

INDUSTRIAL DISTRIBUTOR M&A PULSE

FOURTH QUARTER 2018



Q4'18

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Industrial Distribution Coverage Team

ABOUT PMCF

P&M Corporate Finance (“PMCF”), a U.S. registered broker/dealer, is an investment bank focused exclusively on middle market transactions with professionals in Chicago, Detroit, Denver, and across the globe through Corporate Finance International™ affiliates. Offering a depth of advisory services, PMCF helps clients worldwide meet their sale, acquisition, financing, and strategic growth objectives. Additional information on PMCF can be found by visiting our website, www.pmcf.com.

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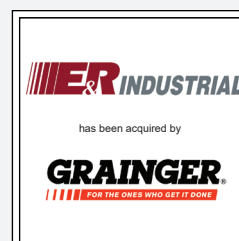


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SELECT PMCF DISTRIBUTION TRANSACTIONS



What We're Discussing with Clients



1

Recent equity market volatility has created increased uncertainty around the remaining runway in the current bull market. Despite generally positive economic data, there is increasing sentiment that the era of prolonged economic growth is entering its final stretch - an important factor to consider for owners who may be interested in selling but don't (or can't) wait through another economic cycle.

2

A defined, defensible growth plan is key to maximizing value in an M&A transaction. Concrete and distinct growth initiatives, when properly positioned to a potential acquirer, reduce the perceived risk of future cash flows and may result in a higher valuation (if positioned and supported appropriately).

3

Properly planning for the due diligence phase of a transaction is essential. Management resources are heavily involved in the due diligence process (particularly the CFO/controller); pre-staging information and understanding the thoroughness of the process can help management teams prepare and, therefore, minimize disruption to the business throughout that process.

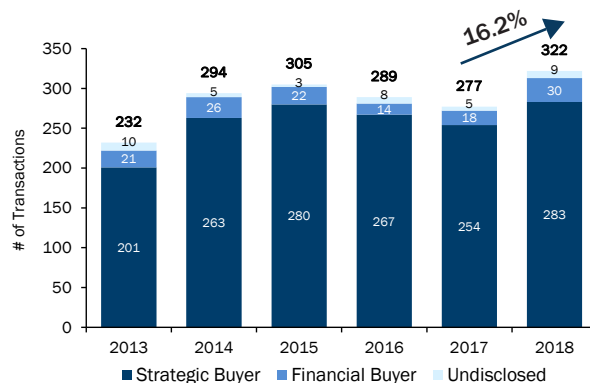
Q4 2018 Market Summary & Outlook

2018 – RECORD YEAR FOR INDUSTRIAL DISTRIBUTION

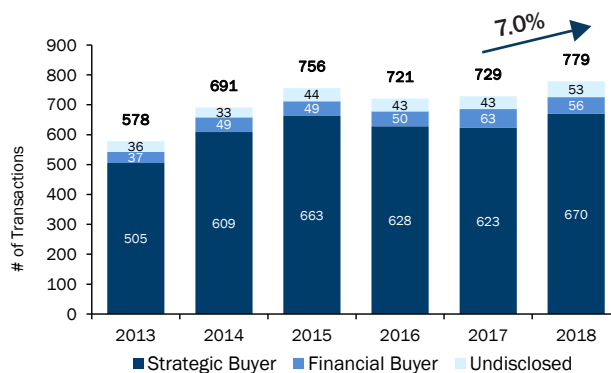
2018 industrial distribution M&A volume convincingly exceeded 2017 levels (increasing 7.0% globally and 16.2% in the US). This increase in volume correlates to continued economic strength in both Europe and the US. Despite increasing deal volumes in 2018, public equity performance and macroeconomic indicators suggested greater overall uncertainty and decelerating growth in Q4, driven by US and global markets' negative reaction to increased US interest rates and continued unrest in global trade. Public valuation multiples reacted in-line with overall market volatility, with the mean industrial distribution EV/EBITDA multiple decreasing from 13.1x in Q4 2017 to 10.3x in Q4 2018 (compared to the S&P 500, whose mean multiple dropped from 12.8x in Q4 2017 to 11.0x in Q4 2018).

In the US, Q4 2018 macroeconomic indicators continue to point towards economic expansion (although at a slower rate – see charts on page 5). The Institute for Supply Management (“ISM”) New Orders Index registered above 50 (the threshold for economic expansion) for the 36th consecutive month in December 2018, finishing at 51.1 vis-à-vis 61.8 in September 2018. The ISM Purchasing Managers’ Index closed at 54.1 in December 2018, down from 59.8 in September 2018. The Chicago Fed Midwest Economy Index, which measures non-farm economic indicators, declined to 0.2 in December 2018 from 0.3 in September 2018 (both values still indicate expansion). The ISM Production Index finished December 2018 at 54.3, a significant decrease from September 2018 at 63.9, but still above the threshold indicating expansion.

