FISCAL THIRD QUARTER 2023 EARNINGS

JUNE 29, 2023

MSC

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements in this presentation may constitute "forward-looking statements" under the Private Securities Litigation Reform Act of 1995. All statements, other than statements of present or historical fact, that address activities, events or developments that we expect, believe or anticipate will or may occur in the future, including statements about results of operations and financial condition, expected future results, expected benefits from our investment and strategic plans and other initiatives, and expected future growth, profitability and return on invested capital, are forward-looking statements. The words “will,” “may,” “believes,” “anticipates,” “thinks,” “expects,” “estimates,” “plans,” “intends,” and similar expressions are intended to identify forward-looking statements. Forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from those anticipated by these forward-looking statements. In addition, statements which refer to expectations, projections or other characterizations of future events or circumstances, statements involving a discussion of strategy, plans or intentions, statements about management’s assumptions, projections or predictions of future events or market outlook and any other statement other than a statement of present or historical fact are forward-looking statements. The inclusion of any statement in this presentation does not constitute an admission by MSC or any other person that the events or circumstances described in such statement are material. In addition, new risks may emerge from time to time and it is not possible for management to predict such risks or to assess the impact of such risks on our business or financial results. Accordingly, future results may differ materially from historical results or from those discussed or implied by these forward-looking statements. Given these risks and uncertainties, the reader should not place undue reliance on these forward-looking statements. These risks and uncertainties include, but are not limited to, the following: general economic conditions in the markets in which we operate; changing customer and product mixes; volatility in commodity and energy prices, the impact of prolonged periods of low, high and rapid inflation, and fluctuations in interest rates; competition, including the adoption by competitors of aggressive pricing strategies and sales methods; industry consolidation and other changes in the industrial distribution sector; our ability to realize the expected benefits from our investment and strategic plans, including our transition from being a spot-buy supplier to a mission-critical partner to our customers; our ability to realize the expected cost savings and benefits from our restructuring activities and structural cost reductions; the retention of key personnel; the credit risk of our customers, higher inflation and fluctuations in interest rates; the risk of customer cancellation or rescheduling of orders; difficulties in calibrating customer demand for our products, which could cause an inability to sell excess products ordered from manufacturers resulting in inventory write-downs or could conversely cause inventory shortages of such products; work stoppages, labor shortages or other business interruptions (including those due to extreme weather conditions) at transportation centers, shipping ports, our headquarters or our customer fulfillment centers; disruptions or breaches of our information technology systems, or violations of data privacy laws; the retention of qualified sales and customer service personnel and metalworking specialists; the risk of loss of key suppliers or contractors or key brands or supply chain disruptions, including due to import restrictions or global geopolitical conditions; changes to governmental trade or sanctions policies, including the impact from significant import restrictions or tariffs or moratoriums on economic activity with certain countries or regions; risks related to opening or expanding our customer fulfillment centers; our ability to estimate the cost of healthcare claims incurred under our self-insurance plan; litigation risk due to the nature of our business; risks associated with the integration of acquired businesses or other strategic transactions; financial restrictions on outstanding borrowings; our ability to maintain our credit facilities or incur additional borrowings on terms we deem attractive; the failure to comply with applicable environmental, health and safety laws and regulations, and other laws applicable to our business; the outcome of government or regulatory proceedings or future litigation; goodwill and intangible assets recorded resulting from our acquisitions could be impaired; our common stock price may be volatile due to factors outside of our control; prior to the completion of the proposed share reclassification, the significant control that our principal shareholders currently exercise over us, which may result in our taking actions or failing to take actions which our other shareholders do not prefer; and any delays with respect to, or the failure to complete, the proposed share reclassification, including the failure to receive the requisite shareholder approvals; the outcome of any legal proceedings that may be instituted against us or others relating to the proposed share reclassification; our ability to realize the expected benefits from the proposed share reclassification; and the effect of the announcement or the consummation of the proposed share reclassification on the market price of our common stock. Additional information concerning these and other risks is described under "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual and Quarterly Reports on Forms 10-K and 10-Q, respectively, and in the other reports and documents that we file with the United States Securities and Exchange Commission. We expressly disclaim any obligation to update any of these forward-looking statements, except to the extent required by applicable law.

