




Quarter 2, FY2018

(Jan. to Jun. 2018)

MonotaRO Co., Ltd.
www.monotaro.com

1. Company Profile

MonotaRO means	<ul style="list-style-type: none">• Maintenance, Repair, and Operation• “The sufficient number of products” in Japanese• Like “Momotaro,” fight against unfair-old distribution system	 <p>Image of “Momotaro” in Japanese folk tale</p>
MonotaRO Business	<ul style="list-style-type: none">• Providing MRO products through Internet and catalogs, targeting small to mid-sized domestic entities which are not treated well by conventional retailers.	
MRO Products	<ul style="list-style-type: none">• Cutting tools/Safety products/Bearings/Fasteners/Industrial equipment (number of product SKU exceeds 15 million)	
Number of Customer Accounts	<ul style="list-style-type: none">• About 3.0 million	
Capital Stock	<ul style="list-style-type: none">• 1.97 billion JPY or 17.8 million USD (USD1=JPY110.54)	
Number of Employees	<ul style="list-style-type: none">• 1,840 including 438 regular employees (as of June 30, 2018 consolidated)	
Head Office	<ul style="list-style-type: none">• Amagasaki-city, Hyogo Prefecture	
Major Distribution Center	<ul style="list-style-type: none">• Amagasaki-city, Hyogo Prefecture• Kasama-city, Ibaraki Prefecture• Sapporo-city, Hokkaido Prefecture	

2. Product Category

- Safety Protection, Wear, Shoes
- Logistic, Packing & Handling Material, Safety Signs
- Office, Tape, Cleaning
- Cutting Tools, Abrasives
- Measuring & Surveying Tools
- Hand Tools, Power Tools, Pneumatics Tools
- Chemicals, Adhesive, Welding
- Hydraulics, Pneumatics, Hose
- Bearing, Mechanical Parts, Caster
- Electrical Parts, Control Equipment, Solder, Anti-static Elec.
- Construction, Painting, Interior
- Air Conditioning, Electric Facilities, Piping, Plumbing
- Screws, Bolts, Nails, Material
- Auto, Cargo Truck Maintenance & Parts (May 2008-)
- Motor Bike, Bicycle Maintenance & Parts
- Laboratory (Oct. 2010-)
- Kitchen Equipment & Supplies (May 2014-)
- Agricultural Equipment & Supplies (May 2014-)
- Medical & Nursing care Equipment & Supplies (May 2015-)



3. Strength

After (MonotaRO)

Efficient Sales through Internet

- Sales through internet, realizing economies of scale.
- Efficient promotions, leveraging IT, and cutting-edge & data-base marketing.

One-Price Policy

- Providing same price to all customers on web site.
- Customers trust in open, fair, and proper prices and are free from bothers in asking quotes every time.

Product Availability

- Selling more than 15 million items; 500 thousand items are available for same day shipment.
- 348 thousand items out of the same day shipment products are in inventory.

Private Label Brand and Direct Import Products

- Introducing private label brand and direct import products, so that customers can choose the best one to meet their needs among quite a few options.

Before (Conventional Suppliers)

- Labor Intensive and localized & small sized

- Individual and unclear price

- Limited product availability and small selection

- Sell mainly National Brand products

4. Marketing

1. Customer Acquisition

- Search engine marketing (SEO and paid search)
- Sending direct e-mail, flyers, and faxes to prospects
- Broadcasting CM

2. Website

- Recommendations and personalized contents

3. Direct e-mail, Flyers, and Faxes

- Semi-personalized contents

4. Direct Mail Flyers

- Small batches of on-demand printed flyers with DTP

5. Catalog

- 19 separate volumes for better targeting

6. Data Mining and Campaign Management

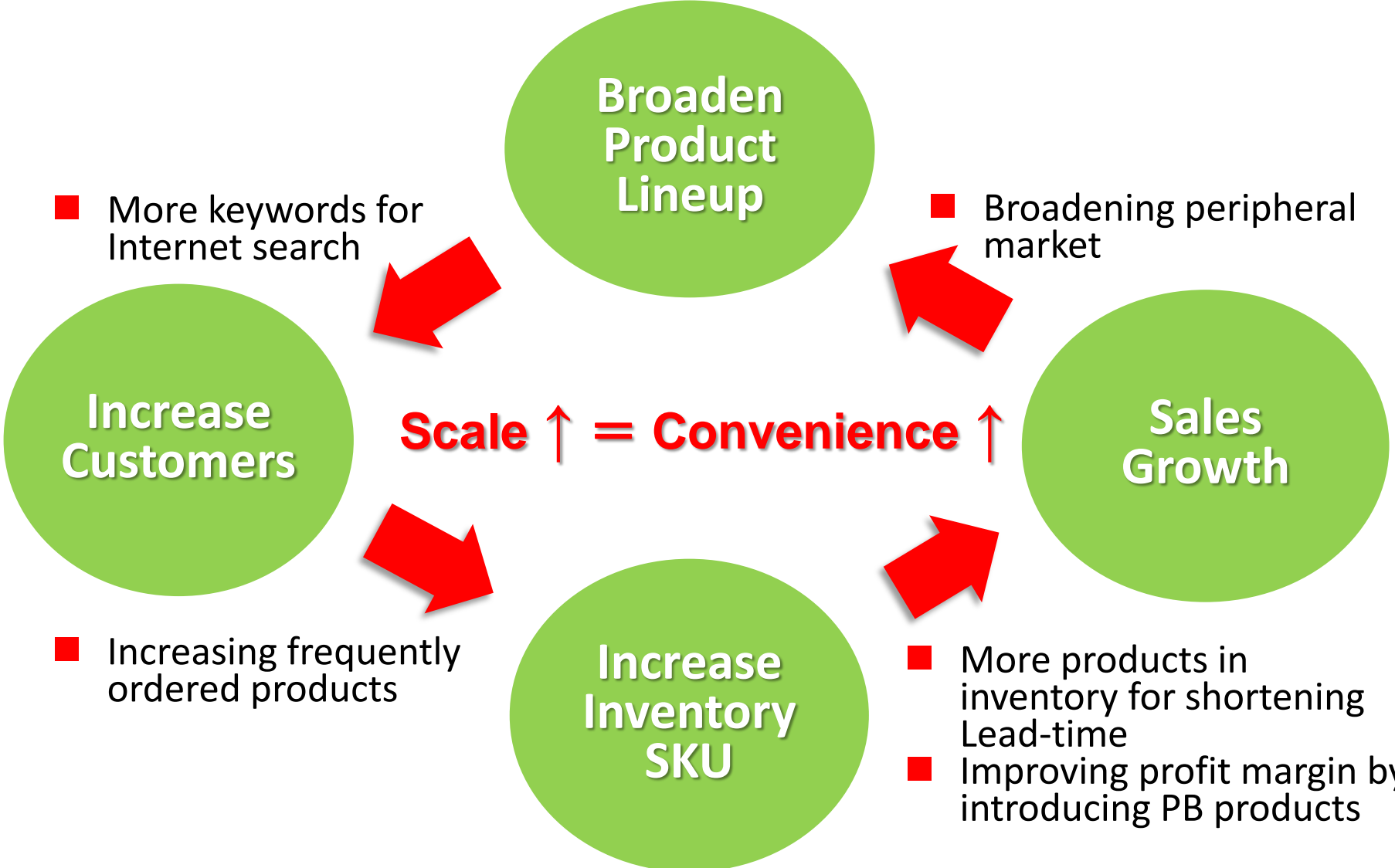
- Personalized promotion for more effectiveness and efficiency



