

NEWS RELEASE

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AD achieves increase in distributions to members despite pandemic

Wayne, Pa. – AD is reporting total 2020 member sales were \$45.1 billion, a 3% decrease from 2019, with purchases by member companies from AD supplier partners at \$12 billion, down 1%. Despite the clear impacts of the pandemic, AD achieved a 1% increase in net distributions to its members and was able to offer innovative services and support to help members navigate the rapidly changing environment.

AD also reported 2020 same-store sales by business unit.

- Plumbing, Heating, Cooling and Piping (PHCP) divisions remained at 2019 levels
- Industrial and Safety divisions same-store sales decreased by 7%
- Electrical divisions same-store sales decreased by 5%
- Building Materials grew by 4%

By country, same-store sales of members in the U.S. were down 3%, Canada same-store member sales decreased by 2% and Mexico same-store sales decreased by 15%.

"When we look at member purchases from AD suppliers being down only 1% from 2019, we see the powerful effects of the partnership we help facilitate," AD's Chairman and CEO Bill Weisberg said. "In addition, several months in Q4 were all-time records for the group. In spite of 2021 still being a pandemic operating environment, AD is already seeing solid growth over 2020 and 2019 levels."

Reflecting on how AD centered its activities in 2020 on maximizing support to members, Weisberg noted, "From successful efforts to preserve rebate dollars, to new initiatives like real-time business intelligence reporting, enhanced market planning activities and increased communications, I'm extremely proud of the way our community adapted to ensure we weathered this storm. I'm looking forward to this new year and a heavy focus on growth for all of AD."

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About AD

AD is the largest contractor and industrial products wholesale buying group in North America. AD provides independent distributors and manufacturers of construction and industrial products with support and resources that accelerate growth. Our 850-plus independent member owners span 13 divisions in the U.S., Mexico and Canada with annual sales exceeding \$45 billion. AD's 13 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.