FISCAL THIRD QUARTER 2023 HIGHLIGHTS

1. 11.7% average daily sales growth, roughly 11 percentage points above the Industrial Production Index
2. Reduced GAAP and adjusted operating expenses* as a percentage of sales by 60bps and 80bps, respectively
3. GAAP and adjusted operating margin* both down 150bps driven by mix as well as higher healthcare costs year-over-year
4. GAAP and adjusted EPS* down slightly from prior year period
5. Achieved adjusted ROIC of 19.3%*
6. Reached agreement with controlling shareholders to eliminate dual class share structure; balance sheet supports potential to offset dilution

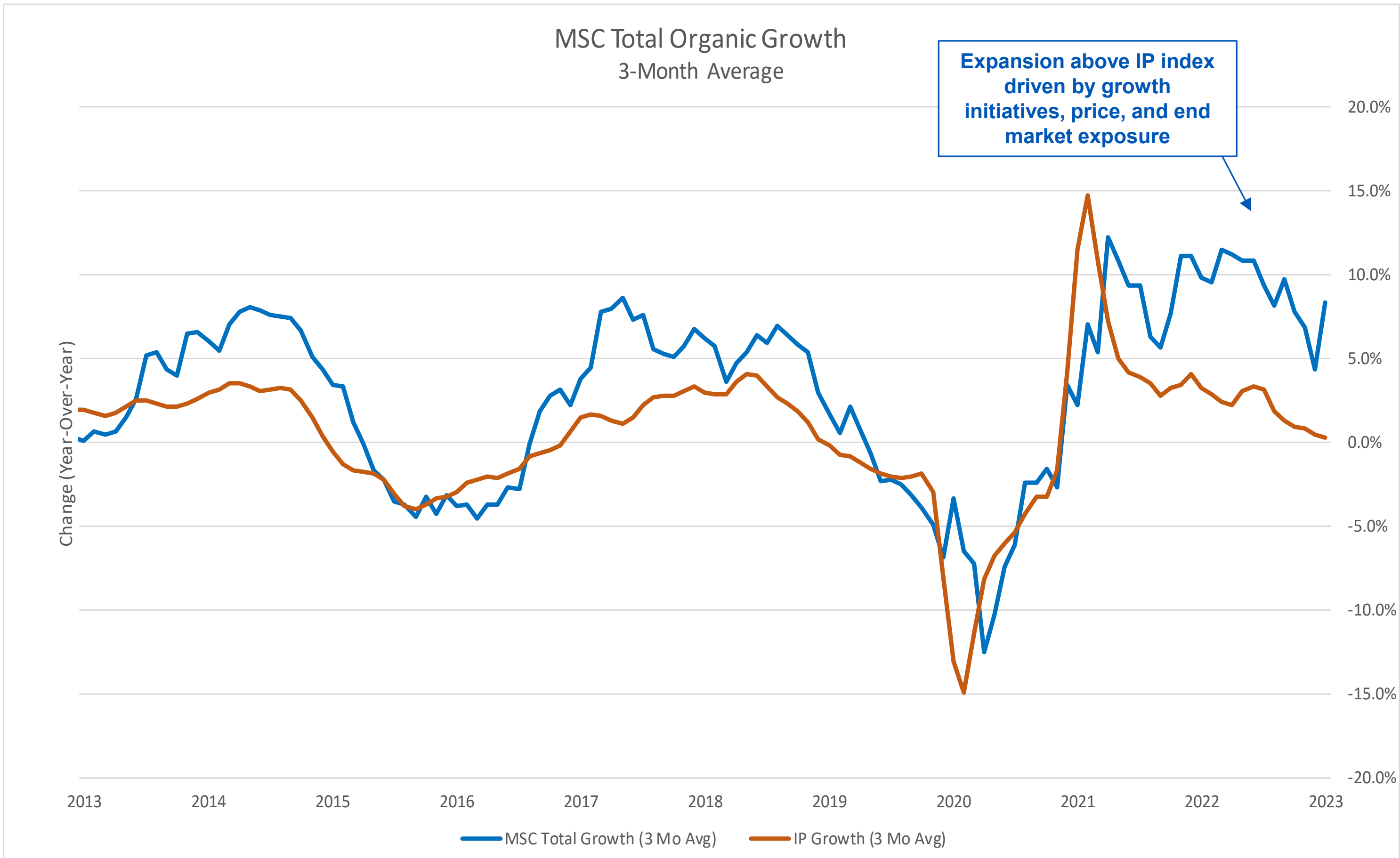
MSC

* Represents a non-GAAP financial measure. See appendix for non-GAAP reconciliations.

INDUSTRIAL PRODUCTION INDEX (IP)

MSC Total Organic Sales Growth

3-Month Average

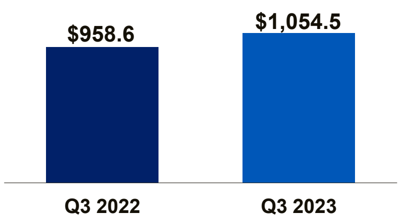


* Data as of June 3, 2023.

