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

FORM 10-Q

(Mark One)

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2015

or

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________to __________

Commission File Number: **001-14989**

WESCO International, Inc.

(Exact name of registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	**25-1723342** (I.R.S. Employer Identification No.)
225 West Station Square Drive **Suite 700** **Pittsburgh, Pennsylvania** (Address of principal executive offices)	**15219** (Zip Code)

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

Not applicable.

(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for at least the past 90 days. Yes ☑ No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

Yes ☑ No o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer,” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☑	Accelerated filer o
Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes o No ☑

As of July 30, 2015, 43,547,989 shares of common stock, $.01 par value, of the registrant were outstanding.

WESCO INTERNATIONAL, INC. AND SUBSIDIARIES

QUARTERLY REPORT ON FORM 10-Q

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PART I—FINANCIAL INFORMATION

Item 1. Financial Statements.

The interim financial information required by this item is set forth in the Condensed Consolidated Financial Statements and Notes thereto in this Quarterly Report on Form 10-Q, as follows:

CONDENSED CONSOLIDATED BALANCE SHEETS
(In thousands of dollars, except share data)
(unaudited)

	June 30, 2015	December 31, 2014
Assets		
Current assets:		
Cash and cash equivalents	$ 174,307	$ 128,319
Trade accounts receivable, net of allowance for doubtful accounts of $22,081 and $21,084 in 2015 and 2014, respectively	1,124,893	1,117,420
Other accounts receivable	60,820	138,745
Inventories, net	847,045	819,502
Prepaid expenses and other current assets	160,985	146,352
Total current assets	2,368,050	2,350,338
Property, buildings and equipment, net of accumulated depreciation of $237,656 and $229,196 in 2015 and 2014, respectively	180,049	182,725
Intangible assets, net of accumulated amortization of $125,899 and $110,828 in 2015 and 2014, respectively	415,327	429,840
Goodwill	1,713,118	1,735,440
Other assets	49,823	56,094
Total assets	$ 4,726,367	$ 4,754,437
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 770,605	$ 765,135
Accrued payroll and benefit costs	40,882	67,935
Short-term debt	46,924	46,787
Current portion of long-term debt	2,232	2,343
Other current liabilities	151,068	181,672
Total current liabilities	1,011,711	1,063,872
Long-term debt, net of discount of $167,029 and $170,367 in 2015 and 2014, respectively	1,436,802	1,366,430
Deferred income taxes	360,178	346,743
Other noncurrent liabilities	51,733	49,227
Total liabilities	$ 2,860,424	$ 2,826,272
Commitments and contingencies (Note 7)		
Stockholders' equity:		
Preferred stock, $.01 par value; 20,000,000 shares authorized, no shares issued or outstanding	—	—
Common stock, $.01 par value; 210,000,000 shares authorized, 58,586,095 and 58,400,736 shares issued and 43,580,243 and 44,489,989 shares outstanding in 2015 and 2014, respectively	586	584
Class B nonvoting convertible common stock, $.01 par value; 20,000,000 shares authorized, 4,339,431 issued and no shares outstanding in 2015 and 2014, respectively	43	43
Additional capital	1,110,716	1,102,369
Retained earnings	1,742,549	1,643,914
Treasury stock, at cost; 19,345,283 and 18,250,178 shares in 2015 and 2014, respectively	(695,959)	(616,366)
Accumulated other comprehensive loss	(290,164)	(201,892)
Total WESCO International, Inc. stockholders' equity	1,867,771	1,928,652
Noncontrolling interest	(1,828)	(487)
Total stockholders' equity	1,865,943	1,928,165
Total liabilities and stockholders' equity	$ 4,726,367	$ 4,754,437

The accompanying notes are an integral part of the condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME
(In thousands of dollars, except per share data)
(unaudited)

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Net sales	$ 1,916,718	$ 2,005,165	$ 3,733,048	$ 3,815,991
Cost of goods sold (excluding depreciation and amortization below)	1,535,084	1,593,437	2,983,723	3,029,470
Selling, general and administrative expenses	275,242	278,709	539,826	544,171
Depreciation and amortization	16,139	17,186	32,060	33,558
Income from operations	90,253	115,833	177,439	208,792
Interest expense, net	18,613	20,337	39,508	41,025
Income before income taxes	71,640	95,496	137,931	167,767
Provision for income taxes	21,001	26,709	40,500	47,125
Net income	50,639	68,787	97,431	120,642
Net loss attributable to noncontrolling interest	(1,102)	(15)	(1,341)	(65)
Net income attributable to WESCO International, Inc.	$ 51,741	$ 68,802	$ 98,772	$ 120,707
Other comprehensive income (loss):				
Foreign currency translation adjustments	25,542	43,023	(88,257)	(3,477)
Comprehensive income attributable to WESCO International, Inc.	$ 77,283	$ 111,825	$ 10,515	$ 117,230
Earnings per share attributable to WESCO International, Inc.				
Basic	$ 1.18	$ 1.55	$ 2.23	$ 2.72
Diluted	$ 1.00	$ 1.29	$ 1.90	$ 2.26

The accompanying notes are an integral part of the condensed consolidated financial statements.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands of dollars)
(unaudited)

	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Operating activities:		
Net income	$ 97,431	$ 120,642
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	32,060	33,558
Deferred income taxes	16,717	13,719
Other operating activities, net	12,708	5,882
Changes in assets and liabilities:		
Trade accounts receivable, net	(3,788)	(121,797)
Other accounts receivable	76,571	12,672
Inventories, net	(26,742)	(44,910)
Prepaid expenses and other assets	400	(30,840)
Accounts payable	846	47,082
Accrued payroll and benefit costs	(26,513)	(5,710)
Other current and noncurrent liabilities	(47,049)	20,544
Net cash provided by operating activities	132,641	50,842
Investing activities:		
Acquisition payments, net of cash acquired	(68,502)	(133,318)
Capital expenditures	(12,624)	(11,785)
Other investing activities	1,425	27
Net cash used in investing activities	(79,701)	(145,076)
Financing activities:		
Proceeds from issuance of short-term debt	60,420	33,085
Repayments of short-term debt	(58,153)	(25,983)
Proceeds from issuance of long-term debt	794,176	606,836
Repayments of long-term debt	(721,307)	(537,048)
Repurchases of common stock (Note 5)	(80,749)	(6,441)
Other financing activities, net	3,580	4,861
Net cash (used in) provided by financing activities	(2,033)	75,310
Effect of exchange rate changes on cash and cash equivalents	(4,919)	(3,158)
Net change in cash and cash equivalents	45,988	(22,082)
Cash and cash equivalents at the beginning of period	128,319	123,725
Cash and cash equivalents at the end of period	$ 174,307	$ 101,643

The accompanying notes are an integral part of the condensed consolidated financial statements.

1. ORGANIZATION

WESCO International, Inc. and its subsidiaries (collectively, “WESCO” or the "Company"), headquartered in Pittsburgh, Pennsylvania, is a full-line distributor of electrical, industrial and communications maintenance, repair and operating (“MRO”) and original equipment manufactures (“OEM”) products, construction materials, and advanced supply chain management and logistics services used primarily in the industrial, construction, utility and commercial, institutional and government markets. WESCO serves over 75,000 active customers globally, through approximately 485 full service branches and nine distribution centers located primarily in the United States, Canada and Mexico, with operations in 16 additional countries.

2. ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited Condensed Consolidated Financial Statements of WESCO have been prepared in accordance with Rule 10-01 of Regulation S-X of the Securities and Exchange Commission (the “SEC”). The unaudited condensed consolidated financial information should be read in conjunction with the audited Consolidated Financial Statements and Notes thereto included in WESCO’s 2014 Annual Report on Form 10-K as filed with the SEC on February 24, 2015. The Condensed Consolidated Balance Sheet at December 31, 2014 was derived from the audited Consolidated Financial Statements as of that date, but does not include all of the disclosures required by accounting principles generally accepted in the United States of America.

The unaudited Condensed Consolidated Balance Sheet as of June 30, 2015, the unaudited Condensed Consolidated Statements of Income and Comprehensive Income for the three and six months ended June 30, 2015 and 2014, respectively, and the unaudited Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2015 and 2014, respectively, in the opinion of management, have been prepared on the same basis as the audited Consolidated Financial Statements and include all adjustments necessary for the fair statement of the results of the interim periods presented herein. All adjustments reflected in the unaudited condensed consolidated financial information are of a normal recurring nature unless indicated. The results for the interim periods presented herein are not necessarily indicative of the results to be expected for the full year.

The Condensed Consolidated Balance Sheet at December 31, 2014 and the unaudited Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2014 include certain reclassifications to previously reported amounts to conform to the current period presentation.

Fair Value of Financial Instruments

The Company measures the fair value of financial assets and liabilities in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 820, "Fair Value Measurements and Disclosures," which defines fair value, establishes a framework for measuring fair value and expands disclosures about fair value measurements.

ASC 820 establishes a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value and requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy are as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that are accessible at the measurement date.
- Level 2 inputs include inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices in active markets for similar assets and liabilities, quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of assets or liabilities.
- Level 3 inputs are unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

At June 30, 2015, the carrying value of WESCO’s 6.0% Convertible Senior Debentures due 2029 (the "2029 Debentures") was $179.5 million and the fair value was approximately $839.4 million. At December 31, 2014, the carrying value of WESCO’s 2029 Debentures was $177.6 million and the fair value was approximately $936.1 million. The reported carrying amounts of WESCO’s other debt instruments approximate their fair values. The Company uses a market approach to fair value all of its debt instruments, utilizing quoted prices in active markets, interest rates and other relevant information generated by market transactions involving similar instruments. Therefore, all of the Company's debt instruments are classified as Level 2 within the valuation hierarchy. For all of the Company's remaining financial instruments, consisting of cash and cash equivalents, accounts receivable, accounts payable and other accrued liabilities, carrying values are considered to approximate fair value due to the short maturity of these instruments.

New Accounting Pronouncements

In May 2014, the FASB and the International Accounting Standards Board issued a converged final standard on the recognition of revenue from contracts with customers. This updated guidance provides a framework for addressing revenue recognition issues and replaces almost all existing revenue recognition guidance in current U.S. generally accepted accounting principles. The core principle of the new standard is for companies to recognize revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration to which the company expects to be entitled in exchange for those goods or services. The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively, and improve guidance for multiple-element arrangements. The original standard was effective for fiscal years beginning after December 15, 2016; however, in July 2015, the FASB approved a one-year deferral of this standard. Accordingly, the standard is effective for fiscal years beginning after December 15, 2017. Early adoption is permitted to the original effective date of December 15, 2016 (including interim reporting periods within those periods). Management is currently evaluating the future impact of this guidance on WESCO's financial position, results of operations and cash flows.

In June 2014, the FASB issued Accounting Standards Update ("ASU") 2014-12, *Accounting for Share-Based Payments When the Terms of an Award Provide That a Performance Target Could Be Achieved after the Requisite Service Period*. The amendments in this ASU require a reporting entity to treat a performance target that affects vesting and could be achieved after the requisite service period as a performance condition. A reporting entity should apply FASB ASC Topic 718, *Compensation—Stock Compensation*, to awards with performance conditions that affect vesting. For all entities, ASU 2014-12 is effective for annual periods and interim periods within those annual periods, beginning after December 15, 2015. Early adoption is permitted. This ASU may be adopted either prospectively for share-based payment awards granted or modified on or after the effective date, or retrospectively, using a modified retrospective approach. The modified retrospective approach would apply to share-based payment awards outstanding as of the beginning of the earliest annual period presented in the financial statements on adoption and to all new or modified awards thereafter. The adoption of this guidance is not expected to have an impact on WESCO's consolidated financial statements and notes thereto.

In September 2014, the FASB issued ASU 2014-15, *Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern.* This ASU describes how an entity should assess its ability to meet obligations and sets disclosure requirements for how this information should be disclosed in the financial statements. The standard provides accounting guidance that will be used with existing auditing standards. The amendments in this ASU are effective for the annual period ending after December 15, 2016 and for annual periods and interim periods thereafter. Early application is permitted. The adoption of this guidance is not expected to have an impact on WESCO's consolidated financial statements and notes thereto.

In April 2015, the FASB issued ASU 2015-03, *Simplifying the Presentation of Debt Issuance Costs*. To simplify the presentation of debt issuance costs, the amendments in this ASU require that debt issuance costs related to a recognized liability be presented in the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with debt discounts. The recognition and measurement guidance for debt issuance costs are not affected by the amendments in this ASU. For public business entities, this ASU is effective for financial statements issued for fiscal years beginning after December 15, 2015, and interim periods within fiscal years beginning after December 15, 2016. Early adoption is permitted for financial statements that have not been previously issued. An entity should apply the new guidance on a retrospective basis, wherein the balance sheet of each individual period presented should be adjusted to reflect the period-specific effects of applying the new guidance. Upon transition, an entity is required to comply with the applicable disclosures for a change in an accounting principle. These disclosures include the nature of and reason for the change in accounting principle, the transition method, a description of the prior-period information that has been retrospectively adjusted, and the effect of the change on the financial statement line items (that is, debt issuance cost asset and the debt liability). Management is currently evaluating the future impact of this guidance on WESCO's financial position, results of operations and cash flows.

3. ACQUISITIONS

The following table sets forth the consideration paid for acquisitions:

	Six Months Ended	
(In thousands of dollars)	**June 30, 2015**	**June 30, 2014**
Fair value of assets acquired	$ 89,786	$ 150,966
Fair value of liabilities assumed	21,284	17,648
Cash paid for acquisitions, net of cash acquired	$ 68,502	$ 133,318

The fair values of assets acquired and liabilities assumed during the six months ended June 30, 2015, which were primarily for the acquisition of Hill Country Electric Supply, LP ("Hill Country"), were based upon preliminary calculations and valuations. WESCO's estimates and assumptions for its preliminary purchase price allocation are subject to change as it obtains additional information for its estimates during the respective measurement periods (up to one year from the respective acquisition date).