5. Procurement

- Enhancement of Product Sources
 - Developing new suppliers and new products through various channels
- Direct Import and Private Brand Products
 - Higher Margin with National Brand Quality Maintained
 - Unique-competitive advantage

6-1. Growth – Development Cycle



6-2. Growth – Industrial Beachhead Expansion

- | | |
|------|---|
| 2002 | <ul style="list-style-type: none">• Started with small-to-mid sized manufacturing companies, iron works, metal works, and machine assembly companies |
| 2008 | <ul style="list-style-type: none">• Entered automotive aftermarket |
| 2009 | <ul style="list-style-type: none">• Entered independent contractor market |
| 2010 | <ul style="list-style-type: none">• Introduced laboratory products• Started US business with providing consulting service to Zoro Tools• Business with large corporations started to grow |
| 2011 | <ul style="list-style-type: none">• Established Tagajyo Distribution Center in Miyagi Prefecture |
| 2013 | <ul style="list-style-type: none">• Started South Korean business by establishing a subsidiary NAVIMRO |
| 2014 | <ul style="list-style-type: none">• Established Amagasaki Distribution Center in Hyogo Prefecture• Expanded product lineup: agricultural equipment and kitchen equipment• Introduced “MonotaRO One Source” procurement system for large corporations |
| 2015 | <ul style="list-style-type: none">• Introduced medical & nursing care equipment category |
| 2016 | <ul style="list-style-type: none">• Started Indonesian business by acquiring majority (51%) of PT MONOTARO INDONESIA and consolidated to MonotaRO’s in Q4 |
| 2017 | <ul style="list-style-type: none">• Established Kasama Distribution Center in Ibaraki Prefecture• Introduced simplified and easy-installation system “MonotaRO One Source Lite” for large corporations• Closed Tagajyo Distribution Center• Established Hokkaido Distribution Center |
| 2018 | <ul style="list-style-type: none">• Product lineup SKU exceeded 1.5 million• Established a real shop in Saga Prefecture for demonstration experiment• Launched business in Shanghai, China• Number of Accounts exceeded 3.0 million |

7-1. (Non-consolidated) 2018Q2 Financial Result Outline P/L 1/2

■ Sales: 49,707 million JPY (YonY +24.1%, A/F +1.5%)

- Improving listing ad., working on search engine optimization, broadcasting new version of TVCM, expanding number of product lineup, etc. contributed to acquiring new customers (Q1-Q2, 294 thou. and 55.8 thou. in Apr. is highest ever). Due to expanding effect of campaign for raising usage frequency, which started in Mar. 2017, favorable economic condition, etc. sales to existing customers increased. As a result, monotaro.com sales exceeded last year and Plan.
- Number of new customers of and sales to large corporations exceeded last year and Plan.

Jan. – Jun. 2017 Result				Jan. – Jun. 2018 Plan			Jan. – Jun. 2018 Result				
No. Corp.	Million JPY	YonY	/Total Sales	Million JPY	YonY	/Total Sales	No. Corp.	Million JPY	YonY	A/F	/Total Sales
367	3,980	+57%	9.9%	5,900	+48%	12.1%	513	6,070	+52%	+3%	12.2%

■ Gross Profit: 14,964 million JPY (YonY +18.7%, A/F +1.3%)

- Gross Profit (GP) % decreased from last year by 1.4 pt. Increase in NB/domestic goods sales ratio, wider gap in sales growths between MonotaRO and business subject to consulting/ royalty, etc. resulted in lower product GP% by 0.7 pt., and delivery charge hike, campaign for raising usage frequency, etc. resulted in higher delivery cost ratio by 0.7 pt.

■ SG&A Expense: 8,007 million JPY (YonY +17.3%, A/F Δ0.8%)

- SG&A Expense % decreased from last year by 0.9 pt. Depreciation increased due to launch of Kasama DC (own facilities) in Apr. last year; however, costs for launching new DC were not incurred this year, and this resulted in lower SG&A Expense % than last year.
- SG&A Expense % decreased from Plan by 0.4pt. Outsourcing Expense increased due mainly to delay in shift of shipment from Amagasaki DC to Kasama DC. However, total amount of SG&A below Plan and sales exceeding Plan lowered SG&A Expense %.

■ Operating Income: 6,956 million JPY (YonY +20.2%, A/F +3.7%)

■ Net Income: 4,765 million JPY (YonY +15.1%, A/F +1.7%)

- Tax benefit granted last year for investment in Kasama DC for high-productivity is not applicable this year, which resulted in higher tax % this year and lower Net Income (NI) % than last year.
- Despite higher Operating Income %, balance-gap in Plan and actual tax % between 1st & 2nd Halves caused tax % higher than and NI % equal to Plan. Gap diminishes by fiscal year end.

7-1. (Non-consolidated) 2018Q2 Financial Result Outline P/L 2/2

	Jan. – Jun. 2017 Result		Jan. – Jun. 2018 Plan		Jan. – Jun. 2018 Result			
	Amount (million JPY)	Ratio to Sales	Amount (million JPY)	Ratio to Sales	Amount (million JPY)	Ratio to Sales	YoY	A/F
Sales	40,058		48,989		49,707		+24.1%	+1.5%
Gross Profit	12,609	31.5%	14,776	30.2%	14,964	30.1%	+18.7%	+1.3%
SG&A Exp.	6,823	17.0%	8,070	16.5%	8,007	16.1%	+17.3%	△0.8%
Operating Income	5,785	14.4%	6,706	13.7%	6,956	14.0%	+20.2%	+3.7%
Current Income	5,824	14.5%	6,660	13.6%	6,919	13.9%	+18.8%	+3.9%
Net Income (Tax Rate)	4,140 (28.9%)	10.3%	4,685 (29.6%)	9.6%	4,765 (31.1%)	9.6%	+15.1%	+1.7%

7-2. (Non-consolidated) 2018Q2 Financial Result Outline B/S

	Jun. 2017	Dec. 2017	Jun. 2018	
	Million JPY	Million JPY	Million JPY	Ratio
Assets				
Cash	5,456	8,097	8,065	17.2%
Accounts Receivable	8,974	9,977	11,858	25.2%
Inventory	7,164	7,689	8,845	18.8%
Other	3,623	3,861	3,994	8.5%
Total Current Asset	25,219	29,626	32,763	69.7%
Tangible Fixed Asset	10,192	9,852	9,631	20.5%
Intangible Fixed Assets	1,096	1,218	1,274	2.7%
Other	2,878	2,827	3,347	7.1%
Total Fixed Asset	14,167	13,898	14,253	30.3%
Total Assets	39,386	43,525	47,017	

	Jun. 2017	Dec. 2017	Jun. 2018	
	Million JPY	Million JPY	Million JPY	Ratio
Liabilities				
Accounts Payable	6,113	6,510	7,188	15.3%
Short-term Debt & etc.	1,175	2,125	2,063	4.4%
Others	4,488	5,150	6,419	13.7%
Total Current Liabilities	11,777	13,786	15,671	33.3%
Total Long term Liabilities	6,481	5,418	3,634	7.7%
Total Liabilities	18,258	19,205	19,305	41.1%
Net Assets				
Shareholder's Equity	21,077	24,281	27,668	58.8%
Others	50	38	43	0.1%
Total Net Assets	21,127	24,320	27,712	58.9%
Total Liabilities & Net Assets	39,386	43,525	47,017	

Short-term Debt & etc. includes short-term debt & current portion of long-term debt.

