

MSC INDUSTRIAL SUPPLY CO.

Raymond James Conference
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Rustom Jilla, Chief Financial Officer

SAFE HARBOR STATEMENT

CAUTIONARY STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995.

This presentation contains forward-looking statements within the meaning of U.S. securities laws, including guidance about expected future results, expectations regarding our ability to gain market share, expected benefits from our investment and strategic plans, and expected future margins. These forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those anticipated by these forward-looking statements; are based on our current expectations; and we assume no obligation to update them. Factors that could cause actual results to differ materially from those in forward-looking statements include: general economic conditions in the markets in which we operate, worldwide economic, social, political and regulatory conditions, including conditions that may result from legislative, regulatory and policy changes, changing customer and product mixes, competition, including the adoption by competitors of aggressive pricing strategies and sales methods, industry consolidation, volatility in commodity and energy prices, credit risk of our customers, risk of cancellation or rescheduling of orders, work stoppages or other business interruptions (including those due to extreme weather conditions) at transportation centers or shipping ports, financial restrictions on outstanding borrowings, dependence on our information systems and the risk of business disruptions arising from changes to our information systems, disruptions due to computer system or network failures, computer viruses, physical or electronics break-ins and cyber-attacks, the loss of key suppliers or supply chain disruptions, problems with successfully integrating acquired operations, opening or expanding our customer fulfillment centers exposes us to risks of delays, the risk of war, terrorism and similar hostilities, dependence on key personnel, goodwill and intangible assets recorded as a result of our acquisitions could be impaired, and the outcome of potential government or regulatory proceedings or future litigation relating to pending or future claims, inquiries or audits.

Information about these risks is noted in the earnings press release and in the Risk Factors and MD&A sections of our latest annual and quarterly reports filed with the SEC, as well as in our other SEC filings. Investors are cautioned not to place undue reliance on these forward-looking statements.

Throughout this presentation we will reference both GAAP and adjusted financial results, which are non-GAAP financial measures. Please refer to the reconciliation tables at the end of this presentation for a reconciliation of the adjusted financial measures to the most directly comparable GAAP measures.

COMPANY OVERVIEW

MSC is a value added distributor of services, solutions & products that helps customers reduce their MRO supply chain costs

