



SPECIALTY DISTRIBUTION REPORT

Q2 2016

Explore M&A Activity, Capital Market
Conditions and Current Trends for the
Specialty Distribution Industry

SDR*Ventures*

720.221.9220 | SDRVENTURES.COM

Investment Banking & Securities Offered Through SDR Capital Markets, Inc., Member FINRA & SIPC.





SPECIALTY DISTRIBUTION REPORT

NEW INDUSTRY OF FOCUS

This quarter we are pleased to introduce our Specialty Distribution Report to our line of quarterly industry reports. It is imperative for companies to make long-term investments in distribution infrastructure, so we will aim to keep you up-to-date on the latest M&A activity and trends in this space.

Q2 INDUSTRY OVERVIEW

Specialty Distribution long has been dominated by extremely fragmented, distinct industry segments, making it difficult for players to grow organically. Companies that have found success focus on vertical differentiation and creating and maintaining efficient operations. Larger companies have turned toward acquisitions to add the industry segment expertise of smaller niche companies to drive growth.

Within the middle market, successful firms generally are focused on being the best in their individual categories and/or regions. Smaller players can thrive in their respective market segments with superior customer service. Through acquisitions, larger companies with scalable platforms can leverage their infrastructure and technologies and apply the framework and resources needed to benefit from cost synergies and from the market experience of smaller niche players.

In order to succeed in a market that is reliant on macroeconomic trends, companies can focus on the tangible elements that are within their control, such as optimizing operations and implementing the necessary infrastructure for scalable digitized growth.

KEY TRENDS

With the implementation of new, simplified ERP systems and SaaS-based solutions, companies are able to improve efficiencies and remain competitive regardless of the economic environment. New digital tools and developments in category, supply chain and inventory management are increasingly accessible on a cost effective basis to companies of all sizes.

As E-commerce and online sales become even more engrained in the overall market landscape, the importance of digitization continues to grow. According to Forrester, distributors with E-commerce infrastructure grew online B2B sales from \$559 billion in 2013 to approximately \$780 billion in 2015. With nearly 40% growth in just two years, it is expected that by 2020 the space will have expanded by an additional 40% and will surpass \$1.1 trillion.

KEY M&A TRANSACTIONS

In the first half of 2016, Atlanta-based Genuine Parts continued its spate of acquisitions among multiple vertical segments. With two acquisitions in June and one in May, Genuine Parts has looked to expand its industry reach in the Automotive and Office Products segments. These transactions dovetail with the company's long term strategy to grow through accretive acquisitions and diversify within its existing sectors.

CONTENTS

[Transaction Activity](#)

[Active Buyers](#)

[Public Basket](#)

[M&A Market Activity](#)

[About SDR Ventures](#)

ABOUT SDR

Established in 2002, SDR Ventures has developed deep M&A and capital transaction knowledge and expertise. SDR offers transaction advisory, private capital formation and business consulting services across a wide range of industries. We serve business owners and operators of privately held companies and provide them with a professional-class experience.

SPECIALTY DISTRIBUTION CONTACTS



Travis Conway
Managing Director –
Specialty Distribution Team
720.221.9220
tconway@sdrventures.com



Jodi Burrows
Vice President –
Specialty Distribution Team
720.221.9220
jburrows@sdrventures.com

The information contained herein is based on sources we believe reliable but is not guaranteed by us and is not to be considered all-inclusive. It is not to be construed as an offer or consultation of an offer to sell or buy any securities.