2015 Acquisition of Hill Country Electric Supply, LP

On May 1, 2015, WESCO Distribution, Inc. completed the acquisition of Hill Country, an electrical distributor focused on the commercial construction market from nine locations in Central and South Texas with approximately $140 million in annual sales. WESCO funded the purchase price paid at closing with borrowings under the revolving credit facility (the "Revolving Credit Facility"). The purchase price was allocated to the respective assets and liabilities based upon their estimated fair values as of the acquisition date. The preliminary fair value of intangibles was estimated by management and the allocation resulted in intangible assets of $21.1 million and goodwill of $15.8 million. The intangible assets include customer relationships of $13.1 million amortized over 11 years, non-compete agreements of $0.2 million amortized over 5 years, and trademarks of $7.8 million amortized over 12 years. No residual value is estimated for the intangible assets being amortized. Management believes that the majority of goodwill is deductible for tax purposes.

2014 Acquisitions of LaPrairie, Inc., Hazmasters, Inc. and Hi-Line Utility Supply.

On February 1, 2014, WESCO Distribution, Inc., through its wholly-owned Canadian subsidiary, completed the acquisition of LaPrairie, Inc. ("LaPrairie"), a wholesale distributor of electrical products with approximately $30 million in annual sales servicing the transmission, distribution, and substation needs of utilities and utility contractors from a single location in Newmarket, Ontario. WESCO funded the purchase price paid at closing with cash. The purchase price was allocated to the respective assets and liabilities based upon their estimated fair values as of the acquisition date. The fair value of intangibles was estimated by management and the allocation resulted in intangible assets of $11.0 million and goodwill of $8.9 million. The majority of goodwill is deductible for tax purposes.

On March 17, 2014, WESCO Distribution, Inc., through its wholly-owned Canadian subsidiary, completed the acquisition of Hazmasters, Inc. ("Hazmasters"), a leading independent Canadian distributor of safety products with approximately $80 million in annual sales servicing customers in the industrial, construction, commercial, institution, and government markets from 14 branches across Canada. WESCO funded the purchase price paid at closing with cash and borrowings under the Revolving Credit Facility. The purchase price was allocated to the respective assets and liabilities based upon their estimated fair values as of the acquisition date. The fair value of intangibles was estimated by management and the allocation resulted in intangible assets of $28.1 million and goodwill of $29.5 million, which is not deductible for tax purposes.

On June 11, 2014, WESCO Distribution, Inc., completed the acquisition of Hi-Line Utility Supply ("Hi-Line"), a provider of utility MRO and safety products, as well as rubber goods testing and certification services, with approximately $30 million in annual sales from locations in Chicago, Illinois and Millbury, Massachusetts. WESCO funded the purchase price paid at closing with cash. The purchase price was allocated to the respective assets and liabilities based upon their estimated fair values as of the acquisition date. The fair value of intangibles was estimated by management and the allocation resulted in intangible assets of $14.2 million and goodwill of $24.0 million. The majority of goodwill is deductible for tax purposes.

For all acquisitions made in the first half of 2014, the intangible assets include customer relationships of $38.9 million amortized over 2 to 12 years, supplier relationships of $3.2 million amortized over 10 years, trademarks of $10.9 million, and other intangibles of $0.3 million. Certain trademarks have been assigned an indefinite life while others are amortized over 5 and 10 years. No residual value is estimated for the intangible assets being amortized.

4. STOCK-BASED COMPENSATION

WESCO’s stock-based employee compensation plans are comprised of stock-settled stock appreciation rights, restricted stock units and performance-based awards. Compensation cost for all stock-based awards is measured at fair value on the date of grant and compensation cost is recognized, net of estimated forfeitures, over the service period for awards expected to vest. The fair value of stock-settled stock appreciation rights and performance-based awards with market conditions is determined using the Black-Scholes and Monte Carlo simulation models, respectively. The fair value of restricted stock units and performance-based awards with performance conditions is determined by the grant-date closing price of WESCO’s common stock. The forfeiture assumption is based on WESCO’s historical employee behavior that is reviewed on an annual basis. No dividends are assumed.

During the three and six months ended June 30, 2015 and 2014, WESCO granted the following stock-settled appreciation rights, restricted stock units and performance-based awards at the following weighted-average fair values:

	Three Months Ended		Six Months Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Stock-settled appreciation rights granted	—	2,295	394,182	274,508
Weighted-average fair value	$ —	$ 27.71	$ 21.68	$ 30.64
Restricted stock units granted	—	—	78,292	62,506
Weighted-average fair value	$ —	$ —	$ 69.54	$ 85.35
Performance-based awards granted	—	—	59,661	44,046
Weighted-average fair value	$ —	$ —	$ 67.81	$ 86.65

The fair value of stock-settled appreciation rights was estimated using the following weighted-average assumptions:

	Three Months Ended		Six Months Ended	
	June 30, 2015	June 30, 2014	June 30, 2015	June 30, 2014
Risk free interest rate	—%	1.6%	1.6%	1.5%
Expected life (in years)	0	5	5	5
Expected volatility	—%	34%	32%	39%

The risk-free interest rate is based on the U.S. Treasury Daily Yield Curve rates as of the grant date. The expected life is based on historical exercise experience and the expected volatility is based on the volatility of the Company's daily stock prices over a five-year period preceding the grant date.

The following table sets forth a summary of stock-settled stock appreciation rights and related information for the six months ended June 30, 2015:

	Awards	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (In years)	Aggregate Intrinsic Value (In thousands)
Outstanding at December 31, 2014	2,480,745	$ 50.91		
Granted	394,182	69.54		
Exercised	(227,441)	35.87		
Forfeited	(13,643)	79.35		
Outstanding at June 30, 2015	2,633,843	54.85	5.7	$ 41,895.0
Exercisable at June 30, 2015	1,996,529	$ 48.71	4.6	$ 41,891.2

The following table sets forth a summary of time-based restricted stock units and related information for the six months ended June 30, 2015:

	Awards	Weighted-Average Fair Value
Unvested at December 31, 2014	185,457	$ 73.87
Granted	78,292	69.54
Vested	(66,902)	65.32
Forfeited	(4,179)	77.75
Unvested at June 30, 2015	192,668	$ 74.99

Performance shares are awards for which the vesting will occur based on market or performance conditions. The following table sets forth a summary of performance-based awards for the six months ended June 30, 2015:

	Awards	Weighted-Average Fair Value
Unvested at December 31, 2014	130,004	$ 80.21
Granted	59,661	67.81
Vested	(38,869)	72.25
Forfeited	(10,800)	85.87
Unvested at June 30, 2015	139,996	$ 76.70

The fair value of the performance shares granted during the six months ended June 30, 2015 was estimated using the following weighted-average assumptions:

Weighted-Average Assumptions	
Grant date share price	$ 69.54
WESCO expected volatility	26.9%
Peer group median volatility	23.2%
Risk-free interest rate	1.05%
Correlation of peer company returns	95.8%

The unvested performance-based awards in the table above include 69,998 shares in which vesting of the ultimate number of shares underlying such awards is dependent upon WESCO's total stockholder return in relation to the total stockholder return of a select group of peer companies over a three-year period. These awards are accounted for as awards with market conditions; compensation cost is recognized over the service period, regardless of whether the market conditions are achieved and the awards ultimately vest.

Vesting of the remaining 69,998 shares of performance-based awards in the table above is dependent upon the three-year average growth rate of WESCO's net income. These awards are accounted for as awards with performance conditions; compensation cost is recognized over the performance period based upon WESCO's determination of whether it is probable that the performance targets will be achieved.

WESCO recognized $4.0 million and $4.3 million of non-cash stock-based compensation expense, which is included in selling, general and administrative expenses, for the three months ended June 30, 2015 and 2014, respectively. WESCO recognized $7.8 million and $8.5 million of non-cash stock-based compensation expense, which is included in selling, general and administrative expenses, for the six months ended June 30, 2015 and 2014, respectively. As of June 30, 2015, there was $25.8 million of total unrecognized compensation cost related to non-vested stock-based compensation arrangements for all awards previously made, of which approximately $7.6 million is expected to be recognized over the remainder of 2015, $11.4 million in 2016, $6.1 million in 2017 and $0.7 million in 2018.

During the six months ended June 30, 2015 and 2014, the total intrinsic value of all awards exercised and vested was $15.3 million and $22.9 million, respectively. The total amount of cash received from the exercise of options was $0.8 million for the six months ended June 30, 2014. The gross deferred tax benefit associated with the exercise of awards for the six months ended June 30, 2015 and 2014 totaled $5.5 million and $8.7 million, respectively, and was recorded as an increase to additional capital.

5. EARNINGS PER SHARE

Basic earnings per share are computed by dividing net income by the weighted-average number of common shares outstanding during the periods. Diluted earnings per share are computed by dividing net income by the weighted-average common shares and common share equivalents outstanding during the periods. The dilutive effect of common share equivalents is considered in the diluted earnings per share computation using the treasury stock method, which includes consideration of dilutive equity awards and contingently convertible debt.

The following tables set forth the details of basic and diluted earnings per share:

	Three Months Ended June 30,	
(In thousands of dollars, except per share data)	2015	2014
Net income attributable to WESCO International, Inc.	$ 51,741	$ 68,802
Weighted-average common shares outstanding used in computing basic earnings per share	43,997	44,449
Common shares issuable upon exercise of dilutive equity awards	767	1,031
Common shares issuable from contingently convertible debentures (see below for basis of calculation)	7,138	7,996
Weighted-average common shares outstanding and common share equivalents used in computing diluted earnings per share	51,902	53,476
Earnings per share attributable to WESCO International, Inc.		
Basic	$ 1.18	$ 1.55
Diluted	$ 1.00	$ 1.29

	Six Months Ended June 30,	
(In thousands of dollars, except per share data)	2015	2014
Net income attributable to WESCO International, Inc.	$ 98,772	$ 120,707
Weighted-average common shares outstanding used in computing basic earnings per share	44,200	44,399
Common shares issuable upon exercise of dilutive equity awards	795	1,061
Common shares issuable from contingently convertible debentures (see below for basis of calculation)	7,055	7,962
Weighted-average common shares outstanding and common share equivalents used in computing diluted earnings per share	52,050	53,422
Earnings per share attributable to WESCO International, Inc.		
Basic	$ 2.23	$ 2.72
Diluted	$ 1.90	$ 2.26

For the three and six months ended June 30, 2015, the computation of diluted earnings per share attributable to WESCO International, Inc. excluded approximately 0.9 million stock-settled stock appreciation rights at a weighted-average exercise price of $74.93 per share. For the three and six months ended June 30, 2014, the computation of diluted earnings per share attributable to WESCO International, Inc. excluded approximately 0.5 million stock-settled stock appreciation rights at weighted average exercise prices of $84.71 per share and $79.37 per share, respectively. These amounts were excluded because their effect would have been antidilutive.

Because of WESCO’s obligation to settle the par value of the 2029 Debentures in cash upon conversion, WESCO is required to include shares underlying the 2029 Debentures in its diluted weighted-average shares outstanding when the average stock price per share for the period exceeds the conversion price of the respective debentures. Only the number of shares issuable under the treasury stock method of accounting for share dilution are included, which is based upon the amount by which the average stock price exceeds the conversion price. The conversion price of the 2029 Debentures is $28.87. Share dilution is limited to a maximum of 11,947,671 shares for the 2029 Debentures. For the three and six months June 30, 2015, the effect of the 2029 Debentures on diluted earnings per share attributable to WESCO International, Inc. was a decrease of $0.16 and $0.30, respectively. For the three and six months June 30, 2014, the effect of the 2029 Debentures on diluted earnings per share attributable to WESCO International, Inc. was a decrease of $0.22 and $0.40, respectively.

In December 2014, the Company's Board of Directors authorized the repurchase of up to $300 million of the Company's common stock through December 31, 2017. During the six months ended June 30, 2015, the Company entered into accelerated stock repurchase agreements (the "ASR Transactions") with certain financial institutions to purchase shares of its common stock. In exchange for up-front cash payments totaling $75.0 million, the Company received 1,050,927 shares. The total number of shares ultimately delivered under the ASR Transactions was determined by the average of the volume-weighted average prices of the Company's common stock for each exchange business day during the respective settlement valuation periods. WESCO funded the repurchases with borrowings under the Revolving Credit Facility. For purposes of computing earnings per share, shares received under the ASR Transactions were reflected as a reduction to common shares outstanding on the respective delivery dates.

6. EMPLOYEE BENEFIT PLANS

A majority of WESCO’s employees are covered by defined contribution retirement savings plans for their services rendered subsequent to WESCO’s formation. WESCO also offers a deferred compensation plan for select individuals. For U.S. participants, WESCO will make contributions in an amount equal to 50% of the participant’s total monthly contributions up to a maximum of 6% of eligible compensation. For Canadian participants, WESCO will make contributions in an amount ranging from 3% to 5% of the participant’s eligible compensation based on years of continuous service. In addition, for U.S. participants, employer contributions may be made at the discretion of the Board of Directors. For the six months ended June 30, 2015 and 2014, WESCO incurred charges of $14.3 million and $15.0 million, respectively, for all such plans. Contributions are made in cash to defined contribution retirement savings plans. The deferred compensation plan is an unfunded plan. Employees have the option to transfer balances allocated to their accounts in the defined contribution retirement savings plan and the deferred compensation plan into any of the available investment options. An investment option for employees in the defined contribution retirement savings plan is WESCO common stock.

