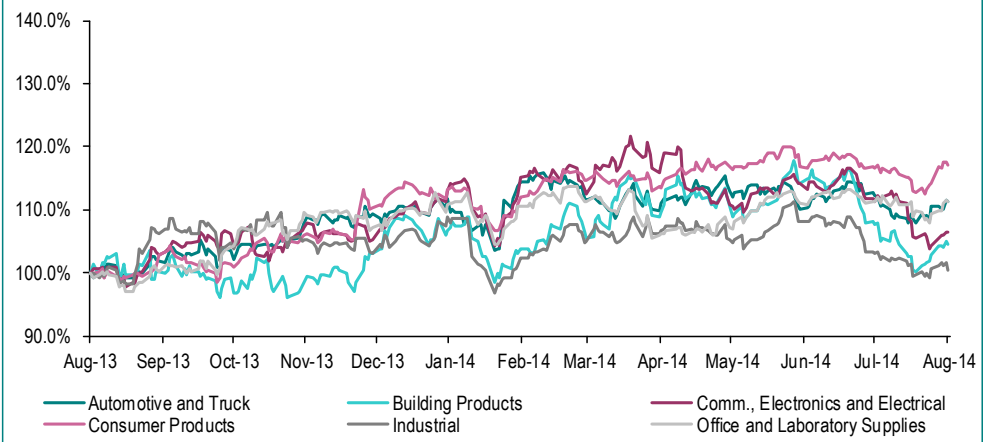
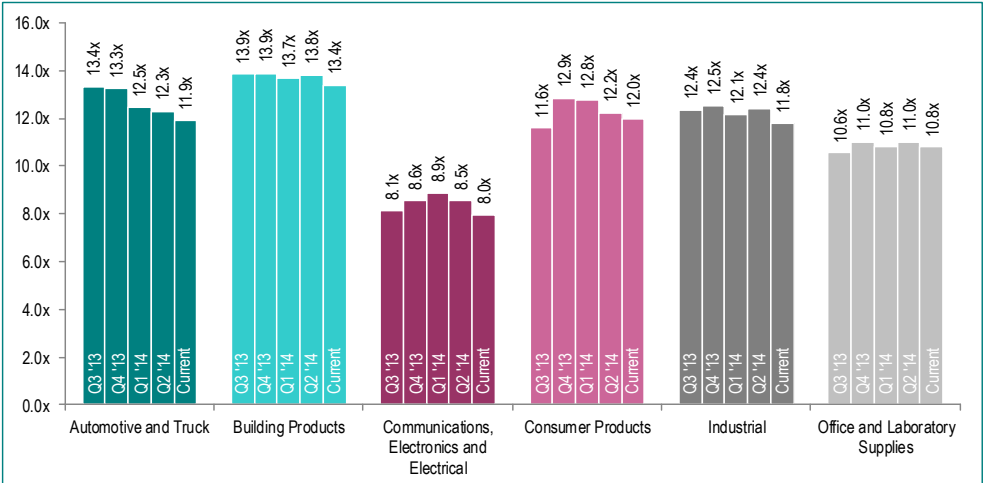



Lincoln News

- 07/03/2014: Lincoln acts as the exclusive sell-side advisor to Opus Group of Companies, a leading Russia-based distributor of floor coverings, in its sale to Beaulieu International Group, an international manufacturer of flooring solutions

Market Intelligence

- 08/12/2014: **Beacon Roofing**, a Virginia-based distributor of roofing and building products, has a robust pipeline of potential acquisition opportunities and will target market leaders in geographies that it does not service or that complement its existing operations
- 08/07/2014: **Ryerson Holding Corporation**, an Illinois-based distributor of metal products and portfolio company of Platinum Equity, went public for \$11 per share on the NYSE
- 08/07/2014: **Avnet**, the Arizona-based distributor of electronic components, computer products and embedded technology, is seeking acquisitions in adjacent markets that complement its existing geographic footprint
- 07/28/2014: **Builders FirstSource**, the Texas-based distributor of building products, plans to pursue larger acquisitions as well as smaller tuck-in buys in order to strengthen its market presence
- 07/23/2014: **Kaman Corporation**, a Connecticut-based aerospace and industrial distribution company, is actively seeking acquisitions
- 07/22/2014: **Genuine Parts Company**, a Georgia-based distributor of automotive and industrial replacement parts, will continue to be acquisitive and is actively pursuing acquisitions of all sizes that it believes will be accretive to earnings
- 07/10/2014: **MSC Industrial Direct**, a New York-based distributor of metalworking and maintenance, repair and operations supplies, continues to look for acquisitions in adjacent markets as part of its growth strategy

Lincoln International Distribution Index
LTM Relative Stock Price Performance

Historical Enterprise Value / EBITDA Valuation Performance

M&A Transaction Recap (Selected Transactions)

