

Selected financial data for the Company are presented in the table below and should be read in conjunction with Management's Discussion and Analysis of Financial Condition and Results of Operations and the Company's Consolidated Financial Statements and notes thereto included herein.

Selected Financial Data

(In thousands, except per share amounts)

Years Ended March 31,	2004 ⁽¹⁾	2003 ⁽²⁾	2002 ⁽³⁾	2001 ⁽⁴⁾	2000 ⁽⁵⁾
Operating Results:					
Net sales	\$ 1,895,468	\$ 1,786,964	\$ 1,636,047	\$ 1,628,901	\$ 1,542,334
Depreciation and amortization ⁽⁶⁾	87,956	79,844	72,945	86,754	89,308
Special charges (recoveries), net	(776)	2,694	—	3,643	(2,829)
Operating income	167,780	155,882	125,033	107,949	106,731
Interest expense, net	42,357	46,375	47,013	60,207	57,560
Discount on securitization of trade receivables	3,264	3,326	4,846	1,303	—
Other income (expense), net	625	(645)	1,382	242	17,862
Income taxes	47,514	41,199	29,806	20,718	31,551
Cumulative effect of a change in accounting principle	—	—	(59,000)	—	(590)
Net earnings (loss)	80,192	68,105	(10,415)	28,223	38,283
Basic earnings (loss) per share	\$ 1.10	\$ 0.97	\$ (0.15)	\$ 0.43	\$ 0.55
Diluted earnings (loss) per share	\$ 1.07	\$ 0.94	\$ (0.15)	\$ 0.42	\$ 0.54
Dividends per common share declared and paid ⁽⁷⁾	\$ 0.16	\$ —	\$ —	\$ —	\$ —
Balance Sheet Data:					
Working capital	\$ 84,361	\$ 61,686	\$ 82,212	\$ 53,690	\$ 189,194
Total assets	1,931,079	1,700,243	1,717,057	1,581,290	1,739,331
Current portion of long-term debt	6,140	2,229	2,456	72,945	20,071
Long-term debt	682,698	658,031	764,124	620,664	857,422
Deferred income tax liability, net	257,031	209,140	198,173	161,176	160,808
Other non-current liabilities	20,789	27,243	30,343	22,446	28,998
Stockholders' equity	691,901	596,933	503,086	496,849	472,507
Capital expenditures	93,749	67,969	58,297	65,910	65,211

(1) As discussed in Management's Discussion and Analysis of Financial Condition and Results of Operations and in the notes to the Company's Consolidated Financial Statements the results for fiscal 2004 include a fourth quarter special charge recovery of \$776 thousand (\$480 thousand after tax) reflecting lower estimates of the ultimate cost of prior years' restructuring activities. Fiscal 2004 results also include the fourth quarter consolidation of the National Welders joint venture in accordance with FIN 46R. National Welders contributed \$39.2 million of sales and \$3.4 million of operating income in fiscal 2004. As of March 31, 2004, National Welders also contributed current assets of \$30 million, total assets of \$140 million, current liabilities of \$21 million, and non-current liabilities of \$119 million (including a minority interest liability of \$36 million).

(2) As discussed in Management's Discussion and Analysis of Financial Condition and Results of Operations and in the notes to the Company's Consolidated Financial Statements the results for fiscal 2003 include special and other charges of \$2.9 million (\$2.2 million after tax) primarily consisting of a restructuring charge (\$2.7 million) related to the integration of the business acquired from Air Products and costs related to the consolidation of certain hardgoods procurement functions.

(3) As discussed in Management's Discussion and Analysis of Financial Condition and Results of Operations and in the notes to the Company's Consolidated Financial Statements the results, for fiscal 2002 include: (a) a non-cash after-tax charge of \$59 million representing the cumulative effect of a change in accounting principle associated with the adoption of Statement of Financial Accounting Standards No. 142, Goodwill and Other Intangible Assets, (b) a litigation settlement charge of \$8.5 million (\$5.7 million after tax), and (c) a net non-recurring gain of \$1.9 million (\$120 thousand after tax) related to divestitures and a write-down of a business held for sale to its net realizable value.

(4) The results for fiscal 2001 include: (a) net special charges of \$3.6 million (\$2.3 million after tax), (b) litigation charges, net, of \$5.8 million (\$3.6 million after tax), and (c) asset impairments associated with two equity affiliates of \$700 thousand after-tax. Working capital in fiscal 2001 decreased compared to fiscal 2000 partially attributable to a trade receivables securitization program entered into during fiscal 2001 and the classification of \$50 million of medium-term notes maturing September 2001 as a component of "Current Liabilities." Cash proceeds of approximately \$73.2 million from the securitization program were used to reduce long-term debt.

(5) The results for fiscal 2000 include: (a) special charge recoveries of \$2.8 million (\$1.7 million after tax), (b) divestiture gains of \$17.5 million (\$8.6 million after tax), (c) a litigation charge of \$7.5 million (\$4.8 million after tax), (d) an inventory write-down of \$3.8 million (\$2.2 million after tax), and (e) an after-tax charge of \$590 thousand representing a change in accounting principle.

(6) Fiscal 2004, 2003 and 2002 exclude the amortization of goodwill in accordance with SFAS 142.

(7) On May 13, 2003, the Company's Board of Directors declared the first quarterly cash dividend in the Company's history of \$0.04 per share, which was paid to stockholders on June 30, 2003. At the end of each quarter during fiscal 2004, the Company paid its stockholders regular quarterly cash dividends of \$0.04 per share. In addition, on May 25, 2004, the Company's Board of Directors declared a regular quarterly cash dividend of \$0.045 per share payable June 30, 2004 to stockholders of record as of June 15, 2004. Future dividend declarations and associated amounts paid will depend upon the Company's earnings, financial condition, loan covenants, capital requirements and other factors deemed relevant by management and the Company's Board of Directors.