



Grainger is the leading broad-line supplier of facilities maintenance products throughout North America. Businesses and institutions depend on Grainger every day as a source of tools, fasteners, lighting, motors, material handling and other equipment. By maintaining relationships built on quality, service and reliability, Grainger has been a trusted resource for customers over the past 80 years.

The Many Faces of Grainger

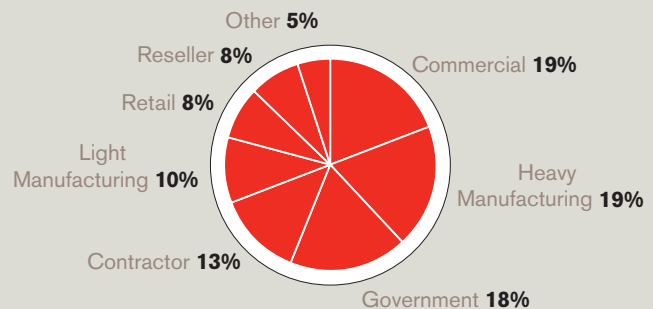
What makes Grainger unique is the size and diversity of its customer base. The challenges these customers face each day are predictable in one key way: they are never ending. Whether they are replacing a motor to get a production line moving or outfitting a new facility with safety gear and signage, Grainger customers are busy people. Pictured in this annual report are a few of the 1.8 million customers Grainger serves.

Maintenance professionals and purchasing agents transact business with Grainger in many ways. Some buy online, empowered by the tools on Grainger's Web sites that help them manage their orders and purchasing history. Others rely on the wealth of information provided in 21 catalogs and thousands of knowledgeable Grainger employees for assistance in identifying a solution from among the 850,000 items available. Many come into the company's 593 branches to take advantage of the breadth of product stocked locally. And most take advantage of a mix of these options. Grainger's customers are all different, with unique problems to solve, but Grainger provides the same quality of service each time customers do business with the company.

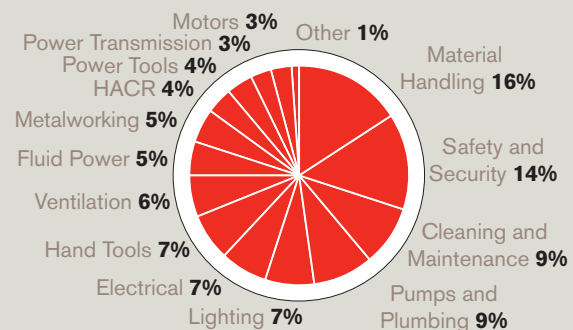
The photos in this annual report feature just a few of the 1.8 million customers Grainger serves. The customer featured on the cover is William Warnke of San Antonio, Texas. William is a maintenance professional for CPS Energy, the nation's largest municipally owned energy company providing both natural gas and electric service. Thank you to the following organizations and businesses for allowing the Grainger Catalog Team to photograph their employees on location:

- Capital Metro Transit
- CPS Energy
- Klepac Greenhouses, Inc.
- Menger Hotel
- Texas Sheet Metal
- Zachry Construction

