

W.W. Grainger, Inc. (GWW)

\$1,009.05 (Stock Price as of 01/01/2026)

Price Target (6-12 Months): **\$1,056.00**

Long Term: 6-12 Months

Zacks Recommendation:

Neutral

(Since: 08/02/23)

Prior Recommendation: Outperform

Short Term: 1-3 Months

Zacks Rank: (1-5)

3-Hold

Zacks Style Scores:

VGM: B

Value: C

Growth: A

Momentum: C

Summary

Grainger has been gaining from volume growth in the High Touch Solutions segment and customer growth in the Endless Assortment segment. The High-Touch Solutions segment is gaining from an improved product mix. Repeat customer growth at MonotaRO is aiding the Endless Assortment segment. Volume improvement and pricing actions will drive top-line growth in the upcoming quarters. Grainger's initiatives to manage inventory effectively, as well as its investments in e-commerce and digital capabilities, will drive profitability in the ongoing year. The company's portfolio optimization efforts will also drive growth in the upcoming quarters. Backed by the tailwinds, the earnings estimates for the ongoing year have lately moved north. However, elevated costs are likely to keep denting the company's margins in the upcoming quarters.

Data Overview

52 Week High-Low	\$1,139.15 - \$893.99
20 Day Average Volume (sh)	270,150
Market Cap	\$48.0 B
YTD Price Change	0.0%
Beta	1.12
Dividend / Div Yld	\$9.04 / 0.9%
Industry	Industrial Services
Zacks Industry Rank	Bottom 8% (222 out of 243)

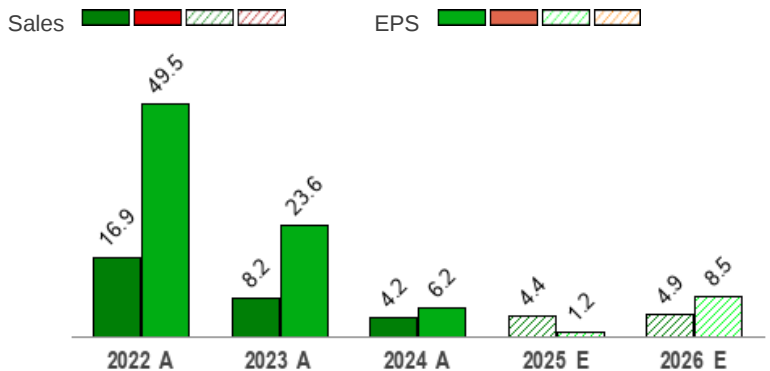
Last EPS Surprise	2.8%
Last Sales Surprise	0.3%
EPS F1 Est- 4 week change	0.0%
Expected Report Date	02/03/2026
Earnings ESP	-0.9%

P/E TTM	25.4
P/E F1	25.6
PEG F1	5.4
P/S TTM	2.7

Price, Consensus & Surprise⁽¹⁾



Sales and EPS Growth Rates (Y/Y %)⁽²⁾



Sales Estimates (millions of \$)⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	4,529 E	4,774 E	4,895 E	4,608 E	18,805 E
2025	4,306 A	4,554 A	4,657 A	4,411 E	17,928 E
2024	4,235 A	4,312 A	4,388 A	4,233 A	17,168 A

EPS Estimates⁽²⁾

	Q1	Q2	Q3	Q4	Annual*
2026	10.40 E	10.58 E	11.52 E	10.27 E	42.76 E
2025	9.86 A	9.97 A	10.21 A	9.37 E	39.41 E
2024	9.62 A	9.76 A	9.87 A	9.71 A	38.96 A

*Quarterly figures may not add up to annual.

(1) The data in the charts and tables, except the estimates, is as of 01/01/2026.

(2) The report's text, the analyst-provided estimates, and the price target are as of 12/11/2025.

