2023 FIRST QUARTER

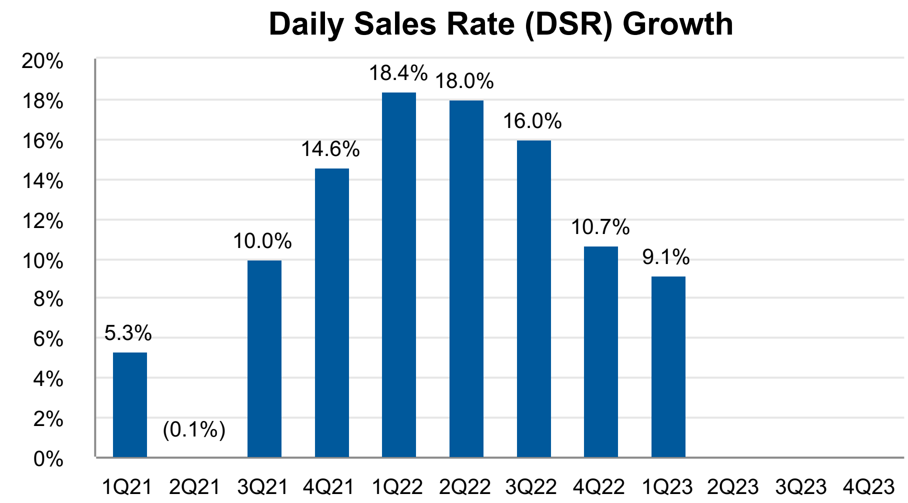
INVESTOR
TELECONFERENCE
APRIL 13, 2023

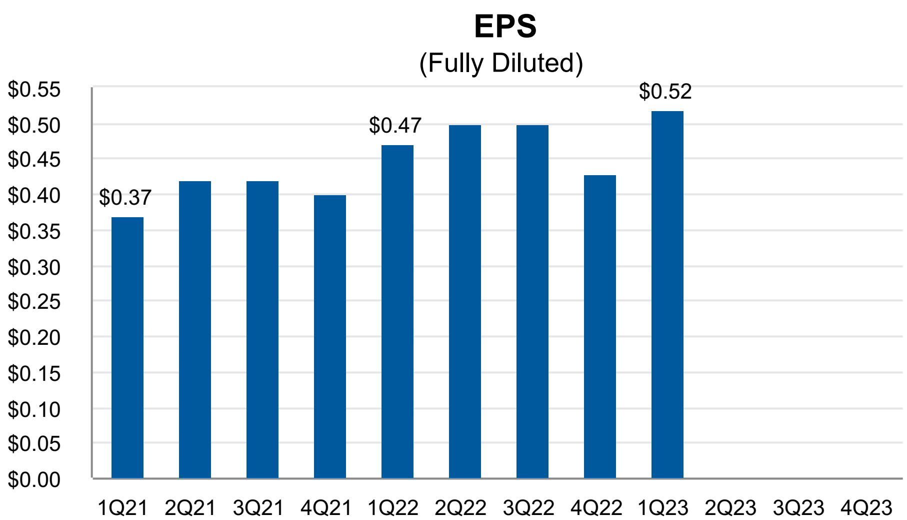
FASTENAL®
WHERE **INDUSTRY** MEETS **INNOVATION** ™

SAFE HARBOR STATEMENT

All statements made herein that are not historical facts (e.g., future operating results and business activity, as well as expectations regarding operations, including gross margin, future inventory levels, pricing, Onsite and weighted FMI device signings, the size of our U.S./Canada network of traditional branches, operating costs, capital expenditures, digital footprint, and supply chain matters) are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially. More information regarding such risks can be found in our most recent annual and quarterly reports filed with the Securities and Exchange Commission. Any numerical or other representations in this presentation do not represent guidance by management and should not be construed as such. The appendix to the following presentation includes non-GAAP financial measures. Information required by Regulation G with respect to such non-GAAP financial measures can be found in the appendix including a comparison to the comparable GAAP measures.