2006 U.S. Sales by Customer Category



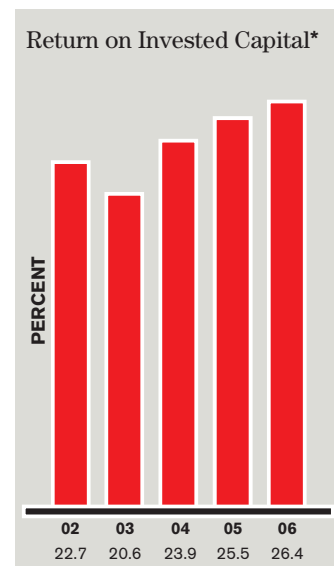
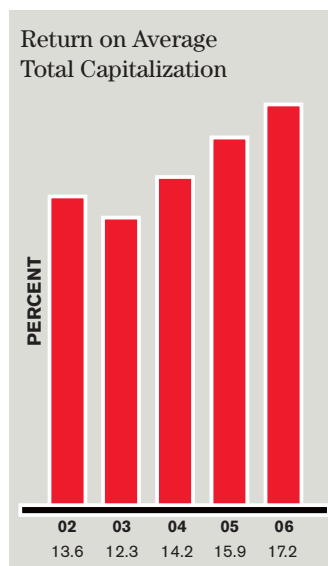
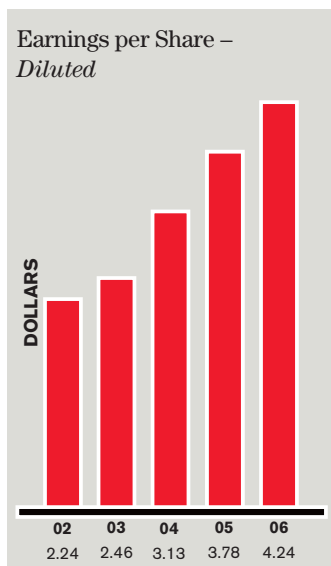
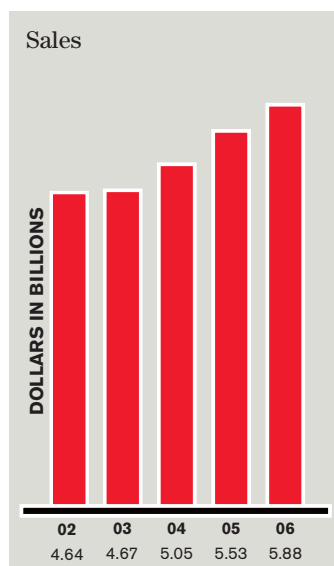
2006 U.S. Sales by Product Line



Financial Highlights

(In thousands of dollars, except for per share amounts)

	2006	2005	% Change
Income Statement			
Net sales	\$5,883,654	\$5,526,636	6.5%
Gross profit	2,354,150	2,161,541	8.9%
As a percent of net sales	40.0%	39.1%	
Operating earnings	578,071	518,989	11.4%
As a percent of net sales	9.8%	9.4%	
Earnings before income taxes	603,023	532,674	13.2%
As a percent of net sales	10.2%	9.6%	
Net earnings	\$383,399	\$346,324	10.7%
As a percent of net sales	6.5%	6.3%	
Per Share			
Earnings – diluted	\$4.24	\$3.78	12.2%
Cash dividends paid	1.110	0.920	20.7%
Average number of shares outstanding – diluted	90,523,774	91,588,295	(1.2)%
Balance Sheet and Cash Flow			
Working capital	\$1,155,763	\$1,290,188	(10.4)%
Cash flow from operations	436,753	432,543	1.0%
Additions to property, buildings and equipment – net	127,814	112,297	15.6%
Financial Ratios and Other Data			
Return on average shareholders' equity	17.2%	15.9%	
Return on average total capitalization	17.2%	15.9%	
Return on invested capital (ROIC)*	26.4%	25.5%	
Number of branches	593	589	
Number of employees	17,074	16,732	



* See page 11 for definition



Richard L. Keyser
Chairman and Chief Executive Officer

To our shareholders:

Last May, Chicago Scenic Studios called our Morton Grove, Ill., branch in a panic because several pieces of their lighting equipment were malfunctioning. They needed replacements – fast – so that the lights could be used that night for a network television program. Customer Service Manager John Fildew and the team sprang into action, setting up an emergency will-call order. When the customer arrived at the branch, the items were ready and waiting. With Grainger's help, the show did, in fact, go on.

Our associates handle issues like this more than 110,000 times a day, most frequently addressing repair or maintenance needs. There's little opportunity to create primary demand and most of our customers have encountered a problem that requires a solution right away. Customers come back to us because Grainger offers unbeatable solutions – the combination of a broad product line available locally and knowledgeable employees with a passion for service.

Driving our growth

Record sales of \$5.9 billion in 2006, an increase of 6 percent versus 2005, came from guiding some 1.8 million customers to the right solutions from among the hundreds of thousands of products we offer. Doing this efficiently resulted in net earnings of \$383 million, or \$4.24 per share. Compared to 2005, net earnings increased 11 percent and earnings per share were up 12 percent.

