United Stationers Inc. and Subsidiaries
Reconciliation of Non-GAAP Financial Measures
Adjusted Operating Income, Net Income and Diluted Earnings Per Share
(in thousands, except per share data)

	For the Years Ended December 31,			
	2012		2011	
	Amount	% to Net Sales	Amount	% to Net Sales
Sales	$ 5,080,106	100.00%	$ 5,005,501	100.00%
Gross profit	$ 774,604	15.24%	$ 740,079	14.78%
Operating expenses	$ 573,693	11.28%	$ 541,752	10.82%
Equity compensation – CEO transition	--	--	(4,409)	(0.09)%
Asset Impairment charge	--	--	(1,635)	(0.03)%
Facility closures and severance charge	6,247	(0.12)%	--	--
Early retirement / workforce realignment	--	--	723	0.01%
Adjusted operating expenses	$ 567,446	11.16%	$ 536,431	10.71%
Operating Income	$ 200,911	3.96%	$ 198,327	3.96%
Operating expense item noted above	6,247	0.12%	5,321	0.11%
Adjusted operating income	$ 207,158	4.08%	$ 203,648	4.07%
Net income	$ 111,830		$ 108,996	
Operating expense items noted above, net of taxes	3,873		3,920	
Adjusted net income	$ 115,703		$ 112,916	
Net income per share – diluted	$ 2.73		$ 2.42	
Per share operating expense items noted above	0.09		0.09	
Adjusted net income per share – diluted	$ 2.82		$ 2.51	
Adjusted net income per share – diluted growth rate over the prior year period	12%			
Weighted average number of common shares — diluted	40,991		45,014	

Note: Adjusted Operating Expenses, Operating Income, Net Income and Earnings Per Share for the year ended December 31, 2012, exclude the effects of a $6.2 million charge related to facility closures and severance cost, while 2011 excludes the effects of an equity compensation charge related to a transition agreement with the former chief executive officer, a non-deductible asset impairment charge, and a reversal of a prior-period charge for early retirement / workforce realignment. GAAP require that the effects of these items be included in the Condensed Consolidated Statements of Income. Management believes that excluding these items is an appropriate comparison of its ongoing operating results to last year, and that it is helpful to provide readers of its financial statements with a reconciliation of these items to its Condensed Consolidated Statements of Income reported in accordance with GAAP.

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