



# Supplemental Financial Data

WESCO Fourth Quarter and Full Year 2011  
January 26, 2012



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# Safe Harbor Statement

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**Note:** All statements made herein that are not historical facts should be considered as “forward-looking statements” within the meaning of the Private Securities Litigation Act of 1995. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results to differ materially. Such risks, uncertainties and other factors include, but are not limited to, debt level, changes in general economic conditions, fluctuations in interest rates, increases in raw materials and labor costs, levels of competition and other factors described in detail in Form 10-K for WESCO International, Inc. for the year ended December 31, 2010 and any subsequent filings with the Securities & Exchange Commission. Any numerical or other representations in this presentation do not represent guidance by management and should not be construed as such.








# Fourth Quarter 2011 Results

| Category           | Q4 Outlook Provided   | Fourth Quarter 2011 Performance   |
|--------------------|---|---|
| Sales Growth       | Sales growth expected to be at or above 14% year-over-year and down 3.5% sequentially |  Sales growth of 19.4% versus prior year; sales up 0.6% sequentially; normalized organic sales growth of approximately 14.8% versus prior year. Sixth consecutive quarter of double-digit organic sales growth versus prior year |
| Gross Margin       | Gross margin expected to be at or above 19.8%   |  Gross margin of 20.6%, up 30 basis points over prior year   |
| Operating Margin   | Operating margin expected to be at or above 5.2%                                      |  Operating margin of 5.8%, up 130 basis points versus prior year  |
| Effective Tax Rate | Tax rate expected to be approximately 30% to 31%                                      |  Effective tax rate of 31%   |



# Full Year 2011 Results

| Category           | 2011 Outlook Provided<br>Revised October 20, 2011  | 2011 Performance  |
|--------------------|--|---|
| Sales Growth       | Sales growth expected to be at or above 19%. Pricing and F/X rates assumed consistent with first half levels |  Sales growth of 21% versus 2010; normalized organic growth of approximately 13.8% |
| Gross Margin       | Expected to be at or above 19.9%   |  Gross margin of 20.2%, up 50 basis points over prior year                         |
| Operating Margin   | Expected to be at or above 5.2%  |  Operating margin of 5.4%, up 120 basis points over prior year                     |
| Effective Tax Rate | Expected to be in the range of 29% to 30%  |  Effective Tax Rate of 29.8%   |
| Cash Flow          | Expected to be at least 70% to 80% of Net Income   |  Free cash flow totaled \$134 million or 68% of Net Income                       |



# Organic Sales Versus Prior Year

|                                   | 2010   |        |        |        |           | 2011   |        |        |        |            |
|-----------------------------------|--------|--------|--------|--------|-----------|--------|--------|--------|--------|------------|
|                                   | Q1     | Q2     | Q3     | Q4     | Full Year | Q1     | Q2     | Q3     | Q4*    | Full Year* |
| Consolidated Sales Growth         | (2.6%) | 8.6%   | 14.9%  | 17.6%  | 9.5%      | 24.6%  | 21.1%  | 19.3%  | 19.4%  | 21.0%      |
| F/X                               | (1.8%) | (1.9%) | (0.9%) | (0.7%) | (1.3%)    | (1.1%) | (1.0%) | (1.1%) | 0%     | (0.8%)     |
| Acquisitions                      | 0      | 0      | (0.7%) | (1.1%) | (0.4%)    | (7.0%) | (7.4%) | (6.9%) | (6.2%) | (6.8%)     |
| Organic Sales Growth              | (4.4%) | 6.7%   | 13.3%  | 15.8%  | 7.8%      | 16.5%  | 12.7%  | 11.3%  | 13.2%  | 13.4%*     |
| Workday Impact                    | —      | —      | —      | —      | —         | —      | —      | —      | (1.6%) | (0.4%)     |
| Organic Sales Per Workday         | (4.4%) | 6.7%   | 13.3%  | 15.8%  | 7.8%      | 16.5%  | 12.7%  | 11.3%  | 14.8%* | 13.8%*     |
| Management Estimated Price Impact | 1.5%   | 3.0%   | 2.5%   | 3.0%   | 2.5%      | 3.5%   | 3.0%   | 3.5%   | 2.0%   | 3.0%       |

\*Q4 2011 had one less workday versus Q4 2010.

