Fiscal Fourth Quarter and Full Year 2021 Earnings Presentation

OCTOBER 20, 2021

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 historical fact, that address activities, events or developments that we expect, believe or anticipate will or may occur in the future, including statements about the future impact of COVID-19 on our business operations, 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. 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 presentation 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 the following, many of which are and will be amplified by the COVID-19 pandemic: the impact of the COVID-19 pandemic on our sales, operations and supply chain; general economic conditions in the markets in which we operate, including conditions resulting from the COVID-19 pandemic; changing customer and product mixes; 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; volatility in commodity and energy prices; the credit risk of our customers, including changes in credit risk as a result of the COVID-19 pandemic; the risk of customer cancellation or rescheduling of orders; difficulties in calibrating customer demand for our products, in particular personal protective equipment or “PPE” 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 or as a result of the COVID-19 pandemic) 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 resulting from the COVID-19 pandemic; changes to governmental trade policies, including the impact from significant import restrictions or tariffs; 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; the interest rate uncertainty due to the London InterBank Offered Rate (“LIBOR”) reform; the failure to comply with applicable environmental, health and safety laws and regulations, including government action in response to the COVID-19 pandemic, 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; and our principal shareholders exercise significant control over us, which may result in our taking actions or failing to take actions which our other shareholders do not prefer. 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 U.S. 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 Fourth Quarter 2021 Overview

Growth initiatives and macro environment drove double-digit sales growth

Solid underlying gross margins reflected strong execution on price realization and purchase cost performance in robust inflationary environment

Achieve full year fiscal 2021 Mission Critical* savings of $40 million and increased expected total program savings to at least $100 million by fiscal 2023

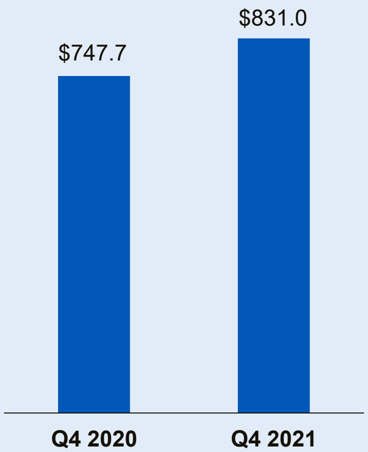
Both GAAP and Adjusted EPS achieved strong double-digit growth

Company announces fiscal 2022 annual operating margin framework and reaffirms fiscal 2022 incremental margin target of 20 percent

* See Appendix for more information about Mission Critical.

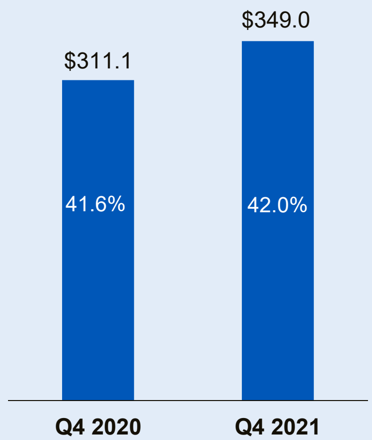
Fiscal Fourth Quarter 2021 Reported Results

Net Sales
(millions)



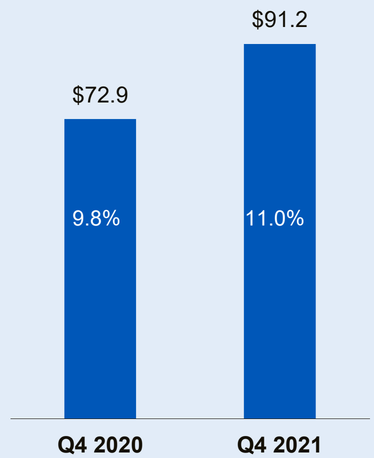
- Average Daily Sales (ADS) increased 12.9%
- Safety and janitorial product sales declined 14% YoY
- Sales for the rest of the business improved 20% YoY

Gross Profit
(millions and % of sales)



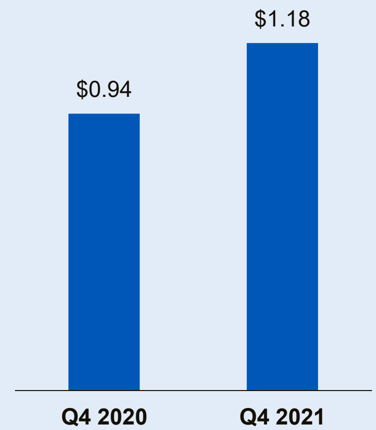
- 40 bps improvement reflects strong execution on price and cost initiatives to offset inflation

Operating Profit
(millions and % of sales)



- Operating profit includes $4.5 million of restructuring and other costs and $1.2 million of nonrecurring legal and acquisition related costs
- Operating margin up 120 bps due to higher gross profit and operating cost containment

