- Net interest expense for the second quarter of 2022 was $68.5 million compared to $67.6 million for the second quarter of 2021.

- The effective tax rate for the second quarter of 2022 was 26.5% compared to 21.6% for the second quarter of 2021. The effective tax rate for the quarter ended June 30, 2022 was higher than the comparable prior year period due to higher taxes on foreign earnings and less favorable impact of discrete items.

- Net income attributable to common stockholders was $206.4 million for the second quarter of 2022 compared to $104.8 million for the second quarter of 2021. Adjusted for merger-related and integration costs, accelerated trademark amortization expense, and the related income tax effects, net income attributable to common stockholders was $218.9 million for the second quarter of 2022 compared to $137.2 million for the second quarter of 2021. Adjusted net income attributable to common stockholders increased 59.5% year-over-year.

- Earnings per diluted share for the second quarter of 2022 was $3.95, based on 52.2 million diluted shares, compared to $2.02 for the second quarter of 2021, based on 52.0 million diluted shares. Adjusted for merger-related and integration costs, accelerated trademark amortization expense, and the related income tax effects, earnings per diluted share for the second quarter of 2022 was $4.19 compared to $2.64 for the second quarter of 2021. Adjusted earnings per diluted share increased 58.7% year-over-year.

- Operating cash flow for the second quarter of 2022 was an outflow of $132.6 million compared to an outflow of $17.7 million for the second quarter of 2021. The net cash outflow in the second quarter of 2022 was primarily driven by changes in working capital, including an increase in trade accounts receivable of $392.2 million resulting from higher sales. An increase in inventories of $316.6 million also contributed to the net cash outflow resulting from investments to address both supply chain challenges and to support our strong sales growth opportunities, partially offset by a corresponding increase in accounts payable of $334.3 million.

The following are results for the six months ended June 30, 2022 compared to the six months ended June 30, 2021.

- Net sales were $10.4 billion for the first six months of 2022 compared to $8.6 billion for the first six months of 2021, an increase of 20.6% reflecting price inflation, continued strong demand, secular growth trends, and expanded product and service offerings. Organic sales for the first six months of 2022 grew by 21.0% as the number of workdays positively impacted reported net sales by 0.8%, while fluctuations in foreign exchange rates and the divestiture of Wesco's legacy utility and data communications businesses in Canada in the first quarter of 2021 negatively impacted reported net sales by 1.0% and 0.2%, respectively.

- Cost of goods sold for the first six months of 2022 was $8.2 billion compared to $6.9 billion for the first six months of 2021, and gross profit was $2.2 billion and $1.8 billion, respectively. As a percentage of net sales, gross profit was 21.5% and 20.6% for the first six months of 2022 and 2021, respectively. Gross profit as a percentage of net sales for the first six months of 2022 reflects our focus on value-driven pricing and the continued momentum of our gross margin improvement program, along with a benefit from inflation due to the use of the average cost method to value inventories. The first six months of 2021 included a write-down to the carrying value of certain personal protective equipment inventories that unfavorably impacted gross profit as a percentage of net sales by approximately 20 basis points.

- SG&A expenses were $1.5 billion, or 14.3% of net sales, for the first six months of 2022, compared to $1.3 billion, or 15.5% of net sales, for the first six months of 2021. SG&A expenses for the first six months of 2022 include merger-related and integration costs of $39.0 million. Adjusted for this amount, SG&A expenses were 13.9% of net sales for the first six months of 2022. SG&A expenses for the first six months of 2022 reflect higher salaries and variable compensation expenses, as well as higher volume-related costs driven by significant sales growth. In addition, digital transformation initiatives contributed to higher information technology expenses in the first six months of 2022. The realization of integration cost synergies partially offset these increases. SG&A expenses for the first six months of 2021 include merger-related and integration costs of $84.0 million, as well as a net gain of $8.9 million resulting from the Canadian divestitures. Adjusted for these amounts, SG&A expenses were 14.6% of net sales for the first six months of 2021.

- Depreciation and amortization for the first six months of 2022 was $92.8 million compared to $87.9 million for the first six months of 2021, an increase of $4.9 million. In connection with an integration initiative to review the Company's brand strategy, certain legacy trademarks are migrating to a master brand architecture, which resulted in $9.0 million and $5.0 million of accelerated amortization expense for the first six months of 2022 and 2021, respectively.

- Operating profit was $654.7 million for the first six months of 2022 compared to $352.1 million for the first six months of 2021, an increase of $302.6 million, or 85.9%. Operating profit as a percentage of net sales was 6.3% for the current six month period compared to 4.1% for the first six months of the prior year. Operating profit for the first six months of 2022 includes the merger-related and integration costs, and accelerated trademark amortization expense described above. Adjusted for these amounts, operating profit was $702.7 million, or 6.7% of net sales. For the first six months of 2021, operating profit was $432.3 million, or 5.0% of net sales, adjusted for merger-related and integration costs of $84.0 million, accelerated trademark amortization expense of $5.0 million, and the net gain on the Canadian divestitures of $8.9 million. Adjusted operating margin was up 170 basis points compared to the prior year.

- Net interest expense for the first six months of 2022 was $132.1 million compared to $138.0 million for the first six months of 2021. The decrease reflects the repayment of fixed rate debt with variable debt that had lower borrowing rates.

- The effective tax rate for the first six months of 2022 was 22.6% compared to 18.1% for the first six months of 2021. The effective tax rates for the current six month period and the comparable prior year period reflect discrete income tax benefits of $13.4 million and $8.3 million resulting from reductions to the valuation allowance recorded against foreign tax credit carryforwards, respectively, as well as discrete income tax benefits associated with the exercise and vesting of stock-based awards of $6.1 million and $4.5 million, respectively. These discrete income tax benefits reduced the estimated annual effective tax rates in such periods by approximately 3.7 and 5.9 percentage points, respectively.

- Net income attributable to common stockholders was $373.2 million for the first six months of 2022 compared to $149.7 million for the first six months of 2021. Adjusted for merger-related and integration costs, accelerated trademark amortization expense, and the related income tax effects, net income attributable to common stockholders was $408.6 million for the first six months of 2022. Adjusted for merger-related and integration costs, accelerated trademark amortization expense, net gain on Canadian divestitures, and the related income tax effects, net income attributable to common stockholders for the first six months of 2021 was $210.5 million. Adjusted net income attributable to common stockholders increased 94.1% year-over-year.

- Earnings per diluted share for the first six months of 2022 was $7.15, based on 52.2 million diluted shares, compared to $2.89 for the first six months of 2021, based on 51.9 million diluted shares. Adjusted for merger-related and integration costs, accelerated trademark amortization expense, and the related income tax effects, earnings per diluted share for the first six months of 2022 was $7.82. Adjusted for merger-related and integration costs, accelerated trademark amortization expense, net gain on Canadian divestitures, and the related income tax effects, earnings per diluted share for the first six months of 2021 was $4.06. Adjusted earnings per diluted share increased 92.6% year-over-year.

- Operating cash flow for the first six months of 2022 was an outflow of $304.5 million compared to an inflow of $102.8 million for the first six months of 2021. Operating cash flow for the current year period was lower than the comparable prior year period primarily due to changes in working capital to support double-digit sales growth.

Segment Results

The Company has operating segments comprising three strategic business units consisting of Electrical & Electronic Solutions ("EES"), Communications & Security Solutions ("CSS") and Utility & Broadband Solutions ("UBS").

The Company incurs corporate costs primarily related to treasury, tax, information technology, legal and other centralized functions. Segment results include depreciation expense or other allocations related to various corporate assets. Interest expense and other non-operating items are either not allocated to the segments or reviewed on a segment basis. Corporate expenses not directly identifiable with our reportable segments are reported in the tables below to reconcile the reportable segments to the consolidated financial statements.

The following are results by segment for the three months ended June 30, 2022 compared to the three months ended June 30, 2021:

- EES reported net sales of $2.3 billion for the second quarter of 2022 compared to $1.9 billion for the second quarter of 2021, an increase of 21.2%. Organic sales for the second quarter of 2022 grew by 23.1% as fluctuations in foreign exchange rates negatively impacted reported net sales by 1.9%. Sequentially, reported net sales grew 11.5% and organic sales increased 10.4%, reflecting continued strong demand. The increase compared to the prior year quarter reflects strong sales growth in our construction, original equipment manufacturer, and industrial businesses due to business expansion, price inflation, as well as the benefits of cross selling. Operating profit was $221.5 million for the second quarter of 2022 compared to $153.7 million for the second quarter of 2021, an increase of $67.8 million, or 44.1%. The increase primarily reflects the factors impacting the overall business, as described above. EBITDA, adjusted for other non-operating income and non-cash stock-based compensation expense, was $235.4 million for the second quarter of 2022, or 10.1% of net sales, compared to $168.0 million for the second quarter of 2021, or 8.7% of net sales. Adjusted EBITDA increased $67.5 million, or 40.2% year-over-year.

