

## Distribution Financial Metrics and Trading Multiples

(Data as of March 31, 2008)

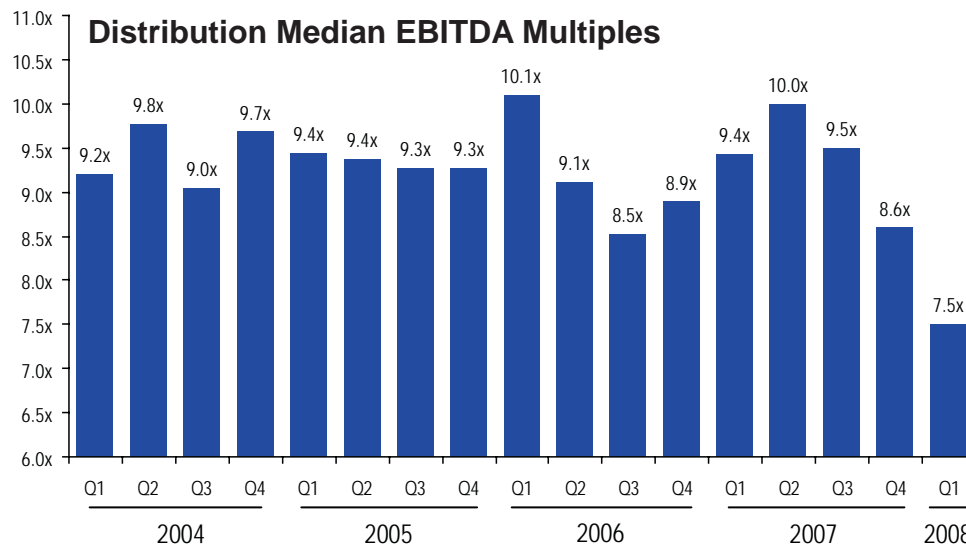
(\$ in millions)

Company	Ticker	Enterprise Value	LTM				EBITDA Margin	EV to LTM Sales	EV to LTM EBITDA	ROIC	Working Capital/Sales
			Sales	Sales Growth	Gross Margin	EBITDA					
Airgas Inc. *	ARG	\$5,301	\$3,784	22.1%	51.8%	\$626	16.5%	1.4 x	8.5 x	9.3%	4.6%
AM Castle & Co.	CAS	660	1,420	20.6%	17.5%	111	7.8%	0.5	6.0	12.6%	15.2%
Anixter International Inc. *	AXE	3,254	5,853	18.5%	24.1%	473	8.1%	0.6	6.9	13.9%	25.3%
Applied Industrial Technologies Inc.	AIT	1,220	2,079	5.7%	27.1%	164	7.9%	0.6	7.5	22.6%	14.8%
Barnes Group Inc. *	B	1,657	1,440	14.3%	38.0%	210	14.6%	1.2	7.9	11.9%	14.3%
Beacon Roofing Supply Inc. *	BECN	843	1,664	8.0%	22.5%	99	6.0%	0.5	8.5	5.3%	15.2%
BlueLinx Holdings Inc.	BXC	662	3,834	(21.7%)	10.2%	36	0.9%	0.2	N/M	1.5%	12.3%
Builders FirstSource, Inc. *	BLDR	443	1,592	(28.9%)	24.5%	39	2.4%	0.3	11.4	2.2%	9.9%
Building Materials Holding Corp.	BLG	424	2,285	(28.7%)	19.4%	63	2.8%	0.2	6.7	1.6%	9.0%
Bunzl plc	BNZL	5,979	7,146	7.5%	24.5%	521	7.3%	0.8	11.5	13.0%	6.4%
DXP Enterprises Inc.	DXPE	350	445	58.9%	28.3%	37	8.3%	0.8	9.5	9.4%	20.6%
Fastenal Co. *	FAST	6,792	2,139	14.6%	51.2%	435	20.4%	3.2	15.6	25.5%	31.6%
Genuine Parts Co.	GPC	6,997	10,934	3.6%	29.7%	924	8.4%	0.6	7.6	17.3%	23.3%
Houston Wire & Cable Company *	HWCC	336	359	11.0%	25.9%	50	14.0%	0.9	6.7	28.3%	28.4%
Huttig Building Products Inc.	HBP	74	819	(21.5%)	19.1%	(1)	(0.1%)	0.1	N/M	N/M	11.9%
Interline Brands Inc. *	IBI	966	1,239	16.1%	38.2%	129	10.4%	0.8	7.5	9.4%	22.6%
Kaman Corp.	KAMN	651	1,086	9.5%	27.7%	72	6.6%	0.6	9.0	11.8%	21.8%
Lawson Products Inc.	LAWS	244	510	(0.3%)	59.1%	46	9.0%	0.5	5.3	11.9%	21.3%
MSC Industrial Direct Co. Inc. *	MSM	2,947	1,756	15.3%	46.3%	342	19.5%	1.7	8.6	21.1%	28.1%
Park-Ohio Holdings Corp.	PKOH	525	1,071	1.4%	14.6%	79	7.4%	0.5	6.7	7.7%	24.2%
Pool Corp *	POOL	1,238	1,928	1.0%	27.5%	148	7.7%	0.6	8.4	15.2%	15.9%
Reliance Steel & Aluminum Co.	RS	5,350	7,322	11.0%	25.4%	797	10.9%	0.7	6.7	14.2%	15.3%
Rexel SA	RXL	7,044	16,913	15.1%	24.4%	1,045	6.2%	0.4	6.7	7.0%	13.1%
Smith International Inc.	SII	14,856	8,764	19.5%	32.6%	1,563	17.8%	1.7	9.5	27.5%	28.9%
Watsco Inc. *	WSO	1,205	1,768	(0.9%)	25.4%	113	6.4%	0.7	10.7	11.4%	19.0%
WESCO International Inc. *	WCC	2,866	6,003	12.8%	20.4%	431	7.2%	0.5	6.6	15.0%	14.7%
Wolseley plc	WOS	13,350	32,680	7.1%	27.8%	2,171	6.6%	0.4	6.2	7.6%	14.5%
WW Grainger Inc. *	GWW	5,894	6,532	8.7%	42.5%	828	12.7%	0.9	7.1	19.3%	16.5%
Median		\$1,229	\$2,004	9.1%	26.5%	\$156	7.8%	0.6 x	7.5 x	11.9%	15.6%

\* = Companies covered by Baird Research

The table above highlights key financial metrics and trading multiples for 30 publicly traded distributors in the industrial and building products industries.

The table 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. Copyright 2007 Robert W. Baird & Co. Incorporated