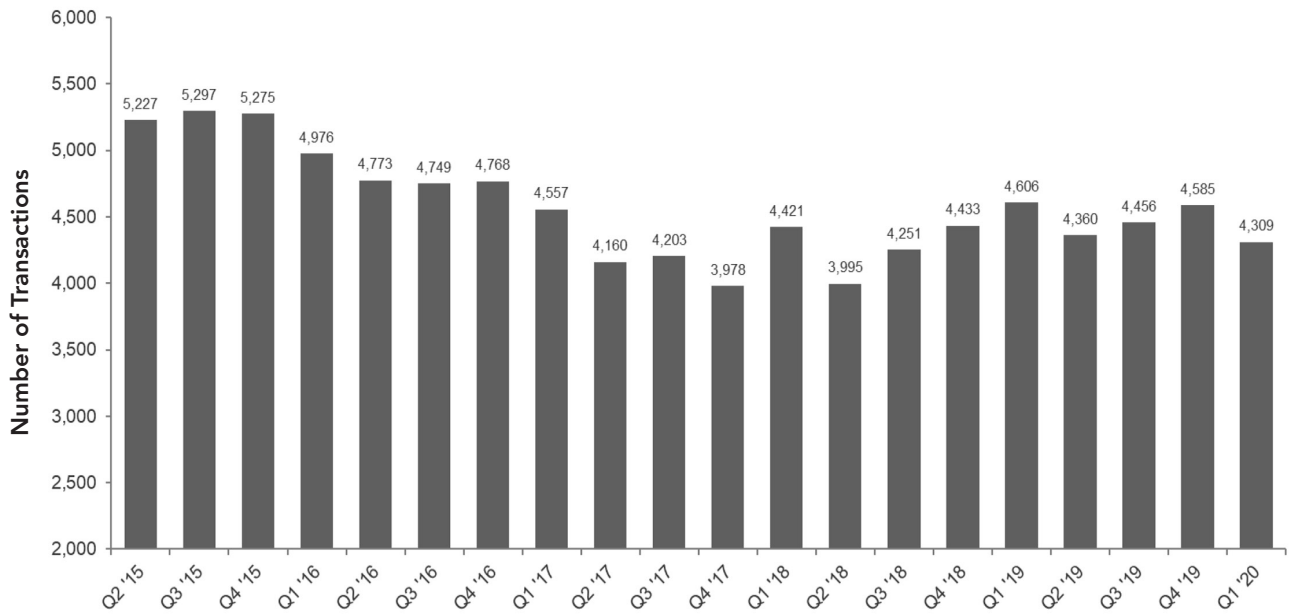


First Quarter 2020 Financial Metrics & Trading Multiples

Domestic M&A Activity – All Industries

This chart shows the number of transactions announced each quarter for the last five years.



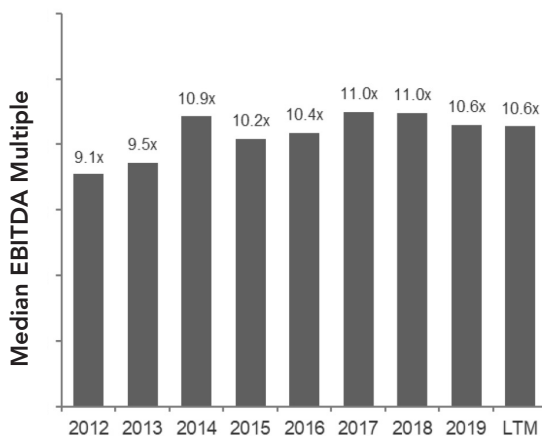
Data Source: Houlihan Lokey, Thomson Reuters, S&P Capital IQ, as of 3/31/2020.

Notes: Represents reported M&A activity across all industries, not just distribution. Excludes debt tender offers, private placements, equity carve-outs, exchange offers, loan modifications, and open market repurchases.