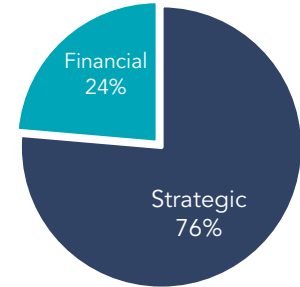


SPECIALTY DISTRIBUTION REPORT

TRANSACTIONS BY SEGMENT

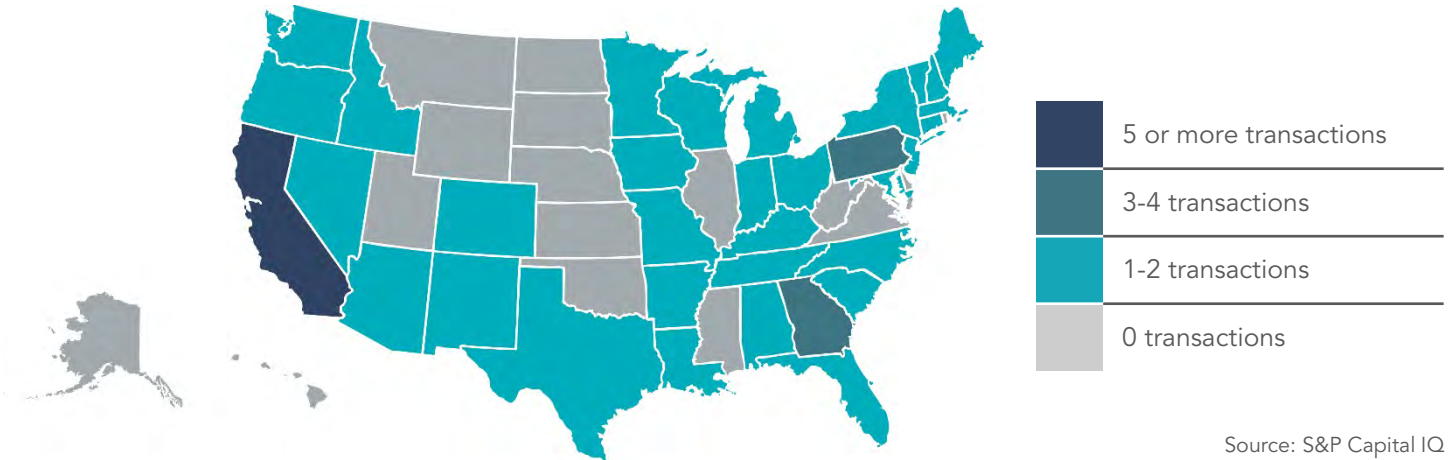


TRANSACTIONS BY TYPE



Source: S&P Capital IQ

TRANSACTIONS BY LOCATION



Source: S&P Capital IQ

TRANSACTION ACTIVITY

Date	Target	Buyer(s)	Segment	Amount (\$ in Mil)	TEV/Rev	TEV/EBITDA
6/21/2016	Idaho Western, Inc.	Universal Forest Products Inc.	Building Products	12	0.55x	-
6/13/2016	Rugby IPD Corp.	Hardwoods Specialty Products US LP	Building Products	120	0.42x	9.40x
3/31/2016	Nor-Cal Produce, Inc.	United Natural Foods, Inc.	Food & Beverage	69	-	-
3/22/2016	Mediplex Alliances Inc.	iNeedMD Holdings, Inc.	Medical	28	-	-
3/3/2016	The Progressive Group	Patrick Industries Inc.	Building Products	11	0.48x	-
3/1/2016	Atlanta Electrical Distributors, LLC	WESCO Distribution, Inc.	Electronic Components	52	0.59x	-
2/17/2016	Ingram Micro Inc.	Tianjin Tianhai Investment Co., Ltd.	Electronic Components	7,247	0.15x	8.13x
2/16/2016	Grande Marque Trading, LLC	-	Food & Beverage	10	-	-
2/2/2016	Neighborhood Diabetes, Inc.	Liberty Medical Supply, Inc.	Medical	5	-	-

ACCESS FULL LIST

Source: S&P Capital IQ

Note: These data represent recorded transactions only, and are not all-inclusive. Nevertheless, they are typically representative of the industry.



SPECIALTY DISTRIBUTION REPORT

ACTIVE BUYERS

MOST ACTIVE STRATEGIC BUYERS

Strategic Buyer	Inv. Date	Select Corporate Acquisitions
Beacon Roofing Supply, Inc.	6/1/2016	• Woodfeathers, Inc.
	5/2/2016	• Fox Brothers Company
	4/1/2016	• Atlantic Building Products, Inc.
	12/29/2015	• Statewide Wholesale, Inc.
	5/3/2016	• Wall & Ceiling Supply Company, Inc.
GMS Inc.	4/1/2016	• Professional Handling and Distribution, Inc.
	1/5/2016	• Gypsum Supply Co., Inc.
	12/9/2015	• Hathaway & Sons Inc.
	3/25/2015	• J & B Materials, Inc.
	6/2/2016	• Johnson Insulation, LLC (Certain Assets)
Distribution International, Inc.	3/7/2016	• 3i Supply Company
	12/1/2015	• RHEM, LLC (dba E.J. Bartells)
	10/20/2015	• Selle Supply Company and PBI Supply, Inc.
	6/3/2015	• Insulation Fabricators, Inc.
	6/21/2016	• Auto-Camping Ltd.
Genuine Parts Company	6/21/2016	• Rochester Midland (Certain Assets)
	5/19/2016	• The Safety Zone
	3/9/2016	• Cova Parts Pty Ltd
	3/8/2016	• Epperson & Company
	2/16/2016	• Missouri Power
US LBM Holdings, LLC	2/1/2016	• Olympus Imported Auto Parts Corporation
	2/28/2012	• Quaker City Motor Parts
	12/18/2015	• Parker's Building Supply
	10/27/2015	• Building Supply Association, Inc.
	9/24/2015	• Loumac Distributors, Inc.

Source: S&P Capital IQ

SELECT SPONSORS WITH ACTIVE PORTFOLIO HOLDINGS

Strategic Buyer	Inv. Date	Select Holdings
Kodiak Building Partners	4/18/2016	• Factory Builder Stores, Inc.
	9/29/2014	• Barnsco Inc.
	8/11/2014	• AO, Inc.
	12/27/2013	• Jones Hartz Drywall Supply, LLC
	6/12/2013	• East Coast Building Materials LLC
Platinum Equity, LLC	6/16/2016	• Data Blue
	6/8/2016	• ConAgra Foods, Inc. JM Swank Business
	5/31/2016	• Electro Rent Corporation
	3/27/2015	• PrimeSource Building Products, Inc.
Gen Cap America, Inc.	10/26/2015	• L.W. Allen, Inc.
	8/17/2015	• Canfield Technologies, Inc.
	2/27/2015	• Newman Associates
	3/6/2013	• CPS Distributors
Freeman Spogli & Co. Inc	6/22/2016	• Integrated Supply Network, LLC
Jordan Industries International	11/3/2015	• DRE Inc.
	10/7/2015	• Global Medical Imaging, LLC

Source: S&P Capital IQ

Note: These data represent recorded transactions only, and are not all-inclusive. Nevertheless, they are typically representative of the industry.

