

INDUSTRIAL DISTRIBUTOR M&A PULSE

SECOND QUARTER 2018



Q2'18

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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 and across the globe through Corporate Finance International affiliates. Offering a depth of advisory services, PMCF has helped clients worldwide meet their sale, acquisition, financing, and strategic growth objectives. Additional information on PMCF can also be found by visiting our website, www.pmcf.com.

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SELECT PMCF DISTRIBUTION TRANSACTIONS



What We're Discussing with Clients



1

Current and leading economic indicators in the United States remain positive. Although the recovery period has been one of the most prolonged periods of expansion in history, many analysts agree the recovery will continue for the near and intermediate term. For potential sellers, this means that valuation levels remain attractive and the “window” to go to market remains open.

2

Raw material pricing (particularly steel and aluminum) has risen in response to tariffs and resultant market forces. Those costs must be borne between manufacturers, distributors, or customers. A distributor’s ability to avoid bearing higher material costs (or, conversely, the absorption of those costs) can meaningfully impact profit margins and valuation. A distributor with exposure to rising raw material prices that is contemplating a sale must properly position how it is addressing, passing through, or avoiding those cost increases to mitigate concerns of potential buyers and maximize transaction value.

3

The U.S. freight economy continues to see ongoing strength as economic expansion, strong GDP, low unemployment, and surging consumer confidence continue. 3PL and trucking providers are poised to continue to benefit from disruptions in the industry, including strong pricing brought on by tight capacity, e-commerce driven growth of last-mile logistics, and ongoing production strength. Transportation and logistics companies who can capitalize on these trends to position themselves for future growth continue to have a long runway.

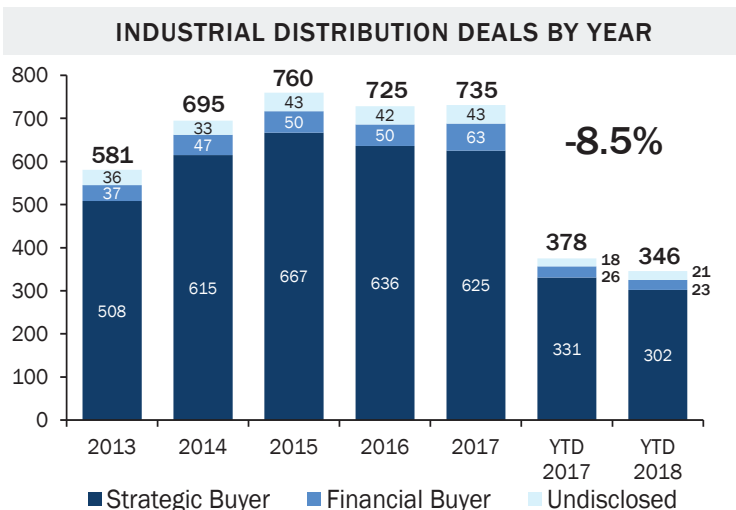
Q2 Market Summary & Outlook

2018 – STRONG Q2 MARKET DYNAMICS

The first half of 2018 saw reasonable industrial distribution M&A activity, though activity has slowed relative to recent high volume periods (perhaps in response to developments around trade policy). Notwithstanding, deal volume/value, public equity performance, and economic indicators point to continued traction in the industrial distribution market. While year-to-date (“YTD”) industrial distribution deal volume decreased 8.5% over YTD Q2 2017, public valuation multiples continued to rise, with the median industrial distribution EV/EBITDA multiple increasing to 13.2x in Q2 2018 from 11.4x in Q2 2017, and the mean multiple increasing from 11.9x to 13.2x.

Macroeconomic indicators in Q2 2018 continue to point towards growth. The Institute for Supply Management (“ISM”) New Orders Index registered above 50 (the threshold for economic expansion) for the 22nd consecutive month in June 2018, finishing at 63.5 vis-à-vis 61.9 in March 2018. The ISM Purchasing Managers’ Index closed at 60.2 in June 2018, up slightly from 59.3 in March 2018. The Chicago Fed Midwest Economy Index, which measures non-farm economic indicators, saw a small decrease from 0.5 in March 2018 to 0.4 in June 2018, both values still indicating expansion. The Consumer Price Index, a measure of inflation, saw an increase, up to 250.9 in June 2018 (0.56% growth over Q1 2018).

A number of additional data points indicate a healthy economy for industrial distributors. The ISM’s Production Index finished June 2018 at 62.3, up from 61.0 in March 2018 (over 50 indicates expansion). While 2018 equity markets have experienced some volatility in the first quarter, they remain flat year-to-date but elevated over June 2017 levels (the S&P 500 closed at 2,718 on June 29, compared to 2,423 on June 30, 2017).



