

MSC Industrial Direct Co., Inc.
Operational Statistics - updated quarterly on earnings release date

The following represents historical unaudited financial and statistical information regarding MSC's operations. MSC does not undertake any obligation to update any of the information presented below to reflect future events or circumstances. This information should not be relied on as necessarily indicative of future trends or results.

During Q2 FY19, MSC formed MSC Mexico in conjunction with an acquisition, in Q3 FY18, MSC acquired All Integrated Solutions ("AIS"), and during Q4 FY17, MSC acquired DECO Tool Supply Co. ("DECO"), the results from these acquisitions are included in all Q1 FY18 to Q3 FY20 data below, unless otherwise noted.

Quarterly Sales (in millions)

	FY 20	FY 19	FY 18
Q1	\$ 823.6	\$ 831.6	\$ 768.6
Q2	786.1	823.0	769.0
Q3	835.0	866.5	828.3
Q4		842.7	838.0

Sales Growth by Month (Avg Daily Sales Basis) *

FY2020	Sept '19 ⁵	Oct '19 ⁵	Nov '19 ⁵	*****Dec '19 ⁵	Jan '20 ⁵	Feb '20	Mar '20	Apr '20	May '20	*****June '20	July '20	Aug '20
Net Sales (In Millions)	\$ 321.0	\$ 265.0	\$ 237.6	\$ 251.5	\$ 267.4	\$ 267.2	\$ 329.9	\$ 235.5	\$ 269.6	\$ 275.3	\$ -	\$ -
# Sales Days	24	20	18	21	20	20	25	20	19	24	20	20
Growth in ADS	-0.6%	-1.2%	-1.2%	-1.4%	-3.0%	-4.6%	-5.7%	-10.5%	6.3%	-14.8%	0.0%	0.0%

FY2019	Sept '18 ³	Oct '18 ³	Nov '18 ³	***Dec '18 ³	Jan '19 ³	Feb '19 ⁴	****Mar '19 ⁴	Apr '19 ⁴	May '19 ⁵	*****June '19 ⁵	July '19 ⁵	Aug '19 ⁵
Net Sales (In Millions)	\$ 323.0	\$ 268.1	\$ 240.4	\$ 267.1	\$ 275.8	\$ 280.1	\$ 349.9	\$ 263.0	\$ 253.7	\$ 309.6	\$ 267.0	\$ 266.1
# Sales Days	24	20	18	22	20	20	25	20	19	23	20	20
Growth in ADS	7.3%	8.7%	8.7%	10.6%	6.9%	8.3%	9.6%	0.6%	2.4%	4.0%	4.0%	-1.7%

FY2018	Sept '17 ¹	Oct '17 ¹	Nov '17 ¹	Dec '17 ¹	Jan '18 ¹	Feb '18 ¹	**Mar '18 ¹	**Apr '18 ¹	May '18 ²	June '18 ²	July '18 ²	Aug '18 ³
Net Sales (In Millions)	\$ 300.9	\$ 246.7	\$ 221.1	\$ 252.5	\$ 257.9	\$ 258.7	\$ 319.2	\$ 261.4	\$ 247.7	\$ 310.5	\$ 256.8	\$ 270.7
# Sales Days	24	20	18	23	20	20	25	20	19	24	20	20
Growth in ADS	12.7%	11.6%	11.5%	6.6%	10.6%	10.7%	8.6%	14.6%	11.6%	9.7%	8.8%	9.8%

* Compared to same month, prior fiscal year. Canadian and U.K. selling days may differ from U.S. operations.

** March '18 net sales were negatively impacted due to the Easter holiday falling in March in FY2018, compared to April in FY2017.

*** December '18 contained 1 less selling day than December '17 due to Company closing on December 24, 2018 (Christmas Eve).

**** March '19 net sales were partially impacted due to the Easter holiday falling in April in FY2019, compared to March in FY2018.

***** June '19 had one less selling day due to the Company closing on the Friday following the July 4th holiday.

***** June '20 is an estimate.

¹ Includes acquisitive growth from DECO, which was acquired on July 31, 2017.

² Includes acquisitive growth from DECO and AIS.

³ Includes acquisitive growth from AIS, which was acquired on April 30, 2018.

⁴ Includes acquisitive growth from AIS and MSC Mexico, which was formed in conjunction with an acquisition on February 1, 2019.

⁵ Includes acquisitive growth from MSC Mexico, which was formed in conjunction with an acquisition on February 1, 2019.

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**Sales Growth by Regions
(Avg Daily Sales Basis)**

	Fiscal 2020				Fiscal 2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Midwest	-4.6%	-6.2%	-1.7%		12.1%	12.1%	4.5%	-1.8%
Northeast	1.7%	-1.7%	-1.3%		5.3%	5.8%	6.0%	5.5%
Southeast	-3.1%	-4.3%	-7.7%		7.7%	7.6%	1.3%	-0.1%
West	0.5%	-1.8%	-5.5%		5.6%	6.9%	4.0%	3.3%
International & Other	36.7%	30.1%	12.2%		4.3%	14.0%	36.6%	42.2%

**Sales Growth by Customer
Type (Avg Daily Sales
Basis) ***

	Fiscal 2020				Fiscal 2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Manufacturing	-1.3%	-3.7%	-17.0%		8.7%	8.6%	5.1%	2.5%
Non-Manufacturing	-0.3%	-1.0%	26.2%		6.9%	9.5%	3.4%	1.2%

Sales by Customer Type

	Fiscal 2020				Fiscal 2019			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Manufacturing Heavy	47%	47%	40%		49%	49%	47%	48%
Manufacturing Light	23%	23%	19%		22%	22%	22%	22%
Government	7%	7%	15%		8%	7%	7%	8%
Retail/Wholesale	6%	6%	7%		5%	6%	6%	6%
Commercial Services	5%	5%	5%		4%	5%	4%	4%
Other (1)	12%	12%	14%		12%	11%	14%	12%

(1) The other category primarily includes individual customer and small business net sales not assigned to a specific industry classification.

