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**ESSENDANT'S ACQUISITION OF WHOLESALE BUSINESS FROM STAPLES CALLED OFF  
DUE TO PRELIMINARY INJUNCTION RULING**

*Acquisition was contingent on successful closing of Staples/Office Depot merger*

*U.S. District Court blocked merger between Staples/Office Depot in May 10 ruling*

*Staples and Office Depot have announced plans to abandon the transaction*

DEERFIELD, Ill., May 10, 2016 – Essendant Inc. (NASDAQ: ESND), a leading supplier of workplace essentials, today announced that its previously announced acquisition from Staples, Inc. (NASDAQ: SPLS) of wholesale contracts with minority and woman-owned office supply resellers and their large corporate customers representing sales of more than \$550 million annually, will not close. The acquisition was contingent on the merger between Staples and Office Depot, Inc., which was preliminarily enjoined on antitrust grounds by a U.S. district court judge's ruling on May 10. Staples and Office Depot announced plans to abandon the merger in the wake of that ruling.

"While we are disappointed that we are not able to close on the transaction, we always understood this to be a potential outcome given the contingent nature of the agreement," said Robert B. Aiken, Jr., president and chief executive officer of Essendant. "We have demonstrated the ability to grow our enterprise account business and expect to continue this growth by fully enabling our independent resellers, many of whom are preferred options in the marketplace."

**Forward-Looking Statements**

Statements in this news release regarding growth of Essendant's enterprise account business and any other statements about Essendant's future plans, capabilities, expectations, beliefs, goals or prospects constitute forward looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that are not statements of historical fact (including statements containing "plans," "believes," "anticipates," "expects," "will," "would," "scheduled to," "subject to" and similar expressions) should also be considered forward looking statements. There are a number of important factors that could cause actual results or events to differ materially from those indicated by such forward looking statements, including: the risk that the conditions to the proposed transaction between Essendant and Staples are not satisfied; potential adverse reaction or changes to business or employee relationships, including those resulting from the announcement of the proposed transaction; timing of the transaction; competitive responses to the proposed transaction; unexpected costs or charges resulting from the transaction; the risk that covenants of Staples are not performed timely; and the other factors described in Essendant's annual Report on Form 10-K for the year ended December 31, 2015.

Shareholders, potential investors and other readers are urged to consider these risks and uncertainties in evaluating forward-looking statements and are cautioned not to place undue reliance on the forward-looking statements. For additional information about risks and uncertainties that could materially affect Essendant's results, please see the company's Securities and Exchange Commission filings. The forward-looking information in this news release is made as of this date only, and the company does not undertake to update any forward-looking statement. Investors are advised to consult any further disclosure by Essendant regarding the matters discussed in this release in its filings with the Securities and Exchange Commission and in other written statements it makes from time to time. It is not possible to anticipate or foresee all risks and uncertainties, and investors should not consider any list of risks and uncertainties to be exhaustive or complete.

### **Company Overview**

Essendant Inc. is a leading supplier of workplace essentials, with 2015 net sales of \$5.4 billion. The company stocks a broad assortment of over 180,000 items, including technology products, traditional office products, janitorial and breakroom supplies, office furniture, industrial supplies, and automotive aftermarket tools. The company's network of 74 distribution centers enables the company to ship most products overnight to more than ninety percent of the U.S. and major cities in Canada. For more information, visit [www.essendant.com](http://www.essendant.com).

Essendant common stock trades on the NASDAQ Global Select Market under the symbol ESND.

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