

W.W. Grainger, Inc.

The Electrical Products Group

May 22, 2019

Safe Harbor Statement and Non-GAAP Financial Measures

All statements in this communication, other than those relating to historical facts, are “forward-looking statements.” Forward-looking statements can generally be identified by their use of terms such as “anticipate,” “estimate,” “believe,” “expect,” “could,” “forecast,” “may,” “intend,” “plan,” “predict,” “project” “will” or “would” and similar terms and phrases, including references to assumptions. Forward-looking statements are not guarantees of future performance and are subject to a number of assumptions, risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from such statements. Forward-looking statements include, but are not limited to, statements about future strategic plans and future financial and operating results. Important factors that could cause actual results to differ materially from those in the forward-looking statements include, among others: higher product costs or other expenses; a major loss of customers; loss or disruption of source of supply; increased competitive pricing pressures; failure to develop or implement new technology initiatives; the implementation, timing and results of our strategic pricing initiatives; the outcome of pending and future litigation or governmental or regulatory proceedings, including with respect to wage and hour, anti-bribery and corruption, environmental, advertising, privacy and cyber security matters; investigations, inquiries, audits and changes in laws and regulations; disruption of information technology or data security systems; general industry, economic, market or political conditions; general global economic conditions; currency exchange rate fluctuations; market volatility; commodity price volatility; labor shortages; facilities disruptions or shutdowns; higher fuel costs or disruptions in transportation services; natural and other catastrophes; unanticipated and/or extreme weather conditions; loss of key members of management; our ability to operate, integrate and leverage acquired businesses; changes in effective tax rates and other factors which can be found in our filings with the Securities and Exchange Commission, including our most recent periodic reports filed on Form 10-K and Form 10-Q, which are available on our Investor Relations website. Forward-looking statements are given only as of the date of this communication and we disclaim any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

Some of our comments today may be forward-looking statements. Actual results may differ materially as a result of various risks and uncertainties, including those detailed in our SEC filings.