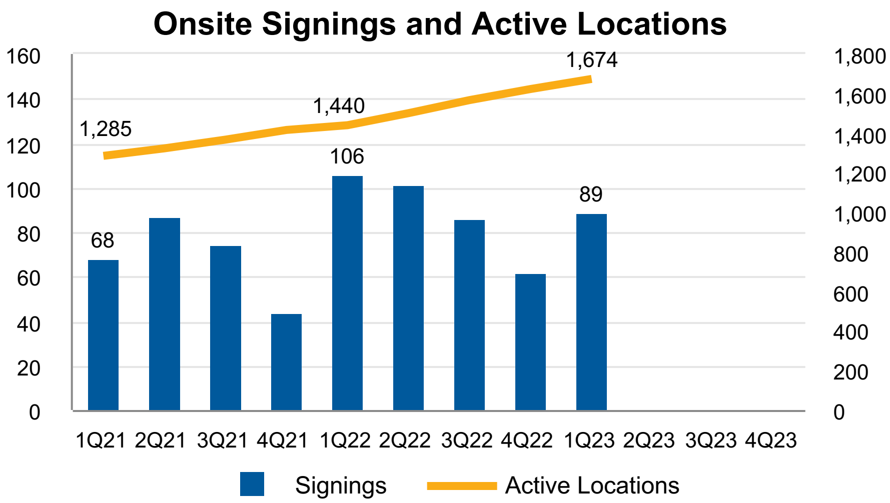
CEO MESSAGES ON 1Q23

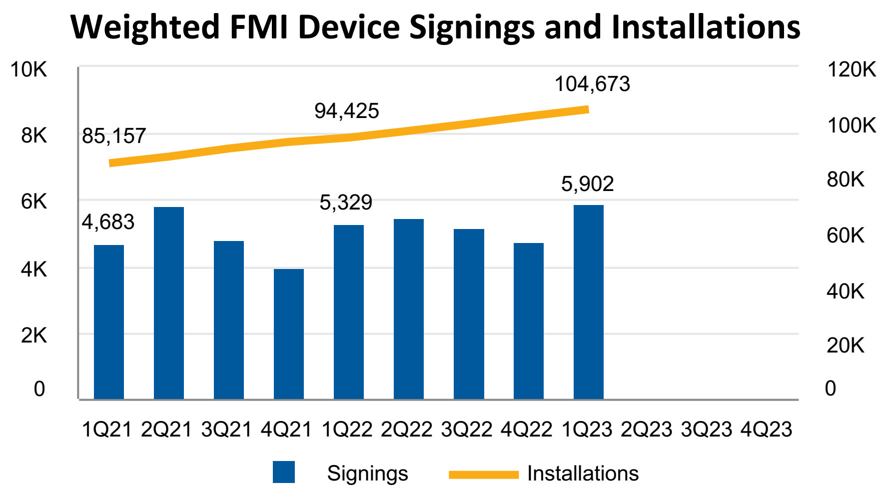




- We just completed our 2023 Customer Expo, which highlighted our value to customers in four areas: (1) accelerating their digital transformation, (2) securing their supply chain, (3) powering productivity, and (4) enhancing their ESG journey.
- 1Q23 EPS were $0.52, an increase of 10.4%. This was a product of daily sales growth of 9.1%, good expense control and incremental margin, and a lower share base following last year's more active repurchase activity.
- March daily sales growth was relatively softer, likely due to manufacturers tightening spending and adjusting production to reflect more streamlined supply chains.
- Since 1Q19, operating costs have fallen from 27.8% of sales to 24.6% of sales, and inventory on hand has fallen from 175.3 days to 153.6 days. We believe technology investments and structural shifts in our go-to-market approach has improved our business' long-term operating leverage and asset intensity.
- In 1Q23, we produced $388.5 in operating cash, up 68.9% from 1Q22 and representing 131.7% of net earnings. Improved global supply chain predictability and reliability for our products have normalized to near pre-pandemic levels. This has allowed us to actively rationalize working capital.

