

Distribution Financial Metrics and Trading Multiples

(Data as of June 30, 2009)

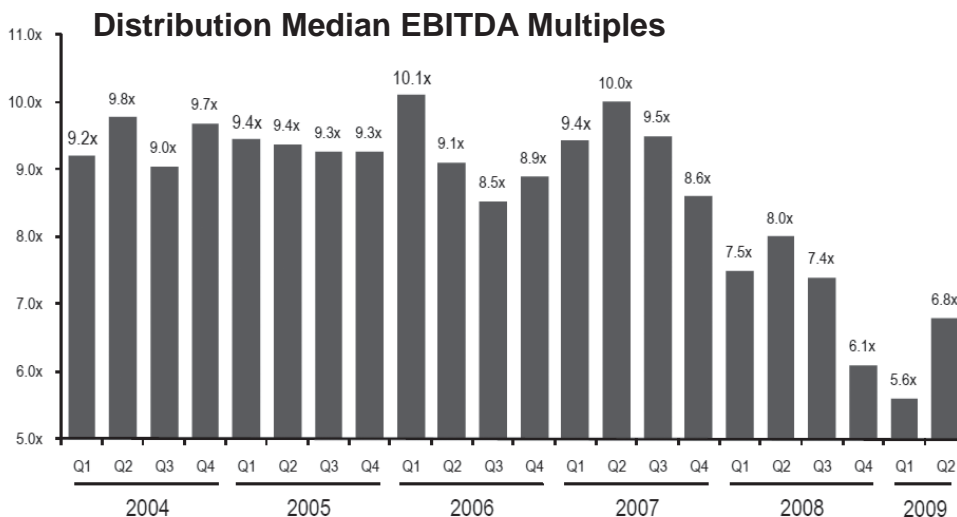
(\$ in millions)

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	\$5,067	\$4,349	8.3%	53.0%	\$746	17.1%	1.2 x	6.8 x	9.6%	6.7%
AM Castle & Co.	CAS	377	1,360	(5.5%)	14.6%	65	4.8%	0.3	5.8	6.0%	18.5%
Anixter International Inc. *	AXE	2,282	5,936	(1.0%)	23.4%	382	6.4%	0.4	6.0	10.2%	25.0%
Applied Industrial Technologies Inc.	AIT	909	2,028	(2.9%)	27.0%	147	7.2%	0.4	6.2	13.5%	16.8%
Barnes Group Inc. *	B	1,091	1,240	(14.0%)	37.3%	187	15.1%	0.9	5.8	9.9%	25.0%
Beacon Roofing Supply Inc. *	BECN	922	1,864	10.9%	24.1%	157	8.4%	0.5	5.9	11.3%	11.4%
BlueLinX Holdings Inc.	BXC	439	2,470	(31.3%)	11.5%	14	0.6%	0.2	N/M	N/M	9.8%
Builders FirstSource, Inc. *	BLDR	367	938	(32.0%)	21.2%	(51)	N/M	0.4	N/M	N/M	11.8%
Building Materials Holding Corp ^l	BLGM	312	1,149	(41.4%)	17.1%	(85)	N/M	0.3	N/M	N/M	10.8%
Bunzl plc	BNZL	4,219	6,086	(14.5%)	25.8%	437	7.2%	0.7	9.6	11.0%	7.5%
DXP Enterprises Inc.	DXPE	290	726	37.1%	28.5%	56	7.7%	0.4	5.2	9.9%	16.8%
Fastenal Co. *	FAST	4,816	2,264	5.8%	52.9%	459	20.3%	2.1	10.5	25.3%	31.2%
Genuine Parts Co.	GPC	5,787	10,720	(2.0%)	29.7%	842	7.9%	0.5	6.9	17.0%	22.7%
Houston Wire & Cable Company *	HWCC	234	337	(8.0%)	22.8%	33	9.8%	0.7	7.1	19.7%	27.5%
Huttig Building Products Inc.	HBPI	49	604	(26.2%)	17.8%	(28)	N/M	0.1	N/M	N/M	7.1%
Interline Brands Inc. *	IBI	725	1,163	(5.6%)	37.5%	99	8.5%	0.6	7.3	7.2%	20.5%
Kaman Corp.	KAMN	523	1,262	14.2%	26.4%	82	6.5%	0.4	6.3	10.8%	27.8%
Lawson Products Inc.	LAWS	126	459	(9.8%)	56.5%	17	3.6%	0.3	7.6	5.1%	18.6%
MSC Industrial Direct Co. Inc. *	MSM	2,289	1,673	(6.1%)	46.2%	307	18.3%	1.4	7.5	22.4%	21.8%
Park-Ohio Holdings Corp.	PKOH	404	983	(8.2%)	14.3%	59	6.0%	0.4	6.9	7.2%	25.0%
Pool Corp *	POOL	1,169	1,722	(9.0%)	29.1%	123	7.1%	0.7	9.5	11.0%	20.4%
Reliance Steel & Aluminum Co.	RS	4,244	8,369	14.3%	24.2%	818	9.8%	0.5	5.2	11.7%	17.1%
Rexel SA	RXL	6,254	17,485	3.8%	23.8%	823	4.7%	0.4	7.6	6.0%	11.6%
Smith International Inc.	SII	9,537	10,811	19.8%	30.9%	1,840	17.0%	0.9	5.2	14.4%	31.6%
Watsco Inc. *	WSO	1,379	1,611	(8.9%)	26.0%	91	5.7%	0.9	15.1	9.8%	18.5%
WESCO International Inc. *	WCC	1,978	5,825	(3.2%)	19.7%	334	5.7%	0.3	5.9	12.9%	12.3%
Wolseley plc	WOS	6,732	24,252	(25.6%)	27.6%	1,134	4.7%	0.3	5.9	4.8%	11.3%
WW Grainger Inc. *	GWW	6,267	6,654	1.9%	43.3%	874	13.1%	0.9	7.2	20.5%	16.9%
Median		\$1,130	\$1,793	(5.6%)	26.2%	\$152	7.2%	0.5 x	6.8 x	10.9%	17.8%

*=Companies covered by Baird Research (1) Filed for Chapter 11 Bankruptcy protection on June 16, 2009

The table above highlights key financial metrics and trading multiples for 28 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.