

W.W. Grainger, Inc.

D.G. Macpherson, Chairman & CEO

GRAINGER

Tuesday March 3, 2020

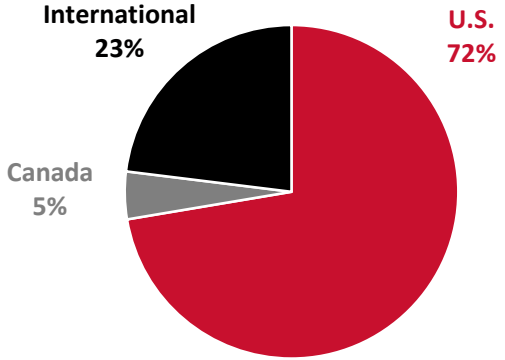
Grainger at a Glance

Who We Are

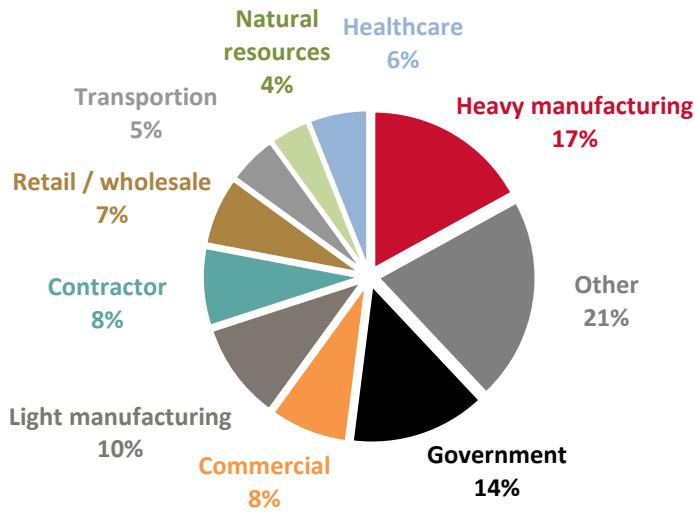
- **Leading distributor** of Maintenance, Repair, and Operating ("MRO") products and services for businesses
- Founded in 1927; **more than 90 years of service**
- **More than 3.5 million active customers**, no single end customer accounted for more than 2% of total US Revenue
- **eCommerce leadership:**
  - ✓ Grainger is ranked 11th largest e-Commerce retailer in North America by *Internet Retailer*
  - ✓ First commerce-enabled website in the industry (1996)
  - ✓ Online-only businesses for small customers (MonotaRO 2000; Zoro 2010)
  - ✓ 71% of orders originated through digital channels in the U.S. (Grainger.com, KeepStock and EDI/ePro)
- **Strong balance sheet and cash flow generation**

Revenue Breakdown

By Segment



By Customer Category



Financial Highlights

$11.5B Revenue	**12.1%[1] Adj. Operating Margin**
29.3%[1] ROIC	**$1.0B Cash from Operations**

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Note: All data as of December 31, 2019 unless otherwise noted.

[1] Adjusted figures – please see fourth quarter earnings package for all reconciliations of GAAP vs. Non-GAAP figures

The Grainger Edge

Our Purpose

We Keep the World Working

Our Aspiration

We relentlessly expand our leadership position by being the go-to partner for people who build and run safe, sustainable, and productive operations.

Our Strategy

High-Touch Solutions Model

- Advantaged MRO solutions
- Differentiated sales and services
- Unparalleled customer service

Endless Assortment Model

- Expansive product assortment
- Innovative customer acquisition and retention capabilities

Our Principles