In the United States, two major initiatives contributed 3 percentage points to our 6 percent sales growth: Market Expansion and Product Line Expansion. Our Market Expansion team completed 43 projects in 18 expansion markets, realigning our branch and sales presence, improving inventory availability and enhancing merchandising. This program is rejuvenating our presence in the top U.S. metropolitan markets. We also launched the largest product expansion in our company's history, adding about 43,000 products to our offering. We are continuing to invest in these initiatives in 2007 because they enhance our ability to serve customers in the U.S. Branch-based Business and represent catalysts for growth.

Other areas of the business also contributed to the company's growth:

- Our Canadian operation, Acklands – Grainger, increased sales by 13 percent. In 2006, a newly strengthened management team and greater integration with our U.S. operations spurred improvements in service and financial performance. Acklands – Grainger's profitability remains a priority for 2007.
- The Mexican business grew 20 percent, adding two new branches. We expect to open several more Mexican branches in 2007 to serve our customers even better.
- Three acquisitions contributed to Lab Safety Supply's 8 percent growth in 2006. Early in the year, Lab acquired the business of Rand Materials Handling Equipment Company, and at year-end, purchased Professional Inspection Equipment and Construction Book Express, two direct marketing businesses serving the engineering and construction industries. Acquisitions continue to be the most effective way to expand and diversify Lab's customer base and product offering and will remain a primary growth strategy.
- In 2006, we also extended our reach into China, one of the most vibrant economies in the world. We opened two locations, including a 120,000 square-foot facility in Shanghai, and launched a Chinese-language catalog and Web site to serve the city's \$2 billion maintenance, repair and operating supply market. China holds tremendous long-term growth potential for Grainger. The country's market for facilities maintenance supplies is approximately \$38 billion today and is expected to grow to more than \$70 billion by 2014. Grainger intends to capture share by offering the same value to Chinese customers as we do in North America.

Improving productivity and shareholder value

After months of testing and training, we installed SAP, our enterprise resource planning system, across the majority of our U.S. operations in a single weekend in early 2006. The team collectively held its breath while the first order came through at 4 a.m. from a Pennsylvania hospital. It processed flawlessly, a testament to our meticulous preparation and committed employees. We fine-tuned the system throughout 2006. In 2007, we expect to gain more efficiencies and optimize its benefits.

By increasing sales, improving our productivity and paying attention to working capital, Grainger continues to be a strong cash generator. In 2006, we derived \$437 million in cash from operations

and invested it in the business through capital expenditures totaling \$137 million. We also returned cash to shareholders in the form of share repurchases (\$473 million) and dividends (\$98 million). We are one of only 25 companies in the S&P 500 to increase dividends each year for 35 years or more.

We created additional shareholder value in 2006 by increasing our pretax return on invested capital (ROIC) to 26.4 percent versus 25.5 percent in 2005.

Engaging in our communities

While helping our customers and creating value for our shareholders remain top of mind, we never lose sight of the communities in which we operate. For many years Grainger has been a leader in helping communities deal with disasters. In July 2006, we announced our national sponsorship of Ready When the Time Comes, an American Red Cross program that helps local Red Cross chapters reach and train corporate volunteers in disaster relief. Those employees are then ready to help in the event of a local or national disaster. In 2007, Grainger is working with chapters in Baltimore, Houston, Kansas City, New York, Orange County (California), San Francisco and St. Louis to help them respond to emergencies. Grainger employees are usually among the first volunteers.

Preparing for the future

Your company has demonstrated the ability to grow sales and improve returns over the past five years. And we did this while investing in the business, creating a strong foundation for long-term growth. As I look forward to 2007, I am excited by the opportunities ahead and confident that with our business model, our scale and our financial strength, we will continue our momentum.

To help lead the charge, in February 2007 President James T. Ryan added the additional title and responsibilities of Chief Operating Officer and became a member of the board. The board also promoted Y.C. Chen to President of our U.S. Branch-based Business. Both have been with Grainger for many years and have proven track records of achieving their goals.

We are going to miss David W. Grainger, Senior Chairman of the Board, who has decided not to stand for election in April 2007 after 54 years on the board. He remains Senior Chairman of the company, however, and will continue to provide us with his wisdom and judgment based on more than 55 years of experience with Grainger.

Customers have depended on Grainger for 80 years. We are proud of this heritage and will continue to build on our long tradition of service. We know we will succeed as long as we never lose sight of our customers. They have many faces, many needs – and we're there for them every day.

