

GRAINGER ACQUIRES E&R INDUSTRIAL SALES, INC.
Adds Key Metalworking Expertise to Better Serve Manufacturing Customers

CHICAGO, August 26, 2013 – Grainger (NYSE: GWW), the leading broad line supplier of maintenance, repair and operating products serving businesses and institutions, today acquired E&R Industrial Sales, Inc., a distributor of metalworking, production supplies and MRO materials to manufacturers and industrial customers across the Midwest and Eastern United States, and its subsidiaries. With this acquisition, Grainger adds an industry-leading team of metalworking experts and extends its capabilities for serving customers in the manufacturing space. The acquisition is effective immediately.

The deal is expected to be neutral to earnings in 2013 and accretive in 2014, including integration costs. Additional terms were not disclosed.

"E&R Industrial's technical expertise and strong metalworking capabilities, along with Grainger's supply chain excellence, broad product offering and inventory management acumen, will enable customers to save time and money by consolidating their MRO purchases with Grainger," said Court Carruthers, Senior Vice President and President, Grainger U.S.

Founded in 1969 and based in Sterling Heights, Mich., E&R Industrial provides more than 100,000 products to 4,000 customers across the aerospace, automotive and general industrial sectors. The company employs more than 350 team members, including metalworking specialists in field sales, inside sales and product management who provide an in-depth and unique technical expertise. E&R Industrial reported 2012 sales of approximately \$180 million.

"We are excited to join Grainger," said E&R Industrial President Jerry Pizzimenti. "This allows us to better serve manufacturing customers by combining Grainger's scale and capabilities with E&R's technical expertise and products. I look forward to bringing these two great companies together for a very successful future."

About Grainger

W.W. Grainger, Inc., with 2012 sales of \$9 billion, is North America's leading broad line supplier of maintenance, repair and operating products, with expanding global operations. Visit www.grainger.com/investor for more information about the company.

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