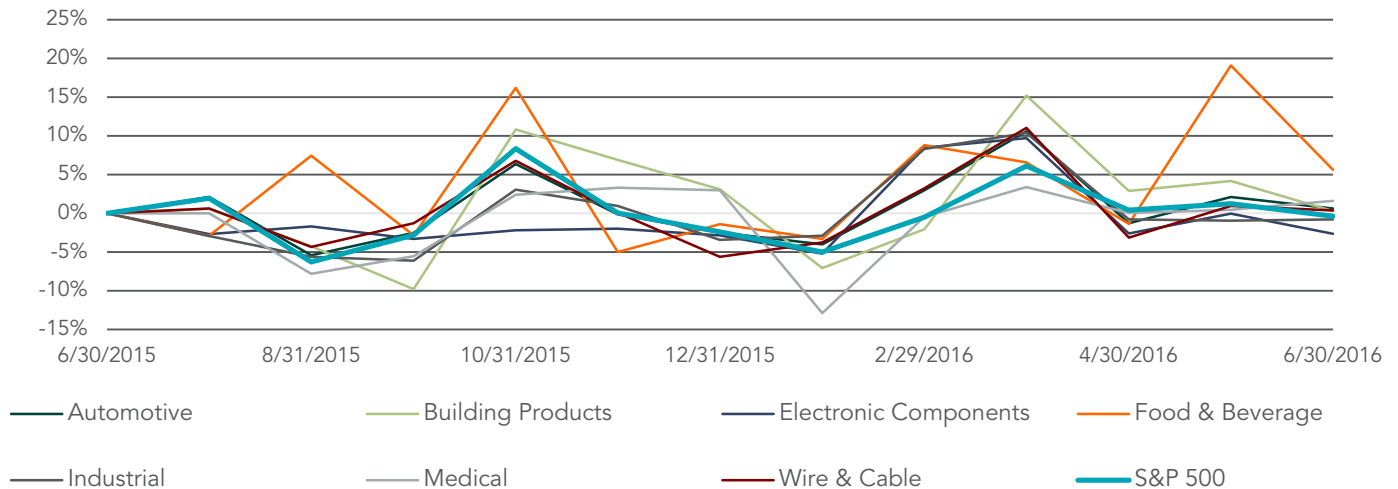


SPECIALTY DISTRIBUTION REPORT

PUBLIC BASKET

SPECIALTY DISTRIBUTION SEGMENTS VS. S&P 500

Running 12 Months



AUTOMOTIVE

Source: S&P Capital IQ

Company Name	Symbol	State	Market Cap (\$ in Mil)	Price	Stock Price Quarter Change	YTD Change	Price/LMT EPS	Price/Book	TEV/Rev	TEV/EBITDA
Genuine Parts Company	NYSE:GPC	GA	\$15,149	\$101	4.5%	18%	22.0x	4.7x	1.0x	12.4x
LKQ Corp.	NasdaqGS:LKQ	IL	\$9,722	\$32	-4.1%	7%	22.4x	3.0x	1.7x	14.3x
Uni-Select Inc.	TSX: UNS	QC	\$1,383	\$33	-6.2%	-4%	21.3x	2.4x	0.9x	12.2x
Kaman Corporation	NYSE: KAMN	CT	\$1,151	\$43	-0.4%	4%	20.9x	2.1x	0.9x	11.0x
Essendant Inc.	NASDAQ: ESND	IL	\$1,135	\$31	-0.7%	-6%	9.6x	1.5x	0.3x	7.2x
Dorman Products, Inc.	NASDAQGS:DORM	PA	\$1,980	\$57	3.6%	20%	21.4x	3.7x	2.3x	11.2x
Lawson Products Inc.	Nasdaq: LAWS	IL	\$174	\$20	3.0%	-15%	58.3x	2.7x	0.6x	16.9x
Segment Average			\$4,385		-0.1%	3.5%	25.1x	2.9x	1.1x	12.2x

Source: S&P Capital IQ

BUILDING PRODUCTS

Company Name	Symbol	State	Market Cap (\$ in Mil)	Price	Stock Price Quarter Change	YTD Change	Price/LMT EPS	Price/Book	TEV/Rev	TEV/EBITDA
HD Supply Holdings, Inc.	NasdaqGS:HDS	GA	\$6,989	\$35	-1.4%	16%	27.9x	9.5x	1.5x	13.1x
Pool Corp.	Nasdaq: Pool	LA	\$3,956	\$94	2.7%	16%	29.8x	19.2x	1.8x	17.8x
Beacon Roofing Supply, Inc.	NasdaqGS:BECN	VA	\$2,709	\$45	5.4%	10%	28.3x	2.2x	1.1x	15.9x
BMC Stock Holdings, Inc.	NasdaqGS:BMCH	GA	\$1,166	\$18	-9.2%	6%	39.9x	1.9x	0.8x	16.0x
Boise Cascade Company	NYSE: BCC	ID	\$889	\$23	0.0%	-10%	18.6x	1.7x	0.3x	8.2x
Huttig Building Products Inc.	NasdaqCM:HBP	MO	\$132	\$5	12.9%	38%	14.2x	2.4x	0.3x	9.9x
Bluelinx Holdings Inc.	NYSE:BXC	GA	\$63	\$7	0.7%	33%	NM	NM	0.3x	17.3x
Wolseley plc	LSE:WOS	-	\$9,628	\$39	-4.5%	5%	20.1x	3.6x	0.8x	11.1x
Segment Average			\$2,272		1.6%	15.7%	26.5x	6.1x	0.9x	14.0x

Source: S&P Capital IQ

Note: These data represent recorded transactions only, and are not all-inclusive. Nevertheless, they are typically representative of the industry.



SPECIALTY DISTRIBUTION REPORT

ELECTRONIC COMPONENTS

Company Name	Symbol	State	Market Cap (\$ in Mil)	Price	Stock Price Quarter Change	YTD Change	Price/ LMT EPS	Price/ Book	TEV/ Rev	TEV/ EBITDA
W.W. Grainger, Inc.	NYSE:GWW	IL	\$13,935	\$227	-0.5%	12%	19.0x	6.1x	1.6x	10.6x
Arrow Electronics, Inc.	NYSE:ARW	CO	\$5,672	\$62	-4.2%	14%	12.3x	1.3x	0.3x	7.5x
Avnet, Inc.	NYSE:AVT	AZ	\$5,206	\$41	-1.3%	-5%	11.4x	1.1x	0.2x	6.4x
Tech Data Corp.	NasdaqGS:TECD	FL	\$2,529	\$72	-4.9%	8%	13.9x	1.2x	0.1x	5.6x
WESCO International Inc.	NYSE:WCC	PA	\$2,173	\$51	-11.7%	18%	13.7x	1.1x	0.5x	8.5x
ScanSource, Inc.	NasdaqGS:SCSC	SC	\$952	\$37	-3.3%	15%	15.0x	1.3x	0.3x	7.9x
Richardson Electronics Ltd.	NasdaqGS:RELL	IL	\$68	\$5	1.3%	-7%	NM	0.5x	0.0x	NM
Segment Average			\$4,362		-3.5%	7.9%	14.2x	1.8x	0.4x	7.8x