PMCF PERSPECTIVES: SPOTLIGHT ON ROOFING PRODUCT DISTRIBUTION

M&A activity for roofing product distributors has been robust in 2018. Overall roofing product distribution M&A volume for the trailing-twelve-months (“TTM”) ending June 30, 2018 was 30.8% higher than activity seen in the TTM ending June 30, 2017 (17 announced transactions vs. 13 announced transactions). High profile deals include Beacon Roofing Supply’s acquisition of Allied Building Products for \$2.6 billion and Leonard Green & Partners’ acquisition of SRS Distribution for \$3 billion. The surge in activity is driven by an increase in both residential and non-residential construction, as well as a favorable housing market. This leads to increased spending for home repair and remodeling, making roofing distributors attractive targets and financially positioned to serve as platform investments.

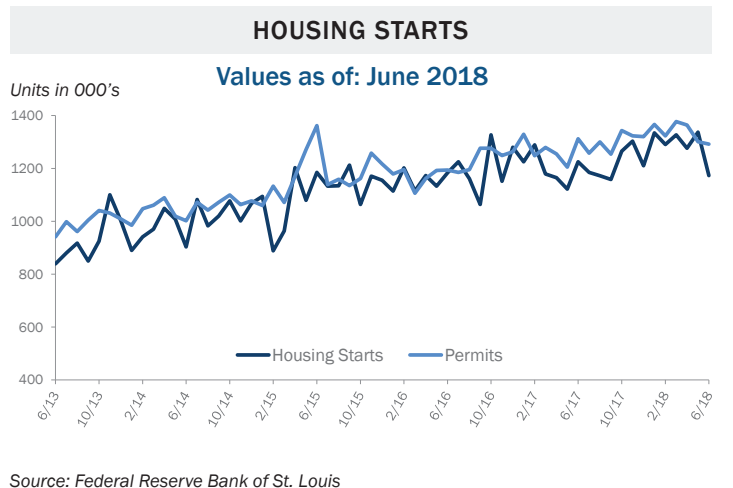
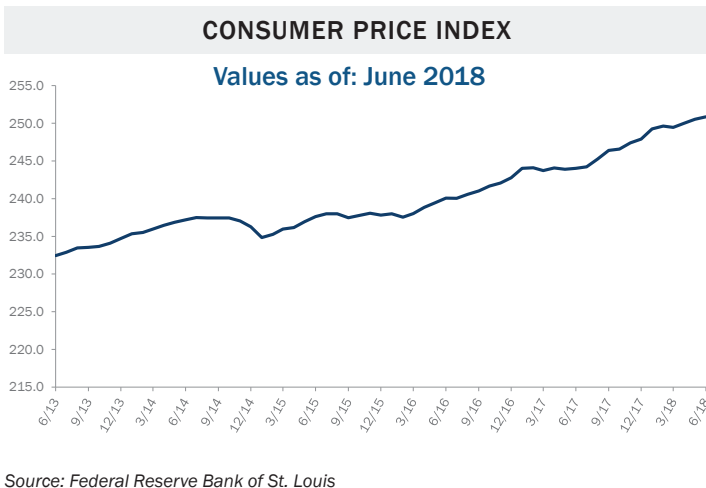
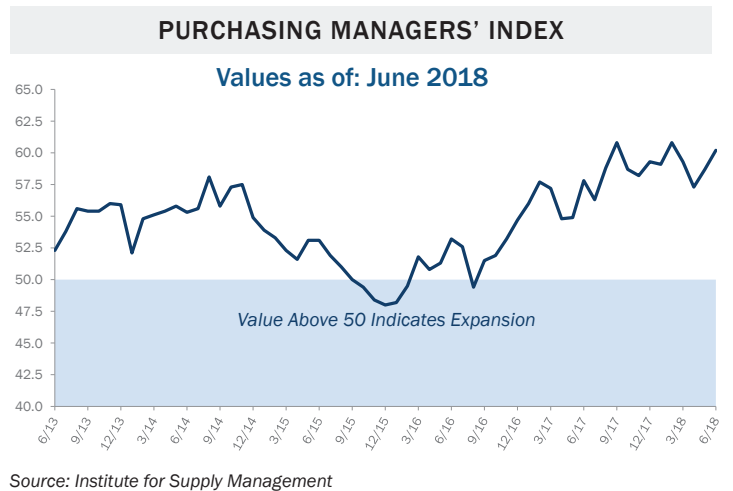
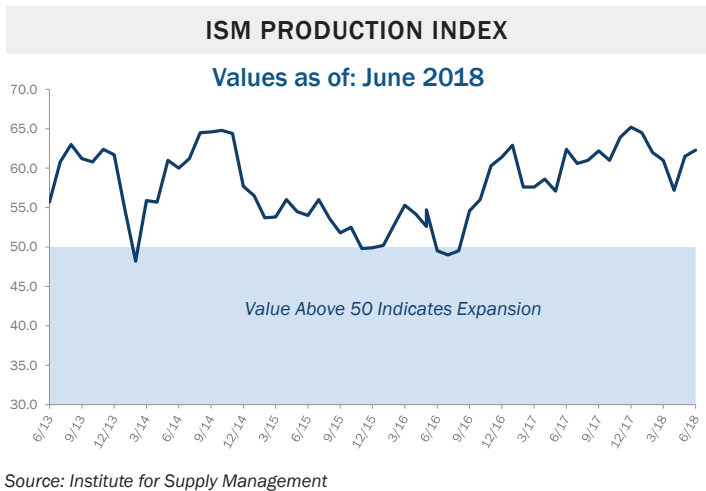
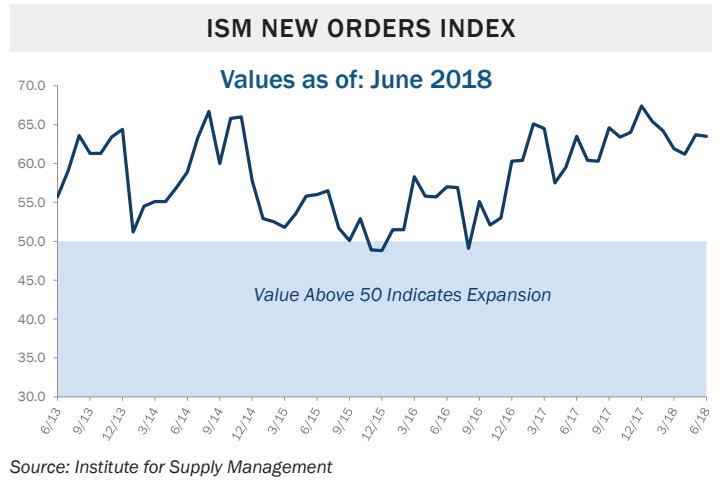
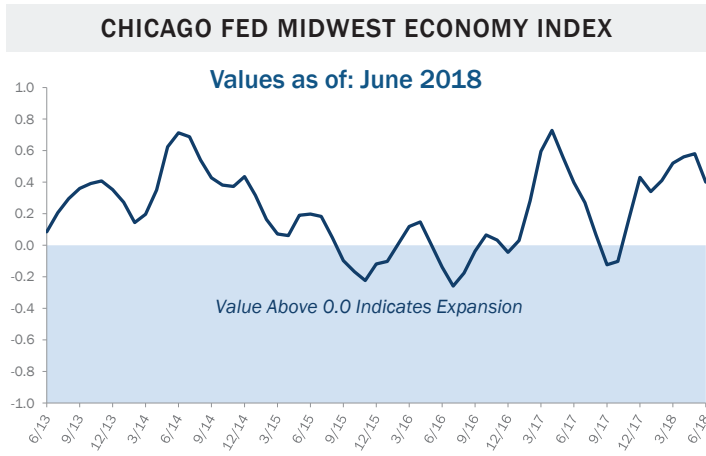
In the U.S., roofing distribution sales growth will be driven by the industry’s increasing reliance on small- and medium-sized contractors to perform roof installation and repair jobs. Bolstered by new home construction and storm-related damage repairs, U.S. roofing contractors are now in their fourth consecutive year of improving profitability and increasing sales. Sales among privately held roofing contractors have increased, on average, 14.2% in the 12 months ended May 1, according to Sageworks, Inc. That’s on top of 13.5% and 15.3% sales growth in 2017 and 2016, respectively.

There are several factors that create potential headwinds to future industry performance. Construction and roofing industry experts expect material costs for supplies, such as shingles and gutter material, to rise due to high oil prices and recent U.S. tariffs on steel and aluminum imports. The National Roofing Contractors Association has called the chronic shortage of qualified workers the top limitation that could cloud industry outlook. According to the Roofing Contractor’s 2018 survey, three quarters of residential roofers and nearly 90% of commercial roofing contractors surveyed indicated they are seeing increased labor costs. Ken Simonson, Chief Economist for AGC, said, “The construction industry continues to add employees in most of the nation, despite a shortage of workers with construction experience, but job openings are growing as contractors encounter a shrinking pool of experienced jobseekers.”