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Growth Decomposition
(In Millions)

	<u>Q3 FY20</u>
	<u>Growth</u>
Large Accounts	\$ 39.3
Remaining Business	(70.9)
Total Growth	<u>\$ (31.6) *</u>

* We estimate that this \$31.6 million decrease in net sales is comprised of:

- (i) \$38.7 million of lower sales volume; and
- (ii) \$1.0 million unfavorable foreign exchange impact;
- (iii) partially offset by \$8.1 million from improved pricing, inclusive of changes in customer and product mix, discounting and other items

Growth Decomposition
(In Millions)

	<u>YTD FY20</u>
	<u>Growth</u>
Large Accounts	\$ 19.3
Remaining Business	(95.8)
Total Growth	<u>\$ (76.5) *</u>

* We estimate that this \$76.5 million decrease in net sales is comprised of:

- (i) \$112.0 million of lower sales volume, excluding MSC Mexico operations; and
- (ii) \$1.2 million unfavorable foreign exchange impact;
- (iii) partially offset by \$17.5 million of net sales from MSC Mexico, which commenced operations in February 2019; and
- (iv) \$19.2 million from improved pricing, inclusive of changes in customer and product mix, discounting and other items

Gross Margin Percentage

	<u>FY 20</u>	<u>FY 19</u>	<u>FY 18</u>
Q1	42.2%	43.0%	43.6%
Q2	42.1%	42.7%	43.9%
Q3	42.4%	42.5%	43.6%
Q4	42.0%	42.0%	42.9%

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Operating Income (in millions)

	FY 20	FY 19	FY 18
Q1	\$ 90.3	\$ 103.0	\$ 99.3
Q2	77.7	96.0	98.1
Q3	109.9	110.5	115.4
Q4		90.5	107.8

Operating Income Percentage

	FY 20	FY 19	FY 18
Q1	11.0%	12.4%	12.9%
Q2	9.9%	11.7%	12.8%
Q3	13.2%	12.8%	13.9%
Q4		10.7%	12.9%

Total eCOMM Sales (in millions) *

	FY 20	FY 19	FY 18
Q1	\$ 499.9	\$ 499.8	\$ 459.6
Q2	\$ 478.7	493.9	463.4
Q3	\$ 461.3**	520.5	502.2
Q4		505.5	501.0

Total eCOMM Sales Annual Run Rate (in millions) ***

	FY 20	FY 19	FY 18
Q1	\$ 2,023.8	\$ 2,023.4	\$ 1,875.5
Q2	1,969.7	1,999.5	1,861.0
Q3	1,809.3	2,041.3	1,985.3
Q4		2,014.0	1,980.5

This represents sales made through our eCommerce platforms, including sales made through Electronic Data Interchange systems, VMI systems, Extensible Markup Language ordering based systems, vending machine systems, hosted systems and other electronic portals.

* Total eCommerce sales does not include eCommerce sales from AIS and MSC Mexico.

** Lower eCommerce sales during Q3 FY20 is primarily related to the higher volume of safety and janitorial products not transacting through our eCommerce platforms. The percentage of eCommerce sales excluding safety and janitorial products remained relatively consistent with prior quarters.

*** Equals the average daily sales for the quarter multiplied by the number of business days in the fiscal year; 251 days for FY20, 251 days for FY19, and 253 days for FY18.

Total Associate Headcount

	Fiscal 2020			
	Q1	Q2	Q3	Q4
Full Time	6,473	6,487	6,430	
Part Time	149	145	157	
Total	6,622	6,632	6,587	

	Fiscal 2019			
	Q1	Q2	Q3	Q4
Full Time	6,627	6,707	6,682	6,558
Part Time	152	159	153	142
Total	6,779	6,866	6,835	6,700

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**Number of Field Sales
Associates ***

	FY 20	FY 19	FY 18
Q1	2,349	2,417	2,384
Q2	2,356	2,433	2,331
Q3	2,341	2,411	2,348
Q4		2,414	2,383

* Beginning in Q4 FY18, Field Sales and Service Personnel includes all customer-facing associates in an external sales or service role.

Prior period amounts have been adjusted to reflect this new definition.

**Average Daily Sales (in
millions)***

	FY 20	FY 19	FY 18
Q1	\$ 13.3	\$ 13.4	\$ 12.4
Q2	\$ 12.9	13.3	12.2
Q3	\$ 13.0	13.6	13.0
Q4		13.4	13.1

* Beginning in Q3 FY20, the ADS calculation includes United States selling days only. Prior periods have not been adjusted due to the insignificant impact of the change.