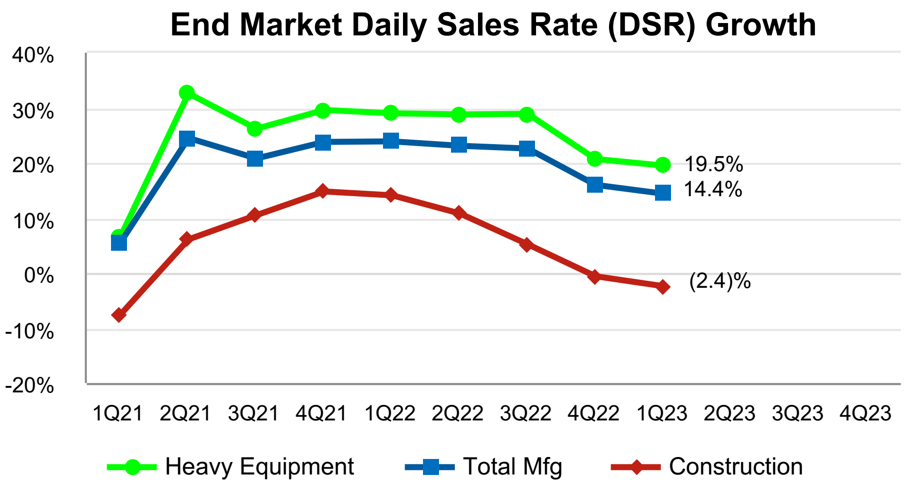
1Q23 GROWTH DRIVER UPDATE

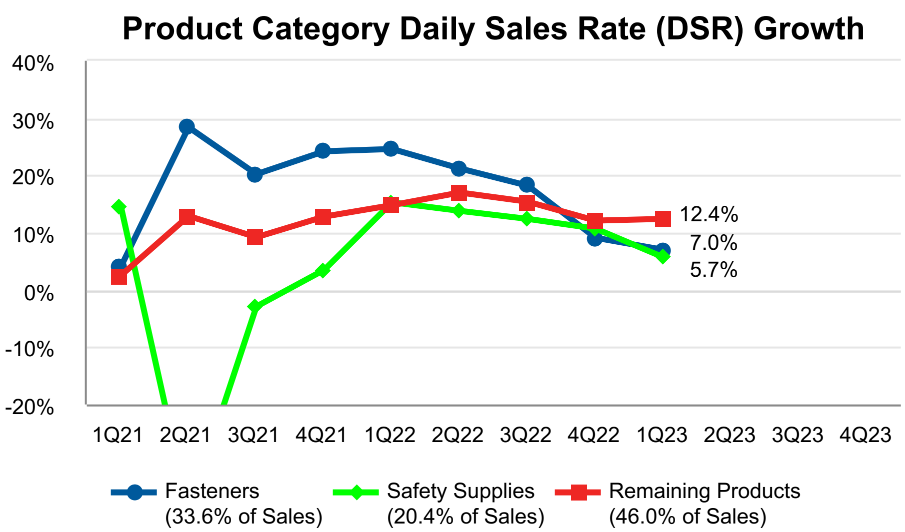




- **Onsites:** We had 89 signings in 1Q23. Active sites finished at 1,674, +16.3% from 1Q22. Daily sales, excluding transferred branch sales, grew roughly 20% from 1Q22. The pace of 1Q23 signings lagged our expectations. Still, signings can be lumpy, and our 375 to 400 signings goal is unchanged.
- **FMI Technology:** We signed 5,902 weighted devices (92/day) in 1Q23, versus 5,329 (83/day) in 1Q22. March 2023 weighted device signings were a record 99/day. Our installed base was 104,673 weighted devices, +10.9% from 1Q22. Activity through our FMI technology platform represented 39.4% of sales in 1Q23, versus 35.4% of sales in 1Q22 and 28.7% of sales in 1Q21. Our 2023 signings goal remains 23,000 to 25,000 MEU of FASTBin and FASTVend units.
- **eCommerce:** Daily sales rose 48.7% in 1Q23. Large customer-oriented electronic data interface (EDI) was up 42.2%, while web sales were up 69.5%.
- Sales through our **Digital Footprint** (FMI technology plus non-FMI-related eCommerce) was 54.1% of sales in 1Q23, versus 47.0% in 1Q22. Our goal is for 65% of our sales to be running through our Digital Footprint at some point in 2023, with potential to hit 85% in the longer term.