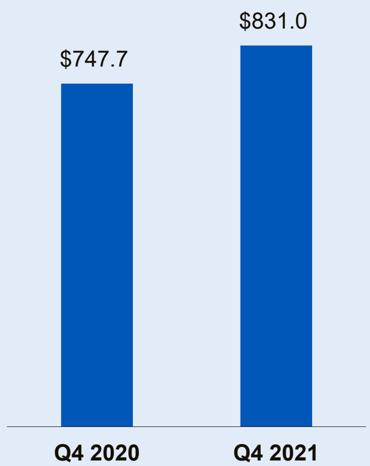
Earnings
(per diluted share)



- Reflects effective tax rate of 23.5% in Q4 2020 and 24.0% in Q4 2021
- Q4 2021 EPS includes approximately $0.06 impact from restructuring and other charges and $0.02 impact from nonrecurring legal and acquisition related costs

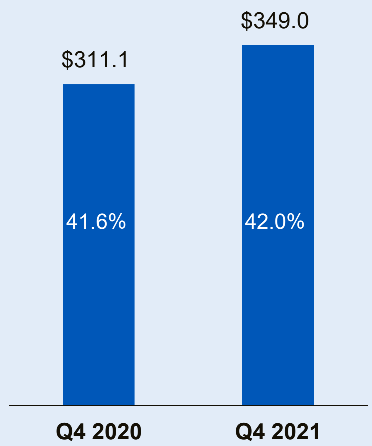
Fiscal Fourth Quarter 2021 Adjusted Results*

Net Sales
(millions)



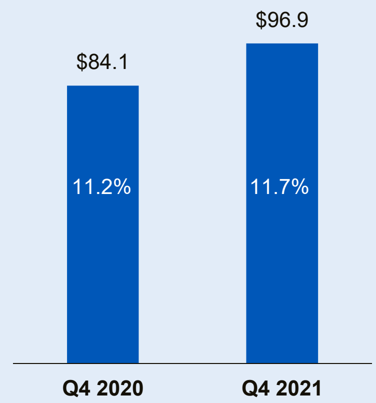
- Average Daily Sales (ADS) increased 12.9%
- Safety and janitorial product sales declined 14% YoY
- Sales for the rest of the business improved 20% YoY

Gross Profit
(millions and % of sales)



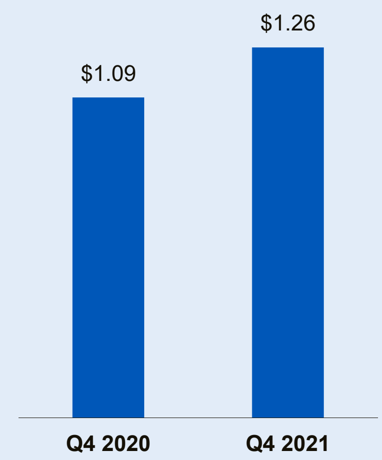
- 40 bps improvement reflects strong execution on price and cost initiatives to offset inflation

Adj. Operating Profit
(millions and % of sales)



- Adjusted operating profit in Q4 2021 excludes $4.5 million of restructuring costs and $1.2 million of nonrecurring legal and acquisition related costs
- Adjusted operating profit in Q4 2020 excludes $11.2 million in restructuring costs

Adj. Earnings
(per diluted share)

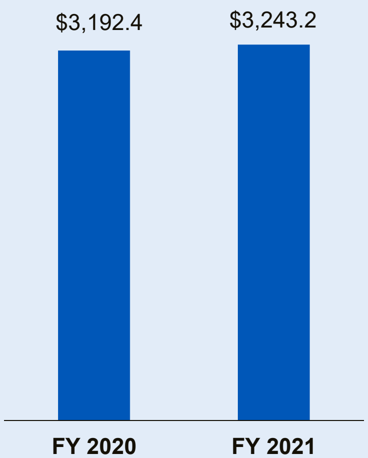


- Reflects adjusted effective tax rate of 23.5% in Q4 2020 and 24.0% in Q4 2021
- Q4 2021 adjusted EPS excludes $0.06 impact from restructuring and $0.02 impact from nonrecurring legal & acquisition related costs
- Q4 2020 adjusted EPS excludes $0.15 impact from restructuring costs

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

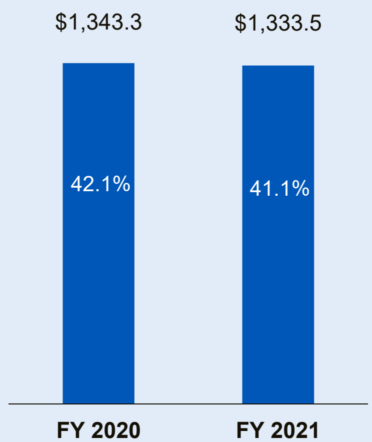
Fiscal Year 2021 Reported Results

Net Sales
(millions)