Thank you for your support.

R. L. Keyser

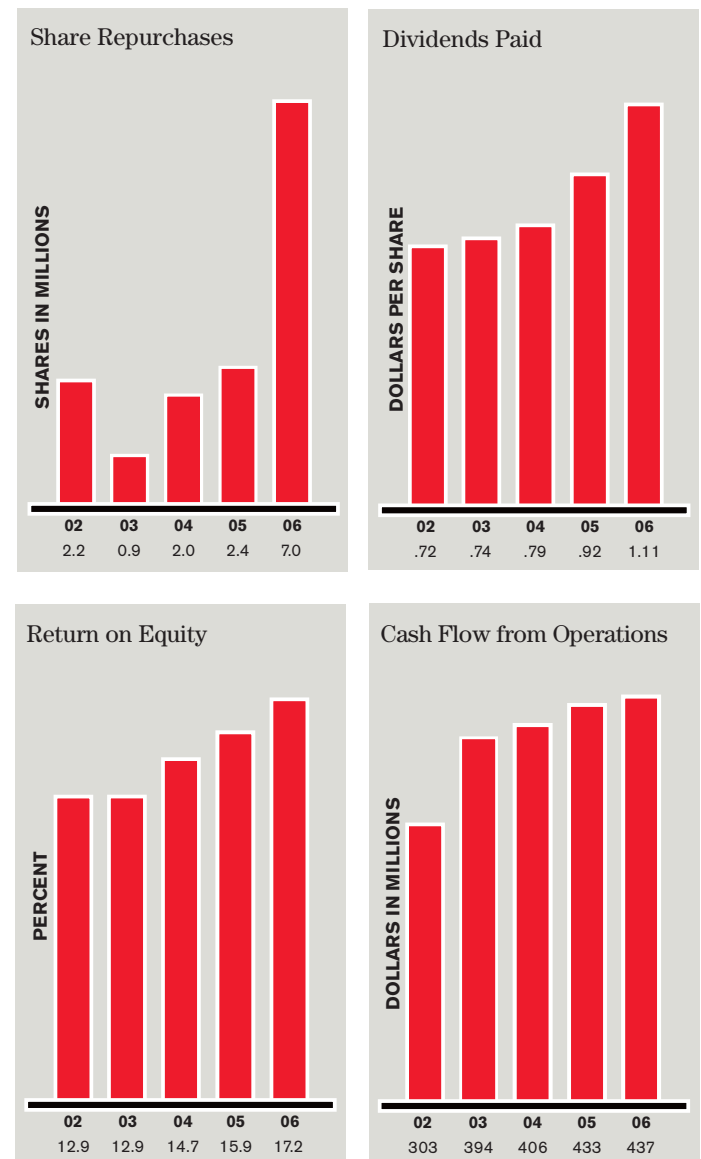
*R. L. Keyser
Chairman and Chief Executive Officer
February 27, 2007*

2006 Highlights

- Reported record sales of \$5.9 billion, up 6 percent
- Reported record earnings per share of \$4.24, up 12 percent
- Generated \$437 million in operating cash flow
- Repurchased 7 million shares
- Generated pretax return on invested capital of 26.4 percent
- Raised quarterly dividend by 21 percent to 29¢ per share

2007 Goals

- Sales growth of 7 to 10 percent
- Operating margins of 10.0 to 10.5 percent
- Earnings per share of \$4.60 to \$4.85

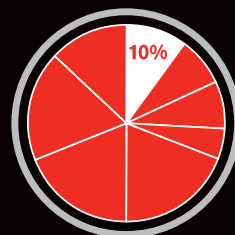


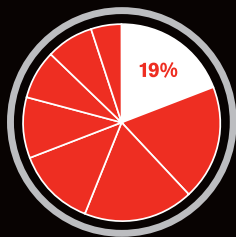
For The Ones Who Get It Done. Their work may go unseen by many, but it forms the underpinning of businesses, government facilities, construction sites, churches and schools around the globe. They're facilities maintenance professionals: men and women charged with ensuring that buildings and job sites are safe, productive and efficient places to work. And Grainger employees serve them with pride. Grainger's customers are diverse – in scale, in geographic location, in industry and in the work they perform – giving rise to the many types of products and services Grainger offers. The pages that follow put a face to a few of the 1.8 million customers Grainger serves. **The Grainger customer is...**

