

MSC INDUSTRIAL SUPPLY CO.
**INVESTOR
PRESENTATION**

FISCAL 2024

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 or rapid inflation, and fluctuations in interest rates; competition, including the adoption by competitors of aggressive pricing strategies or 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; our ability to realize the expected cost savings and benefits from our restructuring activities and structural cost reductions; the retention of key management personnel; the credit risk of our customers; 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 disruptions, 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; our ability to attract, train and retain qualified sales and customer service personnel and metalworking and specialty sales specialists; the risk of loss of key suppliers or contractors or key brands or supply chain disruptions; 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 and regulations applicable to our business; the outcome of government or regulatory proceedings; goodwill and other indefinite-lived intangible assets recorded as a result of our acquisitions could become impaired; our common stock price may be volatile due to factors outside of our control; the significant influence that our principal shareholders will continue to have over our decisions; and our ability to realize the desired benefits from the share reclassification. 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.

MSC INDUSTRIAL DIRECT: COMPANY OVERVIEW

MSC is a leading value-add industrial distributor offering products, services and solutions that enable its customers to achieve higher levels of growth, productivity, and profitability

- ✓ Founded in 1941 and listed on NYSE (MSM) since 1995
- ✓ Leader in highly fragmented industrial distribution market
- ✓ >7,000 associates
- ✓ 41 warehouses, 10 regional inventory centers, 6 distribution centers and 4 manufacturing locations
- ✓ Broad offering: 2.4 million SKUs from 3,000+ suppliers
- ✓ Value-add solutions: metalworking expertise, supply chain management, e-commerce, productivity improvement and training



¹Year Ended September 2, 2023

²20-Year CAGR calculated through September 2, 2023

³Over the last three fiscal years ended September 2, 2023

*See appendix for non-GAAP reconciliations

KEY MSC INVESTMENT HIGHLIGHTS

1

Leader in the highly fragmented North American industrial distribution market with significant opportunities for organic and acquisitive growth

2

Value-added solutions approach focuses on addressing customer total cost of ownership with highly technical expertise and broad portfolio of products and services

3

Industry-leading customer satisfaction ratings driven by customer-centric culture and obsession with delivering solutions that enable customer success

4

Growth and returns above original Mission Critical targets driven by successful execution

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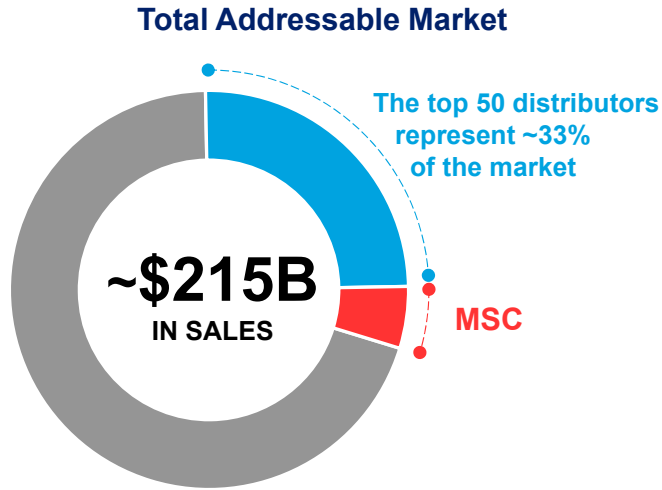
The next chapter of Mission Critical is expected to generate results across the business over the cycle and accelerate core customer growth

6

Eliminated dual class share structure in October 2023; completed repurchase of related share dilution

HIGHLY FRAGMENTED INDUSTRIAL DISTRIBUTION MARKET

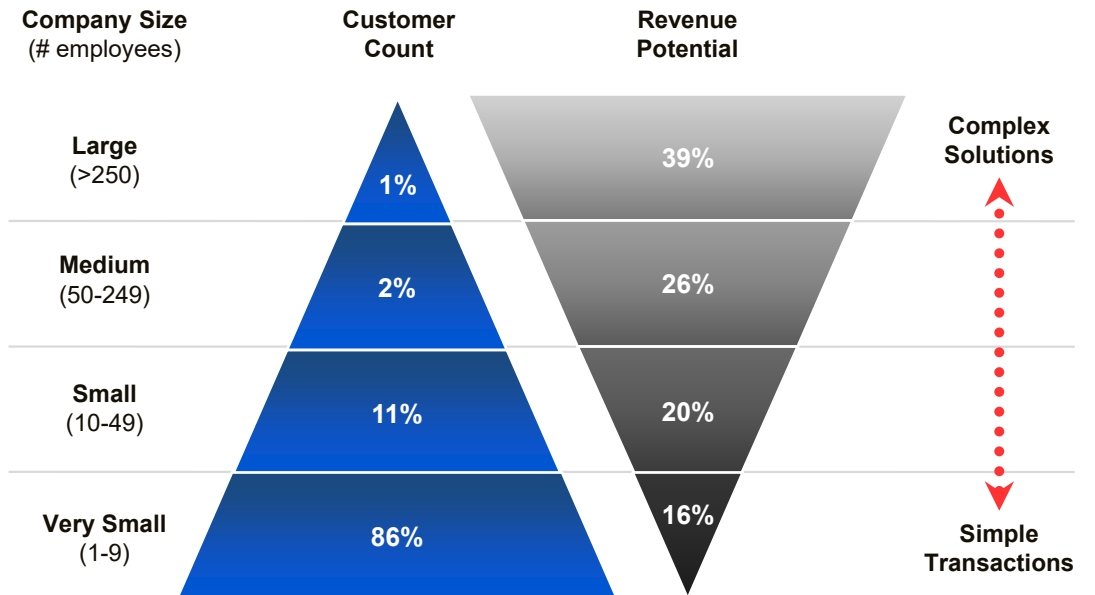
The North American industrial distribution market is very large and highly fragmented both across the addressable market and the customer landscape