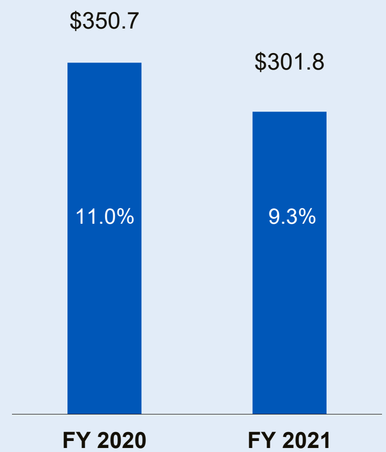
- Average Daily Sales (ADS) increased 1.6%
- Safety and janitorial product sales declined 12% YoY
- Sales for the rest of the business improved 5% YoY

Gross Profit
(millions and % of sales)



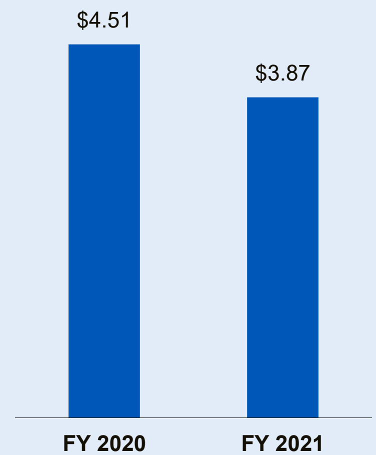
- 100 bps decline represents the $30.1 million of inventory write-downs related to PPE in fiscal Q2

Operating Profit
(millions and % of sales)



- FY 2021 operating profit includes $30.1 million of PPE inventory write-downs, $31.4 million of restructuring, $5.9 million of impairment loss, and $2.6 million of nonrecurring legal & acquisition related costs
- Operating margin down 170 bps due to above items

Earnings
(per diluted share)



- Reflects effective tax rate of 24.7% in FY 2020 and 24.4% in FY 2021
- FY 2021 EPS includes $0.41 impact from PPE inventory write-downs, $0.42 from restructuring, $0.08 from impairment loss, and $0.04 from nonrecurring legal & acquisition related costs

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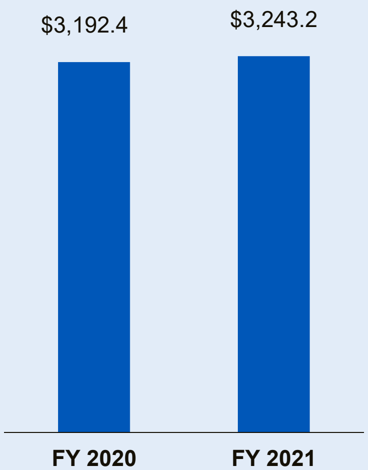
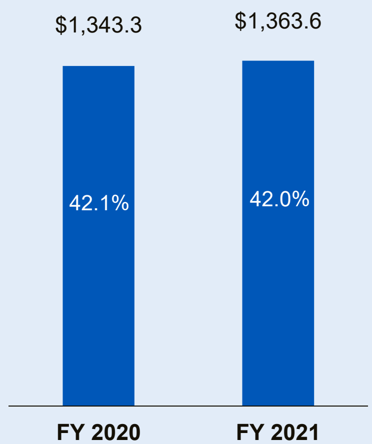
Fiscal Year 2021 Adjusted Results*

Net Sales
(millions)



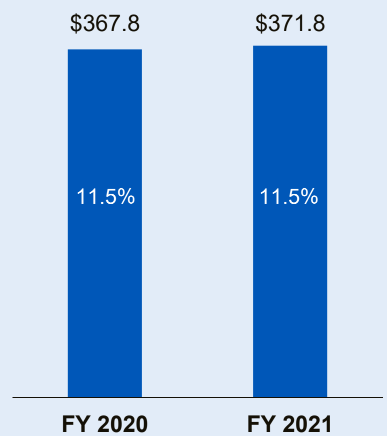
- Average Daily Sales (ADS) increased 1.6%
- Safety and janitorial product sales declined 12% YoY
- Sales for the rest of the business improved 5% YoY

Adjusted Gross Profit
(millions and % of sales)



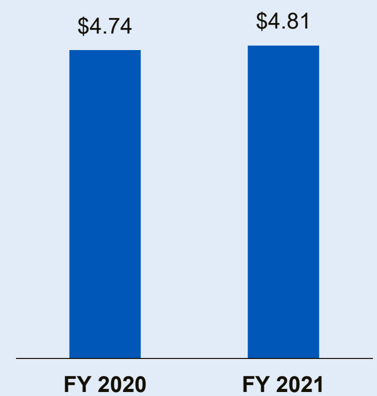
- YoY flat gross margin reflects strong execution on price and cost initiatives to offset inflation

