

**United Stationers Inc. and Subsidiaries**  
**Reconciliation of Non-GAAP Financial Measures**

**Net Capital Spending**  
(in thousands)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,		Forecast Year Ending
	2005	2004	2005	2004	2005
Net cash used in (provided by) investing activities	\$ 134,224	\$ (1,325)	\$ 138,252	\$ (3,669)	N/A
Acquisitions	(125,206)	--	(125,206)	--	N/A
Net cash used in (provided by) investing activities before the impact of acquisitions	<u>\$ 9,018</u>	<u>\$ (1,325)</u>	<u>\$ 13,046</u>	<u>\$ (3,669)</u>	<u>N/A</u>
Capital expenditures	\$ 9,040	\$ 3,940	\$ 13,068	\$ 6,298	N/A
Proceeds from the disposition of property, plant and equipment	(22)	(5,265)	(22)	(9,967)	N/A
Net cash used in (provided by) investing activities before the impact of acquisitions	9,018	(1,325)	13,046	(3,669)	N/A
Capitalized software	5,195	937	8,433	1,623	N/A
Net capital spending	<u>\$ 14,213</u>	<u>\$ (388)</u>	<u>\$ 21,479</u>	<u>\$ (2,046)</u>	<u>\$ 52,000</u>

Note: Net capital spending is provided as an additional measure of investing activities. The company's accounting policy is to include capitalized software in "Other Assets." Generally Accepted Accounting Principles require that "Other Assets" be included on the cash flow statements under the caption "Net Cash Provided by Operating Activities." Internally, the company measures cash used in investing activities including capitalized software. The company believes that it is helpful to provide readers of its financial statements with this same information.