\*FY 2011 had one less workday versus 2010



# Number of Work Days by Quarter

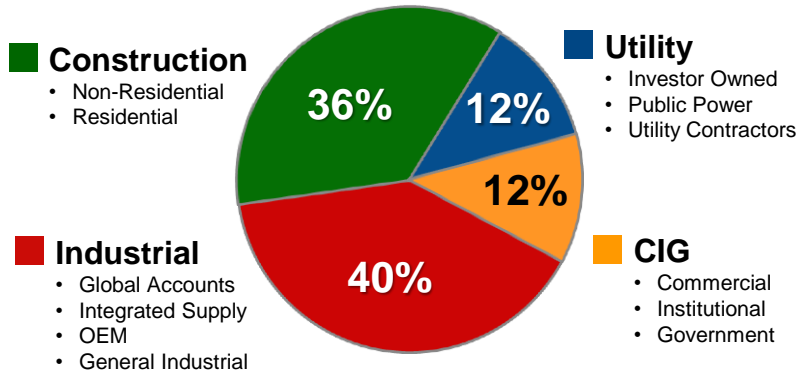
|      | Q1 | Q2 | Q3 | Q4 | FY  |
|------|----|----|----|----|-----|
| 2010 | 63 | 64 | 64 | 64 | 255 |
| 2011 | 63 | 64 | 64 | 63 | 254 |
| 2012 | 64 | 64 | 63 | 64 | 255 |



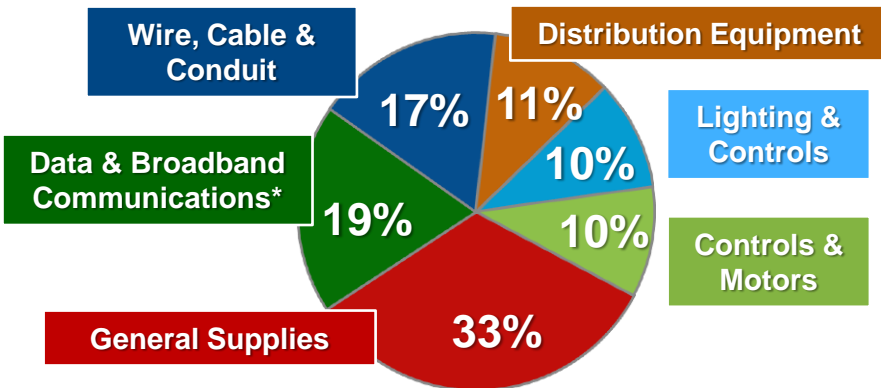
# WESCO End Markets and Product Categories