Source: S&P Capital IQ

FOOD & BEVERAGE

Company Name	Symbol	State	Market Cap (\$ in Mil)	Price	Stock Price Quarter Change	YTD Change	Price/ LMT EPS	Price/ Book	TEV/ Rev	TEV/ EBITDA
Sysco Corporation	NYSE:SY	TX	\$28,593	\$51	5.5%	24%	29.1x	7.2x	0.7x	13.1x
US Foods Holding Corp.	NYSE:USFD	IL	\$5,179	\$24	-3.0%	-	32.4x	3.4x	0.4x	11.3x
Performance Food Group Company	NYSE:PFGC	VA	\$2,761	\$27	8.4%	16%	41.4x	3.5x	0.3x	13.0x
United Natural Foods, Inc.	NasdaqGS:UNFI	RI	\$2,358	\$47	25.6%	19%	17.4x	1.6x	0.3x	9.2x
Core-Mark Holding Company, Inc.	Nasdaq:CORE	CA	\$2,168	\$47	9.5%	14%	42.2x	4.4x	0.2x	17.8x
SpartanNash Company	NasdaqGS:SPTN	MI	\$1,146	\$31	2.9%	41%	14.6x	1.4x	0.2x	7.2x
The Chefs' Warehouse, Inc.	NasdaqGS:CHEF	CT	\$423	\$16	5.4%	-4%	20.8x	2.2x	0.6x	10.8x
Segment Average			\$6090		7.7%	15.8%	28.3x	3.4x	0.4x	11.8x

Source: S&P Capital IQ

INDUSTRIAL

Company Name	Symbol	State	Market Cap (\$ in Mil)	Price	Stock Price Quarter Change	YTD Change	Price/ LMT EPS	Price/ Book	TEV/ Rev	TEV/ EBITDA
Genuine Parts Company	NYSE:GPC	GA	\$15,149	\$101	4.5%	18%	22.0x	4.7x	1.0x	12.4x
W.W. Grainger, Inc.	NYSE:GWW	IL	\$13,935	\$227	-0.5%	12%	19.0x	6.1x	1.6x	10.6x
Fastenal Company	NasdaqGS:FAST	MN	\$12,824	\$44	-3.6%	9%	25.1x	7.0x	3.3x	14.2x
HD Supply Holdings, Inc.	NasdaqGS:HDS	GA	\$6,989	\$35	-1.4%	16%	27.9x	9.5x	1.5x	13.1x
MSC Industrial Direct Co. Inc.	NYSE:MSM	NY	\$4,331	\$71	-5.9%	25%	18.7x	3.2x	1.6x	10.4x
WESCO International Inc.	NYSE:WCC	PA	\$2,173	\$51	-11.7%	18%	13.7x	1.1x	0.5x	8.5x
NOW Inc.	NYSE:DNOW	TX	\$1,949	\$18	4.6%	15%	NM	1.4x	0.7x	NM
MRC Global Inc.	NYSE:MRC	TX	\$1,402	\$14	0.1%	10%	24.2x	1.5x	0.5x	10.1x
Lawson Products Inc.	NasdaqGS:LAWS	IL	\$174	\$20	3.0%	-15%	58.3x	2.7x	0.6x	16.9x
Segment Average			\$6,547		-1.2%	12.0%	26.1x	4.2x	1.3x	12.0x

Source: S&P Capital IQ

Note: These data represent recorded transactions only, and are not all-inclusive. Nevertheless, they are typically representative of the industry.



SPECIALTY DISTRIBUTION REPORT

WIRE & CABLE

Company Name	Symbol	State	Market Cap (\$ in Mil)	Price	Stock Price Quarter Change	YTD Change	Price/LMT EPS	Price/Book	TEV/Rev	TEV/EBITDA
Genuine Parts Company	NYSE: GPC	GA	\$15,149	\$101	4.5%	18%	22.0x	4.7x	1.0x	12.4x
Arrow Electronics, Inc.	NYSE: ARW	CO	\$5,672	\$62	-4.2%	14%	12.3x	1.3x	0.3x	7.5x
Avnet, Inc.	NYSE:AVT	AZ	\$5,206	\$41	-1.3%	-5%	11.4x	1.1x	0.2x	6.4x
Anixter International Inc.	NYSE:AXE	IL	\$1,761	\$53	-11.5%	-12%	12.9x	1.5x	0.5x	8.8x
Houston Wire & Cable Company	NasdaqGS:HWCC	TX	\$87	\$5	-2.8%	-1%	29.1x	0.9x	0.4x	14.3x
Segment Average			\$5,575		-3.1%	2.9%	17.5x	1.9x	0.5x	9.9x

Source: S&P Capital IQ

MEDICAL

Company Name	Symbol	State	Market Cap (\$ in Mil)	Price	Stock Price Quarter Change	YTD Change	Price/LMT EPS	Price/Book	TEV/Rev	TEV/EBITDA
McKesson Corporation	NYSE:MCK	CA	\$42,126	\$187	1.9%	-5%	20.5x	4.7x	0.3x	10.3x
Cardinal Health, Inc.	NYSE:CAH	OH	\$25,417	\$78	-1.2%	-13%	18.0x	3.8x	0.2x	9.3x
AmerisourceBergen Corporation	NYSE:ABC	PA	\$17,121	\$79	5.8%	-24%	18.1x	8.1x	0.1x	10.9x
Henry Schein, Inc.	NasdaqGS:HSIC	NY	\$14,509	\$177	1.8%	12%	33.4x	5.0x	1.5x	16.8x
Patterson Companies, Inc.	NasdaqGS:PDCO	MN	\$4,626	\$48	-1.9%	6%	23.8x	3.2x	1.0x	12.5x
Owens & Minor Inc.	NYSE:OMI	VA	\$2,347	\$37	0.2%	4%	18.1x	2.3x	0.3x	10.2x
Aceto Corp.	NasdaqGS:ACET	NY	\$648	\$22	-1.9%	-19%	16.6x	2.2x	1.2x	9.1x
Segment Average			\$15,256		0.7%	-5.5%	21.2x	4.2x	0.7x	11.3x

