

Grainger Facts at a Glance

Branch-Based Business

United States

Grainger operates in the United States and Puerto Rico through a highly integrated network of 428 branches, 9 distribution centers and its Web site, grainger.com. In 2007, the company plans to drive additional market share growth through its Market Expansion program (see page 6).

Grainger sells primarily to industrial and commercial maintenance departments, contractors and government customers. Sales in 2006 were made to approximately 1.3 million customers, with growth occurring in all customer end-markets.

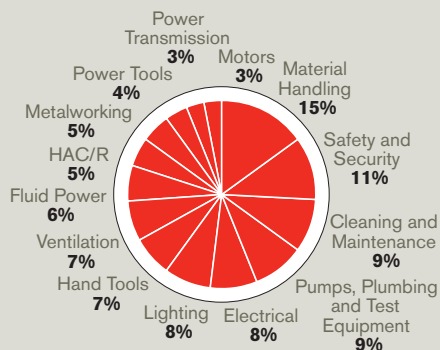
Grainger offers a broad line of facilities maintenance products, repair parts and specialized product sourcing. In 2006, the company expanded its product line (see page 7), adding some 43,000 products, the largest increase in Grainger's history. In 2007, the company added an additional 25,000 products, bringing the total catalog offering to 139,000.

Competitors:

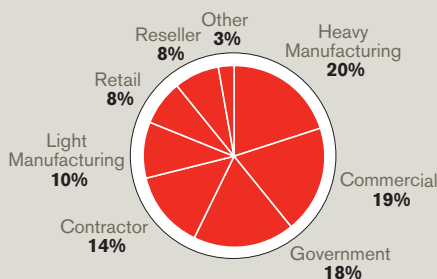
- Fastenal
- Ferguson
- Home Depot Supply
- McMaster-Carr
- MSC Industrial Direct
- Regional and local suppliers



2006 Sales by Product Line



2006 Sales by Customer Category



Branch-Based Business

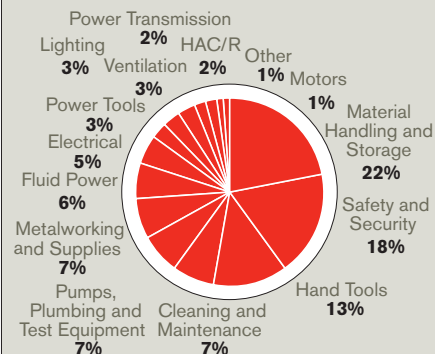
Mexico

Grainger, S.A. de C.V. is Mexico's leading supplier of facilities maintenance products to businesses and institutions. Grainger's business in Mexico reaches 25,000 local customers through its outside sales and telesales forces, online at grainger.com.mx, and through its paper catalog. Customer orders are fulfilled through one distribution center and eight branches located throughout the country.

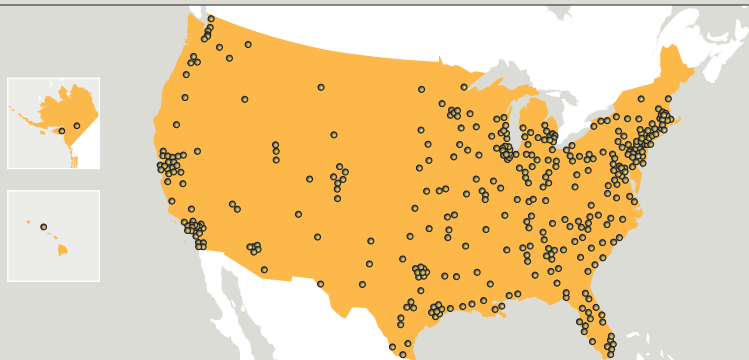
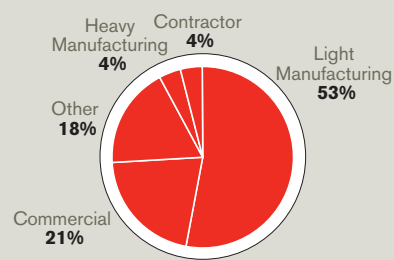
Competitors:

- Fastenal
- GE Supply
- Hagemeyer
- McMaster-Carr
- Regional and local suppliers

2006 Sales by Product Line



2006 Sales by Customer Category



• Grainger branch location



• Grainger, S.A. de C.V. branch location

Branch-Based Business

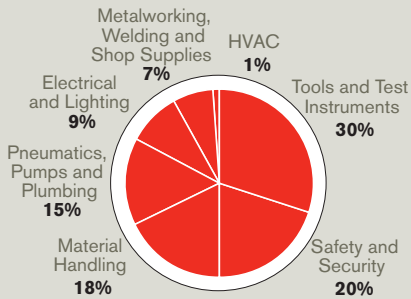
China

固安捷® (Gu An Jie) Grainger operates a 120,000-square-foot master branch/distribution center and a will-call express location in the Shanghai metro area. Chinese customers also have access to facilities maintenance products through a Chinese-language paper catalog containing 20,000 items or online at grainger.com.cn, Grainger's transaction-enabled Chinese Web site.

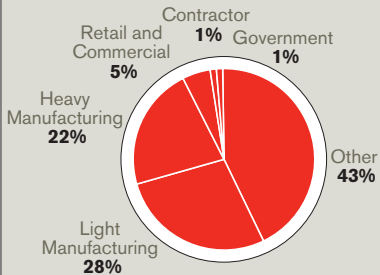
Competitors:

- Regional and local suppliers

2006 Sales by Product Line



2006 Sales by Customer Category



Branch-Based Business

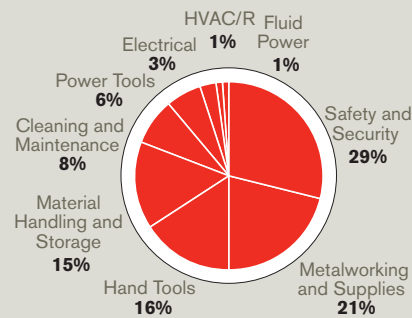
Canada

Acklands – Grainger Inc. is Canada's leading broad-line supplier of industrial, fleet and safety products. Founded 115 years ago, it serves more than 50,000 customers through 155 branches and five distribution centers across Canada. It also offers bilingual catalogs, both in paper form and on its Web site, acklandsgrainger.com.

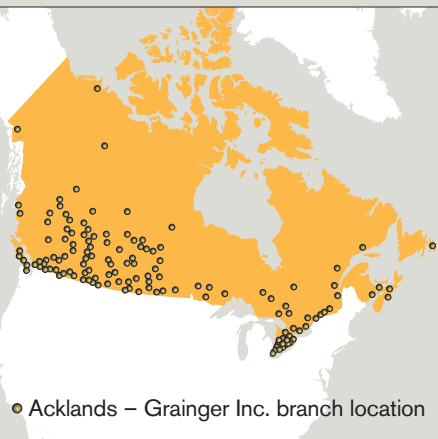
Competitors:

- Century Vallen
- Fastenal
- Gregg Distributors
- Home Depot Supply
- Weber Supply

2006 Sales by Product Line



2006 Sales by Customer Category



Direct Marketing Business

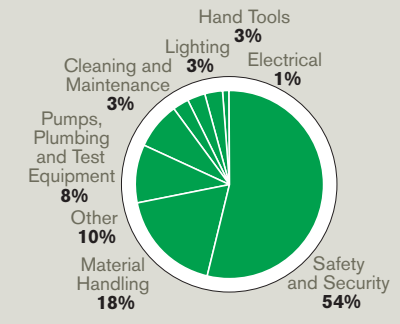
United States

Lab Safety Supply, Inc. (LSS) reaches more than 500,000 North American customers through the distribution of a variety of branded catalogs and Web sites targeted to specific markets. It supplies companies of all sizes across diverse industries, including manufacturing, government and agriculture.

Competitors:

- Airgas Safety
- Fisher Scientific
- Forestry Suppliers
- K+K America

2006 Sales by Product Line



2006 Sales by Customer Category