Date	Target Company	Target Description	Acquiring Company
Pending	Nature's Best, Inc.	Healthy and natural food products	KeHE Distributors, LLC
Pending	WFS Enterprises Inc.	Industrial, safety and fastener products	Acklands-Grainger Inc.
Pending	American Electronic Supply	Datacom, security and audio visual products	Virginia Electronic Components LLC
Pending	Tri-Ed Distribution, Inc.	Security and access control products	Anixter, Inc.
Pending	National Meter & Automation, Inc.	Flow measurement and control products	Badger Meter Inc.
Pending	Intersmart Comércio Importação Exportação de Equipamentos	Communications equipment and services	ScanSource, Inc.
Aug-14	AO, Inc.	Commercial doors, frames, and hardware products	Kodiak Building Partners
Aug-14	Corrosion Fluid Products Corp.	Pump, valves, seals, pipes and fittings	FCX Performance, Inc.
Aug-14	J.L. Moore, Inc.	Valves, pump systems and process equipment	Cummins-Wagner Co., Inc.
Aug-14	Wine Valley Siding Supply, Inc.	Siding products, trims and accessories	Succession Capital Inc.
Aug-14	Insulation and Wires, Inc.	Electrical equipment and supplies	EIS, Inc.
Aug-14	Energy Equipment & Supply Inc.	Air and gas compression equipment and parts	Ingersoll-Rand Company
Aug-14	HMC Electronics	Electronic assembly equipment and supplies	Hisco Inc.
Aug-14	Pool Systems Pty Ltd	Pool and spa equipment and accessories	Pool Corp.
Aug-14	Northern Illinois Steel Supply Co., Inc.	Steel and non-ferrous metal products	Reliance Steel & Aluminum Co.
Aug-14	Construction Site Services, LLC	Pipes, valves and fittings for the waterworks industry	Fortline LLC
Jul-14	Pump Energy, Inc.	Valve and process flow products	FCX Performance, Inc.
Jul-14	Ferguson Chemical Innovation	Specialty chemicals and coatings	Unipex Solutions Canada Inc.
Jul-14	Northwest Hardwoods, Inc.	Hardwood lumber and other hardwood products	Littejohn & Co. LLC
Jul-14	W.G. Balph Company Inc.	Plumbing, heating and HVAC equipment	APR Supply Company, Inc.
Jul-14	Bornell Supply	Bearing, power transmission and hydraulic products	Binkelman Corporation
Jul-14	Masthead Industries, Inc.	Industrial and hydraulic hoses, fittings and systems	Bridgestone Hose America Inc.
Jul-14	Au Comptoir De La Clim	Air conditioning and ventilation products	CGE Distribution S.A.S.
Jul-14	HRS Logistics, Inc.	Fasteners and specialty products	Derry Enterprises, Inc.
Jul-14	Barnes Industrial Plastic Piping, Inc.	Plastic pipe and pipe related products	Ryan Herco Flow Solutions, Inc.
Jul-14	STI Electronics, Inc., Sales And Distribution Division	Electronic assembly products and soldering supplies	HISCO, Inc.
Jul-14	Johnson Packings and Industrial Products	Gaskets, seals, packings and accessories	Gallagher Fluid Seals
Jul-14	Opus Group, OOO	Floor coverings and products	Beaulieu International Group N.V.
Jul-14	Lasserre SAS	Building materials	SAS M+ Matériaux
Jul-14	Impact Products, LLC	Commercial cleaning and maintenance products	S.P. Richards Company, Inc.

Lincoln International Distribution Index (Continued)