7-3. (Non-consolidated) Operating Income Change Factors

5,785 million JPY

+1,393 mil. JPY	<ul style="list-style-type: none"> Improving listing ad., working on SEO, broadcasting new version of TVCM, expanding number of product lineup, etc. contributed to acquiring new customers. Due to expanding effect of campaign for raising usage frequency, which started in Mar. 2017, favorable economic condition, etc. sales to existing customers increased. Number of new customers of and sales to large corporations increased.
△682 mil. JPY	<ul style="list-style-type: none"> Increase in NB/domestic goods sales ratio, wider gap in sales growths between MonotaRO and business subject to consulting/royalty, etc. decreased product GP%. Delivery charge hike, campaign for increasing usage frequency, etc. resulted in higher delivery expense sales ratio/lower GP%.
+460 mil. JPY	<ul style="list-style-type: none"> Overall SG&A Expense ratio decreases due to higher sales and to following factors.
△39 mil. JPY	<ul style="list-style-type: none"> Establishing and starting operations at Kasama DC (Apr. 2017) caused Depreciation sales ratio to increase.
△38 mil. JPY	<ul style="list-style-type: none"> Due mainly to production cost of new version of TVCM, Ad.& Promotion Expense sales ratio increased.
+161 mil. JPY	<ul style="list-style-type: none"> Addition of full-time employee was managed within sales growth: Labor Expense sales ratio improved.
+152 mil. JPY	<ul style="list-style-type: none"> As Kasama DC (own facilities) launched and Tagajyo DC (leased facilities) closed, sales ratio of Facility Rental Charge improved.
+88 mil. JPY	<ul style="list-style-type: none"> Due to shift of shipment from Amagasaki DC to Kasama DC, Outsourcing Expense ratio improved.
+134 mil. JPY	<ul style="list-style-type: none"> Expenses for launching Kasama DC (procurement of fixtures and consumable goods) were not incurred this year, and Other Expense Sales Ratio improved.

6,956 million JPY (YoY: +1,171 million JPY, +20.2%)

※ Amounts are effects on O/P margin by changes of rates, not actual amounts.

2017Q2
Cumulative OP

Sales
Increase

Decrease of GP Ratio

Improvement of SG&A
Expense Sales Ratio

• Increase of Depreciation
Sales Ratio

• Increase of Ad. & Prom.
Exp. Sales Ratio

• Improvement of Labor
Expense Sales Ratio

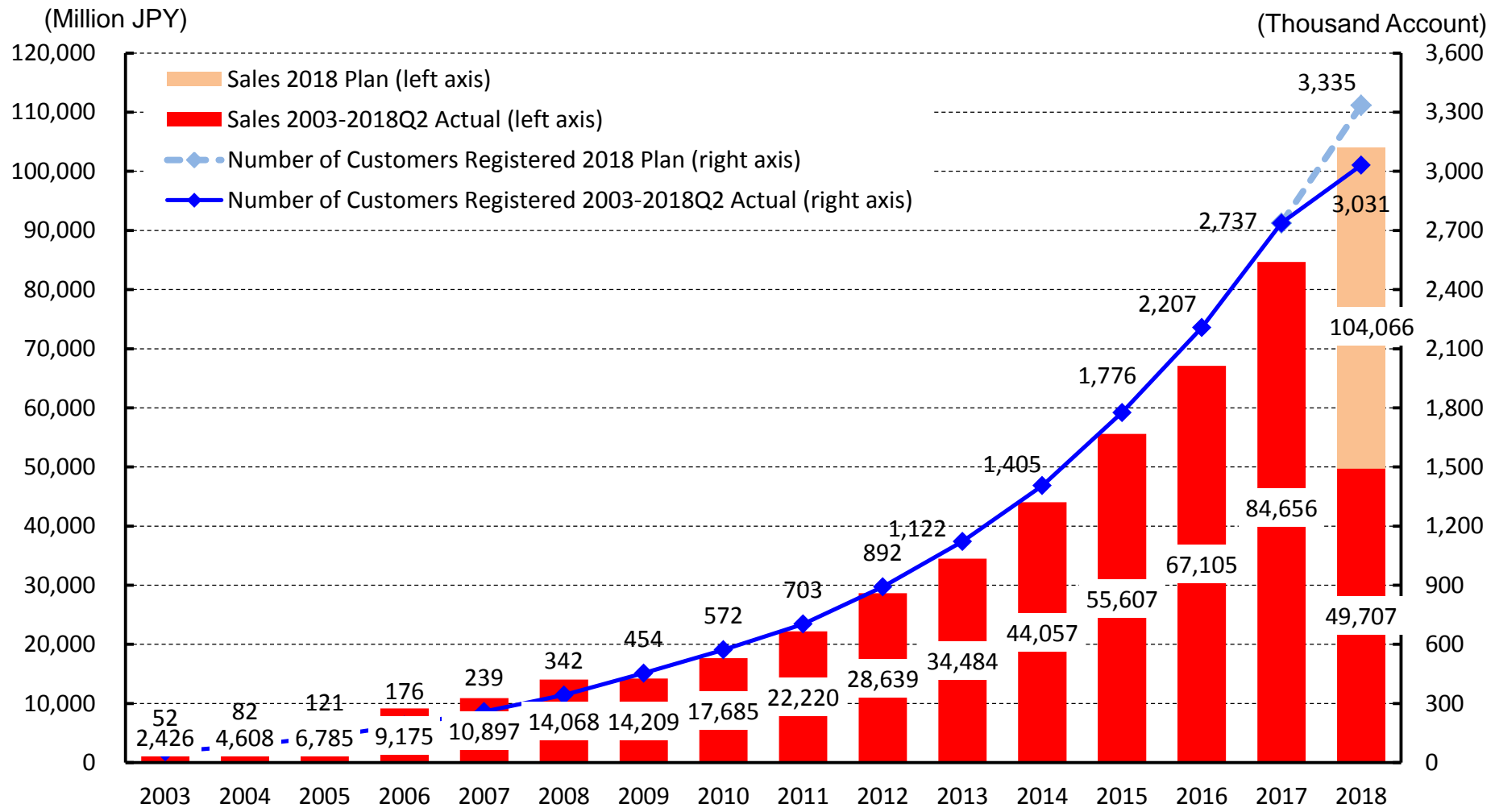
• Improvement of Facility
Rental Charge Sales Ratio