FISCAL THIRD QUARTER 2023 REPORTED RESULTS

Net Sales

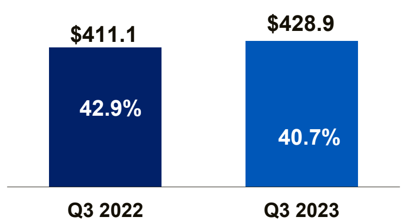
(millions)



- Sales growth (ADS) of 11.7% driven by acquisitions, price and strong momentum in growth initiatives
- National Accounts up mid single digits, Public Sector up >80%
- Class C consumables product category up low-double digits
- In-Plant sales up 13% and represent 13% of sales

Gross Profit

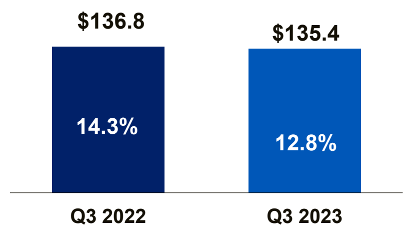
(millions and % of sales)



- Gross margin down 220 bps YoY
- 160 bps of YoY decline mainly driven by a Public Sector contract win and other customer mix
- Another 40 bps of dilution related to acquisitions
- More modest pricing benefits due to actions taken in the prior year and higher product costs

Operating Profit

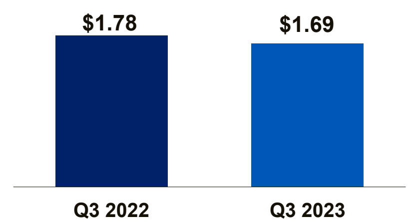
(millions and % of sales)



- Operating margin down 150 bps YoY mainly driven by gross margin decline
- Higher healthcare costs YoY
- Partially offset by operating expense leverage including productivity from the Mission Critical program

Earnings

(per diluted share)

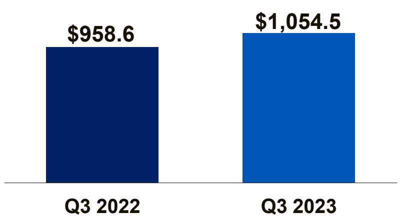


- Q3 2023 EPS reflects higher sales being offset by margin declines
- Higher interest and other expenses represent an EPS headwind of $0.07 YoY

FISCAL THIRD QUARTER 2023 ADJUSTED RESULTS

Net Sales

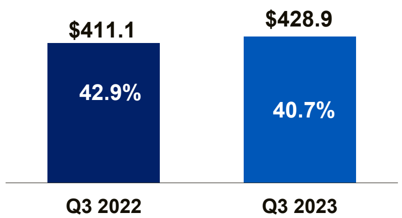
(millions)



- Sales growth (ADS) of 11.7% driven by acquisitions, price and strong momentum in growth initiatives
- National Accounts up mid single digits, Public Sector up >80%
- Class C consumables product category up low-double digits
- In-Plant sales up 13% and represent 13% of sales

Gross Profit

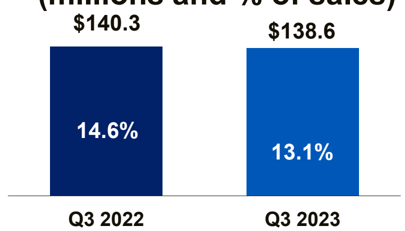
(millions and % of sales)



- Gross margin down 220 bps YoY
- 160 bps of YoY decline mainly driven by a Public Sector contract win and other customer mix
- Another 40 bps of dilution related to acquisitions
- More modest pricing benefits due to actions taken in the prior year and higher product costs

Adj. Operating Profit*

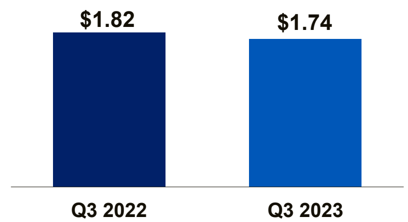
(millions and % of sales)



- Adjusted operating margin* impacted by lower gross margins, partially offset by higher sales and expense leverage; excludes $1.8 million in restructuring and other costs and $1.4 million in share reclassification proposal costs.
- Adjusted operating profit* in Q3 2022 excludes $3.3 million in restructuring and other costs and $0.2 million in acquisition costs

Adj. Earnings*

(per diluted share)



- Higher interest and other expenses represent an EPS headwind of $0.07 YoY
- Q3 2023 adjusted EPS* excludes $0.02 impact from restructuring and other costs and $0.02 impact from share reclassification proposal costs.
- Q3 2022 excludes $0.04 impact from restructuring and other costs

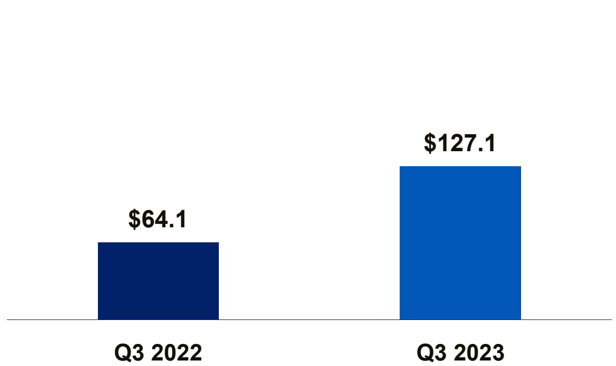
MSC

* Represents a non-GAAP financial measure. See appendix for non-GAAP reconciliations.
Individual amounts may not agree to the total due to rounding.

