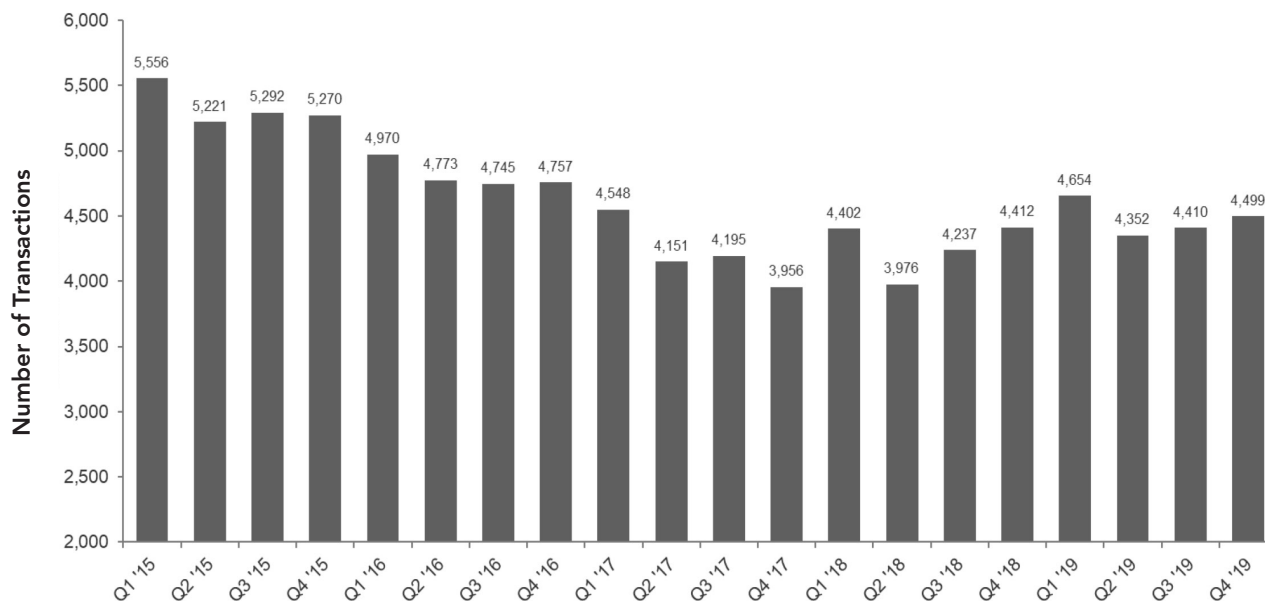


Fourth Quarter 2019 Financial Metrics & Trading Multiples

Domestic M&A Activity – All Industries

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



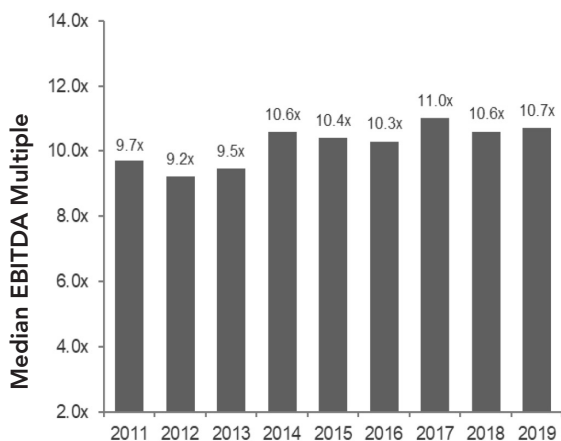
Data Source: Houlihan Lokey, Thomson Reuters, S&P Capital IQ, as of 12/31/2019.

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.

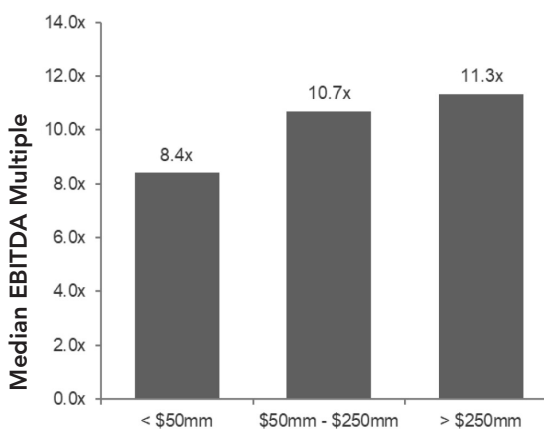
Median EBITDA Transaction Multiples – All Industries

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 12/31/2019.