Adjusted Operating Profit
(millions and % of sales)



- FY 2021 adjusted operating profit excludes $30.1 million of PPE inventory write-downs, $31.4 million of restructuring, $5.9 million of impairment loss, and $2.6 million of nonrecurring legal & acquisition related costs
- FY 2020 adjusted operating profit excludes $17.0 million in restructuring costs

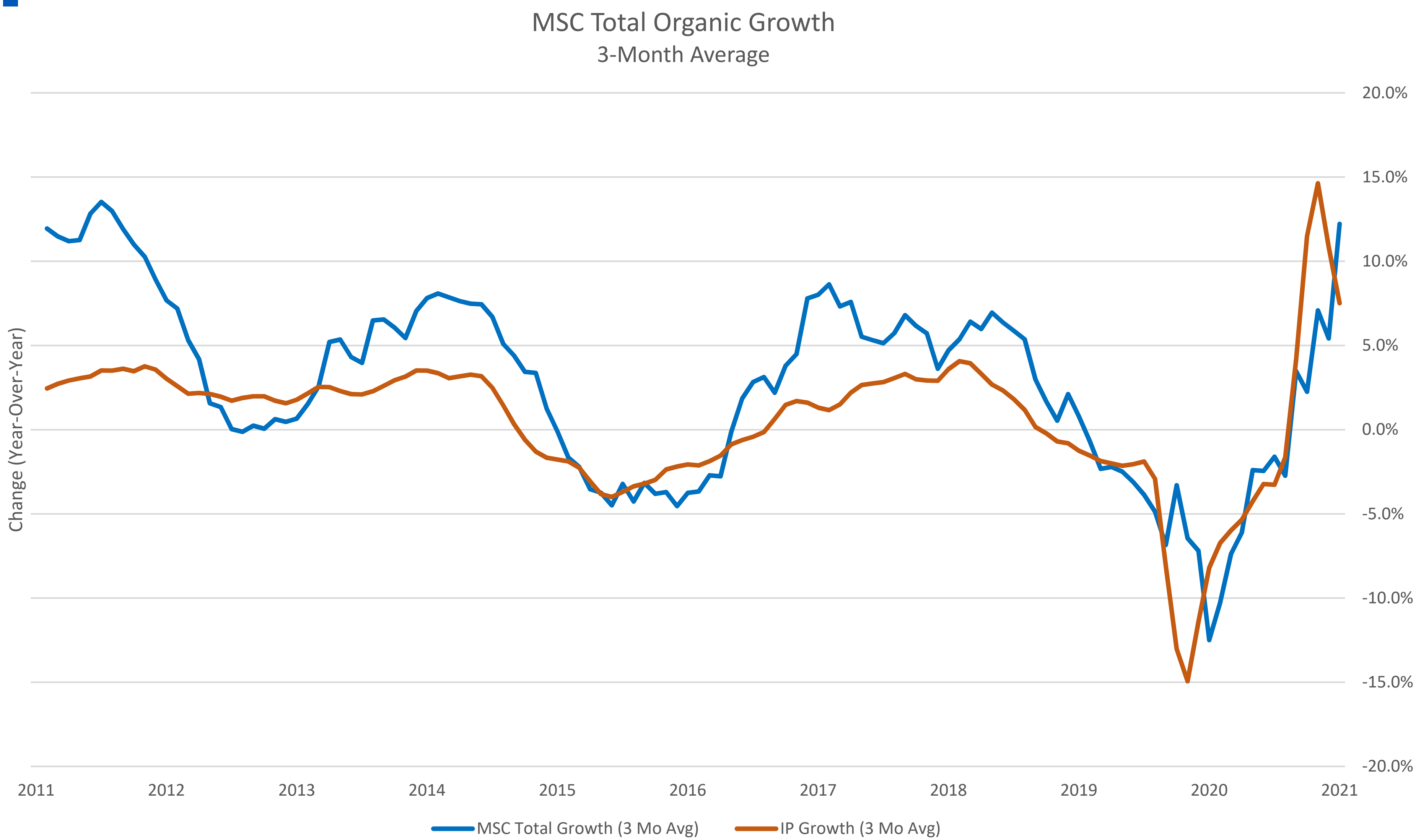
Adjusted Earnings
(per diluted share)



- Reflects adjusted effective tax rate of 24.7% in FY 2020 and 24.4% in FY 2021
- FY 2021 adjusted EPS excludes $0.41 impact from PPE inventory write-downs, $0.42 from restructuring, $0.08 from impairment loss, and $0.04 from nonrecurring legal & acquisition related costs
- FY 2020 adjusted EPS excludes $0.23 impact from restructuring costs

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

Industrial Production Index (IP)



