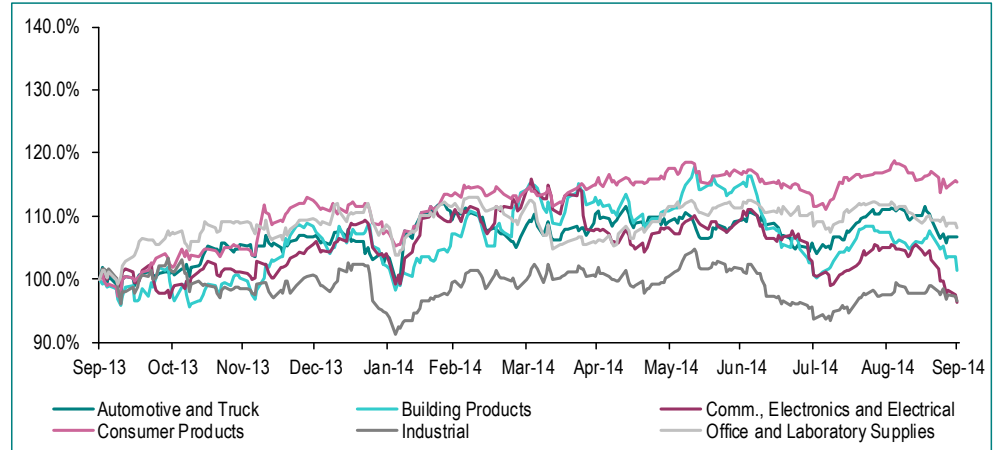




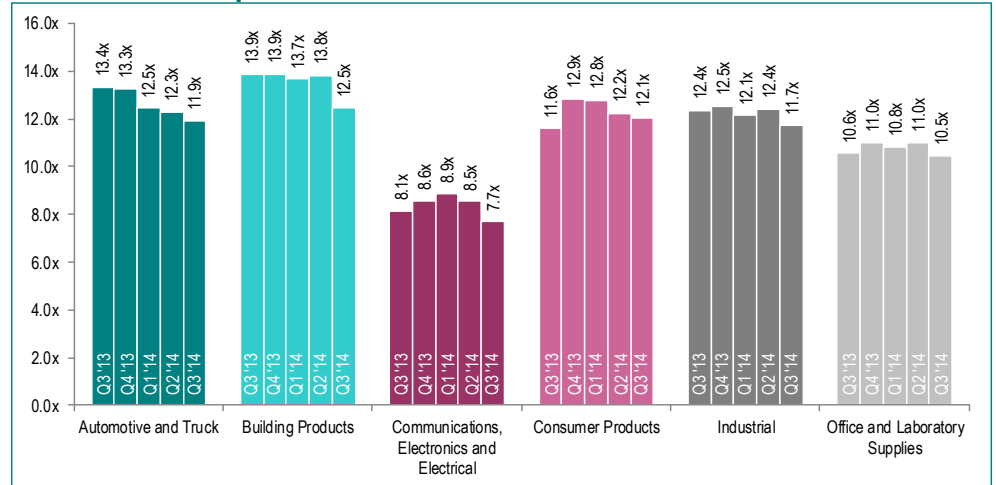
Market Intelligence

- 10/17/2014: **Sysco Corp.**, the Texas-based food and foodservice products distributor, is working to put together a set of disposals in an attempt to secure Federal Trade Commission approval for the acquisition of its Illinois-based rival, U.S. Foods
- 10/16/2014: **Bunzl plc**, the U.K.-based distributor of non-food consumable products, will continue to leverage its strong balance sheet to consolidate the market and deliver further growth through acquisitions
- 10/06/2014: **Littlejohn & Co.**, the Connecticut-based middle-market private equity firm, is reportedly planning to sell portfolio company Suncourse Holdings, a leading value-added distributor of fluid power and motion control products. Littlejohn acquired Suncourse in 2011
- 09/19/2014: **Rexel SA**, the France-based distributor of electrical solutions, is implementing a new organizational structure in Europe combining two of its three European zones in order to further enhance its organizational effectiveness and streamline its management structure
- 09/18/2014: **Air Products & Chemicals Inc.**, the Pennsylvania-based industrial gas company, will restructure its major company segments and organization with the goal of regaining industry leadership by providing excellent service to customers as the safest and most profitable industrial gas company in the world
- 09/10/2014: **Anixter International**, the Illinois-based security solutions distributor, has amended its executive compensation plan to include change in control incentives, which could potentially revitalize the company's sale process and soften management's reported price expectations of \$115 per share
- 9/09/2014: **W.W. Grainger**, the Chicago-based industrial distributor, has named Dean Johnson President of its Canadian business, Acklands-Grainger