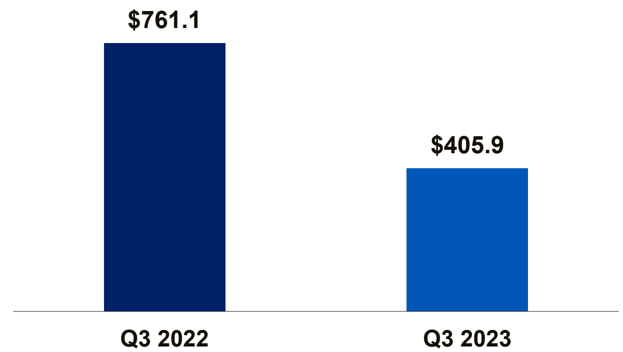
FISCAL THIRD QUARTER 2023 BALANCE SHEET AND LIQUIDITY POSITION

- Free cash flow* improved 98% YoY to $127M during the quarter primarily driven by execution across growth initiatives accretive to cash flow and working capital benefits
- Net debt decreased $355 million as a result of the paydown of our revolving debt with the proceeds from the accounts receivable securitization in fiscal Q2

Free Cash Flow*
(millions)



Net Debt
(millions)



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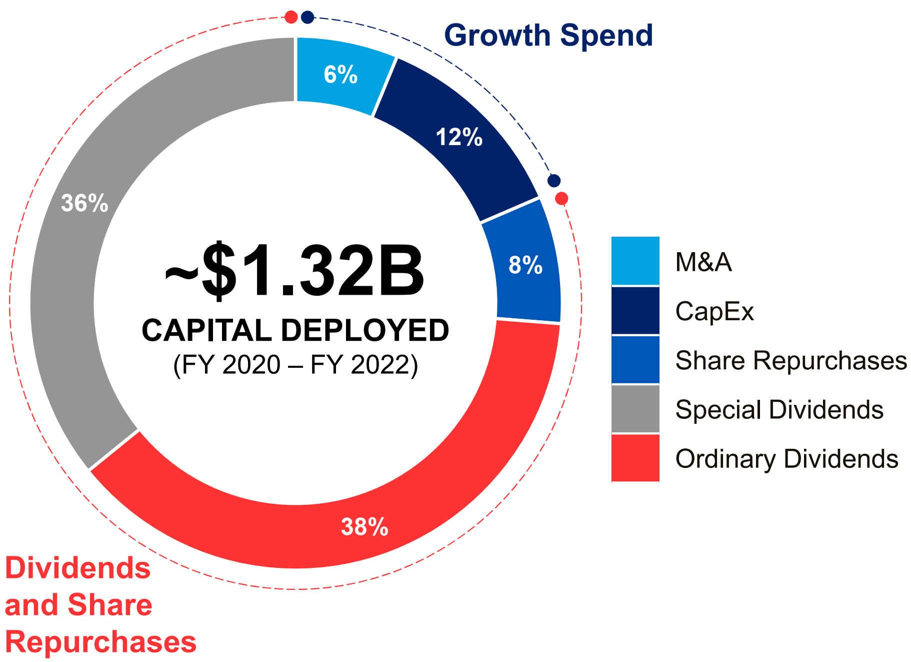
CLEAR CAPITAL ALLOCATION PRIORITIES



Future Priorities

Growth

- Drive profitability with growth investments
- Pursue margin accretive deals through strategic M&A

Share Repurchases and Dividends

- $1B in dividends since fiscal 2020
- Deprioritizing special dividend
- 4.4M shares remaining under current repurchase authorization
- Strong balance sheet supports potential to offset dilution from recent agreement to eliminate dual class share structure

Maintain Strong Balance Sheet

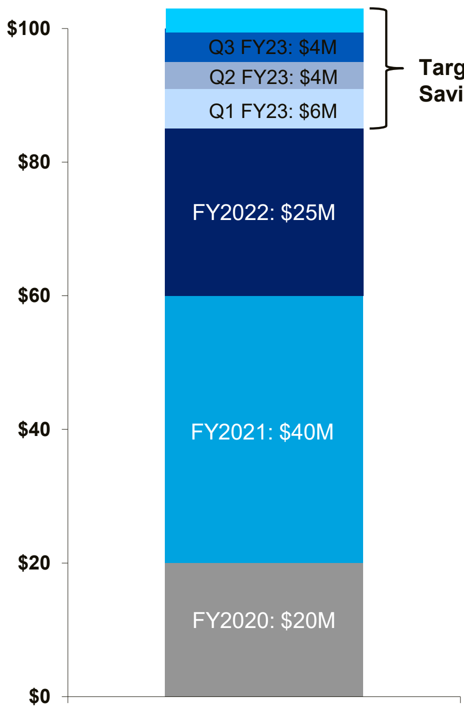
- Target leverage ratio between 1.0x and 2.0x
- Flex up for right opportunity

Disciplined Focus on ROIC* and Delivering Total Return

* Represents a non-GAAP financial measure. See appendix for non-GAAP reconciliations.