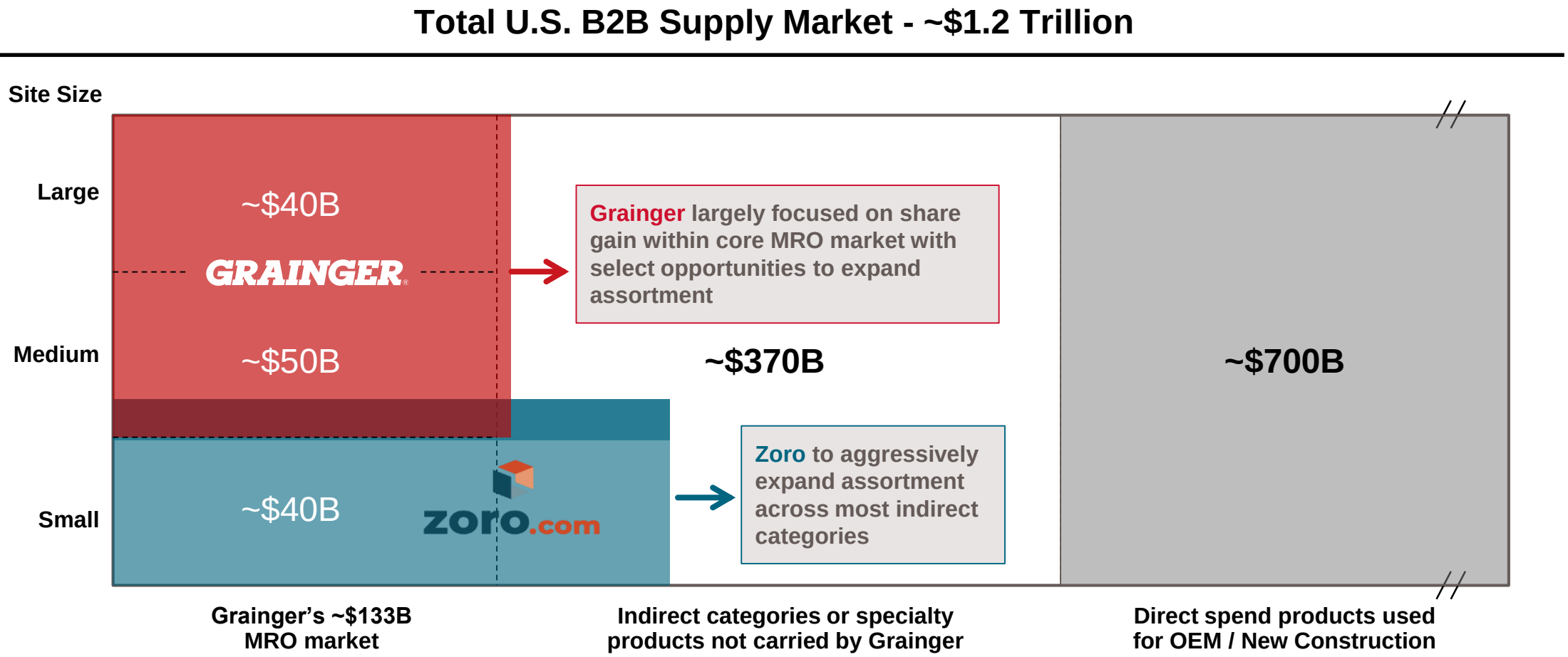
Strategic Pillars

Business Models	Businesses	Pillars
High-Touch Solutions Model *Compelling value-added MRO solutions delivered to customers through teams of experts and curated digital experiences*	• U.S. • Canada • Mexico • Cromwell • Fabory	• Advantaged MRO Solutions • Differentiated Sales and Services • Unparalleled Customer Service
Endless Assortment Model *Easy purchasing through a streamlined and transparent online relationship that provides access to everything a business customer needs*	• Zoro • MonotaRO	• Expansive Product Assortment • Innovative Customer Acquisition Capabilities

Positioned for Growth

U.S.	• Reconfigured branch network • Verticalized sales force • Centralized call centers • Restructured KeepStock • Added capacity to supply chain • Enhanced website • Improved cost structure
Canada	• Completed restructuring
Other Businesses	• Shed unprofitable businesses

The Market


Total U.S. B2B Supply Market - ~$1.2 Trillion
Site Size
Large
Medium
Small
~$40B
GRAINGER
~$50B
~$40B
zoro.com
Grainger largely focused on share gain within core MRO market with select opportunities to expand assortment
~$370B
Zoro to aggressively expand assortment across most indirect categories
~$700B
Grainger's ~$133B MRO market
Indirect categories or specialty products not carried by Grainger
Direct spend products used for OEM / New Construction

U.S. High-Touch Solutions Value Proposition

Advantaged MRO Solutions



- Broad assortment of high-quality products
- Deep product expertise and customer knowledge
- Best-in-class digital experience

Differentiated Sales And Services



- Help customers manage inventory and reduce costs
- Solve most pressing customer problems
- Offer technical support and other services

Unparalleled Customer Service



- Order origination to best suit customer needs
- High percentage of orders stocked, shipped complete and delivered quickly
- No-hassle invoicing and returns processes

Growth Initiatives

Advantaged MRO Solutions

Foundational

- Curation of product/customer information
- Website improvements (search)
- Marketing improvements (digital and mass media)

Incremental

- Increasing marketing investments
- Merchandising - improve assortment and navigation

Growth Initiatives

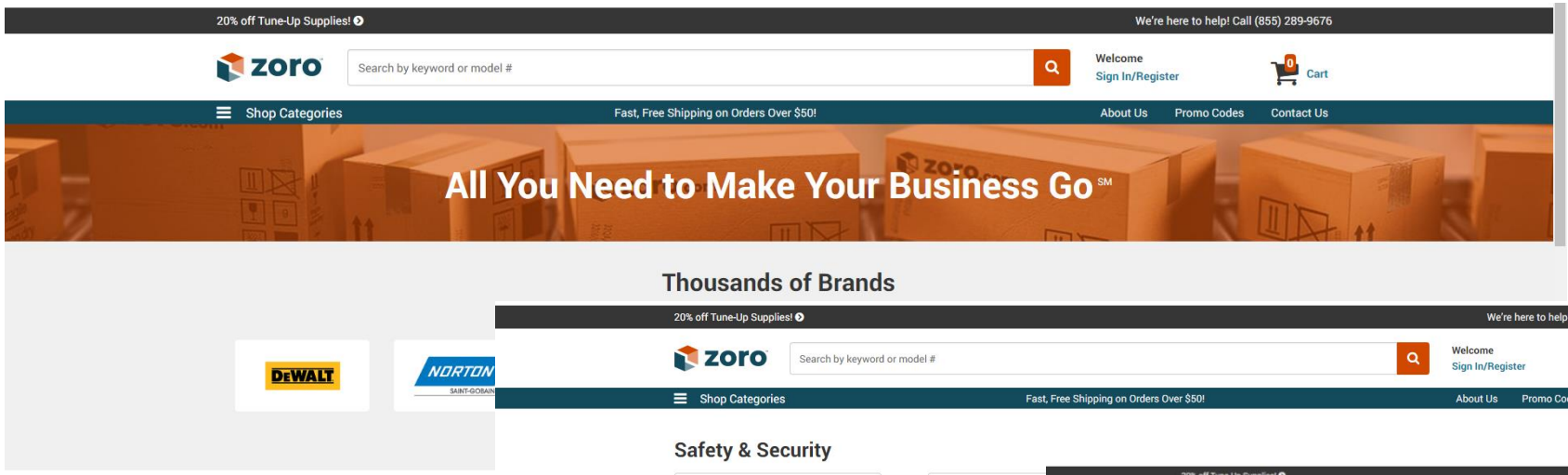
	Foundational	Incremental
Advantaged MRO Solutions	• Curation of product/customer information • Website improvements (search) • Marketing improvements (digital and mass media)	• Increasing marketing investments • Merchandising - improve assortment and navigation
Differentiated Sales and Services	• CRM processes powered by customer and product information • Industry strategies • Seller effectiveness • KeepStock	• Expanding services • Selective salesforce additions • Corporate accounts

