

MSC Industrial Direct Co., Inc. Reports Results for its Fiscal 2009 Fourth Quarter and Year

Melville, NY, October 21, 2009 - MSC INDUSTRIAL DIRECT CO., INC. (NYSE: MSM) , “MSC” or the “Company,” one of the largest direct marketers and premier distributors of Metalworking and Maintenance, Repair and Operations (“MRO”) supplies to industrial customers throughout the United States, today reported financial results for its fourth quarter and fiscal year ended August 29, 2009.

For the fiscal 2009 fourth quarter, net sales were \$354.1 million, compared with \$448.6 million in the prior year period. Fiscal 2009 fourth quarter operating income was \$41.8 million, or 11.8% of net sales, compared with \$78.1 million, or 17.4% of net sales, in the prior year period. For the fourth quarter of fiscal 2009, the Company reported net income of \$26.0 million, compared with net income of \$50.5 million in the fourth quarter of fiscal 2008. Diluted earnings per share in the fiscal 2009 fourth quarter were \$0.41 (based on 62.8 million diluted shares outstanding), compared to \$0.80 (based on 63.1 million diluted shares outstanding) in the same period a year ago.

For the fiscal 2009 full-year period, net sales were \$1.49 billion, compared with net sales of \$1.78 billion in fiscal 2008. Operating income in fiscal 2009 was \$204.7 million, or 13.7% of net sales, versus operating income of \$319.5 million, or 18.0% of net sales, in fiscal 2008. Net income for fiscal year 2009 was \$125.1 million, compared to net income of \$196.2 million in fiscal 2008. Diluted earnings per share for the 2009 fiscal year were \$2.00 (based on 62.6 million diluted shares outstanding), compared to \$3.04 per diluted share (based on 64.7 million diluted shares outstanding) in fiscal year 2008.

“We ended fiscal 2009 with a solid performance in the fourth quarter,” said David Sandler, President and Chief Executive Officer. “While we did experience extended shut downs by our customers during the period, they were not as severe as we had originally anticipated. Combined with our belief that we continue to take market share from weaker competitors and our strong operating cost controls, financial performance during the fourth quarter exceeded our original expectations. Overall, our results in the fiscal fourth quarter are indicative of our competitive advantages in the marketplace. MSC has the size, financial strength and breadth of service offerings necessary to help our customers achieve their total cost reduction goals for MRO supplies. This has been particularly true throughout this challenging economic environment, and we expect this competitive advantage to accelerate through any recovery in the marketplace.”

“The fourth quarter produced solid financial results,” said Chuck Boehlke, Executive Vice President and Chief Financial Officer. “We saw average daily sales performance improve throughout the quarter, resulting in sequential sales growth from fiscal 2009 third quarter levels, and margin performance was solid due to the various temporary and permanent cost reduction actions we have undertaken despite a pricing environment that remains highly competitive. MSC also continued its strong cash conversion performance, generating free cash flow (see Note 1) of \$262.7 million in fiscal 2009.”

Mr. Sandler concluded, “While our visibility remains limited, we are seeing some encouraging signs in the marketplace. We look at the eventual economic recovery as a significant opportunity for MSC, and will continue to focus our investment program on the opportunities that we believe will produce the greatest returns. As in the past, we will prudently balance our level of investment spending to maintain what we believe to be the right mix between short-term profitability and achieving our long-term growth objectives. Overall, we view this time as an extraordinary opportunity to gain market share, and we intend to take advantage of it.”

For the fiscal 2010 first quarter, the Company currently expects net sales of between \$378.0 million and \$390.0 million, and expects diluted earnings per share to be between \$0.46 and \$0.50. Expectations are based on MSC’s financial performance in the first several weeks of the first quarter of fiscal 2010. The Company cautioned that its guidance should be viewed in the context of the unprecedented market conditions and the resulting variability in actual results versus expectations.

The management of MSC will host a conference call today, at 11:00 a.m. Eastern Time, to review the Company’s results for the fourth quarter and 2009 fiscal year, and to comment on current operations. The call may be accessed via the Internet in the Investor Relations section (under “About MSC”) of MSC’s website located at: www.mscdirect.com. A replay of the conference call will be available on the Company’s website through November 4, 2009.

Note 1 - Free cash flow is defined as net cash provided by operating activities less expenditures for property, plant and equipment as shown on the Company’s consolidated statements of cash flows. Net cash provided by operating activities during the 2009 fiscal year was \$285.4 million. Expenditures for property, plant and equipment during the 2009 fiscal year were \$22.7 million. Management considers free cash flow to be an

important indicator of the Company's financial strength and the ability to generate liquidity because it reflects cash generated from operations that can be used for strategic initiatives, dividends, debt repayment and repurchases of the Company's stock. Free cash flow is not a measure determined in accordance with U.S. generally accepted accounting principles ("GAAP"), and may not be defined and calculated by other companies in the same manner. Free cash flow should not be considered a substitute for "Operating income," "Net income," "Net cash flows provided by operating activities" or any other measure determined in accordance with GAAP.

About MSC Industrial Direct Co., Inc.

MSC Industrial Direct Co., Inc. is one of the largest direct marketers and premier distributors of Metalworking and Maintenance, Repair and Operations ("MRO") supplies to industrial customers throughout the United States. MSC distributes approximately 600,000 industrial products from approximately 3,000 suppliers to approximately 343,000 customers. In-stock availability is approximately 99%, with next day standard delivery to the contiguous United States on qualifying orders up until 8:00 p.m. Eastern Time. MSC reaches its customers through a combination of approximately 29 million direct-mail catalogs and CD-ROMs, 97 branch sales offices, 939 sales people, the Internet and associations with some of the world's most prominent B2B e-commerce portals. For more information, visit the Company's website at <http://www.mscdirect.com>.

CAUTIONARY STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995. Statements in this Press Release may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Any statements contained herein which are not statements of historical facts and that address activities, events or developments that the Company expects, believes or anticipates will or may occur in the future, including statements about future expected net sales and diluted earnings per share, shall be deemed to be forward-looking statements. Forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Future events, actual results and performance, financial and otherwise, could differ materially from those set forth in or contemplated by the forward-looking statements herein. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. The inclusion of any statement in this release does not constitute an admission by MSC or any other person that the events or circumstances described in such statement are material. Factors that could cause actual results to differ materially from those in forward-looking statements include, without limitation, current economic, political and social conditions, changing customer and product mixes, financial restrictions on outstanding borrowings, industry consolidation, competition, general economic conditions in the markets in which the Company operates, 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, the risk of war, terrorism and similar hostilities, dependence on the Company's information systems and on key personnel, and the outcome of potential government or regulatory proceedings or future litigation relating to pending or future claims, inquiries or audits. 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 the Company's reports on Forms 10-K, 10-Q and 8-K that the Company files with the U.S. Securities and Exchange Commission. The forward-looking statements in this press release are based on current expectations and the Company assumes no obligation to update these forward-looking statements.

See financial tables in attachment.

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