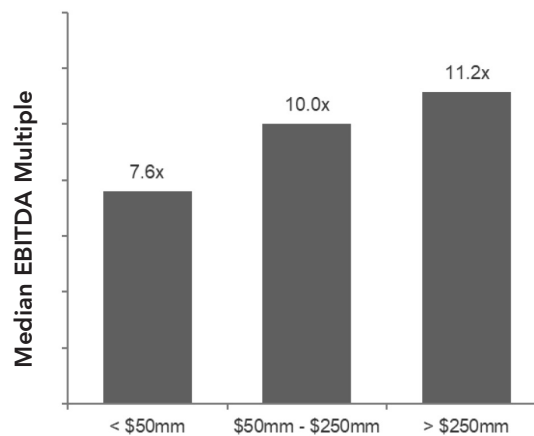
Median EBITDA Transaction Multiples – All Industries

The chart above shows the number of transactions announced each quarter for the last five years. The chart below shows the median EBITDA transaction multiples by year, as well as segmentation of multiples by enterprise value for the last twelve months.

By Year



By Deal Size - LTM



Data Source: Houlihan Lokey, Thomson Reuters, S&P Capital IQ, as of 3/31/2020.

Notes: Represents reported M&A activity across all industries, not just distribution. Based on U.S. deals and excludes multiples below 0.0x and above 25.0x

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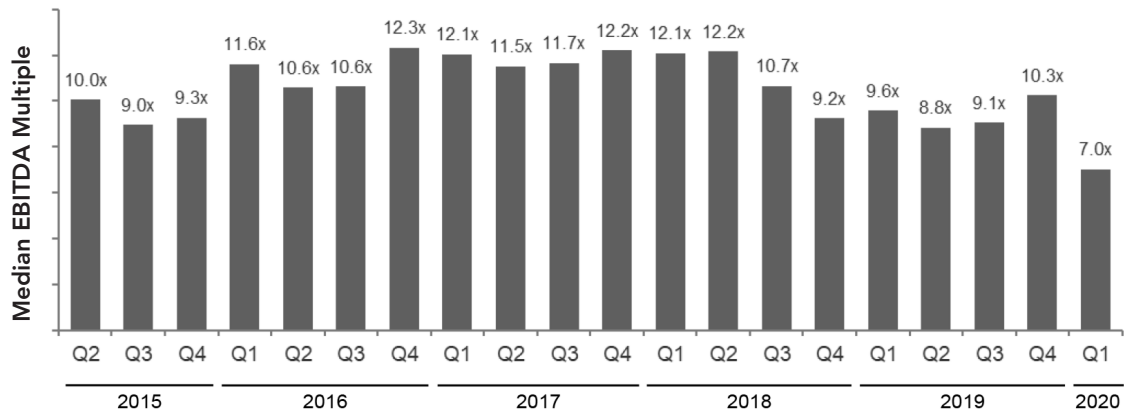
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Distribution Median EBITDA Trading Multiples

(Data as of March 31, 2020)

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The chart below illustrates historical median EBITDA multiples for the below companies calculated using LTM EBITDA as of the quarter shown and the enterprise value as of the last day of the quarter.



The chart above illustrates historical median EBITDA multiples for the below companies calculated using LTM EBITDA as of the quarter shown and the enterprise value as of the last day of the quarter. The table below highlights key financial metrics and trading multiples for 30 distributors across diverse end markets. Please see definitions below.