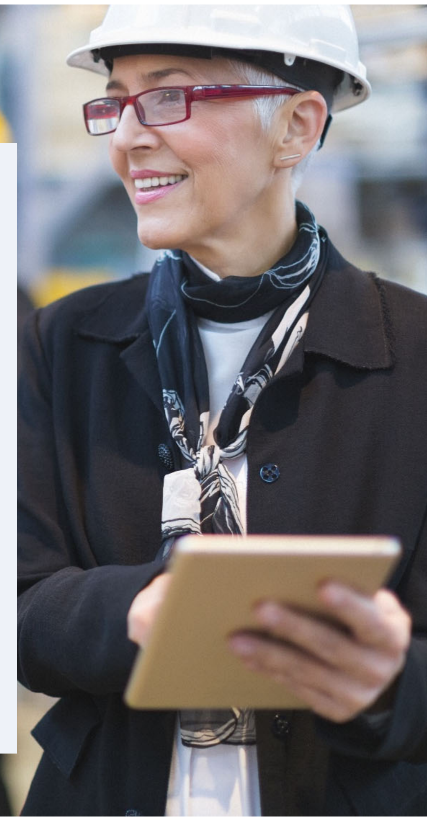
MISSION CRITICAL: STRONG PROGRESS ON COST SAVINGS

Total Gross Savings Target:
>$100M by end of FY23 versus FY19

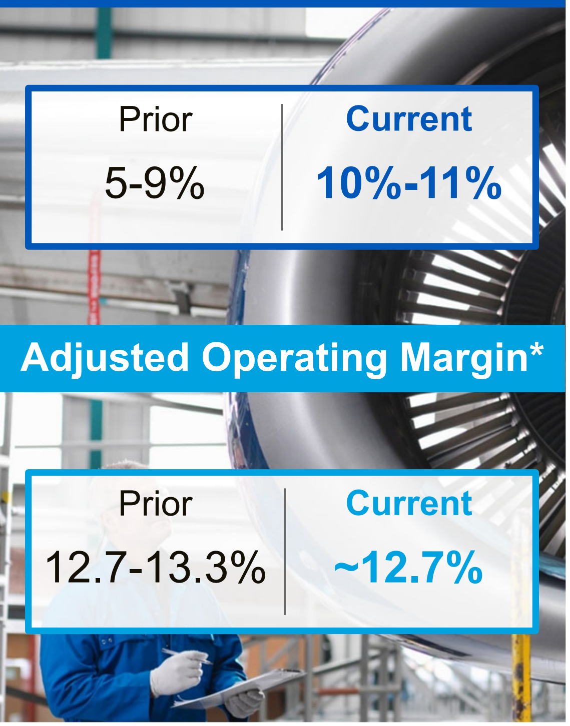


Sales and service | **Supply chain** | **General and Administrative**

- Targeting $15M+ in gross savings in FY23; $14M achieved year to date
- Targeting total program gross savings of at least $100M versus FY19
- Projected improvement in operating expense to sales ratio of ~200 bps over FY19



UPDATED FISCAL 2023 OUTLOOK AND ASSUMPTIONS



ADS Growth (YoY)

Prior	Current
5-9%	**10%-11%**

Adjusted Operating Margin*

Prior	Current
12.7-13.3%	**~12.7%**

- Fiscal year-to-date ADS up approximately 12% with tougher comps in Q4
- Double digit growth within National Accounts, Vending, and In-Plant fiscal year-to-date
- Notably strong Public Sector growth fiscal year-to-date

Factors not included in our initial outlook range:

- Adjusted operating margin dilution from FY23 acquisitions*
- Additional adjusted operating margin dilution from second half Public Sector growth*

Additional Guidance

- Gross margins down **100-120 bps** YoY
- Depreciation and amortization expense of **$77-$82M**
- Interest and Other expense of **$33-$38M**
- Operating cashflow conversion **> 100%****
- **$15M+** of additional Mission Critical gross savings

* Represents a non-GAAP financial measure. See appendix for non-GAAP reconciliations.

** The Company defines Operating Cash Flow Conversion as Net cash provided by operating activities as a percentage of Net income. The Company's management uses Operating Cash Flow Conversion to evaluate the Company's operating performance, in particular how efficiently the Company turns its sales and profits into cash, and to assess the efficiency of the Company's use of working capital. The Company believes Operating Cash Flow Conversion is useful to investors for the foregoing reasons and as a measure of the rate at which the Company converts its net income reported in accordance with GAAP to cash inflows, which helps investors assess whether the Company is generating sufficient cash flow to provide an adequate return.

