

Recent Information

In its March 6, 2006 issue, *Fortune* magazine named Grainger one of America's Most Admired Companies.



With the publication of Catalog 397 in April, Grainger will roll out the biggest product line expansion in its history. *Purchasing* magazine featured the expansion in its March 2, 2006, edition, focusing on the company's addition of some 30,000 fasteners over and above the 3,500 Grainger already offers customers in its catalog.



The February issue of *Electrical Wholesaling* magazine details Grainger's market expansion program, profiling the company's Lenexa, Kan., location where the showroom has been redesigned to help customers find the products they need, quickly and conveniently.

Upcoming Events

Annual Report/Fact Book Mailing
Friday, March 24, 2006

First Quarter Earnings Release
Monday, April 17, 2006

Annual Shareholders' Meeting
Wednesday, April 26, 2006

A Monthly Sales and Information Bulletin

February 2006 Sales

Grainger's daily sales for the month of February grew 5 percent versus February 2005.

	Selling Days	
	2006	2005
Mo.	20	20
Qtr.	64	64
Yr.	254	255

Daily sales at Grainger's Branch-based Businesses were up 5 percent versus February 2005. In the United States, sales were negatively impacted by approximately 2 percentage points from continued disengagements from integrated supply contracts.

At Lab Safety Supply (LSS), daily sales were up 2 percent, including sales from Rand Materials Handling Equipment Co., a recent acquisition.

Company News

Michael J. Roberts named to board

On February 21, 2006, Grainger's Board of Directors appointed Michael J. Roberts to the board, bringing the total number of members to 12.

Roberts is President and Chief Operating Officer of McDonald's Corporation, the leading global foodservice retailer. He will serve on the Compensation Committee and the Board Affairs and Nominating Committee of Grainger's Board of Directors.

Partnership in Performance recognizes suppliers

Grainger recently honored 28 of its suppliers with the 2005 Partners in Performance Award. The award recognizes suppliers that have achieved excellence in a number of categories, including responsiveness, information integrity, on-time shipping, management commitment and order fulfillment. The M.K. Morse Company, a saw blade manufacturer based in Canton, Ohio, received the award for outstanding supplier.

The awards were presented at a conference held March 9, 2006, where Grainger executives discussed with more than 500 suppliers the company's strategy and how supplier partnerships are key to mutual success.

SAP update

February marks the first full month of operations under Grainger's new SAP system. Throughout the month, the system continued to be stable and customer service levels remained at pre-implementation levels.

This document contains 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," "forecast," "goals," "will," "outlook," "plans," "projected," "target," "trends" 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.