

NEWS RELEASE

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AD member sales grow 2% to \$11 billion in first three months of 2020

Wayne, Pa. – With the backdrop of a global pandemic that impacted the end of the first quarter, AD reported a 2% increase in member sales across its 12 divisions, totaling \$11 billion in the first three months of 2020.

On a same-store basis by business unit, three-month Plumbing, Heating, Cooling and Pipe sales were up 3%; Electrical sales were up 2%; Building Materials sales were up 4%; and Industrial and Safety sales were unchanged.

Indicative of the virtual environment many businesses are relying on to fulfill needs, 68% of members in the <u>AD eCommerce program</u> saw an increase in customer online activity and orders in spite of the lockdowns.

AD's CEO Bill Weisberg said, "Our members are local businesspeople helping our economies endure in a very challenging time, and to me, they're heroes. When it comes to our collective financial performance this quarter, prior to feeling the impacts of the pandemic, we saw exceptional sales results and growth. Same-store member sales were up through February but fell off in March and we anticipate some more tough months ahead. The most important thing to focus on in times like these is to successfully get through them. Based on the time-tested resiliency and resolve of AD members, suppliers and associates, I'm confident we'll overcome this situation together, as a community."

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About AD

AD is the largest contractor and industrial products wholesale buying group in North America. A member-owned group, AD provides independent distributors and manufacturers of construction and industrial products with support and resources that accelerate growth. Our 800-plus independent member owners span 12 divisions in the U.S., Mexico and Canada with annual sales exceeding \$46 billion. AD's 12 divisions cover industries including electrical, industrial, safety, bearings and power transmission, plumbing, PVF, HVAC, decorative brands and building materials. For more information, visit www.adhq.com.