Despite current industry headwinds, outlook on future performance remains strong. According to a report by Harvard University’s Joint Center for Housing Studies, 2018 could be a record year for home renovations. Chris Herbert, Managing Director of the Joint Center for Housing Studies, said, “Recent strengthening of the U.S. economy, tight for-sale housing inventories, and healthy home equity gains are all working to boost home improvement activity.” This could translate to continued roofing product distributor M&A, as these companies remain attractive targets in a growing industry.

Sources: Capital IQ, Roofing Contractor’s State of the Industry Report and Survey 2018, Sageworks, Inc

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⁾ Q2 '18	Q2 '17
<i>\$ in Millions</i>												
Industrial/MRO/Safety												
W.W. Grainger, Inc.	United States	\$17,276	\$19,541	\$10,895	\$4,253	\$1,552	39.0%	14.2%	1.3x	1.8x	13.5x	9.1x
Fastenal Company	United States	13,846	14,114	4,675	2,282	1,067	48.8%	22.8%	0.3x	3.1x	13.7x	14.0x
HD Supply Holdings, Inc.	United States	7,880	9,915	5,294	2,101	715	39.7%	13.5%	2.8x	1.9x	13.9x	11.4x
MSC Industrial Direct Co., Inc.	United States	4,793	5,272	3,120	1,367	497	43.8%	15.9%	1.0x	1.7x	11.1x	12.0x
Applied Industrial Technologies, Inc.	United States	2,715	3,708	3,073	884	284	28.8%	9.3%	3.2x	1.3x	14.6x	12.3x
Kaman Corporation	United States	1,945	2,264	1,852	555	169	30.0%	9.1%	1.8x	1.2x	13.2x	10.7x
MRC Global Inc.	United States	1,943	2,892	3,954	616	175	15.6%	4.4%	3.9x	0.8x	NM	NM
Bossard Holding AG	Switzerland	1,481	1,607	843	273	122	32.3%	14.5%	1.3x	2.0x	14.5x	19.1x
NOW Inc.	United States	1,442	1,537	2,907	568	65	19.5%	2.2%	NM	0.6x	NM	NM
DXP Enterprises, Inc.	United States	664	893	1,115	300	73	26.9%	6.6%	3.3x	0.8x	14.0x	14.0x
Essendant Inc.	United States	498	1,003	5,002	671	86	13.4%	1.7%	5.8x	0.2x	10.7x	6.8x
Median							30.0%	9.3%	2.3x	1.3x	13.7x	12.0x
Electrical Products												
Arrow Electronics, Inc.	United States	\$6,596	\$9,668	\$28,922	\$3,574	\$1,301	12.4%	4.5%	2.7x	0.3x	7.8x	8.7x
Avnet, Inc.	United States	5,060	6,146	19,037	2,527	727	13.3%	3.8%	1.4x	0.3x	8.7x	5.3x
Electrocomponents plc	United Kingdom	4,416	4,502	2,394	1,052	262	44.0%	11.0%	0.4x	2.0x	18.2x	18.5x
Rexel S.A.	France	4,340	6,890	15,404	3,774	696	24.5%	4.5%	3.6x	0.4x	9.9x	11.1x
WESCO International, Inc.	United States	2,688	3,921	8,095	1,548	390	19.1%	4.8%	3.1x	0.5x	10.3x	10.6x
Anixter International Inc.	United States	2,116	3,324	8,132	1,600	386	19.7%	4.7%	3.2x	0.4x	9.0x	10.0x
Houston Wire & Cable Company	United States	140	223	342	82	15	24.0%	4.3%	NM	0.7x	21.1x	NM
Median							19.7%	4.5%	2.9x	0.4x	9.9x	10.3x
Building Products												
CRH plc	Ireland	\$29,613	\$37,018	\$29,534	\$9,643	\$3,648	32.6%	12.4%	2.6x	1.3x	9.9x	10.1x
Ferguson plc	Switzerland	18,710	20,027	22,268	6,476	1,715	29.1%	7.7%	0.8x	1.0x	12.6x	11.4x
Pool Corporation	United States	6,131	6,688	2,897	837	321	28.9%	11.1%	1.9x	2.4x	21.4x	19.1x
Watsco, Inc.	United States	6,111	6,401	4,453	1,088	381	24.4%	8.6%	0.2x	1.5x	16.8x	15.1x
Beacon Roofing Supply, Inc.	United States	2,902	6,241	5,772	1,425	409	24.7%	7.1%	7.3x	1.2x	17.7x	11.0x
Universal Forest Products, Inc.	United States	2,254	2,525	4,311	570	249	13.2%	5.8%	1.1x	0.6x	10.5x	9.6x
Builders FirstSource, Inc.	United States	2,096	4,027	7,448	1,798	410	24.1%	5.5%	4.8x	0.6x	10.3x	10.1x
Median							24.7%	7.7%	1.9x	1.2x	12.6x	11.0x
Chemicals & Gases												
Air Liquide S.A.	France	\$53,560	\$69,626	\$23,590	\$14,534	\$5,580	61.6%	23.7%	3.0x	2.9x	12.3x	13.1x
Praxair, Inc.	United States	45,447	54,274	11,935	5,228	3,903	43.8%	32.7%	2.0x	4.6x	14.1x	13.3x
Brenntag AG	Germany	8,602	10,465	13,953	2,922	893	20.9%	6.4%	2.5x	0.8x	11.9x	11.8x
Univar Inc.	United States	3,708	6,294	8,539	1,887	619	22.1%	7.2%	4.1x	0.7x	10.4x	14.6x
IMCD N.V.	Netherlands	3,515	4,088	2,486	569	218	22.9%	8.7%	2.7x	1.8x	21.1x	19.0x
Median							22.9%	8.7%	2.7x	1.8x	12.3x	13.3x
Transportation / Logistics												
J.B. Hunt Transport Services, Inc.	United States	\$13,341	\$14,334	\$7,921	\$1,433	\$1,109	18.1%	14.0%	0.9x	1.9x	13.7x	10.3x
Expeditors International of Washington, Inc.	United States	12,769	11,639	7,515	1,022	811	13.6%	10.8%	(1.3x)	1.6x	14.7x	12.7x
Old Dominion Freight Line, Inc.	United States	12,244	12,129	3,723	1,185	892	31.8%	24.0%	(0.1x)	3.4x	14.7x	11.5x
XPO Logistics, Inc.	United States	12,086	17,078	16,636	2,461	1,397	14.8%	8.4%	3.0x	1.1x	12.8x	10.4x
C.H. Robinson Worldwide, Inc.	United States	11,649	12,700	15,946	1,249	907	7.8%	5.7%	1.2x	0.8x	14.6x	12.1x
Knight-Swift Transportation Holdings Inc.	United States	6,813	7,603	4,484	1,092	739	24.3%	16.5%	1.0x	2.2x	13.1x	12.2x
Ryder System, Inc.	United States	3,815	9,419	7,797	1,537	1,822	19.7%	23.4%	3.2x	1.3x	5.3x	5.1x
Median							18.1%	14.0%	1.0x	1.6x	13.7x	11.5x
Median							24.3%	8.6%	2.5x	1.2x	13.2x	11.4x
Mean							26.3%	10.6%	2.3x	1.4x	13.2x	11.9x