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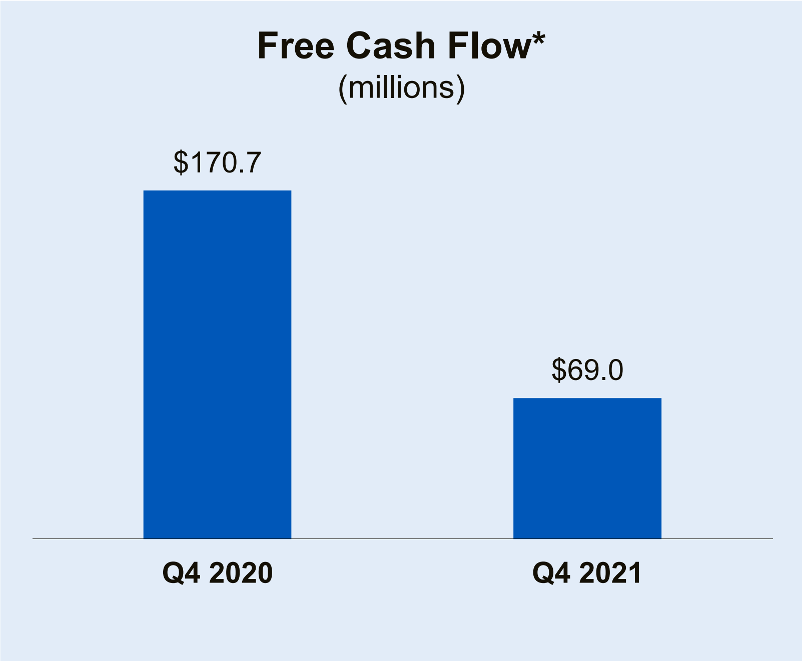
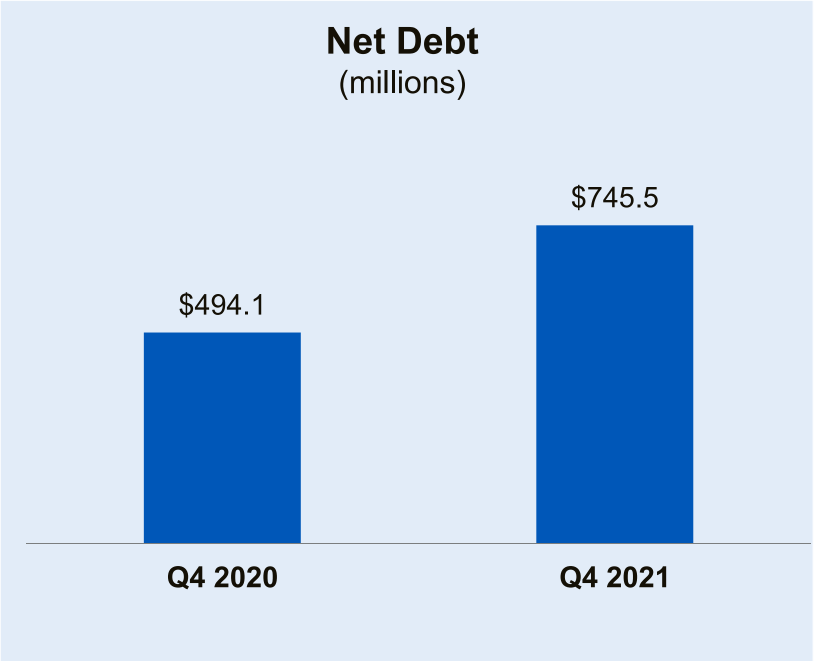
Fiscal Fourth Quarter 2021 Balance Sheet and Liquidity Position