2010

## Markets & Customers

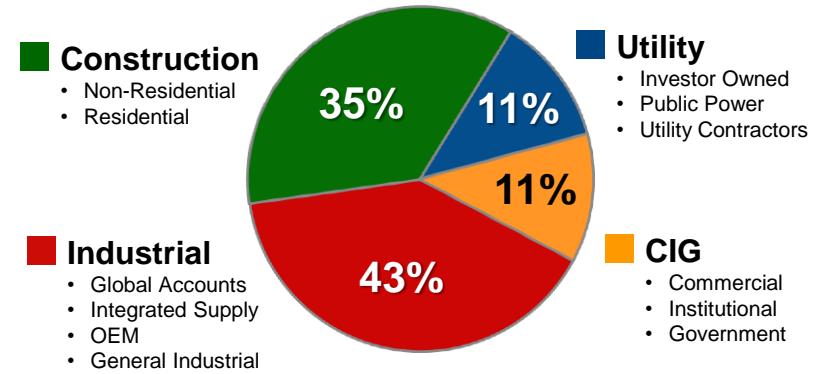


## Products & Services

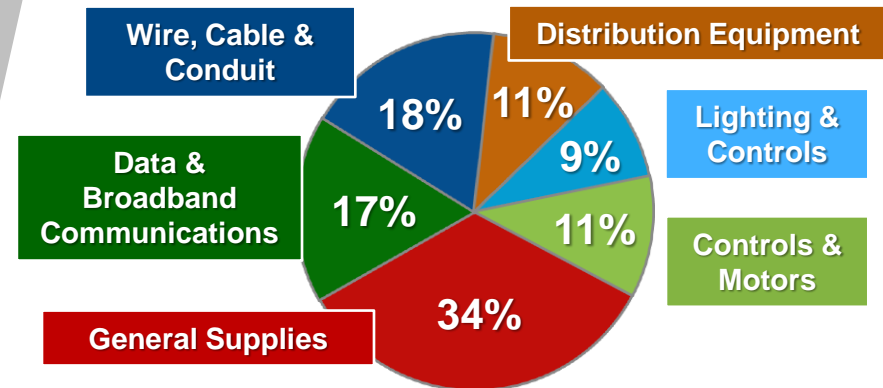


2011

## Markets & Customers



## Products & Services



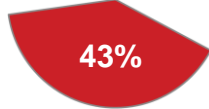
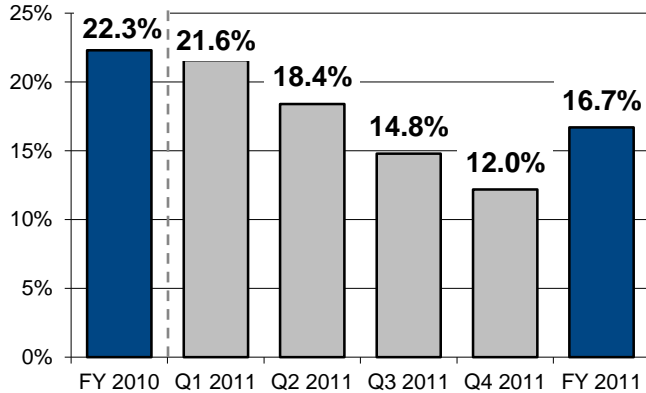
\*Proforma: Assumes TVC acquired 1/1/2010

# WESCO End Market Momentum



## Industrial

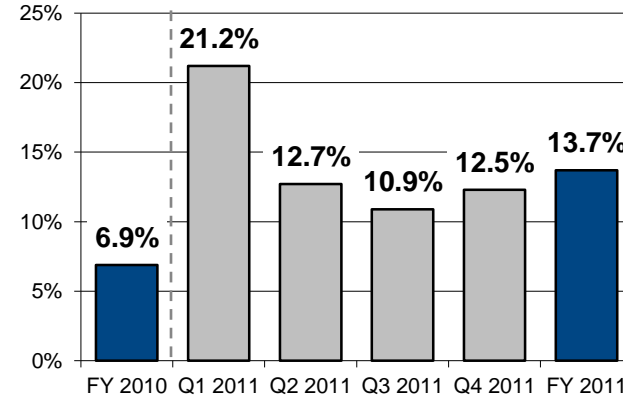
Sales vs. Prior Year



- Industrial**
- Global Accounts
  - Integrated Supply
  - OEM
  - General Industrial

