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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): December 13, 2017

WESCO International, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation)

001-14989
(Commission File Number)

25-1723342
(IRS 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 or former address, if changed since last report)

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Emerging growth company

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

Item 7.01. Regulation FD Disclosure.

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

On December 13, 2017, WESCO International, Inc. (the “Company”) issued a Press Release reaffirming its 2017 outlook, providing its 2018 outlook, and announcing a new share repurchase program. A copy of the Press Release is attached hereto as Exhibit 99.1.

On December 13, 2017, members of senior management of the Company will deliver a presentation on its outlook for 2018. The presentation will include a written communication comprised of slides and will be accessible on the Company’s website via webcast. The slides from the presentation are attached hereto as Exhibit 99.2.

Item 8.01. Other Events.

On December 7, 2017, the Board of Directors of the Company (the “Board”) approved the repurchase of up to \$300 million of the Company’s common stock through December 31, 2020. The number, price, structure and timing of the repurchases, if any, will be at the Company’s sole discretion, and future repurchases will be evaluated by the Company depending on market conditions, liquidity and other factors. The Board may suspend, modify or terminate this repurchase program at any time without prior notice.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

99.1 [Press Release issued by WESCO International, Inc., dated December 13, 2017.](#)

99.2 [Slide presentation for investors.](#)

SIGNATURES

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

WESCO International, Inc.

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

Dated: December 13, 2017



NEWS RELEASE

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

WESCO International, Inc. Reaffirms 2017 Outlook, Renews Share Repurchase Program, and Provides 2018 Outlook

Highlights:

- **Sales, diluted EPS, and free cash outlook reaffirmed for 2017**
- **2018 outlook**
 - Sales growth of 3 to 6%
 - Diluted EPS of \$4.05 to \$4.55
 - Free cash flow of at least 90% of net income

PITTSBURGH, Dec. 13, 2017 /PRNewswire/ -- WESCO International, Inc. (NYSE: WCC) reaffirms its 2017 outlook, announces a new share repurchase authorization to replace the existing authorization expiring at the end of 2017, and provides its 2018 outlook.

Mr. John J. Engel, WESCO's Chairman, President and CEO, commented, "We are pleased with the continued positive momentum in our business in the fourth quarter and our return to sales growth this year. We reaffirm our full year 2017 outlook of 3% to 4% sales growth, diluted EPS of \$3.75 to \$3.95, and free cash flow generation of at least 90% of net income."

Mr. Engel continued, "We expect favorable conditions and positive growth in our end markets to continue in 2018. Our outlook includes above-market performance, execution of our profitable growth initiatives, investments in our people and processes, and maintaining our cost and cash management discipline. As a result, we expect sales growth in the range of 3% to 6%, EPS of \$4.05 to \$4.55 per diluted share, and free cash flow generation of at least 90% of net income in 2018. In addition, we believe we are well-positioned to benefit from the U.S. tax reform proposals now being considered by Congress; however, this benefit has not been reflected in our outlook.

We remain focused on delivering above-market sales growth, improving profitability, generating strong cash flow, and increasing shareholder value. The free cash flow generation capability of our business supports continued investment in our differentiated, services-oriented business model and One WESCO growth initiatives, including acquisitions, while providing us with the ability to return capital to our shareholders. Our efforts remain centered on providing excellent customer service and delivering value to our customers' operations and supply chains by providing comprehensive product and service solutions that meet their capital project, MRO and OEM needs."

Dave Schulz, WESCO's Senior Vice President and Chief Financial Officer, added, "The new share repurchase authorization of up to \$300 million over the next three years demonstrates confidence in our long-term growth outlook and in our ability to continue to generate strong and consistent free cash flow."

The Company may utilize various methods to effect repurchases of its common stock under the repurchase program, which could include open market repurchases, negotiated block transactions, accelerated share repurchases or open market solicitations for shares, some of which may be effected through Rule 10b5-1 plans. The amount and timing of any repurchases will depend upon several factors, including market and business conditions, and the share repurchase program may be discontinued at any time.

WESCO will discuss its 2018 outlook during its investor conference call today starting at 11:00 a.m. ET. The Company has posted a presentation to accompany today's call on its Investor Website (<http://wesco.investorroom.com>).