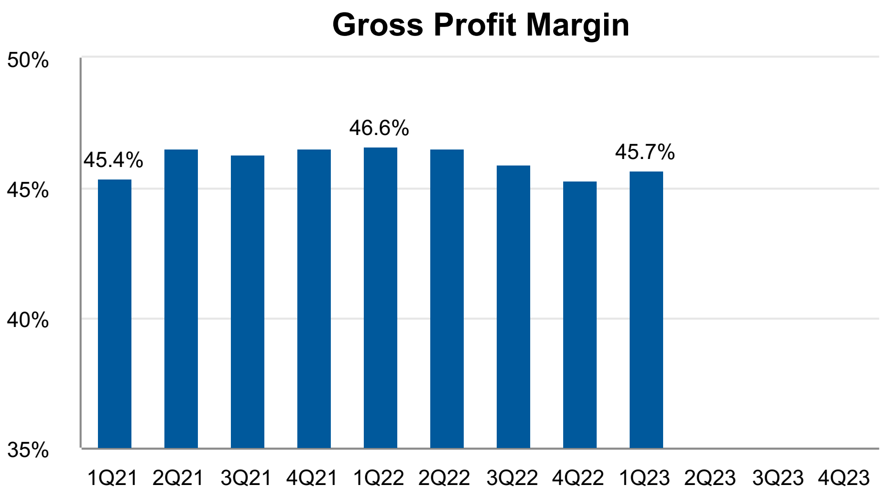
1Q23 BUSINESS CADENCE

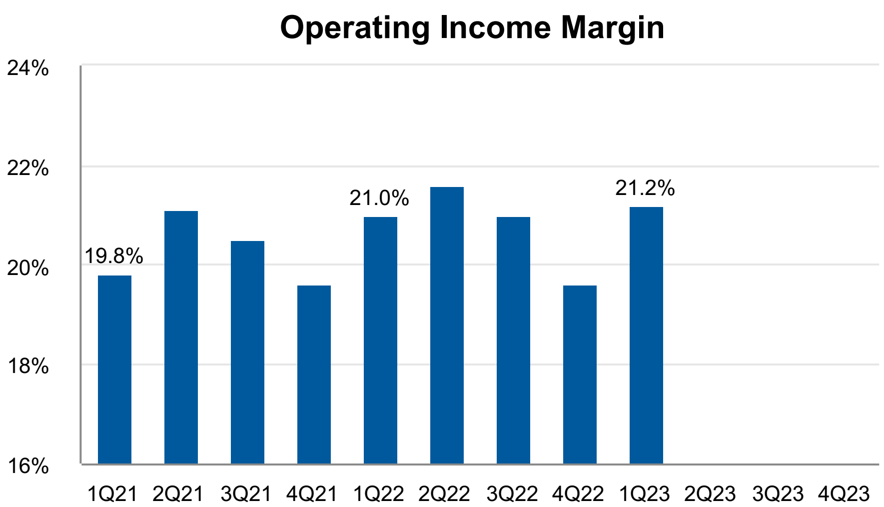




- U.S. Industrial Production declined 0.2% in Jan./Feb. 2023 over 1Q22, with key industrial components lagging the broader index. U.S. PMI was 46.3 in March and averaged 47.1 in 1Q23. Such readings are generally consistent with slowing manufacturing demand.
- March daily sales growth (+6.8%) was weaker than in previous months and finished soft. Customers were more tightly controlling operating and capital spending, while actively adjusting production to reflect improved supply chains.
- Price added 290 to 320 bps to growth in 1Q23, moderating from 4Q22 (350 to 380 bps contribution). We took targeted price actions late in the quarter in our non-fastener and non-safety lines to address margin pressure that we began to experience in the latter half of 2022.
- **Fastener** daily sales were +7.0% in 1Q23. This tends to be our most cyclical product category, and the slowing in March (+2.3%), likely relates to lower manufacturing activity. **Safety** daily sales were +5.7% in 1Q23. **Other products** daily sales were +12.4% in 1Q23. **Freight** daily sales were +13.8% in 1Q23.
- **National Accounts'** daily sales rose 13.6% in 1Q23, with 82 of our Top 100 customers growing. **Non-National Account** daily sales rose 3.4% in 1Q23, with 59.6% of our branches growing.