Founded in 1941 by Sid Jacobson

> 6,500 associates

> 90 branches and 5 major distribution centers

> 3,000 suppliers

> 1.5 Million SKUs, many with 99% fill rates

\$2.9 Billion
Revenue

10%
20-Year Sales
CAGR

13%
Operating Margin

11%
20-Year EPS CAGR



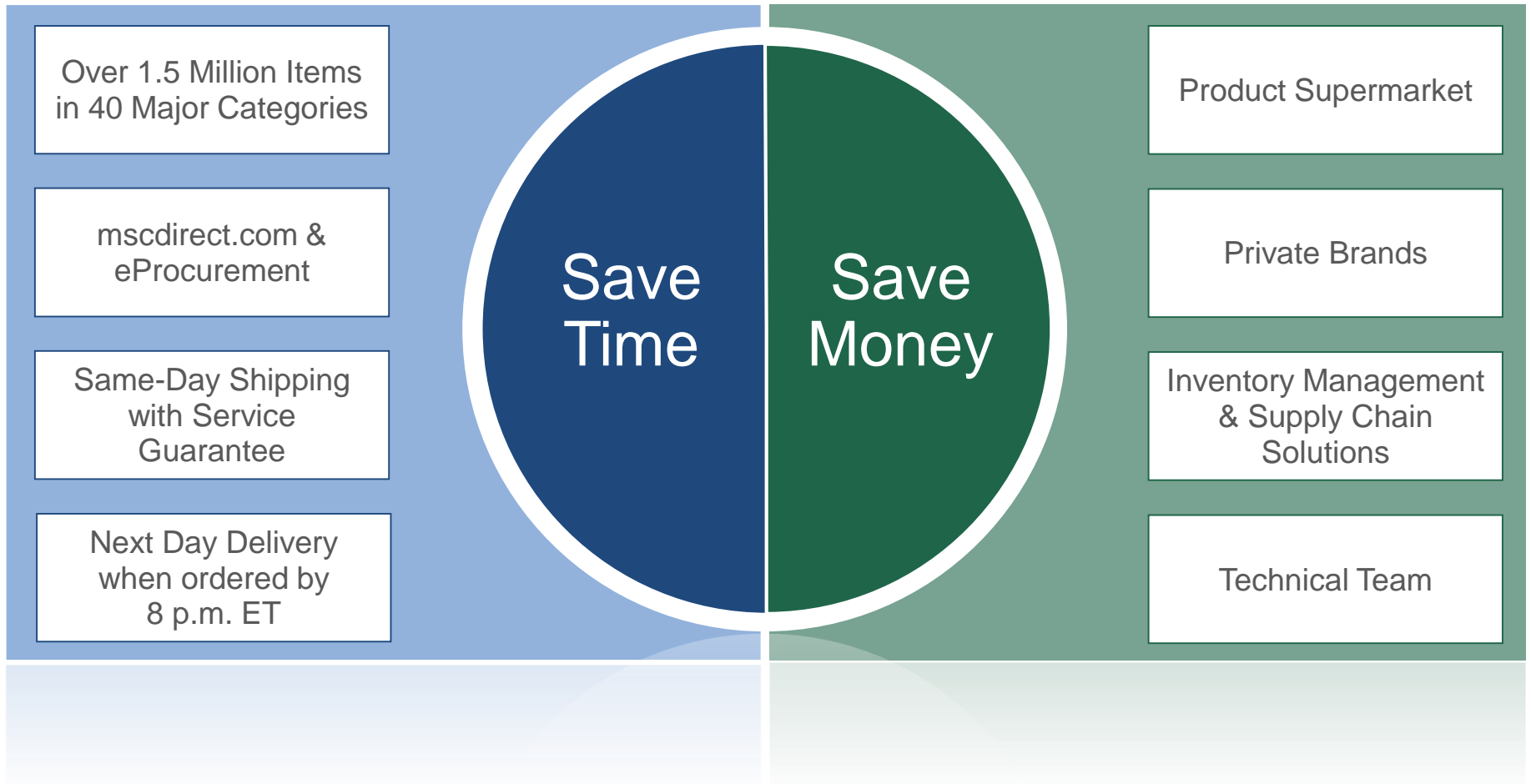
KEY INVESTMENT HIGHLIGHTS

1. Uniquely positioned to gain share organically in a large, fragmented market
2. Profitable business model
3. Track record of capitalizing on growth opportunities
 - Product category expansion yields deeper wallet share
 - Scalable infrastructure supports organic growth
 - Industry fragmentation presents significant M&A opportunities
4. High free cash flow generation (+\$700 million in past 3 fiscal years)

