

**WORKING COLLABORATIVELY WITH PRECISION WE HAVE
IMPROVED OUR PARTS SUPPLY CHAIN SO SIGNIFICANTLY
THAT OUR CUSTOMER EXPECTATIONS HAVE DRAMATICALLY
INCREASED AND NOW WE ARE FOCUSING ON DEVELOPING
A VISION OF AND EXECUTING SUPPLY CHAIN PERFECTION.**

EXECUTIVE MANAGER, FORTUNE 100 BEVERAGE COMPANY





THE PRECISION INDUSTRIES SUPPLY CHAIN SERVICES GROUP THE DIFFERENCE



LOWEST-COST/BEST-SERVICE SOLUTION

Our single-minded mission is to help clients become more competitive by reducing indirect materials costs and order cycle time, increasing productivity and creating enterprise-wide inventory and procurement visibility and control. We deliver on this promise by applying our proven processes. Precision has developed assessment tools and master plan templates aimed at taking costs out of the system, streamlining operations and boosting productivity. Examples of this are reducing pure costs of indirect materials, creating enterprise-wide inventory and procurement, data mining to assist purchasing decisions as well as trend identification and troubleshooting for plant operations. Precision's Supply Chain Services Group has developed a solid foundation in distribution and fulfillment systems, outsourced procurement services and technology. This multi-faceted approach allows us to manage the entire channel for maximum efficiency and optimal control, which ultimately provides our clients with a lowest-cost/best-service solution.

SUPERIOR PURCHASING POWER, TECHNICAL SUPPORT, INVENTORY PROGRAMS AND PRODUCTIVITY GAINS

As an authorized distributor for approximately 75% of all MRO materials consumed in the average facility, we are well positioned to take advantage of our fulfillment chain as well as that of our suppliers. Our direct authorization provides for lower costs, improved technical support, aggressive inventory programs and impressive productivity improvements.

We are an authorized distributor for more than 5,000 suppliers, more than any other integrated supplier in the country, covering almost all MRO commodities, and we currently manage more than 9,000 additional suppliers on behalf of our clients.