In connection with the December 14, 2012 acquisition of EECOL, the Company assumed a contributory defined benefit plan covering substantially all Canadian employees of EECOL and a Supplemental Executive Retirement Plan for certain executives of EECOL. The following table reflects the components of net periodic benefit costs for the Company's defined benefit plans:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands of dollars)	2015	2014	2015	2014
Service cost	$ 1,158	$ 900	$ 2,328	$ 1,800
Interest cost	1,031	1,158	2,073	2,314
Expected return on plan assets	(1,351)	(1,362)	(2,718)	(2,723)
Recognized actuarial gain	(4)	(14)	(8)	(28)
Net periodic benefit cost	$ 834	$ 682	$ 1,675	$ 1,363

During the three and six months ended June 30, 2015, the Company made aggregate cash contributions of $0.5 million and $1.0 million, respectively, to its defined benefit plans.

7. COMMITMENTS AND CONTINGENCIES

As initially reported in its 2008 Annual Report on Form 10-K, WESCO was a defendant in a lawsuit filed in a state court in Indiana in which a customer, ArcelorMittal Indiana Harbor, Inc. (“AIH”), alleged that the Company sold defective products to AIH in 2004 that were supplied to the Company by others. The lawsuit sought monetary damages in the amount of approximately $50 million. On February 14, 2013, the jury returned a verdict in favor of AIH and awarded damages in the amount of approximately $36.1 million, and judgment was entered on the jury's verdict. As a result, the Company recorded a $36.1 million charge to selling, general and administrative expenses in 2012. The Company received letters from its insurers confirming insurance coverage of the matter and recorded a receivable in the quarter ended March 31, 2013 in an amount equal to the previously recorded liability. The Company disputed this outcome and filed a post-trial motion challenging the verdict, alleging various errors that occurred during trial. AIH also filed a post-trial motion asking the court to award additional amounts to AIH, including prejudgment and post-judgment interest. The Court denied the Company's post-trial motion on June 28, 2013 and granted in part AIH's motion, awarding prejudgment interest in the amount of $3.9 million and ordering post-judgment interest to accrue on the entire judgment at 8% per annum. In the quarter ended June 30, 2013, the Company received letters from its insurers confirming insurance coverage of all prejudgment and post-judgment interest related to the matter. Final judgment was entered by the court on July 16, 2013, and the Company appealed the judgment. On November 10, 2014, the Indiana Court of Appeals reversed the prejudgment interest award, but otherwise affirmed the underlying judgment. A petition for further review of the case was filed with the Indiana Supreme Court.

On April 15, 2015, the Company, AIH and the parties’ respective insurance carriers agreed to settle the case. As part of the settlement, the Company's insurers paid $35.8 million to AIH on April 30, 2015 in full and final satisfaction of the judgment, including any prejudgment and post-judgment interest, and AIH agreed to release all claims against the Company and its insurers. The parties also agreed to a dismissal of the pending appeal to the Indiana Supreme Court. To account for the settlement, the Company reversed the previously recorded liability and corresponding receivable of $36.1 million, plus $10.2 million of interest that had accrued in connection with this matter. Accordingly, the settlement of this matter had no net effect on the Company's financial condition or results of operations.

WESCO is subject to the laws and regulations of states and other jurisdictions concerning the identification, reporting and escheatment (the transfer of property to the state) of unclaimed or abandoned funds, and is subject to audit and examination for compliance with these requirements. WESCO Distribution, Inc. is currently undergoing a compliance audit in the State of Delaware concerning the identification, reporting and escheatment of unclaimed or abandoned property. A third party auditor is conducting the audit on behalf of the State, and the Company has been working with an outside consultant during the audit process and in discussions with the auditors. The Company is defending the audit, the outcome of which cannot be predicted with certainty at this time. After the third party auditor completes its field work, it is expected to issue preliminary findings for review by the Company and the State, and thereafter the auditor is expected to issue a final report of examination. If the Company and State do not reach resolution after further discussion, the State issues a demand for payment, which the Company may either agree to pay or appeal, in full or in part. The Company has recorded a liability for unclaimed property based on the facts currently known to the Company.

In October 2014, WESCO was notified that the New York County District Attorney’s Office is conducting a criminal investigation involving minority and disadvantaged business contracting practices in the construction industry in New York City and that various contractors, minority and disadvantaged business firms, and their material suppliers, including the Company, are a part of this investigation. The Company has commenced an internal review of this matter and intends to cooperate with the government investigation. The Company cannot predict the outcome or impact of the matter at this time, but could be subject to fines, penalties or other adverse consequences. Based on the facts currently known to the Company, it cannot reasonably estimate a range of exposure to potential liability at this time.

8. INCOME TAXES

The effective tax rate for the three and six months ended June 30, 2015 was 29.3% and 29.4%, respectively. The effective tax rate for the three and six months ended June 30, 2014 was 28.0% and 28.1%, respectively. WESCO’s effective tax rate is lower than the federal statutory rate of 35% in both periods primarily due to benefits resulting from the tax effect of intercompany financing and lower rates on foreign earnings, which are partially offset by nondeductible expenses and state taxes. There have been no material adjustments to liabilities relating to uncertain tax positions since the last annual disclosure for the year ended December 31, 2014.

9. CONDENSED CONSOLIDATING FINANCIAL INFORMATION

WESCO International, Inc. has outstanding $344.9 million in aggregate principal amount of 2029 Debentures. The 2029 Debentures are fully and unconditionally guaranteed by WESCO Distribution, Inc., a 100% owned subsidiary of WESCO International, Inc., on a senior subordinated basis to all existing and future senior indebtedness of WESCO Distribution, Inc.

WESCO Distribution, Inc. has outstanding $500 million in aggregate principal amount of 5.375% Senior Notes due 2021 (the "2021 Notes"). The 2021 Notes are unsecured senior obligations of WESCO Distribution, Inc. and are fully and unconditionally guaranteed on a senior unsecured basis by WESCO International, Inc.

Condensed consolidating financial information for WESCO International, Inc., WESCO Distribution, Inc. and the non-guarantor subsidiaries is presented in the following tables.

	Condensed Consolidating Balance Sheet June 30, 2015				
(In thousands of dollars)	WESCO International, Inc.	WESCO Distribution, Inc.	Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Consolidated
Cash and cash equivalents	$ —	$ 43,725	$ 130,582	$ —	$ 174,307
Trade accounts receivable, net	—	—	1,124,893	—	1,124,893
Inventories, net	—	399,924	447,121	—	847,045
Other current assets	3	102,257	125,995	(6,450)	221,805
Total current assets	3	545,906	1,828,591	(6,450)	2,368,050
Intercompany receivables, net	—	—	1,838,753	(1,838,753)	—
Property, buildings and equipment, net	—	60,246	119,803	—	180,049
Intangible assets, net	—	4,193	411,134	—	415,327
Goodwill	—	254,899	1,458,219	—	1,713,118
Investments in affiliates	3,322,835	3,823,109	—	(7,145,944)	—
Other noncurrent assets	3,943	11,418	34,462	—	49,823
Total assets	$ 3,326,781	$ 4,699,771	$ 5,690,962	$ (8,991,147)	$ 4,726,367
Accounts payable	$ —	$ 454,136	$ 316,469	$ —	$ 770,605
Short-term debt	—	—	46,924	—	46,924
Other current liabilities	12,463	58,246	129,923	(6,450)	194,182
Total current liabilities	12,463	512,382	493,316	(6,450)	1,011,711
Intercompany payables, net	1,245,134	593,619	—	(1,838,753)	—
Long-term debt, net	179,526	753,014	504,262	—	1,436,802
Other noncurrent liabilities	21,887	251,872	138,152	—	411,911
Total WESCO International, Inc. stockholders' equity	1,867,771	2,588,884	4,557,060	(7,145,944)	1,867,771
Noncontrolling interest	—	—	(1,828)	—	(1,828)
Total liabilities and stockholders’ equity	$ 3,326,781	$ 4,699,771	$ 5,690,962	$ (8,991,147)	$ 4,726,367

	Condensed Consolidating Balance Sheet December 31, 2014				
(In thousands of dollars)	WESCO International, Inc.	WESCO Distribution, Inc.	Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Consolidated
Cash and cash equivalents	$ —	$ 32,508	$ 95,811	$ —	$ 128,319
Trade accounts receivable, net	—	—	1,117,420	—	1,117,420
Inventories, net	—	373,938	445,564	—	819,502
Other current assets	12	144,282	147,268	(6,465)	285,097
Total current assets	12	550,728	1,806,063	(6,465)	2,350,338
Intercompany receivables, net	—	—	1,806,215	(1,806,215)	—
Property, buildings and equipment, net	—	56,735	125,990	—	182,725
Intangible assets, net	—	4,733	425,107	—	429,840
Goodwill	—	246,771	1,488,669	—	1,735,440
Investments in affiliates	3,304,914	3,828,727	—	(7,133,641)	—
Other noncurrent assets	4,083	12,844	39,167	—	56,094
Total assets	$ 3,309,009	$ 4,700,538	$ 5,691,211	$ (8,946,321)	$ 4,754,437
Accounts payable	$ —	$ 445,680	$ 319,455	$ —	$ 765,135
Short-term debt	—	—	46,787	—	46,787
Other current liabilities	12,465	113,746	132,204	(6,465)	251,950
Total current liabilities	12,465	559,426	498,446	(6,465)	1,063,872
Intercompany payables, net	1,168,366	637,849	—	(1,806,215)	—
Long-term debt, net	177,638	683,407	505,385	—	1,366,430
Other noncurrent liabilities	21,888	232,544	141,538	—	395,970
Total WESCO International, Inc. stockholders' equity	1,928,652	2,587,312	4,546,329	(7,133,641)	1,928,652
Noncontrolling interest	—	—	(487)	—	(487)
Total liabilities and stockholders’ equity	$ 3,309,009	$ 4,700,538	$ 5,691,211	$ (8,946,321)	$ 4,754,437

**Condensed Consolidating Statement of Income and Comprehensive Income
Three Months Ended
June 30, 2015**

(In thousands of dollars)	WESCO International, Inc.	WESCO Distribution, Inc.	Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Consolidated
Net sales	$ —	$ 884,769	$ 1,062,255	$ (30,306)	$ 1,916,718
Cost of goods sold (excluding depreciation and amortization)	—	714,088	851,302	(30,306)	1,535,084
Selling, general and administrative expenses	9	147,911	127,322	—	275,242
Depreciation and amortization	—	4,940	11,199	—	16,139
Results of affiliates' operations	55,029	46,387	—	(101,416)	—
Interest expense, net	6,200	17,240	(4,827)	—	18,613
Provision for income taxes	(1,820)	168	22,653	—	21,001
Net income	50,640	46,809	54,606	(101,416)	50,639
Net loss attributable to noncontrolling interest	—	—	(1,102)	—	(1,102)
Net income attributable to WESCO International, Inc.	$ 50,640	$ 46,809	$ 55,708	$ (101,416)	$ 51,741
Other comprehensive income:					
Foreign currency translation adjustments	25,542	25,542	25,542	(51,084)	25,542
Comprehensive income attributable to WESCO International, Inc.	$ 76,182	$ 72,351	$ 81,250	$ (152,500)	$ 77,283

**Condensed Consolidating Statement of Income and Comprehensive Income
Three Months Ended
June 30, 2014**

(In thousands of dollars)	WESCO International, Inc.	WESCO Distribution, Inc.	Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Consolidated
Net sales	$ —	$ 894,199	$ 1,140,850	$ (29,884)	$ 2,005,165
Cost of goods sold (excluding depreciation and amortization)	—	720,938	902,383	(29,884)	1,593,437
Selling, general and administrative expenses	2	144,766	133,941	—	278,709
Depreciation and amortization	—	4,914	12,272	—	17,186
Results of affiliates' operations	73,172	61,502	—	(134,674)	—
Interest expense, net	6,084	18,328	(4,075)	—	20,337
Provision for income taxes	(1,700)	1,465	26,944	—	26,709
Net income	68,786	65,290	69,385	(134,674)	68,787
Net loss attributable to noncontrolling interest	—	—	(15)	—	(15)
Net income attributable to WESCO International, Inc.	$ 68,786	$ 65,290	$ 69,400	$ (134,674)	$ 68,802
Other comprehensive income:					
Foreign currency translation adjustments	43,023	43,023	43,023	(86,046)	43,023
Comprehensive income attributable to WESCO International, Inc.	$ 111,809	$ 108,313	$ 112,423	$ (220,720)	$ 111,825

Condensed Consolidating Statement of Income and Comprehensive Income
Six Months Ended
June 30, 2015

(In thousands of dollars)	WESCO International, Inc.	WESCO Distribution, Inc.	Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Consolidated
Net sales	$ —	$ 1,724,052	$ 2,067,504	$ (58,508)	$ 3,733,048
Cost of goods sold (excluding depreciation and amortization)	—	1,383,896	1,658,335	(58,508)	2,983,723
Selling, general and administrative expenses	16	284,322	255,488	—	539,826
Depreciation and amortization	—	9,774	22,286	—	32,060
Results of affiliates' operations	106,194	82,655	—	(188,849)	—
Interest expense, net	12,388	35,880	(8,760)	—	39,508
Provision for income taxes	(3,641)	2,989	41,152	—	40,500
Net income	97,431	89,846	99,003	(188,849)	97,431
Net loss attributable to noncontrolling interest	—	—	(1,341)	—	(1,341)
Net income attributable to WESCO International, Inc.	$ 97,431	$ 89,846	$ 100,344	$ (188,849)	$ 98,772
Other comprehensive loss:					
Foreign currency translation adjustments	(88,257)	(88,257)	(88,257)	176,514	(88,257)
Comprehensive income attributable to WESCO International, Inc.	$ 9,174	$ 1,589	$ 12,087	$ (12,335)	$ 10,515