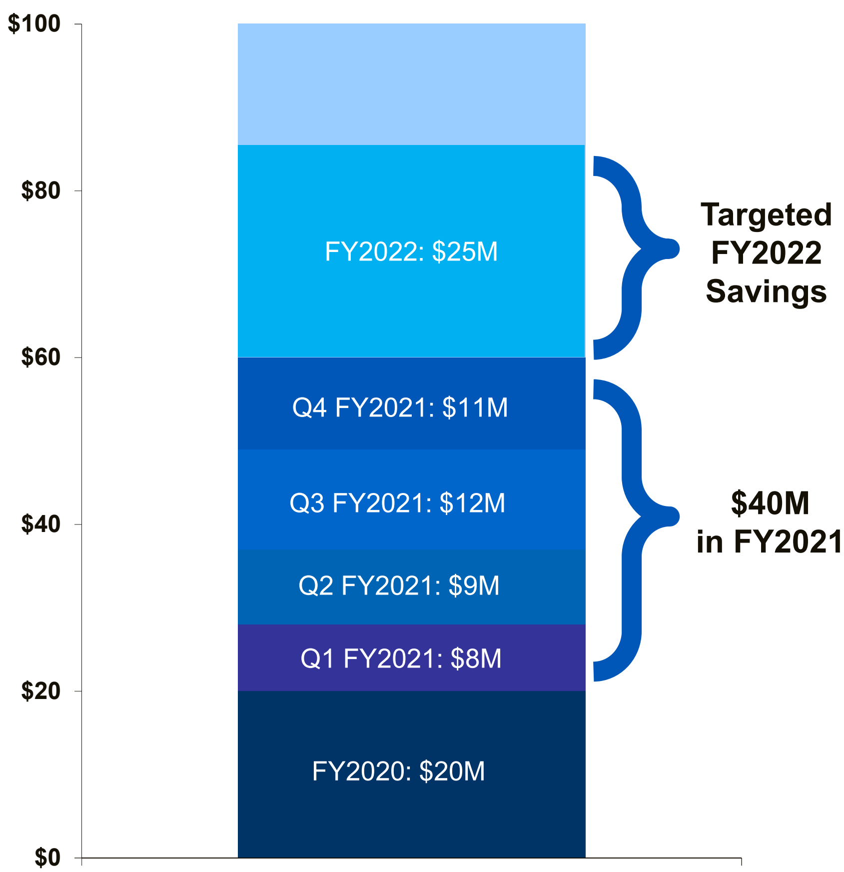


- Free cash flow decline reflects increases in inventory and accounts receivable related to sales growth, as well as significant cash generation in the year ago period due to extremely soft macro environment
- Repurchased $20 million of shares and paid $42 million in dividends

* 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



KEY AREAS

Sales and service	Supply chain	General & Administrative

- FY21 growth investments ~$23M
- Net savings of ~$17M in FY21
- Established FY22 targets of $25M in savings and $15M in investments
- Targeting at least $100M in total program savings by end of FY23 versus FY19
- Projected improvement in OpEx to Sales ratio of roughly 200 bps by end of FY23

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Fiscal 2022 Framework – Adjusted

ADS Growth (YoY)[1]	Adjusted Operating Margin Range[2]
▲ High single digits	12.0%- 12.4%
▲ Mid-single digits	11.5%- 11.9%

[1]Based on current IP forecasts.
[2]Excludes approximately $5-$10 million of restructuring and other related costs.

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Summary

Focused on executing in an improving environment and remain committed to serving our customers

Encouraged by momentum as evidenced by improving results and project execution

Implementation of Mission Critical initiatives expected to drive above market growth and improve profits faster than sales

Appendix

Overview of Mission Critical

OBJECTIVE: Reaccelerate market share capture					**OBJECTIVE:** Grow profits faster than sales		
KEY PRIORITIES					**KEY AREAS**		
Solidify Metalworking	**Leverage Portfolio Strength**	**Expand Solutions**	**Grow E-commerce**	**Diversify Customers & End Markets**	**Sales & Services**	**Supply Chain**	**General & Administrative**
GOAL: Outgrow market by at least 400 bps over cycle					**GOAL:** Achieve high-teens ROIC* by end of fiscal 2023		

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

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Mission Critical: Reaccelerate Market Share Capture

OBJECTIVE:
Reaccelerate market share capture

KEY PRIORITIES

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

GOAL:
Outgrow market by at least 400 bps over cycle

INITIATIVES

- Build on talented team of metalworking specialists
- Leverage exclusive MSC MillMax™ technology
- Increase investments in Vending, VMI and in-plant solutions programs
- Elevate website and other digital tools
- Scale our presence in counter cyclical businesses

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Mission Critical: Grow Profits Faster than Sales

INITIATIVES

- Optimize distribution center network
- Renegotiated supplier contracts
- Redesigned talent acquisition approach
- Reduced cost of long-term freight contracts
- Voluntary early retirement program
- Review of real estate footprint

OBJECTIVE:
Grow profits faster than sales

KEY AREAS

- Sales & Services
- Supply Chain
- General & Administrative

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

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

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Reconciliations

<u>Non-GAAP Financial Measures</u>

- ***Free Cash Flow ("FCF")***

FCF is a non-GAAP financial measure. FCF is used in addition to and in conjunction with results presented in accordance with accounting principles generally accepted in the United States ("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 years ended August 28, 2021 and August 29, 2020, respectively is shown below.

- ***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

- ***Results Excluding Impairment Loss (Loss Recovery), Restructuring Costs, Inventory Write-downs Relating to Certain PPE Inventory, Legal and Acquisition Costs, and Other Related Costs and Tax Effects***

To supplement MSC's unaudited and audited 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 impairment losses (loss recovery), restructuring costs, inventory write-downs related to certain PPE inventory, legal and acquisition costs, and other related 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.

In calculating non-GAAP financial measures, we exclude impairment losses (loss recovery), restructuring costs, inventory write-downs related to certain PPE inventory, legal and acquisition costs, and other related 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.

