

## Distribution Financial Metrics and Trading Multiples

(Data as of Sept. 30, 2009)

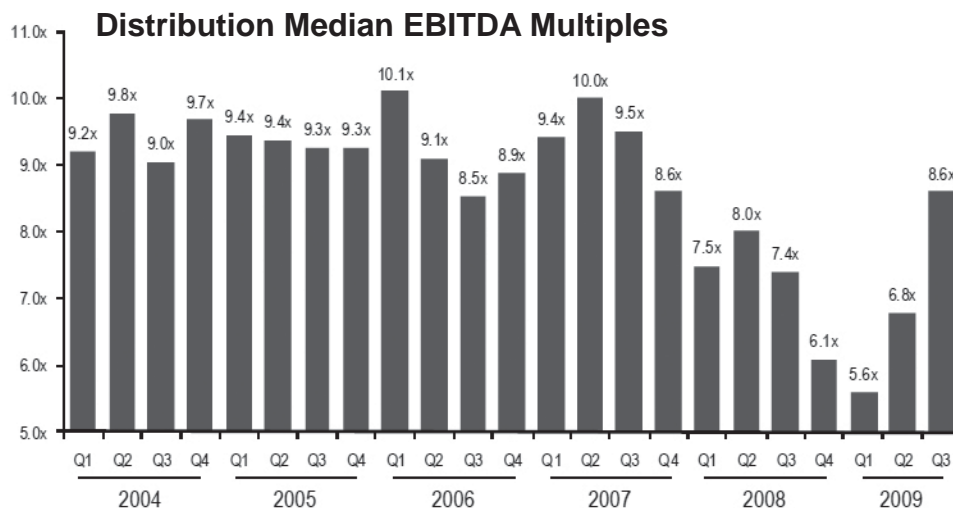
(\$ in millions)

Company	Ticker	Enterprise Value	LTM				EV to LTM Sales	EV to LTM EBITDA	ROIC	Working Capital/Sales	
			Sales	Sales Growth	Gross Margin	EBITDA					
Airgas Inc. *	ARG	\$5,630	\$4,212	(0.2%)	53.8%	\$722	17.1%	1.3 x	7.8 x	9.2%	6.3%
AM Caste & Co.	CAS	321	1,158	(20.9%)	14.0%	38	3.3%	0.3	8.4	2.3%	21.0%
Anixter International Inc. *	AXE	2,224	5,540	(9.2%)	23.1%	310	5.6%	0.4	7.2	1.7%	24.8%
Applied Industrial Technologies Inc.	AIT	958	1,923	(8.0%)	27.0%	131	6.8%	0.5	7.3	12.3%	18.0%
Barnes Group Inc. *	B	1,343	1,117	(23.6%)	36.4%	150	13.5%	1.2	8.9	7.3%	25.5%
Beacon Roofing Supply Inc. *	BECN	998	1,813	6.0%	24.1%	153	8.4%	0.6	6.5	10.7%	13.3%
BlueLinX Holdings Inc.	BXC	457	2,059	(38.5%)	11.0%	(12)	N/M	0.2	N/M	N/M	11.5%
Builders FirstSource, Inc. *	BLDR	344	836	(29.6%)	21.3%	(49)	N/M	0.4	N/M	N/M	7.8%
Bunzl plc	BNZL	4,578	7,415	(2.4%)	21.2%	437	5.9%	0.6	10.5	12.6%	5.5%
DXP Enterprises Inc.	DXPE	286	683	8.0%	28.8%	50	7.4%	0.4	5.7	8.3%	18.8%
Fastenal Co. *	FAST	5,574	2,134	(4.0%)	52.6%	406	19.0%	2.6	13.7	22.5%	32.2%
Genuine Parts Co.	GPC	6,341	10,382	(5.9%)	29.6%	792	7.6%	0.6	8.0	15.5%	21.8%
Houston Wire & Cable Company *	HWCC	214	302	(19.5%)	21.7%	23	7.6%	0.7	9.3	14.1%	29.7%
Hutig Building Products Inc.	HBPI	46	529	(31.8%)	17.3%	(31)	N/M	0.1	N/M	N/M	7.5%
Interline Brands Inc. *	IBI	819	1,122	(8.9%)	37.3%	93	8.3%	0.7	8.8	6.5%	21.3%
Kaman Corp.	KAMN	642	1,239	7.8%	26.3%	77	6.2%	0.5	8.3	10.8%	26.9%
Lawson Products Inc.	LAWS	137	427	(15.8%)	56.6%	12	2.8%	0.3	11.5	3.5%	17.9%
MSC Industrial Direct Co. Inc. *	MSM	2,726	1,584	(11.1%)	48.8%	268	16.9%	1.7	10.2	19.2%	23.0%
Park-Ohio Holdings Corp.	PKOH	460	860	(19.6%)	14.6%	49	5.8%	0.5	9.3	5.5%	28.8%
Pool Corp *	POOL	1,375	1,631	(12.3%)	29.2%	114	7.0%	0.8	12.1	10.5%	19.8%
Reliance Steel & Aluminum Co.	RS	4,217	7,517	(0.1%)	22.9%	564	7.5%	0.6	7.5	8.2%	14.6%
Rexel SA	RXL	7,664	17,493	(2.4%)	23.8%	722	4.1%	0.4	10.6	5.0%	11.3%
Smith International Inc.	SII	9,904	10,261	9.1%	29.8%	1,638	16.0%	1.0	6.0	12.6%	30.3%
Watco Inc. *	WSO	1,690	1,506	(16.6%)	25.8%	76	5.1%	1.1	22.1	8.0%	20.1%
WESCO International Inc. *	WCC	2,068	5,397	(11.4%)	19.7%	285	5.3%	0.4	7.3	11.2%	13.0%
Wolseley plc	WOS	6,732	24,082	(26.3%)	27.5%	375	1.6%	0.3	17.9	N/M	7.8%
WW Grainger Inc. *	GWW	6,698	6,431	(3.9%)	43.5%	846	13.2%	1.0	7.9	20.0%	17.0%
<b>Median</b>		<b>\$1,375</b>	<b>\$1,813</b>	<b>(9.2%)</b>	<b>26.3%</b>	<b>\$150</b>	<b>7.2%</b>	<b>0.6 x</b>	<b>8.6 x</b>	<b>10.5%</b>	<b>18.8%</b>

\* Companies covered by Baird Research.

The table above highlights key financial metrics and trading multiples for 27 publicly traded distributors in the industrial and building products industries.

The chart below illustrates historical median EBITDA multiples for the above companies calculated using LTM EBITDA as of the quarter shown and the enterprise value as of the last day of the quarter. Please see Definitions at bottom of page.



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### Definitions

LTM means latest twelve months. Enterprise Value ("EV") means market capitalization of a company's equity plus preferred stock plus total interest bearing debt (including capitalized leases) net of any cash or cash equivalents. EBITDA means earnings before interest, taxes, depreciation and amortization. In certain cases earnings have been adjusted for certain disclosed income or expense items considered to be non-recurring in nature. ROIC means return on invested capital and is defined as tax-effected EBIT divided by the sum of the book value of equity plus net debt. Working Capital is calculated as current assets, less cash, minus current liabilities excluding short-term borrowings and current portion of long-term debt.