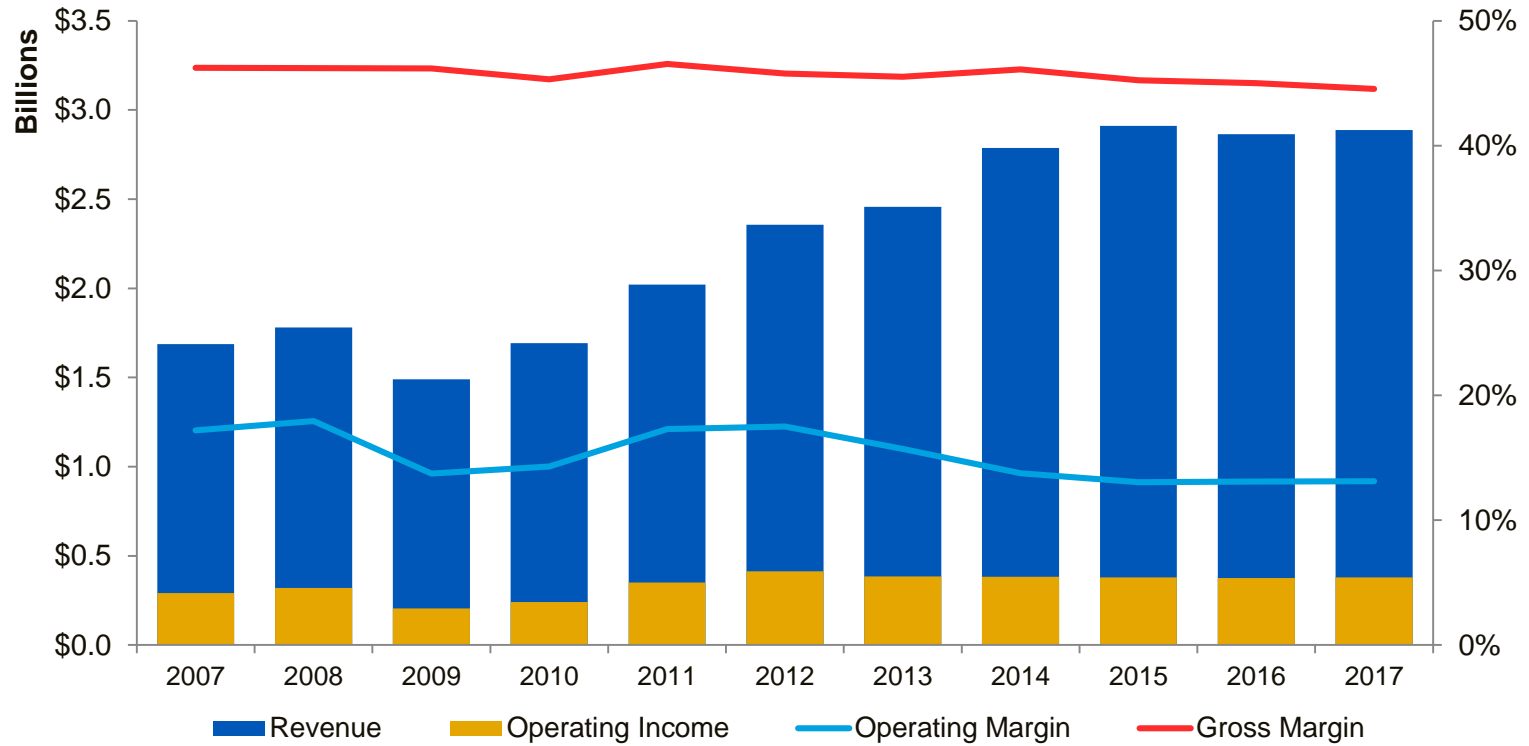
CUSTOMER CHALLENGES



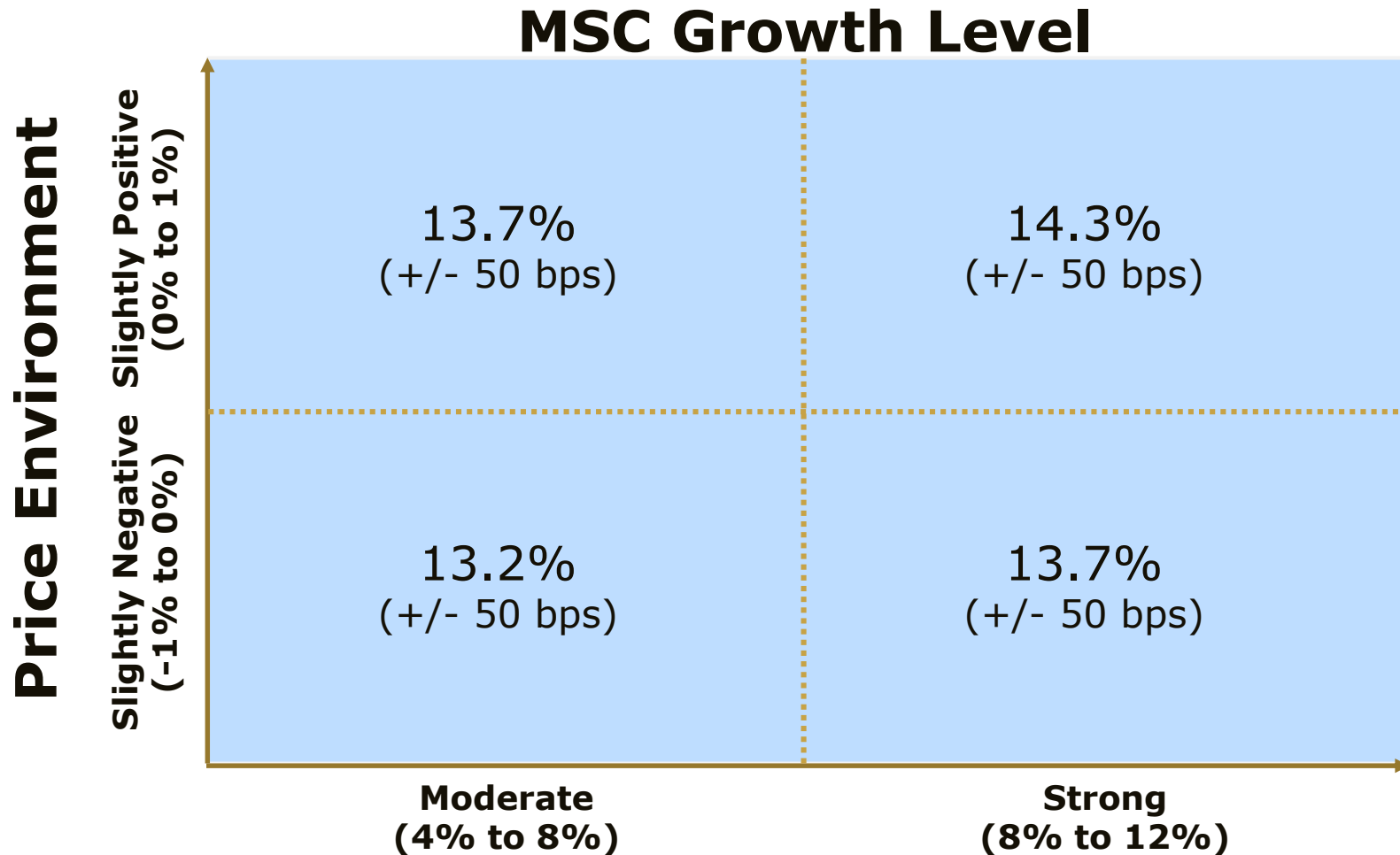
MSC VALUE PROPOSITION



TRACK RECORD OF GROWTH

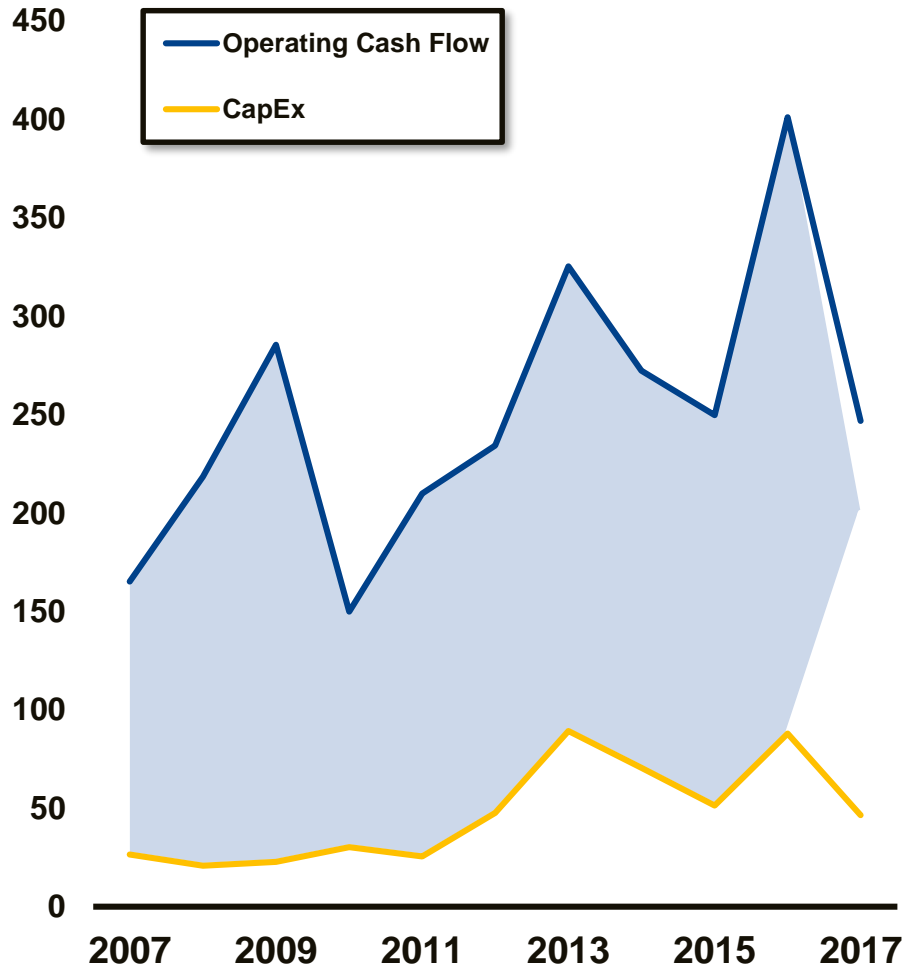