1Q23 MARGIN SUMMARY

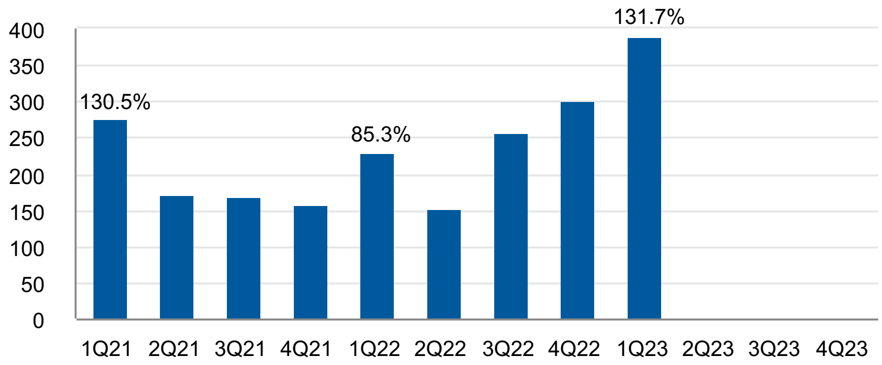




- Our 1Q23 operating margin was 21.2%, up from 21.0% in 1Q22. Our incremental operating margin was 22.7%.
- 1Q23 gross margin was 45.7%, down from 46.6% in 1Q22. This was largely due to customer and product mix, as our strongest sources of growth came from our Onsite locations and in non-fastener products, each of which tend to carry lower gross margins.
- We experienced strong margin contribution from freight in 1Q23. Freight daily sales were up 13.8%, generating good leverage of our relatively stable fleet costs. We also experienced significant declines in container costs and the number of containers imported.
- Price/cost and lower product margins reduced gross margin in 1Q23, but more narrowly than in 4Q22. This is mostly from improving fastener costing given lower transportation and material prices. We initiated pricing actions for our other products categories. This was done late in 1Q23, so the impact in the current quarter was modest.
- In 1Q23, our operating expenses were 24.6% of net sales, improved from 25.5% in 1Q22. We leveraged employee costs, with slower growth resulting in lower incentive compensation. We also leveraged occupancy expenses as a result of our branch rationalization.

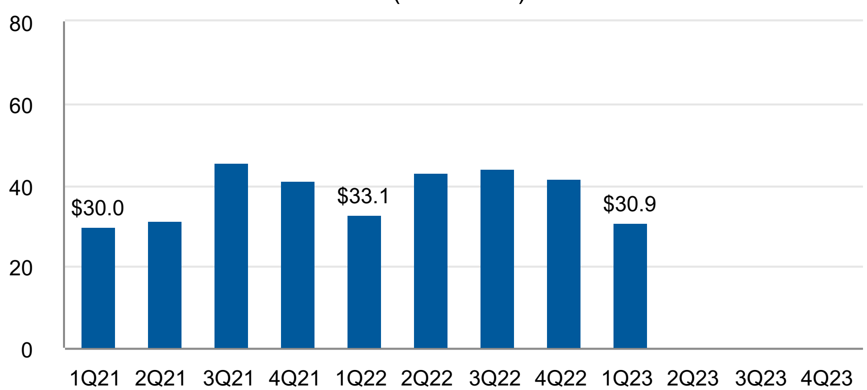
1Q23 CASH FLOW PROFILE

Operating Cash Flow
(in millions)



Percentages above the bar represent OCF as a % of Net Earnings

Net Capital Expenditures
(in millions)



Net Capital Expenditures = Property & Equipment, net of Proceeds from Sales

2023(E) Net CapEx: $210.0 to $230.0; 2022(A) Net CapEx: $162.4

- 1Q23 operating cash flow was $388.5, or 131.7% of net earnings. The improvement in the current period reflects the absence of last year's supply chain constraints, which has reduced the working capital required to support our customer's operations.
- Accounts receivable rose 7.3% on higher sales and relative growth in larger customers that tend to have longer terms.
- Inventory rose 3.2% on increased sales. The balance grew at a slower pace than sales for two reasons. First, normalization of global supply chains relative to the same period a year ago allows us to support our customers' growth with less working capital on hand. Second, inflation was not a material factor in our inventory growth in 1Q23, in contrast to the substantial impact higher product costs had in the prior year's quarter.
- Net capital spending was $30.9 in 1Q23. Our 2023 net capital spending range remains $210.0 to $230.0, reflecting facility upgrades and automation, equipment for our vehicle fleet, and information technology investments.
- We returned $199.8 of capital to shareholders through dividends in 1Q23. Balance sheet debt was 10.9% of total capital in 1Q23 versus 10.4% in 1Q22, from the repurchase of $237.8 of our common stock over the past twelve months. Our capital structure remains flexible.