• Improvement of Outsourcing
Expense Sales Ratios

• Improvement of Other Expense
Sales Ratio

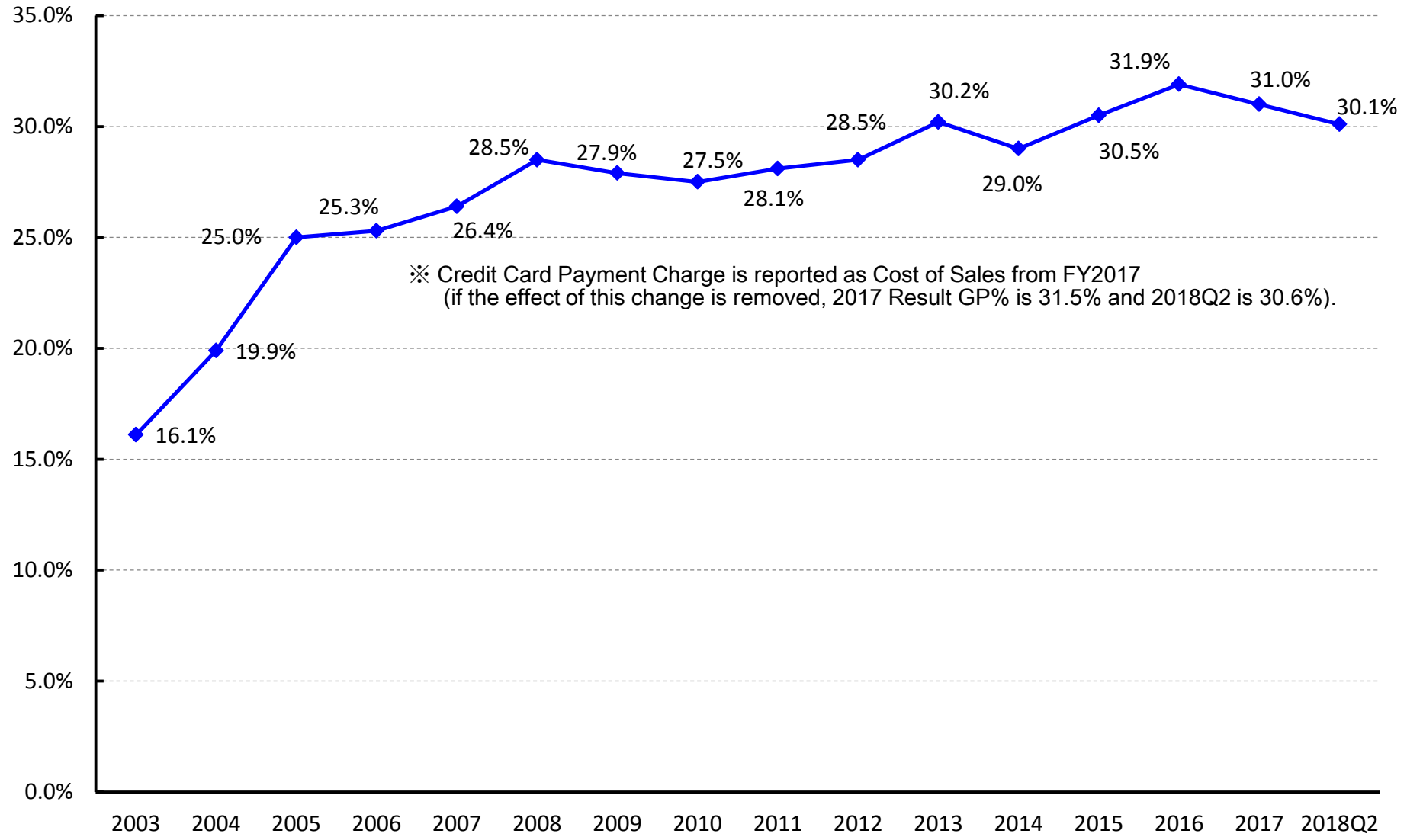
2018Q2
Cumulative OP

8-1. (Non-consolidated) Progress - Sales & Customer

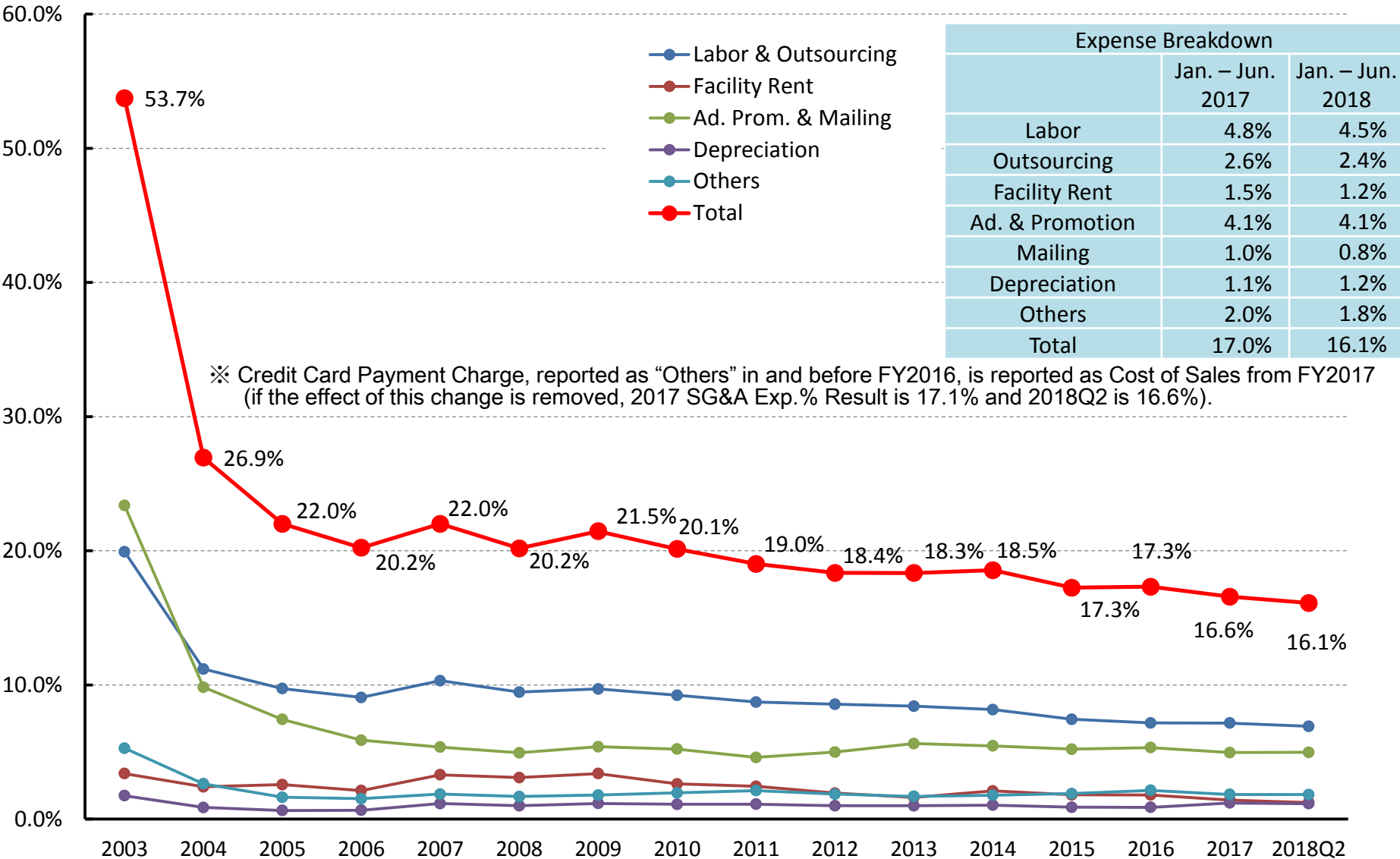


	Dec. 2017	Jun. 2018		Dec. 2018 (Plan)	
Number of Customers (Registered Accounts)	2,737,820	3,031,950	+294,130 (vs. Dec. 2017)	3,335,820	+598,000 (vs. Dec. 2017)

8-2. (Non-consolidated) Progress - Gross Profit



8-3. (Non-consolidated) Progress - SG&A Expense



9-1. (Consolidated) 2018Q2 Financial Result Outline P/L 1/2

	Jan. – Jun. 2017 Result		Jan. – Jun. 2018 Plan		Jan. – Jun. 2018 Result			
	Amount (million JPY)	Ratio to Sales	Amount (million JPY)	Ratio to Sales	Amount (million JPY)	Ratio to Sales	YoY	A/F
Sales	41,776		51,311		51,694		+23.7%	+0.7%
Gross Profit	12,934	31.0%	15,284	29.8%	15,386	29.8%	+19.0%	+0.7%
SG&A Exp.	7,366	17.6%	8,808	17.2%	8,676	16.8%	+17.8%	△1.5%
Operating Income	5,567	13.3%	6,476	12.6%	6,710	13.0%	+20.5%	+3.6%
Current Income	5,612	13.4%	6,441	12.6%	6,684	12.9%	+19.1%	+3.8%
Net Income (Tax Rate)	3,927 (30.0%)	9.4%	4,465 (30.7%)	8.7%	4,551 (31.9%)	8.8%	+15.9%	+1.9%
Net Income attributable to owners of the parent	3,965	9.5%	4,522	8.8%	4,605	8.9%	+16.1%	+1.9%

9-1. (Consolidated) 2018Q2 Financial Result Outline P/L 2/2

■ NAVIMRO (South Korea)

- Worsened economic condition, effects of website renewal, etc. caused sales to go below Plan whereas maintaining positive YonY sales growth.
- Working to attain fiscal year break-even in 2018.