Condensed Consolidating Statement of Income and Comprehensive Income
Six Months Ended
June 30, 2014

(In thousands of dollars)	WESCO International, Inc.	WESCO Distribution, Inc.	Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Consolidated
Net sales	$ —	$ 1,723,670	$ 2,148,303	$ (55,982)	$ 3,815,991
Cost of goods sold (excluding depreciation and amortization)	—	1,379,523	1,705,929	(55,982)	3,029,470
Selling, general and administrative expenses	2	281,446	262,723	—	544,171
Depreciation and amortization	—	9,614	23,944	—	33,558
Results of affiliates' operations	129,382	102,215	—	(231,597)	—
Interest expense, net	12,153	37,090	(8,218)	—	41,025
Provision for income taxes	(3,414)	4,511	46,028	—	47,125
Net income	120,641	113,701	117,897	(231,597)	120,642
Net loss attributable to noncontrolling interest	—	—	(65)	—	(65)
Net income attributable to WESCO International, Inc.	$ 120,641	$ 113,701	$ 117,962	$ (231,597)	$ 120,707
Other comprehensive loss:					
Foreign currency translation adjustments	(3,477)	(3,477)	(3,477)	6,954	(3,477)
Comprehensive income attributable to WESCO International, Inc.	$ 117,164	$ 110,224	$ 114,485	$ (224,643)	$ 117,230

	Condensed Consolidating Statement of Cash Flows Six Months Ended June 30, 2015				
(In thousands of dollars)	WESCO International, Inc.	WESCO Distribution, Inc.	Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Consolidated
Net cash provided by operating activities	$ 2,440	$ 91,787	$ 38,414	$ —	$ 132,641
Investing activities:					
Capital expenditures	—	(7,144)	(5,480)	—	(12,624)
Acquisition payments, net of cash acquired	—	(68,502)	—	—	(68,502)
Other	—	(76,769)	1,425	76,769	1,425
Net cash used in investing activities	—	(152,415)	(4,055)	76,769	(79,701)
Financing activities:					
Borrowings	76,769	598,269	256,327	(76,769)	854,596
Repayments	—	(528,464)	(250,996)	—	(779,460)
Equity activities	(80,749)	—	—	—	(80,749)
Other	1,540	2,040	—	—	3,580
Net cash (used in) provided by financing activities	(2,440)	71,845	5,331	(76,769)	(2,033)
Effect of exchange rate changes on cash and cash equivalents	—	—	(4,919)	—	(4,919)
Net change in cash and cash equivalents	—	11,217	34,771	—	45,988
Cash and cash equivalents at the beginning of period	—	32,508	95,811	—	128,319
Cash and cash equivalents at the end of period	$ —	$ 43,725	$ 130,582	$ —	$ 174,307

Condensed Consolidating Statement of Cash Flows
Six Months Ended
June 30, 2014

(In thousands of dollars)	WESCO International, Inc.	WESCO Distribution, Inc.	Non-Guarantor Subsidiaries	Consolidating and Eliminating Entries	Consolidated
Net cash provided by (used in) operating activities	$ 1,063	$ 57,016	$ (7,237)	$ —	$ 50,842
Investing activities:					
Capital expenditures	—	(8,380)	(3,405)	—	(11,785)
Acquisition payments, net of cash acquired	—	(42,131)	(91,187)	—	(133,318)
Other	—	675	27	(675)	27
Net cash used in investing activities	—	(49,836)	(94,565)	(675)	(145,076)
Financing activities:					
Borrowings	—	409,460	230,461	—	639,921
Repayments	(675)	(402,459)	(160,572)	675	(563,031)
Equity activities	(6,441)	—	—	—	(6,441)
Other	6,053	(1,189)	(3)	—	4,861
Net cash (used in) provided by financing activities	(1,063)	5,812	69,886	675	75,310
Effect of exchange rate changes on cash and cash equivalents	—	—	(3,158)	—	(3,158)
Net change in cash and cash equivalents	—	12,992	(35,074)	—	(22,082)
Cash and cash equivalents at the beginning of period	—	31,695	92,030	—	123,725
Cash and cash equivalents at the end of period	$ —	$ 44,687	$ 56,956	$ —	$ 101,643

The unaudited Condensed Consolidating Statement of Cash Flows for the six months ended June 30, 2014 includes certain reclassifications to previously reported amounts to conform to the current period presentation.

10. SUBSEQUENT EVENTS

The Company evaluated subsequent events through July 31, 2015, the date the financial statements were approved and authorized for issuance, and concluded that no subsequent events have occurred that would require recognition in the unaudited Condensed Consolidated Financial Statements or disclosure in the Notes thereto.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion should be read in conjunction with the information in the unaudited condensed consolidated financial statements and notes thereto included herein and WESCO International, Inc.'s Consolidated Financial Statements and Management's Discussion and Analysis of Financial Condition and Results of Operations included in its 2014 Annual Report on Form 10-K. The matters discussed herein may contain forward-looking statements that are subject to certain risks and uncertainties that could cause actual results to differ materially from expectations. Certain of these risks are set forth in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014, as well as the Company's other reports filed with the Securities and Exchange Commission.

Company Overview

WESCO International, Inc., incorporated in 1993 and effectively formed in February 1994 upon acquiring a distribution business from Westinghouse Electric Corporation, is a leading North American based distributor of products and provider of advanced supply chain management and logistics services used primarily in industrial, construction, utility and commercial, institutional and government ("CIG") markets. We are a leading provider of electrical, industrial, and communications maintenance, repair and operating ("MRO") and original equipment manufacturers ("OEM") products, construction materials, and advanced supply chain management and logistics services. Our primary product categories include general electrical and industrial supplies, wire, cable and conduit, data and broadband communications, power distribution equipment, lighting and lighting control systems, control and automation, motors, and safety.

We serve over 75,000 active customers globally through approximately 485 full service branches and nine distribution centers located in the United States, Canada, and Mexico with offices in 16 additional countries. The Company employs approximately 9,400 employees worldwide. We distribute over 1,000,000 products, grouped into six categories, from more than 25,000 suppliers utilizing a highly automated, proprietary electronic procurement and inventory replenishment system.

In addition, we offer a comprehensive portfolio of value-added capabilities, which includes supply chain management, logistics and transportation, procurement, warehousing and inventory management, as well as kitting, limited assembly of products and system installation. Our value-added capabilities, extensive geographic reach, experienced workforce and broad product and supply chain solutions have enabled us to grow our business and establish a leading position in North America.

Our financial results for the first six months of 2015 reflect a reduced demand in commodity-driven end markets and the unfavorable impact of changes in foreign currencies. Net sales decreased $82.9 million, or 2.2%, over the same period last year. Cost of goods sold as a percentage of net sales was 79.9% and 79.4% for the first six months of 2015 and 2014, respectively. Selling, general and administrative ("SG&A") expenses as a percentage of net sales were 14.5% and 14.3% for the first six months of 2015 and 2014, respectively. Operating profit was $177.4 million for the current six month period, compared to $208.8 million for the first six months of 2014. Operating profit decreased primarily due to lower sales volume, lower supplier volume rebates, business mix, and continued competitive market pricing pressures. Net income attributable to WESCO International, Inc. for the six months ended June 30, 2015 and 2014 was $98.8 million and $120.7 million, respectively.

Cash Flow

We generated $132.6 million in operating cash flow for the first six months of 2015. Investing activities included cash paid of $68.5 million, which was primarily related to the acquisition of Hill Country, and capital expenditures of $12.6 million. Financing activities consisted of borrowings and repayments of $634.0 million and $564.0 million, respectively, related to our revolving credit facility (the "Revolving Credit Facility"), borrowings and repayments of $160.2 million and $112.6 million, respectively, related to our accounts receivable securitization facility (the "Receivables Facility"), and repayments of $44.7 million applied to our term loan facility (the "Term Loan Facility"). Financing activities in 2015 also included borrowings and repayments on our various international lines of credit of approximately $60.4 million and $58.2 million, respectively. Additionally, financing activities for the first six months of 2015 included the repurchase of $75.0 million of the Company's common stock pursuant to the share repurchase plan announced on December 17, 2014. Free cash flow for the first six months of 2015 and 2014 was $120.0 million and $39.0 million, respectively.

The following table sets forth the components of free cash flow:

Free Cash Flow:	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014	Six Months Ended June 30, 2015	Six Months Ended June 30, 2014
Cash flow provided by operations	$ 42.5	$ 4.1	$ 132.6	$ 50.8
Less: Capital expenditures	(7.6)	(6.8)	(12.6)	(11.8)
Free cash flow	$ 34.9	$ (2.7)	$ 120.0	$ 39.0

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 the Company's financing needs.

Financing Availability

As of June 30, 2015, we had $433.4 million in total available borrowing capacity under our Revolving Credit Facility, which matures in August 2016, and no available borrowing capacity under our Receivables Facility, which matures in September 2016.

Critical Accounting Policies and Estimates

During the six months ended June 30, 2015, there were no significant changes to our critical accounting policies and estimates referenced in our 2014 Annual Report on Form 10-K.

Results of Operations

Second Quarter of 2015 versus Second Quarter of 2014

The following table sets forth the percentage relationship to net sales of certain items in our Condensed Consolidated Statements of Income and Comprehensive Income for the periods presented:

	Three Months Ended June 30, 2015	Three Months Ended June 30, 2014
Net sales	100.0%	100.0%
Cost of goods sold (excluding depreciation and amortization)	80.1	79.5
Selling, general and administrative expenses	14.4	13.9
Depreciation and amortization	0.8	0.9
Income from operations	4.7	5.7
Interest expense	1.0	1.0
Income before income taxes	3.7	4.7
Provision for income taxes	1.1	1.3
Net income attributable to WESCO International, Inc.	2.6%	3.4%

Net sales were $1.9 billion for the second quarter of 2015, compared to $2.0 billion for the second quarter of 2014, a decrease of 4.4%. Normalized organic sales decreased 3.0%; foreign exchange rates negatively impacted sales by 3.0% and were partially offset by a 1.6% positive impact from acquisitions.

The following table sets forth normalized organic sales growth:

Normalized Organic Sales:	Three Months Ended June 30, 2015
Change in net sales	(4.4)%
Impact from acquisitions	1.6 %
Impact from foreign exchange rates	(3.0)%
Impact from number of workdays	— %
Normalized organic sales growth	(3.0)%

Note: Normalized organic sales growth is provided by the Company as an additional financial measure to provide a better understanding of the Company's sales growth trends. Normalized organic sales growth is calculated by deducting the percentage impact from acquisitions, foreign exchange rates and number of workdays from the overall percentage change in consolidated net sales.

Cost of goods sold for the second quarter of 2015 and 2014 was $1.5 billion and $1.6 billion, respectively, and as a percentage of net sales was 80.1% and 79.5% in 2015 and 2014, respectively. The increase in cost of goods sold as a percentage of net sales was primarily due to lower sales volume, lower supplier volume rebates, business mix, and continued competitive market pricing pressures compared to last year's comparable quarter.

SG&A expenses in the second quarter of 2015 totaled $275.2 million versus $278.7 million in last year's comparable quarter. As a percentage of net sales, SG&A expenses were 14.4% in the second quarter of 2015 compared to 13.9% in the second quarter of 2014. The decrease in SG&A expenses was primarily due to a reduction in headcount, lower variable compensation costs, and ongoing discretionary spending cost controls, partially offset by the effect of acquisitions.

SG&A payroll expenses for the second quarter of 2015 of $193.3 million decreased by $1.3 million compared to the same quarter in 2014. The decrease in SG&A payroll expenses was primarily due to headcount reduction and lower commission and incentive compensation costs, partially offset by the effect of acquisitions.

Depreciation and amortization for the second quarter of 2015 and 2014 was $16.1 million and $17.2 million, respectively.

Interest expense totaled $18.6 million for the second quarter of 2015 compared to $20.3 million in last year's comparable quarter, a decrease of 8.5%. The following table sets forth the components of interest expense:

	Three Months Ended June 30,	
	2015	2014
	(In millions of dollars)	
Amortization of debt discount	$ 1.5	$ 1.0
Amortization of deferred financing fees	1.5	1.1
Interest related to uncertain tax provisions	0.1	0.1
Accrued interest	(1.5)	(3.0)
Non-cash interest expense (income)	1.6	(0.8)
Cash interest expense	17.0	21.1
Total interest expense	$ 18.6	$ 20.3

Income tax expense totaled $21.0 million in the second quarter of 2015 compared to $26.7 million in last year's comparable quarter, and the effective tax rate was 29.3% compared to 28.0% in the same quarter in 2014. Our effective tax rate is impacted by the relative amounts of income earned in the United States and foreign jurisdictions, primarily Canada, and the tax rates in these jurisdictions. The increase in the tax rate in the second quarter of 2015 as compared to last year’s comparable quarter was primarily due to the unfavorable change in the Canadian to U.S. dollar foreign exchange rate.

For the second quarter of 2015, net income decreased by $18.1 million to $50.6 million compared to $68.8 million in the second quarter of 2014.

Net loss of $1.1 million was attributable to noncontrolling interest for the second quarter of 2015, as compared to a net loss attributable to the noncontrolling interest of less than $0.1 million for the second quarter of 2014. During the quarter ended June 30, 2015, the Company recorded a higher net loss attributable to noncontrolling interest due to unfavorable changes in foreign currency exchange rates.

Net income and diluted earnings per share attributable to WESCO International, Inc. were $51.7 million and $1.00 per share, respectively, for the second quarter of 2015, compared with $68.8 million and $1.29 per share, respectively, for the second quarter of 2014.