✓ ~\$215B of the MRO market in N. America directly addressable by MSC²

✓ Highly fragmented with ~145K distributors in the US¹

Industrial Distribution Customer Landscape



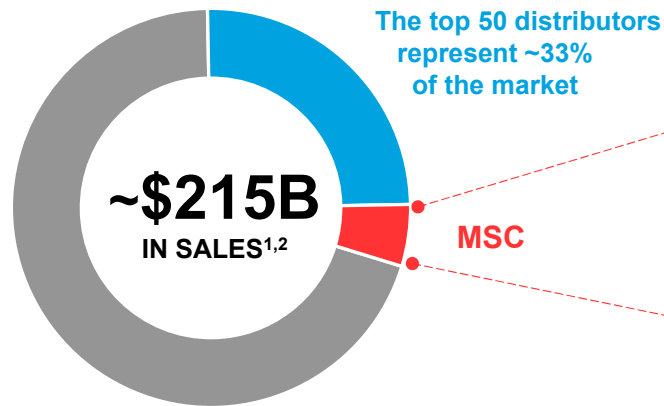
¹MDM Analytics (figures are approximate)

²Calculation performed by MSC (figures are approximate)

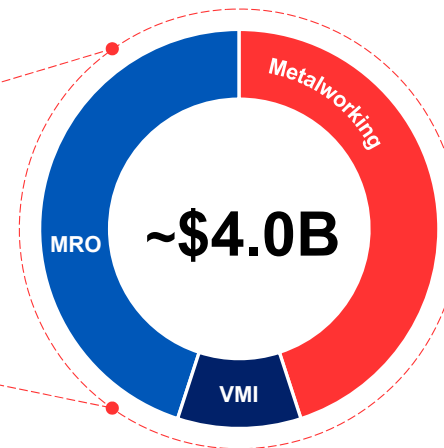
MSC'S POSITION IN THE MARKET

MSC's target manufacturing market makes up about 50% of total addressable marketplace spend, making brand awareness and equity critical to attract and maintain customers

Total Addressable Market



MSC Fiscal Year 2023 Sales



- ✓ Within the approximately ~19.5M total potential customers, MSC can serve the ~750k metalworking customers²
- ✓ These ~750k customers make up a large amount of the overall spend in manufacturing²
- ✓ ~205K are larger customers, while ~545K are smaller customers²

- ✓ ~\$215B of the MRO market in N. America directly addressable by MSC^{1,2}
- ✓ Addressable market is comprised of approximately ~19.5M total potential customers²



¹MDM Analytics (figures are approximate)
²Calculation performed by MSC (figures are approximate for N. America)

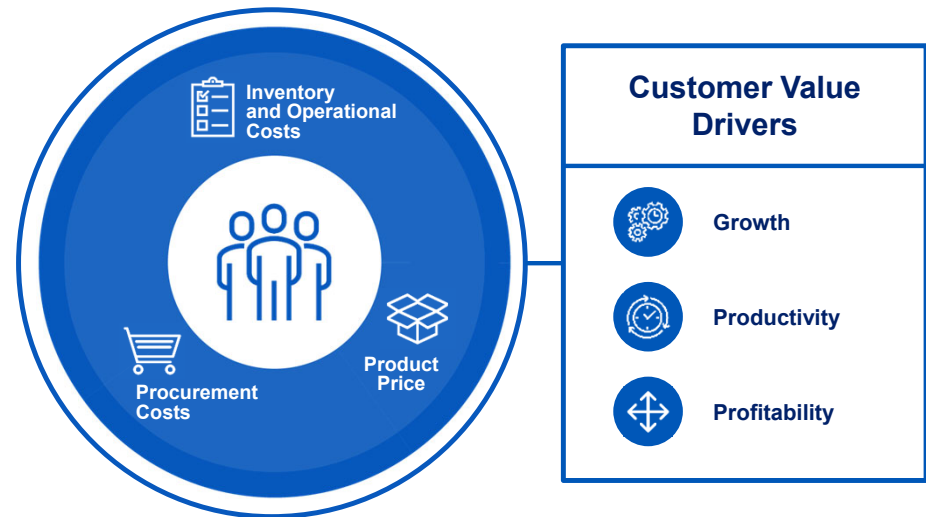
MSC'S DIFFERENTIATOR IN THE MARKET: BUILT TO MAKE YOU BETTER

MSC's value-added solutions approach focuses on addressing customer total cost of ownership with highly technical expertise across a broad portfolio of products and services

Industry Model
(Product Price Driven)



MSC Solutions Approach
(Total Cost of Ownership Focused)



MSC CUSTOMER CARE: ENSURING CUSTOMER SATISFACTION

Obsession with delivering personalized and effortless customer experiences that enable success, measured directly from our customers

Customer Care Delivery



High-Touch
Customer Care



Technical and
Sourcing Experts



Consistent
Customer Service



Creative
Problem Solving

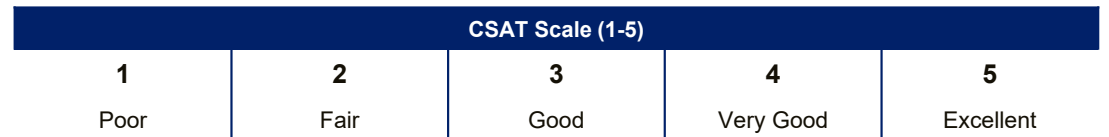
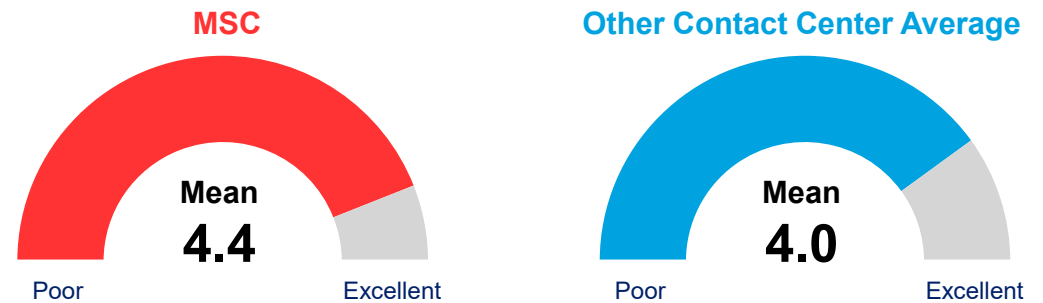