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	Chimab SPA	Food ingredients and semi finished products	Brenntag AG
Pending	ALLFAST Fastening Systems, Inc.	Rivets, bolts, temporary fasteners and tools	TriMas UK Aerospace Holdings Limited
Pending	Industrial Distribution Group, Inc.	Maintenance, repair and operations products	Sonepar North America, Inc.
Pending	Sesco Electric Supply Company, Inc.	Electrical lighting products	Hunzicker Brothers, Inc.
Pending	Routeco Limited	Industrial electrical products	Sonepar North America, Inc.
Pending	MTU Detroit Diesel Australia Pty Ltd	Diesel and gas engines and power systems	Penske Automotive Group, Inc.
Pending	MEDCO and G2S Equipement de Fabrication et d'Entretien ULG	Automotive aftermarket tools and supplies	United Stationers Supply Company
Pending	Western Extralle Company	Electrical and data communication products	Border States Industries, Inc.
Pending	Berlin Packaging, LLC	Plastic, glass and metal containers and closures	Oak Hill Capital Partners
Oct-14	Sidin S.r.l	IT security solutions	Exclusive Networks SAS
Oct-14	LubriCorp LLC	Automotive, aviation and industrial lubricants	PetroChoice
Oct-14	Applicator Sales & Service, Inc.	Residential roofing, siding and windows	Beacon Roofing Supply, Inc.
Oct-14	Trim Tech of Austin, Inc.	Cabinets, doors, stair parts and millwork	Builders FirstSource, Inc.
Oct-14	Av-Tech Industries, Inc.	Fasteners, electronic components and parts	Fastenal Company
Sep-14	The Standard Companies Inc.	Cabinetry, windows, doors, roofing and siding	US LBM Holdings, LLC
Sep-14	Interstate Safety and Supply	Industrial safety supplies	Malloy Safety and Supply
Sep-14	Powers Industrial Group Inc.	Casters and material handling products	Magnus Mobility Systems, Inc.
Sep-14	Belt Power LLC	Conveyor belts, equipment and components	Shorehill Capital LLC
Sep-14	Imago Group PLC	Video communication solutions	ScanSource, Inc.
Sep-14	Tri-Ed Distribution, Inc.	Security and access control products	Anixter Inc.
Sep-14	Marshall Tool & Supply LLC, Certain Assets	Metalworking tools and machines	BlackHawk Industrial Distribution, Inc.
Sep-14	The Cook & Boardman Group	Metal and wood doors, frames and hardware	Ridgmont Equity Partners
Sep-14	Marcotte Alimentation et poissonnerie	Packaged food and packaging products	Colabor Group Inc.
Sep-14	Pacific Insulation Company	Commercial and industrial insulation products	Distribution International, Inc.
Sep-14	Klinipath B.V.	Equipment, supplies and chemicals	VWR International LLC
Sep-14	Abrasive Products & Equipment, LLC	Abrasives and air blast equipment and supplies	Ridgmont Equity Partners; Ridgmont Equity
Sep-14	Stehel Distributing, Inc.	Commercial janitorial and floor cleaners	Brady Industries, LLC
Sep-14	Ash Air Limited, Ash Air Oil & Gas Limited, Fox Air NZ Limited	Compressors, parts and supplies	Atlas Copco South Pacific Holdings Pty Limited
Sep-14	Gelmar Distributors, Inc.	Food service equipment and supplies	Penn Jersey Paper Company
Sep-14	Windsor Factory Supply Ltd.	Industrial tools and supplies	Acklands-Grainger Inc.