- CSS reported net sales of $1.6 billion for the second quarter of 2022 compared to $1.5 billion for the second quarter of 2021, an increase of 9.6%. Organic sales for the second quarter of 2022 grew by 11.5% as fluctuations in foreign exchange rates negatively impacted reported net sales by 1.9%. Sequentially, reported net sales grew 11.7% and organic sales increased 10.7%. The increase compared to the prior year quarter, as well as sequentially, reflects strong growth in our network infrastructure and security solutions businesses, as well as price inflation and the benefits of cross selling, partially offset by the effect of supply chain constraints. Operating profit was $130.7 million for the second quarter of 2022 compared to $111.3 million for the second quarter of 2021, an increase of $19.4 million, or 17.4%. The increase primarily reflects the factors impacting the overall business, as described above. Operating profit for the second quarter of 2021 was negatively impacted by approximately 40 basis points from the inventory write-down described above. EBITDA, adjusted for other non-operating expenses and non-cash stock-based compensation expense, was $150.0 million for the second quarter of 2022, or 9.4% of net sales, compared to $131.1 million for the second quarter of 2021, or 9.0% of net sales. Adjusted EBITDA increased $18.9 million, or 14.4% year-over-year.

- UBS reported net sales of $1.6 billion for the second quarter of 2022 compared to $1.2 billion for the second quarter of 2021, an increase of 28.0%. Organic sales for the second quarter of 2022 grew by 28.6% as fluctuations in foreign exchange rates negatively impacted reported net sales by 0.6%. Sequentially, reported net sales grew 10.2% and organic sales increased 8.7%. The increase compared to the prior year quarter, as well as sequentially, reflects price inflation, broad-based growth driven by investments in grid modernization, connectivity demand and rural broadband development, as well as expansion in our integrated supply business. Operating profit was $162.4 million for the second quarter of 2022 compared to $94.7 million for the second quarter of 2021, an increase of $67.7 million, or 71.5%. The increase primarily reflects the factors impacting the overall business, as described above. EBITDA, adjusted for other non-operating expenses and non-cash stock-based compensation expense, was $169.0 million for the second quarter of 2022, or 10.9% of net sales, compared to $100.7 million for the second quarter of 2021, or 8.3% of net sales. Adjusted EBITDA increased $68.3 million, or 67.9% year-over-year.

The following are results by segment for the six months ended June 30, 2022 compared to the six months ended June 30, 2021.

- EES reported net sales of $4.4 billion for the first six months of 2022 compared to $3.6 billion for the first six months of 2021, an increase of 21.3%. Organic sales for the first six months of 2022 grew by 21.9% as the number of workdays positively impacted reported net sales by 0.8%, while fluctuations in foreign exchange rates and the Canadian divestitures described above negatively impacted reported net sales by 1.2% and 0.2%, respectively. The increase reflects strong sales growth in our construction, original equipment manufacturer, and industrial businesses due to business expansion, price inflation, as well as the benefits of cross selling and secular growth trends in electrification and automation. Operating profit was $400.3 million for the first six months of 2022 compared to $253.9 million for the first six months of 2021, an increase of $146.4 million, or 57.7%. The increase primarily reflects the factors impacting the overall business, as described above. EBITDA, adjusted for other non-operating income and non-cash stock-based compensation expense, was $427.9 million for the first six months of 2022, or 9.7% of net sales, compared to $280.0 million for the first six months of 2021, or 7.7% of net sales. Adjusted EBITDA increased $147.9 million, or 52.8% year-over-year.

- CSS reported net sales of $3.0 billion for the first six months of 2022 compared to $2.7 billion for the first six months of 2021, an increase of 12.0%. Organic sales for the first six months of 2022 grew by 12.6% as the number of workdays positively impacted reported net sales by 0.8% and fluctuations in foreign exchange rates negatively impacted reported net sales by 1.4%. The increase reflects strong growth in our network infrastructure and security solutions businesses, as well as price inflation and the benefits of cross selling, partially offset by the effect of supply chain constraints. Operating profit was $234.8 million for the first six months of 2022 compared to $185.2 million for the first six months of 2021, an increase of $49.6 million, or 26.8%. The increase primarily reflects the factors impacting the overall business, as described above. Additionally, operating profit for the first six months of 2021 was negatively impacted by approximately 50 basis points from the inventory write-down described above. EBITDA, adjusted for other non-operating expenses and non-cash stock-based compensation expense, was $273.1 million for the first six months of 2022, or 9.0% of net sales, compared to $221.8 million for the first six months of 2021, or 8.2% of net sales. Adjusted EBITDA increased $51.2 million, or 23.1% year-over-year.

- UBS reported net sales of $3.0 billion for the first six months of 2022 compared to $2.3 billion for the first six months of 2021, an increase of 29.7%. Organic sales for the first six months of 2022 grew by 29.5% as the number of workdays positively impacted reported net sales by 0.8%, while fluctuations in foreign exchange rates and the Canadian divestitures described above negatively impacted reported net sales by 0.4% and 0.2%, respectively. The increase reflects price inflation, broad-based growth in our utility and broadband businesses, as well as expansion in our integrated supply business. Operating profit was $292.4 million for the first six months of 2022 compared to $181.7 million for the first six months of 2021, an increase of $110.7 million, or 60.9%. The increase primarily reflects the factors impacting the overall business, as described above, offset by the benefit in the first quarter of 2021 from the net gain on the Canadian divestitures. EBITDA, adjusted for other non-operating expenses, non-cash stock-based compensation expense, and the net gain on the Canadian divestitures in the first quarter of 2021 was $305.4 million for the first six months of 2022, or 10.3% of net sales, compared to $184.4 million for the first six months of 2021, or 8.1% of net sales. Adjusted EBITDA increased $121.0 million, or 65.7% year-over-year.

Webcast and Teleconference Access

Wesco will conduct a webcast and teleconference to discuss the second quarter of 2022 earnings as described in this News Release on Thursday, August 4, 2022, at 10:00 a.m. E.T. The call will be broadcast live over the internet and can be accessed from the Investor Relations page of the Company's website at https://investors.wesco.com. The call will be archived on this internet site for seven days.

Wesco International (NYSE: WCC) builds, connects, powers and protects the world. Headquartered in Pittsburgh, Pennsylvania, Wesco is a FORTUNE 500® company with more than $18 billion in annual sales and a leading provider of business-to-business distribution, logistics services and supply chain solutions. Wesco offers a best-in-class product and services portfolio of Electrical and Electronic Solutions, Communications and Security Solutions, and Utility and Broadband Solutions. The Company employs approximately 18,000 people, partners with the industry's premier suppliers, and serves thousands of customers around the world, including more than 90% of FORTUNE 100® companies. With nearly 1,500,000 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 approximately 800 branches, warehouses and sales offices in more than 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 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 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, or the risk that problems may arise in successfully integrating the businesses of the companies, 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 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 (including as a result of climate change), health epidemics, pandemics and other outbreaks, such as the ongoing COVID-19 pandemic, supply chain disruptions, and the impact of Russia's invasion of Ukraine, including the impact of sanctions or other actions taken by the U.S. or other countries, the increased risk of cyber incidents and exacerbation of key materials shortages, inflationary cost pressures, material cost increases, demand volatility, and logistics and capacity constraints, which may have a material adverse effect on the combined company's business, results of operations and financial condition, 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, 2021 and Wesco's other reports filed with the U.S. Securities and Exchange Commission.

Contact Information	
Investor Relations	Corporate Communications
Will Ruthrauff Director, Investor Relations 484-885-5648	Jennifer Sniderman Senior Director, Corporate Communications 717-579-6603

http://www.wesco.com

WESCO INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(dollar amounts in thousands, except per share amounts)
(Unaudited)

	Three Months Ended			
	June 30, 2022		June 30, 2021	
Net sales	$ 5,483,525		$ 4,595,790	
Cost of goods sold (excluding depreciation and amortization)	4,294,086	78.3 %	3,630,633	79.0 %
Selling, general and administrative expenses	772,864	14.1 %	699,581	15.2 %
Depreciation and amortization	45,866		46,704	
Income from operations	370,709	6.8 %	218,872	4.8 %
Interest expense, net	68,478		67,590	
Other expense (income), net	1,195		(802)	
Income before income taxes	301,036	5.5 %	152,084	3.3 %
Provision for income taxes	79,887		32,800	
Net income	221,149	4.0 %	119,284	2.6 %
Net income attributable to noncontrolling interests	443		89	
Net income attributable to WESCO International, Inc.	220,706	4.0 %	119,195	2.6 %
Preferred stock dividends	14,352		14,352	
Net income attributable to common stockholders	$ 206,354	3.8 %	$ 104,843	2.3 %
Earnings per diluted share attributable to common stockholders	$ 3.95		$ 2.02	
Weighted-average common shares outstanding and common share equivalents used in computing earnings per diluted common share (in thousands)	52,220		51,994	
Reportable Segments				
Net sales:				
Electrical & Electronic Solutions	$ 2,330,153		$ 1,923,011	
Communications & Security Solutions	1,601,997		1,461,120	
Utility & Broadband Solutions	1,551,375		1,211,659	
	$ 5,483,525		$ 4,595,790	
Income from operations:				
Electrical & Electronic Solutions	$ 221,506		$ 153,740	
Communications & Security Solutions	130,745		111,257	
Utility & Broadband Solutions	162,428		94,693	
Corporate	(143,970)		(140,818)	
	$ 370,709		$ 218,872	