Focus on Customer
Satisfaction



Build Trust
and Loyalty

Customer Care Center Satisfaction Levels




MSC SOLUTIONS: TURNING EXPERTISE AND DATA INTO INFORMATION AND SAVINGS

MSC provides continuous improvement solutions for customers by combining technical expertise and data analytics, driving significant and documented customer cost savings

Technical Solutions	MSC MillMax® (Ap Op™)	New Opportunity Capture (Ap Op™)
Industry	Aerospace & Defense	Medical Devices
Manufacturer	Kennametal	Iscar
Application	Solid Milling	Turning
Objective	Reduce Cycle Time	Improve Tool Life
Cycle Time Reduction	50%	32%
Capacity Gained	625 hours	1,150 hours
Annual Cost Savings	\$78,125	\$179,998.50



SKU Consolidation	Continuous Improvement			MSC Solution
Product	22 Oz. Multi-Purpose Cleaner	22 Oz. Premium Degreaser	 Consolidate to a single Item and standardize in all locations.	32 Oz. All Purpose Cleaner and Degreaser
Cost (per unit)	\$0.277	\$1.32		\$0.20
Usage (units)	45,936	792		46,728
Total Cost	\$12,740.88	\$1,048.32		\$9,345.60
			Annual Cost Savings	\$4,443.60



MSC CUSTOMER VALUE: TRUE STORIES. TRUE RESULTS.

Documentation program delivered
~\$300 million
in cost savings for
MSC customers in Fiscal 2023



\$2.7 million ▼

Annual Cost Savings

Paper Manufacturing
Large paper manufacturer realizes savings through MSC's broad across multiple US locations



> \$310k ▲
Profit Improvement

Contract Machine Shop
A simple, 15-minute MSC MillMax® impact test in a milling operation improved profits while reducing cycle time from 98 seconds to 35 seconds



> \$370k ▲
Total Profit Improvement

Aerospace Defense Contractor
Reduced cycle time from 7 minutes to 1 minute, creating improved profit and increased capacity of over 1,000 hours annually



\$1.5 million ▼
Savings in Milling Process

Firearms Manufacturer
Reduced milling cycle time from 8 minutes to less than 3 minutes, saving time and enabling greater throughput on existing machine base

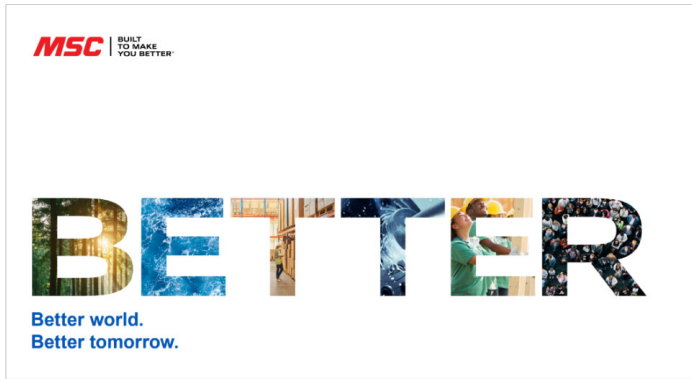


\$2.9 million ▼
Productivity Savings

Global Truck Manufacturer
One of North America's largest producers of heavy-duty trucks, engines and transmissions annual savings across all MSC solutions



FISCAL YEAR 2023 ESG REPORT HIGHLIGHTS



Awards & Recognition



The Charlotte Observer
LONG ISLAND PRESS
Dan's Papers

ESG Performance & Ratings



Striving For a BETTER World and BETTER Tomorrow			
Environment	>20K lbs Carbide recycled since 2021 through regrind services	1.5K tons Of corrugate packaging recycled at MSC CFC's in FY'23	80% New recycling target across all major distribution centers
Sustainable Solutions	32M kWh Reduced through sustainable metalworking solutions	20K+ Environmentally preferred products across MSC portfolio	\$1M+ Achieved in customer safety savings
Social & Governance	430,000 Meals donated to food banks nationwide in FY'23	90 Score on the 2023 Best Places to Work Disability Equality Index	1,300+ Dedicated MSC members across 7 inclusion circles

THE NEXT CHAPTER OF MISSION CRITICAL IS EXPECTED TO GENERATE FAVORABLE RESULTS ACROSS THE BUSINESS OVER THE CYCLE

Extensive Digital Roadmap

Maintaining Momentum

- Win in Metalworking
- Expand Share of Wallet Across Existing Customer Base
- Maximize Impact of Large Account Programs
- Drive Innovative Solutions
- Further Penetrate Attractive End Markets

New Elements to Growth

- Reenergize Core Customers Through...
 - Improved E-commerce Experience
 - Enhance Pricing Model
 - Increased Personalization
- Execute on Cross-Selling Opportunities with a Focus on OEM Fasteners

Optimizing Cost to Serve

- Improve Network Performance and Productivity
- Portfolio Optimization and Product Line Review Execution
- Streamline Order-to-Cash and Procure-to-Pay Value Streams
- Strategic Working Capital Management

