

United Stationers Inc. and Subsidiaries
Reconciliation of Non-GAAP Financial Measures
Net Cash Flows from Capital Expenditures and Free Cash Flow
(in millions, except per share data)

	For the Three Months Ended March 31,	
	2011	2010
Cash Flows From Operating Activities:		
Net cash provided by operating activities	\$ 41.0	\$ 82.9
Cash Flows From Investing Activities:		
Net cash used in investing activities	\$ (9.8)	\$ (16.2)
less: Acquisition and investment, net of cash acquired	-	(10.5)
Net cash used in capital expenditures	<u>\$ (9.8)</u>	<u>\$ (5.7)</u>
Free cash flow	<u>\$ 31.2</u>	<u>\$ 77.2</u>
Free cash flow per share	<u>\$ 0.67</u>	<u>\$ 1.56</u>
Weighted average number of common shares, diluted	46.7	49.6

Note: Net cash flows from capital expenditures and free cash flow are presented as an additional liquidity measure. Generally Accepted Accounting Principles require that Cash Flows From Investing Activities be presented in the Consolidated Statements of Cash Flows. The company uses quarterly trends of net cash used in capital expenditures in determining a free cash flow metric. Free cash flow is calculated by taking operating cash flows and subtracting the net cash used in capital expenditures. The company believes it is helpful to provide readers of its financial statements with a reconciliation of investing cash flows to net cash used in capital expenditures, as it is a key component of the free cash flow metric that the company reviews internally.