APPENDIX

Non-GAAP Financial Measures

The appendix includes information on our Return on Invested Capital ('ROIC'), which is a non-GAAP financial measure. We define ROIC as net operating profit less income tax expense divided by average invested capital over the trailing 12 months. We believe ROIC is a useful financial measure for evaluating the efficiency and effectiveness of our use of capital and believe ROIC is an important driver of shareholder return over the long-term. Our method of determining ROIC may differ from the methods of other companies, and therefore may not be comparable to those used by other companies. Management does not use ROIC for any purpose other than the reasons stated above.

The tables that follow on page 9 include a reconciliation of the calculation of our return on total assets ('ROA') (which is the most closely comparable GAAP financial measure) to the calculation of our ROIC for the periods presented.

RETURN ON INVESTED CAPITAL*

Calculation of Return on Invested Capital

(Amounts in millions)		TTM 1Q23	TTM 1Q22
Operating Income	$	1,488.8	1,295.1
Income Tax Expense		(361.5)	(301.6)
NOPAT	$	1,127.3	993.5
Total Current Assets	$	3,097.8	2,824.1
Cash and Cash Equivalents		(237.0)	(284.1)
Accounts Payable		(278.4)	(252.5)
Accrued Expenses		(248.7)	(267.0)
Property & Equipment, Net		1,006.0	1,015.2
Other Assets		418.2	431.3
Invested Capital	$	3,757.9	3,467.0
ROIC		**30.0%**	**28.7%**

Reconciliation of ROIC to Return on Assets (ROA)

(Amounts in millions)		TTM 1Q23	TTM 1Q22
Net Earnings	$	1,112.4	984.0
Total Assets	$	4,521.9	4,270.6
ROA		**24.6%**	**23.0%**
NOPAT	$	1,127.3	993.5
Add: Income Tax Expense		361.5	301.6
Operating Income		1,488.8	1,295.1
Add: Interest Income		1.0	0.2
Subtract: Interest Expense		(15.9)	(9.7)
Subtract: Income Tax Expense		(361.5)	(301.6)
Net Earnings	**$**	**1,112.4**	**984.0**
Invested Capital	$	3,757.9	3,467.0
Add: Cash and Cash Equivalents		237.0	284.1
Add: Accounts Payable		278.4	252.5
Add: Accrued Expenses		248.7	267.0
Total Assets	**$**	**4,521.9**	**4,270.6**

* Amounts may not foot due to rounding differences.

SEQUENTIAL TRENDS*

Daily Sales Rate (DSR) BENCHMARKS	Jan.*	Feb.	Mar.	Chg., Jan. to Mar.	Apr.	May	Jun.	Chg., Jan. to Jun.	Jul.	Aug.	Sep.	Chg., Jan. to Sep.	Oct.	Chg., Jan. to Oct.	Nov.	Dec.
BENCHMARK**	0.2%	1.5%	3.8%	5.4%	(0.5%)	2.7%	2.0%	9.8%	(3.1%)	2.9%	3.6%	13.4%	(1.9%)	11.2%	(3.5%)	(6.6%)
2023 DSR	(0.4%)	1.7%	1.0%	2.6%												
Delta v. Benchmark	*(0.6%)*	*0.1%*	*(2.9%)*	*(2.8%)*												
2022 DSR	1.7%	3.1%	3.6%	6.9%	(1.2%)	3.2%	0.2%	9.2%	(1.6%)	1.3%	2.7%	11.8%	(0.1%)	11.7%	(4.3%)	(6.6%)
Delta v. Benchmark	*1.5%*	*1.6%*	*(0.2%)*	*1.5%*	*(0.7%)*	*0.6%*	*(1.7%)*	*(0.5%)*	*1.5%*	*(1.6%)*	*(0.9%)*	*(1.5%)*	*1.8%*	*0.5%*	*(0.8%)*	*0.0%*
2021 DSR	0.9%	(2.3%)	5.6%	3.1%	(2.2%)	5.6%	1.6%	8.2%	(3.4%)	3.1%	4.8%	13.0%	0.0%	13.0%	(1.4%)	(4.7%)
Delta v. Benchmark	*0.8%*	*(3.8%)*	*1.8%*	*(2.2%)*	*(1.7%)*	*2.9%*	*(0.4%)*	*(1.5%)*	*(0.3%)*	*0.2%*	*1.2%*	*(0.4%)*	*2.0%*	*1.9%*	*2.1%*	*2.0%*
2020 DSR	(1.3%)	2.5%	(0.3%)	2.2%	3.9%	10.4%	(3.3%)	13.3%	(10.5%)	3.8%	2.9%	8.3%	(2.6%)	5.5%	(0.6%)	(7.4%)
Delta v. Benchmark	*(1.5%)*	*0.9%*	*(4.1%)*	*(3.2%)*	*4.4%*	*7.7%*	*(5.3%)*	*3.5%*	*(7.3%)*	*0.9%*	*(0.7%)*	*(5.0%)*	*(0.7%)*	*(5.7%)*	*2.9%*	*(0.8%)*