Performance Metrics Over the Cycle



At Least **400 bps** of Market Outgrowth



Incremental Margins* of **~20%**

Driving Achievable Long-Term Targets

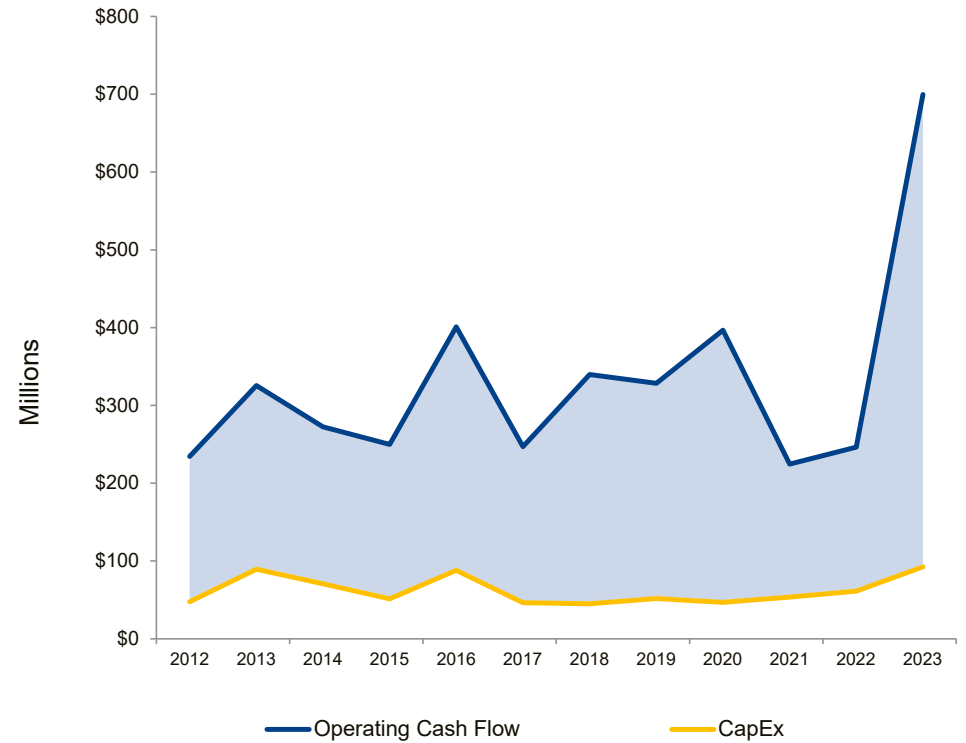
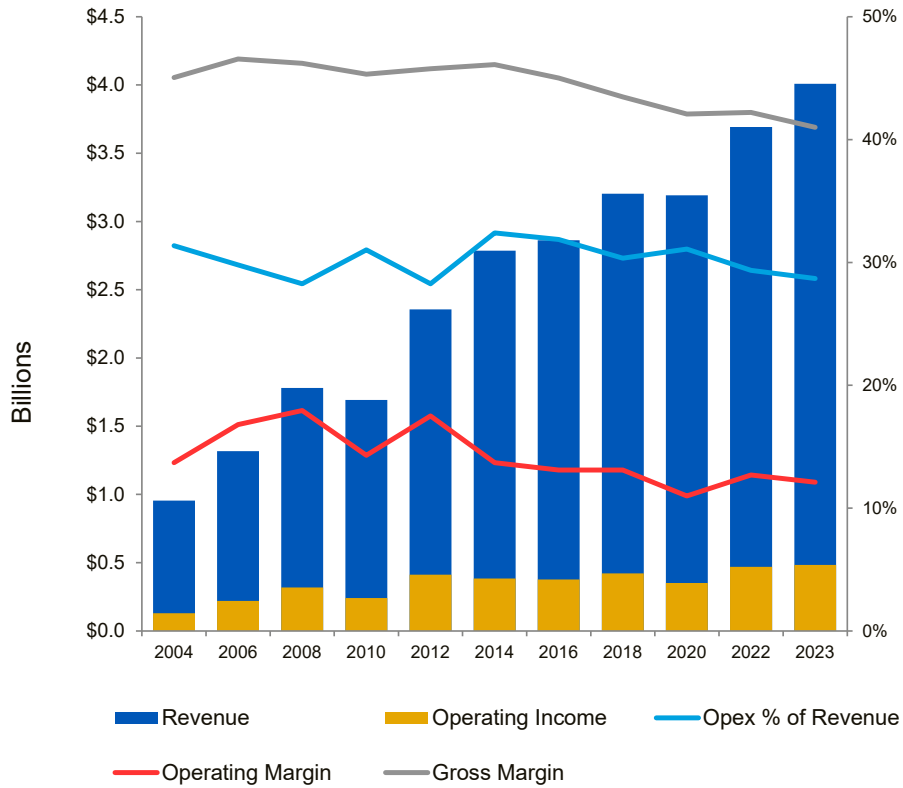


Adjusted Operating Margin* in the **Mid-Teens**



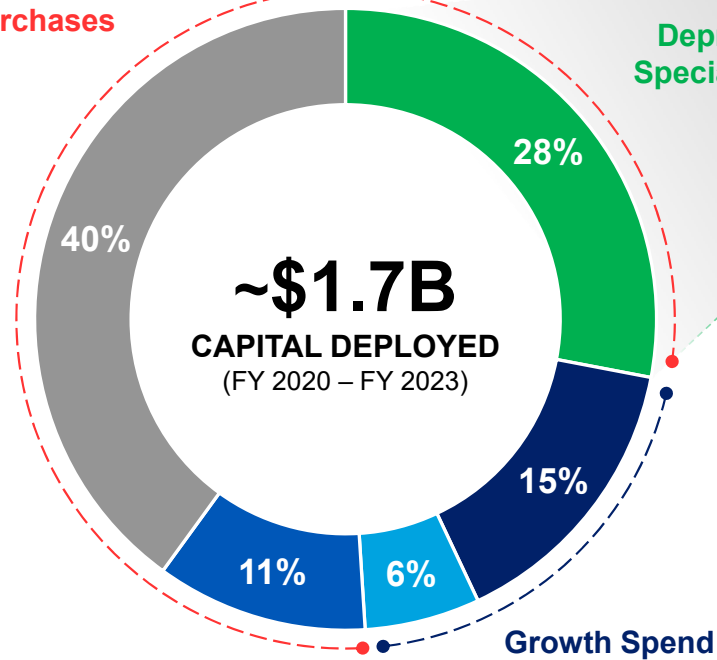
Greater Than **20%** ROIC*

TRACK RECORD OF GROWTH AND RESILIENCE



CLEAR CAPITAL ALLOCATION PRIORITIES

Dividends and Share Repurchases



Deprioritizing Special Dividend

Long-Term Priorities

Strategic Optionality

Significant capital allocation optionality after deprioritizing special dividends