The call will be available via the conference dial-in below, as well as a live audio webcast that can be accessed by clicking on the microphone icon on WESCO's Investor Relations home page at www.wesco.investorroom.com.

To participate, please dial 1-877-443-5356 (Domestic), 1-855-669-9657 (Canada) or 1-412-902-6614 (International) a few minutes before the 11:00 a.m. ET start. Please mention to the operator that you are dialing in for the WESCO conference call. The live webcast of the investor call and the related presentation materials will be available through the "Investor Relations" section of WESCO's Investor Website (<http://wesco.investorroom.com>).

Investors can access a replay of the conference call from 2:00 p.m. ET on December 13, 2017 to December 19, 2017 by dialing 1-877-344-7529 (Domestic), 1-855-669-9658 (Canada), or 1-412-317-0088 (International) and using the Replay Access Code 10114443.

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About WESCO

WESCO International, Inc. (NYSE: WCC), a publicly traded Fortune 500 holding company headquartered in Pittsburgh, Pennsylvania, is 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 logistic services. 2016 annual sales were approximately \$7.3 billion. The company employs approximately 9,000 people, maintains relationships with over 25,000 suppliers, and serves approximately 75,000 active customers worldwide. Customers include commercial and industrial businesses, contractors, government agencies, institutions, telecommunications providers, and utilities. WESCO operates 10 fully automated distribution centers and approximately 500 full-service branches in North America and international markets, providing a local presence for customers and a global network to serve multi-location businesses and multi-national corporations.

Forward-Looking Information

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

Non-GAAP Financial Measures

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

Contact: Mary Ann Bell, Vice President, Investor Relations
WESCO International, Inc. (412) 454-2200, Fax: (412) 222-7566
<http://www.wesco.com>



2018 Outlook

Webcast Presentation – December 13, 2017

Safe Harbor Statement



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



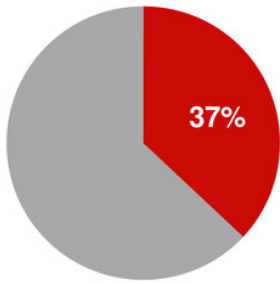
- Outperform the end markets
 - Execute One WESCO sales growth initiatives
 - Maintain focus on sales execution and effectiveness
 - Differentiate via value-added services
 - Capitalize on growth markets
 - Make accretive acquisitions
- Sustain and expand operating margin
 - Execute pricing and sourcing initiatives
 - Increase focus and awareness on the value of our services
 - Deliver productivity through operational excellence initiatives
- Maintain strong free cash flow generation and flexible capital structure
 - Execute against capital deployment priorities

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



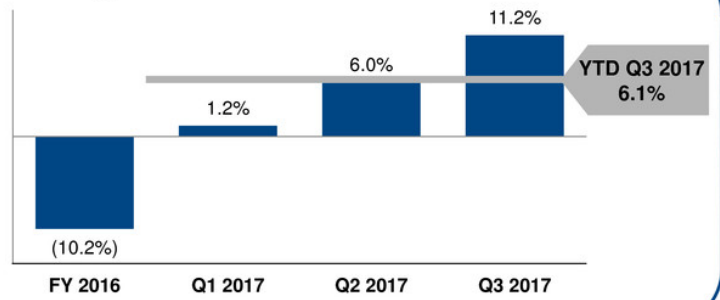
Industrial End Market

WESCO Industrial Sales



- Global Accounts
- Integrated Supply
- OEM
- General Industrial

Organic Sales Growth versus Prior Year



See Appendix for non-GAAP reconciliations.

