

MSC Industrial Supply Co. Acquires All Integrated Solutions

MELVILLE, N.Y. and DAVIDSON, N.C., May 1, 2018 /PRNewswire/ -- **MSC INDUSTRIAL SUPPLY CO. (NYSE: MSM)**, a premier distributor of Metalworking and Maintenance, Repair and Operations (MRO) products and services to industrial customers throughout North America, has acquired All Integrated Solutions (AIS) from New York-based private equity firm High Road Capital Partners. AIS is a leading value-added distributor of industrial fasteners and components, MRO supplies and assembly tools based in Franksville, Wisconsin. The stock purchase transaction closed on April 30, 2018.

AIS delivers production fasteners and custom tool and fastener solutions for use in the assembly of manufactured commercial and consumer products. The company's 135-plus associates serve customers in a region that includes Wisconsin, Minnesota, Michigan, Iowa, Indiana and North Dakota. AIS's revenue in calendar 2017 was approximately \$66 million.

MSC plans to maintain AIS's operations, providing the company's customer base access to MSC's 1.5 million-plus product portfolio to support their full metalworking and MRO needs. Similarly, MSC will extend AIS's production fastener and vendor-managed inventory (VMI) solutions to MSC's manufacturing customers.

"AIS represents an exciting opportunity to advance MSC's growth plan. Its assembly and fastener products and specialists extend our expertise and fortify our experienced team of associates in delivering solutions to help customers solve their mission-critical challenges on the plant floor," said MSC president and chief executive officer Erik Gershwind. "In addition, AIS also complements our robust Class C fastener offering and VMI solutions."

Rustom Jilla, MSC's executive vice president and chief financial officer, said, "This acquisition of AIS aligns very well with our strategy and our capital allocation philosophy, representing an exciting opportunity for MSC. The purchase price was roughly \$86 million, subject to working capital adjustments. Inclusive of transaction and post-closing costs, we expect approximately 5 cents of EPS dilution in fiscal 2018, a roughly neutral impact on EPS in fiscal 2019 and steadily increasing accretion going forward."

Jim Ruetz, chief executive officer of AIS, added, "MSC shares our passion for delivering high-touch, custom solutions that go well beyond ordering MRO and production products online. Both organizations make sure the right fasteners and supplies are available when our customers need them without fail. We are looking forward to providing even more turn-key solutions to our customers by leveraging MSC's vast MRO and metalworking product and solutions portfolio, as well as expanding our reach as a leading distributor of industrial OEM components in the Midwest."

About MSC

MSC Industrial Supply Co. (NYSE:MSM) is a leading North American distributor of metalworking and maintenance, repair, and operations (MRO) products and services. We help our customers drive greater productivity, profitability and growth with more than 1.5 million products, inventory management and other supply chain solutions, and deep expertise from more than 75 years of working with customers across industries.

Our experienced team of more than 6,500 associates is dedicated to working side by side with our customers to help drive results for their businesses – from keeping operations running efficiently today to continuously rethinking, retooling, and optimizing for a more productive tomorrow.

For more information on MSC, please visit www.mscdirect.com.

About All Integrated Solutions

All Integrated Solutions (AIS), which was founded in 1962, is a leading value-added distributor of industrial fasteners and components, MRO supplies and assembly tools. AIS offers these products along with vendor managed inventory (VMI) services to original equipment manufacturers. AIS is headquartered in Franksville, Wisconsin. www.allintegrated.com.

About High Road Capital Partners

High Road Capital Partners is a private equity firm focused on smaller middle market transactions. High Road was formed in 2007 and has raised over \$470 million of committed capital since inception. High Road focuses on niche-leading companies with revenues of \$10 million to \$100 million and EBITDA of \$3 million to \$10 million. Once acquired, High Road works in partnership with management to take the companies to the next level through a combination of organic growth initiatives and add-on acquisitions. www.highroadcap.com

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