US INDUSTRIAL DISTRIBUTION M&A ACTIVITY



GLOBAL INDUSTRIAL DISTRIBUTION M&A ACTIVITY



Sources: Capital IQ, proprietary research

PMCF PERSPECTIVES: RESILIENT INDUSTRIAL DISTRIBUTION M&A MARKETS

Multiple economic headwinds throughout 2018 led to an increasingly uncertain economic environment for investors. Throughout the year, US interest rates rose four times, global trade tensions spiked as tariffs and associated raw material pricing disruptions materialized, and capital market volatility grew – all contributing to unease regarding the runway left in the current bull market cycle. Despite growing market concerns, other macroeconomic factors pointed toward continued economic growth. In 2018, the US economy added 2.6 million jobs, marking the best year for job creation since 2015. Additionally, in September, unemployment reached the lowest rate since 1969 (3.7%) and remained below 4.0% through the remainder of the year. The manufacturing sector also continued to expand, with the Purchasing Managers’ Index growing for the 28th consecutive month in December.

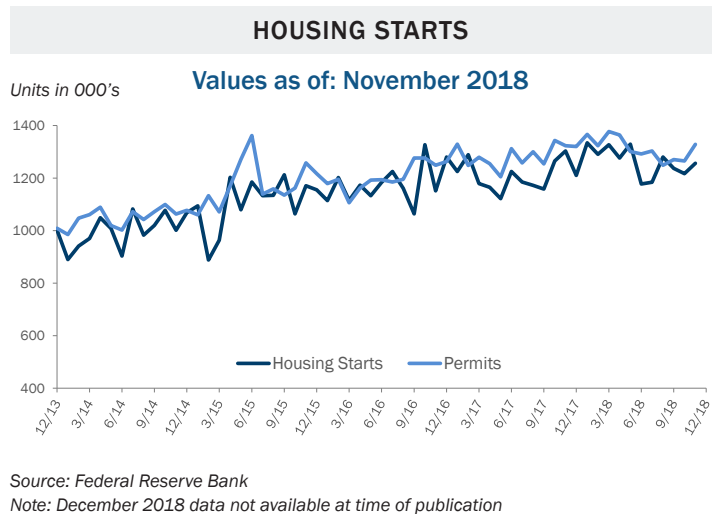
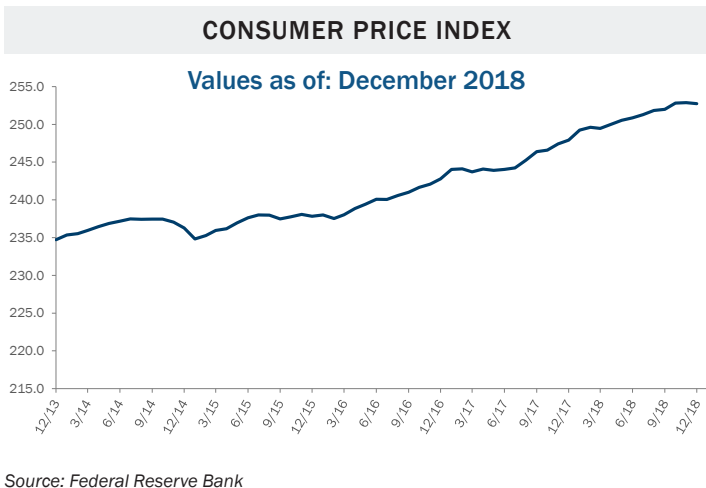
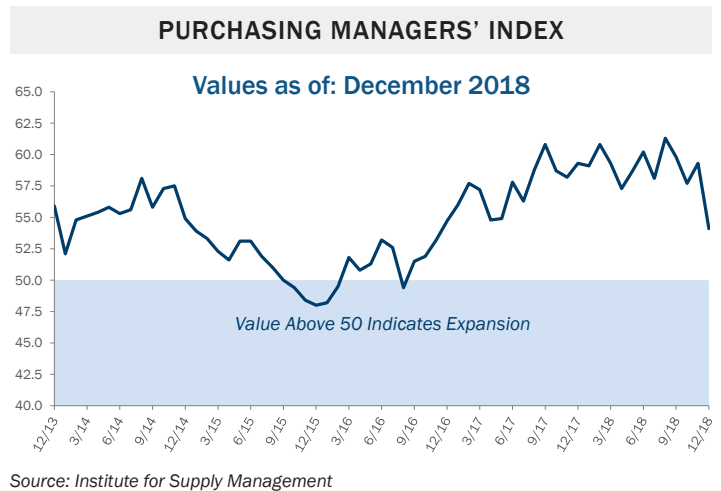
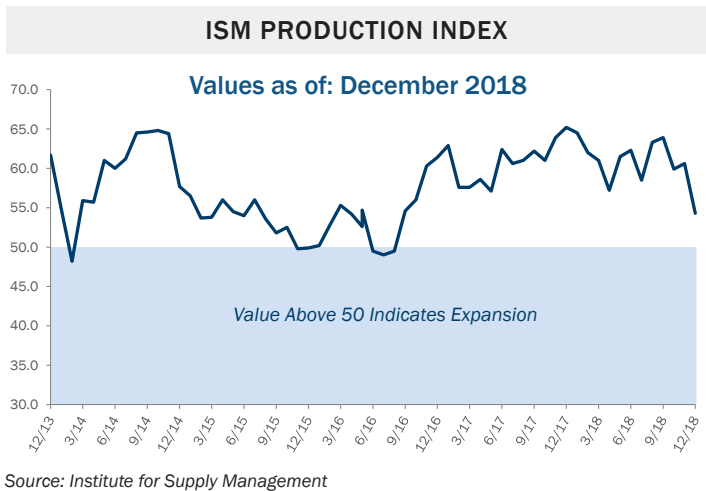
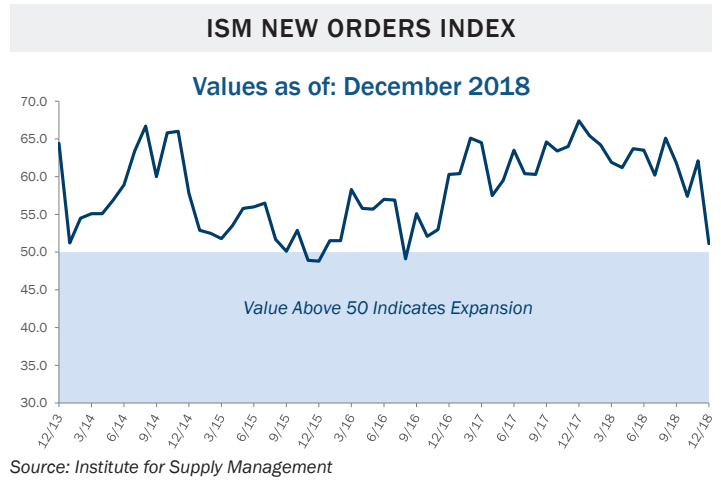
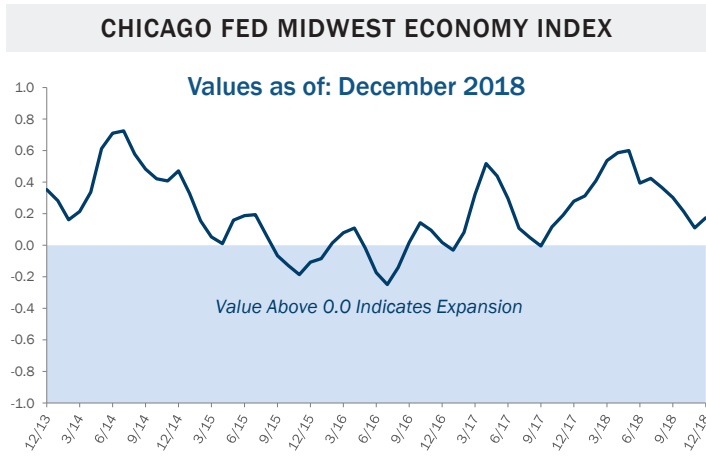