Source: S&P Capital IQ

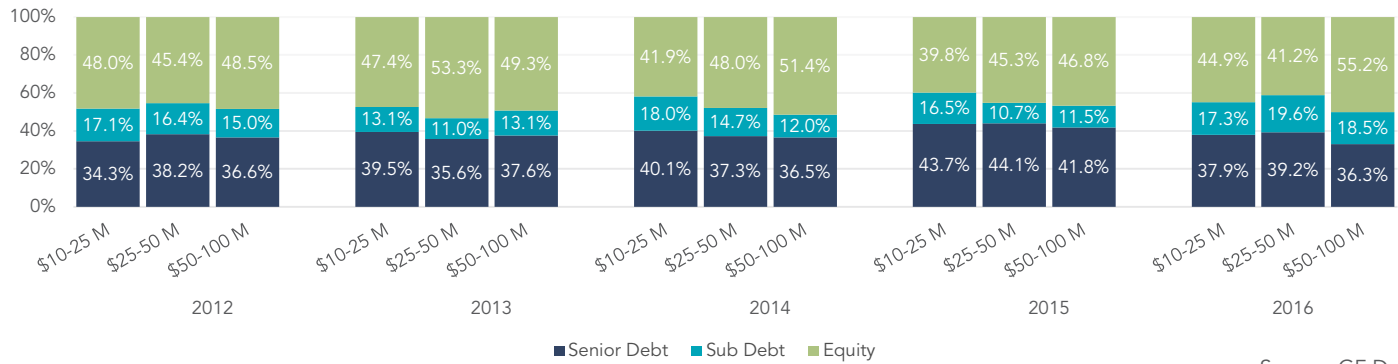
Note: These data represent recorded transactions only, and are not all-inclusive. Nevertheless, they are typically representative of the industry.