FY 2018 ANNUAL OPERATING MARGIN FRAMEWORK EXCLUDING DECO RESULTS

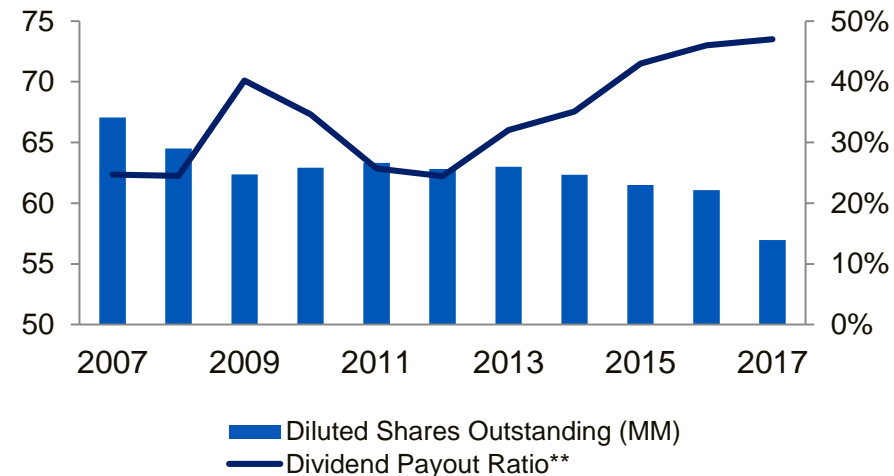
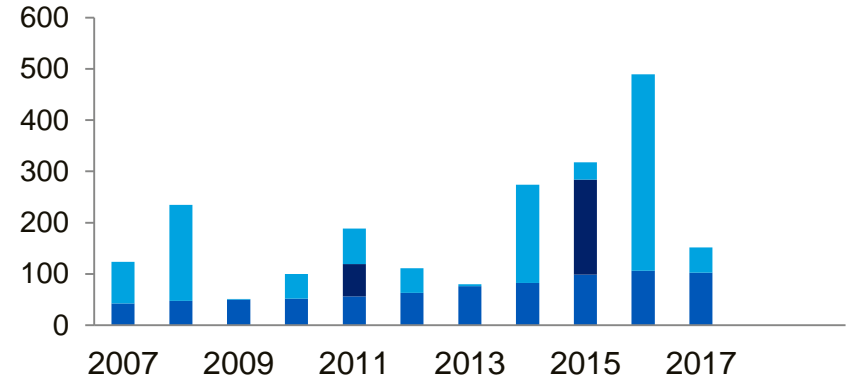


STRONG OPERATING CASH FLOW GENERATION

Operating Cash Flow (\$M)



Return to Shareholders (\$M)



** Dividend Payout Ratio calculated as common dividends per share / diluted EPS.

Questions?