WESCO INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(dollar amounts in thousands, except per share amounts)
(Unaudited)

	Six Months Ended			
	June 30, 2022		June 30, 2021	
Net sales	$ 10,415,706		$ 8,637,267	
Cost of goods sold (excluding depreciation and amortization)	8,177,160	78.5 %	6,861,074	79.4 %
Selling, general and administrative expenses	1,490,962	14.3 %	1,336,157	15.5 %
Depreciation and amortization	92,846		87,913	
Income from operations	654,738	6.3 %	352,123	4.1 %
Interest expense, net	132,098		137,963	
Other expense (income), net	2,319		(3,609)	
Income before income taxes	520,321	5.0 %	217,769	2.5 %
Provision for income taxes	117,541		39,331	
Net income	402,780	3.9 %	178,438	2.1 %
Net income attributable to noncontrolling interests	831		65	
Net income attributable to WESCO International, Inc.	401,949	3.9 %	178,373	2.1 %
Preferred stock dividends	28,704		28,704	
Net income attributable to common stockholders	$ 373,245	3.6 %	$ 149,669	1.7 %
Earnings per diluted share attributable to common stockholders	$ 7.15		$ 2.89	
Weighted-average common shares outstanding and common share equivalents used in computing earnings per diluted common share (in thousands)	52,229		51,875	
Reportable Segments				
Net sales:				
Electrical & Electronic Solutions	$ 4,420,112		$ 3,643,824	
Communications & Security Solutions	3,036,172		2,711,735	
Utility & Broadband Solutions	2,959,422		2,281,708	
	$ 10,415,706		$ 8,637,267	
Income from operations:				
Electrical & Electronic Solutions	$ 400,277		$ 253,852	
Communications & Security Solutions	234,776		185,220	
Utility & Broadband Solutions	292,376		181,723	
Corporate	(272,691)		(268,672)	
	$ 654,738		$ 352,123	

WESCO INTERNATIONAL, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(dollar amounts in thousands)
(Unaudited)

	As of	
	June 30, 2022	December 31, 2021
Assets		
Current Assets		
Cash and cash equivalents	$ 236,792	$ 212,583
Trade accounts receivable, net	3,635,840	2,957,613
Inventories	3,165,828	2,666,219
Other current assets	568,015	513,696
Total current assets	7,606,475	6,350,111
Goodwill and intangible assets	5,079,588	5,152,474
Other assets	1,177,203	1,115,114
Total assets	$ 13,863,266	$ 12,617,699
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable	$ 2,652,306	$ 2,140,251
Short-term debt and current portion of long-term debt, net[1]	70,628	9,528
Other current liabilities	869,900	900,029
Total current liabilities	3,592,834	3,049,808
Long-term debt, net	5,039,857	4,701,542
Other noncurrent liabilities	1,119,268	1,090,138
Total liabilities	9,751,959	8,841,488
Stockholders' Equity		
Total stockholders' equity	4,111,307	3,776,211
Total liabilities and stockholders' equity	$ 13,863,266	$ 12,617,699

[1] As of June 30, 2022, short-term debt and current portion of long-term debt includes the $58.6 million aggregate principal amount of the Company's 5.50% Anixter Senior Notes due 2023, which mature on March 1, 2023.

WESCO INTERNATIONAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(dollar amounts in thousands)
(Unaudited)

	Six Months Ended	
	June 30, 2022	**June 30, 2021**
Operating Activities:		
Net income	$ 402,780	$ 178,438
Add back (deduct):		
Depreciation and amortization	92,846	87,913
Deferred income taxes	1,264	(2,959)
Change in trade receivables, net	(716,767)	(372,287)
Change in inventories	(530,763)	(268,272)
Change in accounts payable	534,283	474,918
Other, net	(88,174)	5,044
Net cash (used in) provided by operating activities	(304,531)	102,795
Investing Activities:		
Capital expenditures	(31,641)	(20,191)
Other, net[1]	679	52,545
Net cash (used in) provided by investing activities	(30,962)	32,354
Financing Activities:		
Debt borrowings (repayments), net[2]	394,557	(235,778)
Payments for taxes related to net-share settlement of equity awards	(17,212)	(12,433)
Payment of dividends	(28,704)	(28,704)
Other, net	(8,150)	(12,767)
Net cash provided by (used in) financing activities	340,491	(289,682)
Effect of exchange rate changes on cash and cash equivalents	19,211	(6,711)
Net change in cash and cash equivalents	24,209	(161,244)
Cash and cash equivalents at the beginning of the period	212,583	449,135
Cash and cash equivalents at the end of the period	$ 236,792	$ 287,891

(1) For the six months ended June 30, 2021, other investing activities includes cash consideration totaling approximately $54.3 million from the divestiture of Wesco's legacy utility and data communications businesses in Canada. The Company used the net proceeds from the divestitures to repay indebtedness.

(2) The six months ended June 30, 2021 includes the redemption of the Company's $500.0 million aggregate principal amount of 2021 Notes. The redemption of the 2021 Notes was funded with excess cash, as well as borrowings under the Company's accounts receivable securitization and revolving credit facilities.

NON-GAAP FINANCIAL MEASURES

In addition to the results provided in accordance with U.S. Generally Accepted Accounting Principles ("U.S. GAAP") above, this earnings release includes certain non-GAAP financial measures. These financial measures include organic sales growth, gross profit, gross margin, earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted EBITDA, adjusted EBITDA margin, financial leverage, free cash flow, adjusted selling, general and administrative expenses, adjusted income from operations, adjusted operating margin, adjusted provision for income taxes, adjusted income before income taxes, adjusted net income, adjusted net income attributable to WESCO International, Inc., adjusted net income attributable to common stockholders, and adjusted earnings per diluted share. The Company believes that these non-GAAP measures are useful to investors as they provide a better understanding of our financial condition and results of operations on a comparable basis. Additionally, certain non-GAAP measures either focus on or exclude items impacting comparability of results such as merger-related and integration costs, and the related income tax effect of such items, 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 per share data)
(Unaudited)

Organic Sales Growth by Segment - QTD:

	Three Months Ended		Growth/(Decline)				
	June 30, 2022	June 30, 2021	Reported	Divestiture Impact	Foreign Exchange Impact	Workday Impact	Organic Growth
EES	$ 2,330,153	$ 1,923,011	21.2%	— %	(1.9) %	— %	23.1 %
CSS	1,601,997	1,461,120	9.6%	— %	(1.9) %	— %	11.5 %
UBS	1,551,375	1,211,659	28.0%	— %	(0.6) %	— %	28.6 %
Total net sales	$ 5,483,525	$ 4,595,790	**19.3%**	**— %**	**(1.6)%**	**— %**	**20.9 %**

Organic Sales Growth by Segment - YTD:

	Six Months Ended		Growth/(Decline)				
	June 30, 2022	June 30, 2021	Reported	Divestiture Impact	Foreign Exchange Impact	Workday Impact	Organic Growth
EES	$ 4,420,112	$ 3,643,824	21.3%	(0.2) %	(1.2) %	0.8 %	21.9 %
CSS	3,036,172	2,711,735	12.0%	— %	(1.4) %	0.8 %	12.6 %
UBS	2,959,422	2,281,708	29.7%	(0.2) %	(0.4) %	0.8 %	29.5 %
Total net sales	$ 10,415,706	$ 8,637,267	**20.6 %**	**(0.2)%**	**(1.0)%**	**0.8 %**	**21.0 %**

Organic Sales Growth by Segment - Sequential:

	Three Months Ended		Growth/(Decline)				
	June 30, 2022	March 31, 2022	Reported	Divestiture Impact	Foreign Exchange Impact	Workday Impact	Organic Growth
EES	$ 2,330,153	$ 2,089,959	11.5 %	— %	(0.5) %	1.6 %	10.4 %
CSS	1,601,997	1,434,175	11.7 %	— %	(0.6) %	1.6 %	10.7 %
UBS	1,551,375	1,408,047	10.2 %	— %	(0.1) %	1.6 %	8.7 %
Total net sales	$ 5,483,525	$ 4,932,181	**11.2%**	**— %**	**(0.4)%**	**1.6 %**	**10.0 %**

Note: Organic sales growth is a non-GAAP financial measure of sales performance. Organic sales growth is calculated by deducting the percentage impact from acquisitions and divestitures for one year following the respective transaction, fluctuations in foreign exchange rates and number of workdays from the reported percentage change in consolidated net sales.