Reliable



Light Manufacturing
Percentage of
2006 U.S. Sales





Heavy Manufacturing
Percentage of
2006 U.S. Sales

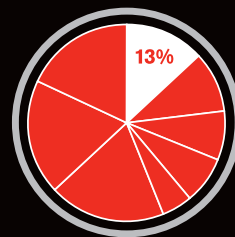


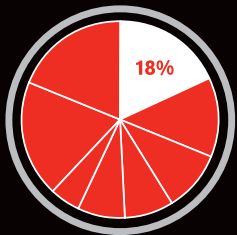
Empowered

Responsible



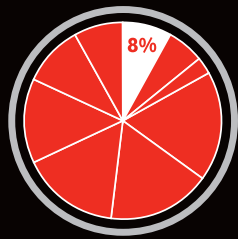
Contractor
Percentage of
2006 U.S. Sales





Government
Percentage of
2006 U.S. Sales

Driven



Retail
Percentage of
2006 U.S. Sales

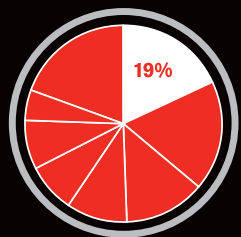
Trusted



Knowledgeable



Commercial
Percentage of
2006 U.S. Sales



Historical Financial Summary

		2006	2005	2004
Financial Summary (\$000)	Net sales	\$5,883,654	\$5,526,636	\$5,049,785
	Earnings before income taxes and cumulative effect of accounting change	603,023	532,674	445,139
	Income taxes	219,624	186,350	158,216
	Earnings before cumulative effect of accounting change	383,399	346,324	286,923
	Cumulative effect of accounting change	—	—	—
	Net earnings	383,399	346,324	286,923
	Working capital	1,155,763	1,290,188	1,108,384
	Additions to property, buildings and equipment – net	127,814	112,297	128,276
	Depreciation and amortization of property, buildings and equipment	100,975	98,087	85,566
	Current assets	1,862,086	1,985,539	1,744,416
	Total assets	3,046,088	3,107,921	2,809,573
	Shareholders' equity	2,177,615	2,288,976	2,067,970
	Cash dividends paid	97,896	82,663	71,243
	Long-term debt (less current maturities)	4,895	4,895	—
Per Share (\$)	Earnings – basic	4.36	3.87	3.18
	Earnings – diluted	4.24	3.78	3.13
	Cash dividends paid	1.110	0.920	0.785
	Book value	25.90	25.51	22.83
	Year-end stock price	69.94	71.10	66.62
Ratios	Percent of return on average shareholders' equity	17.2	15.9	14.7
	Percent of return on average total capitalization	17.2	15.9	14.2
	Earnings before income taxes and cumulative effect of accounting change as a percent of net sales	10.2	9.6	8.8
	Earnings before cumulative effect of accounting change as a percent of net sales	6.5	6.3	5.7
	Cash dividends paid as a percent of net earnings	25.5	23.9	24.8
	Total debt as a percent of total capitalization	0.4	0.4	0.5
	Current assets as a percent of total assets	61.1	63.9	62.1
	Current assets to current liabilities	2.6	2.9	2.7
	Average inventory turnover	4.4	4.5	4.6
Other Data	Average number of shares outstanding – basic	87,838,723	89,568,746	90,206,773
	Average number of shares outstanding – diluted	90,523,774	91,588,295	91,673,375
	Number of employees	17,074	16,732	15,523
	Number of account managers	2,699	2,507	2,154
	Number of branches	593	589	582
	Number of products in the Grainger catalog	115,000	82,400	82,300

Note: 2002 net earnings include a charge for the cumulative effect of accounting change of \$23,921,000, or \$0.26 per share, and special credits of \$4,458,000, or \$0.05 per share, for gains on sales of investment securities and \$1,183,000, or \$0.01 per diluted share, for the reduction of the reserves established in 2001.

