



## **DXP Enterprises Announces Acquisition of Tool Supply, Inc.**

Company Release - 04/08/2015 09:00

HOUSTON--(BUSINESS WIRE)-- **DXP Enterprises, Inc. (NASDAQ: DXPE)** today announced the completion of the acquisition of Tool Supply, Inc. ("Tool Supply"), a leading distributor of state-of-the-art cutting tools, abrasives, coolants and machine shop supplies.

Founded in 1978, Tool Supply is headquartered in Tualatin, Oregon and operates out of three locations, Tualatin and Eugene, Oregon and Rancho Cucamonga, California. Tool Supply is focused on serving customers in the transportation-aircraft, general industrial machining, wood processing, aerospace and OEM markets with approximately 13 employees.

Financial terms of the transactions were not disclosed. Signing of the definitive agreements occurred on April 1, 2015. Sales and adjusted EBITDA for the last twelve months ending March 31, 2015 were approximately \$4.8 million and \$1.2 million, respectively. Adjusted EBITDA was calculated as income before tax, plus interest, depreciation and amortization, and non-recurring items that will not continue after the completion of the acquisition.

David Little, Chief Executive Officer, stated, "We are pleased to welcome the Tool Supply employees to the DXP team. Tool Supply is a professional, well-run business focused on providing solutions to its customers. Tool Supply will expand DXP's Metal Working division and allow us to continue to serve our customers' evolving needs. Tool Supply is a great company with key differentiators within cutting tools and provides us with high caliber people."

"Tool Supply brings a high level of technical expertise within cutting tools and a unique business model. We are excited to join the DXP team. We have a great group of people joining DXP, and are excited for the next stage of growth and helping DXP provide a meaningful presence on the Western side of the United States as well as within the cutting tool market," stated Pat Davis, President of Tool Supply.

Kent Yee, Senior Vice President Corporate Development, added further, "Tool Supply provides us with a cutting tool beachhead in the Pacific Northwest and California, strengthens our cutting tool product offering and complements DXP's end markets. Tool Supply's local market expertise combined with DXP's size and scale will help us provide better customer solutions and provide additional expansion opportunities. We anticipate this acquisition to be accretive to earnings and further expand our Metal Working products and services platform."

### **About DXP Enterprises, Inc.**

DXP Enterprises, Inc. is a leading products and service distributor that adds value and total cost savings solutions to industrial customers throughout the United States, Canada, Dubai and Mexico. DXP provides innovative pumping solutions, supply chain services and maintenance, repair, operating and production ("MROP") services that emphasize and utilize DXP's vast product knowledge and technical expertise in rotating equipment, bearings, power transmission, cutting tools, industrial supplies and safety products and services. DXP's breadth of MROP products and service solutions allows DXP to be flexible and customer driven, creating competitive advantages for our customers. DXP's business segments include Service Centers, Innovative Pumping Solutions and Supply Chain Services. For more information, go to [www.dxpe.com](http://www.dxpe.com).

*The Private Securities Litigation Reform Act of 1995 provides a "safe-harbor" for forward-looking statements. Certain information included in this press release (as well as information included in oral statements or other written statements made by or to be made by the Company) contains statements that are forward-looking. Such forward-looking information involves important risks and uncertainties that could significantly affect anticipated results in the future; and accordingly, such results may differ from those expressed in any forward-looking statement made by or on behalf of the Company. These risks and uncertainties include, but are not limited to: ability to obtain needed capital, dependence on existing management, leverage and debt service, domestic or global economic conditions, and changes in customer preferences and attitudes. For more information, review the Company's filings with the Securities and Exchange Commission.*

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