	Jan. – Jun. 2017 Result			Jan. – Jun. 2018 Plan			Jan. – Jun. 2018 Result				
	Mil. JPY	YonY	YonY in Local Currency	Mil. JPY	YonY	YonY in Local Currency	Mil. JPY	YonY	A/F	YonY in Local Currency	A/F in Local Currency
Sales	1,620	+24.5%	+35.9%	2,160	+33.2%	+25.6%	1,880	+15.5%	△13.3%	+12.2%	△10.6%
Op. Income	△120	–	–	△50	–	–	△30	–	–	–	–

■ MONOTARO INDONESIA (Indonesia)

- Maintaining over 40% YonY sales growth in local currency.
- Lower repeat rate of existing customers and fewer business days due to addition of holidays by government caused lower sales than Plan.

	Jan. – Jun. 2017 Result			Jan. – Jun. 2018 Plan			Jan. – Jun. 2018 Result				
	Mil. JPY	YonY	YonY in Local Currency	Mil. JPY	YonY	YonY in Local Currency	Mil. JPY	YonY	A/F	YonY in Local Currency	A/F in Local Currency
Sales	80	–	–	150	+71.3%	+72.8%	110	+34.1%	△21.7%	+43.9%	△16.7%
Op. Income	△80	–	–	△120	–	–	△100	–	–	–	–

■ ZORO SHANGHAI (China)

- Established in Feb. 2018. Business launched in Jun. (ahead of schedule/ originally in Jul.)

	Jan. – Jun. 2017 Result			Jan. – Jun. 2018 Plan			Jan. – Jun. 2018 Result				
	Mil. JPY	YonY	YonY in Local Currency	Mil. JPY	YonY	YonY in Local Currency	Mil. JPY	YonY	A/F	YonY in Local Currency	A/F in Local Currency
Sales	–	–	–	※Note 0	–	–	※Note 0	–	–	–	–
Op. Income	–	–	–	△30	–	–	△30	–	–	–	–

※Note: 2018Q1-2 Sales Plan is zero (business was planned to start in July). Business was launched in June, and there was sales in Jun. Amount is, however, below million JPY; therefore, sales result shown above is 0.

9-2. (Consolidated) 2018Q2 Financial Result Outline B/S

	Jun. 2017	Dec. 2017	Jun. 2018	
	Million JPY	Million JPY	Million JPY	Ratio
Assets				
Cash	6,112	8,688	9,112	19.7%
Accounts Receivable	9,043	10,039	11,937	25.8%
Inventory	7,490	8,081	9,246	20.0%
Other	3,709	3,926	3,990	8.6%
Total Current Asset	26,356	30,736	34,287	74.0%
Tangible Fixed Asset	10,219	9,881	9,655	20.8%
Intangible Fixed Assets	1,231	1,347	1,400	3.0%
Other	940	896	974	2.1%
Total Fixed Asset	12,391	12,125	12,030	26.0%
Total Assets	38,748	42,861	46,317	

	Jun. 2017	Dec. 2017	Jun. 2018	
	Million JPY	Million JPY	Million JPY	Ratio
Liabilities				
Accounts Payable	6,382	6,829	7,453	16.1%
Short-term Debt & etc.	1,175	2,125	2,063	4.5%
Others	4,598	5,249	6,506	14.0%
Total Current Liabilities	12,156	14,203	16,023	34.6%
Total Long term Liabilities	6,505	5,441	3,671	7.9%
Total Liabilities	18,661	19,644	19,694	42.5%
Net Assets				
Shareholder's Equity	19,859	23,004	26,233	56.6%
Others	226	212	389	0.8%
Total Net Assets	20,086	23,216	26,623	57.5%
Total Liabilities & Net Assets	38,748	42,861	46,317	

Short-term Debt & etc. includes short-term debt & current portion of long-term debt.

9-3. (Consolidated) 2018Q2 Financial Result Outline C/F

	Jan. – Jun. 2017 Result	Jan. – Jun. 2018 Result
	Million JPY	Million JPY
Cash Flow from Operating Activity		
Net Income before Tax	5,609	6,684
Increase or Decrease in Accounts Receivable	△1,475	△1,904
Increase or Decrease in Inventory	△1,494	△1,194
Increase or Decrease in Accounts Payable ((△) decrease)	1,077	647
Tax payment	△1,759	△1,900
Others	△232	1,527
Total	1,725	3,859
Cash Flow from Investing Activity		
Acquisition of Tangible Assets	△3,191	△70
Acquisition of Intangible Assets	△233	△270
Others	476	△66
Total	△2,948	△407
Cash Flow from Financing Activity		
Repayments of Long-term Loans	△112	△1,062
Cash Dividends Paid	△1,113	△1,364
Proceeds from Sales and Leasebacks	2,440	—
Repayments of Lease Obligations	△1,113	△837
Others	11	276
Total	111	△2,988
Currency Exchange Adjustment	△5	△39
Net Increase or Decrease in Cash and Cash Equivalent	△1,116	424
Cash and Cash Equivalent at Beginning of Period	7,229	8,688
Cash and Cash Equivalent at End of Period	6,112	9,112

10-1. (Non-consolidated) FY2018 Plan – P/L

	FY2017 Result		FY2018 Plan		
	Million JPY	Ratio to Sales	Million JPY	Ratio to Sales	YoY
Sales	84,656		104,066		+22.9%
Gross Profit	26,204	31.0%	31,405	30.2%	+19.8%
SG&A Exp.	14,035	16.6%	16,736	16.1%	+19.2%
Operating Income	12,168	14.4%	14,668	14.1%	+20.5%
Current Income	12,177	14.4%	14,590	14.0%	+19.8%
Net Income (Tax Rate)	8,699 (28.5%)	10.3%	10,292 (29.4%)	9.9%	+18.3%

10-2. (Consolidated) FY2018 Plan – P/L

	FY2017 Result		FY2018 Plan		
	Million JPY	Ratio to Sales	Million JPY	Ratio to Sales	YoY
Sales	88,347		109,469		+23.9%
Gross Profit	26,929	30.5%	32,604	29.8%	+21.1%
SG&A Exp.	15,091	17.1%	18,355	16.8%	+21.6%
Operating Income	11,837	13.4%	14,249	13.0%	+20.4%
Current Income	11,858	13.4%	14,191	13.0%	+19.7%
Net Income (Tax Rate)	8,378 (29.3%)	9.5%	9,894 (30.2%)	9.0%	+18.1%
Net Income attributable to owners of the parent	8,464	9.6%	10,044	9.2%	+18.7%

11-1. 2018 Business Strategy – 1/2

■ Domestic Direct Marketing Business (monotaro.com)

- Expanding Customer Base
 - Number of new customers acquired in 2018Q2 cumulative is above Plan. Continuing to improve listing ad. & SEO and to expand number of product lineup (currently over 15 mil.) to attain Plan, 598 thou. new customers by the end of 2018.
- Expanding Sales to Existing Customers
 - Continuing to offer campaign for raising usage frequency, whose effect remains expanding. Expanding numbers of product lineup & of inventory (Plan 400 thou. SKU) and shortening lead-time by improving distribution network and by strengthening supply-chain, etc. for increasing sales per customer.