Despite a tumultuous end to 2018, US and global industrial distribution M&A markets demonstrated remarkable resiliency. Within the sector, M&A activity (measured by the number of closed transactions) flourished, reaching peak levels. Both strategic and private equity activity saw marked increases over 2017 (see charts top right). Broader North American M&A activity was also robust, with announced value >\$2.0 trillion for the fourth consecutive year. Within the US middle market (“MM”), Q1 2018 M&A announced deal value topped \$100 billion for the first time; Q2 – Q4 2018 remained strong with each individual quarter also topping \$100 billion.

Additional factors spurred active M&A markets despite stronger headwinds. US deal drivers included 2018 tax reform (including reduced corporate tax rates and provisions for accelerated depreciation), positive global growth, and continuing relatively cheap financing. While geopolitical/regulatory concerns and economic uncertainty are expected to persist in 2019, PMCF anticipates M&A activity will remain strong (near 2018 levels) as global economies continue to perform.

In a survey of 1,000 executives at different corporations and private equity firms conducted by Deloitte, 76% of corporate respondents and 87% of private equity respondents indicated they expect an increase in the number of deals they close over the next year. As businesses continue to generate excess cash, industrial distribution executives continue to focus on expanding geographically and diversifying products and services through acquisitions. Industry expectations for 2019 remain largely positive, as acquisition-driven growth will continue to drive executives’ decisions as a way to maximize shareholder value.