SUMMARY

1. Growing net sales roughly 11 percentage points above the Industrial Production Index
2. Growth initiatives delivering share gains and customer productivity improvements
3. Productivity initiatives on track to exceed target of $100M of gross savings from fiscal 2019 through fiscal 2023
4. Reorienting focus towards improved product assortment, supplier portfolio and cost position
5. Raising 2023 annual outlook on sales growth and tightening adjusted operating margin to the lower end of prior expectations

APPENDIX

MSC

OVERVIEW OF MISSION CRITICAL

Reaccelerate Market Share Capture

KEY PRIORITIES

- Solidify Metalworking
- Leverage Portfolio Strength
- Expand Solutions
- Grow E-commerce
- Diversify Customers and End Markets

GOAL:
Outgrow market by at least 400 bps over cycle

Grow Profits Faster Than Sales

KEY AREAS

- Sales and Services
- Supply Chain
- General and Administrative

GOAL:
Achieve high-teens ROIC* by end of fiscal 2023

* Represents a non-GAAP financial measure. See appendix for non-GAAP reconciliations.

RECONCILIATIONS

Non-GAAP Financial Measures

To supplement MSC's unaudited selected financial data presented consistent with accounting principles generally accepted in the United States ("GAAP"), the Company discloses certain non-GAAP financial measures, including non-GAAP gross profit, non-GAAP operating expenses, non-GAAP income from operations, non-GAAP operating margin, non-GAAP provision for income taxes, non-GAAP net income and non-GAAP diluted earnings per share, that exclude acquisition-related costs, share reclassification proposal costs, restructuring and other costs and tax effects.

These non-GAAP financial measures are not presented in accordance with GAAP or an alternative for GAAP financial measures and may be different from similar non-GAAP financial measures used by other companies. The presentation of this additional information is not meant to be considered in isolation or as a substitute for the most directly comparable GAAP financial measures and should only be used to evaluate MSC's results of operations in conjunction with the corresponding GAAP financial measures.

Financial data may also include certain forward-looking information that is not presented in accordance with GAAP. The Company believes that a quantitative reconciliation of such forward-looking information to the most directly comparable financial measure calculated and presented in accordance with GAAP cannot be made available without unreasonable efforts because a reconciliation of these non-GAAP financial measures would require the Company to predict the timing and likelihood of potential future events such as restructurings, M&A activity and other infrequent or unusual gains and losses. Neither the timing or likelihood of these events, nor their probable significance, can be quantified with a reasonable degree of accuracy. Accordingly, a reconciliation of such forward-looking information to the most directly comparable GAAP financial measure is not provided.

Free Cash Flow

FCF is a non-GAAP financial measure. FCF is used in addition to and in conjunction with results presented in accordance with GAAP, and FCF should not be relied upon to the exclusion of GAAP financial measures. Management strongly encourages investors to review our financial statements and publicly-filed reports in their entirety and to not rely on any single financial measure. FCF, which we reconcile to "Net cash provided by operating activities," is cash flow from operations reduced by "Expenditures for property, plant and equipment". We believe that FCF, although similar to cash flow from operations, is a useful additional measure since capital expenditures are a necessary component of ongoing operations. Management also views FCF, as a measure of the Company's ability to reduce debt, add to cash balances, pay dividends, and repurchase stock. FCF has limitations due to the fact that it does not represent the residual cash flow available for discretionary expenditures. For example, FCF does not incorporate payments made on finance lease obligations or required debt service payments. In addition, different companies define FCF differently. Therefore, we believe it is important to view FCF as a complement to our entire consolidated statements of cash flows. A reconciliation of cash provided by operating activities to FCF for the thirteen and thirty-nine week periods ended June 3, 2023 and May 28, 2022, respectively, is shown below.

RECONCILIATIONS

Non-GAAP Financial Measures

Results Excluding Acquisition-Related Costs, Share Reclassification Proposal Costs and Restructuring and Other Costs

In calculating non-GAAP financial measures, we exclude acquisition-related costs, share reclassification proposal costs, restructuring and other costs, and tax effects. Management makes these adjustments to facilitate a review of the Company's operating performance on a comparable basis between periods, for comparison with forecasts and strategic plans, for identifying and analyzing trends in the Company's underlying business and for benchmarking performance externally against competitors. We believe that investors benefit from seeing results from the perspective of management in addition to seeing results presented in accordance with GAAP for the same reasons and purposes for which management uses such non-GAAP financial measures.

Return on Invested Capital ("ROIC")

ROIC is calculated using a non-GAAP financial measure. We calculate ROIC by dividing non-GAAP net operating profit after tax ("NOPAT") by average invested capital, a GAAP measure. NOPAT is defined as tax effected income from operations. Average invested capital is defined as net debt plus shareholder's equity using a trailing 13-month average. We believe that ROIC is useful to investors as a measure of performance and of the effectiveness of the use of capital in our operations. We use ROIC as one measure to monitor and evaluate operating performance. This method of determining non-GAAP ROIC may differ from other companies' methods and therefore may not be comparable to those used by other companies. ROIC should be considered in addition to, rather than as a substitute for, other information provided in accordance with GAAP. The financial measure calculated under GAAP which is most directly comparable to ROIC is considered to be the ratio of Net income to Average invested capital. See below for the calculation of ROIC and the reconciliation to the comparable GAAP measure.