■ Procurement Management Solution Business (Business with Large Corporations)

- Number of all corporations connected
 - 513 as of Jun. 30, 2018 (+84 since Dec. 31, 2017).
- Number of corp. having introduced MonotaRO One Source
 - 12 as of Jun. 30, 2018 (+0 since Dec. 31, 2017) and 2 considering.
- Number of corp. having introduced MonotaRO One Source Lite
 - 109 as of Jun. 30, 2018 (+46 since Dec. 31, 2017) and 65 considering.

■ Overseas Business

- Global Business Dept. established
 - Dept. was established in Jun. 2018 for strengthening global business.
- Consulting / Royalty Business
 - Sales growth rate of Grainger's ZORO business in US and Europe is in line with Plan.
- NAVIMRO (South Korea)
 - 2018Q2 cumulative sales was lower than Plan; however, Operating Loss is within Plan, and aiming to attain fiscal year profit in 2018.
 - Improving acquisition of new customers by expanding product lineup and by making use of MonotaRO Japan's know-how.
- MONOTARO INDONESIA (Indonesia)
 - 2018Q2 cumulative sales was lower than Plan; however, Operating Loss is within Plan.
 - Working on optimizing supply-chain.
- ZORO SHANGHAI (China)
 - Started business in Jun. ahead of schedule.

11-2. 2018 Business Strategy – 2/2

■ Strengthening Marketing and System Development Skills based on Data Science

- Working on hiring about 30 data scientists in 2 to 3 years.
- Offices in Tokyo (Akasaka) and in Osaka (Umeda) were opened.

■ Distribution/Logistics

- 2018Q2 cumulative result of Distribution-related Cost sales ratio: 5.8%.
 - Lower by 0.7% from last year. Lower sales ratio of Labor & Outsourcing Expense due to shift of shipment from Amagasaki DC to Kasama DC (with more automated facilities) and lower Facility Rent Expense due to establishment of Kasama DC (own facilities).
 - Higher by 0.1% than Plan. Higher sales ratio of Labor & Outsourcing Expense due to delay in shipment shift from Amagasaki DC to Kasama DC. Delay is estimated 2 to 3 months.
- Inventory of Kasama DC
 - 210 thou. SKU as of June 30, 2018 (+30 thou. SKU since Mar. 31).



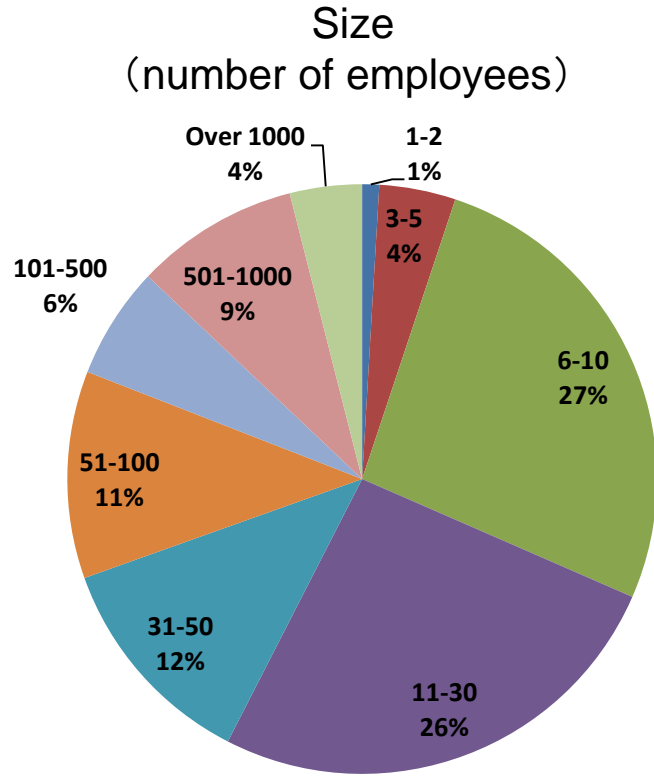
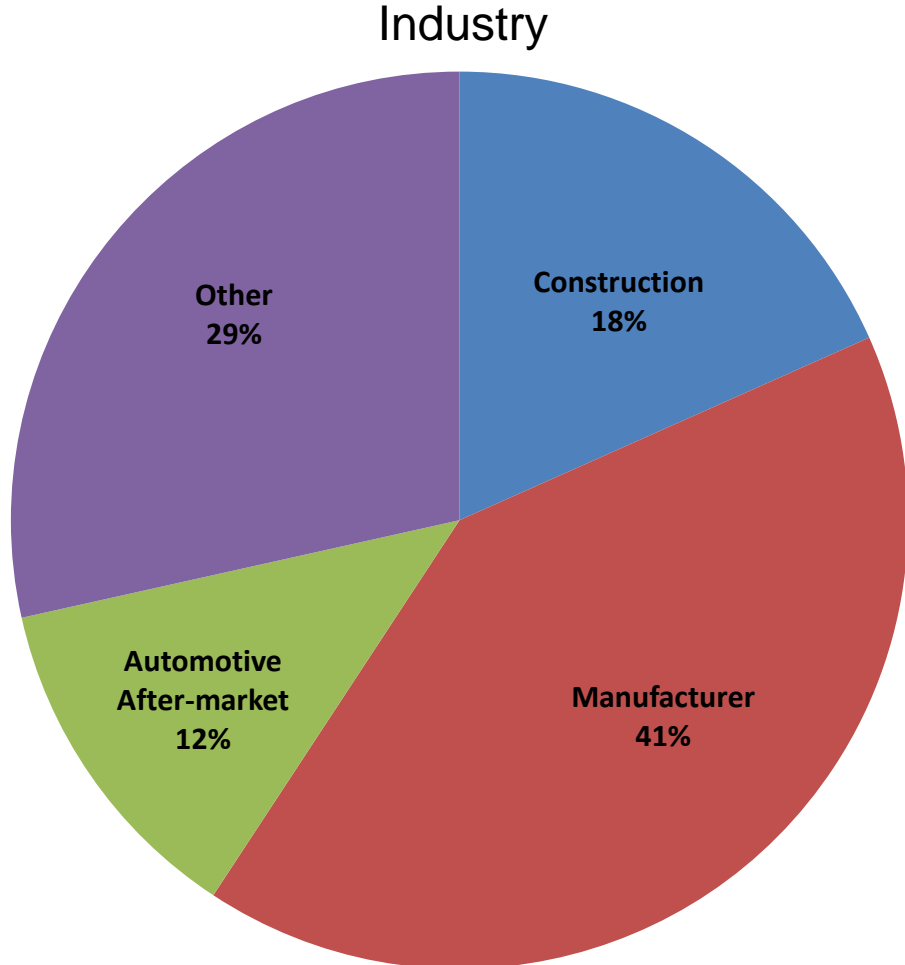
Tokyo Office (Akasaka)



Osaka Office (Umeda)