Company Name	Stock Price	% of 52 Week High	Market Cap	Enterprise Value	LTM		YoY Revenue Growth	EBITDA Margin	Enterprise Value / LTM		
					Revenue	EBITDA			Revenue	EBITDA	
Automotive and Truck											
AutoZone, Inc.	\$ 529.03	94.2%	\$ 17,246	\$ 21,462	\$ 9,521	\$ 2,082	8.0%	21.9%	2.3x	10.3x	
Genuine Parts Company	85.12	94.6%	13,031	13,695	14,736	1,169	10.2%	7.9%	0.9x	11.7x	
LKQ Corp.	26.51	77.2%	8,024	9,872	5,950	722	31.3%	12.1%	1.7x	13.7x	
Building Products											
Beacon Roofing Supply, Inc.	\$ 28.23	68.2%	\$ 1,393	\$ 1,680	\$ 2,284	\$ 135	6.0%	5.9%	0.7x	12.5x	
Builders FirstSource, Inc.	6.31	67.1%	619	938	1,544	65	19.1%	4.2%	0.6x	14.5x	
HD Supply Holdings, Inc.	26.60	91.1%	5,204	10,763	8,600	731	3.0%	8.5%	1.3x	14.7x	
Watsco, Inc.	92.36	87.6%	3,000	3,623	3,842	305	6.1%	7.9%	0.9x	11.9x	
Communications, Electronics and Electrical											
Anixter International Inc.	\$ 86.31	74.5%	\$ 2,827	\$ 3,528	\$ 6,266	\$ 395	0.7%	6.3%	0.6x	8.9x	
Arrow Electronics, Inc.	60.72	97.7%	6,001	7,819	21,960	991	7.0%	4.5%	0.4x	7.8x	
Avnet, Inc.	42.94	89.1%	5,937	7,087	27,500	1,013	8.0%	3.7%	0.3x	7.0x	
Ingram Micro Inc.	28.04	90.6%	4,363	4,997	43,277	693	5.6%	1.6%	0.1x	7.2x	
Rexel SA	18.94	68.8%	5,515	8,768	17,136	934	(3.9%)	5.5%	0.5x	9.4x	
ScanSource, Inc.	37.90	86.8%	1,081	903	2,868	120	(0.3%)	4.2%	0.3x	7.5x	
Consumer Products											
Bunzl plc	\$ 27.18	95.2%	\$ 8,901	\$ 10,328	\$ 10,198	\$ 731	6.9%	7.2%	1.0x	14.2x	
Core-Mark Holding Company, Inc.	49.09	98.4%	1,133	1,160	7,942	100	10.5%	1.3%	0.1x	11.6x	
Pool Corp.	55.60	88.5%	2,449	2,855	2,174	193	8.9%	8.9%	1.3x	14.8x	
SpartanNash Company	20.86	81.0%	787	1,364	6,175	174	136.0%	2.8%	0.2x	7.8x	
Sysco Corporation	20.86	81.0%	21,892	24,239	46,517	2,248	4.7%	4.8%	0.5x	10.8x	
United Natural Foods, Inc.	62.43	78.4%	3,099	3,385	6,672	262	10.0%	3.9%	0.5x	12.9x	
Industrial											
Airgas, Inc.	\$ 108.42	95.8%	\$ 8,081	\$ 10,530	\$ 5,106	\$ 942	2.5%	18.4%	2.1x	11.2x	
Applied Industrial Technologies, Inc.	47.72	89.3%	1,993	2,093	2,460	192	(0.1%)	7.8%	0.9x	10.9x	
DXP Enterprises, Inc.	76.88	65.8%	1,111	1,591	1,374	129	16.3%	9.4%	1.2x	12.3x	
Fastenal Company	43.82	83.9%	13,004	12,968	3,499	799	8.9%	22.8%	3.7x	16.2x	
Kaman Corporation	40.48	90.8%	1,097	1,448	1,735	140	6.5%	8.1%	0.8x	10.3x	
MSC Industrial Direct Co., Inc.	87.80	90.9%	5,480	5,709	2,734	465	13.0%	17.0%	2.1x	12.3x	
W.W. Grainger, Inc.	237.23	85.8%	16,226	16,548	9,667	1,513	5.4%	15.6%	1.7x	10.9x	
WESCO International Inc.	80.92	85.4%	3,599	5,065	7,627	500	8.9%	6.5%	0.7x	10.1x	
Office and Laboratory Supplies											
Henry Schein, Inc.	\$ 117.97	97.5%	\$ 10,008	\$ 11,175	\$ 9,921	\$ 823	6.4%	8.3%	1.1x	13.4x	
United Stationers Inc.	41.16	87.8%	1,604	2,116	5,134	258	1.5%	5.0%	0.4x	8.2x	
Mean		85.6%					12.0%	8.4%	1.0x	11.2x	
Median		87.8%					6.9%	7.2%	0.8x	11.2x	

Source: Bloomberg, Capital IQ and company filings, as of 08/15/2014
Note: dollars in millions, except stock price

About Lincoln International

Lincoln International specializes in merger and acquisition advisory services, debt advisory services, private capital raising and restructuring advice on mid-market transactions. Lincoln International also provides fairness opinions, valuations and pension advisory services on a wide range of transaction sizes. With sixteen offices in the Americas, Asia and Europe, Lincoln International has strong local knowledge and contacts in key global economies. The firm provides clients with senior-level attention, in-depth industry expertise and integrated resources. By being focused and independent, Lincoln International serves its clients without conflicts of interest. More information about Lincoln International can be obtained at www.lincolninternational.com.

Officer Contacts



Brad Keyworth
Director
bkeyworth@lincolninternational.com
+1-312-506-2710



Curt Tatham
Managing Director
ctatham@lincolninternational.com
+1-312-580-8329

Contributors

Bridget Mollner, Associate
bmollner@lincolninternational.com
Erica Lester, Analyst
elester@lincolninternational.com