Sources: Pitchbook, T. Rowe Price, Deloitte, JP Morgan

Macroeconomic Trends & Signals



PMCF Industrial Distributor Index

Company Name	Headquarters Location	Market Cap.	Enterprise Value	TTM Revenue	TTM Gross Profit	Adjusted EBITDA	TTM Gross Margin	TTM EBITDA Margin	Net Debt/ EBITDA	EV/ Revenue	EV/EBITDA ⁽¹⁾ Q4 '18	Q4 '17
<i>\$ in Millions</i>												
Industrial/MRO/Safety												
W.W. Grainger, Inc.	United States	\$15,903	\$17,783	\$11,221	\$4,348	\$1,601	38.7%	14.3%	1.1x	1.6x	11.4x	11.8x
Fastenal Company	United States	15,010	15,270	4,965	2,399	1,137	48.3%	22.9%	0.3x	3.2x	13.8x	16.3x
HD Supply Holdings, Inc.	United States	6,683	8,622	5,784	2,271	788	39.3%	13.6%	2.5x	1.5x	10.9x	10.2x
MSC Industrial Direct Co., Inc.	United States	4,257	4,746	3,267	1,416	523	43.3%	16.0%	1.0x	1.5x	9.2x	13.5x
Applied Industrial Technologies, Inc.	United States	2,090	3,006	3,430	998	326	29.1%	9.5%	2.7x	0.9x	9.9x	12.8x
Kaman Corporation	United States	1,568	1,846	1,848	545	157	29.5%	8.5%	1.8x	1.0x	11.7x	12.4x
NOW Inc.	United States	1,262	1,341	3,032	601	94	19.8%	3.1%	0.8x	0.4x	14.3x	NM
Bossard Holding AG	Switzerland	1,134	1,298	843	273	122	32.3%	14.5%	1.3x	1.5x	10.5x	19.3x
MRC Global Inc.	United States	1,105	2,150	4,066	636	185	15.6%	4.5%	NM	0.5x	11.6x	17.8x
DXP Enterprises, Inc.	United States	489	714	1,171	317	83	27.1%	7.1%	2.7x	0.6x	8.6x	12.2x
Median							30.9%	11.6%	1.3x	1.2x	11.2x	12.8x
Electrical Products												
Arrow Electronics, Inc.	United States	\$6,011	\$9,097	\$29,677	\$3,701	\$1,383	12.5%	4.7%	2.2x	0.3x	6.7x	8.6x
Avnet, Inc.	United States	4,015	5,215	19,993	2,579	774	12.9%	3.9%	1.9x	0.3x	6.9x	8.0x
Rexel S.A.	France	3,216	5,798	15,429	3,758	686	24.4%	4.4%	3.8x	0.4x	8.6x	10.8x
Electrocomponents plc	United Kingdom	2,859	3,038	2,339	1,040	271	44.5%	11.6%	0.7x	1.3x	11.4x	17.5x
WESCO International, Inc.	United States	2,241	3,385	8,177	1,567	417	19.2%	5.1%	2.7x	0.4x	8.5x	12.1x
Anixter International Inc.	United States	1,818	3,012	8,400	1,658	395	19.7%	4.7%	3.0x	0.4x	7.6x	10.0x
Houston Wire & Cable Company	United States	84	159	351	85	16	24.2%	4.5%	NM	0.5x	10.0x	NM
Median							19.7%	4.7%	2.4x	0.4x	8.5x	10.4x
Building Products												
CRH plc	Ireland	\$21,578	\$31,437	\$29,534	\$9,643	\$3,648	32.6%	12.4%	2.6x	1.1x	8.6x	10.0x
Ferguson plc	Switzerland	14,734	15,800	20,752	6,063	1,651	29.2%	8.0%	0.7x	0.8x	9.8x	11.7x
Pool Corporation	United States	5,985	6,527	2,965	855	332	28.8%	11.2%	1.6x	2.2x	19.6x	19.0x
Watsco, Inc.	United States	4,772	5,114	4,520	1,112	387	24.6%	8.6%	0.1x	1.1x	12.9x	16.3x
Beacon Roofing Supply, Inc.	United States	2,162	5,052	7,018	1,759	493	25.1%	7.0%	6.1x	0.8x	11.0x	13.0x
Universal Forest Products, Inc.	United States	1,601	1,792	4,467	584	253	13.1%	5.7%	0.7x	0.4x	7.1x	10.8x
Builders FirstSource, Inc.	United States	1,252	3,059	7,688	1,861	438	24.2%	5.7%	4.1x	0.4x	7.0x	11.4x
Median							25.1%	8.0%	1.6x	0.8x	9.8x	11.7x
Chemicals & Gases												
Air Liquide S.A.	France	\$53,064	\$69,797	\$23,590	\$14,534	\$5,580	61.6%	23.7%	3.0x	3.0x	12.7x	12.5x
Brenntag AG	Germany	6,669	8,906	14,277	2,956	906	20.7%	6.3%	2.5x	0.6x	10.0x	11.9x
IMCD N.V.	Netherlands	3,360	3,939	2,486	569	218	22.9%	8.7%	2.7x	1.6x	18.5x	19.9x
Univar Inc.	United States	2,513	5,026	8,633	1,900	567	22.0%	6.6%	4.0x	0.6x	8.0x	14.6x
Nexeo Solutions, Inc.	United States	771	1,510	4,040	452	187	11.2%	4.6%	4.3x	0.4x	7.9x	9.8x
Median							22.0%	6.6%	3.0x	0.6x	10.0x	12.5x
Transportation / Logistics												
Expeditors International of Washington, Inc.	United States	\$11,752	\$10,763	\$7,804	\$1,044	\$828	13.4%	10.6%	(1.2x)	1.4x	13.0x	14.5x
C.H. Robinson Worldwide, Inc.	United States	11,563	12,606	16,631	1,362	1,009	8.2%	6.1%	1.0x	0.8x	13.3x	16.3x
J.B. Hunt Transport Services, Inc.	United States	10,158	11,220	8,615	1,461	1,110	17.0%	12.9%	1.0x	1.4x	9.9x	13.1x
Old Dominion Freight Line, Inc.	United States	10,095	9,963	4,044	1,344	1,041	33.2%	25.7%	(0.1x)	2.5x	10.4x	14.5x
XPO Logistics, Inc.	United States	7,241	11,466	17,084	2,540	1,467	14.9%	8.6%	2.6x	0.7x	7.8x	12.9x
Knight-Swift Transportation Holdings Inc.	United States	4,346	5,229	5,344	1,370	1,002	25.6%	18.7%	0.8x	1.0x	5.8x	NM
Ryder System, Inc.	United States	2,556	8,779	8,115	1,586	1,889	19.5%	23.3%	3.3x	1.1x	4.6x	5.5x
Median							17.0%	12.9%	1.0x	1.1x	9.9x	13.8x
Median							24.3%	8.5%	2.0x	0.9x	10.0x	12.5x
Mean							25.8%	10.2%	2.0x	1.1x	10.3x	13.1x

