

**INDUSTRIAL
MARKETS
UPDATE
SUPPLEMENT
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branches in Chesapeake and Roanoke, VA, is a wholesale distributor of branded power transmission and fluid power products and services to industrial customers throughout Virginia. Industrial Supply Corp., in business for 73 years, focuses on MRO product lines and has branches in Virginia and North Carolina.

Strategic Distribution Inc., Bristol, PA, reported its revenues for the three months ended March 31, 2006, increased \$7.7 million, or 26.5 percent, to \$36.7 million from \$29 million in the same period last year. The company recorded a net loss of \$1.096 million, compared with a net loss of \$1.601 million for the same period in 2005. Revenues from existing customers increased by \$6.9 million in the first quarter, due to an increase in volume of product sales compared with the same period in 2005. These increases were offset by a \$0.3 million reduction in revenues for a closed site. New customers accounted for \$1.1 million in revenue.

Graybar Electric, St. Louis, MO, recently reported sales of \$1.12 billion for the first quarter ended March 31, 2006. That's an increase of 16 percent over the same period in 2005, when the distributor recorded \$967 million in sales. The electrical distributor reported \$10 million in profit for the first quarter 2006, compared with a net loss of \$1.9 million in the first quarter of 2005.

MRO product distributor **Interline Brands Inc.** reported sales increased 14.3 percent to \$224.7 million in the first quarter 2006, compared with the same period in 2005. Average daily sales increased 16.1 percent. The company's professional contractor business had organic revenue growth of more than 15 percent. Net income was \$8.4 million compared with \$1.4 million in the first quarter 2005.

Enterprise software provider Infor has agreed to acquire SSA Global, Chicago, IL, a provider of extended enterprise solutions and services. The acquisition will make Infor a \$1.6 billion company. Under the terms of the agreement, Infor has agreed to pay \$19.50 per share in cash to SSA Global's shareholders. The parties anticipate closing the transaction in the third calendar quarter of 2006.

Steel pipe and fittings distributor **Edgen Corporation**, Baton Rouge, LA, reported sales were \$89.7 million for the three months ended March 31, 2006, compared with sales of \$64.8 million for the same period in 2005. Net income for the first quarter 2006 was \$2.3 million compared with a net loss of \$1.5 million in the fourth quarter 2005. This compares with a net loss of \$6.5 million for the first quarter 2005.

Building materials dealer **Lanoga Corporation**, Redmond, WA, has purchased Michigan-based

Calculation of MDM Inflation Index for April 2006

	BLS Price Indices Apr. '06	BLS Price Indices Mar. '06	BLS Price Indices Apr. '05	% Sales Weight	Weighted Indices Apr. '06 (1)X(4)	% Change Apr. '06 Mar. '06	% Change Apr. '06 Apr. '05	
1136	Abr. Prod.	452.7	454.2	430.7	19.1	86.47	-0.33	5.10
1135	Cutting Tools	429.0	430.8	411.3	18.9	81.07	-0.44	4.28
1145	Power Trans.	607.9	608.3	590.5	15.4	93.62	-0.05	2.96
1081	Fasteners	425.1	420.2	406.4	9.0	38.26	1.16	4.58
1149.01	Valves, etc.	717.0	715.6	680.8	7.6	54.49	0.20	5.32
1132	Power Tools	326.6	327.5	330.1	6.5	21.23	-0.27	-1.07
1144	Mat. Handling	443.8	441.5	435.5	6.2	27.52	0.52	1.91
0713.03	Belting	534.0	538.8	519.5	6.1	32.57	-0.90	2.79
1042	Hand Tools	664.7	660.9	631.0	8.1	53.84	0.57	5.35
108	Misc. Metal	405.7	402.9	400.1	3.1	12.58	0.70	1.41
"New" April Index		262.1	April Inflation Index			501.65	0.01	3.88
"New" March Index		262.1	March Inflation Index			501.61		
			April 2005 Inflation Index			482.92		

New index reflects 1977=100 base. Other numbers=1967 base. To convert multiply by .52247