RECONCILIATIONS

MSC INDUSTRIAL DIRECT CO., INC.
Reconciliation of GAAP and Non-GAAP Financial Information
Thirteen and Thirty-Nine Weeks Ended June 3, 2023 and May 28, 2022
(dollars in thousands)

GAAP Measure		Items Affecting Comparability		Non-GAAP Measure	
Net cash provided by operating activities		Expenditures for property, plant and equipment		Free cash flow	
Thirteen Weeks Ended		Thirteen Weeks Ended		Thirteen Weeks Ended	
June 3, 2023	May 28, 2022	June 3, 2023	May 28, 2022	June 3, 2023	May 28, 2022
$150,637	$77,881	$(23,542)	$(13,764)	$127,095	$64,117

GAAP Measure		Items Affecting Comparability		Non-GAAP Measure	
Net cash provided by operating activities		Expenditures for property, plant and equipment		Free cash flow	
Thirty-Nine Weeks Ended		Thirty-Nine Weeks Ended		Thirty-Nine Weeks Ended	
June 3, 2023	May 28, 2022	June 3, 2023	May 28, 2022	June 3, 2023	May 28, 2022
$567,077	$135,302	$(64,113)	$(44,943)	$502,964	$90,359

RECONCILIATIONS

MSC INDUSTRIAL DIRECT CO., INC.

Reconciliation of GAAP and Non-GAAP Financial Information

Thirteen Weeks Ended June 3, 2023

(In thousands, except percentages and per share data)

	GAAP Financial Measure	Items Affecting Comparability		Non-GAAP Financial Measure
	Total MSC Industrial	Restructuring and Other Costs	Share Reclassification Proposal Costs	Adjusted Total MSC Industrial
Net Sales	$ 1,054,464	—	—	1,054,464
Cost of Goods Sold	625,527	—	—	625,527
Gross Profit	428,937	—	—	428,937
Gross Margin	40.7 %	— %	— %	40.7 %
Operating Expenses	291,706	—	1,373	290,333
Operating Exp as % of Sales	27.7 %	— %	(0.1)%	27.5 %
Restructuring and Other Costs	1,845	1,845	—	—
Income from Operations	135,386	(1,845)	(1,373)	138,604
Operating Margin	12.8 %	0.2 %	0.1 %	13.1 %
Total Other Expense	(8,981)	—	—	(8,981)
Income before provision for income taxes	126,405	(1,845)	(1,373)	129,623
Provision for income taxes	31,266	(505)	(376)	32,147
Net income	95,139	(1,340)	(997)	97,476
Net income (loss) attributable to noncontrolling interest	(41)	—	—	(41)
Net income attributable to MSC Industrial	95,180	(1,340)	(997)	97,517
Net income per common share:				
Diluted	$ 1.69	$ (0.02)	$ (0.02)	$ 1.74

*Individual amounts may not agree to the total due to rounding.

RECONCILIATIONS

MSC INDUSTRIAL DIRECT CO., INC.
Reconciliation of GAAP and Non-GAAP Financial Information
Thirty-Nine Weeks Ended June 3, 2023
(In thousands, except percentages and per share data)

	GAAP Financial Measure	Items Affecting Comparability			Non-GAAP Financial Measure
	Total MSC Industrial	Restructuring and Other Costs	Acquisition-related Costs	Share Reclassification Proposal Costs	Adjusted Total MSC Industrial
Net Sales	$ 2,973,841	$ —	$ —	$ —	$ 2,973,841
Cost of Goods Sold	1,750,410	—	—	—	1,750,410
Gross Profit	1,223,431	—	—	—	1,223,431
Gross Margin	41.1 %	— %	— %	— %	41.1 %
Operating Expenses	852,031	—	398	2,249	849,384
Operating Exp as % of Sales	28.7 %	— %	— %	(0.1)%	28.6 %
Restructuring and Other Costs	5,722	5,722	—	—	—
Income from Operations	365,678	(5,722)	(398)	(2,249)	374,047
Operating Margin	12.3 %	0.2 %	— %	0.1 %	12.6 %
Total Other Expense	(25,244)	—	—	—	(25,244)
Income before provision for income taxes	340,434	(5,722)	(398)	(2,249)	348,803
Provision for income taxes	84,768	(1,424)	(100)	(560)	86,852
Net income	255,666	(4,298)	(298)	(1,689)	261,951
Net income attributable to noncontrolling interest	32	—	—	—	32
Net income attributable to MSC Industrial	$ 255,634	$ (4,298)	$ (298)	$ (1,689)	$ 261,919
Net income per common share:					
Diluted	$ 4.56	$ (0.08)	$ (0.01)	$ (0.03)	$ 4.67

*Individual amounts may not agree to the total due to rounding.