2003	2002	2001	2000	1999	1998	1997	1996
\$4,667,014	\$4,643,898	\$4,754,317	\$4,977,044	\$4,636,275	\$4,438,975	\$4,226,941	\$3,616,640
381,090	397,837	297,280	331,595	303,750	400,847	389,636	348,888
154,119	162,349	122,750	138,692	123,019	162,343	157,803	140,362
226,971	235,488	174,530	192,903	180,731	238,504	231,833	208,526
—	(23,921)	—	—	—	—	—	—
226,971	211,567	174,530	192,903	180,731	238,504	231,833	208,526
926,773	898,681	838,800	735,678	600,611	541,872	649,107	704,175
74,064	133,978	100,451	65,507	111,900	132,857	105,756	62,051
74,583	75,226	77,737	81,898	72,446	58,256	63,257	61,585
1,633,413	1,484,947	1,392,611	1,483,002	1,471,145	1,206,429	1,185,283	1,320,243
2,624,678	2,437,448	2,331,246	2,459,601	2,564,826	2,103,966	2,000,116	2,119,021
1,845,135	1,667,698	1,603,189	1,537,386	1,480,529	1,278,741	1,294,661	1,462,662
67,281	66,467	65,445	62,863	58,817	56,683	53,934	50,035
4,895	119,693	118,219	125,258	124,928	122,883	131,201	6,152
2.50	2.30	1.87	2.07	1.95	2.48	2.30	2.04
2.46	2.24	1.84	2.05	1.92	2.44	2.27	2.02
0.735	0.715	0.695	0.670	0.630	0.585	0.530	0.490
20.27	18.21	17.17	16.37	15.85	13.68	13.25	13.82
47.39	51.55	48.00	36.50	47.81	41.63	48.59	40.13
12.9	12.9	11.1	12.8	13.1	18.5	16.8	15.8
12.3	13.6	10.2	11.2	11.0	16.3	15.2	14.6
8.2	8.6	6.3	6.7	6.6	9.0	9.2	9.6
4.9	5.1	3.7	3.9	3.9	5.4	5.5	5.8
29.6	31.4	37.5	32.6	32.5	23.8	23.3	24.0
7.5	7.2	7.8	17.3	23.3	15.5	10.9	10.2
62.2	60.9	59.7	60.3	57.4	57.3	59.3	62.3
2.3	2.5	2.5	2.0	1.7	1.8	2.2	2.1
4.4	4.5	4.7	4.6	4.1	4.4	4.1	3.5
90,731,013	91,982,430	93,189,132	93,003,813	92,836,696	96,231,829	100,604,518	102,295,506
92,394,085	94,303,497	94,727,868	94,223,815	94,315,479	97,846,658	102,178,952	103,272,408
14,701	15,236	15,385	16,192	16,730	15,270	15,154	14,601
1,741	1,650	1,641	1,708	1,879	1,887	1,947	1,906
575	576	579	572	562	532	522	527
88,400	98,700	99,900	85,200	81,100	78,400	78,100	67,600

Notes: 2001 net earnings include a special charge of \$36,650,000, or \$0.39 per share, to establish a reserve related to the shutdown of Material Logic.

2000 net earnings include gains on the sales of investment securities of \$17,860,000, or \$0.19 per share.

Note on ROIC

The GAAP financial statements are the source for all amounts used in the Return on Invested Capital (ROIC) calculation. ROIC is calculated using annualized operating earnings based on year-to-date operating earnings divided by a 13-point average for net working assets. Net working assets are working assets minus working liabilities defined as follows: working assets equal total assets less cash equivalents (nonoperating cash), deferred taxes and investments in unconsolidated entities, plus the LIFO reserve. Working liabilities are the sum of trade payables, accrued compensation and benefits, accrued contributions to employees' profit sharing plans and accrued expenses.

Management



Court D. Carruthers
President,
Acklands – Grainger Inc.



Richard L. Keyser
Chairman of the Board and
Chief Executive Officer



Lawrence J. Pilon
Senior Vice President,
Human Resources



Y.C. Chen
President,
U.S. Branch-based
Business



Cesar A. Lanuza
Vice President,
Country Manager,
Grainger, S.A. de C.V.



Michael A. Pulick
Senior Vice President,
Customer Service
U.S. Branch-based
Business



Patrick H. Davidson
Senior Vice President,
Sales and Marketing
U.S. Branch-based
Business



Larry J. Loizzo
Senior Vice President;
President, Lab Safety
Supply, Inc.