SPECIALTY DISTRIBUTION REPORT

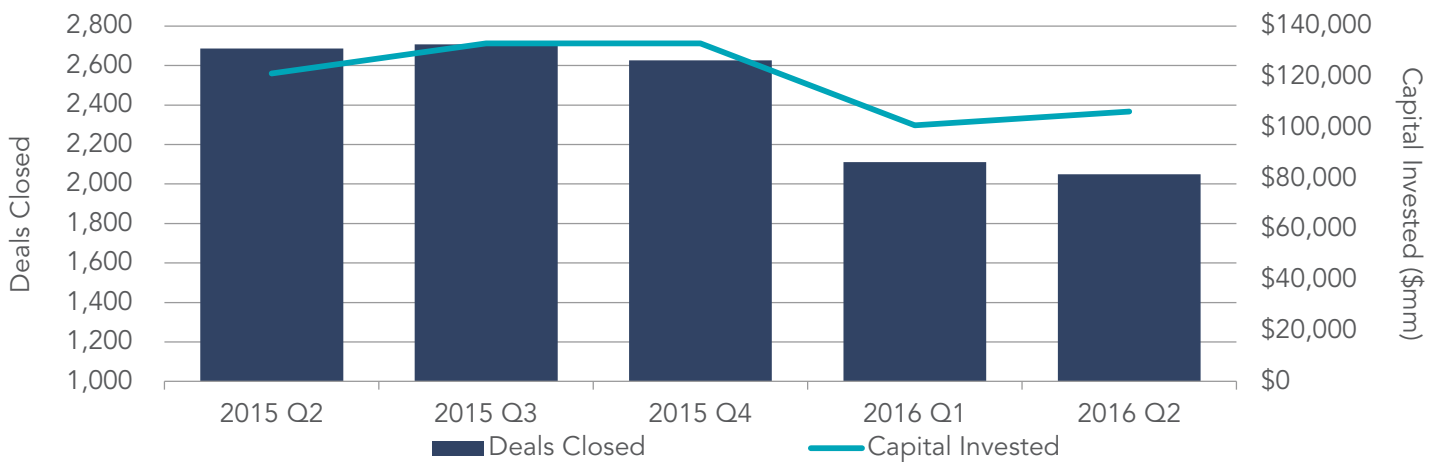
OVERALL U.S. LOWER MIDDLE MARKET M&A ACTIVITY

CAPITAL STACK



Source: GF Data*

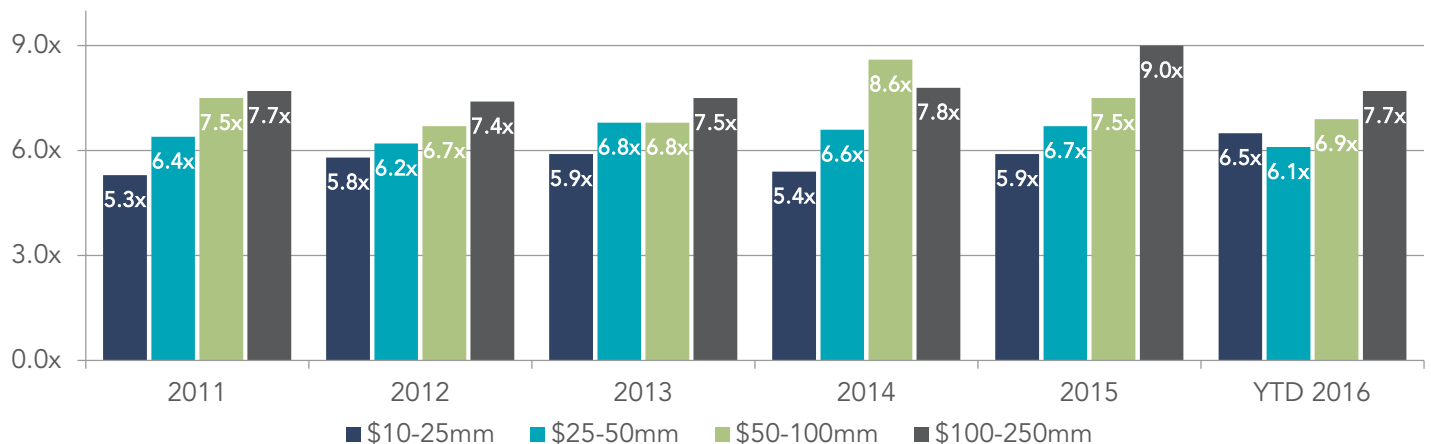
M&A ACTIVITY



Source: S&P Capital IQ

TRANSACTION MULTIPLES

EBITDA Multiples By Transaction Size



Source: GF Data*

*The most current source of GF Data is as of March 31, 2016, and lags one quarter behind the current quarter.



SPECIALTY DISTRIBUTION REPORT

COMPREHENSIVE SPECIALTY DISTRIBUTION EXPERTISE

With ownership and operations backgrounds in both manufacturing and distribution, our team has the depth of experience and industry expertise that you want on your side. Let us help you understand the market and maximize the value of your transactions. Our expertise in Specialty Distribution products and services include:

- Automotive
- Building Products
- Electronic Components
- Food & Beverage
- Industrial
- Medical
- Wire & Cable

CONTACT US



Travis Conway
Managing Director –
Specialty Distribution Team
720.221.9220
tconway@sdrventures.com



Jodi Burrows
Vice President –
Specialty Distribution Team
720.221.9220
jburrows@sdrventures.com

RECENT SDR TRANSACTIONS

SDR has completed numerous transactions types throughout various industries, most recently:



Has been acquired by

Tsinelas, Inc.

SDR Ventures SELL-SIDE TRANSACTION



Has been acquired by

Denver Commercial Property Services, Inc.
DCPS

SDR Ventures SELL-SIDE TRANSACTION



Has been acquired by



SDR Ventures SELL-SIDE TRANSACTION

Abacus Partners LLC

Has acquired



Denver

SDR Ventures BUY-SIDE TRANSACTION



Has raised funds to implement an Employee Stock Ownership Plan, with financing advised by



SDR Ventures SELL-SIDE TRANSACTION

SDR SERVICE OFFERINGS



SELL-SIDE ADVISORY



PRIVATE CAPITAL FORMATION



BUY-SIDE ADVISORY



STRATEGIC CONSULTING



SPECIALTY DISTRIBUTION REPORT

Q2 2016 TRANSACTION ACTIVITY

Date	Target	Buyer(s)	Segment	Amount (\$ in Mil)	TEV/ Rev	TEV/ EBITDA
6/30/2016	Cape Electrical Supply LLC	Graybar Electric Company, Inc.	Electronic Components	-	-	-
6/30/2016	Barrier Free Access, Inc.	State Fund Mutual Insurance Company	Medical	-	-	-
6/27/2016	Precision Electrical Sales Company	R/B Sales Corporation	Electronic Components	-	-	-
6/27/2016	M.T. Food Service, Inc.	The Chefs' Warehouse, Inc. (NasdaqGS:CHEF)	Food & Beverage	-	-	-
6/25/2016	Threewit-Cooper Cement Co.	-	Building Products	-	-	-
6/22/2016	Alliance Beverage Distributing Co. LLC	Breakthru Beverage Group, LLC	Food & Beverage	-	-	-
6/22/2016	Integrated Supply Network, LLC	Freeman Spogli & Co. Incorporated	Automotive	-	-	-
6/22/2016	Dansville Electrical Supply Co., Inc.	VP Supply Corp.	Industrial	-	-	-
6/21/2016	Idaho Western, Inc.	Universal Forest Products Inc. (NasdaqGS:UFPI)	Building Products	11.5	0.55x	-
6/20/2016	KeySource Medical, Inc.	Friedman Capital; Seal Rock Partners	Medical	-	-	-
6/20/2016	Alder Foods, Inc.	IMB Development Corporation	Food & Beverage	-	-	-
6/17/2016	Unifrutti of America, Inc.	-	Food & Beverage	-	-	-
6/15/2016	Distribution Territory	Coca-Cola Refreshments USA, Inc.	Food & Beverage	-	-	-
6/13/2016	Charlebois Truck Parts, Inc.	FleetPride, Inc.	Automotive	-	-	-
6/13/2016	Rugby IPD Corp.	Hardwoods Specialty Products US LP	Building Products	119.8	0.42x	9.40x
6/13/2016	MedX Pharmaceuticals, Inc.	MedX Holdings, Inc. (OTCPK:MEDH)	Medical	-	-	-
6/9/2016	P Exchange, Ltd.	Corpac Group	Industrial	-	-	-
6/9/2016	Worldwide Fish & Seafood, Inc.	Fortune Fish Company	Food & Beverage	-	-	-
6/8/2016	ConAgra Foods, Inc., JM Swank Business	Platinum Equity, LLC	Food & Beverage	-	-	-
6/7/2016	Shealy Electrical Wholesalers, Inc.	Border States Industries, Inc.	Electronic Components	-	-	-
6/6/2016	Salty Girl Seafood, Inc.	-	Food & Beverage	0.8	-	-
6/1/2016	Woodfeathers, Inc.	Beacon Roofing Supply, Inc. (NasdaqGS:BECN)	Building Products	-	-	-
5/31/2016	Angelini Trading Company, Inc.	Adaiah Distribution Inc. (OTCPK:ADHH)	Food & Beverage	1.8	-	-
5/31/2016	Bruce-Rogers Company	Ferguson Enterprises, Inc.	Building Products	-	-	-
5/26/2016	Rochester Drug Cooperative, Inc.	-	Medical	1.0	-	-
5/26/2016	Delhi Foods, Inc.	Creation Gardens, Inc.	Food & Beverage	-	-	-
5/26/2016	Commercial Heating Supply, Co.	Torrington Supply Company, Inc.	Industrial	-	-	-
5/25/2016	Concierge Technologies Inc. (OTCPK:CNCG)	Schoenberger Family Trust; Wainwright Holdings, Inc.	Electronic Components	0.5	-	-
5/24/2016	Laboratory Supply Company, Inc.	McKesson Corporation (NYSE:MCK)	Medical	-	-	-
5/24/2016	Wolf Medical Inc.	National Seating & Mobility, Inc.	Medical	-	-	-
5/20/2016	Calyx Brands, Inc.	-	Food & Beverage	0.5	-	-
5/20/2016	Motors and Drives, LLC	Troy Industrial Solutions LLC	Electronic Components	-	-	-
5/16/2016	Glenbard Electric Supply, Inc.	Revere Electric Supply Co.	Electronic Components	-	-	-
5/10/2016	Atlantic Roofing Distributors LLC	SRS Distribution, Inc.	Building Products	-	-	-
5/9/2016	Universal Building Specialties Incorporated	Cedar Creek Inc.	Building Products	-	-	-
5/5/2016	RedHawk Holdings Corp. (OTCPK:IDNG)	-	Medical	1.0	-	-
5/4/2016	Davidson Specialty Foods, Inc.	C&S Wholesale Grocers, Inc.	Food & Beverage	-	-	-
5/2/2016	Schmitt Telecom Partners, Inc.	Advanced Systems, Inc.	Electronic Components	-	-	-
5/2/2016	Grove Madsen Industries	Codale Electric Supply, Inc.	Electronic Components	-	-	-
4/26/2016	Lifeguard Medical Solutions, LLC	Allied 100, LLC	Medical	-	-	-
4/22/2016	Paolicelli & Associates, Inc.	One Source Associates, Inc.	Wire & Cable	-	-	-
4/21/2016	National ATM Systems Inc.	-	Electronic Components	-	-	-
4/21/2016	Action Business Systems, Inc.	Konica Minolta Business Solutions, U.S.A., Inc.	Electronic Components	-	-	-
4/18/2016	dB South, Inc.	DEDC, Inc.	Electronic Components	-	-	-
4/18/2016	Bay Communications, Inc.	OwnersEdge Inc.	Electronic Components	-	-	-
4/15/2016	Scales Industrial Technologies Inc.	Quincy Compressor LLC	Industrial	-	-	-

