

Dear Fellow Shareholders:

2004 was a year of record performance.

The Company achieved new records for sales, EPS and cash flow. Sales grew 23% to \$1.5 billion and EPS grew 44% to \$1.82 (excluding the 2003 one-time expense for early extinguishment of debt). The fourth quarter of 2004 represented the twelfth consecutive increase in quarterly EPS. This performance was far ahead of the industry. Net income as a percentage of sales reached 11%; a level of profitability, again, far better than the industry. In addition, we maintained our strong fiscal discipline generating the highest level of free cash flow in the Company's history; a cash flow that is vital to insuring the flexibility to reinvest in the many opportunities we see.

In addition to the outstanding financial performance, the Company achieved a number of important milestones in 2004. These include:

- ◆ The achievement of an upgrade in credit rating reflecting our strong financial condition;
- ◆ The successful transition to a broader shareholder base as KKR phased out their investment;
- ◆ Inclusion in the S&P 400 Mid Cap Index;
- ◆ The second stock split in four years;
- ◆ Initiation of a 5 million share stock repurchase program; and
- ◆ The declaration, effective in 2005, of the first cash dividends in the Company's history.