## Construction

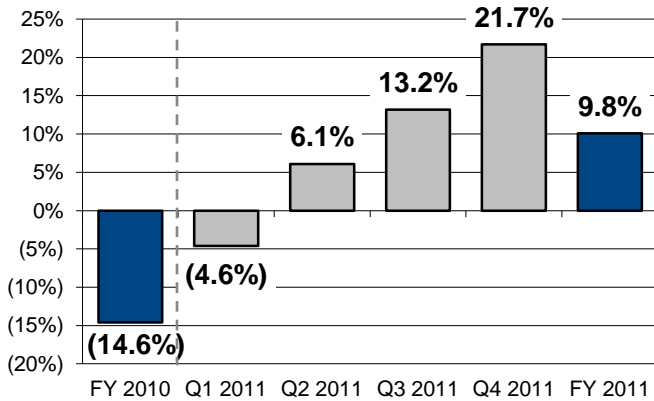
Sales vs. Prior Year



- Construction**
- Non-Residential
  - Residential

## Utility

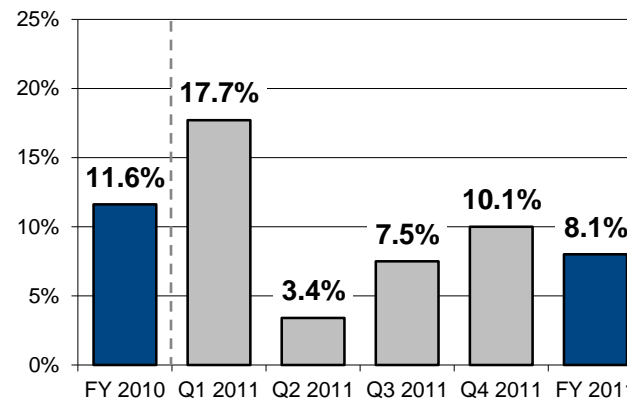
Sales vs. Prior Year



- Utility**
- Investor Owned
  - Public Power
  - Utility Contractors

## CIG

Sales vs. Prior Year



- CIG**
- Commercial
  - Institutional
  - Government



# 2011 End Market Comments

Core year-over-year and sequential quarterly sales comparisons

*Note: Q4 versus prior year excludes TVC, RECO and Brews results.*

*Full year excludes Potelcom, TVC, RECO and Brews results.*

*Q4 sequential excludes Brews.*

| End Market                                  | Q4 2011<br>vs.<br>Q4 2010 | Q4 2011<br>vs.<br>Q3 2011 | 2011<br>vs.<br>2010 | Comments  |
|---|---------------------------|---------------------------|---------------------|---|
| WESCO Core                                  | 13.1%                     | (0.4%)                    | 14.1%               | <ul style="list-style-type: none"> <li>• Sixth consecutive quarter of year-over-year double digit organic sales growth</li> <li>• All four major end market categories grew double digits in Q4 versus last year</li> <li>• Q4 2011 normalized organic sales growth of 14.8%</li> <li>• Full year 2011 normalized organic sales growth of 13.8%</li> </ul>  |
| Industrial                                  | 12.0%                     | 1.3%                      | 16.7%               | <ul style="list-style-type: none"> <li>• Eighth consecutive quarter of year-over-year double digit organic sales growth</li> <li>• 10 of 16 Global Account industry verticals grew sales double digits in 2011</li> <li>• Notable customer trends include outsourcing, increased capital spending, and high expectations for supply chain process improvement and savings</li> <li>• Strong bidding activity continues; Global Accounts and Integrated Supply opportunity pipeline at \$2.1+ billion</li> </ul> |
| Construction                                | 12.5%                     | Flat                      | 13.7%               | <ul style="list-style-type: none"> <li>• Sixth consecutive quarter of year-over-year double digit organic sales growth</li> <li>• Year end backlog up 7% over last year</li> <li>• Non-residential construction market appears to be stabilizing</li> </ul>   |
| Utility                                     | 21.6%                     | (1.6%)                    | 9.8%                | <ul style="list-style-type: none"> <li>• Second consecutive quarter of year-over-year double digit organic sales growth</li> <li>• Increased bidding activity levels on transmission, sub-station and alternative energy projects</li> <li>• Distribution grid spending is expected to grow in 2012 driven by system maintenance, reliability projects and storm restoration</li> </ul>   |
| Commercial, Institutional, Government (CIG) | 10.1%                     | (7.5%)                    | 8.1%                | <ul style="list-style-type: none"> <li>• Government opportunities driven by infrastructure projects, security and data communications</li> <li>• Stimulus programs continue – rural broadband and certain DOE projects are beneficiaries</li> <li>• \$350 million government and stimulus opportunity pipeline</li> </ul>   |



# Capital Structure

| (\$Millions)                          | Outstanding at December 31, 2010 | Outstanding at December 31, 2011 | Debt Maturity Schedule |
|---------------------------------------|----------------------------------|----------------------------------|------------------------|
| AR Securitization <sup>(V)</sup>      | \$370                            | \$250                            | 2013                   |
| Inventory Revolver <sup>(V)</sup>     | \$0                              | \$37                             | 2013                   |
| Real Estate Mortgage <sup>(F)</sup>   | \$39                             | \$37                             | 2013                   |
| 2017 Bonds <sup>(F)</sup>             | \$150                            | \$150                            | 2017                   |
| 2029 Convertible Bonds <sup>(F)</sup> | \$345                            | \$345                            | 2029 (No Put)          |
| Other <sup>(F)</sup>                  | \$4                              | \$6                              | N/A                    |
| <b>Total Debt</b>                     | <b>\$908</b>                     | <b>\$825</b>                     |                        |