Overview

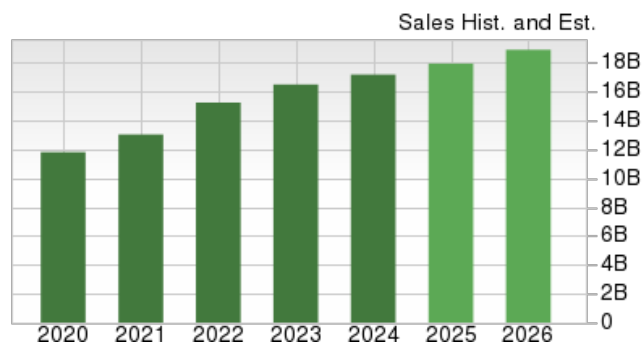
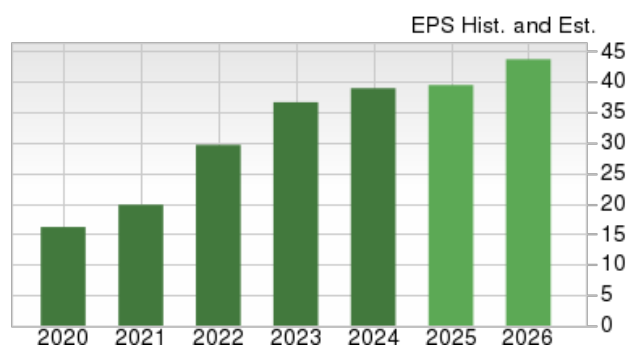
Incorporated in 1928, IL-based W.W. Grainger Inc. is a broad line, business-to-business distributor of maintenance, repair and operating (MRO) products and services. Its operations are primarily in North America, Japan and the U.K. Its customers represent a wide array of industries including government, manufacturing, transportation, commercial and contractors. Its products include material-handling equipment, safety and security supplies, lighting and electrical products, power and hand tools, pumps and plumbing supplies, cleaning and maintenance supplies, and metalworking tools.

Grainger has two reportable segments — High-Touch Solutions (N.A.) and Endless Assortment.

The High-Touch Solutions (N.A.) segment provides value-added MRO solutions that are rooted in deep product knowledge and customer expertise. It includes the Grainger-branded businesses in the United States, Canada, Mexico and Puerto Rico. The segment generated around 79% of Grainger's total revenues, per the company's restated statements.

The Endless Assortment segment provides a simple, transparent and streamlined experience for customers to shop millions of products online. This segment includes the company's Zoro Tools, Inc. (Zoro) businesses in the United States and the U.K., and MonotaRO Co., Ltd. (MonotaRO), which operates predominately in Japan. The segment generated around 17% of the company's total revenues, per Grainger's restated statements. Zoro.com attained \$1 billion annual sales through its U.S. website for the first time in 2022.

The remaining international high-touch solutions businesses, operating primarily in the U.K., are classified as "Other". The segment generated around 18% of the company's total revenues, as per the company's restated statements.



As of 12/11/2025



As of 01/01/2026

Reasons To Buy:

- ▲ The company's High-Touch Solutions North America (N.A.) segment has been gaining from continued volume growth across all geographies and strong price realization. The gross margin was driven by an improved product mix. The segment will continue to benefit from pricing actions, and strength in commercial, transportation and heavy manufacturing. The Endless Assortment segment continues to be aided by customer acquisition and repeat customer growth at MonotaRO. Backed by the tailwinds, our model projects High-Touch Solutions N.A. segment's reported sales to rise 1.9% in 2025 and the Endless Assortment segment's reported sales to move up 15.5%.
- ▲ The company's margin will continue to gain traction from improved its product mix, lower freight costs, pricing actions and its ability to navigate supply-chain challenges. Grainger's strategic initiatives and efforts to increase market share across the business is driving growth. Grainger expects earnings per share of \$39.00-\$39.75 compared with the prior stated \$38.50-\$40.25 for 2025. The midpoint of the guidance indicates 1% growth from the 2024 reported figure. Sales growth is anticipated to be 3.9-4.7%. Grainger's initiatives and supply-chain advantages are likely to aid the company in meeting its guidance.
- ▲ The High-Touch Solutions model serves customers with complex buying needs, primarily in North America. This model helps Grainger create powerful customer-tailored solutions, deliver an improved customer experience and develop deep customer relationships — whether onsite, at a branch, over the phone, or online. The company creates value for customers through its sales and service representatives, technical product support, fulfillment capabilities, inventory management solutions and other services. The High-Touch Solutions market outgrew the U.S. MRO market in 2024. The company is witnessing continued growth with large and mid-sized customers in the United States. It focuses on re-engaging lapsed customers and acquiring new ones.
- ▲ Grainger is focused on improving the end-to-end customer experience by investing in its e-commerce and digital capabilities, and executing improvement initiatives within its supply chain. The company continues to develop online capabilities that promote a personalized, relevant, effortless experience for each customer through Grainger.com, eProcurement connections, 1 solutions and mobile applications. Grainger's Canada business is an attractive market and is expected to deliver double-digit operating margin growth over the next five years. The company has been focused on reducing its cost structure in its Canada operations to drive profitable growth. Grainger has been managing inventory effectively to drive profitability and is focused on making incremental investments in marketing and merchandising.
- ▲ Grainger is focused on portfolio optimization. The company has entered a definitive agreement to sell its U.K.-based Cromwell business to AURELIUS, which is set to close in the fourth quarter of 2025. In September, Grainger also revealed plans to shut down its Zoro U.K. operations. These moves will help the company focus on its core businesses and expand the High-Touch Solutions model in North America and Endless Assortment businesses in the United States and Japan.