Six Months Ended June 30, 2015 versus Six Months Ended June 30, 2014

The following table sets forth the percentage relationship to net sales of certain items in our Condensed Consolidated Statements of Income and Comprehensive Income for the periods presented:

	Six Months Ended June 30,	
	2015	**2014**
Net sales	100.0%	100.0%
Cost of goods sold (excluding depreciation and amortization)	79.9	79.4
Selling, general and administrative expenses	14.5	14.3
Depreciation and amortization	0.9	0.9
Income from operations	4.8	5.4
Interest expense	1.1	1.1
Income before income taxes	3.7	4.3
Provision for income taxes	1.1	1.2
Net income attributable to WESCO International, Inc.	2.6%	3.1%

Net sales in the first six months of 2015 totaled $3.7 billion versus $3.8 billion in the comparable period for 2014, a decrease of $82.9 million, or 2.2%, over the same period last year. Normalized organic sales decreased 0.1%; foreign exchange rates and number of workdays negatively impacted sales by 2.7% and 0.8%, respectively, and were partially offset by a 1.4% positive impact from acquisitions.

The following table sets forth normalized organic sales growth:

Normalized Organic Sales:	**Six Months Ended June 30, 2015**
Change in net sales	(2.2)%
Impact from acquisitions	1.4 %
Impact from foreign exchange rates	(2.7)%
Impact from number of workdays	(0.8)%
Normalized organic sales growth	(0.1)%

Note: Normalized organic sales growth is provided by the Company as an additional financial measure to provide a better understanding of the Company's sales growth trends. Normalized organic sales growth is calculated by deducting the percentage impact from acquisitions, foreign exchange rates and number of workdays from the overall percentage change in consolidated net sales.

Cost of goods sold for the first six months of 2015 and 2014 was $3.0 billion, and as a percentage of net sales was 79.9% and 79.4% in 2015 and 2014, respectively. The increase in cost of goods sold as a percentage of net sales was primarily due to lower sales volume, lower supplier volume rebates, business mix, and continued competitive market pricing pressures compared to the first half of 2014.

SG&A expenses in the first six months of 2015 totaled $539.8 million versus $544.2 million in last year's comparable quarter. As a percentage of net sales, SG&A expenses were 14.5% in the in the first half of 2015 compared to 14.3% in the first half of 2014. The decrease in SG&A expenses was primarily due to a reduction in headcount, lower variable compensation costs, and ongoing discretionary spending cost controls, partially offset by the effect of acquisitions.

SG&A payroll expenses for the six months ended June 30, 2015 of $377.9 million decreased by $2.9 million compared to the same period in 2014. The decrease in SG&A payroll expenses was primarily due to headcount reduction and lower commission and incentive compensation costs, partially offset by the effect of acquisitions.

Depreciation and amortization for the first six months of 2015 and 2014 was $32.1 million and $33.6 million, respectively.

Interest expense totaled $39.5 million for the six months ended June 30, 2015 compared to $41.0 million in last year's comparable quarter, a decrease of 3.7%. The following table sets forth the components of interest expense:

	Six Months Ended June 30,	
	2015	2014
	(In millions of dollars)	
Amortization of debt discount	$ 3.2	$ 2.0
Amortization of deferred financing fees	3.4	2.2
Interest related to uncertain tax provisions	0.4	0.5
Accrued interest	—	(1.4)
Non-cash interest expense	7.0	3.3
Cash interest expense	32.5	37.7
Total interest expense	$ 39.5	$ 41.0

Income tax expense totaled $40.5 million for the first six months of 2015 compared to $47.1 million for the first six months of 2014, and the effective tax rate was 29.4% compared to 28.1% in the same period in 2014. Our effective tax rate is impacted by the relative amounts of income earned in the United States and foreign jurisdictions, primarily Canada, and the tax rates in these jurisdictions. The increase in the tax rate in the first six months of 2015 as compared to last year’s comparable period was primarily due to the unfavorable change in the Canadian to U.S. dollar foreign exchange rate.

For the first six months of 2015, net income decreased by $23.2 million to $97.4 million compared to $120.6 million in the first six months of 2014.

Net loss of $1.3 million was attributable to noncontrolling interest for the first six months of 2015, as compared to a net loss attributable to the noncontrolling interest of $0.1 million for the first six months of 2014. During the current six month period, the Company recorded a higher net loss attributable to noncontrolling interest due to unfavorable changes in foreign currency exchange rates.

Net income and diluted earnings per share attributable to WESCO International, Inc. were $98.8 million and $1.90 per share, respectively, for the six month period ended 2015, compared with $120.7 million and $2.26 per share, respectively, for the six month period ended 2014.

Liquidity and Capital Resources

Total assets were $4.7 billion and $4.8 billion at June 30, 2015 and December 31, 2014, respectively. Total liabilities were $2.9 billion at June 30, 2015 and $2.8 billion at December 31, 2014. Stockholders’ equity decreased $62.2 million to $1.9 billion at June 30, 2015, mainly due to $88.3 million of foreign currency translation adjustments and the repurchase of $75.0 million of the Company's common stock pursuant to the share repurchase program. These decreases were partially offset by net income of $98.8 million.

Our liquidity needs generally arise from fluctuations in our working capital requirements, capital expenditures, acquisitions and debt service obligations. As of June 30, 2015, we had $433.4 million in available borrowing capacity under our Revolving Credit Facility, which combined with our invested cash of $93.5 million, provided liquidity of $526.9 million. Invested cash included in our determination of liquidity represents cash deposited in interest bearing accounts. We believe cash provided by operations and financing activities will be adequate to cover our current operational and business needs. In addition, the Company regularly reviews its mix of fixed versus variable rate debt, and the Company may, from time to time, issue or retire borrowings, refinance existing debt, and/or enter into certain hedging instruments in an effort to mitigate the impact of interest rate fluctuations and to maintain a cost-effective capital structure consistent with its anticipated capital requirements. At June 30, 2015, approximately 51% of the Company's debt portfolio was comprised of fixed rate debt.

We monitor the depository institutions that hold our cash and cash equivalents on a regular basis, and we believe that we have placed our deposits with creditworthy financial institutions. We also communicate on a regular basis with our lenders regarding our financial and working capital performance, liquidity position and financial leverage. Our financial leverage ratio was 3.3 and 3.0 as of June 30, 2015 and December 31, 2014, respectively. In addition, we are in compliance with all covenants and restrictions contained in our debt agreements as of June 30, 2015.

The following table sets forth the Company's financial leverage ratio as of June 30, 2015 and December 31, 2014:

	Twelve months ended	
Financial Leverage:	June 30, 2015	December 31, 2014
	(In millions of dollars)	
Income from operations	$ 434.9	$ 466.2
Depreciation and amortization	66.5	68.0
EBITDA	$ 501.4	$ 534.2
	June 30, 2015	December 31, 2014
Current debt and short-term borrowings	$ 49.2	$ 49.1
Long-term debt	1,436.8	1,366.4
Debt discount related to convertible debentures and term loan[1]	167.0	170.4
Total debt including debt discount	1,653.0	1,585.9
Financial leverage ratio based on total debt	3.3	3.0

(1) The convertible debentures and term loan are presented in the condensed consolidated balance sheets in long-term debt, net of the unamortized discount.

Note: Financial leverage is a non-GAAP financial measure provided by the Company to illustrate its capital structure position. Financial leverage ratio is calculated by dividing total debt, including debt discount, by EBITDA. EBITDA is defined as the trailing twelve months earnings before interest, taxes, depreciation and amortization.

At June 30, 2015, we had cash and cash equivalents totaling $174.3 million, of which $137.5 million was held by foreign subsidiaries. The cash held by some of our foreign subsidiaries could be subject to additional U.S. income taxes if repatriated. We believe that we are able to maintain a sufficient level of liquidity for our domestic operations and commitments without repatriation of the cash held by these foreign subsidiaries.

We did not note any conditions or events during the second quarter of 2015 requiring an interim evaluation of impairment of goodwill or indefinite-lived intangible assets. We will perform our annual impairment testing of goodwill and indefinite-lived intangible assets during the fourth quarter of 2015. Over the next several quarters, we expect to maintain working capital productivity, and it is expected that excess cash will be directed primarily at debt reduction, acquisitions and share repurchases. Our near term focus will be managing our working capital and maintaining ample liquidity and credit availability. We believe our balance sheet and ability to generate ample cash flow provides us with a durable business model and should allow us to fund expansion needs and growth initiatives.

Cash Flow

Operating Activities. Cash provided by operating activities for the first six months of 2015 totaled $132.6 million, compared with $50.8 million of cash generated for the first six months of 2014. Cash provided by operating activities included net income of $97.4 million and adjustments to net income totaling $61.5 million. Other sources of cash in 2015 were primarily generated from a decrease in other accounts receivable of $76.6 million due mostly to the collection of supplier volume rebates accrued in the preceding year. Primary uses of cash in 2015 included: a decrease in other current and noncurrent liabilities of $47.1 million; $26.7 million for the increase in inventories; $26.5 million for the decrease in accrued payroll and benefit costs resulting primarily from the payment of management incentive compensation earned by employees in 2014; and $3.8 million from the increase in trade receivables resulting from higher sales in the latter part of the quarter as compared to the comparable prior period.

Cash provided by operating activities for the first six months of 2014 totaled $50.8 million, which included net income of $120.6 million and adjustments to net income totaling $53.1 million. Other sources of cash in 2014 were generated from an increase in accounts payable of $47.1 million due to an increase in purchasing activity, an increase in other current and noncurrent liabilities of $20.5 million and a decrease in other accounts receivable of $12.7 million due mostly to the collection of supplier volume rebates accrued in the preceding year. Primary uses of cash in 2014 included: $121.8 million for an increase in trade receivables resulting from an increase in sales in the first half of the year; $44.9 million for an increase in inventories; $30.8 million for the increase in prepaid expenses and other assets; and $5.7 million for a decrease in accrued payroll and benefit costs.

Investing Activities. Net cash used in investing activities for the first six months of 2015 was $79.7 million, compared with $145.1 million of net cash used during the first six months of 2014. Included in the first six months of 2015 were payments of $68.5 million, which were primarily related to the acquisition of Hill Country, compared to acquisition payments in the first six months of 2014 of $133.3 million related to LaPrairie, Hazmasters and Hi-Line. Capital expenditures were $12.6 million for the six month period ended June 30, 2015 as compared to $11.8 million for the six month period ended June 30, 2014.

Financing Activities. Net cash used in financing activities for the first six months of 2015 was $2.0 million. Net cash provided by financing activities for the first six months of 2014 was $75.3 million. During the first six months of 2015, financing activities consisted of borrowings and repayments of $634.0 million and $564.0 million, respectively, related to our Revolving Credit Facility, borrowings and repayments of $160.2 million and $112.6 million, respectively, related to our Receivables Facility, and repayments of $44.7 million applied to our Term Loan Facility. Financing activities in 2015 also included borrowings and repayments on our various international lines of credit of approximately $60.4 million and $58.2 million, respectively. Additionally, financing activities for the first six months of 2015 included the repurchase of $80.7 million of the Company's common stock, $75.0 million of which was pursuant to the repurchase plan announced on December 17, 2014.

During the first six months of 2014, borrowings and repayments of $494.7 million and $461.5 million, respectively, were made to our Revolving Credit Facility. Borrowings and repayments of $112.1 million and $65.7 million respectively, were applied to our Receivables Facility, and there were repayments of $9.8 million applied to our Term Loan Facility. Financing activities in 2014 also included borrowings and repayments on our various international lines of credit of approximately $33.1 million and $26.0 million, respectively.

Contractual Cash Obligations and Other Commercial Commitments

There were no material changes in our contractual obligations and other commercial commitments that would require an update to the disclosure provided in our 2014 Annual Report on Form 10-K. Management believes that cash generated from operations, together with amounts available under our Revolving Credit Facility and the Receivables Facility, will be sufficient to meet our working capital, capital expenditures and other cash requirements for the foreseeable future. However, there can be no assurances that this will continue to be the case.

Inflation

The rate of inflation, as measured by changes in the producer price index, affects different commodities, the cost of products purchased and ultimately the pricing of our different products and product classes to our customers. Our pricing related to inflation did not have a measurable impact on our sales for the six months ended June 30, 2015. Historically, price changes from suppliers have been consistent with inflation and have not had a material impact on the results of operations.

Seasonality

Our operating results are not significantly affected by seasonal factors. Sales during the first quarter are affected by a reduced level of activity. Sales during the second, third and fourth quarters are generally 4 - 6% higher than the first quarter. Sales typically increase beginning in March, with slight fluctuations per month through October. During periods of economic expansion or contraction our sales by quarter have varied significantly from this pattern.

Impact of Recently Issued Accounting Standards

See Note 2 of our Notes to the Condensed Consolidated Financial Statements for information regarding the effect of new accounting pronouncements.

Forward-Looking Statements

From time to time in this report and in other written reports and oral statements, references are made to expectations regarding our future performance. When used in this context, the words “anticipates,” “plans,” “believes,” “estimates,” “intends,” “expects,” “projects,” “will” and similar expressions may identify forward-looking statements, although not all forward-looking statements contain such words. Such statements including, but not limited to, our statements regarding business strategy, growth strategy, competitive strengths, productivity and profitability enhancement, competition, new product and service introductions and liquidity and capital resources are based on management’s beliefs, as well as on assumptions made by and information currently available to, management, and involve various risks and uncertainties, some of which are beyond our control. Our actual results could differ materially from those expressed in any forward-looking statement made by us or on our behalf. In light of these risks and uncertainties, there can be no assurance that the forward-looking information will in fact prove to be accurate. Certain of these risks are set forth in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2014, as well as the Company’s other reports filed with the Securities and Exchange Commission. We have undertaken no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Item 3. Quantitative and Qualitative Disclosures about Market Risks.