| Key Financial Metrics                                    |               |               |
|--|---------------|---------------|
|  | 12/31/2010    | 12/31/2011    |
| Liquidity <sup>(1)</sup>                                 | \$338 million | \$511 million |
| Full Year Free Cash Flow <sup>(2)</sup>                  | \$112 million | \$134 million |
| Financial Leverage (Par Value Debt with Reported EBITDA) | 3.9x          | 2.3x          |

V= Variable Rate Debt

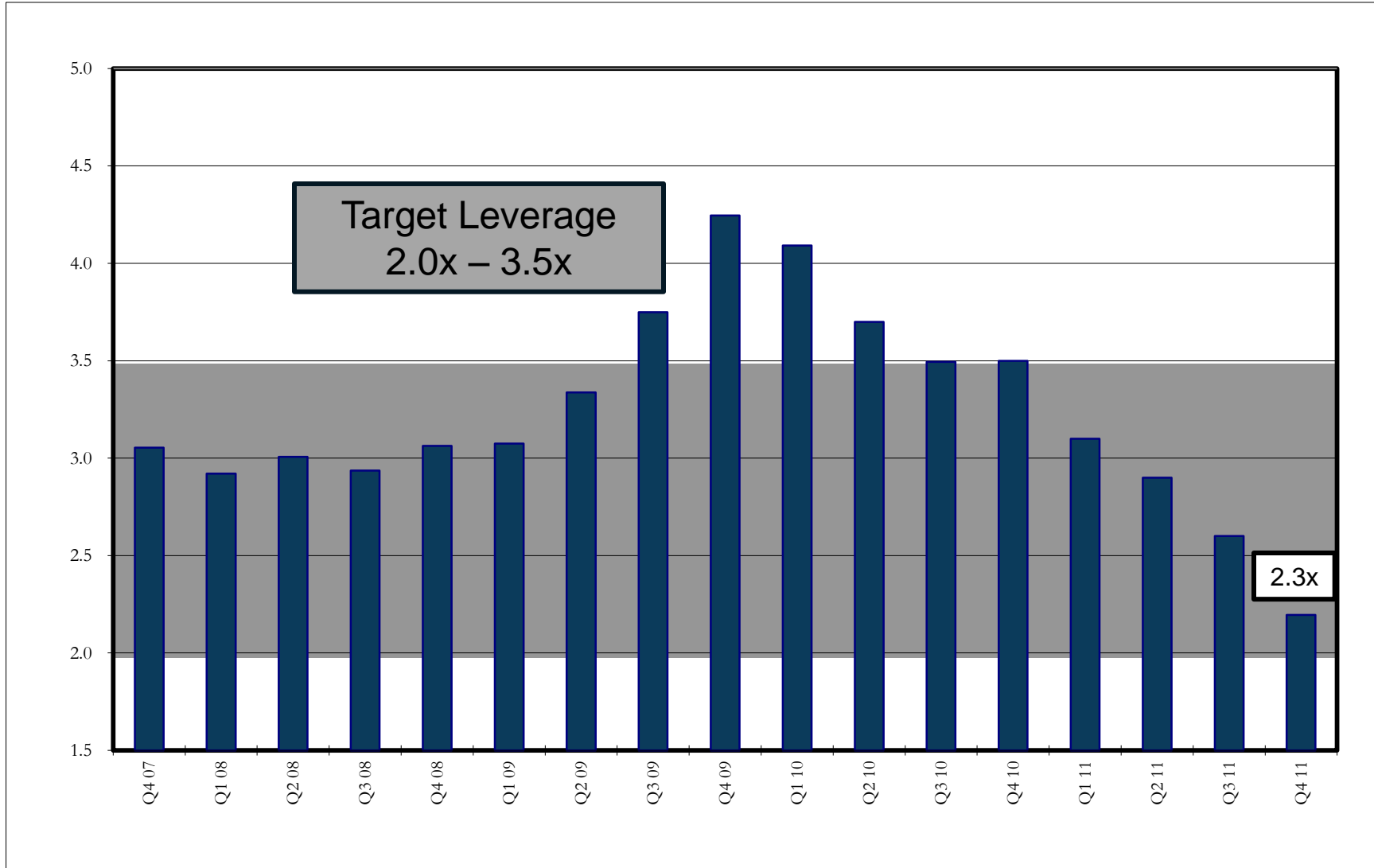
F= Fixed Rate Debt

1= Asset-backed credit facilities total available plus invested cash

2= Operating cash flow less capital expenditures



# Quarterly Financial Leverage



2.3x



## Convertible Debt and Non-cash Interest as of December 31, 2011

### GAAP vs. Non-GAAP Debt Reconciliation

#### Convertible Debentures

(000s)

| <u>Maturity</u> | <u>Par Value<br/>of Debt</u> | <u>Debt<br/>Discount</u> | <u>Debt per<br/>Balance<br/>Sheet</u> |
|-----------------|------------------------------|--------------------------|---------------------------------------|
| 2026            | \$ 56                        | \$ 0                     | 56                                    |
| 2029            | \$ <u>344,962</u>            | \$ <u>(175,908)</u>      | \$ <u>169,054</u>                     |
| Total           | \$ 345,018                   | \$ (175,908)             | \$ 169,110                            |

### Non-Cash Interest Expense Schedule

#### Non-Cash Interest Expense (year-to-date)

(\$ millions)

|   | <u>2010</u> | <u>2011</u> |
|---|-------------|-------------|
| Convertible Debt                        | \$4.3       | \$2.5       |
| Amortization of Deferred Financing Fees | \$2.6       | \$4.4       |
| FIN 48                                  | \$5.0       | \$1.9       |
| Total                                   | \$11.9      | \$8.8       |



# Core Sales

## Reconciliation of Non-GAAP Financial Measures

**Unaudited**  
(dollar amounts in millions)

|                                     | <u>Full Year 2011 vs. 2010</u> |                 |                 | <u>Q4 2011 vs. Q4 2010</u> |                 |                 | <u>Q4 2011 vs. Q3 2011</u> |                 |                 |
|-------------------------------------|--------------------------------|-----------------|-----------------|----------------------------|-----------------|-----------------|----------------------------|-----------------|-----------------|