WESCO INTERNATIONAL, INC.
RECONCILIATION OF NON-GAAP FINANCIAL MEASURES
(dollar amounts in thousands, except per share data)
(Unaudited)

Gross Profit:	**Three Months Ended June 30, 2022**	**Three Months Ended June 30, 2021**	**Six Months Ended June 30, 2022**	**Six Months Ended June 30, 2021**
Net sales	$ 5,483,525	$ 4,595,790	$ 10,415,706	$ 8,637,267
Cost of goods sold (excluding depreciation and amortization)	4,294,086	3,630,633	8,177,160	6,861,074
Gross profit	$ 1,189,439	$ 965,157	$ 2,238,546	$ 1,776,193
Gross margin	21.7 %	21.0 %	21.5 %	20.6 %

Gross Profit:	**Three Months Ended March 31, 2022**
Net sales	$ 4,932,181
Cost of goods sold (excluding depreciation and amortization)	3,883,074
Gross profit	$ 1,049,107
Gross margin	21.3 %

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

WESCO INTERNATIONAL, INC.

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

Adjusted SG&A Expenses:	Three Months Ended		Six Months Ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Selling, general and administrative expenses	$ 772,864	$ 699,581	$ 1,490,962	$ 1,336,157
Merger-related and integration costs	(13,427)	(37,720)	(38,990)	(84,042)
Net gain on divestitures	—	—	—	8,927
Adjusted selling, general and administrative expenses	$ 759,437	$ 661,861	$ 1,451,972	$ 1,261,042
Percentage of net sales	13.8 %	14.4 %	13.9 %	14.6 %

Adjusted Income from Operations:	Three Months Ended		Six Months Ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Income from operations	$ 370,709	$ 218,872	$ 654,738	$ 352,123
Merger-related and integration costs	13,427	37,720	38,990	84,042
Accelerated trademark amortization	3,672	5,049	8,995	5,049
Net gain on divestitures	—	—	—	(8,927)
Adjusted income from operations	$ 387,808	$ 261,641	$ 702,723	$ 432,287
Adjusted income from operations margin %	7.1 %	5.7 %	6.7 %	5.0 %

Adjusted Provision for Income Taxes:	Three Months Ended		Six Months Ended	
	June 30, 2022	June 30, 2021	June 30, 2022	June 30, 2021
Provision for income taxes	$ 79,887	$ 32,800	$ 117,541	$ 39,331
Income tax effect of adjustments to income from operations[1]	4,531	10,381	12,614	19,348
Adjusted provision for income taxes	$ 84,418	$ 43,181	$ 130,155	$ 58,679

[1] The adjustments to income from operations have been tax effected at rates of approximately 26% for the three and six months ended June 30, 2022 and 24% for the three and six months ended June 30, 2021.

WESCO INTERNATIONAL, INC.

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

	Three Months Ended		Six Months Ended	
Adjusted Earnings per Diluted Share:	**June 30, 2022**	**June 30, 2021**	**June 30, 2022**	**June 30, 2021**
Adjusted income from operations	$ 387,808	$ 261,641	$ 702,723	$ 432,287
Interest expense, net	68,478	67,590	132,098	137,963
Other expense (income), net	1,195	(802)	2,319	(3,609)
Adjusted income before income taxes	318,135	194,853	568,306	297,933
Adjusted provision for income taxes	84,418	43,181	130,155	58,679
Adjusted net income	233,717	151,672	438,151	239,254
Net income attributable to noncontrolling interests	443	89	831	65
Adjusted net income attributable to WESCO International, Inc.	233,274	151,583	437,320	239,189
Preferred stock dividends	14,352	14,352	28,704	28,704
Adjusted net income attributable to common stockholders	$ 218,922	$ 137,231	$ 408,616	$ 210,485
Diluted shares	52,220	51,994	52,229	51,875
Adjusted earnings per diluted share	$ 4.19	$ 2.64	$ 7.82	$ 4.06

Note: For the three and six months ended June 30, 2022, SG&A expenses, income from operations, the provision for income taxes and earnings per diluted share have been adjusted to exclude merger-related and integration costs, accelerated amortization expense associated with migrating to the Company's master brand architecture, and the related income tax effects. For the three and six months ended June 30, 2021, SG&A expenses, income from operations, the provision for income taxes and earnings per diluted share have been adjusted to exclude merger-related and integration costs, a net gain on the divestiture of Wesco's legacy utility and data communications businesses in Canada, accelerated amortization expense associated with migrating to the Company's master brand architecture, and the related income tax effects. These non-GAAP financial measures provide a better understanding of the Company's financial results on a comparable basis.

WESCO INTERNATIONAL, INC.

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

	Three Months Ended June 30, 2022				
EBITDA and Adjusted EBITDA by Segment:	**EES**	**CSS**	**UBS**	**Corporate**	**Total**
Net income attributable to common stockholders	$ 222,758	$ 130,639	$ 161,784	$ (308,827)	$ 206,354
Net income attributable to noncontrolling interests	151	—	—	292	443
Preferred stock dividends	—	—	—	14,352	14,352
Provision for income taxes	—	—	—	79,887	79,887
Interest expense, net	—	—	—	68,478	68,478
Depreciation and amortization	11,198	17,855	5,670	11,143	45,866
EBITDA	**$ 234,107**	**$ 148,494**	**$ 167,454**	**$ (134,675)**	**$ 415,380**
Other (income) expense, net	(1,403)	106	644	1,848	1,195
Stock-based compensation expense[1]	2,745	1,442	937	9,334	14,458
Merger-related and integration costs	—	—	—	13,427	13,427
Adjusted EBITDA	**$ 235,449**	**$ 150,042**	**$ 169,035**	**$ (110,066)**	**$ 444,460**
Adjusted EBITDA margin %	**10.1 %**	**9.4 %**	**10.9 %**		**8.1 %**

[1] Stock-based compensation expense in the calculation of adjusted EBITDA for the three months ended June 30, 2022 excludes $1.4 million as such amount is included in merger-related and integration costs.

	Three Months Ended June 30, 2021				
EBITDA and Adjusted EBITDA by Segment:	**EES**	**CSS**	**UBS**	**Corporate**	**Total**
Net income attributable to common stockholders	$ 153,976	$ 111,046	$ 94,688	$ (254,867)	$ 104,843
Net (loss) income attributable to noncontrolling interests	(76)	—	—	165	89
Preferred stock dividends	—	—	—	14,352	14,352
Provision for income taxes	—	—	—	32,800	32,800
Interest expense, net	—	—	—	67,590	67,590
Depreciation and amortization	12,781	19,241	5,466	9,216	46,704
EBITDA	**$ 166,681**	**$ 130,287**	**$ 100,154**	**$ (130,744)**	**$ 266,378**
Other (income) expense, net	(160)	211	5	(858)	(802)
Stock-based compensation expense[1]	1,434	641	543	3,331	5,949
Merger-related and integration costs	—	—	—	37,720	37,720
Adjusted EBITDA	**$ 167,955**	**$ 131,139**	**$ 100,702**	**$ (90,551)**	**$ 309,245**
Adjusted EBITDA margin %	**8.7 %**	**9.0 %**	**8.3 %**		**6.7 %**

[1] Stock-based compensation expense in the calculation of adjusted EBITDA for the three months ended June 30, 2021 excludes $1.3 million as such amount is included in merger-related and integration costs.

Note: EBITDA, Adjusted EBITDA and Adjusted EBITDA margin % are non-GAAP financial measures that provide indicators of the Company's performance and its ability to meet debt service requirements. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA before foreign exchange and other non-operating expenses (income), non-cash stock-based compensation, and merger-related and integration costs. Adjusted EBITDA margin % is calculated by dividing Adjusted EBITDA by net sales.

WESCO INTERNATIONAL, INC.

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

EBITDA and Adjusted EBITDA by Segment:	**Six Months Ended June 30, 2022**				
	EES	**CSS**	**UBS**	**Corporate**	**Total**
Net income attributable to common stockholders	$ 401,493	$ 234,326	$ 291,766	$ (554,340)	$ 373,245
Net income attributable to noncontrolling interests	361	—	—	470	831
Preferred stock dividends	—	—	—	28,704	28,704
Provision for income taxes	—	—	—	117,541	117,541
Interest expense, net	—	—	—	132,098	132,098
Depreciation and amortization	23,222	35,986	11,456	22,182	92,846
EBITDA	**$ 425,076**	**$ 270,312**	**$ 303,222**	**$ (253,345)**	**$ 745,265**
Other (income) expense, net	(1,577)	450	610	2,836	2,319
Stock-based compensation expense(1)	4,366	2,319	1,563	13,760	22,008
Merger-related and integration costs	—	—	—	38,990	38,990
Adjusted EBITDA	**$ 427,865**	**$ 273,081**	**$ 305,395**	**$ (197,759)**	**$ 808,582**
Adjusted EBITDA margin %	**9.7 %**	**9.0 %**	**10.3 %**		**7.8 %**

(1) Stock-based compensation expense in the calculation of adjusted EBITDA for the six months ended June 30, 2022 excludes $2.7 million as such amount is included in merger-related and integration costs.