Reconciliations

MSC INDUSTRIAL SUPPLY CO. AND SUBSIDIARIES
Reconciliation of GAAP and Non-GAAP Financial Information
Quarters and Years Ended August 28, 2021 and August 29, 2020
(dollars in thousands)

GAAP Financial Measure		Items Affecting Comparability		Non-GAAP Financial 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	
August 28, 2021	August 29, 2020	August 28, 2021	August 29, 2020	August 28, 2021	August 29, 2020
$ 85,102	$ 181,798	$ (16,148)	$ (11,071)	$ 68,954	$ 170,727

GAAP Financial Measure		Items Affecting Comparability		Non-GAAP Financial Measure	
Net cash provided by operating activities		Expenditures for property, plant and equipment		Free cash flow	
Fiscal Year Ended		Fiscal Year Ended		Fiscal Year Ended	
August 28, 2021	August 29, 2020	August 28, 2021	August 29, 2020	August 28, 2021	August 29, 2020
$ 224,462	$ 396,739	$ (53,746)	$ (46,991)	$ 170,716	$ 349,748

Reconciliations

MSC INDUSTRIAL DIRECT CO., INC.
Reconciliation of GAAP and Non-GAAP Financial Information
Thirteen Weeks Ended August 28, 2021
(dollars in thousands, except percentages and per share data)

	GAAP Financial Measure	Items Affecting Comparability		Non-GAAP Financial Measure
	Total MSC	Restructuring Costs	Legal and Acquisition Costs[(1)]	Adjusted Total MSC
Net Sales	$ 831,031	$ -	$ -	$ 831,031
Cost of Goods Sold	482,056	-	-	482,056
Gross Profit	348,975	-	-	348,975
Gross Margin	*42.0%*	-	-	*42.0%*
Operating Expenses	253,312	-	1,199	252,113
Operating Exp as % of Sales	*30.5%*	-	*0.1%*	*30.3%*
Restructuring Costs	4,449	4,449	-	-
Income from Operations	91,214	(4,449)	(1,199)	96,862
Operating Margin	*11.0%*	*-0.5%*	*-0.1%*	*11.7%*
Total Other Expense	(4,534)	-	-	(4,534)
Income before provision for income taxes	86,680	(4,449)	(1,199)	92,328
Provision for income taxes	20,803	(922)	(249)	21,974
Net income	65,877	(3,527)	(950)	70,354
Net income attributable to noncontrolling interest	(57)	-	-	(57)
Net income attributable to MSC	$ 65,934	$ (3,527)	$ (950)	$ 70,411
Net income per common share:				
Diluted	$ 1.18	$ (0.06)	$ (0.02)	$ 1.26

(1) Legal and acquisition costs incurred during the fourth fiscal quarter includes $180 related to the impairment of prepaid PPE and 1,019 related to the acquisitions of Wm. F. Hurst Co., LLC and the outsourcing and logistics business of TAC Insumos Industriales, S. de R.L. de C.V. and certain of its affiliates.

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

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Reconciliations

MSC INDUSTRIAL DIRECT CO., INC.
Reconciliation of GAAP and Non-GAAP Financial Information
Year Ended August 28, 2021
(dollars in thousands, except percentages and per share data)

	GAAP Financial Measure	Items Affecting Comparability				Non-GAAP Financial Measure
	Total MSC	Inventory Write-down	Restructuring Costs	Impairment Loss, net	Legal and Acquisition Costs[(1)]	Adjusted Total MSC
Net Sales	$ 3,243,224	$ -	$ -	$ -	$ -	$ 3,243,224
Cost of Goods Sold	1,909,709	30,091	-	-	-	1,879,618
Gross Profit	1,333,515	(30,091)	-	-	-	1,363,606
Gross Margin	*41.1%*	*-0.9%*	-	-	-	*42.0%*
Operating Expenses	994,468	-	-	-	2,620	991,848
Operating Exp as % of Sales	*30.7%*	-	-	-	*0.1%*	*30.6%*
Impairment Loss, net	5,886	-	-	5,886	-	-
Restructuring Costs	31,392	-	31,392	-	-	-
Income from Operations	301,769	(30,091)	(31,392)	(5,886)	(2,620)	371,758
Operating Margin	*9.3%*	*-0.9%*	*-1.0%*	*-0.2%*	*-0.1%*	*11.5%*
Total Other Expense	(13,390)	-	-	-	-	(13,390)
Income before provision for income taxes	288,379	(30,091)	(31,392)	(5,886)	(2,620)	358,368
						-
Provision for income taxes	70,442	(7,309)	(7,625)	(1,430)	(636)	87,442
Net income	217,937	(22,782)	(23,767)	(4,456)	(1,984)	270,926
Net income attributable to noncontrolling interest	1,030	-	-	-	-	1,030
Net income attributable to MSC	$ 216,907	$ (22,782)	$ (23,767)	$ (4,456)	$ (1,984)	$ 269,896
Net income per common share:						
Diluted	$ 3.87	$ (0.41)	$ (0.42)	$ (0.08)	$ (0.04)	$ 4.81

