

Recent Information

Grainger was featured as one of the 100 Best Corporate Citizens in the Spring Edition of *Business Ethics* magazine in light of the company's commitment to its employees, the environment, corporate governance and charitable giving. Click [here](#) to view the full list.



Grainger's enhanced product offering makes it easier to grow share with customers who are reducing their number of indirect suppliers. Click [here](#) to view the latest Product Line Expansion Update.



In an effort to help customers prepare for the 2006 hurricane season, Grainger facilitated hurricane preparedness events in eight cities. Many suppliers of hurricane-related products were on hand offering customers insight into how to better prepare their businesses for the hurricane season. Before, during and after an emergency, Grainger serves customers and their communities. Those services include responding to after-hour emergencies, extending hours, calling on additional personnel to help fill orders and load trucks, and dispatching emergency support teams.

Upcoming Events

William Blair Growth Conference

James T. Ryan, President
Chicago, Illinois
Wednesday, June 28, 2006

A Monthly Sales and Information Bulletin

May 2006 Sales

Grainger's daily sales for the month of May grew 10 percent versus May 2005.

Daily sales at Grainger's Branch-based segment were up 10 percent versus May 2005. In the United States, sales were positively affected by approximately 1 percentage point due to strong sales of seasonal products. Results were negatively affected by approximately 2 percentage points from continued disengagements from automotive and integrated supply contracts.

	Selling Days	
	2006	2005
Mo.	22	21
Qtr.	64	64
Yr.	254	255

At the Acklands-Grainger Branch-based segment, in Canada, daily sales were up 17 percent. At Lab Safety Supply (LSS), daily sales were up 4 percent.

Company News

Electrical Products Group of New York Presentation

On May 24, 2006, Jim Ryan presented to a group of more than 100 analysts at the Electrical Products Group annual meeting in Florida. Ryan highlighted how Grainger's market and product line expansion programs are expected to continue to contribute to the company's sales and earnings growth saying, "Grainger has scale – millions of customers, a broad product line, an efficient and effective supply chain, and integrated information systems -- to gain share and deliver increased shareholder value."

Ryan reiterated the company's 2006 earnings per share guidance of \$4.00 to \$4.15. Included in the earnings per share guidance is \$0.15 per share for the expensing of stock options. In the first quarter, this expense was \$0.03 per share; the company expects a larger expense in the second quarter when stock options are granted.

Click [here](#) to view the slides and listen to the archived webcast.

Market Expansion Headlines

Grainger's Market Expansion Program was featured in more than 14 publications or media outlets in May, including *Crain's Detroit Business*, *Dallas Business Journal*, *Dallas Morning News*, *Detroit Free Press* and *Detroit News*.

Last month, Grainger's Market Expansion team opened, expanded or relocated branches in the following markets: Baltimore, Cincinnati, Dallas-Fort Worth, Detroit, Miami, Philadelphia, Southern California and Washington, D.C.

This document may contain 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 generally identified by qualifiers such as "anticipates," "expects," "expected," "earnings per share guidance," "forecast," "goals," "projected," "target" or similar expressions. There are risks and uncertainties the outcome of which could cause the company's results to differ materially from what is projected. The forward-looking statements should be read in conjunction with the company's most recent annual report, as well as the company's Form 10-K and other reports filed with the Securities Exchange Commission, containing a discussion of the company's business and of various factors that may affect it.

The electronic version of this document also contains links to various articles, often hosted on third party websites, about Grainger and the MRO industry. These links display the articles as they originally appeared and may contain errors or become outdated. The inclusion of any such link in this document does not imply Grainger's endorsement of the site, the accuracy or completeness of the information presented, the organization operating such site or the author(s) of the article, or any products or services of that organization.