EBITDA and Adjusted EBITDA by Segment:	**Six Months Ended June 30, 2021**				
	EES	**CSS**	**UBS**	**Corporate**	**Total**
Net income attributable to common stockholders	$ 254,606	$ 184,639	$ 181,701	$ (471,277)	$ 149,669
Net (loss) income attributable to noncontrolling interests	(151)	—	—	216	65
Preferred stock dividends	—	—	—	28,704	28,704
Provision for income taxes	—	—	—	39,331	39,331
Interest expense, net	—	—	—	137,963	137,963
Depreciation and amortization	23,344	35,534	10,676	18,359	87,913
EBITDA	**$ 277,799**	**$ 220,173**	**$ 192,377**	**$ (246,704)**	**$ 443,645**
Other (income) expense, net	(603)	581	22	(3,609)	(3,609)
Stock-based compensation expense(1)	2,785	1,066	883	5,908	10,642
Merger-related and integration costs	—	—	—	84,042	84,042
Net gain on divestitures	—	—	(8,927)	—	(8,927)
Adjusted EBITDA	**$ 279,981**	**$ 221,820**	**$ 184,355**	**$ (160,363)**	**$ 525,793**
Adjusted EBITDA margin %	**7.7 %**	**8.2 %**	**8.1 %**		**6.1 %**

(1) Stock-based compensation expense in the calculation of adjusted EBITDA for the six months ended June 30, 2021 excludes $2.5 million as such amount is included in merger-related and integration costs.

Note: EBITDA, Adjusted EBITDA and Adjusted EBITDA margin % are non-GAAP financial measures that provide indicators of the Company's performance and its ability to meet debt service requirements. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA before foreign exchange and other non-operating expenses (income), non-cash stock-based compensation expense, merger-related and integration costs, and net gain on the divestiture of Wesco's legacy utility and data communications businesses in Canada. Adjusted EBITDA margin % is calculated by dividing Adjusted EBITDA by net sales.

WESCO INTERNATIONAL, INC.

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

	Twelve Months Ended	
Financial Leverage:	**June 30, 2022**	**December 31, 2021**
Net income attributable to common stockholders	$ 631,549	$ 407,974
Net income attributable to noncontrolling interests	1,787	1,020
Preferred stock dividends	57,407	57,408
Provision for income taxes	193,720	115,510
Interest expense, net	262,209	268,073
Depreciation and amortization	203,487	198,554
EBITDA	1,350,159	1,048,539
Other income, net[1]	(42,185)	(48,112)
Stock-based compensation expense	37,065	25,699
Merger-related and integration costs	113,403	158,484
Net gain on divestitures	—	(8,927)
Adjusted EBITDA	$ 1,458,442	$ 1,175,683
	As of	
	June 30, 2022	**December 31, 2021**
Short-term debt and current portion of long-term debt, net	$ 70,628	$ 9,528
Long-term debt, net	5,039,857	4,701,542
Debt discount and debt issuance costs[2]	64,059	70,572
Fair value adjustments to Anixter Senior Notes due 2023 and 2025[2]	(615)	(957)
Total debt	5,173,929	4,780,685
Less: cash and cash equivalents	236,792	212,583
Total debt, net of cash	$ 4,937,137	$ 4,568,102
Financial leverage ratio	3.4	3.9

[1] Other non-operating income for the twelve months ended June 30, 2022 and December 31, 2021 includes a $36.6 million curtailment gain resulting from the remeasurement of the Company's pension obligations in the U.S. and Canada due to amending certain terms of such defined benefit plans.

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

Note: Financial leverage is a non-GAAP measure of the use of debt. Financial leverage ratio is calculated by dividing total debt, excluding debt discount, debt issuance costs and fair value adjustments, net of cash, by adjusted EBITDA. EBITDA is defined as the trailing twelve months earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as the trailing twelve months EBITDA before foreign exchange and other non-operating expenses (income), non-cash stock-based compensation expense, merger-related and integration costs, and net gain on the divestiture of Wesco's legacy utility and data communications businesses in Canada.

WESCO INTERNATIONAL, INC.

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

	Three Months Ended		Six Months Ended	
Free Cash Flow:	**June 30, 2022**	**June 30, 2021**	**June 30, 2022**	**June 30, 2021**
Cash flow (used in) provided by operations	$ (132,620)	$ (17,695)	$ (304,531)	$ 102,795
Less: Capital expenditures	(16,394)	(9,980)	(31,641)	(20,191)
Add: Merger-related and integration cash costs	20,462	27,095	43,260	41,567
Free cash flow	$ (128,552)	$ (580)	$ (292,912)	$ 124,171
Percentage of adjusted net income	(55)%	—%	(67)%	52%

Note: Free cash flow is a non-GAAP financial measure of liquidity. Capital expenditures are deducted from operating cash flow to determine free cash flow. Free cash flow is available to fund investing and financing activities. For the three and six months ended June 30, 2022 and 2021, the Company paid for certain costs to integrate the acquired Anixter business. Such expenditures have been added back to operating cash flow to determine free cash flow for such periods.

NYSE: WCC

Second Quarter 2022

Webcast Presentation

August 4, 2022

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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 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 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, or the risk that problems may arise in successfully integrating the businesses of the companies, 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 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 (including as a result of climate change), health epidemics, pandemics and other outbreaks, such as the ongoing COVID-19 pandemic, supply chain disruptions, and the impact of Russia's invasion of Ukraine, including the impact of sanctions or other actions taken by the U.S. or other countries, the increased risk of cyber incidents and exacerbation of key materials shortages, inflationary cost pressures, material cost increases, demand volatility, and logistics and capacity constraints, which may have a material adverse effect on the combined company's business, results of operations and financial condition, 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, 2021 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 financial measures. These financial measures include organic sales growth, gross profit, gross margin, earnings before interest, taxes, depreciation and amortization (EBITDA), adjusted EBITDA, adjusted EBITDA margin, financial leverage, free cash flow, adjusted selling, general and administrative ("SG&A") expenses, adjusted income from operations, adjusted operating margin, adjusted provision for income taxes, adjusted income before income taxes, adjusted net income, adjusted net income attributable to Wesco International, Inc., adjusted net income attributable to common stockholders, and adjusted earnings per diluted share. The Company believes that these non-GAAP measures are useful to investors as they provide a better understanding of our financial condition and results of operations on a comparable basis. Additionally, certain non-GAAP measures either focus on or exclude items impacting comparability of results such as merger-related and integration costs, and the related income tax effect of such items, 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.

Agenda

Business Overview

John Engel
Chairman, President & CEO

Financial Results Overview

Dave Schulz
Executive Vice President & CFO

2022 Momentum Continues with Record Second Quarter

Record sales of $5.5 billion *Up 21% YOY organically*	• First $5 billion quarter; up 19% YOY and up 11% sequentially on a reported basis • Leveraging increased scale, expanded product and services portfolio, and global supplier relationships • Effectively managing global supply chain challenges • Benefiting from SBU cross-selling and attractive secular growth trends • Record-level backlog up more than 10% sequentially and up more than 80% YOY
Record gross margin *up 70 bps YOY* *Up 40 bps sequentially*	• Focus on value-driven pricing and pass-through of inflationary costs • Continued momentum of our gross margin improvement program
Record adjusted EBITDA *Up 44% YOY* ***Record margin**, up 140 bps YOY*	• Adjusted EBITDA margin above 8% • Benefits of scale, gross margin expansion, and increased operating leverage • Strong synergy execution delivering results above expectations
Leverage reduced to 3.4x *Within target range 24 months after closing Anixter acquisition*	• Leverage reduced 2.3x in 24 months and now within target range of 2.0x – 3.5x • TTM Adjusted EBITDA of $1.5 billion, up 70% since closing the Anixter acquisition • Accelerated deleveraging demonstrates the inherent strength of our business model

Record results and strong execution drives increased 2022 outlook

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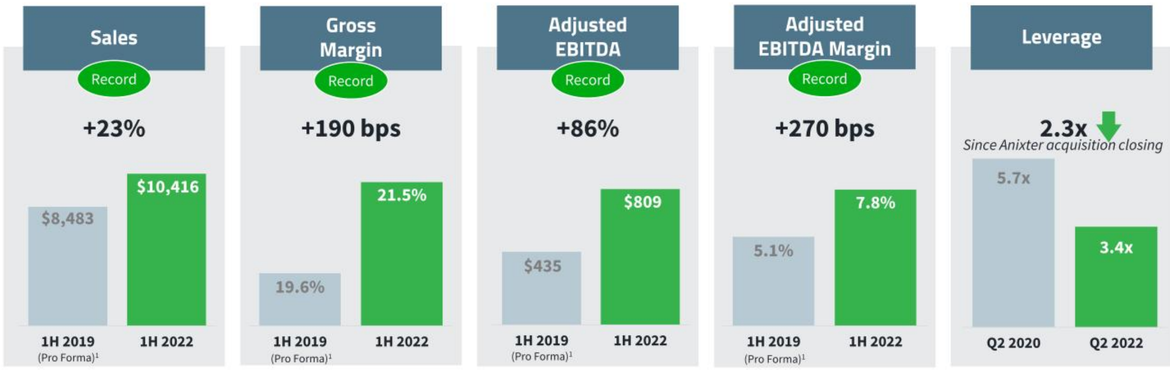
See appendix for non-GAAP reconciliations.