Key Market Indicators

U.S. industrial production



Institute for Supply Management (ISM) indicators



Capacity utilization



Canadian industrial production



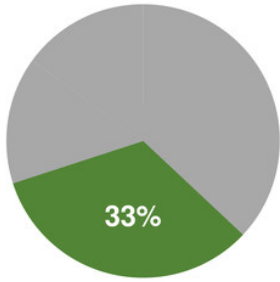
● Improving ● Flat ● Declining

2018 end market outlook: LSD to MSD sales increase



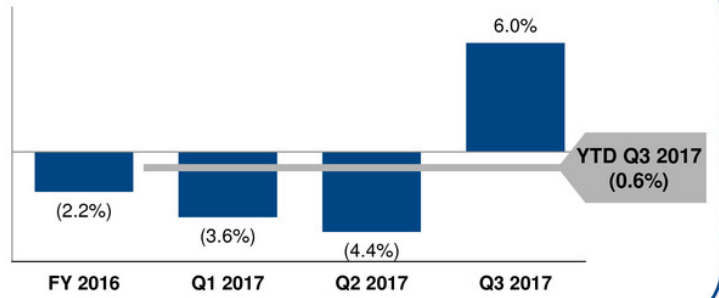
Construction End Market

WESCO Construction Sales



- Non-residential
- Contractors

Organic Sales Growth versus Prior Year



See Appendix for non-GAAP reconciliations.

Key Market Indicators

Architectural Billings Index



Capital goods orders growth



U.S. construction starts and put in place



Canadian non-residential construction



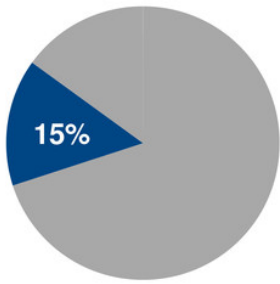
● Improving ● Flat ● Declining

2018 end market outlook: Flat to MSD sales increase



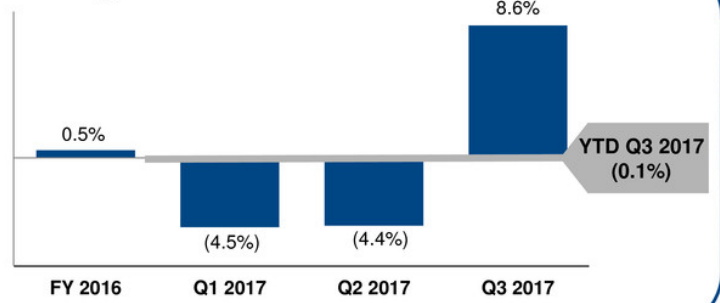
Utility End Market

WESCO Utility Sales



- Investor Owned
- Public Power
- Utility Contractors

Organic Sales Growth versus Prior Year



See Appendix for non-GAAP reconciliations.

Key Market Indicators

- Distribution grid maintenance and upgrades
- Generation MRO, upgrades, and expansions
- Transmission line infrastructure build-out
- Residential and non-residential construction starts



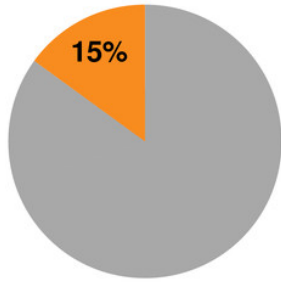
● Improving ● Flat ● Declining

2018 end market outlook: Flat to LSD sales increase



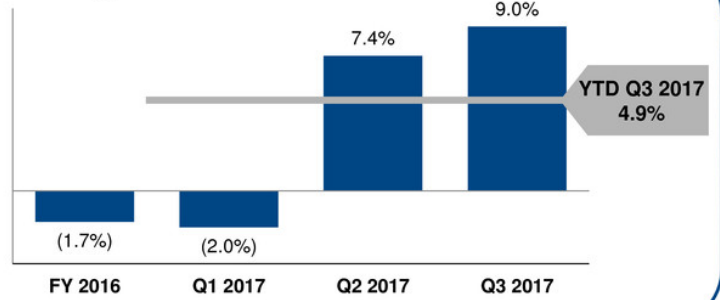
CIG End Market

WESCO CIG Sales



- Commercial
- Institutional
- Government

Organic Sales Growth versus Prior Year



See Appendix for non-GAAP reconciliations.

Key Market Indicators

Government spending



Communications and security upgrades



Education, healthcare and financial



● Improving ● Flat ● Declining

2018 end market outlook: LSD to MSD sales increase



Sales Outlook

End Market:	Range
Industrial	LSD to MSD
Construction	Flat to MSD
Utility	Flat to LSD
CIG	LSD to MSD

End Market Sales Growth	1% to 5%
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Market Outperformance	~1%
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Foreign Exchange	slightly favorable
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Consolidated WESCO	3% to 6%
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Excludes future acquisitions. May not add due to rounding.