RECONCILIATIONS

MSC INDUSTRIAL DIRECT CO., INC.

Reconciliation of GAAP and Non-GAAP Financial Information

Thirteen Weeks Ended May 28, 2022

(In thousands, except percentages and per share data)

	GAAP Financial Measure	Items Affecting Comparability		Non-GAAP Financial Measure
	Total MSC Industrial	Restructuring and Other Costs	Acquisition-related Costs	Adjusted Total MSC Industrial
Net Sales	958,579	—	—	958,579
Cost of Goods Sold	547,430	—	—	547,430
Gross Profit	411,149	—	—	411,149
Gross Margin	42.9 %			42.9 %
Operating Expenses	271,046	—	211	270,835
Operating Exp as % of Sales	28.3 %	—	0.0 %	28.3 %
Restructuring and Other Costs	3,267	3,267	—	—
Income from Operations	136,836	(3,267)	(211)	140,314
Operating Margin	14.3 %	-0.3%	0.0 %	14.6 %
Total Other Expense	(3,702)	—	—	(3,702)
Income before provision for income taxes	133,134	(3,267)	(211)	136,612
Provision for income taxes	33,417	(884)	(57)	34,358
Net income	99,717	(2,383)	(154)	102,254
Net income attributable to noncontrolling interest	60	—	—	60
Net income attributable to MSC Industrial	99,657	(2,383)	(154)	102,194
Net income per common share:				
Diluted	$ 1.78	$ (0.04)	$ 0.00	$ 1.82

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RECONCILIATIONS

MSC INDUSTRIAL DIRECT CO., INC.
Reconciliation of GAAP and Non-GAAP Financial Information
Thirty-Nine Weeks Ended May 28, 2022
(In thousands, except percentages and per share data)

	GAAP Financial Measure	Items Affecting Comparability		Non-GAAP Financial Measure
	Total MSC Industrial	Restructuring and Other Costs	Acquisition-related Costs	Adjusted Total MSC Industrial
Net Sales	$ 2,669,648	—	—	2,669,648
Cost of Goods Sold	1,539,628	—	—	1,539,628
Gross Profit	1,130,020	—	—	1,130,020
Gross Margin	42.3 %			42.3 %
Operating Expenses	793,600	—	211	793,389
Operating Exp as % of Sales	29.7 %	—	0.0 %	29.7 %
Restructuring and Other Costs	11,684	11,684	—	—
Income from Operations	324,736	(11,684)	(211)	336,631
Operating Margin	12.2 %	-0.4%	0.0 %	12.6 %
Total Other Expense	(11,329)	—	—	(11,329)
Income before provision for income taxes	313,407	(11,684)	(211)	325,302
Provision for income taxes	77,279	(3,014)	(57)	80,350
Net income	236,128	(8,670)	(154)	244,952
Net income attributable to noncontrolling interest	473	—	—	473
Net income attributable to MSC Industrial	235,655	(8,670)	(154)	244,479
Net income per common share:				
Diluted	$ 4.21	$ (0.15)	$ 0.00	$ 4.36

*Individual amounts may not agree to the total due to rounding.

RECONCILIATIONS

MSC INDUSTRIAL DIRECT CO., INC.
Reconciliation of GAAP and Non-GAAP Financial Information
Twelve Months Ended June 3, 2023
(In thousands, except percentages)

	Twelve Months Ended June 3, 2023	
(a) Net income attributable to MSC Industrial (twelve-month trailing)	$ 359,765	
NOPAT		
Income from Operations (twelve-month trailing)	509,655	
Effective tax rate	24.7 %	
(b) Non-GAAP NOPAT	383,735	
(c) Adjusted Non-GAAP NOPAT	386,058	1
Invested Capital		
Total MSC Industrial shareholders' equity	$ 1,489,260	
Current portion of debt including obligations under finance leases	290,281	
Long-term debt including obligations under finance leases	174,017	
Total Debt	464,298	
Cash and cash equivalents	58,428	
Net debt	405,870	
Invested capital	1,895,130	
(d) Average invested capital (thirteen-month trailing average)	1,995,947	
(e) Adjusted average invested capital (thirteen-month trailing average)	1,996,251	1
(a)/(d) Net income to Average invested capital	18.0 %	
(b)/(d) Non-GAAP ROIC	19.2 %	
(c)/(e) Adjusted Non-GAAP ROIC	19.3 %	

(1) Adjusted Non-GAAP NOPAT and invested capital excludes $9.8 million of restructuring and other costs, $10.1 million gain on sale of property, $1.1 million of acquisition-related charges and $2.2 million of share reclassification proposal costs, net of an associated tax benefit of $0.7 million.

THANK YOU

MSC