	Jan. – Jun. 2017 Result		Jan. – Jun. 2018 Plan		Jan. – Jun. 2018 Result			
	Million JPY	Ratio to Sales	Million JPY	Ratio to Sales	Million JPY	Ratio to Sales	YoY	A/F
Sales (Non-consolidated)	40,058		48,989		49,707		+24.1%	+1.5%
Depreciation	224	0.6%	348	0.7%	341	0.7%	+51.9%	△2.2%
Labor & Outsourcing	1,395	3.5%	1,518	3.1%	1,581	3.2%	+13.3%	+4.2%
Facility Rent	566	1.4%	523	1.1%	547	1.1%	△3.3%	+4.6%
Others	402	1.0%	424	0.9%	423	0.9%	+5.2%	△0.2%
Total	2,589	6.5%	2,815	5.7%	2,893	5.8%	+11.7%	+2.8%

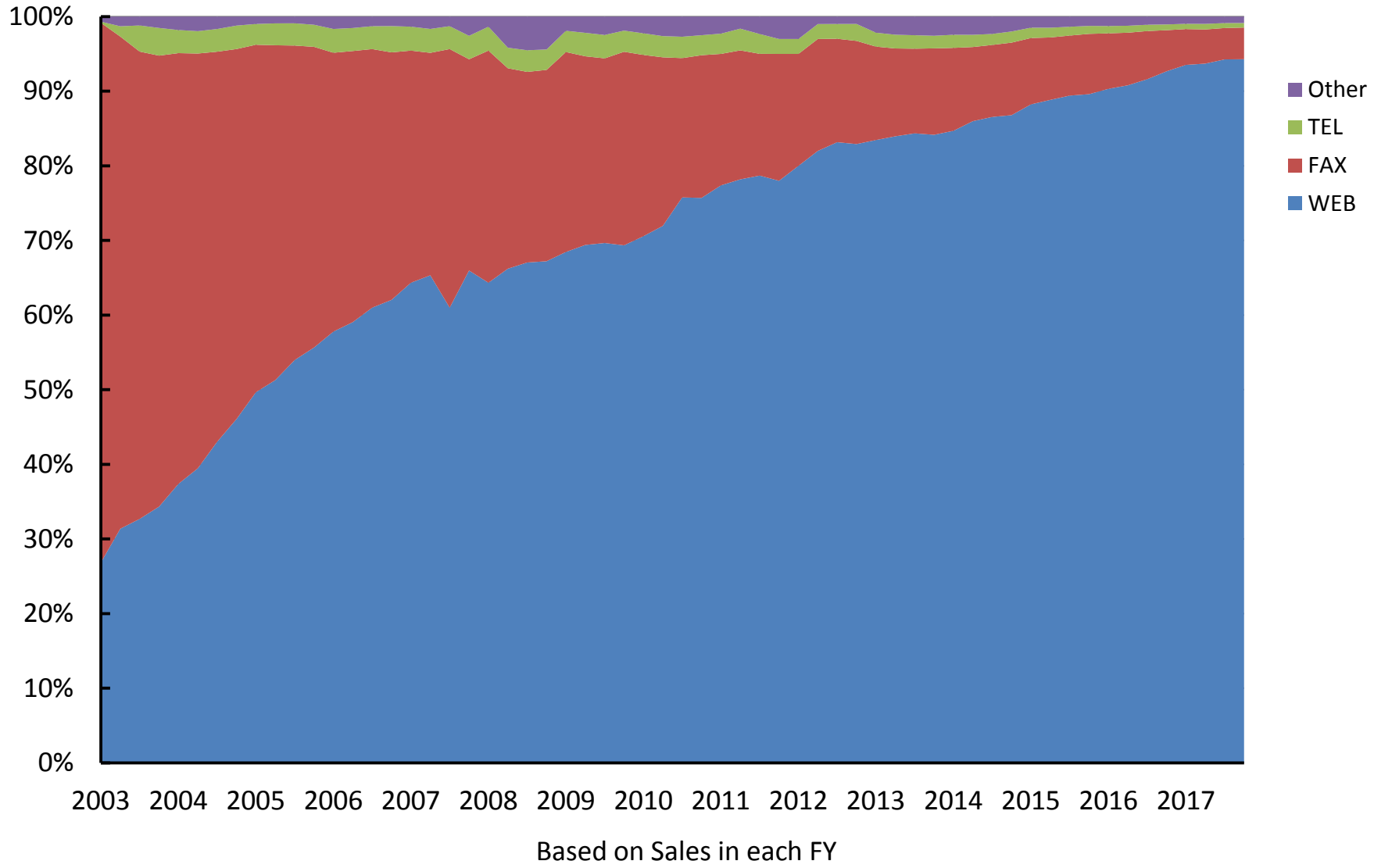
Reference 1. Customer Demographics



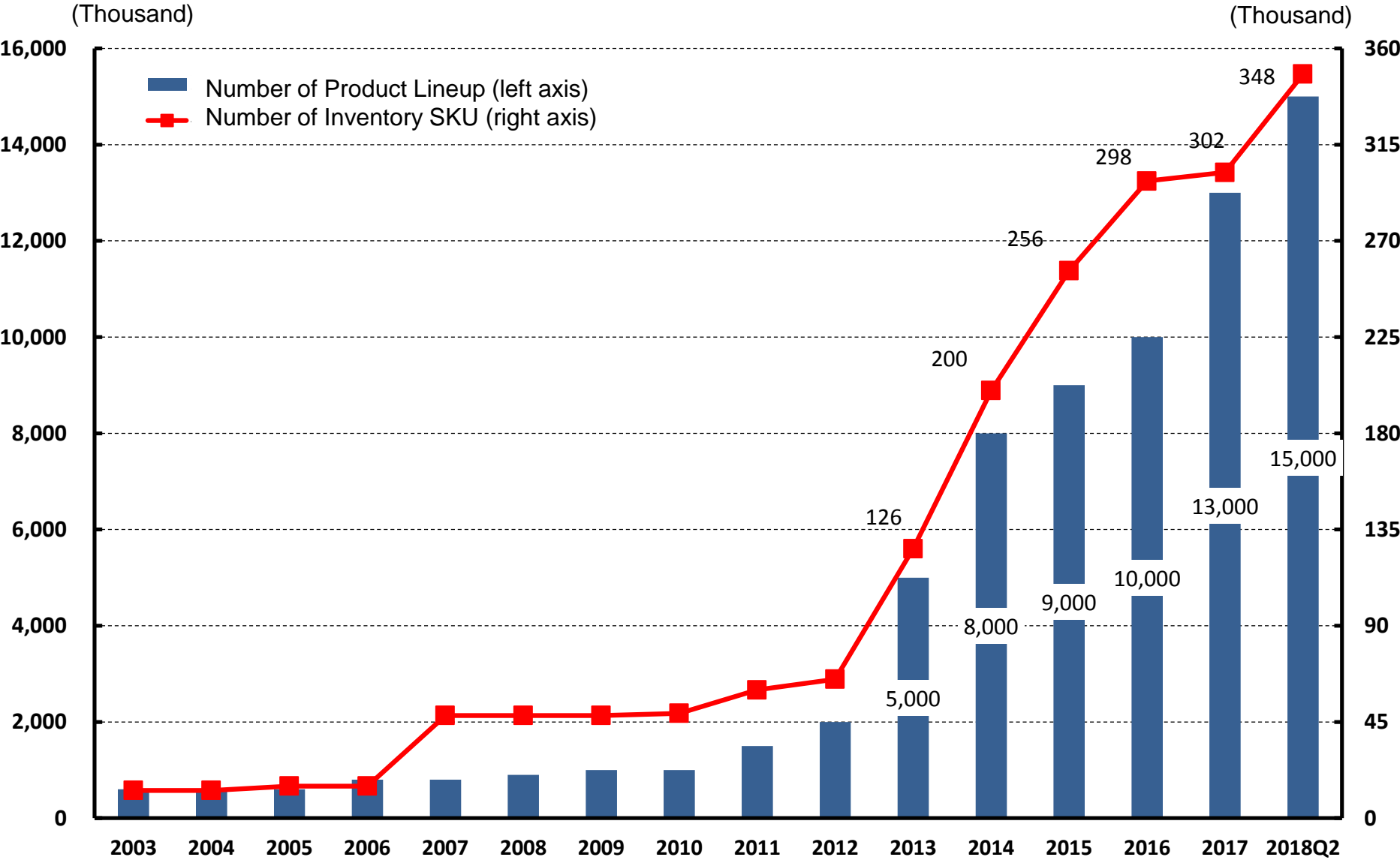
※ Circular chart shown above is based upon partial data since numbers of employees are optionally provided by customers in registration.