Grainger will continue to gain from the ongoing momentum in the United States, as well as strong demand its products. Pricing actions and inventory reduction efforts will also aid growth.

Reasons To Sell:

- ▼ Grainger has lately been witnessing higher SG&A expenses. The increase was caused mainly due to higher headcount to support growth, compensation costs and continued investments in marketing. SG&A expenses along with higher operating costs are likely to affect Grainger's margins in the upcoming quarters. We expect SG&A expenses to rise 3.9% year over year in 2025.
- ▼ Grainger is witnessing unexpected product shortages and delays. This is hiking costs. The company expects these costs to remain elevated throughout the year.
- ▼ The implementation of tariffs has led to input cost inflation. This will continue to put margins under pressure in the upcoming quarters. The company is working with suppliers to minimize the cost impact, including identifying alternative supply and evaluating pricing actions.

Grainger's margins will be impacted by the ongoing supply chain related challenges and high costs. Higher SG&A expenses will also weigh on the company's results in the near term.

Last Earnings Report

Grainger Q3 Earnings & Revenues Surpass Estimates, Increase Y/Y

Grainger has reported earnings per share (EPS) of \$10.21 in third-quarter 2025, beating the Zacks Consensus Estimate of \$9.93. The bottom line improved 3.4% year over year, aided by the solid performances of the High-Touch Solutions N.A. and Endless Assortment segments.

Grainger's quarterly revenues rose 6.1% year over year to \$4.66 billion. The top line surpassed the Zacks Consensus Estimate of \$4.64 billion. Daily sales increased 6.1% from the prior-year quarter.

FY Quarter Ending **12/31/2025**

Earnings Reporting Date	Oct 31, 2025
Sales Surprise	0.33%
EPS Surprise	2.82%
Quarterly EPS	10.21
Annual EPS (TTM)	39.75

Grainger's Q3 Segmental Performance

The High-Touch Solutions N.A. segment's daily sales rose 3.4% in the quarter from the third quarter of 2024. The upside was driven by volume growth and improving price contribution. The Endless Assortment segment's daily sales moved up 18.2% in the quarter.

GWW's Q3 Operational Update

The cost of sales climbed 7.2% year over year to \$2.86 billion. The gross profit rose 4.5% year over year to \$1.8 billion. The gross margin was 38.6% in the quarter compared with the prior-year period's 39.2%.

Selling, general and administrative expenses rose 24.5% year over year to \$1.29 billion. Grainger's operating income in the quarter was down 25.5% year over year to \$511 million. The operating margin was 15.2% compared with 15.6% in the prior-year quarter.

Grainger's Q3 Cash Flow & Balance Sheet Updates

The company had cash and cash equivalents of \$0.54 billion at the end of the third quarter of 2025, down from \$1.04 billion at the 2024 end. The cash flow from operating activities was \$597 million in the third quarter of 2025 compared with \$611 million in the prior-year quarter.

The long-term debt was \$2.34 billion as of Sept. 30, 2025, compared with \$2.28 billion as of Dec. 31, 2024. Grainger returned \$399 million to shareholders through dividends and share buybacks in the reported quarter.

GWW Updates 2025 Outlook

GWW expects net sales of \$17.8-\$18.0 billion, updated from the prior stated \$17.9-\$18.2 billion. Sales growth is anticipated to be 3.9-4.7%. Daily sales growth is envisioned at 4.4-5.1% compared with the earlier mentioned 4.5-6%. EPS is expected to be \$39.00-\$39.75 compared with the prior stated \$38.50-\$40.25.

Valuation

Grainger's shares are down 6.6% in the trailing six-month period and down 12.6% in the trailing 12-month period. Over the past six months, stocks in the Industrial Services industry and Industrial Products sector are down 3.8% and up 9.2%, respectively. Over the past year, the Zacks sub-industry are down 7.8% while the sector are up 3.7%.

The S&P 500 index is up 17.4% in the trailing six-month period and up 17.5% in the past year.