Market capitalizations and total enterprise values as of June 30th, 2018; income statement and balance sheet data as of last period reported; currency conversions assume historical rate

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

Source: Capital IQ

Public Company Equity Performance & Trends

VALUATION TRENDS:

- Overall median EV/EBITDA multiples for the Q2 2018 Industrial Distributor Index increased meaningfully from Q2 2017. Improvement was largely driven by the Transportation / Logistics, Industrial / MRO / Safety, and Building Products sectors, while Chemicals & Gases lagged. EV/Revenue multiples remained essentially unchanged, though they remain slightly elevated relative to historical averages.

PMCF INDUSTRIAL DISTRIBUTION INDEX PUBLIC VALUATIONS								
	Q3 2016	Q4 2016	Q1 2017	Q2 2017	Q3 2017	Q4 2017	Q1 2018	Q2 2018
Revenue Multiple								
Median	0.9x	1.0x	0.9x	1.0x	1.1x	1.1x	1.2x	1.2x
Mean	1.2x	1.3x	1.3x	1.3x	1.5x	1.5x	1.4x	1.4x
EBITDA Multiple⁽¹⁾								
Median	11.2x	12.4x	12.4x	11.4x	12.4x	12.8x	13.1x	13.2x
Mean	11.8x	15.0x	13.7x	11.9x	13.3x	14.6x	13.4x	13.2x