James T. Ryan
President and
Chief Operating Officer



Timothy M. Ferrarell
Senior Vice President,
Enterprise Processes
and Systems



P. Ogden Loux
Senior Vice President,
Finance and Chief
Financial Officer



John A. Schweig
Senior Vice President,
Strategy and Development



Nancy A. Hobor
Senior Vice President,
Communications and
Investor Relations



Bonnie J. McIntyre
Vice President and
General Manager,
China



John L. Howard
Senior Vice President
and General Counsel



Kevin A. Peters
Senior Vice President,
Supply Chain
U.S. Branch-based
Business

Corporate Governance at a Glance

(As of 02/27/07)

Board Accountability

Majority of Directors independent	Yes
Separate Chairman and CEO	No
Independent Director with leadership role	Yes
Independent Board Affairs and Nominating Committee	Yes
Board meetings held or scheduled	5
Annual Board elections	Yes
Corporate governance guidelines approved by the Board	Yes
Outside Directors hold meetings without management present	Yes
Board-approved succession plan in place	Yes
Directors are required to submit a resignation upon a substantive change in career or vocation	Yes
The performance of the Board is reviewed regularly	Yes
The performance of each Committee is reviewed regularly	Yes
Board members conduct periodic individual self-evaluations	No
Board orientation/education program	Yes
Board is elected by majority vote	Yes
All Directors attended at least 75 percent of Board and Committee meetings	Yes
Each Director serves on fewer than six boards of directors	Yes
A majority of Directors attended the annual shareholders meeting held on April 26, 2006	Yes

Financial Disclosure and Internal Controls

Charters for Audit, Compensation and Board Affairs and Nominating Committees	Yes
Disclosure Committee function for financial reporting	Yes
Independent Audit Committee	Yes
Audit Committee has a financial expert	Yes
Auditors elected at most recent annual meeting	Yes
Company discloses financial performance targets	Yes

Shareholder Rights

Shareholders have cumulative voting rights	Yes
Shareholders may call special meetings	Yes
Employees may vote their shares in company-sponsored plans	Yes
All stock-based incentive plans have been approved by shareholders	Yes
An independent vote tabulator tabulates shareholder votes	Yes
Company has a poison pill in place	Yes
Company posts on its Web site its charter and bylaws	Yes

Executive Compensation

Independent Compensation Committee	Yes
Board compensation committee has independent compensation consultant	Yes
Executive compensation is tied to performance and numeric criteria is disclosed	Yes

Corporate Behavior

Company has employee tasked with environmental responsibilities	Yes
Company has environmental, health and safety guidelines	Yes
Environmental and workplace safety policy is disclosed	Yes
Environmental performance is audited by an outside firm	No
Company publishes core vision and values statement	Yes
Company compares its governance policies to an external code of best practices	Yes
Company has program in place to monitor its policies on corruption and bribery	Yes
Company has code of ethics	Yes
Company has an ethics officer function	Yes
Training on ethical behavior is required for all employees	Yes

Board of Directors



Brian P. Anderson
Former Executive Vice President and Chief Financial Officer of OfficeMax Incorporated, Itasca, IL
(1*, 2)



John W. McCarter, Jr.
President and Chief Executive Officer of The Field Museum of Natural History, Chicago, IL
(2*, 3)



Wilbur H. Gantz
Executive Chairman of Ovation Pharmaceuticals Inc., Deerfield, IL
(1, 2)



Neil S. Novich
Chairman, President and Chief Executive Officer of Ryerson Inc., Chicago, IL
(2, 3)



David W. Grainger
Senior Chairman of the Board



Michael J. Roberts
Former President and Chief Operating Officer of McDonald's Corporation, Oakbrook, IL
(2, 3)



V. Ann Hailey
Executive Vice President of Limited Brands, Inc., Columbus, OH
(1, 2)



Gary L. Rogers
Former Vice Chairman of General Electric Company, Fairfield, CT
(2, 3)



William K. Hall
Co-founder and Chairman of Procyon Technologies Inc., Downers Grove, IL
(1, 2)