The stock is currently trading at 22.89X forward 12-month earnings, which compares with 27.23X for the Zacks sub-industry, 20.95X for the Zacks sector and 23.61X for the S&P 500 index.

Over the past five years, the stock has traded as high as 29.34X and as low as 16.02X, with a 5-year median of 21.14X.

Our Neutral recommendation indicates that the stock will perform in-line with the market. Our \$1056 price target reflects 24.05X forward 12-month earnings.

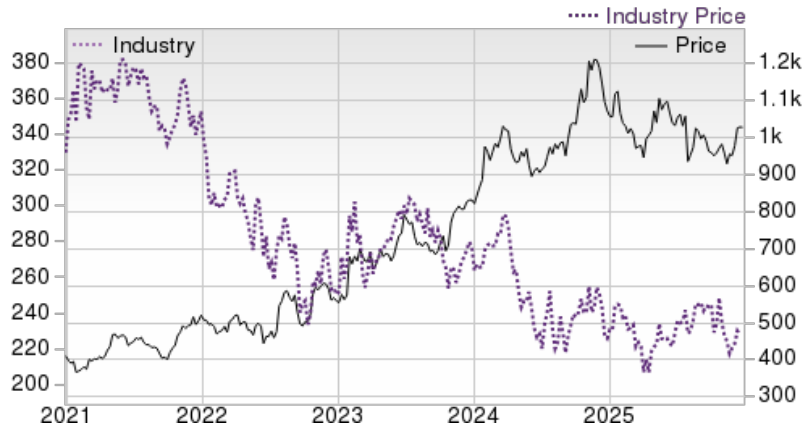
The table below shows summary valuation data for GWW.

Valuation Multiples - GWW					
		Stock	Sub-Industry	Sector	S&P 500
P/E F12M	Current	22.89	27.23	20.95	23.61
	5-Year High	29.34	31.66	23.07	23.78
	5-Year Low	16.02	18.95	13.38	15.73
	5-Year Median	21.14	25.94	18.27	21.21
P/S F12M	Current	2.51	6.28	4.26	5.34
	5-Year High	3.29	8.14	4.26	5.51
	5-Year Low	1.49	5.11	2.32	3.83
	5-Year Median	2.03	6.69	3.17	5.05
EV/EBITDA TTM	Current	17.28	36.31	25.83	18.47
	5-Year High	22.13	40.96	28.43	22.58
	5-Year Low	12.04	24.47	14.11	13.96
	5-Year Median	16.65	34.17	18.22	18.11

As of 12/10/2025

Source: Zacks Investment Research

Industry Analysis⁽¹⁾ Zacks Industry Rank: Bottom 8% (222 out of 243)



Top Peers⁽¹⁾

Company (Ticker)	Rec	Rank
Andritz (ADRZY)	Neutral	3
Hillenbrand Inc (HI)	Neutral	3
Kion Group (KIGRY)	Neutral	2
MSC Industrial Direc...(MSM)	Neutral	3
ScanSource, Inc. (SCSC)	Neutral	2
SiteOne Landscape Su...(SITE)	Neutral	4
Ashtead Group PLC (ASHTY)	Underperform	5
Horiba Ltd. (HRIBF)	NA	