Substantial Value Creation Since Merger Close

$ millions



Results highlight the strength of the Wesco + Anixter combination

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[1] 2019 figures are as-reported on Form 8-K dated November 4, 2020, and include sales and adjusted EBITDA derived from the legacy Wesco data communications and utility business in Canada that were divested in the first quarter of 2021.
See appendix for non-GAAP reconciliation.

Multiple Long-Term Growth Drivers

Strong Secular Growth Trends


Electrification


Automation and IoT


Green Energy and Grid Modernization


24/7 Connectivity and Security


Supply Chain Consolidation and Relocation to North America


Digitalization

+

Increasing Public Sector Investment


U.S. Infrastructure Bill


Rural Digital Opportunity Fund (RDOF)


Canada Broadband Investments


Public-Private Partnerships for Smart Cities

+

Wesco's Uniquely Strong Position

- ✓ Leading Portfolio of Products, Services, and Solutions
- ✓ Leading Positions in All Business Units
- ✓ Global Footprint and Capabilities
- ✓ Leading Digital Investments and Pace of Investment
- ✓ Unlocking the Value of Our Big Data
- ✓ Accelerating Consolidation Across the Value Chain

The new Wesco is uniquely positioned for sustainable long-term growth

Dave Schulz

Executive Vice President & Chief Financial Officer

Second Quarter Results Overview

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Second Quarter Results Overview

$ millions, except per share amounts

	Q2 2022	Q2 2021	YOY
Sales	**$5,484**	**$4,596**	**+19%**
Gross Profit	**$1,189**	**$965**	**+23%**
% of sales	21.7%	21.0%	+70 bps
Adjusted Income from Operations	**$388**	**$262**	**+48%**
% of sales	7.1%	5.7%	+140 bps
Adjusted EBITDA	**$444**	**$309**	**+44%**
% of sales	8.1%	6.7%	+140 bps
Adjusted Diluted EPS	**$4.19**	**$2.64**	**+59%**

- Record sales +19% YOY and +11% sequentially on a reported basis
- Organic sales +21% YOY and +10% sequentially
- Estimated pricing benefit of 8% YOY
- Record backlog +80% YOY and +10% sequentially
- Gross margin 21.7%, +70 bps YOY and +40 bps sequentially
- $66 million of realized cost synergies
- $204 million of cross-sell synergies
- Record adjusted EBITDA +44% YOY
- Adjusted EBITDA margin 8.1%, +140 bps YOY
- Record adjusted diluted EPS $4.19, +59% YOY

Preliminary July sales up approximately 17% YOY

Exceptional financial results driven by strong sales growth, margin expansion and operating leverage

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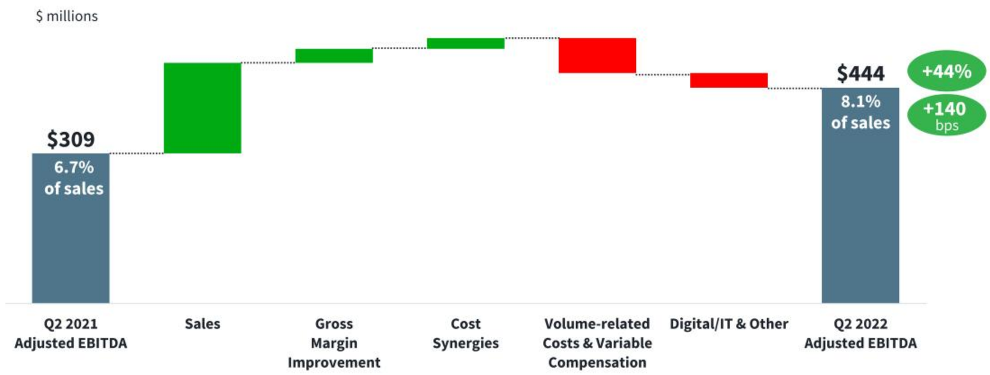
See appendix for non-GAAP reconciliations.

Second Quarter Adjusted EBITDA Bridge



Exceptional financial results driven by strong sales growth, margin expansion and operating leverage

See appendix for non-GAAP reconciliations.

Electrical & Electronic Solutions (EES)

Second Quarter Drivers

- Record quarter with sales growth in all end markets
  - Non-residential construction tracking ahead of expectations
  - Strong industrial and OEM momentum continues
- Backlog at record level; up over 60% YOY and 6% sequentially
- Record adjusted EBITDA and margin expansion driven by accelerating sales growth, synergy capture, and execution of margin improvement initiatives

$ millions

	Q2 2022	Q2 2021	YOY
Sales	**$2,330**	**$1,923**	**+23%**[1]
Adjusted EBITDA	**$235**	**$168**	**+40%**
% of sales	10.1%	8.7%	+140 bps

Long-term, sustainable growth supported by secular trends of electrification, automation and green energy

Exceptional growth due to enhanced value proposition and complete electrical solutions offering

[1] Sales growth shown on an organic basis. Organic sales growth represents reported sales growth adjusted to remove the effect of acquisitions, divestitures, changes in foreign currency exchange rates and differences in working days.
See appendix for non-GAAP reconciliations.

Communications & Security Solutions (CSS)

Second Quarter Drivers

- Record quarter with sales growth in all end markets despite continued global supply chain challenges
  - Network infrastructure growth led by global hyper-scale data centers and an increase in structured cabling due to accelerating return-to-workplace activities
  - Security growth driven by increased IP-based surveillance and adoption of cloud-based technologies by global customers
  - Continued strong demand from multinational customers for professional A/V projects and in-building wireless applications
- Backlog at record level; up ~70% YOY and 7% sequentially
- Adjusted EBITDA and margin expansion driven by accelerating sales growth, synergy capture, and margin improvement initiatives

$ millions

	Q2 2022	Q2 2021	YOY
Sales	**$1,602**	**$1,461**	**+12%**[1]
Adjusted EBITDA	**$150**	**$131**	**+14%**
% of sales	9.4%	9.0%	+40 bps

Long-term, sustainable growth supported by secular trends of 24/7 connectivity, data center expansion, secure networks and IoT/automation

Global position, leading value proposition and accelerating secular trends drive strong outlook over the long term

[1] Sales growth shown on an organic basis. Organic sales growth represents reported sales growth adjusted to remove the effect of acquisitions, divestitures, changes in foreign currency exchange rates and differences in working days.
See appendix for non-GAAP reconciliations.

Utility & Broadband Solutions (UBS)

Second Quarter Drivers

- Record quarter with double-digit sales growth in all end markets
  - Broad-based growth in utility driven by investments in grid modernization
  - Broadband communications growth driven by connectivity demand and rural broadband expansion
  - Integrated supply up versus PY and sequentially, in-line with industrial recovery
- Backlog at record level; up over 140% YOY and over 25% sequentially
- Record adjusted EBITDA with accelerating sales growth and margin expansion

$ millions

	Q2 2022	Q2 2021	YOY
Sales	**$1,551**	**$1,212**	**+29%**[1]
Adjusted EBITDA	**$169**	**$101**	**+68%**
% of sales	10.9%	8.3%	+260 bps

Long-term, sustainable growth driven by industry-leading value proposition, scope expansion and attractive secular trends of green energy, grid modernization and infrastructure investment

Leadership position and complete solutions offering continue to drive exceptional sales and profit growth

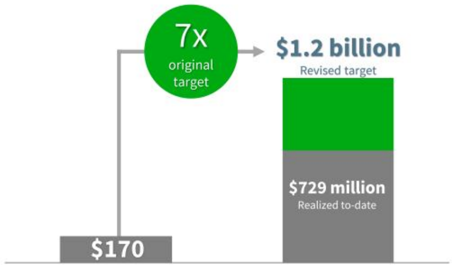
[1] Sales growth shown on an organic basis. Organic sales growth represents reported sales growth adjusted to remove the effect of acquisitions, divestitures, changes in foreign currency exchange rates and differences in working days.
See appendix for non-GAAP reconciliations.