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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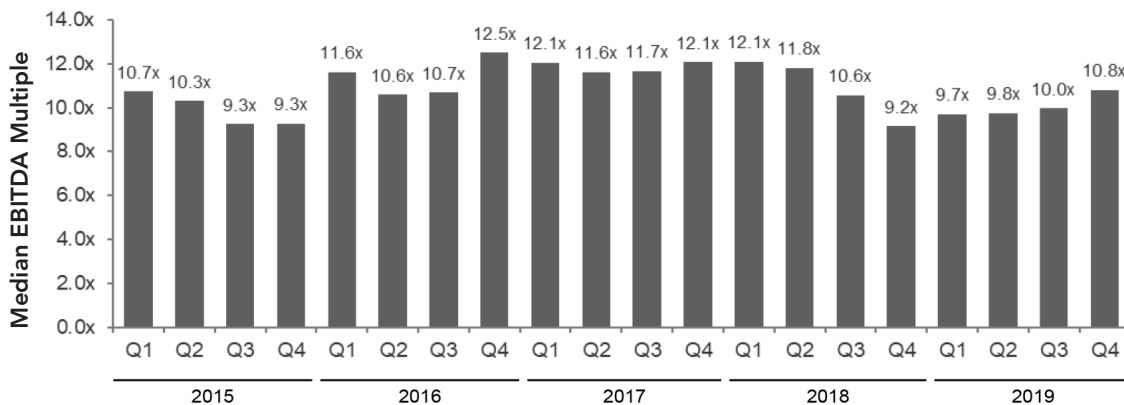
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Distribution Financial Metrics and Trading Multiples

(Data as of December 31, 2019)

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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.

Company	Ticker	Enterprise Value	LTM Sales	LTM Sales Growth	LTM Margins		Working Capital/LTM Sales	ROIC	EV/LTM EBITDA
					Gross	EBITDA			
Anixter International Inc.	AXE	\$4,630	\$8,712	5.0%	20.0%	4.9%	16.8%	7.7%	10.8x
Applied Industrial Technologies, Inc.	AIT	3,525	3,465	6.4%	29.1%	9.4%	19.9%	8.7%	10.8x
Arrow Electronics, Inc.	ARW	10,352	29,497	0.7%	11.8%	3.9%	15.7%	7.2%	8.9x
Avnet, Inc.	AVT	5,752	19,059	(2.1%)	12.6%	3.7%	20.4%	5.6%	8.1x
Beacon Roofing Supply, Inc.	BECN	5,119	7,105	10.7%	18.8%	6.4%	14.4%	2.2%	11.3x
Bluelinx Holdings Inc.	BXC	873	2,696	2.8%	12.7%	3.7%	16.4%	0.9%	8.7x
BMC Stock Holdings, Inc.	BMCH	2,236	3,596	(1.9%)	26.3%	6.8%	11.0%	8.2%	9.2x
Builders FirstSource, Inc.	BLDR	4,556	7,333	(4.6%)	27.2%	6.9%	8.2%	10.6%	9.0x
Bunzl	BNZL	11,708	12,172	5.2%	23.4%	6.8%	8.4%	8.5%	14.1x
DXP Enterprises, Inc.	DXPE	979	1,283	9.6%	27.7%	8.2%	19.7%	8.4%	9.3x
Fastenal Company	FAST	21,686	5,334	7.4%	47.2%	22.6%	34.5%	21.8%	18.0x
Ferguson	WOS	21,671	22,010	6.1%	29.4%	8.0%	8.8%	14.8%	12.3x
Foundation Building Materials	FBM	1,516	2,156	4.6%	29.1%	8.3%	14.1%	5.5%	8.5x
Genuine Parts Company	GPC	19,525	19,290	5.2%	32.5%	7.2%	11.2%	9.6%	14.0x
GMS, Inc.	GMS	2,337	3,213	13.4%	32.7%	9.0%	15.4%	5.7%	8.0x
HD Supply	HDS	9,120	6,207	7.3%	39.1%	13.3%	16.0%	12.2%	11.1x
Houston Wire & Cable Company	HWCC	165	344	(2.0%)	23.9%	4.2%	40.3%	4.1%	11.3x
Lawson Products	LAWS	474	368	7.1%	53.4%	6.5%	13.8%	9.7%	NM
MRC Global Inc.	MRC	2,280	3,905	7.1%	17.8%	5.4%	21.5%	4.9%	10.8x
MSC Industrial Direct Co., Inc.	MSM	4,761	3,356	2.7%	42.4%	14.5%	26.8%	13.6%	9.8x
NOW Inc.	DNOW	1,184	3,076	1.5%	20.1%	3.8%	19.3%	3.5%	10.2x
Park-Ohio Holdings Corp.	PKOH	1,014	1,645	1.6%	16.3%	8.4%	24.6%	6.9%	7.4x
Pool Corp.	POOL	9,192	3,160	6.6%	29.2%	11.7%	20.3%	20.5%	24.9x
Reliance Steel & Aluminum Co.	RS	9,668	11,340	2.2%	28.6%	10.2%	20.5%	8.4%	8.4x
Rexel SA	RXL	7,557	15,090	3.1%	25.4%	4.8%	12.5%	5.2%	10.5x
SiteOne	SITE	4,553	2,297	11.9%	32.7%	7.7%	23.7%	7.1%	25.7x
W.W. Grainger	GWW	20,551	11,402	2.8%	38.4%	14.4%	16.3%	20.0%	12.5x
Watsco Inc.	WSO	6,966	4,689	3.8%	24.4%	8.3%	24.7%	11.6%	18.0x
Wesco Aircraft Holdings	WAIR	1,854	1,696	8.0%	23.8%	8.9%	54.6%	5.0%	12.2x
WESCO International, Inc.	WCC	3,972	8,271	1.3%	19.1%	4.9%	17.4%	6.0%	9.8x
Median		4,593	4,297	4.2%	26.7%	7.5%	17.1%	7.9%	10.8x

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.