Potential uses include organic growth investments, strategic M&A, debt paydown, or further deployment to shareholders

Capex

Ongoing investment to strengthen operations, digital capabilities, and service offerings

M&A

Bolt-on acquisitions expected to continue with a focus on underserved regions, adjacent product categories, technologies, and high-growth end markets

Share Repurchases

Targeting to offset annual stock-based comp dilution after fully offsetting dilution from reclassification

Ordinary Dividend

Targeting modest annual increases in the ordinary dividend

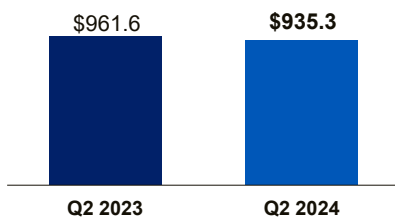
Disciplined Focus on ROIC and Value Creation

FISCAL SECOND QUARTER 2024 UPDATES

MSC

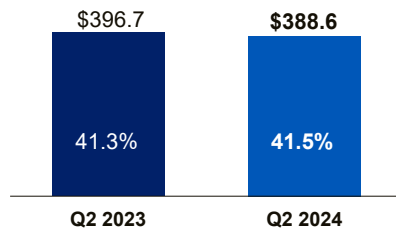
FISCAL SECOND QUARTER 2024 REPORTED AND ADJUSTED RESULTS

Net Sales (millions)



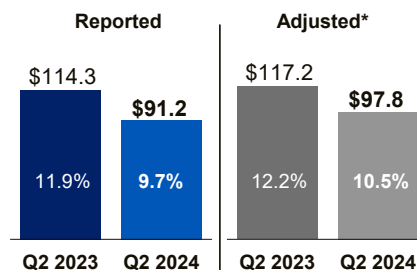
- Sales decline (ADS) of 2.7% driven by volume declines, partially offset by positive price and more modest benefits from acquisitions
- National Accounts up 1%, Public Sector up 1% and Core and Other Customers down 6%
- In-Plant sales up 10%, representing 16% of total sales
- Sales through vending machines were up mid single digits, representing 17% of total sales

Gross Profit (millions and % of sales)



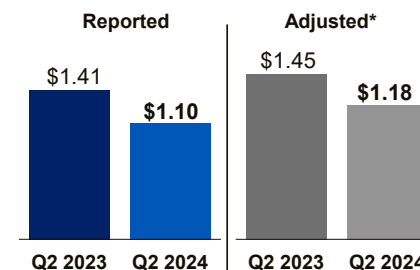
- Gross margin up 20 bps YoY
- Mainly driven by gross margin countermeasures and supplier rebates
- Partially offset by negative price/cost margin and modest headwinds from mix and acquisitions

Operating Profit (millions and % of sales)



- Reported operating profit in Q2 2024 includes \$6.2 million in restructuring costs and \$0.4 million of acquisition costs
- Reported operating profit in Q2 2023 includes \$1.8 million in restructuring costs, \$0.2 million acquisition costs, and \$0.9 million in share reclassification costs
- Operating margin performance mainly driven by lower volumes YoY as well as higher costs related to investments, payroll and payroll-related costs, and depreciation partially offset by higher gross margin

Earnings (per diluted share)



- Q2 2024 reported EPS includes \$0.09 of combined impacts from restructuring and acquisition costs
- Q2 2023 reported EPS includes \$0.03 of combined impacts from restructuring and share reclassification costs
- Higher interest and other expenses, represent an EPS headwind of \$0.04 YoY



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

MAINTAINING MOMENTUM IN OUR HIGH TOUCH SOLUTION DRIVERS

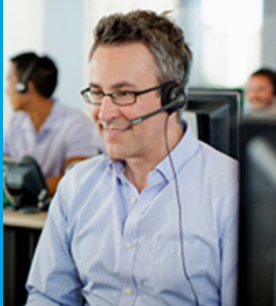
+1.1%
YoY



NATIONAL ACCOUNTS

- Modest growth supported by ongoing solutions footprint expansion
- Largely offset by continued softness in heavy manufacturing and extended holiday shutdowns early in the quarter
- 45 of top 100 National Accounts showed growth during the quarter

+0.6%
YoY



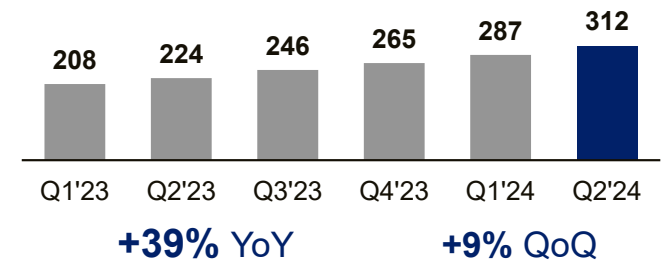
PUBLIC SECTOR

- Stepdown in YoY growth was primarily driven by pockets of budget headwinds in local government
- Intend to offset headwinds above in the 2nd half
- Share gains continued in 2Q

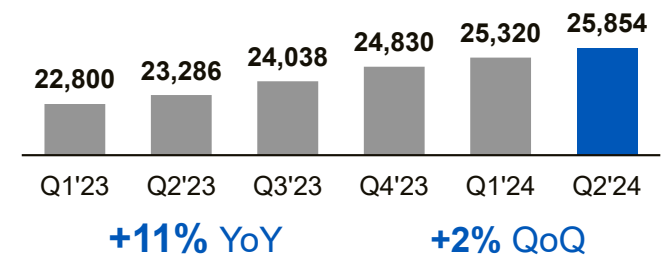
MSC

SOLUTIONS

IN-PLANT PROGRAM COUNT



INSTALLED VENDING MACHINES



STRENGTHENING METALWORKING LEADERSHIP POSITION THROUGH STRATEGIC M&A



Strategic M&A Criteria

KAR Industrial Inc.