Cross-Sell Driving Market Outperformance

- Expanding pipeline of cross-sell opportunities
- Strong customer relationships and global supplier partnerships
- Minimal overlap between legacy Wesco and Anixter customers
- Highly complementary products and services
- Salesforce training and incentives in place
- Opportunities to cross-sell exist across all three SBUs
- Growth opportunity is further amplified by attractive secular growth trends

Cumulative Cross-Sell Synergy Target

$ millions



Increasing cross-sell target from $850 million to $1.2 billion

Broad Portfolio of Cross-Sell Products and Services

- Switch Gear
- Supply Chain Services
- Wire & Cable Solutions
- MRO Supplies and Safety
- Balance of Electrical System
- Substation and Grid Components
- Network Infrastructure and Security

Successful cross-selling initiatives deliver growth opportunities with existing customers and new prospects

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Sales Synergies Increase as Leading Value Proposition Takes Hold

EES

Overview: Multi-million project win to provide cable, switchgear, and bulk electrical material to support the construction of a 900,000 sq. ft. data center

Key Enablers
- ✓ Ability to provide full solution
- ✓ Long-term supplier relationship
- ✓ Local branch provided inventory and logistics

Initial Value
$12+ million

Major Product Categories

Electrical Cable | Switchgear | Misc. Electrical Equipment

CSS

Overview: Middle mile broadband project to provide broadband infrastructure products to a state-sponsored initiative

Key Enablers
- ✓ Broadband support and government teams

Initial Value
$28+ million

Major Product Categories

Broadband Infrastructure

UBS

Overview: Utility and broadband collaboration resulting in a multi-million fiber network expansion project

Key Enablers
- ✓ Unified sales team across Wesco and Anixter
- ✓ Broadband expertise
- ✓ Comprehensive supply chain services

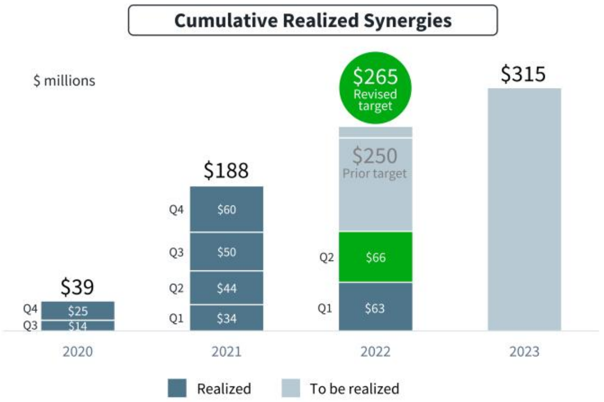
Initial Value
$10+ million

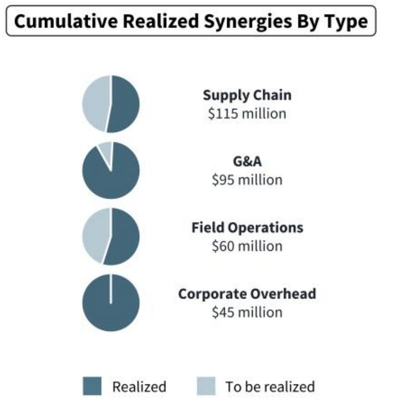
Major Product Categories

Fiber Optic Cable | Poleline Hardware | Project Management Services

Cross-sell momentum highlights the power of the combined portfolio

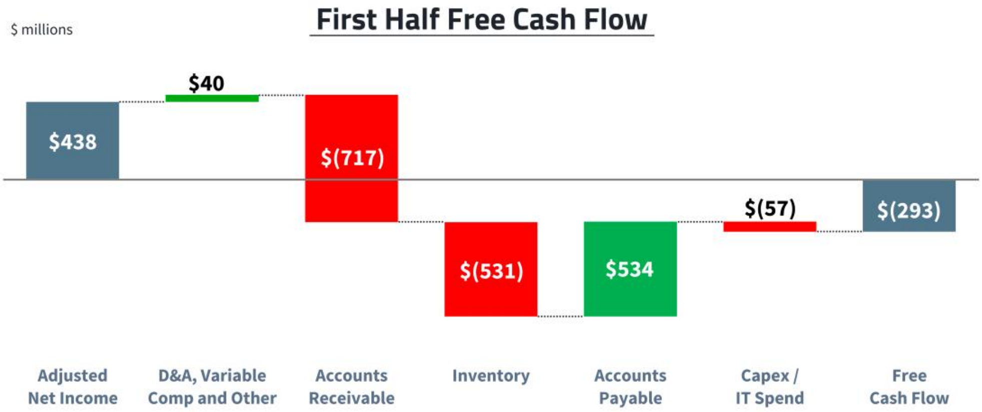
Accelerated Cost Synergy Realization Continues





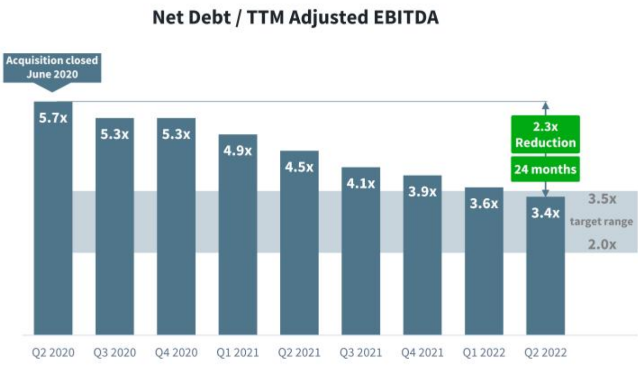
Increased 2022 synergies again; Tracking well toward 2023 cost synergy target of $315 million

Free Cash Flow



Managing working capital to ensure effective execution in a high-growth, supply-constrained environment

Leverage Back within Target Range Well Ahead of Schedule



- Leverage reduced 0.2x in Q2; 2.3x since Anixter acquisition closed in June 2020
- Returned to target leverage range twelve months sooner than originally expected
- Rapid deleveraging demonstrates inherent strength of our B2B distribution business model

Achieved our deleveraging target by returning to target range one year sooner than originally expected

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Increased 2022 Outlook

		Prior (5/5/22)	Updated 8/4/22
Sales	Market growth (including price) Plus: share gain/cross-sell Less: differences of foreign exchange rates Plus: benefit of one more workday in 2022	+9% to +11% +3% to +4% +0.5%	+12% to +14% ~5% ~(1)% +0.5%
	Reported sales	**+12% to +15%**	**+16% to +18%**
Adjusted EBITDA	**Adjusted EBITDA margin[1]**	**7.3% to 7.6%**	**7.8% to 8.0%**
	vs PY	*+80 bps to +110 bps*	*+130 bps to +150 bps*
	Implied midpoint of range	*$1.54 billion*	*$1.68 billion*
Tax	**Effective tax rate**	**~24%**	**24% to 25%**
Adjusted EPS	**Adjusted diluted EPS[1]**	**$14.00 to $15.00**	**$15.60 to $16.40**
	vs PY	*+40% to +50%*	*+55% to +65%*
Cash	**Free cash flow percent of adjusted net income**	**~80%**	**~50%**

Outlook Notes
- Does not reflect the effect of potential tax law changes or future refinancing activity
- Utility customer model shift results in negative sales impact of ~0.5%

[1] Adjusted EBITDA is defined as EBITDA before other, net, non-cash stock-based compensation and merger-related costs; Adjusted EPS excludes merger-related costs, accelerated trademark amortization and the related income tax effects.

Summary

- Strong momentum continued in Q2 closing out an exceptional first half
- Outstanding results across the board in Q2 and strongest quarter of Wesco + Anixter combination yet
  - All-time record sales, gross margin, operating profit, adjusted EBITDA, adjusted EBITDA margin and adjusted diluted EPS
  - Delivered 8+% adjusted EBITDA margin in the quarter with margin expansion of 140 bps on value-based pricing execution, accelerated cross-sell, and continued cost synergies
- Expanded market share through sales execution and cross-selling, and again increased cross-sell synergy target
- Accelerated de-leveraging and now back within our target range; leverage reduced 2.3 turns to 3.4x since merger close in June 2020
- Making excellent progress on our IT/Digital roadmap
- Exceptionally well positioned to benefit from secular growth trends

Differentiated capabilities and execution drive our increased 2022 outlook

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APPENDIX

Glossary

Abbreviations	
1H: First half of fiscal year	**MSD:** Mid-single digit
2H: Second half of fiscal year	**PF:** Pro Forma
A/V: Audio/visual	**PY:** Prior Year
COGS: Cost of goods sold	**OEM:** Original equipment manufacturer
CIG: Commercial, Institutional and Government	**OPEX:** Operating expenses
CSS: Communications & Security Solutions (business unit)	**ROW:** Rest of world
EES: Electrical & Electronic Solutions (business unit)	**RTW:** Return to Workplace
ETR: Effective tax rate	**SBU:** Strategic Business Unit
FTTx: Fiber-to-the-x (last mile fiber optic network connections)	**Seq:** Sequential
HSD: High-single digit	**TTM:** Trailing twelve months
LSD: Low-single digit	**UBS:** Utility & Broadband Solutions (business unit)
MRO: Maintenance, repair and operating	**WD:** Workday
MTDC: Multi-tenant data center	**YOY:** Year-over-year

Definitions
Executed synergies: Initiatives fully implemented – actions taken to generate savings
Realized synergies: Savings that impact financial results versus pro forma 2019
One-time operating expenses: Operating expenses that are in or will be realized in the P&L (including cash and non-cash)
Leverage: Debt, net of cash, divided by trailing-twelve-month adjusted EBITDA

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Workdays

	Q1	Q2	Q3	Q4	FY
2019	63	64	63	62	252
2020	64	64	64	61	253
2021	62	64	64	62	252
2022	63	64	64	62	253

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Non-GAAP Measure Definitions

Organic sales growth is a non-GAAP financial measure of sales performance. Organic sales growth is calculated by deducting the percentage impact from acquisitions and divestitures for one year following the respective transaction, foreign exchange rates and number of workdays from the reported percentage change in consolidated net sales.