GUARANTEED HARD SAVINGS UP TO 25%

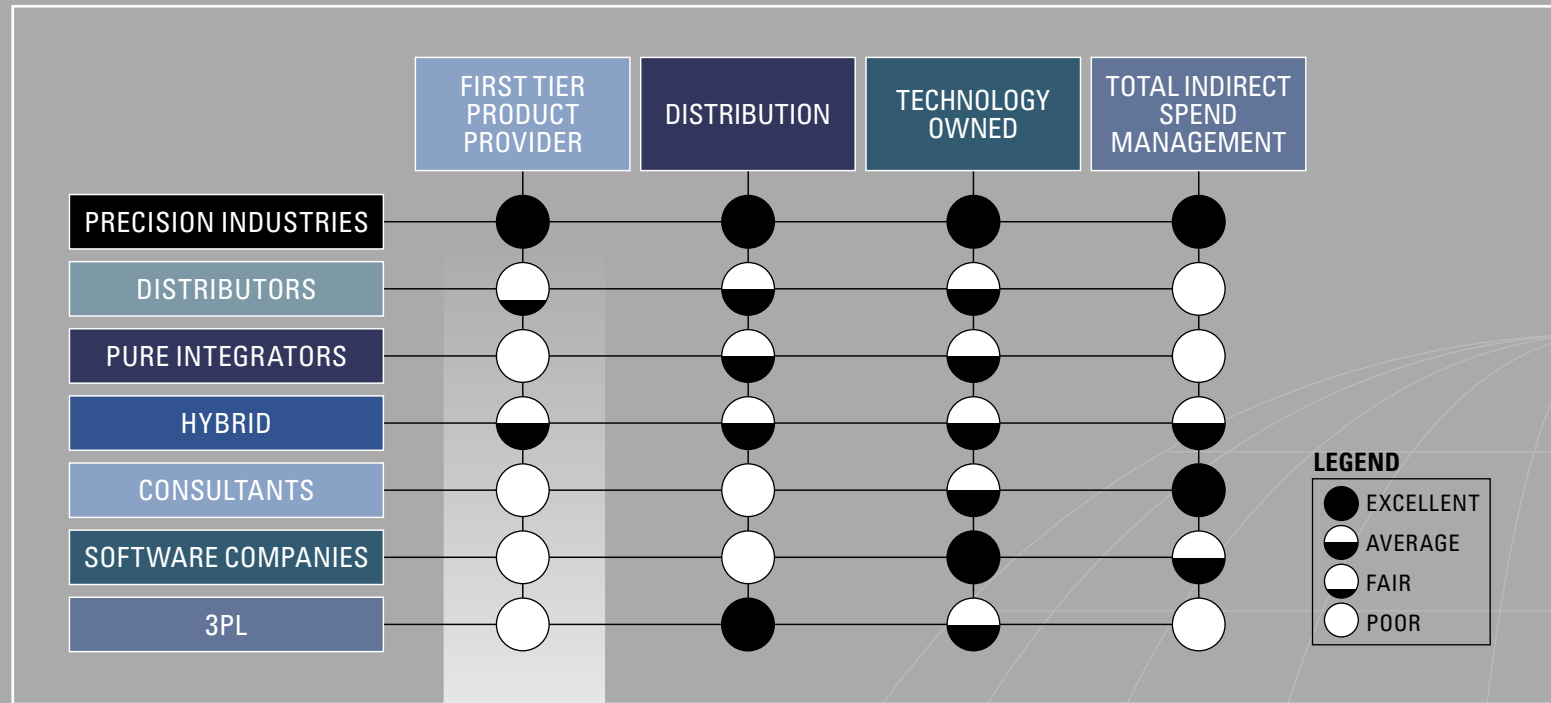
Our main objective is to improve our clients' competitive standing in the marketplace; therefore, our clients can expect guaranteed hard savings of up to 25%. If Precision is unable to achieve the guaranteed savings put forth, a check is written for the difference. Precision, an ISO 9001:2000 certified company, is the supply chain services leader in a wide range of industries such as petrochemical, pharmaceuticals, automotive, packaging, adhesives, agricultural products, railroad and food processing to name a few. The message is clear - Precision has demonstrated abilities to drive savings and supply chain improvement across all industries.

HOW WE DO WHAT WE DO



Precision's clients share many of the same objectives: guaranteed hard-dollar cost savings achieved through improved processes and systems, reduced inventory, lower unit price and increased control. The solution Precision develops for each client is a reflection of its unique market position, industry type and strategic objectives.