There have not been any material changes to our exposures to market risk during the quarter ended June 30, 2015 that would require an update to the relevant disclosures provided in our 2014 Annual Report on Form 10-K.

Item 4. Controls and Procedures.

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and principal financial officer, we conducted an evaluation of our disclosure controls and procedures as such term is defined under Rule 13a-15(e) promulgated under the Exchange Act. Based on this evaluation, our principal executive officer and our principal financial officer concluded that our disclosure controls and procedures were effective as of the end of the period covered by this report.

Changes in Internal Control Over Financial Reporting

During the second quarter of 2015, there were no changes in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, a number of lawsuits and claims have been or may be asserted against us relating to the conduct of our business, including routine litigation relating to commercial and employment matters. The outcomes of litigation cannot be predicted with certainty, and some lawsuits may be determined adversely to us. However, management does not believe, based on information presently available, that the ultimate outcome of any such pending matters is likely to have a material adverse effect on our financial condition or liquidity, although the resolution in any fiscal quarter of one or more of these matters may have a material adverse effect on our results of operations for that period.

As initially reported in our 2008 Annual Report on Form 10-K, WESCO was a defendant in a lawsuit filed in a state court in Indiana in which a customer, ArcelorMittal Indiana Harbor, Inc. (“AIH”), alleged that the Company sold defective products to AIH in 2004 that were supplied to the Company by others. The lawsuit sought monetary damages in the amount of approximately $50 million. On February 14, 2013, the jury returned a verdict in favor of AIH and awarded damages in the amount of approximately $36.1 million, and judgment was entered on the jury's verdict. As a result, the Company recorded a $36.1 million charge to selling, general and administrative expenses in 2012. The Company received letters from its insurers confirming insurance coverage of the matter and recorded a receivable in the quarter ended March 31, 2013 in an amount equal to the previously recorded liability. The Company disputed this outcome and filed a post-trial motion challenging the verdict alleging various errors that occurred during trial. AIH also filed a post-trial motion asking the court to award additional amounts to AIH, including prejudgment and post-judgment interest. The Court denied the Company's post-trial motion on June 28, 2013 and granted in part AIH's motion, awarding prejudgment interest in the amount of $3.9 million and ordering post-judgment interest to accrue on the entire judgment at 8% per annum. In the quarter ended June 30, 2013, the Company received letters from its insurers confirming insurance coverage of all prejudgment and post-judgment interest related to the matter. Final judgment was entered by the court on July 16, 2013, and the Company appealed the judgment. On November 10, 2014, the Indiana Court of Appeals reversed the prejudgment interest award, but otherwise affirmed the underlying judgment. A petition for further review of the case was filed with the Indiana Supreme Court.

On April 15, 2015, the Company, AIH and the parties’ respective insurance carriers agreed to settle the case. As part of the settlement, the Company's insurers paid $35.8 million to AIH on April 30, 2015 in full and final satisfaction of the judgment, including any prejudgment and post-judgment interest, and AIH agreed to release all claims against the Company and its insurers. The parties also agreed to a dismissal of the pending appeal to the Indiana Supreme Court. To account for the settlement, the Company reversed the previously recorded liability and corresponding receivable of $36.1 million, plus $10.2 million of interest that had accrued in connection with this matter. Accordingly, the settlement of this matter had no net effect on the Company's financial condition or results of operations.

See also the information set forth in Note 7 Commitments and Contingencies in the Notes to Condensed Consolidated Financial Statements under Part 1, Item 1 of this Form 10-Q, which is incorporated by reference in response to this Item.

Item 1A. Risk Factors.

There have been no material changes to the risk factors previously disclosed in Item 1A. to Part 1 of WESCO’s Annual Report on Form 10-K for the year ended December 31, 2014.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

The following table sets forth all issuer purchases of common stock during the three months ended June 30, 2015, including those made pursuant to publicly announced plans or programs:

Period	Total Number of Shares Purchased [2]	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs [1]	Approximate Dollar Value of Shares That May Yet be Purchased Under the Plans or Program [1] [3] (In Millions)
April 1 – April 30, 2015	101,926	$ 69.44	63,678	$ 275.0
May 1 – May 31, 2015	578,670	$ 72.82	575,491	$ 225.0
June 1 – June 30, 2015	113,929	$ 72.83	111,107	$ 225.0
Total	**794,525**	**$ 72.39**	**750,276**	

(1) On December 17, 2014, WESCO announced that its Board of Directors approved, on December 11, 2014, the repurchase of up to $300 million of the Company's common stock through December 31, 2017.

(2) There were 44,249 shares purchased in the period that were not part of the publicly announced share repurchase program. These shares were surrendered by stock-based compensation plan participants to satisfy tax withholding obligations arising from the exercise of stock-settled stock appreciation rights.

(3) This amount represents the remaining authorization under the Company's share repurchase program that is available to repurchase shares of the Company's common stock. Due to the nature of the ASR Transactions, the Company received a certain percentage of shares immediately upon an up-front payment of cash. The remaining shares were delivered by the respective counterparty at the end of the valuation period. The amount authorized under the Company’s share repurchase program was reduced at the time of the up-front cash payment.

Item 6. Exhibits.

(a) Exhibits

(10) Material Contracts

(1) Ninth Amendment to Third Amended and Restated Receivables Purchase Agreement, dated as of June 30, 2015, among WESCO Receivables Corp., WESCO Distribution, Inc., the Purchasers and Purchaser Agents party thereto and PNC Bank, National Association, as Administrator.

(31) Rule 13a-14(a)/15d-14(a) Certifications

(1) Certification of Chief Executive Officer pursuant to Rules 13a-14(a) promulgated under the Exchange Act.

(2) Certification of Chief Financial Officer pursuant to Rules 13a-14(a) promulgated under the Exchange Act.

(32) Section 1350 Certifications

(1) Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

(2) Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

101.INS XBRL Instance Document.

101.SCH XBRL Taxonomy Extension Schema Document.

101.CAL XBRL Taxonomy Extension Calculation Linkbase Document.

101.DEF XBRL Taxonomy Extension Definition Linkbase Document.

101.LAB XBRL Taxonomy Extension Label Linkbase Document.

101.PRE XBRL Taxonomy Extension Presentation Linkbase 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 thereunto duly authorized.

		WESCO International, Inc.
		(Registrant)
July 31, 2015	By:	/s/ Kenneth S. Parks
(Date)		Kenneth S. Parks
		Senior Vice President and Chief Financial Officer

NINTH AMENDMENT TO THIRD AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT

THIS NINTH AMENDMENT TO THIRD AMENDED AND RESTATED RECEIVABLES PURCHASE AGREEMENT (this "Amendment"), dated as of June 30, 2015, is entered into among WESCO RECEIVABLES CORP. (the "Seller"), WESCO DISTRIBUTION, INC. ("WESCO" or the "Servicer"), the Purchasers (each, a "Purchaser") and Purchaser Agents (each, a "Purchaser Agent") party hereto, and PNC BANK, NATIONAL ASSOCIATION, as Administrator (the "Administrator").

RECITALS

1. The Seller, the Servicer, each Purchaser, each Purchaser Agent and the Administrator are parties to the Third Amended and Restated Receivables Purchase Agreement, dated as of April 13, 2009 (as amended through the date hereof, the "Agreement").

2. Concurrently herewith, the Seller, the Servicer and the Originators are entering into that certain Tenth Amendment to Purchase and Sale Agreement (the "Purchase and Sale Agreement Amendment"), dated as of the date hereof.

3. Concurrently herewith, the Seller, the Administrator, JPMorgan Chase Bank, N.A., Credit Suisse AG, Cayman Islands Branch, the Seller, WESCO and the Originators are entering into that certain Joinder Agreement (the "Intercreditor Joinder"), dated as of the date hereof.

4. The parties hereto desire to amend the Agreement as hereinafter set forth.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. *Certain Defined Terms*. Capitalized terms that are used herein without definition and that are defined in Exhibit I to the Agreement shall have the same meanings herein as therein defined.

2. *Amendments to the Agreement*. The Agreement is hereby amended as follows:

(a) The following new defined terms are added to Exhibit I of the Agreement in appropriate alphabetical order:

"Frost Bank Lock-Box Account" means the account maintained at Frost Bank and identified in the Lock-Box Schedule Letter Agreement.

"Frost Bank Conditions" means, at any time of determination, the satisfaction of each of the following conditions: (a) after December 31, 2015, the Frost Bank Lock-Box Account is maintained in the name of the Seller,

(b) after December 31, 2015, no funds other than Collections on Receivables originated by Hill Country Electric Supply, L.P. are being remitted to the Frost Bank Lock-Box Account, (c) the amount of Collections received in the Frost Bank Lock-Box Account during each calendar month does not exceed $20,000,000 in the aggregate, (d) no Termination Event has occurred and is continuing and (e) all Collections received in the Frost Bank Lock-Box Account are being automatically transferred directly to a Lock-Box Account (other than the Frost Bank Lock-Box Account) no later than one (1) Business Day following receipt thereof.

(b) Section 1(j) of Exhibit III to the Agreement is hereby replaced in its entirety with the following:

(j) The names and addresses of all the Lock-Box Banks, together with the account numbers of the Lock-Box Accounts at such Lock-Box Banks, are specified in the Lock-Box Schedule Letter Agreement (or at such other Lock-Box Banks and/or with such other Lock-Box Accounts as have been notified to the Administrator in accordance with the Agreement) and all Lock-Box Accounts are subject to Lock-Box Agreements (except as otherwise agreed to in writing by the Administrator); provided, however, that so long as the Frost Bank Condition is then satisfied, the Frost Bank Lock-Box Account need not be subject to a Lock-Box Agreement. Seller has not granted to any Person, other than the Administrator as contemplated by the Agreement, dominion and control of any Lock-Box Account, or the right to take dominion and control of any such account at a future time or upon the occurrence of a future event.

(c) Section 1(j) of Exhibit IV to the Agreement is hereby replaced in its entirety with the following:

(j) Deposits to Lock-Box Accounts. The Seller shall (or shall cause the Servicer to): (i) instruct all Obligors to make payments of all Receivables to one or more Lock-Box Accounts or to post office boxes to which only Lock-Box Banks have access (and shall instruct the Lock-Box Banks to cause all items and amounts relating to such Receivables received in such post office boxes to be removed and deposited into a Lock-Box Account on a daily basis), (ii) deposit, or cause to be deposited, any Collections received by it, the Servicer or any Originator into Lock-Box Accounts not later than one Business Day after receipt thereof and (iii) if a Termination Event has occurred and is continuing, directly transfer all Collections received in the Frost Bank Lock-Box Account to a Lock-Box Account (other than the Frost Bank Lock-Box Account) no later than one (1) Business Day following receipt thereof. Except as otherwise agreed to in writing by the Administrator and the Majority Purchasers, each Lock-Box Account shall at all times be subject to a Lock-Box Agreement; provided, however, that so long as the Frost Bank Condition is then satisfied, the Frost Bank Lock-Box Account need not be subject to a Lock-Box Agreement. The Seller will not (and will not permit the Servicer to) deposit or otherwise credit, or cause or permit to be so deposited or credited, to any Lock-Box Account cash or cash proceeds other than Collections.

(d) Section 2(h) of Exhibit IV to the Agreement is hereby replaced in its entirety with the following:

(h) Deposits to Lock-Box Accounts. The Servicer shall: (i) instruct all Obligors to make payments of all Receivables to one or more Lock-Box Accounts or to post office boxes to which only Lock-Box Banks have access (and shall instruct the Lock-Box Banks to cause all items and amounts relating to such Receivables received in such post office boxes to be removed and deposited into a Lock-Box Account on a daily basis); (ii) deposit, or cause to be deposited, any Collections received by it into Lock-Box Accounts not later than one Business Day after receipt thereof and (iii) if a Termination Event has occurred and is continuing, directly transfer all Collections received in the Frost Bank Lock-Box Account to a Lock-Box Account (other than the Frost Bank Lock-Box Account) no later than one (1) Business Day following receipt thereof. Except as otherwise agreed to in writing by the Administrator and the Majority Purchasers, each Lock-Box Account shall at all times be subject to a Lock-Box Agreement; provided, however, that so long as the Frost Bank Condition is then satisfied, the Frost Bank Lock-Box Account need not be subject to a Lock-Box Agreement. The Servicer will not deposit or otherwise credit, or cause or permit to be so deposited or credited, to any Lock-Box Account cash or cash proceeds other than Collections.

3. *Consents*.

(a) Each of the parties hereto hereby consents to the execution, delivery and performance of the Intercreditor Joinder, a copy of which is attached hereto as Exhibit A. On and after the date hereof, each reference in the Agreement to the "Intercreditor Agreement" shall be deemed to be a reference to the Intercreditor Agreement as amended by the Intercreditor Joinder.

(b) Each of the parties hereto hereby consents to the execution, delivery and performance of the Purchase and Sale Agreement Amendment, a copy of which is attached hereto as Exhibit B. On and after the date hereof, each reference in the Agreement to "Sale Agreement" shall be deemed to be a reference to the Sale Agreement as amended by the Purchase and Sale Agreement Amendment.

4. *Representations and Warranties*. The Seller and the Servicer hereby represent and warrant to each of the parties hereto as follows:

(a) Representations and Warranties. The representations and warranties contained in Exhibit III of the Agreement are true and correct as of the date hereof.

(b) No Default. Both before and immediately after giving effect to this Amendment and the transactions contemplated hereby, no Termination Event or Unmatured Termination Event exists or shall exist.