Market capitalizations and total enterprise values as of December 31, 2018; income statement and balance sheet data as of last period reported

(1) Multiple of EBITDA based on EBITDA inclusive of equity income from affiliates

Currency conversions assume historical rate

Source: Capital IQ

Public Company Equity Performance & Trends

VALUATION TRENDS:

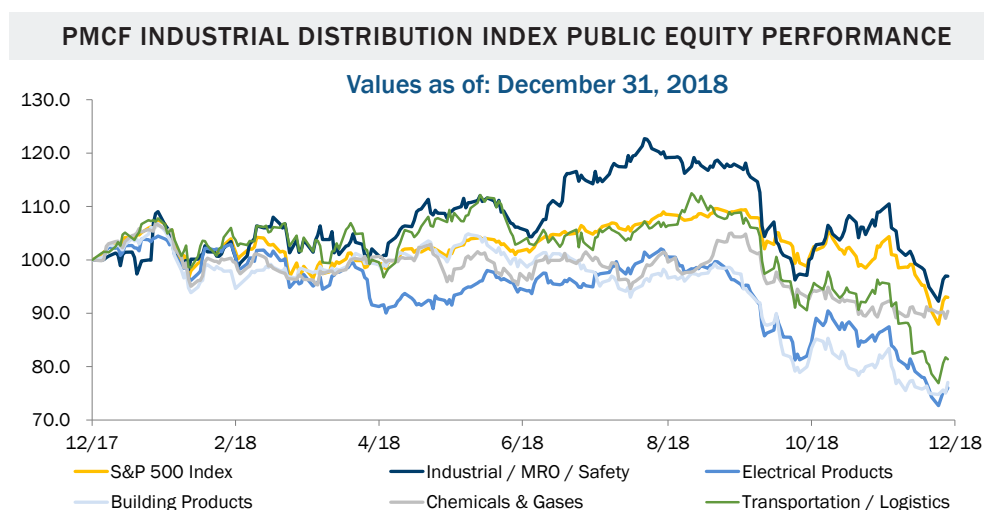
- Overall median EV/EBITDA multiples for the Q4 2018 Industrial Distributor Index decreased materially from Q4 2017, consistent with public equity markets' performance. Declining performance was seen across all industrial distribution sectors, with the Transportation / Logistics sector experiencing the largest decline (28%), and the general Industrial / MRO / Safety sector experiencing the smallest decline (16%) in Q4 2018 vis-à-vis Q4 2017.