|                                     | <u>2011</u>                    | <u>2010</u>     | <u>% Growth</u> | <u>Q4 2011</u>             | <u>Q4 2010</u>  | <u>% Growth</u> | <u>Q4 2011</u>             | <u>Q3 2011</u>  | <u>% Growth</u> |
|                                     |                                |                 |                 |                            |                 |                 |                            |                 |                 |
| Industrial Core                     | \$ 2,632                       | \$ 2,256        | 16.7 %          | \$ 679                     | \$ 606          | 12.0 %          | \$ 685                     | \$ 676          | 1.3 %           |
| Construction Core                   | 2,097                          | 1,845           | 13.7 %          | 541                        | 481             | 12.5 %          | 547                        | 547             | — %             |
| Utility Core                        | 683                            | 622             | 9.8 %           | 186                        | 153             | 21.6 %          | 186                        | 189             | (1.6) %         |
| CIG Core                            | 388                            | 359             | 8.1 %           | 106                        | 97              | 10.1 %          | 160                        | 173             | (7.5) %         |
| Total Core Gross Sales              | \$ 5,800                       | \$ 5,082        | 14.1 %          | \$ 1,512                   | \$ 1,337        | 13.1 %          | \$ 1,578                   | \$ 1,585        | (0.4) %         |
| Total Gross Sales from Acquisitions | 347                            | —               |                 | 83                         | —               |                 | 17                         | —               |                 |
| Total Gross Sales                   | \$ 6,147                       | \$ 5,082        | 21.0 %          | \$ 1,595                   | \$ 1,337        | 19.3 %          | \$ 1,595                   | \$ 1,585        | 0.6 %           |
| Gross Sales Reductions/Discounts    | (21)                           | (18)            |                 | (5)                        | (5)             |                 | (5)                        | (5)             |                 |
| Total Net Sales                     | \$ <u>6,126</u>                | \$ <u>5,064</u> | <u>21.0 %</u>   | \$ <u>1,590</u>            | \$ <u>1,332</u> | <u>19.4 %</u>   | \$ <u>1,590</u>            | \$ <u>1,580</u> | <u>0.6 %</u>    |

Note: Q4 versus prior year excludes TVC, RECO and Brews results.