✓ Under-Served Regions	✓ Adjacent Products	Technology & Innovation	High-Growth End Markets
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- ✓ **Strengthens presence in Canada** (~2% of currently) particularly across metalworking product categories
- ✓ MSC's large product breadth and E-commerce sales channel **provide significant cross-selling opportunities**
- ✓ Expect net **neutral EPS impact in FY'24** and to **achieve margin expansion for KAR Industrial Inc. in FY'25** driven by integration benefits

Intellectual Property Assets from SMRT

Under-Served Regions	Adjacent Products	✓ Technology & Innovation	High-Growth End Markets
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- ✓ Significantly **accelerates manufacturing research and technology efforts** that will further **strengthen customer operations and MSC's leadership position** through world renowned cutting tool experts
- ✓ Provides a strong foundation to participate in growing customer needs around **advanced machining technologies utilizing data, machine monitoring, predictive milling, and advancements in turning applications**

CORE CUSTOMER REACCELERATION ON THE HORIZON



-5.7%
YoY

CORE CUSTOMERS

- Continued to experience softness in Q2 driven by continued softness in heavy manufacturing verticals weighing on metalworking demand
- Web price realignment and web enhancements expected to contribute to growth in 2nd half
- Digital marketing campaign to increase awareness and drive growth currently underway

WEB PRICING REALIGNMENT

- **Web price conversion completed** at the end of February
- Metrics such as **conversion and search abandonment rates showing improvement from pre-launch baseline**

WEBSITE ENHANCEMENT

- **Platform performance improvements** to optimize customer experience completed in early Q3
- **Enhanced search and product discovery engine** to be fully launched in 2H
- Rollout of **subsequent enhancements** will also begin in 2H

Experiencing Strong Improvement in Net Promoter Scores Which Bodes Well for Future Growth

SHAPING OUR NETWORK TO OPTIMIZE COST AND SERVICE

AUTOMATION INVESTMENTS



*Improvement in Performance Metrics
Post Automation Investments*

	Increase in picking speed	Increase in SKUs	Volume picked automatically
Elkhart, IN	60% <i>Average</i>	+80k <i>Average</i>	35% <i>Average</i>
Harrisburg, PA			

Efficiency Metrics Will Improve With Added Capacity



STRUCTURAL BENEFITS

*Maintaining Service Levels Through a Reduced Footprint
with the Planned Closure of Our Columbus CFC*



Expected closure date to occur in summer of 2024



\$5-7 million expected operating expense savings starting in FY'25



No net change to existing network capacity in Atlanta, GA, Elkhart, IN, Hanover Park, IL, Harrisburg, PA and Reno, NV



Initiated comprehensive network study to identify further productivity and service opportunities

FISCAL 2024 OUTLOOK LIKELY AT THE LOW END OF THE RANGE

ADS Growth (YoY)

0% - 5%

- ~160 bps YoY headwind from non-repeating Public Sector small capital purchase sales
- Expect more **normalized pricing benefits** YoY
- Assumes improvement in **industrial activity and benefits from growth initiatives** supporting improvement in 2H
- Downside risk if benefits above come later than anticipated

Adjusted Operating Margin*

12.0% - 12.8%

- **Price/cost** headwinds ease in 2H and **category line review benefits** expected to increase
- **Gross margin YoY mix benefit** related to non-repeating Public Sector small capital purchases of ~50 bps

Additional Guidance

- Depreciation and amortization expense of ~\$85M
- Interest and Other expense of \$40M-\$50M
- Capex \$120M-\$130M***
- Operating cash flow conversion > 125%**
- Tax rate 24.0%-24.5%

* 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.

*** Includes expenditures associated with cloud computing arrangements

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APPENDIX

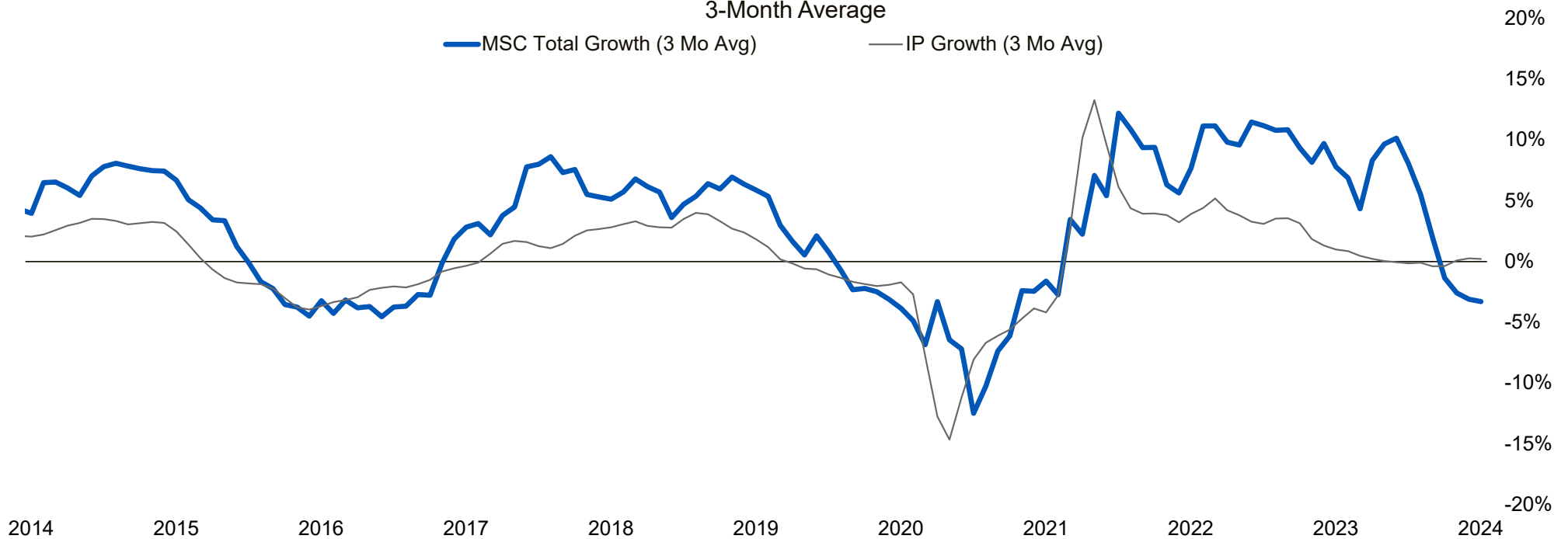
MSC

CONSISTENT GROWTH ABOVE INDUSTRIAL PRODUCTION INDEX (IP) OVER THE CYCLE

MSC Total Organic Sales Growth

3-Month Average

— MSC Total Growth (3 Mo Avg) — IP Growth (3 Mo Avg)