Industry Comparison⁽¹⁾ Industry: Industrial Services

	GWV	X Industry	S&P 500	ADRZY	ASHTY	KIGRY
Zacks Recommendation (Long Term)	Neutral	-	-	Neutral	Underperform	Neutral
Zacks Rank (Short Term)	3	-	-	3	5	2
VGM Score	B	-	-	A		A
Market Cap	47.98 B	1.12 B	39.51 B	7.94 B	0.00 M	10.40 B
# of Analysts	7	2	22	1	3	1
Dividend Yield	0.90%	0.00%	1.42%	2.27%	%	0.72%
Value Score	C	-	-	A	F	A
Cash/Price	0.01	0.07	0.04	0.17	NA	0.05
EV/EBITDA	17.19	9.63	14.63	7.19	NA	4.57
PEG Ratio	5.34	1.90	2.02	NA	NA	NA
Price/Book (P/B)	12.11	2.25	3.32	2.97	NA	1.47
Price/Cash Flow (P/CF)	22.77	14.55	15.24	10.16	NA	6.41
P/E (F1)	25.44	16.38	18.41	11.57	NA	16.38
Price/Sales (P/S)	2.70	1.24	3.10	0.92	NA	0.84
Earnings Yield	4.33%	5.09%	5.43%	8.64%	NA%	6.10%
Debt/Equity	0.60	0.19	0.57	0.21	1.04	0.15
Cash Flow (\$/share)	44.31	1.32	8.98	1.50	37.77	3.09
Growth Score	A	-	-	A	A	B
Hist. EPS Growth (3-5 yrs)	23.68%	9.11%	8.24%	15.95%	12.09%	-11.14%
Proj. EPS Growth (F1/F0)	1.16%	14.65%	9.21%	10.09%	-1.49%	16.22%
Curr. Cash Flow Growth	4.50%	1.44%	7.00%	-1.73%	3.36%	10.34%
Hist. Cash Flow Growth (3-5 yrs)	12.70%	10.31%	7.48%	10.31%	32.04%	1.38%
Current Ratio	2.72	1.63	1.18	1.11	1.28	0.97
Debt/Capital	37.40%	22.40%	38.14%	17.42%	50.87%	13.34%
Net Margin	9.75%	2.73%	12.77%	5.84%	13.09%	2.48%
Return on Equity	49.40%	10.35%	17.03%	20.50%	20.77%	4.59%
Sales/Assets	2.01	0.92	0.53	0.97	0.50	0.60
Proj. Sales Growth (F1/F0)	4.40%	5.34%	5.29%	1.60%	2.40%	3.80%
Momentum Score	C	-	-	F		D
Daily Price Chg	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1 Week Price Chg	-0.07%	-0.07%	-1.25%	0.00%	NA%	2.00%
4 Week Price Chg	4.14%	-0.19%	-0.17%	1.21%	NA%	3.30%
12 Week Price Chg	4.18%	-14.09%	1.64%	6.68%	NA	19.69%
52 Week Price Chg	-3.14%	12.31%	16.65%	52.55%	NA	146.95%
20 Day Average Volume	270,150	137,053	2,383,483	52	0	5,235
(F1) EPS Est 1 week change	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(F1) EPS Est 4 week change	-0.02%	0.00%	0.00%	0.00%	-0.35%	0.00%
(F1) EPS Est 12 week change	-1.32%	-1.20%	0.43%	2.33%	-2.13%	7.08%
(Q1) EPS Est Mthly Chg	0.00%	0.00%	0.00%	NA	-1.53%	NA

Analyst Earnings Model⁽²⁾

W.W. Grainger, Inc. (GWW)