Full year excludes Potelcom, TVC, RECO and Brews results.

Q4 sequential excludes Brews.



# Convertible Debt and SARs/Options EPS Dilution

## Weighted Average Quarterly Share Count

| Stock Price               | Incremental Shares from 2029 Convertible Debt (in millions) <sup>3</sup> | Incremental Shares from SARs/Option Awards (in millions) | Total Diluted Share Count (in millions) <sup>4</sup> |
|---------------------------|--|--|--|
| \$30.00                   | 0.45   | 0.41   | 44.20  |
| \$40.00                   | 3.33   | 0.74   | 47.41  |
| Q4 2011 Average (\$47.14) | 4.63   | 1.04   | 49.01  |
| \$50.00                   | 5.05   | 1.12   | 49.50  |
| \$60.00                   | 6.20   | 1.31   | 50.85  |
| \$75.00                   | 7.35   | 1.69   | 52.38  |
| \$100.00                  | 8.50   | 2.05   | 53.89  |

### Footnotes: 2029 Convertible Debenture

<sup>1</sup> 1000/28.8656

<sup>2</sup> \$345 million/28.8656

<sup>3</sup>  $\frac{(\text{Underlying Shares} \times \text{Avg. Quarterly Stock Price}) \text{ minus } \$345 \text{ million}}{\text{Avg. Quarterly Stock Price}}$

<sup>4</sup> Basic Share Count of 43.34 million shares

| 2029 Convertible Debt Details |                         |
|-------------------------------|-------------------------|
| Conversion Price              | \$28.8656               |
| Conversion Rate               | 34.6433 <sup>1</sup>    |
| Underlying Shares             | 11,950,622 <sup>2</sup> |



# Q1 2012 Outlook

| Category           | Q1 2012 Expectations   |
|--------------------|--|
| Sales Growth       | <p>Total sales growth expected to be 7% to 11% consistent with the August Investor Day outlook:</p> <ul style="list-style-type: none"><li>• Q1 organic sales growth rate expected to be 6% to 9%</li><li>• Acquired sales expected to add approximately 2% points to sales growth</li><li>• Total sales expectations assume pricing and F/X rates consistent with Q4 2011 levels</li></ul> |
| Gross Margin       | Gross margin expected to be at or above 20.0%  |
| Operating Margin   | Operating margin expected to be at or above 5.0%   |
| Effective Tax Rate | Effective tax rate expected to be approximately 30% to 32%   |



# 2012 Full Year Outlook

| Category           | 2012 Expectations  |
|--------------------|--|
| Sales Growth       | <p>Total sales growth expected to be 7% to 11% consistent with the August Investor Day outlook:</p> <ul style="list-style-type: none"><li>• Q1 organic sales growth rate expected to be 6% to 9%</li><li>• Q2 to Q4 organic sales growth rate expected to be 5% to 8%</li><li>• Acquired sales targeted to add approximately 2+%</li><li>• Total sales expectations assume pricing and F/X rates consistent with 2011 levels</li></ul> |
| Gross Margin       | <p>Gross margin expected to be at or above 20.2% based on the following assumptions:</p> <ul style="list-style-type: none"><li>• Margin improvement initiatives expected to positively impact gross margin by 15 to 25 basis points</li><li>• Full year supplier volume rebate rates expected to decrease by 10 to 20 basis points</li></ul>   |
| Operating Margins  | <p>Operating margin expected to be at or above 5.8%; expected margin expansion at the low end of the 40 to 60 basis points range provided at the Investor Day</p>  |
| Effective Tax Rate | <p>Effective tax rate expected to be approximately 30% to 32%</p>  |
| Cash Flow          | <p>Free cash flow expected to be at or above 80% of net income</p>   |