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

EBITDA, Adjusted EBITDA and Adjusted EBITDA margin % are non-GAAP financial measures that provide indicators of the Company's performance and its ability to meet debt service requirements. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA before foreign exchange and other non-operating expenses (income), non-cash stock-based compensation expense, merger-related and integration costs, and net gain on the divestiture of Wesco's legacy utility and data communications businesses in Canada. Adjusted EBITDA margin % is calculated by dividing Adjusted EBITDA by net sales.

Free cash flow is a non-GAAP financial measure of liquidity. Capital expenditures are deducted from operating cash flow to determine free cash flow. Free cash flow is available to fund investing and financing activities.

Financial leverage is a non-GAAP measure of the use of debt. Financial leverage ratio is calculated by dividing total debt, excluding debt discount, debt issuance costs and fair value adjustments, net of cash, by adjusted EBITDA. EBITDA is defined as the trailing twelve months earnings before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as the trailing twelve months EBITDA before foreign exchange and other non-operating expenses (income), non-cash stock-based compensation expense, merger-related and integration costs, and net gain on the divestiture of Wesco's legacy utility and data communications businesses in Canada.

Organic Sales Growth by Segment

$ thousands

Organic Sales Growth by Segment:

	Three Months Ended		Growth/(Decline)				
	June 30, 2022	June 30, 2021	Reported	Divestiture Impact	Foreign Exchange Impact	Workday Impact	Organic Growth
EES	$2,330,153	$1,923,011	21.2%	—%	(1.9)%	—%	23.1%
CSS	1,601,997	1,461,120	9.6%	—%	(1.9)%	—%	11.5%
UBS	1,551,375	1,211,659	28.0%	—%	(0.6)%	—%	28.6%
Total net sales	$5,483,525	$4,595,790	19.3%	—%	(1.6)%	—%	20.9%

Organic Sales Growth by Segment - Sequential:

	Three Months Ended		Growth/(Decline)				
	June 30, 2022	March 31, 2022	Reported	Divestiture Impact	Foreign Exchange Impact	Workday Impact	Organic Growth
EES	$2,330,153	$2,089,959	11.5%	—%	(0.5)%	1.6%	10.4%
CSS	1,601,997	1,434,175	11.7%	—%	(0.6)%	1.6%	10.7%
UBS	1,551,375	1,408,047	10.2%	—%	(0.1)%	1.6%	8.7%
Total net sales	$5,483,525	$4,932,181	11.2%	—%	(0.4)%	1.6%	10.0%

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Gross Profit and Free Cash Flow

$ thousands

Gross Profit:	Three Months Ended June 30, 2022	June 30, 2021	March 31, 2022
Net sales	$5,483,525	$4,595,790	$4,932,181
Cost of goods sold (excluding depreciation and amortization)	4,294,086	3,630,633	3,883,074
Gross profit	$1,189,439	$965,157	$1,049,107
Gross margin	21.7%	21.0%	21.3%

Free Cash Flow:	Six Months Ended June 30, 2022	June 30, 2021
Cash flow used in operations	($304,531)	$102,795
Less: Capital expenditures	(31,641)	(20,191)
Add: Merger-related and integration cash costs	43,260	41,567
Free cash flow	($292,912)	$124,171
Percentage of adjusted net income	(67)%	52%

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Adjusted EBITDA

$ thousands

	Three Months Ended June 30, 2022					Three Months Ended June 30, 2021				
EBITDA and Adjusted EBITDA by Segment:	**EES**	**CSS**	**UBS**	**Corporate**	**Total**	**EES**	**CSS**	**UBS**	**Corporate**	**Total**
Net income attributable to common stockholders	$222,758	$130,639	$161,784	($308,827)	$206,354	$153,976	$111,046	$94,688	($254,867)	$104,843
Net income (loss) attributable to noncontrolling interests	151	—	—	292	443	(76)	—	—	165	89
Preferred stock dividends	—	—	—	14,352	14,352	—	—	—	14,352	14,352
Provision for income taxes	—	—	—	79,887	79,887	—	—	—	32,800	32,800
Interest expense, net	—	—	—	68,478	68,478	—	—	—	67,590	67,590
Depreciation and amortization	11,198	17,855	5,670	11,143	45,866	12,781	19,241	5,466	9,216	46,704
EBITDA	$234,107	$148,494	$167,454	($134,675)	$415,380	$166,681	$130,287	$100,154	($130,744)	$266,378
Other (income) expense, net	(1,403)	106	644	1,848	1,195	(160)	211	5	(858)	(802)
Stock-based compensation expense[1]	2,745	1,442	937	9,334	14,458	1,434	641	543	3,331	5,949
Merger-related and integration costs	—	—	—	13,427	13,427	—	—	—	37,720	37,720
Adjusted EBITDA	$235,449	$150,042	$169,035	($110,066)	$444,460	$167,955	$131,139	$100,702	($90,551)	$309,245
Adjusted EBITDA margin %	10.1%	9.4%	10.9%	n/m	8.1%	8.7%	9.0%	8.3%	n/m	6.7%

[1] Stock-based compensation expense in the calculation of adjusted EBITDA for the three months ended June 30, 2022 and June 30, 2021 excludes $1.4 million and $1.3 million, respectively, as such amounts are included in merger-related and integration costs.

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Adjusted EPS

$ thousands, except per share amounts	Three Months Ended	
Adjusted Income from Operations:	**June 30, 2022**	**June 30, 2021**
Income from operations	$370,709	$218,872
Merger-related and integration costs	13,427	37,720
Accelerated trademark amortization	3,672	5,049
Adjusted income from operations	$387,808	$261,641
Adjusted income from operations margin %	7.1%	5.7%
Adjusted Provision for Income Taxes:		
Provision for income taxes	$79,887	$32,800
Income tax effect of adjustments to income from operations[1]	4,531	10,381
Adjusted provision for income taxes	$84,418	$43,181
Adjusted Earnings per Diluted Share:		
Adjusted income from operations	$387,808	$261,641
Interest expense, net	68,478	67,590
Other expense (income), net	1,195	(802)
Adjusted income before income taxes	318,135	194,853
Adjusted provision for income taxes	84,418	43,181
Adjusted net income	233,717	151,672
Net income attributable to noncontrolling interests	443	89
Adjusted net income attributable to WESCO International, Inc.	233,274	151,583
Preferred stock dividends	14,352	14,352
Adjusted net income attributable to common stockholders	$218,922	$137,231
Diluted shares	52,220	51,994
Adjusted earnings per diluted share	$4.19	$2.64

[1] The adjustments to income from operations have been tax effected at rates of approximately 26% for the three months ended June 30, 2022 and 24% for the three months ended June 30, 2021.

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Capital Structure and Leverage

$ thousands

	Twelve Months Ended	
Financial Leverage:	**June 30, 2022**	**December 31, 2022**
Net income attributable to common stockholders	$631,549	$407,974
Net income attributable to noncontrolling interests	1,787	1,020
Preferred stock dividends	57,407	57,408
Provision for income taxes	193,720	115,510
Interest expense, net	262,209	268,073
Depreciation and amortization	203,487	198,554
EBITDA	1,350,159	1,048,539
Other income, net[1]	(42,185)	(48,112)
Stock-based compensation expense	37,065	25,699
Merger-related and integration costs	113,403	158,484
Net gain on divestitures	—	(8,927)
Adjusted EBITDA	$1,458,442	$1,175,683

	As of	
	June 30, 2022	**December 31, 2022**
Short-term debt and current portion of long-term debt, net	$70,628	$9,528
Long-term debt, net	5,039,857	4,701,542
Debt discount and debt issuance costs[2]	64,059	70,572
Fair value adjustments to Anixter Senior Notes due 2023 and 2025[2]	(615)	(957)
Total debt	5,173,929	4,780,685
Less: cash and cash equivalents	236,792	212,583
Total debt, net of cash	$4,937,137	$4,568,102
Financial leverage ratio	3.4x	3.9x

(1) Other non-operating income for the twelve months ended June 30, 2022 and December 31, 2021 includes a $36.6 million curtailment gain resulting from the remeasurement of the Company's pension obligations in the U.S. and Canada due to amending certain terms of such defined benefit plans.

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