



Lawson Products Announces Quarterly Results

April 18, 2002

DES PLAINES, Ill., April 18 /PRNewswire-FirstCall/ -- Lawson Products, Inc. (Nasdaq: LAWS) reported record first quarter 2002 net sales of \$95,746,000, an increase of 14.5 percent from \$83,650,000 recorded in the first quarter of 2001. The increase in net sales is principally attributable to approximately 400 sales representatives who came to Lawson as part of the Premier Industrial acquisition completed as of March 30, 2001. Also contributing to the increase was improved sales activity in the OEM marketplace.

The increase in net sales during the quarter and the discontinuance of goodwill amortization resulted in 18.1% growth in operating income to \$6,000,000 compared to \$5,082,000 for the same period last year. Pre-tax income was \$6,410,000, an increase of 10 percent. Interest charges and a reduction in investment income accounted for the smaller percentage increase in pre-tax income.

Net income for the first quarter of 2002 grew 18.3 percent to \$3,832,000 compared to \$3,238,000 reported for the same quarter last year. Net income per share was \$.40, an increase of 21.2 percent. The improvement in pre-tax income and a lower effective tax rate, brought about by a reduction in state income tax, were responsible for the growth in net income.

During the quarter, the Company held annual sales conferences for the North American sales representatives of Lawson, Cronatron, Drummond and Kent Automotive. At the conferences, sales representatives were introduced to new products, programs and incentives designed to increase their sales and earnings. The many opportunities presented to agents at these events, along with numerous awards for sales achievements attained during 2001 are intended to provide added stimulus to strengthen the Company's position in the marketplace.

Lawson Products is an international seller and distributor of systems, services and products to the industrial, commercial and institutional maintenance, repair and replacement marketplace. The Company also manufactures, sells and distributes production and specialized component parts to the original equipment marketplace, including the automotive, appliance, aerospace, construction and transportation industries.

This press release contains historical information and forward-looking statements and opinions. Statements looking forward in time are included in this press release pursuant to the "safe harbor" provision of the Private Securities Litigation Reform Act of 1995. These statements are based on management's current expectations or beliefs and are subject to a number of factors and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. The factors that could cause actual results to differ materially from those described in the forward-looking statements include increased competition, seasonality, or an economic downturn.

LAWSON PRODUCTS, INC. AND SUBSIDIARIES CONSOLIDATED SUMMARY OF OPERATIONS (UNAUDITED)

	Three Months Ended March 31,		
	2002	2001	% Change
Net Sales	\$95,745,609	\$83,649,631	14.5%
Income			
Before Taxes (a)	6,409,831	5,825,376	10.0%
Provision			
for Income Taxes	2,578,000	2,587,000	
Net Income (a)	3,831,831	3,238,376	18.3%
Net Income per share of Common Stock			
Basic	\$0.40	\$0.33	21.2%
Diluted	\$0.40	\$0.33	21.2%
Weighted Average Shares Outstanding:			
Basic	9,626,607	9,710,354	
Diluted	9,656,648	9,729,974	

(a) The Company uses estimated gross profit rates to determine inventories and cost of goods sold during interim periods.

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