In \$MM, except per share data

	2022A	2023A	2024A	2025E				2026E				2027E		
FY Ends December 31st	FY Dec-22	FY Dec-23	FY Dec-24	1QA 31-Mar-25	2QA 30-Jun-25	3QA 30-Sep-25	4QE 31-Dec-25	FY Dec-25	1QE 31-Mar-26	2QE 30-Jun-26	3QE 30-Sep-26	4QE 31-Dec-26	FY Dec-26	FY Dec-27
Income Statement														
Total Revenues	\$15,228.0	\$16,478.0	\$17,168.0	\$4,306.0	\$4,554.0	\$4,657.0	\$4,410.7	\$17,927.7	\$4,528.8	\$4,773.9	\$4,894.6	\$4,607.8	\$18,805.1	\$19,906.4
YoY % Chng	16.9%	8.2%	4.2%	1.7%	5.6%	6.1%	4.2%	4.4%	5.2%	4.8%	5.1%	4.5%	4.9%	5.9%
Cost of Goods Sold	\$9,379.0	\$9,982.0	\$10,410.0	\$2,596.0	\$2,799.0	\$2,859.0	\$2,675.4	\$10,929.4	\$2,692.4	\$2,851.9	\$2,863.8	\$2,757.2	\$11,165.4	\$11,747.1
YoY % Chng	13.0%	6.4%	4.3%	1.1%	6.9%	7.2%	4.6%	5.0%	3.7%	1.9%	0.2%	3.1%	2.2%	5.2%
Gross Profit	\$5,849.0	\$6,496.0	\$6,758.0	\$1,710.0	\$1,755.0	\$1,798.0	\$1,735.3	\$6,998.3	\$1,836.4	\$1,922.0	\$2,030.8	\$1,850.5	\$7,639.7	\$8,159.3
YoY % Chng	23.9%	11.1%	4.0%	2.5%	3.6%	4.5%	3.5%	3.6%	7.4%	9.5%	12.9%	6.6%	9.2%	6.8%
Selling, General and Administrative Expenses, Adjusted	\$3,655.0	\$3,905.0	\$4,105.0	\$1,038.0	\$1,077.0	\$1,091.0	\$1,058.9	\$4,264.9	\$1,125.4	\$1,195.2	\$1,247.3	\$1,144.7	\$4,712.6	\$4,992.1
YoY % Chng	15.2%	6.8%	5.1%	3.9%	4.7%	5.5%	1.5%	3.9%	8.4%	11.0%	14.3%	8.1%	10.5%	5.9%
Selling, General and Administrative Expenses, GAAP	\$3,634.0	\$3,931.0	\$4,121.0	\$1,038.0	\$1,077.0	\$1,287.0	\$1,058.9	\$4,460.9	\$1,125.4	\$1,195.2	\$1,247.3	\$1,144.7	\$4,712.6	\$4,992.1
YoY % Chng	14.5%	8.2%	4.8%	3.9%	3.1%	24.5%	1.5%	8.2%	8.4%	11.0%	(3.1%)	8.1%	5.6%	5.9%
EBITDA	\$2,420.0	\$2,779.0	\$2,874.0	\$733.0	\$742.0	\$576.0	\$739.1	\$2,790.1	\$774.9	\$794.0	\$852.5	\$770.8	\$3,192.2	\$3,447.8
YoY % Chng	39.7%	14.8%	3.4%	1.1%	4.7%	(22.7%)	6.3%	(2.9%)	14.4%	7.0%	48.0%	4.3%	14.4%	8.0%
Depreciation & Amortization	\$205.0	\$214.0	\$237.0	\$61.0	\$64.0	\$65.0	\$62.7	\$252.7	\$63.8	\$67.2	\$68.9	\$65.0	\$265.0	\$280.6
YoY % Chng	10.8%	4.4%	10.7%	8.9%	6.7%	10.2%	1.1%	6.6%	4.7%	5.0%	6.1%	3.8%	4.9%	5.9%
Operating Income, Adjusted	\$2,194.0	\$2,591.0	\$2,653.0	\$672.0	\$678.0	\$707.0	\$676.4	\$2,733.4	\$711.0	\$726.8	\$783.5	\$705.8	\$2,927.1	\$3,167.2
YoY % Chng	41.8%	18.1%	2.4%	0.4%	2.0%	3.1%	6.9%	3.0%	5.8%	7.2%	10.8%	4.3%	7.1%	8.2%
Operating Income, GAAP	\$2,215.0	\$2,565.0	\$2,637.0	\$672.0	\$678.0	\$511.0	\$676.4	\$2,537.4	\$711.0	\$726.8	\$783.5	\$705.8	\$2,927.1	\$3,167.2
YoY % Chng	43.2%	15.8%	2.8%	0.4%	4.5%	(25.5%)	6.9%	(3.8%)	5.8%	7.2%	53.3%	4.3%	15.4%	8.2%
Interest Expense, Net	\$93.0	\$93.0	\$77.0	\$21.0	\$20.0	\$20.0	\$36.0	\$97.0	\$24.6	\$26.6	\$28.7	\$28.8	\$108.7	\$117.2
YoY % Chng	6.9%	0.0%	(17.2%)	0.0%	0.0%	5.3%	111.6%	25.9%	17.1%	32.9%	43.5%	(19.9%)	12.1%	7.8%
Other, Net	\$24.0	\$28.0	\$24.0	\$6.0	\$3.0	\$1.0	\$4.9	\$14.9	\$3.8	\$3.4	\$7.5	\$4.8	\$19.5	\$21.8
YoY % Chng	(4.0%)	16.7%	(14.3%)	(14.3%)	(57.1%)	(75.0%)	(17.6%)	(37.7%)	(36.1%)	13.0%	645.6%	(2.1%)	30.6%	11.4%
Total Other Expense, Net	\$69.0	\$65.0	\$53.0	\$15.0	\$17.0	\$19.0	\$31.0	\$82.0	\$20.8	\$23.2	\$21.2	\$24.0	\$89.2	\$95.4
YoY % Chng	11.3%	(5.8%)	(18.5%)	7.1%	30.8%	26.7%	182.0%	54.8%	38.4%	36.4%	11.8%	(22.7%)	8.7%	7.0%
Pre-Tax Income, Adjusted	\$2,125.0	\$2,562.0	\$2,600.0	\$657.0	\$661.0	\$688.0	\$645.4	\$2,651.4	\$690.3	\$703.6	\$762.3	\$681.8	\$2,838.0	\$3,071.8
YoY % Chng	43.1%	20.6%	1.5%	0.3%	1.4%	2.5%	3.8%	2.0%	5.1%	6.4%	10.8%	5.6%	7.0%	8.2%
Pre-Tax Income, GAAP	\$2,146.0	\$2,500.0	\$2,584.0	\$657.0	\$661.0	\$492.0	\$645.4	\$2,455.4	\$690.3	\$703.6	\$762.3	\$681.8	\$2,838.0	\$3,071.8