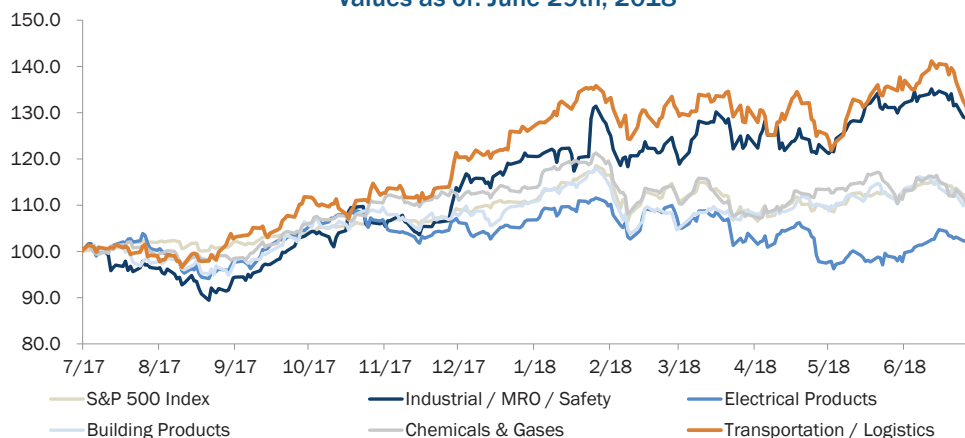
(1) Multiple of EBITDA based on EBITDA inclusive of equity income from affiliates
 Quarterly figures based on the last trading day of each quarter shown
 Source: Capital IQ

EQUITY PERFORMANCE:

- In aggregate, the market capitalization of industrial distributors increased 16.5% from Q2 2017 to Q2 2018, whereas the S&P 500 gained 12.2% during the same period. The Information Technology, Healthcare, and Consumer Discretionary sectors drove the increase of the S&P, while Transportation / Logistics and Industrial / MRO / Safety drove the overall increase for industrial distribution.
- Electrical Product distributors' equity performance has lagged recently. This sectors' poor performance can be largely attributed to the increased cost of materials due to announced tariffs and associated market forces.
- Industrial / MRO / Safety distribution companies were a major driver for the growth in the index, with an impressive 27.9% increase from Q2 2017 to Q2 2018. The strong performance can be attributed to a "recovery" from over-reaction to the "Amazon Effect" in 2017, as well as the prolonged period of economic growth.
- Building Products and Chemicals & Gases distributors closely tracked the S&P from Q2 2017 to Q2 2018, with increases of 10.8% and 12.8%, respectively.

PMCF INDUSTRIAL DISTRIBUTION INDEX PUBLIC EQUITY PERFORMANCE

Values as of: June 29th, 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

Public equity values increased and economic indicators continued to grow in Q2 2018. M&A activity in the quarter was highlighted by two large distribution deals: Leonard Green & Partners' acquisition of SRS Distribution and LKQ Corporation's acquisition of STAHLGRUBER GmbH. Industry leaders continued to voice largely positive sentiment regarding the economic outlook for the remainder of 2018.

August 2018: "Global Components [a division of Arrow Electronics] continues to take advantage of the broad-based demand stream. Sales were up 18% year-over-year. We're above the high-end of our expectations. We captured double-digit growth in all three regions for the fifth quarter in a row. The data we gathered from over 100,000 customers across dozens of industry verticals suggests that this growth will continue. In closing, we had a great first half of 2018. We delivered record results. We expect the momentum to continue."

Michael J. Long, Chairman, President & CEO, Arrow Electronics, Inc.

August 2018: "Q2 marked our fourth consecutive quarter of above market sales growth and represented the highest quarterly revenue in our company's history. Our positive business momentum, which began in June of 2017, continued in the second quarter with organic sales up 9%. On a very positive note the growth was again broad-based as all of our end markets and geographies delivered higher sales growth on both a year-over-year and sequential basis."

John J. Engel, President & CEO, WESCO International Inc.

July 2018: "Our manufacturing demand is stable at very healthy levels. We grew our sales 13.1% in the second quarter. That's our fifth straight quarter of double-digit growth. So, when I think about it I think there is two things that are noteworthy there. One is we are growing on some good growth numbers and I think that's a pretty strong statement. The second thing is a year ago in late March 2017 we acquired a great organization in Michigan called Mansco, we anniversaried that acquisition on March 31. So, our growth in the second quarter was 100% organic. And we put up I think a great number."

Dan L. Florness, President & CEO, Fastenal Company

July 2018: "The demand environment remains strong. Our sales performance was driven largely by the strength of the U.S. business and our single channel online businesses. In the U.S., we continue to see a solid response to our pricing actions with total volume growth of 11%. We saw growth across all of our major end markets, including manufacturing, commercial, healthcare and government. U.S. mid-size volume also exceeded expectations with growth of 29% over the prior year. We're seeing meaningful growth with both new and existing customers. Existing mid-size customers, including lapsed customers are buying more; we're seeing that in our volume; in the number of transactions per customer; and in the number of customer contacts that are buying. When we look at the mid-size business growth, the meaningful portion of it is coming from new customer acquisitions. Overall, we remain optimistic about the U.S. business in 2018."