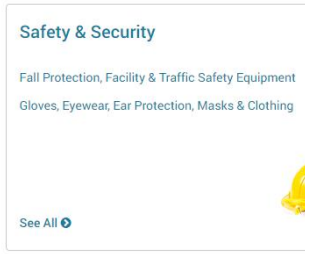
Growth Initiatives

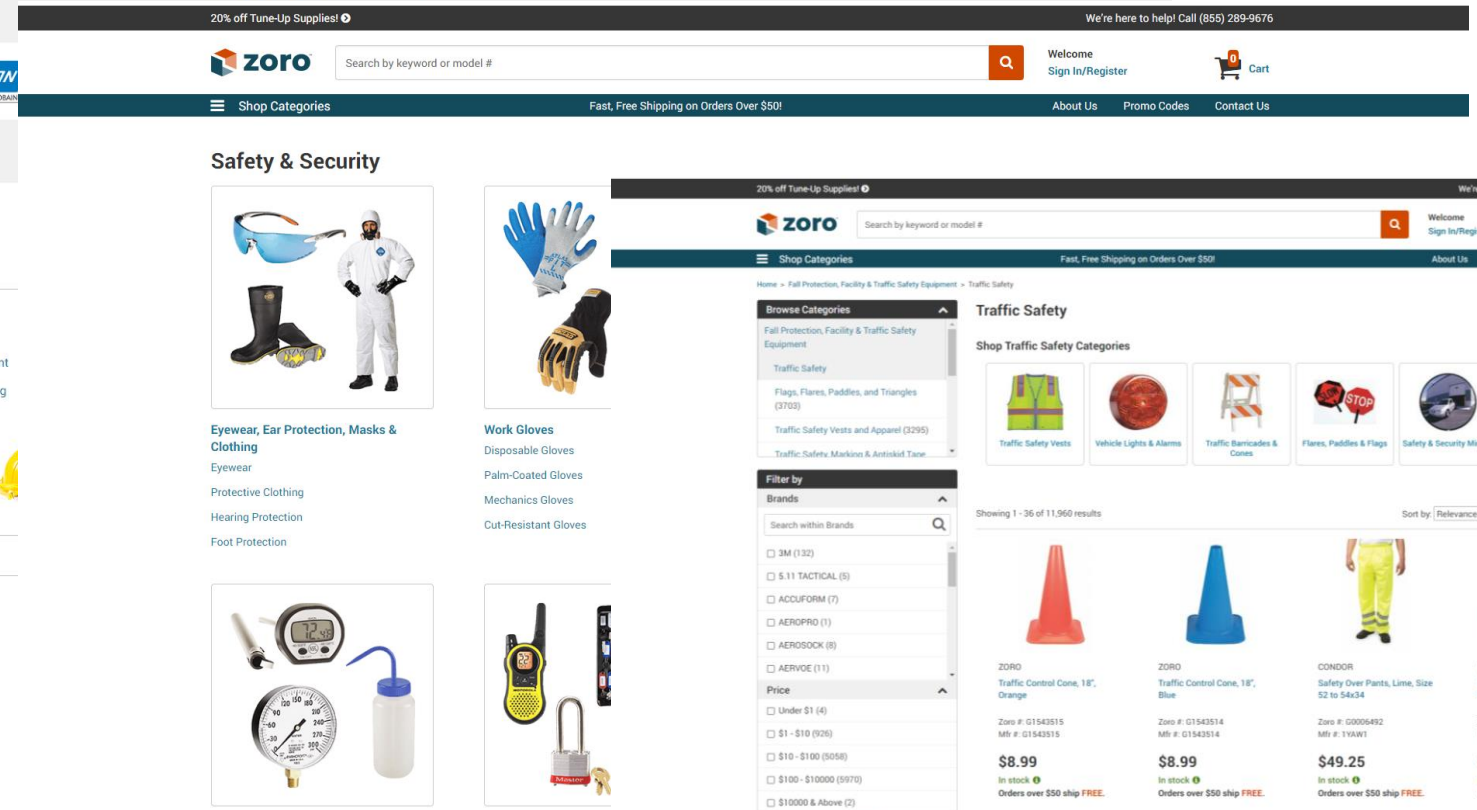
	Foundational	Incremental
Advantaged MRO Solutions	• Curation of product/customer information • Website improvements (search) • Marketing improvements (digital and mass media)	• Increasing marketing investments • Merchandising - improve assortment and navigation
Differentiated Sales and Services	• CRM processes powered by customer and product information • Industry strategies • Seller effectiveness • KeepStock	• Expanding services • Selective salesforce additions • Corporate accounts
Unparalleled Customer Service	• Seamless customer experience • Stocked assortment/availability • Fulfillment - same/next-day complete	• Louisville distribution center operational in 2020 stocking 800,000 SKUs

