
W.W. Grainger, Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEETS

(In thousands of dollars, except for share and per share amounts)

ASSETS	As of December 31,	
	2014	2013
CURRENT ASSETS		
Cash and cash equivalents	\$ 226,644	\$ 430,644
Accounts receivable (less allowances for doubtful accounts of \$22,121 and \$20,096, respectively)	1,172,924	1,101,656
Inventories – net	1,356,396	1,305,520
Prepaid expenses and other assets	102,669	115,331
Deferred income taxes	61,387	75,819
Prepaid income taxes	47,529	15,315
Total current assets	2,967,549	3,044,285
PROPERTY, BUILDINGS AND EQUIPMENT		
Land	337,573	277,256
Buildings, structures and improvements	1,269,491	1,259,237
Furniture, fixtures, machinery and equipment	1,508,066	1,404,597
	3,115,130	2,941,090
Less: Accumulated depreciation and amortization	1,790,784	1,732,528
Property, buildings and equipment – net	1,324,346	1,208,562
DEFERRED INCOME TAXES	16,718	16,209
GOODWILL	506,905	525,467
OTHER ASSETS AND INTANGIBLES – NET	468,734	471,805
TOTAL ASSETS	<u>\$5,284,252</u>	<u>\$5,266,328</u>

W.W. Grainger, Inc. and Subsidiaries

CONSOLIDATED BALANCE SHEETS – CONTINUED

(In thousands of dollars, except for per share amounts)

	As of December 31,	
LIABILITIES AND SHAREHOLDERS' EQUITY	2014	2013
CURRENT LIABILITIES		
Short-term debt.....	\$ 56,896	\$ 66,857
Current maturities of long-term debt	23,404	30,429
Trade accounts payable	554,088	510,634
Accrued compensation and benefits	191,696	185,905
Accrued contributions to employees' profit sharing plans	178,076	176,800
Accrued expenses	245,300	218,835
Income taxes payable	12,256	6,330
Total current liabilities	1,261,716	1,195,790
 LONG-TERM DEBT (less current maturities).....	 404,536	 445,513
 DEFERRED INCOME TAXES AND TAX UNCERTAINTIES	 95,455	 113,585
 EMPLOYMENT-RELATED AND OTHER NONCURRENT LIABILITIES.....	 238,444	 184,604
 SHAREHOLDERS' EQUITY		
Cumulative Preferred Stock –		
\$5 par value – 12,000,000 shares authorized;		
none issued or outstanding	—	—
Common Stock – \$0.50 par value –		
300,000,000 shares authorized; issued 109,659,219 shares.....	54,830	54,830
Additional contributed capital	948,340	893,055
Retained earnings	6,335,990	5,822,612
Accumulated other comprehensive (losses) earnings.....	(96,673)	28,914
Treasury stock, at cost – 42,227,178 and 40,805,281 shares, respectively.....	(4,032,615)	(3,548,973)
Total W.W. Grainger, Inc. shareholders' equity	3,209,872	3,250,438
Noncontrolling interest.....	74,229	76,398
Total shareholders' equity	3,284,101	3,326,836
 TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	 \$5,284,252	 \$5,266,328

The accompanying notes are an integral part of these consolidated financial statements.