D. G. Macpherson, Chairman, W.W. Grainger, Inc.

Sources: Company SEC Filings and conference call transcripts

Key Deal Highlights

Product Line Expansion

Mueller Industries
(NYSE:MLI) acquires ATCO
Rubber Products

On July 3, Mueller Industries, Inc. (“Mueller Industries”) acquired ATCO Rubber Products, Inc. (“ATCO”) for approximately \$163M. Based in Fort Worth, TX, ATCO is a manufacturer and distributor of insulated HVAC flexible duct systems. The acquisition will support the company’s strategy to grow its Climate Products businesses to become a more valuable resource to its HVAC customers. Mueller Industries, Inc. is an industrial manufacturer that specializes in copper and copper alloy manufacturing, while also producing goods made from aluminum, steel, and plastics. Its products include tubing, fittings, and valves for plumbing and HVAC related piping systems, as well as various components for applications in the building construction, appliance, defense, energy, and automotive sectors.

End Market Expansion

Brenntag AG (XTRA: BNR)
acquires the Chemical
Distribution Business
of Canada Colors and
Chemicals

On July 3, Brenntag Group (“Brenntag”), a global leader in chemical distribution, signed an agreement with Canada Colors and Chemicals Ltd. (“CCC”) to acquire the company’s chemicals distribution business for an undisclosed amount. Headquartered in Toronto, CCC offers a full-line portfolio with operations in the main industrial areas across all of Canada. CCC serves a highly diversified customer base in industries such as Life Sciences, Water Treatment, Coatings, Construction, Energy and Mining. Steven Holland, CEO of Brenntag Group, said, “With the acquisition of CCC, Brenntag strengthens its focus and specialties capabilities in both Life Science and Material Science. CCC’s broad positioning and extensive product and service portfolio perfectly complement Brenntag’s offer to our customers and suppliers.”

Synergy Realization

United Rentals, Inc.
(NYSE:URI) acquires
BakerCorp International
Holdings

On July 2, United Rentals, Inc. (“United Rentals”) announced it entered into a definitive agreement to acquire BakerCorp International Holdings, Inc. (“BakerCorp”) for approximately \$715M. The integration of BakerCorp into United Rentals will give the acquired locations access to United Rentals’ systems and technology, as well as process- and data-driven efficiencies. The combined operations are expected to create approximately \$19 million in direct cost synergies across corporate overhead and shared services. Michael Kneeland, CEO of United Rentals, said, “We set a high bar across strategic, financial and cultural metrics when evaluating any acquisition. BakerCorp met every test, with the additional advantage of being primed to benefit from our systems and technology. We expect the combination to augment our revenue, earnings and EBITDA in 2018, while propelling the growth of one of our most promising specialty segments.”

Geographic Expansion

Core & Main acquires St.
Louis Fabrication & Supply

On June 18, Core & Main LP (“Core & Main”) acquired St. Louis Fabrication & Supply Co., Inc. (“St. Louis Fabrication & Supply”) for an undisclosed amount. St. Louis Fabrication & Supply is a provider of fire protection product fabrication and distribution in the St. Louis area and surrounding markets. This acquisition marks the second by Core & Main since becoming an independent company in August 2017. Brad Cowles, President of Core & Main, said, “The acquisition of St. Louis Fabrication & Supply extends Core & Main’s custom fabrication capabilities to a new region, which means our Midwest customers now can count on us for customized products that meet strict quality standards in the commercial and residential construction markets.”