Days Count	Jan.	Feb.	Mar.	Apr.	May	Jun.	Jul.	Aug.	Sep.	Oct.	Nov.	Dec.	**Total**
2024	22	21	21	22	22	20	22	22	20	23	20	20	255
2023	21	20	23	20	22	22	20	23	20	22	21	19	253
2022	21	20	23	21	21	22	20	23	21	21	21	20	254

* The January average is based on the historical change in January vs. the prior year's October. All other months are sequential.

** The benchmark for each month is the average of the previous five years for that month. As COVID-19-related surge sales made sequential averages in 2020 unrepresentative, the benchmark uses a preceding five-year average that excludes 2020. We also exclude the impact of the 2017 Mansco acquisition.

Notes:

- Good Friday was in April of 2020, 2021, 2022, and 2023.
- Amounts may not foot due to rounding differences.

EMPLOYEE STATISTICS

HEADCOUNT STATISTICS	Absolute Count 1Q23	Absolute Count 4Q22	Absolute Count Change Since 4Q22	Absolute Count 1Q22	Absolute Count Change Since 1Q22	FTE Count [1] 1Q23	FTE Count [1] 4Q22	FTE Count [1] Change Since 4Q22	FTE Count [1] 1Q22	FTE Count [1] Change Since 1Q22
In-market locations (branches & Onsites)	13,668	13,410	1.9%	12,855	6.3%	12,219	12,017	1.7%	11,644	4.9%
Non-in-market selling	2,510	2,488	0.9%	2,232	12.5%	2,485	2,459	1.1%	2,197	13.1%
Selling subtotal	16,178	15,898	1.8%	15,087	7.2%	14,704	14,476	1.6%	13,841	6.2%
Distribution/Transportation	4,002	3,974	0.7%	3,730	7.3%	3,029	2,971	2.0%	2,856	6.1%
Manufacturing	753	733	2.7%	686	9.8%	714	696	2.6%	656	8.8%
Organizational support personnel [2]	1,887	1,781	6.0%	1,664	13.4%	1,815	1,711	6.1%	1,605	13.1%
Non-selling subtotal	6,642	6,488	2.4%	6,080	9.2%	5,558	5,378	3.3%	5,117	8.6%
Total	22,820	22,386	1.9%	21,167	7.8%	20,262	19,854	2.1%	18,958	6.9%

NOTES:

[1] FTE – "Full-Time Equivalent". FTE is based on 40 hours per week.

[2] Organizational support personnel consists of: (1) Sales & Growth Driver Support personnel (35% to 40% of category), which includes sourcing, purchasing, supply chain, product development, etc.; (2) Information Technology personnel (35% to 40% of category); and (3) Administrative Support personnel (25% to 30% of category), which includes human resources, Fastenal School of Business, accounting and finance, senior management, etc.