Source: S&P Capital IQ

Note: These data represent recorded transactions only, and are not all-inclusive. Nevertheless, they are typically representative of the industry.



SPECIALTY DISTRIBUTION REPORT

Q2 2016 TRANSACTION ACTIVITY (CONTINUED)

Date	Target	Buyer(s)	Segment	Amount (\$ in Mil)	TEV/ Rev	TEV/ EBITDA
4/13/2016	Pacific Plate Spirits, LLC	-	Food & Beverage	2.5	-	-
4/8/2016	Autoclave Testing Supplies, Inc.	Mesa Laboratories Inc. (NasdaqGS:MLAB)	Medical	-	-	-
4/8/2016	Advanced Medical Group, LLC	Wilmington Medical Supply, Inc.	Medical	-	-	-
4/5/2016	Boston Cedar, Inc.	U.S. LUMBER GROUP, LLC	Building Products	-	-	-
4/4/2016	Benbilt Building Systems LP	Huttig Building Products Inc. (NasdaqCM:HBP)	Building Products	-	-	-
4/1/2016	Atlantic Building Products, Inc.	Beacon Roofing Supply, Inc. (NasdaqGS:BECN)	Building Products	-	-	-
4/1/2016	Contractors Equipment Supply Co Inc	Bragg Companies, Inc.	Industrial	-	-	-
4/1/2016	Professional Handling and Distribution, Inc.	GMS Inc. (NYSE:GMS)	Building Products	-	-	-
4/1/2016	Northern Wisconsin Security and Sound Inc	Per Mar Security and Research Corporation	Electronic Components	-	-	-
3/31/2016	Kenseal Construction Products Corp.	A.H. Harris & Sons, Inc.	Building Products	-	-	-
3/31/2016	XLI Technologies, Inc. (OTCPK:XLIT)	JMJ Financial	Electronic Components	0.5	-	-
3/31/2016	Nor-Cal Produce, Inc.	United Natural Foods, Inc. (NasdaqGS:UNFI)	Food & Beverage	68.6	-	-
3/30/2016	Southern Stone Supply, Inc.	-	Building Products	0.4	-	-
3/29/2016	Corrosion Specialties, Inc.	Abrasive Products & Equipment, LLC	Industrial	-	-	-
3/24/2016	Edsung, Inc.	Hawaiian Housewares, Ltd.	Food & Beverage	-	-	-
3/22/2016	Mediplex Alliances Inc.	iNeedMD Holdings, Inc. (OTCPK:NEMD)	Medical	27.5	-	-
3/21/2016	Nature's Choice Produce, Inc.	H.C. Schmieding Produce Company, Inc.	Food & Beverage	-	-	-
3/17/2016	NETXUSA, INC.	Ingram Micro Inc. (NYSE:IM)	Electronic Components	-	-	-
3/15/2016	Rockland IT Solutions Corporation	Congruity LLC	Electronic Components	-	-	-
3/14/2016	Griffin International Companies, Inc.	CITIES Market Studios, Inc.	Food & Beverage	-	-	-
3/14/2016	U&I Entertainment, LLC	CITIES Market Studios, Inc.	Electronic Components	-	-	-
3/7/2016	Perfect Products Company of Michigan, Inc.	Lawson Products Inc. (NasdaqGS:LAWS)	Industrial	-	-	-
3/3/2016	The Progressive Group	Patrick Industries Inc. (NasdaqGS:PATK)	Building Products	11.0	0.48x	-
3/1/2016	Midwest Equipment Supply, LLC	American Vending Sales, Inc.	Industrial	-	-	-
3/1/2016	Liberty USA Inc	Eby-Brown Company, LLC	Food & Beverage	-	-	-
3/1/2016	Atlanta Powertrain & Hydraulics Inc.	FORCE America, Inc.	Industrial	-	-	-
3/1/2016	Office Systems, Inc.	SymQuest Group, Inc.	Electronic Components	-	-	-
3/1/2016	Atlanta Electrical Distributors, LLC	WESCO Distribution, Inc.	Electronic Components	52.0	0.59x	-
2/26/2016	Cara Donna Provision Co., Inc.	US Foods, Inc.	Food & Beverage	-	-	-
2/25/2016	North Star Seafood, LLC	Sysco Corporation (NYSE:SYF)	Food & Beverage	-	-	-
2/23/2016	Vision Dynamics, L.L.C.	New England Low Vision and Blindness	Medical	-	-	-
2/22/2016	Epperson & Company	Motion Industries, Inc.	Industrial	-	-	-
2/22/2016	TNT Parts, Inc.	Tidewater Fleet Supply, LLC	Automotive	-	-	-
2/18/2016	Monterrey Provision Co., Inc.	KeHE Distributors, LLC	Food & Beverage	-	-	-
2/17/2016	Missouri Power Transmission, Inc.	Motion Industries, Inc.	Industrial	-	-	-
2/17/2016	Ingram Micro Inc. (NYSE:IM)	Tianjin Tianhai Investment Co., Ltd. (SHSE:900938)	Electronic Components	7247.5	0.15x	8.13x
2/16/2016	Grande Marque Trading, LLC	-	Food & Beverage	10.0	-	-
2/10/2016	G-J, Inc.	Southern Wine & Spirits of America, Inc.	Food & Beverage	-	-	-
2/8/2016	VANA Ltd.	-	Building Products	-	-	-
2/2/2016	Neighborhood Diabetes, Inc.	Liberty Medical Supply, Inc.	Medical	5.0	-	-
2/1/2016	Bridger Forest Products, Inc.	Orepac Holding Co., Inc.	Building Products	-	-	-
2/1/2016	Meridian Office Systems Inc.	Sharp Imaging and Information Company of America	Electronic Components	-	-	-
1/30/2016	Kingsway Trading, Inc.	Yunnan Hongxiang Yixintang Pharmaceutical Co., Ltd.	Medical	1.9	-	-
1/29/2016	Bourland & Leverich Supply Co. LLC	Pipeco Services, Inc.	Industrial	-	-	-
1/27/2016	Oklahoma Automotive Safety Systems, Inc.	Consumer Safety Technology, Inc.	Electronic Components	-	-	-
1/27/2016	Advanced Pneumatics Company, Inc.	Hartfiel Automation, Inc.	Wire & Cable	-	-	-
1/27/2016	Concierge Technologies Inc. (OTCPK:CNCG)	Wainwright Holdings, Inc.	Electronic Components	0.5	-	-