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	Supratechnic Pte Ltd., IQ Air Business	Scientific & Industrial Instrumentation Pte Ltd.	Industrial / MRO / Safety	\$3.2	2.2x	-
Pending	Umongo Petroleum Proprietary Limited	Omnia Group (Pty) Ltd	Chemicals & Gases	66.6	0.8x	8.4x
Pending	Wellstar Enterprises (Hong Kong) Company Limited	Brenntag AG	Chemicals & Gases	29.8	-	-
Pending	The United Distribution Group, Inc.	SunSource Holdings, Inc.	Fluid Control Products	-	-	-
Pending	Canada Colors and Chemicals Limited	Brenntag AG	Chemicals & Gases	-	-	-
Jul-18	Hellberg Safety AB	Hultafors Group AB	Industrial / MRO / Safety	-	-	-
Jul-18	Atlas Supply, Inc.	Beacon Roofing Supply, Inc.	Building Products	-	-	-
Jul-18	Alliance Wholesale Supply	ABC Supply Co., Inc.	Building Products	-	-	-
Jul-18	PartsXpress	Parts Town LLC	Industrial / MRO / Safety	-	-	-
Jul-18	Compona AG	TTI, Inc.	Electrical Products	-	-	-
Jul-18	ATCO Rubber Products, Inc.	Mueller Industries, Inc.	Industrial / MRO / Safety	162.8	1.0x	-
Jul-18	TRS Tyre & Wheel Ltd.	Trelleborg AB	Industrial / MRO / Safety	-	-	-
Jul-18	Amre Supply Company Limited	Wolseley Canada Inc.	Industrial / MRO / Safety	-	-	-
Jul-18	BakerCorp International Holdings, Inc.	United Rentals, Inc.	Fluid Control Products	715.0	2.4x	9.1x
Jun-18	G & F Roof Supply, Inc	ABC Supply Co., Inc.	Building Products	-	-	-
Jun-18	St. Louis Fabrication & Supply Co., Inc.	Core & Main LP	Industrial / MRO / Safety	-	-	-
Jun-18	Seltin Supply Inc.	Ryan Herco Flow Solutions, Inc.	Fluid Control 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	Neese Industries, Inc.	Radians, Inc.	Industrial / MRO / Safety	-	-	-
May-18	Power Industries, Inc.	Motion Industries, Inc.	Industrial / MRO / Safety	-	-	-
May-18	Essential Safety Products, Inc.	Mallory Safety and Supply, Inc.	Industrial / MRO / Safety	-	-	-
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	Weiler Welding Company, Inc.	Airgas, Inc.	Chemicals & Gases	-	-	-
May-18	Tri-State Builder's Supply, Inc	Beacon Roofing Supply, Inc.	Building Products	-	-	-
May-18	Brinker Brown Fastener & Supply Inc.	Colony Hardware Corp.	Industrial / MRO / Safety	-	-	-
May-18	All Integrated Solutions	MSC Industrial Direct Co., Inc.	Industrial / MRO / Safety	86.0	1.3x	-
Apr-18	Ryan Herco Flow Solutions, Inc.	STS Operating, Inc.	Fluid Control Products	-	-	-
Apr-18	SRS Distribution Inc.	Leonard Green & Partners, L.P.	Building Products	3,000.0	-	-
Apr-18	Advanced Automated Controls, Inc.	Bearing Distributors, Inc.	Industrial / MRO / Safety	-	-	-
Apr-18	Tools & Test Business of Textron Inc.	Emerson Electric Co,	Industrial / MRO / Safety	-	-	-
Apr-18	Ferrostaal Piping Supply GmbH	Van Leeuwen Pipe and Tube Group B.V.	Industrial / MRO / Safety	-	-	-
Apr-18	S.P. Richards Company, Inc.	Essendant Inc.	Industrial / MRO / Safety	687.5	-	-
Apr-18	City Electric Company, Inc.	Sonepar Management US, Inc.	Industrial / MRO / Safety	-	-	-
Apr-18	Ace Supply Inc.	L&W Supply Corp.	Building Products	-	-	-
Apr-18	Klingel Joining Technologies	Atlas Copco AB	Industrial / MRO / Safety	-	-	-
Apr-18	Fanello Industries, Inc.	Ryerson Holding Corp.	Industrial / MRO / Safety	-	-	-
Apr-18	Branam Fastening Systems, Inc.	Endries International Inc.	Industrial / MRO / Safety	-	-	-
Apr-18	Response Packaging, LLC	Orbis Corp.	Industrial / MRO / Safety	-	-	-
Apr-18	Safeway Sling USA, Inc.	Bishop Lifting Products, Inc.	Industrial / MRO / Safety	-	-	-
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	Miracle Sealants Co.	RPM International Inc.	Building Products	-	-	-
Mar-18	Picor Corp.	Purvis Industries Ltd.	Industrial / MRO / Safety	-	-	-
Mar-18	Cedar Creek	BlueLinx Holdings	Industrial / MRO / Safety	413.0	-	-
Mar-18	EIS Inc.	Motion Industries, Inc.	Industrial / MRO / Safety	-	-	-
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	Application Specialties, Inc.	DXP Enterprises, Inc.	Industrial / MRO / Safety	-	-	-
Jan-18	Pete Rose, Inc.	SiteOne Landscape Supply, Inc.	Industrial / MRO / Safety	-	-	-
Jan-18	Allied Building Products Corp.	Beacon Roofing Supply, Inc.	Building Products	2,625.0	1.0x	14.0x
Median				\$539.9	0.9x	9.1x
Mean				\$826.0	1.0x	10.5x

Sources: Capital IQ, company websites, and proprietary research

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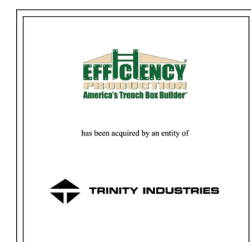
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