YoY % Chng	44.5%	16.5%	3.4%	0.3%	3.9%	(26.7%)	3.8%	(5.0%)	5.1%	6.4%	54.9%	5.6%	15.6%	8.2%
Income Tax, Adjusted	\$533.0	\$601.0	\$599.0	\$157.0	\$153.0	\$171.0	\$149.1	\$630.1	\$165.7	\$168.9	\$183.0	\$163.6	\$681.1	\$737.2
YoY % Chng	43.7%	12.8%	(0.3%)	(0.6%)	2.0%	3.0%	19.3%	5.2%	5.5%	10.4%	7.0%	9.8%	8.1%	8.2%
Income Tax, GAAP	\$533.0	\$597.0	\$595.0	\$157.0	\$153.0	\$171.0	\$153.6	\$634.6	\$165.7	\$168.9	\$183.0	\$163.6	\$681.1	\$737.2
YoY % Chng	43.7%	12.0%	(0.3%)	(0.6%)	4.8%	3.0%	22.9%	6.7%	5.5%	10.4%	7.0%	6.5%	7.3%	8.2%
Tax Rate, Adjusted	25.1%	23.8%	23.0%	23.9%	23.2%	24.8%	23.1%	23.8%	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%
Tax Rate, GAAP	24.8%	23.9%	23.0%	23.9%	23.2%	34.7%	23.8%	25.8%	24.0%	24.0%	24.0%	24.0%	24.0%	24.0%
Net Income (Including, Minority Interest), Adjusted	\$1,592.0	\$1,925.0	\$2,001.0	\$500.0	\$508.0	\$517.0	\$496.3	\$2,021.3	\$524.6	\$534.7	\$579.3	\$518.2	\$2,156.9	\$2,334.5
YoY % Chng	42.9%	20.9%	3.9%	0.6%	1.2%	2.4%	(0.1%)	1.0%	4.9%	5.3%	12.1%	4.4%	6.7%	8.2%
Net Income (Including, Minority Interest), GAAP	\$1,613.0	\$1,903.0	\$1,989.0	\$500.0	\$508.0	\$321.0	\$491.8	\$1,820.8	\$524.6	\$534.7	\$579.3	\$518.2	\$2,156.9	\$2,334.5
YoY % Chng	44.8%	18.0%	4.5%	0.6%	3.7%	(36.4%)	(1.1%)	(8.5%)	4.9%	5.3%	80.5%	5.4%	18.5%	8.2%
Minority Interest	\$66.0	\$74.0	\$80.0	\$21.0	\$26.0	\$27.0	\$50.3	\$124.3	\$31.5	\$35.6	\$38.7	\$38.8	\$144.6	\$156.8
YoY % Chng	(7.0%)	12.1%	8.1%	10.5%	30.0%	42.1%	128.5%	55.3%	49.8%	37.0%	43.2%	(22.8%)	16.3%	8.5%
Net Income Attributable to W.W. Grainger, Inc, Adjusted	\$1,526.0	\$1,851.0	\$1,921.0	\$479.0	\$482.0	\$490.0	\$446.0	\$1,897.0	\$493.2	\$499.1	\$540.7	\$479.3	\$2,012.3	\$2,177.7
YoY % Chng	46.3%	21.3%	3.8%	0.2%	0.0%	0.8%	(6.1%)	(1.2%)	3.0%	3.6%	10.3%	7.5%	6.1%	8.2%
Net Income Attributable to W.W. Grainger, Inc, GAAP	\$1,547.0	\$1,829.0	\$1,909.0	\$479.0	\$482.0	\$294.0	\$441.5	\$1,696.5	\$493.2	\$499.1	\$540.7	\$479.3	\$2,012.3	\$2,177.7
YoY % Chng	48.3%	18.2%	4.4%	0.2%	2.6%	(39.5%)	(7.1%)	(11.1%)	3.0%	3.6%	83.9%	8.6%	18.7%	8.2%
Earnings Allocated to Participating Securities	(\$10.0)	(\$12.6)	(\$10.4)	(\$2.8)	(\$2.4)	(\$0.9)	(\$2.1)	(\$8.1)	(\$2.1)	(\$2.0)	(\$1.9)	(\$2.0)	(\$7.9)	(\$8.2)
YoY % Chng	(25.0%)	(26.4%)	18.0%	0.4%	(15.9%)	74.6%	3.3%	21.7%	25.1%	19.8%	(117.7%)	4.0%	3.2%	(4.6%)
Net Earnings Available to Common Shareholders	\$1,537.0	\$1,816.4	\$1,898.6	\$476.2	\$479.6	\$293.1	\$439.5	\$1,688.4	\$491.1	\$497.2	\$538.8	\$477.4	\$2,004.5	\$2,169.5
YoY % Chng	48.5%	18.2%	4.5%	0.2%	2.5%	(39.3%)	(7.1%)	(11.1%)	3.1%	3.7%	83.8%	8.6%	18.7%	8.2%
Diluted Shares Outstanding	51.1	50.1	49.0	48.3	48.1	47.9	47.6	48.0	47.4	47.2	46.9	46.7	46.2	46.2
YoY % Chng	(2.1%)	(2.0%)	(2.2%)	(2.2%)	(2.2%)	(2.0%)	(2.3%)	(2.1%)	(1.8%)	(1.9%)	(2.0%)	(1.9%)	(1.9%)	(1.7%)
Diluted EPS, Adjusted	\$29.66	\$36.67	\$38.96	\$9.86	\$9.97	\$10.21	\$9.37	\$39.41	\$10.40	\$10.58	\$11.52	\$10.27	\$42.76	\$47.09
YoY % Chng	49.5%	23.6%	6.2%	2.5%	2.2%	3.4%	(3.5%)	1.2%	5.5%	6.1%	12.8%	9.6%	8.5%	10.1%
Diluted EPS, GAAP	\$30.06	\$36.23	\$38.71	\$9.86	\$9.97	\$6.12	\$9.28	\$35.23	\$10.40	\$10.58	\$11.52	\$10.27	\$42.76	\$47.09
YoY % Chng	51.5%	20.5%	6.8%	2.5%	4.8%	(38.0%)	(9.0%)	21.4%	5.5%	6.1%	88.2%	10.7%	21.4%	10.1%
Dividend Per Share	\$6.78	\$7.30	\$8.01	\$2.05	\$2.26	\$2.26	\$2.26	\$8.83	\$2.26	\$2.35	\$2.35	\$2.35	\$9.31	\$9.67
YoY % Chng	6.1%	7.7%	9.7%	10.2%	10.2%	10.2%	10.2%	10.2%	10.2%	4.0%	4.0%	4.0%	5.4%	3.9%

