

## A Monthly Sales and Information Bulletin

### Featured in the News

Grainger ranks seventh among the 50 companies "that get the Net" in *Smart Business* magazine's November 2000 issue.

Gartner's *Executive Edge* magazine cites Grainger as a "cyber pioneer that struck gold." The October/November 2000 issue states that "Grainger has maintained industry leadership by soliciting and acting upon customer input and staying in the forefront of e-commerce trends."

The October 23, 2000, *Wall Street Journal* quotes Chairman and Chief Executive Officer Richard Keyser as saying that Grainger's online success is directly tied to its track record as a brick-and-mortar firm. "You can't just be an Internet company," says Mr. Keyser. "You have to understand the business to do well in it."

*Industrial Distribution* magazine charts the improvements and investment Grainger has made in upgrading the Grainger.com site in its November 1, 2000, issue.

Jim Ryan, President of Grainger.com, spoke to *BtoB* magazine about the increased functionality and customer appeal of the new Grainger.com site. The October 23, 2000, article discusses the rationale for the improvements and the additional benefits the site is expected to reap going forward.

### October Sales

The W.W. Grainger, Inc. daily sales rate for the month of October was 7% above October 1999. October 2000 had one more selling day than October 1999 (22 versus 21).

During the month of October, the Branch-based distribution businesses experienced mid single-digit daily sales growth. Growth for this segment was led by continued strong sales growth in Canada and Mexico.

The daily selling rate for the Company's digital businesses grew during October.

The Company processed sales through all of its e-businesses at an average annualized run rate of \$385 million. This rate of growth was tempered by the transition of customers to the new Grainger.com site. Based on other companies' experiences, it is possible that the transitioning of customers to Grainger.com 2.1 could continue to affect sales growth through that channel. To date, approximately 50% of all Grainger.com sales are occurring on the new site. The Company plans to discontinue the old Grainger.com site at the end of the year.

### Company News

#### Order Tracking available on Grainger.com 2.1

Customers can now monitor the status of orders shipped via UPS using a link on the new Grainger.com site. This tracking capability enables customers ordering via Grainger.com 2.1 to search by date of purchase. Grainger orders placed using traditional means may be tracked using a purchase order number. Grainger plans to add links to other carriers in the future.

### Upcoming Events

#### November 14 – 15, 2000

Robert W. Baird 2000 Industrial Technology Conference  
Chicago, Illinois  
Speaker: Wes Clark, Group President  
The script and slides from this presentation may be found on the Investor Relations page on Grainger.com within 24 hours of Mr. Clark's appearance.

#### December 4 – 7, 2000

Net Market Makers  
groundzero4 Conference  
Los Angeles, California  
Panelist, Jim Ryan,  
President, Grainger.com  
[www.nmm.com/events/groundzero4/](http://www.nmm.com/events/groundzero4/)

This document contains statements that are not historical facts and are forward-looking. The forward-looking statements (generally identified by words or phrases indicating a projection or future expectation such as "is planning to" or "estimates") are based on the Company's current expectations and some of them are subject to risks and uncertainties the outcome of which could result in actual future performance being materially different from the performance indicated. They 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 and Exchange Commission, containing a discussion of the Company's business and of various factors that may affect it.