Sep-14	U.S. Oxygen and Supply, LLC and Specialty Air Technologies	Industrial, specialty and medical gases	Tech Air of Connecticut, Inc.
Sep-14	Controlled Products Systems Group, Inc.	Perimeter access control equipment	The Duchossois Group, 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.	\$ 509.66	90.7%	\$ 16,464	\$ 20,683	\$ 9,475	\$ 2,060	3.6%	21.7%	2.2x	10.0x
Genuine Parts Company	87.71	97.2%	13,427	14,091	14,736	1,169	7.7%	7.9%	1.0x	12.1x
LKQ Corp.	26.59	77.5%	8,048	9,896	5,950	722	23.6%	12.1%	1.7x	13.7x
Building Products										
Beacon Roofing Supply, Inc.	\$ 25.48	61.6%	\$ 1,257	\$ 1,544	\$ 2,284	\$ 135	1.9%	5.9%	0.7x	11.5x
Builders FirstSource, Inc.	5.45	58.0%	535	854	1,544	65	9.7%	4.2%	0.6x	13.2x
HD Supply Holdings, Inc.	27.26	92.2%	5,335	10,756	8,810	773	5.7%	8.8%	1.2x	13.9x
Watsco, Inc.	86.18	81.8%	2,799	3,423	3,842	305	4.4%	7.9%	0.9x	11.2x
Communications, Electronics and Electrical										
Anixter International Inc.	\$ 84.84	73.2%	\$ 2,779	\$ 3,480	\$ 6,266	\$ 395	1.5%	6.3%	0.6x	8.8x
Arrow Electronics, Inc.	55.35	86.8%	5,471	7,288	21,960	991	6.6%	4.5%	0.3x	7.3x
Avnet, Inc.	41.50	86.1%	5,737	6,887	27,500	1,013	6.0%	3.7%	0.3x	6.8x
Ingram Micro Inc.	25.81	83.4%	4,016	4,650	43,277	693	2.8%	1.6%	0.1x	6.7x
Rexel SA	18.65	71.9%	5,411	8,475	16,134	880	(2.5%)	5.5%	0.5x	9.6x
ScanSource, Inc.	34.59	79.2%	987	799	2,914	116	1.3%	4.0%	0.3x	6.9x
Consumer Products										
Bunzl plc	\$ 26.12	94.1%	\$ 8,552	\$ 9,994	\$ 9,733	\$ 713	3.0%	7.3%	1.0x	13.8x
Core-Mark Holding Company, Inc.	53.04	96.7%	1,224	1,251	7,942	100	6.5%	1.3%	0.2x	12.5x
Pool Corp.	53.92	85.8%	2,375	2,781	2,174	193	6.2%	8.9%	1.3x	14.4x
SpartanNash Company	19.45	75.6%	734	1,311	6,175	174	0.0%	2.8%	0.2x	7.5x
Sysco Corporation	19.45	75.6%	22,268	24,748	46,517	2,277	3.3%	4.9%	0.5x	10.9x
United Natural Foods, Inc.	61.46	77.2%	3,059	3,492	6,794	261	12.0%	3.8%	0.5x	13.3x
Industrial										
Airgas, Inc.	\$ 110.65	97.3%	\$ 8,247	\$ 10,696	\$ 5,106	\$ 942	1.5%	18.4%	2.1x	11.4x
Applied Industrial Technologies, Inc.	45.65	85.4%	1,893	1,993	2,460	192	0.1%	7.8%	0.8x	10.4x
DXP Enterprises, Inc.	73.68	63.0%	1,065	1,544	1,374	129	12.5%	9.4%	1.1x	12.0x
Fastenal Company	44.90	86.0%	13,325	13,289	3,499	799	7.0%	22.8%	3.8x	16.6x
Kaman Corporation	39.30	88.1%	1,065	1,416	1,735	140	5.6%	8.1%	0.8x	10.1x
MSC Industrial Direct Co., Inc.	85.46	88.4%	5,334	5,563	2,734	465	11.3%	17.0%	2.0x	12.0x
W.W. Grainger, Inc.	251.65	91.7%	17,212	17,534	9,667	1,513	4.1%	15.6%	1.8x	11.6x
WESCO International Inc.	78.26	82.6%	3,480	4,947	7,627	500	4.8%	6.5%	0.6x	9.9x
Office and Laboratory Supplies										
Henry Schein, Inc.	\$ 116.47	96.3%	\$ 9,880	\$ 11,047	\$ 9,921	\$ 823	5.1%	8.3%	1.1x	13.2x
United Stationers Inc.	37.57	80.2%	1,464	1,976	5,134	258	0.6%	5.0%	0.4x	7.7x
Mean		82.9%					5.4%	8.4%	1.0x	11.0x
Median		85.4%					4.8%	7.3%	0.8x	11.4x

Source: Bloomberg, Capital IQ and company filings, as of 09/30/2014
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.

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