...expecting higher growth vs prior year in the first half



Sales Outlook

U.S.	LSD to MSD growth
Canada	LSD to MSD growth
International	Flat

Excludes future acquisitions.

...expecting solid U.S. and Canadian growth

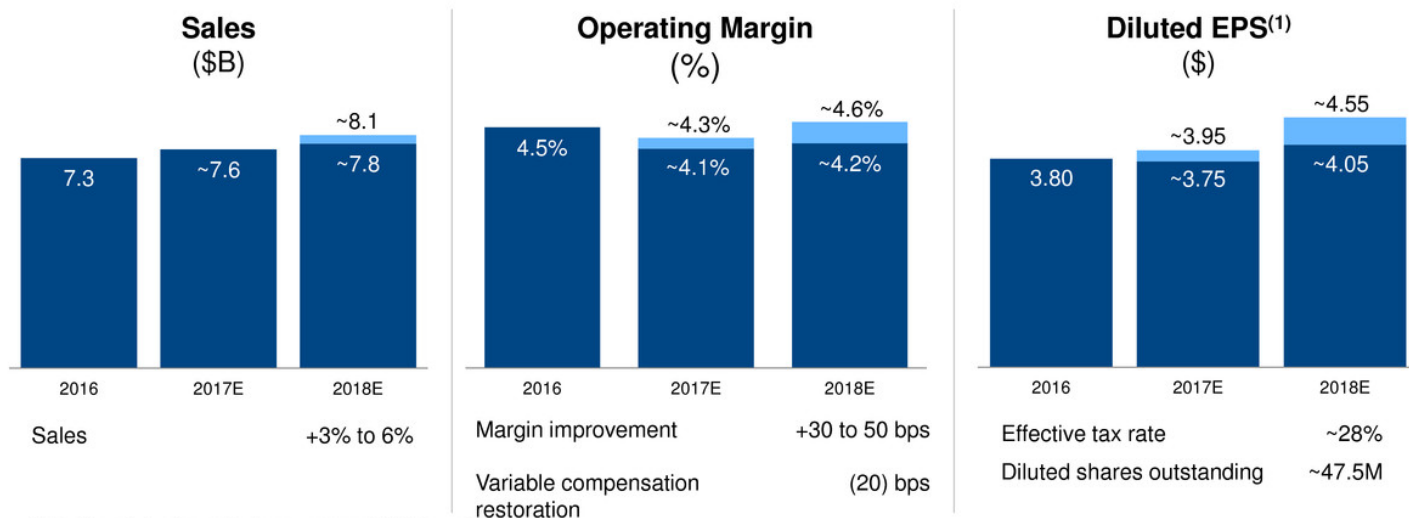
2018 Operating Margin Outlook



	<u>Range</u>
2017 Operating Margin Outlook	4.1% to 4.3%
Expected margin improvement	+30 to 50 bps
<ul style="list-style-type: none">• <i>Operating leverage</i>• <i>Favorable business mix</i>• <i>Improved pricing</i>	
Subtotal	4.4% to 4.8%
Fully restore variable compensation	(20 bps)
2018 Operating Margin Outlook	4.2% to 4.6%

May not add due to rounding.

...outlook delivers >50% pull-through before restoring variable compensation



Outlook excludes impacts from proposed U.S. tax reform.

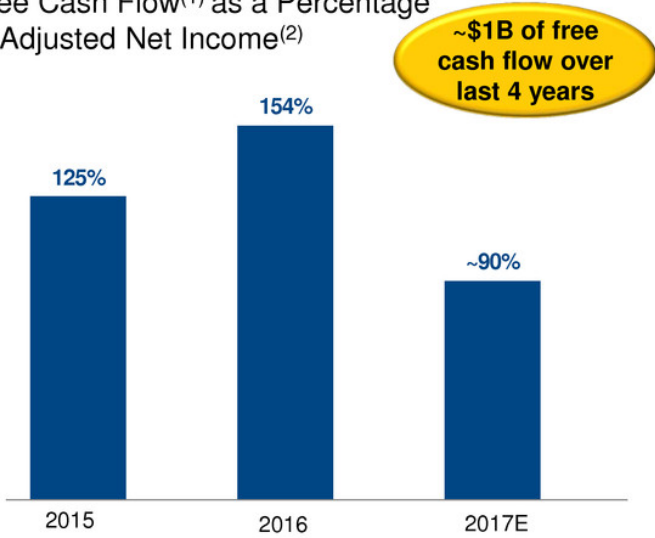
⁽¹⁾ Earnings per diluted share in 2016 was \$2.10, based on 48.3 million diluted shares. Adjusted earnings per diluted share for 2016 was \$3.80, which excludes the third quarter 2016 loss per diluted share of approximately \$1.70 resulting from the redemption of the Company's 6.0% Convertible Senior Debentures due 2029.