GRAINGER

Zoro


20% off Tune-Up Supplies!
We're here to help! Call (855) 289-9676
zoro
Search by keyword or model #
Welcome
Sign In/Register
Cart
Shop Categories
Fast, Free Shipping on Orders Over $50!
About Us
Promo Codes
Contact Us
All You Need to Make Your Business Go SM
Thousands of Brands
DEWALT
NORTON
SAINT-GOBAIN


Safety & Security
Fall Protection, Facility & Traffic Safety Equipment
Gloves, Eyewear, Ear Protection, Masks & Clothing
See All


20% off Tune-Up Supplies!
We're here to help! Call (855) 289-9676
zoro
Search by keyword or model #
Welcome
Sign In/Register
Cart
Shop Categories
Fast, Free Shipping on Orders Over $50!
About Us
Promo Codes
Contact Us
Safety & Security
Eyewear, Ear Protection, Masks & Clothing
Eyewear
Protective Clothing
Hearing Protection
Foot Protection
Work Gloves
Disposable Gloves
Palm-Coated Gloves
Mechanics Gloves
Cut-Resistant Gloves

20% off Tune-Up Supplies!
We're here to help! Call (855) 289-9676
zoro
Search by keyword or model #
Welcome
Sign In/Register
Cart
Shop Categories
Fast, Free Shipping on Orders Over $50!
About Us
Promo Codes
Contact Us
Home > Fall Protection, Facility & Traffic Safety Equipment > Traffic Safety
Browse Categories
Fall Protection, Facility & Traffic Safety Equipment
Traffic Safety
Flags, Flares, Paddles, and Triangles (3703)
Traffic Safety Vests and Apparel (3295)
Traffic Safety Markings & Antiskid Tape
Filter by
Brands
Search within Brands
3M (132)
5.11 TACTICAL (5)
ACCUFORM (7)
AEROPRO (1)
AEROSOCK (8)
AERVOE (11)
Price
Under $1 (4)
$1 - $10 (926)
$10 - $100 (5058)
$100 - $10000 (5970)
$10000 & Above (2)
Traffic Safety
Shop Traffic Safety Categories
Traffic Safety Vests
Vehicle Lights & Alarms
Traffic Barricades & Cones
Flares, Paddles & Flags
Safety & Security Mirrors
Barrier & Flagging Tape
Showing 1 - 36 of 11,960 results
Sort by: Relevance
ZORO
Traffic Control Cone, 18", Orange
Zoro #: G1543515
Mfr #: G1543515
$8.99
In stock
Orders over $50 ship FREE.
ZORO
Traffic Control Cone, 18", Blue
Zoro #: G1543514
Mfr #: G1543514
$8.99
In stock
Orders over $50 ship FREE.
CONDOR
Safety Over Pants, Lime, Size 52 to 54x34
Zoro #: G0006492
Mfr #: 1YAW1
$49.25
In stock
Orders over $50 ship FREE.
CONDOR
Medium Class 2 Cool Dry High Visibility Vest, Orange
Zoro #: G0006903
Mfr #: 4GJN3
$16.62
In stock
Orders over $50 ship FREE.


GRAINGER®
FOR THE ONES WHO GET IT DONE