James T. Ryan
President and Chief Operating Officer



Richard L. Keyser
Chairman of the Board and Chief Executive Officer



James D. Slavik
Chairman of Mark IV Capital, Inc., Newport Beach, CA
(1, 2)



Stuart L. Levenick
Group President of Caterpillar Inc., Peoria, IL
(2, 3)



Harold B. Smith
Chairman of the Executive Committee of Illinois Tool Works Inc., Glenview, IL
(2, 3*)

- (1) Member of Audit Committee
(2) Member of Board Affairs and Nominating Committee
(3) Member of Compensation Committee
* Committee Chair

Shareholder and Media Information



Company Headquarters

W.W. Grainger, Inc.
100 Grainger Parkway
Lake Forest, IL 60045-5201
847.535.1000 Phone
847.535.0878 Fax
www.grainger.com

Annual Meeting

The 2007 Annual Meeting of Shareholders will be held at the company's headquarters in Lake Forest, Ill., at 10:00 a.m. CDT on Wednesday, April 25, 2007.

Auditors

Ernst & Young LLP
Sears Tower
233 South Wacker Drive
Chicago, IL 60606-6301

Common Stock Listing

The company's common stock is listed on the New York and Chicago stock exchanges under the trading symbol GWW.

Transfer Agent, Registrar and Dividend Disbursing Agent

Instructions and inquiries regarding transfers, certificates, changes of title or address, lost or missing dividend checks, consolidation of accounts and elimination of multiple mailings should be directed to:
Computershare Investor Services
P.O. Box 43078
Providence, RI 02940-3078
Telephone 781.575.2879

Dividend Direct Deposit

Shareholders of record have the opportunity to have their quarterly dividends electronically deposited directly into their checking, money market or savings accounts at financial institutions that participate in the automated clearinghouse system.

Shareholders who are interested in taking advantage of this service or would like more information on the program should contact Computershare.

Investor Relations Contacts

Nancy A. Hobor
Senior Vice President, Communications
and Investor Relations
847.535.0065

William D. Chapman
Director, Investor Relations
847.535.0881

Grainger's 2006 Annual Report, 2007 Fact Book, Form 10-K, Form 10-Q, proxy statement and other filings with the Securities and Exchange Commission, as well as news releases including quarterly earnings and monthly sales, can be accessed free of charge at the investor relations section of the company's Web site at www.grainger.com/investor. For more information, contact Investor Relations at 847.535.1000.

Information with respect to the company's activities in employment, environmental concerns and other areas is available from Laurence M. Trusdell, Corporate Secretary, at the company's headquarters.

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Forward-Looking Statements

Throughout this Annual Report and Form 10-K are forward-looking statements under the federal securities laws. The forward-looking statements relate to the company's expected future financial results and business plans, strategies, and objectives and are not historical facts. They are often identified by qualifiers such as "believes," "expected," "forecasted," "gaining," "goals," "growing," "in the process," "increasing," "intended," "look forward," "plan," "potential," "will" or similar expressions. There are risks and uncertainties whose outcome could cause the company's results to differ materially from what is projected.

Factors that may affect forward-looking statements include the following: higher product costs or other expenses; a major loss of customers; increased competitive pricing pressure on the company's businesses; failure to develop or implement new technologies or other business strategies; the outcome of pending and future litigation and governmental proceedings; changes in laws and regulations; facilities disruptions or shutdowns; disruption in transportation services; natural and other catastrophes; unanticipated weather conditions and other difficulties in achieving or improving margins or financial performance.

Trends and projections could also be affected by general industry and market conditions, gross domestic product growth rates, general economic conditions including interest rate and currency rate fluctuations, employment levels, global and other conflicts, and other factors.

Giving Back

Grainger has a strong tradition of giving that dates back to the company's inception 80 years ago. In addition to providing businesses throughout North America and China with the products they need to maintain, repair and operate their facilities, the company is committed to being a good corporate citizen. In 2006, Grainger gave \$11 million to not-for-profit organizations. In addition, Grainger is sponsoring several philanthropic programs, including:

- Three-for-One Matching Charitable Gifts program
- Grainger Tools for TomorrowSM scholarship program
- Ready When the Time Comes national corporate volunteer program
- Grainger Rebuilding America[®] program

2006 Charitable Contributions