...sales and margin improvement are expected to drive double-digit EPS growth



Cash Generation and Leverage

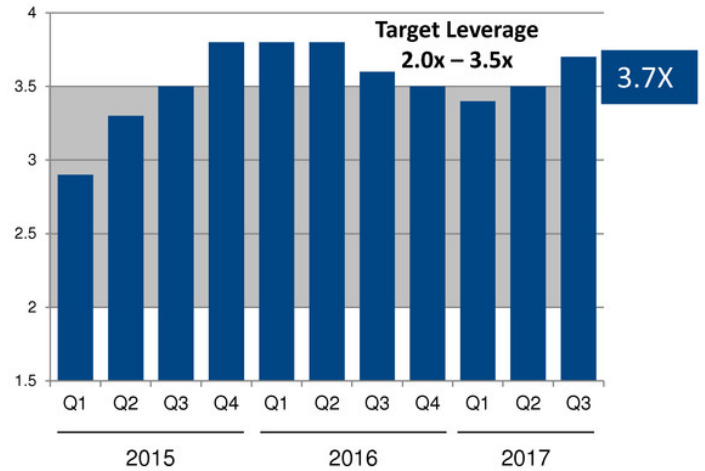
Free Cash Flow⁽¹⁾ as a Percentage of Adjusted Net Income⁽²⁾



⁽¹⁾ See Appendix for non-GAAP reconciliations.

⁽²⁾ Excludes the third quarter 2016 loss of \$123.9M and related income tax benefit of \$41.2M resulting from the redemption of the Company's 6.0% Convertible Senior Debentures due 2029.

Leverage
(Total Debt to TTM EBITDA)⁽¹⁾



...expecting 2018 free cash flow of at least 90% of net income



Consistent Cash Deployment Priorities

- Support organic growth
- Fund accretive acquisitions
- Manage financial leverage
- Repurchase shares

Added New Share Repurchase Program

- Up to \$300M through end of 2020
- Replaces previous \$300M authorization expiring in 2017
 - utilized \$250M through Q3 2017
- Authorization will enable WESCO to:
 - offset dilution from annual equity awards
 - make opportunistic purchases

...maintaining fiscal discipline while funding sales and EPS growth

Consistent Long-Term Growth Algorithm



Annual Expectations over the Long-Term

Sales

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

EPS

- ~50% operating profit pull-through
 - gross margin improvement
 - operating cost leverage
- ~30% effective tax rate under current tax law

Free Cash Flow

- Equal to at least 90% of net income

...managing the business for strong EPS growth and cash generation



WESCO
INTERNATIONAL

Appendix

Non-GAAP Financial Measures



This presentation includes certain non-GAAP financial measures. These financial measures include organic sales growth, financial leverage, free cash flow, adjusted net income and adjusted earnings per diluted share. WESCO believes that these non-GAAP measures are useful to investors as they provide a better understanding of sales performance, and the use of debt and liquidity on a comparable basis. Additionally, certain of the aforementioned non-GAAP measures either focus on or exclude transactions impacting comparability of results, allowing investors to more easily compare the Company's financial performance from period to period. Management does not use these non-GAAP financial measures for any purpose other than the reasons stated above.