* Data as of March 15, 2024
* Source: Federal Reserve

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Extensive Digital Roadmap

Maintaining Momentum

- Win in Metalworking
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Performance Metrics Over the Cycle



At Least **400 bps** of Market Outgrowth



Incremental Margins* of **~20%**

Driving Achievable Long-Term Targets



Adjusted Operating Margin* in the **Mid-Teens**



Greater Than **20%** ROIC*

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 (prior year), share reclassification costs, and 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 twenty-six-week periods ended March 2, 2024 and March 4, 2023, respectively, is shown below.

RECONCILIATIONS

Non-GAAP Financial Measures

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

In calculating non-GAAP financial measures, we exclude restructuring and other costs, acquisition-related costs and share reclassification 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.

Net Debt to Earnings before Interest, Taxes, and Depreciation and Amortization ("EBITDA")

Net debt to EBITDA is calculated using a non-GAAP financial measure, EBITDA. The Company defines EBITDA as GAAP net income adjusted for taxes, total other expense and depreciation and amortization. Net debt, a GAAP measure, is calculated as total debt less cash and cash equivalents. The Company presents net debt to EBITDA because it more clearly represents the operating profitability of the company and is a more accurate representation of the Company's financial position and its ability to cover its net debt obligations with results from its core operations. This method of determining non-GAAP EBITDA may differ from other companies' methods and therefore may not be comparable to those used by other companies. EBITDA should be considered in addition to, rather than as a substitute for, other information provided in accordance with GAAP.

RECONCILIATIONS

MSC INDUSTRIAL DIRECT CO., INC.
 Reconciliation of GAAP and Non-GAAP Financial Information
 Thirteen and Twenty-Six Weeks Ended March 2, 2024 and March 4, 2023
 (In thousands)

GAAP Measure		Items Affecting Comparability		Non-GAAP Measure	
Net cash provided by operating activities Thirteen Weeks Ended		Expenditures for property, plant and equipment Thirteen Weeks Ended		Free cash flow Thirteen Weeks Ended	
March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023
\$78,743	\$340,416	\$(25,350)	\$(15,067)	\$53,393	\$325,349
GAAP Measure		Items Affecting Comparability		Non-GAAP Measure	
Net cash provided by operating activities Twenty-Six Weeks Ended		Expenditures for property, plant and equipment Twenty-Six Weeks Ended		Free cash flow Twenty-Six Weeks Ended	
March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023	March 2, 2024	March 4, 2023
\$159,911	\$416,440	\$(43,783)	\$(40,571)	\$116,128	\$375,869

RECONCILIATIONS

MSC INDUSTRIAL DIRECT CO., INC.
 Reconciliation of GAAP and Non-GAAP Financial Information
 Thirteen Weeks Ended March 2, 2024
 (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	\$ 935,348	\$ —	\$ —	\$ 935,348
Cost of Goods Sold	546,737	—	—	546,737
Gross Profit	388,611	—	—	388,611
Gross Margin	41.5 %	— %	— %	41.5 %
Operating Expenses	291,235	—	465	290,770
Operating Exp as % of Sales	31.1 %	— %	0.0 %	31.1 %
Restructuring and Other Costs	6,181	6,181	—	—
Income from Operations	91,195	(6,181)	(465)	97,841
Operating Margin	9.7 %	0.7 %	0.0 %	10.5 %
Total Other Expense	(11,240)	—	—	(11,240)
Income before provision for income taxes	79,955	(6,181)	(465)	86,601
Provision for income taxes	18,390	(1,568)	(116)	20,074
Net income	61,565	(4,613)	(349)	66,527
Net loss attributable to noncontrolling interest	(282)	—	—	(282)
Net income attributable to MSC Industrial	\$ 61,847	\$ (4,613)	\$ (349)	\$ 66,809
Net income per common share:				
Diluted	\$ 1.10	\$ (0.08)	\$ (0.01)	\$ 1.18

*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
Twenty-Six Weeks Ended March 2, 2024
(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 Costs	Adjusted Total MSC Industrial
Net Sales	\$ 1,889,317	\$ —	\$ —	\$ —	\$ 1,889,317
Cost of Goods Sold	1,107,589	—	—	—	1,107,589
Gross Profit	781,728	—	—	—	781,728
Gross Margin	41.4 %	— %	— %	— %	41.4 %
Operating Expenses	581,868	—	465	1,187	580,216
Operating Exp as % of Sales	30.8 %	— %	0.0 %	(0.1)%	30.7 %
Restructuring and Other Costs	7,097	7,097	—	—	—
Income from Operations	192,763	(7,097)	(465)	(1,187)	201,512
Operating Margin	10.2 %	0.4 %	0.0 %	0.1 %	10.7 %
Total Other Expense	(21,490)	—	—	—	(21,490)
Income before provision for income taxes	171,273	(7,097)	(465)	(1,187)	180,022
Provision for income taxes	40,580	(2,744)	(180)	(288)	43,792
Net income	130,693	(4,353)	(285)	(899)	136,230
Net income attributable to noncontrolling interest	(504)	—	—	—	(504)
Net income attributable to MSC Industrial	\$ 131,197	\$ (4,353)	\$ (285)	\$ (899)	\$ 136,734
Net income per common share:					
Diluted	\$ 2.32	\$ (0.08)	\$ (0.01)	\$ (0.02)	\$ 2.42