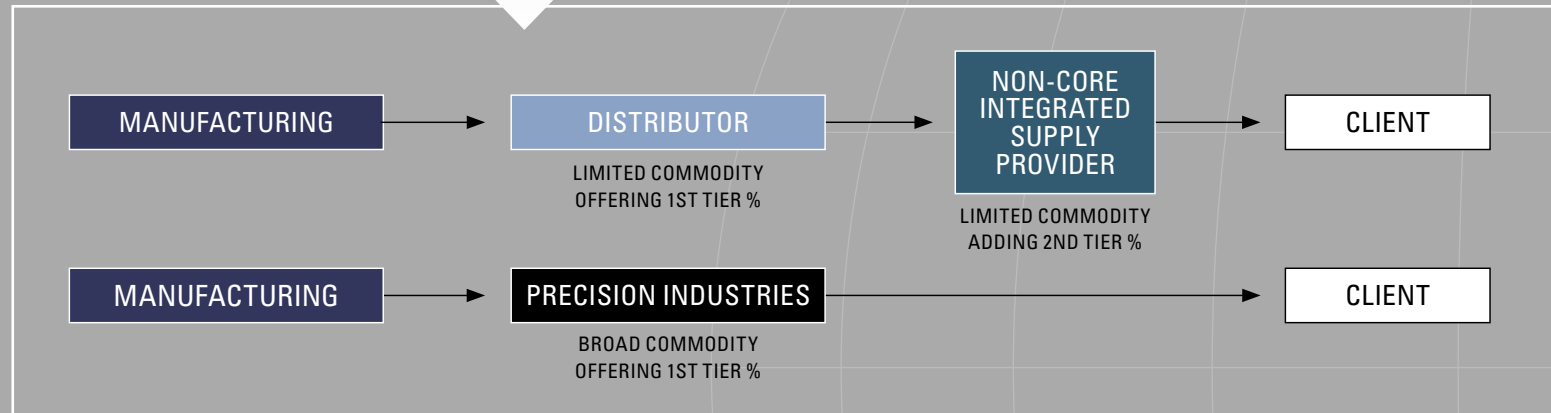
SUPPLY CHAIN MODEL COMPARISON



LEGEND

- EXCELLENT
- ◐ AVERAGE
- ◑ FAIR
- POOR

FIRST TIER PRODUCT PROVIDER



COMPREHENSIVE SUPPLY CHAIN ASSESSMENT AND MASTER PLAN

The solution development process begins with Precision's exhaustive Supply Chain Assessment, which documents existing indirect materials processes, technology and cost structure. Precision uses actual client data, not only to identify supply chain opportunities, but also to validate perceptions. The result is a comprehensive indirect materials management Master Plan. This plan proposes customized solutions with contractually guaranteed results including material cost reductions, labor rate cost reductions, consolidation of vendors, supplier base reductions, reduced freight costs and reduced cycle time.

BEST-IN-CLASS IMPLEMENTATION STRATEGY

Successful operations are in most cases conditioned on a successful implementation. The Precision team has implemented hundreds of supply chain services sites. We have developed a best-in-class implementation strategy that has allowed us to implement with little to no disruption of our customer's businesses. The Precision Supply Chain Services Group is organized around its clients. A General Manager is assigned to implement and manage each client engagement. The General Manager is completely empowered to successfully manage the initiative and build a team focused on achieving the objectives of the engagement. Our structure allows for intense client dedication, enterprise process knowledge, accountability and success. According to our clients, this structure has served them better than any previous geographically based management set-up.

PRECISION'S PROPRIETARY SOFTWARE CUSTOMIZED FOR YOUR NEEDS

Precision owns and operates its own software companies, which provides for maximum customization, flexibility and cost containment. We develop and implement software that produces results for our clients. Precision systems are web enabled. We have the ability to accept orders through our e-ordering systems, client e-procurement systems (Ariba, C1) and our proprietary e-procurement system (Neterprise). Precision has been building electronic content for over 15 years. At present, we have over 4 million SKUs in our e-catalog. Additionally, Precision utilizes progressive data enhancement tools and methods to transform low-quality data into usable and robust information. The unique combination of product, process, and system expertise allows us to implement and manage programs and software focused on the indirect supply chain.

PRECISION'S OWNERS AND KEY MANAGERS ARE ON THE FRONTLINE OF YOUR BUSINESS EVERY DAY

Most importantly, Precision gives its clients the commitment of its owners who are on the frontline every day to ensure the success of every engagement.

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A HIGHLY REFERENCEABLE CLIENT
BASE SENDS A CLEAR MESSAGE TO
PROSPECTIVE CLIENTS. WE HAVE
DEVELOPED A SOLID BUSINESS MODEL,
APPROPRIATE PROCESSES, PROVEN
TECHNOLOGY AND A SPECTACULAR
TEAM OF PROFESSIONALS THAT CAN
DELIVER RESULTS.

”

CHRIS CIRCO, PRESIDENT, COO, PRECISION INDUSTRIES



MAKING A DIFFERENCE FOR OVER 60 YEARS

In 1945 Sebastian Circo founded Precision Bearing Service in Omaha, Nebraska. Over 60 years later, Precision Industries has evolved into the nation's largest privately-held industrial distribution company of its kind. Today, Precision Industries is a North American industrial distribution leader with over 130 locations

that provide innovative, branch-served custom contract solutions, supply chain services, procurement/inventory management programs and e-Commerce answers.





PRECISION INDUSTRIES

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