Zacks Stock Rating System

We offer two rating systems that take into account investors' holding horizons: Zacks Rank and Zacks Recommendation. Each provides valuable insights into the future profitability of the stock and can be used separately or in combination with each other depending on your investment style.

Zacks Recommendation

The Zacks Recommendation aims to predict performance over the next 6 to 12 months. The foundation for the quantitatively determined Zacks Recommendation is trends in the company's estimate revisions and earnings outlook. The Zacks Recommendation is broken down into 3 Levels; Outperform, Neutral and Underperform. Unlike many Wall Street firms, we have an excellent balance between the number of Outperform and Neutral recommendations. Our team of 70 analysts are fully versed in the benefits of earnings estimate revisions and how that is harnessed through the Zacks quantitative rating system. But we have given our analysts the ability to override the Zacks Recommendation for the 1200 stocks that they follow. The reason for the analyst over-rides is that there are often factors such as valuation, industry conditions and management effectiveness that a trained investment professional can spot better than a quantitative model.

Zacks Rank

The Zacks Rank is our short-term rating system that is most effective over the one- to three-month holding horizon. The underlying driver for the quantitatively-determined Zacks Rank is the same as the Zacks Recommendation, and reflects trends in earnings estimate revisions.

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Academic research has proven that stocks with the best Value, Growth and Momentum characteristics outperform the market. The Zacks Style Scores rate stocks on each of these individual styles and assigns a rating of A, B, C, D and F. We also produce the VGM Score (V for Value, G for Growth and M for Momentum), which combines the weighted average of the individual Style Scores into one score. This is perfectly suited for those who want their stocks to have the best scores across the board.

Value Score	C
Growth Score	A
Momentum Score	C
VGM Score	B

As an investor, you want to buy stocks with the highest probability of success. That means buying stocks with a Zacks Recommendation of Outperform, which also has a Style Score of an A or a B.

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