PMCF INDUSTRIAL DISTRIBUTION INDEX PUBLIC VALUATIONS								
	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018	Q3 2018	Q4 2018
Revenue Multiple								
Median	1.0x	1.0x	1.1x	1.1x	1.1x	1.2x	1.2x	0.9x
Mean	1.3x	1.2x	1.4x	1.4x	1.3x	1.3x	1.3x	1.1x
EBITDA Multiple⁽¹⁾								
Median	12.7x	11.5x	12.3x	12.5x	13.0x	13.2x	13.1x	10.0x
Mean	14.6x	13.5x	12.9x	13.1x	13.5x	13.3x	12.9x	10.3x

(1) Multiple of EBITDA based on EBITDA inclusive of equity income from affiliates
 Quarterly figures based on the last trading day of each quarter shown
 Source: Capital IQ

EQUITY PERFORMANCE:

- In aggregate, the market capitalization of industrial distributors decreased 14.8% throughout 2018, while the S&P 500 declined 6.2% during the same period. All sectors of the S&P declined during Q4 2018 (with the exception of the Utilities sector, which increased 1.4%).
- Industrial distribution, in aggregate, tends to experience more volatility compared to the S&P 500 as a whole, with certain sectors (Electrical Products, Building Products, and Transportation / Logistics) extremely sensitive to perceived economic conditions and outlook. These sectors declined 23.4%, 22.4%, and 17.8%, respectively, throughout 2018.
- Industrial / MRO / Safety and Chemicals & Gases distribution companies tracked more in-line with the S&P 500, registering 2.5% and 8.0% declines, respectively, throughout 2018.



Market capitalization indices with mixed currencies are converted into USD using historical spot rates
 Local currency quotes converted to USD using historical spot rates
 Source: Capital IQ

Market Commentary

In spite of an end-of-year stock market sell-off, industry leaders voiced their pleasure with overall performance in 2018. Global industrial distribution M&A activity reflected this positive outlook, increasing in total deal count from 2017 by 7.0%. Several industry leaders expressed bullish views regarding continued M&A in the sector.

January 2019: “We drove significant share gains across large and midsize customers in the U.S. as our value proposition continues to resonate on more relevant pricing. Our strong sales performance and favorable customer mix helped drive gross margin performance that was better than expected for the year, and our diligence in managing costs resulted in significant operating expense leverage.”

Donald G. Macpherson, Chairman and CEO, W.W. Grainger, Inc.

January 2019: “Despite some of the recent headlines and choppiness in the financial markets, the U.S. industrial economy remains strong. Sentiment indices, like the MBI [Metalworking Business Index], remained in positive territory, although down in recent months, with readings of 57.7 in October and 54.7 in November. Adding the December reading of 53.4 brings the rolling 12-month average for the MBI to 57.7, which points to continued growth in metalworking end markets. And we continue to see this in customer order volumes and general and industry sentiment. Although there is more uncertainty than there was 6 months ago, tariffs and lower oil prices are 2 overhangs with the potential to create macro headwinds.”

Erik D. Gershwind , President, CEO, & Director, MSC Industrial Direct Co., Inc.

January 2019: “We’re pleased to post year-over-year increases in our fiscal ‘19 second quarter results; however, our sales and earnings were below our planned performance. We understand the key performance drivers which included decelerating growth through the quarter culminating in significantly weaker sales in the final week of the calendar year. More specifically, we went from December 21 month-to-date sales that were within the 5% to 7% full year guidance range to core year-over-year sales growth of less than 1% for the full month of December... Looking forward, we will remain active in acquisitions, as we move through calendar 2019, pursuing strategic additions that extend our business reach and enhance our capabilities with new and current customers.”

Neil A. Schrimser, President, CEO, & Director, Applied Industrial Technologies Inc.

January 2019: “Gross revenues, net revenues and operating income for both the quarter and the full year were at all-time highs. All 3 of our reportable segments contributed to this success by growing both net revenues and operating income at a double-digit rate in the fourth quarter... In 2019, we will continue to evaluate and deploy our capital to add value to our network of customers and carriers and generate returns for our employees and shareholders. We will look to acquire quality companies that fit our strategies, business model, and culture.”

Andrew C. Clarke, CFO, C.H. Robinson Worldwide, Inc.

Sources: Company SEC Filings and conference call transcripts

Key Deal Highlights

Geographical Diversification

ABC Supply Co. Announces Acquisition of Two Building Products Distributors

On October 3 and 15, ABC Supply Co. (“ABC”), one of the nation’s largest distributors of select exterior and interior building products, announced the acquisitions of California-based DRI Supply Co. (“DRI”) and Morgantown WV-based CSC Home & Hardware (“CSC”), respectively. DRI and CSC operate as distributors of drywall, roofing, hardware, insulation, and other building products. The acquisitions align with ABC’s aggressive growth strategy, marking the 11th and 12th acquisitions the company has made since May 2016 and allowing ABC to expand into new and current markets on a national scale. Transaction amounts were not disclosed.