5. *Effect of Amendment*. All provisions of the Agreement, as expressly amended and modified by this Amendment shall remain in full force and effect. As of and after the Effective Time, all references in the Agreement (or in any other Transaction Document) to "this Agreement", "hereof", "herein" or words of similar effect referring to the Agreement shall be deemed to be references to the Agreement as amended by this Amendment. This Amendment shall not be deemed, either expressly or impliedly, to waive, amend or supplement any provision of the Agreement other than as set forth herein.

6. *Effectiveness*. This Amendment shall become effective as of the time (the "Effective Time") at which the Administrator has executed this Amendment and receives each of the following: (A) counterparts of this Amendment (whether by facsimile or otherwise) executed by each of the other parties hereto, in form and substance satisfactory to the Administrator in its sole discretion, (B) counterparts of the Purchase and Sale Agreement Amendment (whether by facsimile or otherwise) executed by each of the parties thereto, in form and substance satisfactory to the Administrator in its sole discretion, (C) counterparts of the Intercreditor Joinder (whether by facsimile or otherwise) executed by each of the parties thereto, in form and substance reasonably satisfactory to the Administrator, (D) favorable opinions, in form and substance reasonably satisfactory to the Administrator and each Purchaser Agent, of Jones Day, counsel for Seller and the Originators, as to certain UCC, bankruptcy and general corporate and enforceability matters (including certain conflicts matters) and (E) such other agreements, documents, instruments and opinions as the Administrator may request.

7. *Counterparts*. This Amendment may be executed in any number of counterparts and by different parties on separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute but one and the same instrument.

8. *Governing Law; Jurisdiction*.

8.1 THIS AMENDMENT SHALL BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK (INCLUDING FOR SUCH PURPOSE SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK).

8.2 ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AMENDMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK; AND, BY EXECUTION AND DELIVERY OF THIS AMENDMENT, EACH OF THE PARTIES HERETO CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY,

TO THE NON-EXCLUSIVE JURISDICTION OF THOSE COURTS. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY LAW, ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, THAT IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF THIS AMENDMENT OR ANY DOCUMENT RELATED HERETO. EACH OF THE PARTIES HERETO WAIVES PERSONAL SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER PROCESS, WHICH SERVICE MAY BE MADE BY ANY OTHER MEANS PERMITTED BY NEW YORK LAW.

9. *Section Headings*. The various headings of this Amendment are included for convenience only and shall not affect the meaning or interpretation of this Amendment, the Agreement or any provision hereof or thereof.

10. *Post-Closing Covenants*.

(a) On or prior to August 14, 2015 (or such later day as agreed to in writing by the Administrator), the Servicer shall (or shall cause the applicable Originator to) (i) cause to be recorded in the UCC records of the Secretary of State of Texas, a release or termination of each of the following financing statements (in form and substance acceptable to the Administrator): (A) UCC-1 financing statement, filing number 10-0002440334, naming Hill Country Electric Supply, L.P. as debtor and Crestron Electronics, Inc. as secured party and (B) UCC-1 financing statement, filing number 11-0011855113, naming Hill Country Electric Supply, L.P. as debtor and Crestron Electronics, Inc. as secured party and (ii) provide the Administrator evidence reasonably satisfactory to the Administrator of such terminations or releases.

(b) On or prior to August 14, 2015 (or such later day as agreed to in writing by the Administrator), the Servicer shall (or shall cause the applicable Originator to) either: (i) (A) transfer ownership of deposit account number 2223426 maintained at The PrivateBank and Trust Company to the Seller (such account, the "New PrivateBank Lock-Box Account"), (B) deliver to the Administrator a duly executed amendment to that certain Agreement re: Pledged Accounts, dated as of October 9, 2012, by and among The PrivateBank and Trust Company, the Seller, the Servicer and the Administrator reflecting the addition of the New PrivateBank Lock-Box Account reasonably satisfactory to the Administrator, (C) deliver to the Administrator a duly executed amendment to that certain Lock-Box Schedule Letter Agreement, dated as of December 16, 2010, by and among the Seller, the Servicer, Administrator and the other parties thereto reflecting the addition of the New PrivateBank Lock-Box Account reasonably satisfactory to the Administrator or (ii) direct Obligors to cease remitting payments to the New PrivateBank Lock-Box Account and begin remitting payments to another Lock-Box Account (other than the Frost Bank Lock-Box Account).

Notwithstanding anything to the contrary in this Agreement or any other Transaction Document, the failure of the Servicer to timely perform any of the covenants under this Section 10 shall constitute a Termination Event with no grace period.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first written above.

WESCO RECEIVABLES CORP.

By: /s/ Brian Begg
Name: Brian Begg
Title: Treasurer

WESCO DISTRIBUTION, INC.,
as Servicer

By: /s/ Brian Begg
Name: Brian Begg
Title: Treasurer

PNC BANK, NATIONAL ASSOCIATION,
as Administrator and Assignee

By: /s/ Michael Brown
Name: Michael Brown
Title: Senior Vice President

THE CONDUIT PURCHASERS AND THE PURCHASER AGENTS:

PNC BANK, NATIONAL ASSOCIATION,
as a Conduit Purchaser

By: /s/ Michael Brown
Name: Michael Brown
Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as Purchaser Agent for PNC Bank, National Association

By: /s/ Michael Brown
Name: Michael Brown
Title: Senior Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Conduit Purchaser

By: /s/ William P. Rutkowski
Name: William P. Rutkowski
Title: Vice President

WELLS FARGO BANK, NATIONAL ASSOCIATION, as Purchaser Agent for Wells Fargo Bank, National Association

By: /s/ William P. Rutkowski
Name: William P. Rutkowski
Title: Vice President

FIFTH THIRD BANK,
as a Conduit Purchaser

By: /s/ Andrew D. Jones
Name: Andrew D. Jones
Title: Director

FIFTH THIRD BANK,
as Purchaser Agent for Fifth Third Bank

By: /s/ Andrew D. Jones
Name: Andrew D. Jones
Title: Director

U.S. BANK NATIONAL ASSOCIATION,
as a Conduit Purchaser

By: /s/ William Patton
Name: William Patton
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION,
as Purchaser Agent for U.S. Bank National Association

By: /s/ William Patton
Name: William Patton
Title: Vice President

THE HUNTINGTON NATIONAL BANK,
as a Conduit Purchaser

By: /s/ Michael Kiss
Name: Michael Kiss
Title: Vice President

THE HUNTINGTON NATIONAL BANK,
as Purchaser Agent for The Huntington National Bank

By: /s/ Michael Kiss
Name: Michael Kiss
Title: Vice President

THE RELATED COMMITTED PURCHASERS:

PNC BANK, NATIONAL ASSOCIATION,
as a Related Committed Purchaser for PNC Bank, National Association

By: /s/ Michael Brown
Name: Michael Brown
Title: Senior Vice President

FIFTH THIRD BANK,
as a Related Committed Purchaser for Fifth Third Bank

By: /s/ Andrew D. Jones
Name: Andrew D. Jones
Title: Director

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Related Committed Purchaser for Wells Fargo Bank, National Association

By: /s/ William P. Rutkowski
Name: William P. Rutkowski
Title: Vice President

U.S. BANK NATIONAL ASSOCIATION,
as a Related Committed Purchaser for U.S. Bank National Association

By: /s/ William Patton
Name: William Patton
Title: Vice President

THE HUNTINGTON NATIONAL BANK,
as a Related Committed Purchaser
for The Huntington National Bank

By: /s/ Michael Kiss
Name: Michael Kiss
Title: Vice President

EXHIBIT A

Intercreditor Joinder
(attached)

JOINDER AGREEMENT

THIS JOINDER AGREEMENT, dated as of June 30, 2015 (this "Agreement") is executed by and among PNC BANK, NATIONAL ASSOCIATION, in its capacity as Administrator under the Receivables Purchase Agreement (the "Receivables Agent"), JPMORGAN CHASE BANK, N.A., in its capacity as agent, for itself and on behalf of the ABL Lenders (the "ABL Lenders Agent"), CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH, in its capacity as agent, for itself and on behalf of the Term Lenders (the "Term Lenders Agent"), WESCO RECEIVABLES CORP. (the "Receivables Seller"), WESCO DISTRIBUTION, INC. ("WESCO"), WESCO EQUITY CORPORATION, CARLTON-BATES COMPANY, COMMUNICATIONS SUPPLY CORPORATION, LIBERTY WIRE & CABLE, INC., CALVERT WIRE & CABLE CORPORATION, BRUCKNER SUPPLY COMPANY, INC., TVC COMMUNICATIONS, L.L.C., CONNEY SAFETY PRODUCTS, LLC, HI-LINE UTILITY SUPPLY COMPANY, L.L.C. ("Hi-Line") and HILL COUNTRY ELECTRIC SUPPLY, L.P. ("Hill Country").

BACKGROUND:

A. Each of the parties hereto (other than Hi-Line and Hill Country) is a party to that certain Amended and Restated Intercreditor Agreement, dated as of December 12, 2012 (as further amended, restated, supplemented or otherwise modified from time to time, the "Intercreditor Agreement").

B. Concurrently herewith, Hi-Line and Hill Country are being added as parties to the Receivables Purchase and Sale Agreement, pursuant to that certain Tenth Amendment to Purchase and Sale Agreement, dated as of the date hereof, among WESCO, the Receivables Seller, Conney and certain of WESCO's domestic subsidiaries and affiliates.

C. Hi-Line was added to the Credit Agreement as a Loan Party effective July 25, 2014.

D. Hill Country was added to the Credit Agreement as a Loan Party effective June 19, 2015.

E. The parties hereto desire to amend the Intercreditor Agreement as set forth herein to join Hi-Line and Hill Country as new parties thereto.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, each of the parties hereto hereby agrees as follows:

SECTION 1. Definitions. Capitalized terms used in this Agreement and not otherwise defined herein shall have the meanings assigned thereto in, or by reference in, the Intercreditor Agreement.

SECTION 2. Joinder of Hi-Line and Hill Country.

(a) Hi-Line and Hill Country hereby agree that they shall be bound by all of the terms, conditions and provisions of, and shall be deemed to be parties to (as if they were original signatories to), the Intercreditor Agreement in the capacity of Originators and Loan Parties thereunder. Hi-Line and Hill Country hereby acknowledges that they have received a copy of the Intercreditor Agreement.

(b) Hi-Line and Hill Country's addresses for notices under the Intercreditor Agreement shall be the following:

Hi-Line Utility Supply Company, LLC
c/o WESCO Distribution, Inc.
225 West Station Square Drive
Suite 700
Pittsburgh, PA 15219

Hill Country Electric Supply, L.P.
c/o WESCO Distribution, Inc.
225 West Station Square Drive
Suite 700
Pittsburgh, PA 15219

(c) Each of the parties hereto hereby consents to the joinder of Hi-Line and Hill Country as parties to the Intercreditor Agreement, as set forth above. To the extent that any consent of any party hereto is required under any other agreement to which it is a party for any of the transactions to be effected hereby, such party hereby grants such consent and waives any notice requirements or condition precedent to the effectiveness of any such transactions set forth in any agreement to which it is a party that has not been satisfied as of the date hereof.

SECTION 3. GOVERNING LAW; JURISDICTION. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE INTERNAL LAWS OF THE STATE OF NEW YORK. EACH PARTY HERETO HEREBY CONSENTS AND AGREES THAT THE STATE OR FEDERAL COURTS LOCATED IN NEW YORK COUNTY, CITY OF NEW YORK, NEW YORK SHALL HAVE EXCLUSIVE JURISDICTION TO HEAR AND DETERMINE ANY CLAIMS OR DISPUTES BETWEEN THE PARTIES HERETO PERTAINING TO THIS AGREEMENT OR TO ANY MATTER ARISING OUT OF OR RELATING TO THIS AGREEMENT.

SECTION 4. WAIVER OF JURY TRIAL. BECAUSE DISPUTES ARISING IN CONNECTION WITH COMPLEX FINANCIAL TRANSACTIONS ARE MOST QUICKLY AND ECONOMICALLY RESOLVED BY AN EXPERIENCED AND EXPERT PERSON AND

THE PARTIES WISH APPLICABLE STATE AND FEDERAL LAWS TO APPLY (RATHER THAN ARBITRATION RULES), THE PARTIES DESIRE THAT THEIR DISPUTES BE RESOLVED BY A JUDGE APPLYING SUCH APPLICABLE LAWS. THEREFORE, TO ACHIEVE THE BEST COMBINATION OF THE BENEFITS OF THE JUDICIAL SYSTEM AND OF ARBITRATION, THE PARTIES HERETO WAIVE ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, SUIT, OR PROCEEDING BROUGHT TO RESOLVE ANY DISPUTE, WHETHER SOUNDING IN CONTRACT, TORT OR OTHERWISE, AMONG THE PARTIES HERETO ARISING OUT OF, CONNECTED WITH, RELATED TO, OR INCIDENTAL TO THE RELATIONSHIP ESTABLISHED AMONG THEM IN CONNECTION WITH, THIS AGREEMENT OR THE TRANSACTIONS RELATED THERETO.

SECTION 5. Execution in Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery of an executed signature page by electronic mail or facsimile shall be as effective as delivery of a manually signed, original signature page.

[Signature Pages Follow]

IN WITNESS WHEREOF, the undersigned has caused this Agreement to be executed by its duly authorized officer as of the date and year first above written.

PNC BANK, NATIONAL ASSOCIATION,
as Receivables Agent

By:
Name:

Title:

JPMORGAN CHASE BANK, N.A.,
as ABL Lenders Agent

By:
Name:

Title:

CREDIT SUISSE AG, CAYMAN ISLANDS BRANCH,
as Term Lenders Agent

By:
Name:

Title:

WESCO RECEIVABLES CORP.,
as Receivables Seller

By:
Name:

Title:

WESCO DISTRIBUTION, INC.,
as Seller, as Servicer and as Borrower

By:
Name:

Title:

WESCO EQUITY CORPORATION

By:
Name:

Title:

CARLTON-BATES COMPANY

By:
Name:

Title:

COMMUNICATIONS SUPPLY CORPORATION

By:
Name:

Title:

LIBERTY WIRE & CABLE, INC.

