

Recent Information

Grainger's Web site was recently designated by Forbes.com as a "Forbes Best of The Web Pick" in the *Fall 2005 Best of The Web B2B Guide*. Grainger was rated tops in the Procurement category. The complete guide is available at www.forbes.com/bow.



"Grainger expansion yields results," was the title of the November 3, 2005, article in the *Atlanta Business Chronicle*. The article detailed the company's market expansion program in the Atlanta area. In the past two years, Grainger has added two new locations, relocated two and renovated its older facilities in the metro area.



The October 2005 issue of *HVACR News* and the November 2005 issue of *Industrial Distribution* magazine detailed Grainger's emergency response and operations following Hurricane Katrina.

Upcoming Events

Analyst Meeting – 2006 Outlook

Grainger management will host an analyst meeting in Houston, Texas, on November 16, 2005, to present the company's outlook for 2006. Analysts wishing to register click [here](#) to email or call Octavio Santiago at 847.535.0880.

Fourth Quarter Earnings Release
January 26, 2006

A Monthly Sales and Information Bulletin

October 2005 Sales

Grainger's daily sales for the month of October grew 11 percent versus October 2004.

	Selling Days	
	2005	2004
Mo.	21	21
Qtr.	63	63
Yr.	255	255

Daily sales at Grainger's Branch-based Businesses were up 11 percent versus October 2004. At Lab Safety Supply (LSS), daily sales were up 16 percent, including AW Direct, an acquisition made in January 2005.

Company News

Market expansion update

A Grainger Express® in Temecula, Calif., opened this week. Grainger Express locations are convenient product pick-up points for customers. There are currently eight Grainger Express locations in Southern California.

New director elected, dividend declared

On October 25, 2005, Grainger's Board of Directors appointed Stuart L. Levenick to the board. Levenick is a group president of Caterpillar Inc. He leads the company's Asia Pacific marketing and operations divisions, global purchasing, the human services division and Solar Turbines, Inc.

At their meeting on October 26, 2005, Grainger's Board of Directors declared a cash dividend of 24 cents per share payable on December 1, 2005, to shareholders of record on November 14, 2005.

Grainger supports American Red Cross volunteer mission

Grainger Chairman and CEO Richard L. Keyser addressed Red Cross volunteers and volunteer leaders from around the country at the 2005 Volunteer Administration Institute in Jacksonville, Fla. on November 1, 2005. Grainger joined with the American Red Cross to sponsor the event, which is designed to provide professional development for all Red Cross staffers involved with volunteer resource management.

At the two-day event, American Red Cross President and COO Marsha Evans thanked Grainger for promoting corporate volunteerism with the *Ready When the Time Comes* program. Through the program, local chapters partner with businesses in their areas to recruit and train corporate volunteers for disaster response. Several media outlets covered the event, including local affiliates of ABC, CBS, NBC, FOX and NPR.

Grainger hosts Supplier Council meeting

Grainger hosted a meeting of its Supplier Council in Jacksonville, Fla., earlier this week. The 13-member council represents a broad array of suppliers and acts in an advisory capacity on initiatives, policies and procedures that affect Grainger's supplier partners. The council meets twice yearly.

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 "plans," "will," "projected" 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.