

**MARKETS  
UPDATE  
SUPPLEMENT  
P. 2**

Roofing and building product distributor **Beacon Roofing Supply, Inc.** reported sales in the first quarter 2007 increased 11.9 percent to \$380.2 million in 2007 from the same period a year ago. Organic sales declined 5.5 percent in 2007 but increased 2.3 percent on a per business day basis. The company's net income for the first quarter was \$8.8 million compared to \$12.9 million in 2006.

**U.S. Electrical Services, LLC**, Exton, PA, has agreed to buy the electrical supply business of **Max Goldman, Inc.** Max Goldman, Inc., New Rochelle, NY, has maintained a presence in the Westchester County market for more than 100 years, supplying electrical supplies and lighting fixtures.

**Bunzl plc** has acquired the business of **Tec Products Co. Inc.**, a private company based in New Jersey. Tec Products is a supplier of jan/san and associated products through redistributors. Revenue in 2006 was \$14 million. Bunzl has also purchased **Westgate Sales Corporation** and **Westgate Canada Ltd.**, also based in New Jersey with facilities in Ontario and Alberta, Canada. Westgate supplies personal protection equipment through redistributors in the eastern U.S. and Canada. Revenue for 2006 was \$18 million.

**WESCO International Inc.**, Pittsburgh, PA, reports sales increased 20.3 percent to \$5.32 billion, compared with \$4.4 billion in 2005. Profit for the

year was \$217 million, double the profit of last year. The electrical distributor reported sales of \$1.37 billion for the fourth quarter 2006, an increase of 11.3 percent over the same period last year. Profit was \$58 million versus \$40 million in the prior-year quarter.

**Anixter International Inc.**, Glenview, IL, distributor of communication products, electrical and electronic wire & cable and fasteners, reported sales of \$4.94 billion in the year ended Dec. 29, 2006, up from \$3.85 billion last year. Profit was \$209.3 million in 2006. Sales in the fourth quarter were up 27 percent. Profit increased 160 percent to \$52.4 million. Organic growth was 22 percent in the fourth quarter. Anixter reported it saw strong large-project business, related to data center builds in the enterprise cabling market and energy and natural resources customers in the electrical wire and cable market.

**Huttig Building Products, Inc.**, St. Louis, MO, distributor of millwork, building materials and wood products, reported sales were \$1.103 billion in 2006, up slightly from 2005. A 9 percent increase in the first half of the year offset the 7 percent decline in sales in the second half of the year when the housing market began to decline. Huttig had an operating loss of \$4.1 million for the year. Overall in 2006, sales to national accounts represented 33.4 percent of sales in 2006 as compared to 31.9 percent in 2005.

### Calculation of MDM Inflation Index for December 2006

	BLS Price Indices Dec. '06	BLS Price Indices Nov. '06	BLS Price Indices Dec. '05	% Sales Weight	Weighted Indices Dec. '06 (1)X(4)	% Change Dec. '06 Nov. '06	% Change Dec. '06 Dec. '05
1136 Abr. Prod.	450.9	450.9	442.6	19.1	86.13	0.00	1.88
1135 Cutting Tools	432.2	431.9	427.9	18.9	81.69	0.06	1.01
1145 Power Trans.	628.6	625.4	600.8	15.4	96.80	0.50	4.63
1081 Fasteners	442.4	435.6	418.9	9.0	39.81	1.55	5.61
1149.01 Valves, etc.	757.0	758.0	694.6	7.6	57.53	-0.13	8.99
1132 Power Tools	325.7	325.9	328.1	6.5	21.17	-0.07	-0.74
1144 Mat. Handling	455.0	455.8	438.6	6.2	28.21	-0.19	3.73
0713.03 Belting	536.9	537.2	513.7	6.1	32.75	-0.06	4.51
1042 Hand Tools	670.8	669.1	659.9	8.1	54.34	0.25	1.65
108 Misc. Metal	412.5	410.8	399.0	3.1	12.79	0.41	3.40
"New" December Index	267.1	December Inflation Index			511.21	0.23	3.47
"New" November Index	266.5	November Inflation Index			510.04		
		December 2005 Inflation Index			494.09		