*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 March 4, 2023
(In thousands, except percentages and per share data)

	Items Affecting Comparability				Non-GAAP Financial Measure
	GAAP Financial Measure	Restructuring and Other Costs	Acquisition-related Costs	Share Reclassification Costs	
	Total MSC Industrial				Adjusted Total MSC Industrial
Net Sales	\$ 961,632	\$ —	\$ —	\$ —	\$ 961,632
Cost of Goods Sold	564,937	—	—	—	564,937
Gross Profit	396,695	—	—	—	396,695
Gross Margin	41.3 %	— %	— %	— %	41.3 %
Operating Expenses	280,630	—	244	876	279,510
Operating Exp as % of Sales	29.2 %	— %	0.0 %	(0.1)%	29.1 %
Restructuring and Other Costs	1,783	1,783	—	—	—
Income from Operations	114,282	(1,783)	(244)	(876)	117,185
Operating Margin	11.9 %	0.2 %	0.0 %	0.1 %	12.2 %
Total Other Expense	(8,104)	—	—	—	(8,104)
Income before provision for income taxes	106,178	(1,783)	(244)	(876)	109,081
Provision for income taxes	26,863	(450)	(62)	(222)	27,597
Net income	79,315	(1,333)	(182)	(654)	81,484
Net income attributable to noncontrolling interest	175	—	—	—	175
Net income attributable to MSC Industrial	\$ 79,140	\$ (1,333)	\$ (182)	\$ (654)	\$ 81,309
Net income per common share:					
Diluted	\$ 1.41	\$ (0.02)	\$ 0.00	\$ (0.01)	\$ 1.45

*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
Twenty-Six Weeks Ended March 4, 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 Costs	Adjusted Total MSC Industrial
Net Sales	\$ 1,919,377	\$ —	\$ —	\$ —	\$ 1,919,377
Cost of Goods Sold	1,124,883	—	—	—	1,124,883
Gross Profit	794,494	—	—	—	794,494
Gross Margin	41.4 %	— %	— %	— %	41.4 %
Operating Expenses	560,325	—	398	876	559,051
Operating Exp as % of Sales	29.2 %	— %	0.0 %	0.0 %	29.1 %
Restructuring and Other Costs	3,877	3,877	—	—	—
Income from Operations	230,292	(3,877)	(398)	(876)	235,443
Operating Margin	12.0 %	0.2 %	0.0 %	0.0 %	12.3 %
Total Other Expense	(16,263)	—	—	—	(16,263)
Income before provision for income taxes	214,029	(3,877)	(398)	(876)	219,180
Provision for income taxes	53,502	(973)	(100)	(220)	54,795
Net income	160,527	(2,904)	(298)	(656)	164,385
Net income attributable to noncontrolling interest	73	—	—	—	73
Net income attributable to MSC Industrial	\$ 160,454	\$ (2,904)	\$ (298)	\$ (656)	\$ 164,312
Net income per common share:					
Diluted	\$ 2.86	\$ (0.05)	\$ (0.01)	\$ (0.01)	\$ 2.93

*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 March 2, 2024 and September 2, 2023
(In thousands, except percentages)

	Twelve Months Ended March 2, 2024	Twelve Months Ended September 2, 2023
(a) Net income attributable to MSC Industrial (twelve-month trailing)	\$ 313,976	\$ 343,233
NOPAT		
Income from Operations (twelve-month trailing)	446,204	483,733
Effective tax rate	24.2 %	24.8 %
(b) Non-GAAP NOPAT	338,132	363,850
(c) Adjusted Non-GAAP NOPAT	356,865 ¹	379,531 ²
Invested Capital		
Total MSC Industrial shareholders' equity	\$ 1,390,509	\$ 1,479,164
Current portion of debt including obligations under finance leases	257,829	229,935
Long-term debt including obligations under finance leases	294,474	224,391
Total Debt	552,303	454,326
Cash and cash equivalents	\$ 22,227	\$ 50,052
Net debt	530,076	404,274
Invested capital	1,920,585	1,883,438
(d) Average invested capital (thirteen-month trailing average)	1,886,328	1,951,818
(e) Adjusted average invested capital (thirteen-month trailing average)	1,888,291 ¹	1,953,516 ²
(a)/(d) Net income to Average invested capital	16.6 %	17.6 %
(b)/(d) Non-GAAP ROIC	17.9 %	18.6 %
(c)/(e) Adjusted Non-GAAP ROIC	18.9 %	19.4 %

⁽¹⁾ Adjusted Non-GAAP NOPAT and invested capital excludes \$11.2 million of restructuring and other costs, \$12.7 million of share reclassification costs and \$0.5 million of acquisition-related charges, net of an associated tax benefit of \$6.0 million.

⁽²⁾ Adjusted Non-GAAP NOPAT and invested capital excludes \$7.9 million of restructuring and other costs, \$0.4 million of acquisition-related charges and \$12.4 million of share reclassification costs, net of an associated tax benefit of \$5.5 million.

RECONCILIATIONS

MSC INDUSTRIAL DIRECT CO., INC.
 Reconciliation of GAAP and Non-GAAP Financial Information
 Twelve Months Ended March 2, 2024 and March 4, 2023
 (In thousands)

	Twelve Months Ended March 2, 2024	Twelve Months Ended March 4, 2023
Net Debt		
Current portion of debt including obligations under finance leases	\$ 257,829	\$ 275,758
Long-term debt including obligations under finance leases	294,474	273,941
Total Debt	552,303	549,699
Cash and cash equivalents	22,227	49,615
(a) Net Debt	\$ 530,076	\$ 500,084
Net Income	\$ 313,273	\$ 364,598
Total Other Expense	32,804	26,217
Income tax expense	100,127	120,290
Depreciation and amortization	77,906	72,283
(b) EBITDA	\$ 524,110	\$ 583,388
(a)/(b) Net Debt to EBITDA	1.01	0.86

THANK YOU

MSC