By:
Name:

Title:

CALVERT WIRE & CABLE CORPORATION

By:
Name:

Title:

BRUCKNER SUPPLY COMPANY, INC.

By:
Name:

Title:

TVC COMMUNICATIONS, L.L.C.

By:

Name:

Title:

CONNEY SAFETY PRODUCTS, LLC

By:
Name:

Title:

HI-LINE UTILITY SUPPLY CO.

By:
Name:

Title:

HILL COUNTRY ELECTRIC SUPPLY, L.P.

By: TVC International Holding, LLC, its General Partner

By:
Name:

Title:

<u>EXHIBIT B</u>

Purchase and Sale Agreement Amendment
(attached)

TENTH AMENDMENT TO PURCHASE AND SALE AGREEMENT

THIS TENTH AMENDMENT TO PURCHASE AND SALE AGREEMENT, dated as of June 30, 2015 (this "Amendment"), is entered into among the Originators (the "Originators") party to the Purchase and Sale Agreement, dated as of June 30, 1999 (as amended through the date hereof, the "Agreement"), WESCO RECEIVABLES CORP. (the "Company"), WESCO DISTRIBUTION, INC. ("WESCO"), individually and as Servicer (in such capacity, the "Servicer"), HI-LINE UTILITY SUPPLY COMPANY, LLC ("Hi-Line") and HILL COUNTRY ELECTRIC SUPPLY, L.P. ("Hill Country"; together with Hi-Line, each a "New Originator" and, collectively, the "New Originators").

RECITALS

1. The Originators currently party to the Agreement (the "Existing Originators"), the Company and the Servicer are parties to the Agreement; and

2. The parties hereto desire to amend the Agreement as hereinafter set forth.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Certain Defined Terms. Capitalized terms that are used herein without definition shall have the meanings set forth in the Agreement or Exhibit I to the Third Amended and Restated Receivables Purchase Agreement, dated as of April 13, 2009 (as amended through the date hereof, the "Receivables Purchase Agreement"), among the Company, the Servicer, PNC Bank, National Association, as Administrator, and the various Purchaser Groups from time to time party thereto, as applicable.

2. Amendments to the Agreement. The Agreement is hereby amended as follows:

2.1. The first paragraph of the Preamble is hereby amended in its entirety to read as follows:

THIS PURCHASE AND SALE AGREEMENT (this "Agreement"), dated as of June 30, 1999, is among WESCO DISTRIBUTION, INC., a Delaware corporation ("WESCO"), individually and as Servicer (in such capacity, the "Servicer"), WESCO EQUITY CORPORATION, a Delaware corporation ("Equity"), CARLTON-BATES COMPANY, an Arkansas corporation ("Carlton-Bates"), COMMUNICATIONS SUPPLY CORPORATION, a Connecticut Corporation ("CSC"), LIBERTY WIRE & CABLE, INC., a Delaware corporation ("Liberty"), CALVERT WIRE & CABLE CORPORATION, a Delaware corporation ("Calvert"), BRUCKNER SUPPLY COMPANY, INC., a Delaware corporation

(“Bruckner”), TVC COMMUNICATIONS, L.L.C., a Delaware limited liability company (“TVC”), CONNEY SAFETY PRODUCTS, LLC, a Delaware limited liability company (“Conney”), HI-LINE UTILITY SUPPLY COMPANY, LLC, an Illinois limited liability company (“Hi-Line”), and HILL COUNTRY ELECTRIC SUPPLY, L.P., a Texas limited partnership (“Hill Country” and together with WESCO, Equity, Carlton-Bates, CSC, Liberty, Calvert, Bruckner, TVC, Conney and Hi-Line, collectively, the “Originators” and each individually called an “Originator”), and WESCO RECEIVABLES CORP., a Delaware corporation (the “Company”).

2.2. Exhibit E to the Agreement is hereby amended by inserting the following at the end thereof:

Hi-Line Utility Supply Company, LLC
c/o WESCO Distribution, Inc.
225 West Station Square Drive
Suite 700
Pittsburgh, PA 15219

Hill Country Electric Supply, L.P.
c/o WESCO Distribution, Inc.
225 West Station Square Drive
Suite 700
Pittsburgh, PA 15219

2.3. Exhibit F to the Agreement is hereby amended and restated in its entirety as set forth on Exhibit A hereto.

2.4. With respect to each New Originator, any reference in the Agreement to “the Initial Closing Date” or “the date hereof” shall be deemed to be a reference to “June 30, 2015”.

2.5. With respect to each New Originator, any reference in the Agreement to the “Cut-off Date” shall be deemed to be a reference to “June 30, 2015”.

2.6. With respect to the New Originator, the reference in Section 5.9(a) of the Agreement to “December 31, 1998” shall be deemed to be a reference to “December 31, 2014”.

3. Joinder. Each New Originator hereby agrees that it shall be bound by all of the terms, conditions and provisions of, and shall be deemed to be a party to (as if it were an original signatory to), the Agreement. For greater certainty, each New Originator hereby acknowledges that pursuant to Section 1.5 of the Agreement, it has granted and hereby grants a security interest in all of its right, title and interest in and to the Receivables and the Related Rights now existing and hereafter created by it, all monies due or to become due and all amounts received with respect thereto, and all proceeds thereof, to secure all of its obligations under the Agreement. Each New Originator further acknowledges that it has received copies of the Agreement, the Intercreditor Agreement and the other Transaction Documents.

4. Representations and Warranties. (i) Each Existing Originator and each New Originator represents and warrants on and as of the date hereof and on the date the conditions set forth in Section 5 hereof are satisfied, the representations and warranties made by such Originator in Article V of the Agreement, as amended hereby, shall be true and correct on and as of such dates with the same force and effect as if made on and as of such dates and as if each reference to the Agreement in such representations and warranties referred to the Agreement as amended by this Amendment and (ii) the Company and the Servicer represent and warrant on and as of the date hereof and on the date the conditions set forth in Section 5 hereof are satisfied, that (A) the representations and warranties contained in Exhibit III of the Receivables Purchase Agreement are true and correct and (B) both before and immediately after giving effect to this Amendment and the transactions contemplated hereby, no Termination Event or Unmatured Termination Event exists or shall exist.

5. Conditions To Effectiveness. This Amendment shall become effective as of the date hereof upon receipt by the Seller, the Servicer, the Administrator and each Purchaser Agent of each of the following, in each case in form and substance satisfactory to the Administrator: (i) counterparts of this Amendment, duly executed by all of the parties hereto, (ii) each document, agreement, instrument and opinion listed in Section 4.1 of the Agreement, in each case with respect to each New Originator and (iii) such other instruments, opinions and documents as the Administrator may request.

6. Ratification. All of the provisions of this Amendment are incorporated by reference into the Agreement, as if set forth in full therein. The Agreement, as amended hereby, remains in full force and effect. Any reference to the Agreement from and after the date hereof shall be deemed to refer to the Agreement, amended hereby. As amended, the Agreement is hereby ratified and reaffirmed by the parties hereto.

7. Counterparts. This Amendment may be executed in any number of counterparts and by the different parties hereto on separate counterparts, each of which when so executed shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement.

8. Governing Law; Jurisdiction.

8.1 THIS AMENDMENT SHALL BE A CONTRACT MADE UNDER AND GOVERNED BY THE INTERNAL LAWS OF THE STATE OF NEW YORK (INCLUDING FOR SUCH PURPOSE SECTIONS 5-1401 AND 5-1402 OF THE GENERAL OBLIGATIONS LAW OF THE STATE OF NEW YORK).

8.2 ANY LEGAL ACTION OR PROCEEDING WITH RESPECT TO THIS AMENDMENT MAY BE BROUGHT IN THE COURTS OF THE STATE OF NEW YORK OR OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK; AND, BY EXECUTION AND DELIVERY OF THIS AMENDMENT, EACH OF THE PARTIES HERETO CONSENTS, FOR ITSELF AND IN RESPECT OF ITS PROPERTY, TO THE NON-EXCLUSIVE JURISDICTION OF THOSE COURTS. EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY LAW, ANY OBJECTION, INCLUDING ANY OBJECTION TO THE LAYING OF VENUE OR BASED ON THE GROUNDS OF FORUM NON CONVENIENS, THAT IT MAY NOW OR HEREAFTER HAVE TO THE BRINGING OF ANY ACTION OR PROCEEDING IN SUCH JURISDICTION IN RESPECT OF THIS AMENDMENT OR ANY DOCUMENT RELATED HERETO. EACH OF THE PARTIES HERETO WAIVES PERSONAL SERVICE OF ANY SUMMONS, COMPLAINT OR OTHER PROCESS, WHICH SERVICE MAY BE MADE BY ANY OTHER MEANS PERMITTED BY NEW YORK LAW.

9. Section Headings. The various headings of this Amendment are included for convenience only and shall not affect the meaning or interpretation of this Amendment, the Agreement or any provision hereof or thereof.

(Signatures begin on following page)

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

WESCO RECEIVABLES CORP.

By:__
Name:__
Title:__

WESCO DISTRIBUTION, INC.,
individually and as Servicer

By:__
Name: __
Title:__

WESCO EQUITY CORPORATION

By:__
Name:__
Title:__

CARLTON-BATES COMPANY

By:__
Name:__
Title:__

COMMUNICATIONS SUPPLY CORPORATION

By:__
Name:__
Title:__

LIBERTY WIRE & CABLE, INC.

By:__
Name:__
Title:__

CALVERT WIRE & CABLE CORPORATION

By:__
Name:__
Title:__

BRUCKNER SUPPLY COMPANY, INC.

By:__
Name:__
Title:__

TVC COMMUNICATIONS, L.L.C.

By:__
Name:__
Title:__

CONNEY SAFETY PRODUCTS, LLC

By:__
Name:__
Title:__

HI-LINE UTILITY SUPPLY COMPANY, LLC

By:__
Name:__
Title:__

HILL COUNTRY ELECTRIC SUPPLY, L.P.

By: TVC International Holding, LLC, its General Partner

By:__
Name:__
Title:__

CONSENTED TO AND AGREED:

PNC BANK, NATIONAL ASSOCIATION

By:__
Name:__
Title:__

FIFTH THIRD BANK

By:__
Name:__
Title:__

WELLS FARGO BANK, NATIONAL ASSOCIATION

By:__
Name:__
Title:__

U.S. BANK NATIONAL ASSOCIATION

By:__
Name:__
Title:__

THE HUNTINGTON NATIONAL BANK

By:__
Name:__
Title:__

EXHIBIT F

TRADE NAMES

Trade Names

Allied Utility Products
Avon Electrical Supplies
Brown Wholesale Electric Company
Bruckner Supply Company
Carlton-Bates
Control Corporation of America
Diversified Electric Supply Company
EESCO
Englewood Electric
Fastec
Hamby-Young Power Supply Products
Herning Underground Supply
Industrial Electric Supply Co.
KVA
LCOMP, Inc.
Liberty Electrical Supply Co.
Modern Wholesale Electric
Nevada Electrical Supply Company
Reily Electrical Supply
Standard Electric Company
Statewide Electrical Supply
WESCO SPS
Whitehill Lighting & Supplies
W.R. Control Panels

Communications Supply Corporation
CSC
Liberty Wire & Cable, Inc.
Calvert Wire & Cable Corporation
TVC
TVC Latin America
TVC Caribbean and Latin America
Vikimatic Sales
White Sands
Satellite Engineering

TVC Communications, LLC
Vikimatic
White Sands Engineering
Satellite Engineering Group
Conney Safety
WESCO Integrated Supply
Hi-Line Utility Supply Company
Hill Country Electric Supply, L.P.
Aelux, LLC
Lumigent
C-B Connect

Merger

On September 29, 2005, C-B WESCO, Inc., a subsidiary of WESCO Distribution, Inc., was merged with and into Carlton-Bates Company, an Arkansas corporation, with Carlton-Bates Company being the surviving corporation.

On November 3, 2006, WESCO Voltage, Inc., a subsidiary of WESCO Distribution, Inc., was merged with and into Communications Supply Holdings, Inc., a Delaware corporation, with Communications Supply Holdings, Inc. being the surviving corporation.

On June 29, 2007, Carlton-Bates Company of Texas, L.P. was merged with and into Carlton-Bates Company with Carlton-Bates Company being the surviving corporation.

On March 1, 2010, Herning Enterprises, Inc. was merged with and into WESCO Distribution, Inc. with WESCO Distribution, Inc. being the surviving corporation.

Exhibit 31.1

CERTIFICATION

I, John J. Engel, certify that:

1. I have reviewed this quarterly report on Form 10-Q of WESCO International, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	July 31, 2015	By:	/s/ John J. Engel
			John J. Engel
			Chairman, President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Kenneth S. Parks, certify that:

1. I have reviewed this quarterly report on Form 10-Q of WESCO International, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	July 31, 2015	By:	/s/ Kenneth S. Parks
			Kenneth S. Parks
			Senior Vice President and Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of WESCO International, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

July 31, 2015	By:	/s/ John J. Engel
		John J. Engel
		Chairman, President and Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of WESCO International, Inc. (the "Company") on Form 10-Q for the period ended June 30, 2015 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, in the capacity and on the date indicated below, hereby certifies pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operation of the Company.

July 31, 2015	By:	/s/ Kenneth S. Parks
		Kenneth S. Parks
		Senior Vice President and Chief Financial Officer