Ratio by sales amount in 2017
(Sales through monotaro.com - excluding sales through API connection)

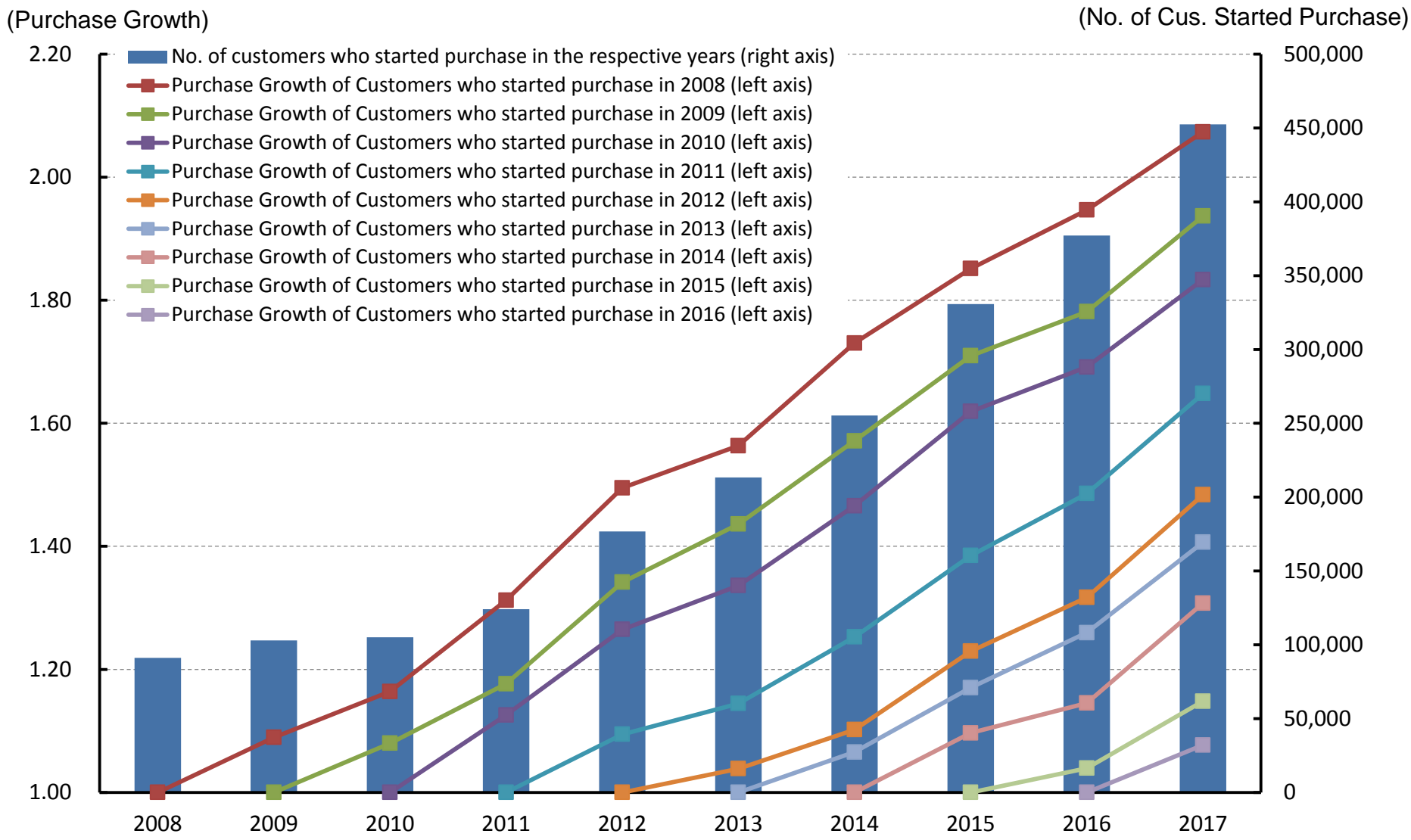
Reference 2. Internet PO Ratio



Reference 3. Product Lineup & Inventory



Reference 4. Customers' Purchase Growth History



History of the sales growth of customers who started purchase at monotaro.com in respective fiscal years. Purchase amounts in the first years are set as 1.

Reference 5. Other MRO Market Players

Upper: Sales Lower: Operating Profit		Fiscal Year				Change
		2007	2015	2016	2017	2007 to 2017
Yuasa (8074) - (M)	Wholesaler	468,476	442,042	446,335	461,749	△1.4%
		8,254	10,357	10,923	11,402	+38.1%
Yamazen (8051) - (M)	Wholesaler	376,852	447,774	447,698	497,963	+32.1%
		11,518	13,258	13,113	15,383	+33.6%
Trusco (9830) - (D)	Wholesaler	134,430	166,565	177,053	195,096	+45.1%
		9,120	12,976	14,163	14,276	+56.5%
Misumi (9962) - (M)	Retailer	126,668	240,139	259,015	312,969	+147.1%
		16,317	25,690	27,127	34,848	+113.6%
Nichiden (9902) - (M)	Wholesaler	92,745	101,508	103,736	119,712	+29.1%
		5,533	5,066	5,037	6,051	+9.4%
NaI TO (7624) - (F)	Wholesaler	51,479	43,483	43,473	46,587	△9.5%
		1,343	585	496	728	△45.8%
Sugimoto (9932) - (M)	Wholesaler Retailer	41,461	41,361	41,597	44,315	+6.9%
		2,292	1,843	1,950	2,461	+7.4%
Toba (7472) - (M)	Retailer	25,800	22,881	22,185	28,500	+10.5%
		2,115	1,279	1,050	1,774	△16.1%
Uematsu (9914) - (M)	Retailer	7,647	5,755	6,217	7,125	△6.8%
		190	0	40	92	△51.6%
MonotaRO (3064) - (D)	Retailer	10,897	57,563	69,647	88,347	+710.7%
		480	7,087	9,493	11,837	+2366.0%

(M):Apr.[Year] to Mar.[Year+1], (F):Mar.[Year] to Feb.[Year+1], (D) Jan.[Year] to Dec.[Year]

As of Jul. 27, 2018



Cautionary Statement concerning Forward-looking Statements

This presentation may include forward-looking statements relating to our future plans, forecasts, objectives, expectations, and intentions. Actual results may differ materially, for a wide range of possible reasons. In light of the many risks and uncertainties, you are advised not to put undue reliance on these statements.

Contact Us

TEL: 81-6-4869-7190

FAX: 81-6-4869-7178

E-mail: pr@monotaro.com

IR information: www.monotaro.com/main/ir/english/