(1) Legal and acquisition costs incurred during fiscal year 2021 include $1,601 related to the impairment of prepaid PPE and $1,019 related to the acquisitions of Wm. F. Hurst Co., LLC and the outsourcing and logistics business of TAC Insumos Industriales, S. de R.L. de C.V. and certain of its affiliates.
*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 and Year Ended August 29, 2020
(dollars in thousands, except percentages and per share data)

	GAAP Financial Measure Total MSC		Items Affecting Comparability Restructuring Costs		Non-GAAP Financial Measure Adjusted Total MSC	
	Thirteen Weeks Ended August 29, 2020	Year Ended August 29, 2020	Thirteen Weeks Ended August 29, 2020	Year Ended August 29, 2020	Thirteen Weeks Ended August 29, 2020	Year Ended August 29, 2020
Net Sales	$ 747,732	$ 3,192,399	$	$	$ 747,732	$ 3,192,399
ADS Growth %	*(12.7)%*	*(5.1)%*	-	-	*(12.7)%*	*(5.1)%*
Cost of Goods Sold	436,620	1,849,077	-	-	436,620	1,849,077
Gross Profit	311,112	1,343,322	-	-	311,112	1,343,322
Gross Margin	*41.6%*	*42.1%*	-	-	*41.6%*	*42.1%*
Operating Expenses	227,034	975,553	-	-	227,034	975,553
Operating Exp as % of Sales	*30.4%*	*30.6%*	-	-	*30.4%*	*30.6%*
Restructuring Costs	11,158	17,029 [(1)]	11,158	17,029 [(1)]	-	-
Income from Operations	72,920	350,740	(11,158)	(17,029)	84,078	367,769
Operating Margin	*9.8%*	*11.0%*	*-1.5%*	*-0.5%*	*11.2%*	*11.5%*
Total Other Expense	(4,115)	(16,490)	-	-	(4,115)	(16,490)
Income before provision for income taxes	68,805	334,250	(11,158)	(17,029)	79,963	351,279
Provision for income taxes	16,169	82,492	(2,622)	(4,206)	18,791	86,698
Net income	52,636	251,758	(8,536)	(12,823)	61,172	264,581
Net income attributable to noncontrolling interest	140	641	-	-	140	641
Net income attributable to MSC	$ 52,496	$ 251,117	$ (8,536)	$ (12,823)	$ 61,032	$ 263,940
Net income per common share:						
Diluted	$ 0.94	$ 4.51	$ (0.15)	$ (0.23)	$ 1.09	$ 4.74

(1) Restructuring costs were incurred in each fiscal quarter as follows: $2,571 in fiscal Q1, $1,941 in fiscal Q2, $1,359 in fiscal Q3, and $11,158 in fiscal Q4.
*Individual amounts may not agree to the total due to rounding

MSC

Reconciliations

MSC INDUSTRIAL DIRECT CO., INC.
Reconciliation of GAAP and Non-GAAP Financial Information
Years Ended August 28, 2021 and August 29, 2020
(dollars in thousands, except percentages)

	Fiscal Year Ended August 28, 2021	Fiscal Year Ended August 29, 2020
(a) Net income attributable to MSC Industrial	$ 216,907	$ 251,117
NOPAT		
Income from Operations (twelve-month trailing)	301,769	350,740
Effective tax rate	24.4%	24.7%
(b) Non-GAAP NOPAT	228,056	264,177
(c) Adjusted Non-GAAP NOPAT[(1)]	280,949	277,005
Invested Capital		
Total MSC Industrial shareholders' equity	$ 1,150,871	$ 1,314,945
Current portion of debt including obligations under finance leases	202,433	122,248
Long-term debt including obligations under finance leases	583,616	497,018
Total Debt	786,049	619,266
Cash and cash equivalents	40,536	125,211
Net debt	745,513	494,055
Invested capital	1,896,384	1,809,000
(d) Average invested capital (thirteen-month trailing average)	1,823,088	1,876,934
(e) Adjusted average invested capital (thirteen-month trailing average)	1,829,147	1,878,711
(a)/(d) Net income to Average invested capital	11.9%	13.4%
(b)/(d) Non-GAAP ROIC	12.5%	14.1%
(c)/(e) Adjusted Non-GAAP ROIC	15.4%	14.7%

(1) Adjusted Non-GAAP NOPAT excludes $31.4 million of restructuring costs, $30.1 million PPE-related impairment, a $5.9 million impairment charge and $2.6 million of other charges, net of an associated tax benefit of $17.1 million.

MSC