End Market Expansion

Industrial Supply Acquires Paxton Production Tools

On November 1, Industrial Supply Co. (“Industrial Supply”), an industrial supply distribution company in the Intermountain West, announced the acquisition of Salt Lake City, UT-based Paxton Production Tools (“Paxton”) for an undisclosed amount. Paxton is a multi-generational family business operating as a distributor of cutting tools. The acquisition will allow Industrial Supply to expand its metalworking business, while also increasing its selection of specialists and brands to its customers. Industrial Supply Chairman, Phil Thompson, remarked on the transaction, “We will carry on the goodwill of Paxton and are excited to see the growth and opportunities that come from this as we seek to make continuous improvements and ensure our customers are satisfied.”

Talent Acquisition

Applied Industrial Technologies Acquires Fluid Power Sales

On November 5, Applied Industrial Technologies (“Applied”), a distributor of bearings, power transmission products, specialty flow control solutions, and other industrial supplies, announced the acquisition of Baldwinsville, NY-based Fluid Power Sales (“FPS”) for an undisclosed amount. FPS operates as a manufacturer and distributor of fluid power components and specializes in the engineering and fabrication of manifolds and power units. The acquisition further enhances Applied’s fluid power market leadership and expands the current product portfolio. President and CEO, Neil Schrimsher commented, “[FPS’s] innovative products, custom solutions and deep hydraulic knowledge strengthen our technical and differentiated product portfolio for continued growth.”

Platform Investment

CVC Capital Partners Launches Bid to Acquire Ahlsell AB

On December 11, CVC Capital Partners (CVC), a private equity group headquartered in London, UK, announced its intent to reacquire Ahlsell AB (Ahlsell) for \$2.7 billion. Ahlsell is a leading distributor of HVAC / plumbing, electrical, and tools / supplies products for international customers. CVC initially purchased Ahlsell in 2012 before executing an IPO for the Company in 2016. Søren Vestergaard-Poulsen, Managing Partner at CVC, said: “Our experience and history with the Company provides us with the ability to help it grow further across its core segments and industries, delivering top quality services and value for all stakeholders. We look forward to continuing to work with the existing management team at Ahlsell and develop the company further under private ownership.”

Industrial Distribution M&A Activity

(\$ in Millions)