Distribution Financial Metrics and Trading Multiples

(\$ in millions)		Enterprise Value	LTM Sales	LTM Sales Growth	LTM Margins		Working Capital / LTM Sales	ROIC	EV / LTM EBITDA
Company	Ticker				Gross	EBITDA			
Anixter International Inc.	AXE	\$3,968	\$8,846	5.3%	20.1%	4.9%	17.3%	7.7%	9.1x
Applied Industrial Technologies, Inc.	AIT	2,588	3,458	0.8%	29.1%	9.3%	20.1%	8.5%	8.0x
Arrow Electronics, Inc.	ARW	6,920	28,917	(2.6%)	11.4%	3.5%	15.1%	6.1%	6.7x
Avnet, Inc.	AVT	3,703	18,545	(7.2%)	12.3%	3.3%	20.7%	4.6%	6.0x
Beacon Roofing Supply, Inc.	BECN	4,219	7,059	0.6%	18.9%	6.0%	17.0%	1.7%	10.0x
Bluelinx Holdings Inc.	BXC	693	2,637	(7.9%)	13.5%	4.3%	15.6%	2.1%	6.2x
BMC Stock Holdings, Inc.	BMCH	1,378	3,627	(1.5%)	26.2%	6.5%	11.2%	7.6%	5.8x
Builders FirstSource, Inc.	BLDR	2,697	7,280	(5.8%)	27.2%	6.8%	7.5%	10.7%	5.5x
Bunzl	BNZL	8,927	11,514	2.7%	26.4%	7.8%	9.7%	8.9%	10.0x
DXP Enterprises, Inc.	DXPE	401	1,267	4.2%	27.4%	7.2%	17.9%	6.9%	4.4x
Fastenal Company	FAST	18,120	5,334	7.4%	47.2%	22.6%	34.5%	21.8%	15.0x
Ferguson	FERG	17,273	22,129	2.6%	29.4%	8.2%	11.4%	12.7%	9.6x
Foundation Building Materials	FBM	968	2,155	4.5%	29.1%	7.8%	12.8%	5.5%	5.7x
Genuine Parts Company	GPC	12,983	19,392	3.5%	32.6%	7.2%	11.3%	9.4%	9.3x
GMS, Inc.	GMS	1,713	3,251	9.4%	32.9%	9.2%	14.7%	6.0%	5.8x
HD Supply	HDS	6,667	6,146	1.6%	39.1%	13.4%	15.4%	12.3%	8.1x
Houston Wire & Cable Company	HWCC	118	338	(5.2%)	23.6%	3.5%	40.7%	3.1%	10.1x
Lawson Products	LAWS	238	371	6.0%	53.2%	4.4%	12.9%	5.6%	14.6x
MRC Global Inc.	MRC	1,224	3,662	0.4%	19.0%	4.9%	20.2%	4.1%	6.9x
MSC Industrial Direct Co., Inc.	MSM	3,429	3,356	2.7%	42.4%	14.5%	26.8%	13.6%	7.0x
NOW Inc.	DNOW	398	2,951	(5.6%)	19.9%	2.9%	17.5%	2.2%	4.6x
Park-Ohio Holdings Corp.	PKOH	750	1,618	(2.4%)	16.3%	8.1%	24.3%	6.5%	5.7x
Pool Corp.	POOL	8,404	3,200	6.7%	28.9%	11.6%	19.5%	21.4%	22.7x
Reliance Steel & Aluminum Co.	RS	7,278	10,974	(4.9%)	30.3%	11.2%	20.8%	9.1%	5.9x
Rexel SA	RXL	5,524	14,967	2.8%	25.8%	5.4%	12.4%	5.4%	6.9x
SiteOne	SITE	3,613	2,358	11.6%	32.8%	7.7%	21.1%	7.6%	19.8x
W.W. Grainger	GWW	15,398	11,486	2.4%	38.3%	14.2%	16.3%	19.9%	9.4x
Watsco Inc.	WSO	5,900	4,770	4.9%	24.3%	8.0%	22.6%	11.6%	15.5x
WESCO International, Inc.	WCC	2,101	8,359	2.2%	18.9%	4.8%	16.9%	6.1%	5.2x
Median		\$3,613	\$4,770	2.4%	27.2%	7.2%	17.0%	7.6%	7.0x

Definitions: LTM means latest twelve months. Enterprise Value means market capitalization of a company's equity plus preferred stock plus total interest bearing debt 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.

Data Source: Houlihan Lokey, Thomson Reuters, S&P Capital IQ, Bloomberg & company financials.