IN-MARKET LOCATION STATISTICS

	2017	2018	2019	2020	2021	2022	Quarterly 1Q23	2Q23	3Q23	4Q23
Starting Branches	2,503	2,383	2,227	2,114	2,003	1,793	1,683			
Opened Branches	18	11	12	12	10	12	2			
Closed/ Converted Branches [1]	(138)	(167)	(125)	(123)	(220)	(122)	(25)			
Ending Branches [2]	**2,383**	**2,227**	**2,114**	**2,003**	**1,793**	**1,683**	**1,660**			
United States	2,084	1,932	1,814	1,697	1,484	1,369	1,343			
Canada/ Mexico	248	238	239	237	236	235	235			
Rest of the World	51	57	61	69	73	79	82			
Starting Onsites	401	605	894	1,114	1,265	1,416	1,623			
Opened Onsites	218	318	312	257	242	306	84			
Closed/ Converted Onsites [1]	(14)	(29)	(92)	(106)	(91)	(99)	(33)			
Ending Onsites [2]	**605**	**894**	**1,114**	**1,265**	**1,416**	**1,623**	**1,674**			
United States	493	739	935	1,055	1,184	1,338	1,378			
Canada/ Mexico	94	126	143	163	178	218	228			
Rest of the World	18	29	36	47	54	67	68			
In-Market Locations	**2,988**	**3,121**	**3,228**	**3,268**	**3,209**	**3,306**	**3,334**			

(1) The net impact of non-in-market locations or Onsite locations converted to branches, branches converted to Onsite locations or non-in-market locations, and closures of branches or Onsite locations.

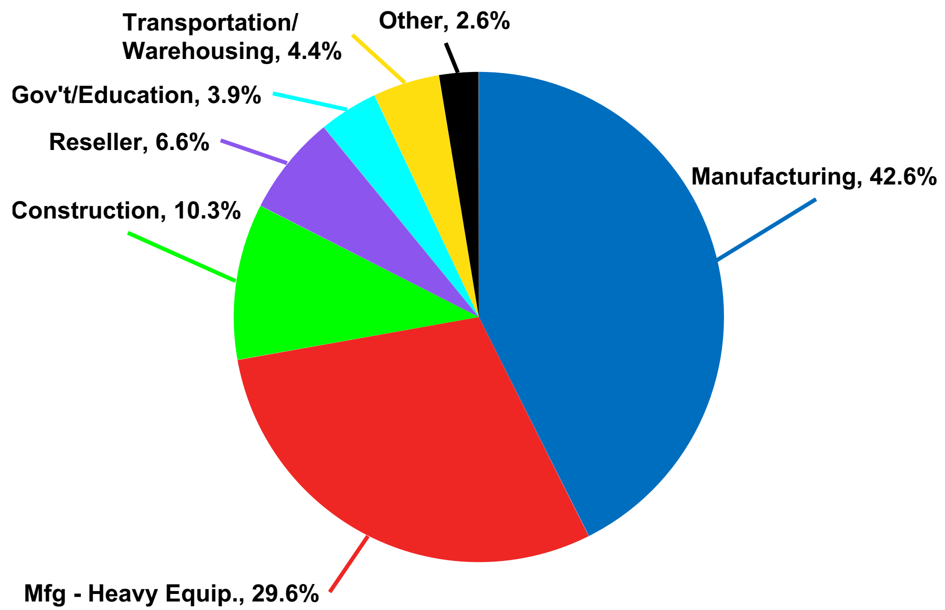
(2) Beginning in 2022, the United States includes the Dominican Republic, Guam, and Puerto Rico which were previously grouped with other geographical regions. Prior period figures in the above table may differ slightly from those previously disclosed due to this minor change in reporting.

Notes:

- Branch count includes all locations that sell to multiple customer accounts (primarily our traditional and overseas branches). Onsite count includes all locations that sell to a single customer account.

END MARKET PROFILE

End Market Mix - Full Year 2022



MAJOR SEGMENT GROWTH (Daily Sales rates)		Jan.	Feb.	Mar.	Year-to-Date	Apr.	May	June	July	Aug.	Sep.	Oct.	Nov.	Dec.	Full Year
Manufacturing	2023	17.0%	15.8%	11.0%	14.4%										
(incl. Heavy Equip.)	2022	20.8%	25.8%	25.2%	23.9%	25.7%	22.4%	21.0%	22.7%	23.5%	21.5%	19.0%	15.3%	13.4%	21.3%
Construction	2023	(1.7%)	(1.8%)	(3.5%)	(2.4%)										
	2022	12.9%	19.5%	11.1%	14.1%	13.4%	10.7%	8.3%	8.8%	5.8%	1.4%	1.2%	(0.9%)	(2.5%)	7.2%

THANK YOU

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