SELECT INDUSTRIAL DISTRIBUTION TRANSACTIONS

Closed Date	Target	Buyer	Industry Segment	Implied EV	EV/TTM Revenue	EV/TTM EBITDA
Pending	Ahlsell AB	CVC Capital Partners Limited	Building Products	\$3,282.2	1.0x	11.2x
Pending	Sanistål A/S	Tibnor AB	Industrial / MRO / Safety	68.2	0.4x	-
Pending	SAB Tool Supply Co.	YG-1 America, Inc.	Industrial / MRO / Safety	29.6	-	-
Pending	Supratechnic Pte Ltd.	Scientific & Industrial Instrumentation Pte Ltd.	Industrial / MRO / Safety	3.2	2.2x	-
Pending	Wellstar Enterprises Company	Brenntag AG	Chemicals & Gases	28.6	-	-
Pending	Aspen Electronics Limited	APC Technology Group PLC	Electrical Products	2.8	-	-
Pending	Nexeo Solutions, Inc.	Univar Inc.	Chemicals & Gases	1,685.8	0.4x	9.0x
Dec-18	VantaCore Partners LP	Sun Capital Partners, Inc.; StonePoint Materials, LLC	Building Products	205.0	-	-
Dec-18	CaseStack, Inc.	Hub Group, Inc.	Transportation & Logistics	255.0	1.1x	11.6x
Dec-18	Owen Equipment Company	CenterGate Capital, L.P.	Building Products	-	-	-
Nov-18	Spectro Scientific, Inc.	AMETEK, Inc.	Industrial / MRO / Safety	190.0	3.8x	-
Nov-18	Colony Hardware Corporation	Audax Group, Inc.	Building Products	-	-	-
Nov-18	Fluid Power Sales, Inc.	Applied Industrial Technologies, Inc.	Fluid Control Products	-	-	-
Nov-18	Paxton Production Tools	Industrial Supply Company, Inc.	Building Products	-	-	-
Oct-18	Gimatic S.r.l.	Barnes GTE S.r.l.	Fluid Control Products	418.8	-	-
Oct-18	Davis Transfer Logistics Inc.	USA Truck, Inc.	Transportation & Logistics	53.0	1.1x	-
Oct-18	CSC Home & Hardware	ABC Supply Co., Inc.	Building Products	-	-	-
Oct-18	PDQ Airspares Limited	Fastener Distribution Holdings LLC	Industrial / MRO / Safety	-	-	-
Oct-18	DRI Supply Co.	ABC Supply Co., Inc.	Building Products	-	-	-
Oct-18	Tape Industrial Sales, Inc	Ohio Transmission Corporation	Industrial / MRO / Safety	-	-	-
Oct-18	Hydraulic Supply Co.	Motion Industries, Inc.	Fluid Control Products	-	-	-
Sep-18	Grand Junction Concrete Pipe Co.	Ferguson Enterprises, Inc.	Industrial / MRO / Safety	-	-	-
Sep-18	Canada Colors and Chemicals Limited	Brenntag AG	Chemicals & Gases	-	-	-
Sep-18	UAP Limited	Maven Capital Partners UK LLP	Industrial / MRO / Safety	25.6	-	-
Sep-18	Dicom Transportation Group Canada Inc.	General Logistics Systems B.V.	Transportation & Logistics	275.1	1.5x	-
Aug-18	Mode Transportation, LLC	York Capital Management	Transportation & Logistics	238.5	-	10.0x
Aug-18	Crown C Supply Company, Inc.	SRS Distribution Inc.	Building Products	-	-	-
Aug-18	Jones Stephens Corporation	Ferguson Enterprises, Inc.	Industrial / MRO / Safety	-	-	-
Aug-18	Rose & Walker Supply Inc	L&W Supply Corporation	Building Products	-	-	-
Aug-18	Custom Fluidpower Pty Limited	Helios Technologies	Fluid Control Products	24.4	0.5x	5.7x
Jul-18	DOT Sales Company	Core & Main LP	Industrial / MRO / Safety	-	-	-
Jul-18	BakerCorp International Holdings, Inc.	United Rentals, Inc.	Fluid Control Products	715.0	2.4x	9.1x
Jul-18	Interstate Building Materials Inc.	SRS Distribution Inc.	Building Products	-	-	-
Jul-18	Wistar Equipment, Inc.	Sunbelt Rentals, Inc.	Industrial / MRO / Safety	23.7	-	-
Jul-18	Atlas Supply, Inc.	Beacon Roofing Supply, Inc.	Building Products	-	-	-
Jul-18	Alliance Wholesale Supply	ABC Supply Co., Inc.	Building Products	-	-	-
Jul-18	Landair Holdings, Inc.	Covenant Transportation Group, Inc.	Transportation & Logistics	106.0	0.8x	7.9x
Jul-18	ATCO Rubber Products, Inc.	Mueller Industries, Inc.	Industrial / MRO / Safety	162.8	1.0x	-
Jun-18	G & F Roof Supply, Inc	ABC Supply Co., Inc.	Building Products	-	-	-
Jun-18	North Fork Heating & Supply Corp.	F.W. Webb Company, Inc.	Industrial / MRO / Safety	-	-	-
Jun-18	Central Steel and Wire Company	Joseph T. Ryerson & Son, Inc.	Industrial / MRO / Safety	150.8	0.2x	-
May-18	STAHLGRUBER GmbH	LKQ Corporation	Automotive	1,763.9	-	-
May-18	MORSCO Inc.	Reece Limited	Building Products	1,440.0	0.8x	-
May-18	All Integrated Solutions	MSC Industrial Direct Co., Inc.	Industrial / MRO / Safety	86.0	1.3x	-
Apr-18	SRS Distribution Inc.	Leonard Green & Partners, L.P.	Building Products	3,000.0	-	-
Apr-18	S.P. Richards Company, Inc.	Essendant Inc.	Industrial / MRO / Safety	687.5	-	-
Apr-18	Mitsui & Co., Ltd., Iron and Steel Products Business	Nippon Steel & Sumikin Bussan Corporation	Industrial / MRO / Safety	539.9	0.2x	-
Mar-18	Stark Group A/S	Lone Star Funds	Building Products	1,195.2	0.5x	-
Mar-18	Cedar Creek	BlueLinx Holdings	Industrial / MRO / Safety	413.0	-	-
Mar-18	A.H. Harris & Sons, Inc.	HD Supply Construction Supply, Ltd.	Building Products	380.0	-	-
Feb-18	Compressed Air Systems, Inc.	Ohio Transmission Corp.	Chemicals & Gases	-	-	-
Jan-18	FCX Performance, Inc.	Applied Industrial Technologies, Inc.	Fluid Control Products	784.0	-	-
Jan-18	Allied Building Products Corp.	Beacon Roofing Supply, Inc.	Building Products	2,625.0	1.0x	14.0x
Median				\$246.8	1.0x	9.6x
Mean				\$651.8	1.1x	9.8x

Sources: Capital IQ, company websites, and proprietary research

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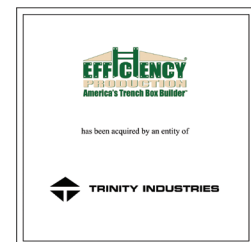
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