Source: S&P Capital IQ

Note: These data represent recorded transactions only, and are not all-inclusive. Nevertheless, they are typically representative of the industry.



SPECIALTY DISTRIBUTION REPORT

Q2 2016 TRANSACTION ACTIVITY (CONTINUED)

Date	Target	Buyer(s)	Segment	Amount (\$ in Mil)	TEV/ Rev	TEV/ EBITDA
1/26/2016	Data Comm, Inc.	Marco, Inc.	Electronic Components	-	-	-
1/20/2016	Equal Exchange, Inc.	-	Food & Beverage	1.4	-	-
1/19/2016	Leo A Dick & Sons, Inc	Lipari Foods, LLC	Food & Beverage	-	-	-
1/18/2016	Mid-South Distributing, Inc.	Cherokee Distributing Company, Inc.	Food & Beverage	-	-	-
1/14/2016	Nitrogen Services LLC and Pipeliner's Warehouse, Inc.	Cross Country Pipeline Supply Co., Inc.	Industrial	-	-	-
1/14/2016	Ihealthcare, Inc.	Ihealthcare, Inc.	Medical	0.0	-	-
1/14/2016	PumpTek, LLC	Ohio Transmission Corporation	Industrial	-	-	-
1/14/2016	XLI Technologies, Inc. (OTCPK:XLIT)	RDW Capital, LLC	Electronic Components	1.8	-	-
1/12/2016	Legacy Ventures International Inc. (OTCPK:LGYY)	-	Food & Beverage	0.1	-	-
1/12/2016	R.F. Supply, Inc.	Trulite Glass & Aluminum Solutions, LLC	Building Products	-	-	-
1/11/2016	Golden Eagle Distributors, Inc.	Hensley & Company	Food & Beverage	-	-	-
1/7/2016	LRB Distributors Inc.	G&M Distributors, Inc.	Food & Beverage	-	-	-
1/6/2016	Pacific Belting Inc.	Apache Inc.	Industrial	-	-	-
1/6/2016	Great Lakes Commercial Sales, Inc.	WASH Multifamily Laundry Systems, LLC	Industrial	-	-	-
1/5/2016	Valley Healthcare Group, LLC	-	Medical	13.0	-	-
1/5/2016	Gypsum Supply Co., Inc.	GMS Inc. (NYSE:GMS)	Building Products	-	-	-
1/5/2016	Jordan Reses Supply Company, LLC	Mitchell International, Inc.	Medical	-	-	-
1/4/2016	RedHawk Holdings Corp. (OTCPK:IDNG)	Beechwood Properties Inc.	Medical	1.9	-	-
1/4/2016	Johnson Wholesale Floors, Inc.	Gilford-Johnson Flooring	Building Products	-	-	-

Source: S&P Capital IQ

Note: These data represent recorded transactions only, and are not all-inclusive. Nevertheless, they are typically representative of the industry.