

MSC Industrial Direct Co., Inc. Completes Acquisition Of Barnes Distribution North America

Strengthens inventory management solutions, expands product portfolio in fasteners, establishes Canada footprint

MELVILLE, N.Y., April 22, 2013 [/PRNewswire/](#) -- **MSC INDUSTRIAL DIRECT CO., INC.** (NYSE: MSM) today announced that it has completed the acquisition of the North American distribution business ("BDNA" or the "Business") of Barnes Group Inc. (NYSE: B) for \$550 million, subject to customary working capital adjustments. With this acquisition, MSC extends its inventory management solutions and product offering in fasteners and other high gross margin consumable products, and establishes a significant presence in the Canadian market.

MSC financed the purchase of BDNA utilizing both existing cash and a new credit facility, which was closed simultaneously with the acquisition. The new credit facility includes a fully drawn \$250 million term loan and a \$400 million revolver, of which \$120 million was drawn at closing to fund the acquisition. As previously announced, run-rate cost synergies are expected to reach \$15-\$20 million by fiscal 2015. The acquisition is expected to be accretive to cash flow and earnings per diluted share ("EPS"), including synergies and excluding transaction and integration costs, by contributing an expected incremental EPS of \$0.15-\$0.20 and \$0.30-\$0.40 in fiscal years 2014 and 2015, respectively.

Erik Gershwind, MSC's President and Chief Executive Officer, commented, "The acquisition of BDNA enables us to provide our mutual customers a deeper inventory management solution, a broader product offering and a larger geographic footprint to help them grow their businesses, increase productivity and reduce their MRO inventory costs. The addition of so many talented associates from BDNA nearly doubles MSC's existing sales force and tremendously strengthens our future growth opportunities."

Headquartered in Cleveland, Ohio, BDNA is a leading distributor of fasteners and other high margin, low cost consumables with a broad distribution footprint throughout the U.S. and Canada. BDNA has a strong presence with customers across manufacturing, government, transportation and natural resources end-markets. BDNA specializes in lowering the total cost of their customers' inventory management through storeroom organization and vendor managed inventory. The Business services roughly 31,000 customers with nearly 1,400 associates, including over 800 field sales associates, and offers more than 55,000 SKU's of products. For calendar year 2012, BDNA generated sales of roughly \$300 million.

About MSC Industrial Direct Co., Inc.

MSC Industrial Direct Co., Inc. is one of the largest distributors of Metalworking and Maintenance, Repair and Operations ("MRO") supplies to industrial customers throughout the United States. MSC employs one of the industry's largest sales forces and distributes approximately 900,000 industrial products from approximately 3,000 suppliers. In-stock availability is approximately 99%, with next day standard delivery to the contiguous United States on qualifying orders up until 8 p.m. Eastern Time. For more information, visit MSC's website at <http://www.mscdirect.com>.

Note Regarding Forward-Looking Statements: Statements in this Press Release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical fact, that address activities, events or developments that we expect, believe or anticipate will or may occur in the future, including statements relating to expected synergies arising out of the transaction and statements with respect to future financial results, are forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those anticipated by these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The inclusion of any statement in this release does not constitute an admission by MSC or any other person that the events or circumstances described in such statement are material. Factors that could cause actual results to differ materially from those in forward-looking statements include: problems with successfully integrating acquired operations, unanticipated delays or costs associated with opening or expanding our customer fulfillment centers or customer service centers, current economic, political and social conditions, changing customer and product mixes, financial restrictions on outstanding borrowings, industry consolidation, the loss of key suppliers or supply chain disruptions, competition, general economic conditions in the markets in which we operate, volatility in commodity and energy prices, credit risk of our customers, risk of cancellation or rescheduling of orders, work stoppages or other business interruptions (including those due to extreme weather conditions) at transportation centers or shipping ports, the risk of war, terrorism and similar hostilities, dependence on our information systems and on key personnel, and the outcome of potential government or regulatory proceedings or future litigation relating to pending or future claims, inquiries or audits. Additional information concerning these and other risks is described under "Risk Factors" and "Management's Discussion and Analysis of Financial

Condition and Results of Operations" in the reports on Forms 10-K and 10-Q that we file with the U.S. Securities and Exchange Commission. We assume no obligation to update any of these forward-looking statements.

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