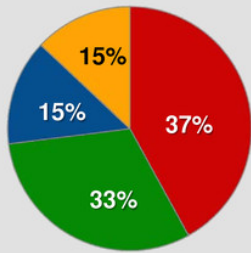


Definitions

- Financial leverage ratio is calculated by dividing total debt, which excludes debt discount and debt issuance costs, by the trailing twelve months earnings before interest, taxes, depreciation, and amortization (EBITDA).
- Free cash flow is calculated by deducting capital expenditures from cash flow provided by operating activities.
- Income from operations is defined as net sales less cost of goods sold (excluding depreciation and amortization), selling, general and administrative expenses, and depreciation and amortization.
- Operating margin is calculated by dividing income from operations by net sales.
- Organic sales growth is calculated by deducting the percentage impact from acquisitions in the first year of ownership, foreign exchange rates and number of workdays from the overall percentage change in consolidated net sales.
- Sales change abbreviations include:
 - HSD = High-single-digits
 - MSD = Mid-single-digits
 - LSD = Low-single-digits

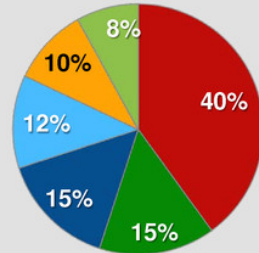


Markets & Customers



- Industrial**
Global Accounts | Integrated Supply
OEM | General Industrial
- Construction**
Non-Residential | Contractors
- Utility**
Investor Owned | Public Power
Utility Contractors
- CIG**
Commercial | Institutional | Government

Products & Services



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

Note: Markets & Customers and Products & Services percentages reported on a TTM consolidated basis.

Sales Growth - End Markets



(\$ Millions)

	YTD Q3 2017 vs. YTD Q3 2016		
	YTD Q3 2017	YTD Q3 2016	% Growth
Industrial	2,120	2,008	5.6%
Construction	1,858	1,875	(0.9)%
Utility	865	869	(0.5)%
CIG	843	807	4.4%
Total Core Gross Sales	5,686	5,559	2.3%
Gross Sales from Acquisitions	21	4	n/a
Total Gross Sales	5,707	5,564	2.6%
Gross Sales Reductions	(25)	(21)	n/a
Total Net Sales	5,682	5,543	2.5%

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

YTD Q3 2017 Organic Sales by End Market



(%)

	Industrial	Construction	Utility	CIG	WESCO
Core Sales Growth	5.6	(0.9)	(0.5)	4.4	2.3
FX Impact	0.0	0.2	0.1	0.0	0.1
Workday Impact	(0.5)	(0.5)	(0.5)	(0.5)	(0.5)
Organic Growth	6.1	(0.6)	(0.1)	4.9	2.7

Note: For organic sales growth in 2017, see quarterly earnings webcasts as previously furnished to the Securities & Exchange Commission, which can be obtained from the 'Investors' page of WESCO's website at www.wesco.com.

Free Cash Flow Reconciliation



(\$ Millions)

	2015	2016	2017 3Q YTD
Cash flow provided by operations	283	300	81
Less: Capital expenditures	<u>(22)</u>	<u>(18)</u>	<u>(16)</u>
Free cash flow	261	282	65
Free cash flow as a % of adjusted net income ⁽¹⁾	125%	154%	46%

May not add due to rounding.

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

⁽¹⁾ Excludes the third quarter 2016 loss of \$123.9M and related income tax benefit of \$41.2M resulting from the redemption of the Company's 6.0% Convertible Senior Debentures due 2029.

Financial Leverage Ratio



(\$ Millions)

	Twelve Months Ended September 30, 2017	
Financial leverage ratio:		
Income from operations	\$	322
Depreciation and amortization		64
EBITDA	\$	386
		September 30, 2017
Short-term borrowings and current debt	\$	41
Long-term debt		1,368
Debt discount and debt issuance costs ⁽¹⁾		14
Total debt	\$	1,423
Less: cash and cash equivalents	\$	94
Total debt, net of cash	\$	1,329
Financial leverage ratio		3.7X
Financial leverage ratio, net of cash		3.4X

⁽¹⁾ Long-term debt is presented in the condensed consolidated balance sheet as of September 30, 2017, net of debt discount and debt issuance costs.

Note: For financial leverage ratio in 2017, see quarterly earnings webcasts as previously furnished to the Securities & Exchange Commission, which can be obtained from the "Investors" page of WESCO's website at www.wesco.com.

Work Days



	Q1	Q2	Q3	Q4	FY
2016	64	64	64	62	254
2017	64	64	63	62	253
2018	64	64	63	62	253



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