

Company Information

Headquarters

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

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

Media Contact Information

Ernest L. Duplessis
Director, External Communications
847.535.4356

Robb M. Kristopher
Regional Communications Director,
Central Region
847.535.0879

Michael E. McGrew
Regional Communications Director,
Eastern Region
847.224.9269

Erin G. Ptacek
Regional Communications Director,
Western Region
949.255.1368

Analyst Coverage

BB&T Capital Markets – Holden Lewis
Bear Stearns – Duncan Thomas
Buckingham Research – Edward Wheeler
CIBC World Markets Corp. – Christopher Glynn
Cleveland Research Co. – Adam Uhlman
FTN Midwest Research – John Baliotti
Goldman Sachs – Sun Kang
J.P. Morgan – C. Stephen Tusa
Lehman Brothers – Daniel Whang
Merrill Lynch – John Inch
Morgan, Keegan & Co. – Brent Rakers
Morgan Stanley – Scott Davis
Robert W. Baird & Co. – David Manthey
Wachovia Capital Markets – Allison Poliniak
William Blair & Co. – Jeffrey Germanotta

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.

Expected Earnings Release Dates

First Quarter	April 16, 2007
Second Quarter	July 16, 2007
Third Quarter	October 15, 2007
Fourth Quarter	January 2008

Issuance of Preferred Share Purchase Rights

Grainger has adopted a shareholder rights plan, under which there is outstanding one preferred share purchase right for each outstanding share of Grainger common stock. Under certain circumstances – after a person or a group (unless exempt under the plan) acquires or announces a tender offer for 15 percent or more of Grainger's common stock – each right would entitle the holder to purchase, at the then-current exercise price, stock and/or other securities or assets of the company. The rights expire on May 15, 2009, unless earlier redeemed. The rights do not have voting or dividend rights and, until they become exercisable, have no dilutive effect on the earnings of Grainger.

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
www.computershare.com

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 Services.

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Forward-Looking Statements

Throughout this Fact Book 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 "aims," "anticipated," "believes," "estimated," "expects," "forecasting," "goals," "intends," "is positioned," "looks to," "opportunity," "plans," "potential," "projected," "projects," "should," "targeting," "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.

Grainger at a Glance



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Key Facts (as of 12/31/06)

2006 Sales

\$5.9 billion

2006 Earnings per share (diluted)

\$4.24

Number of employees worldwide

17,074

Number of branches

593 throughout Canada, China, Mexico and the United States

Number of distribution centers

18

Number of customers

1.8 million in 139 countries

Number of products offered

850,000 in 21 catalogs and on 11 Web sites

Number of suppliers

1,600

Years of consecutive dividend increases

35

Total number of shares repurchased since 1984

49.3 million shares for \$1.9 billion

Stock trading

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

80 YEARS OF SERVING CUSTOMERS

1927

Company founded in Chicago, Ill.; generates sales through an eight-page catalog – The Motorbook

1928

Incorporated in the State of Illinois

1933

Opens first branch in Philadelphia, Pa.

1942

Expands to 24 branches and 24 sales representatives

1952

Celebrates 25th anniversary with \$18 million in sales, 46 branches, 54 sales representatives and a 104-page catalog

1967

Becomes a publicly traded company under the symbol GWW

1975

Lists on the New York Stock Exchange

1977

Celebrates 50th anniversary with \$499 million in sales, 141 branches, 424 sales representatives and a 756-page catalog

1984

Achieves more than \$1 billion in annual sales

1992

Acquires Lab Safety Supply

1995

Launches Web site, www.grainger.com

1996

Acquires Acklands Limited

2002

Celebrates 75 years of serving customers with \$4.6 billion in sales, 576 branches, 1,650 sales representatives and a 3,938-page catalog

2004

Breaks the \$5 billion annual sales mark

2006

Reports record sales of \$5.9 billion and completes largest product line expansion in company history

2007

Celebrates 80 years of serving customers