



Quarter 3, FY2024

(Jan. to Sep. 2024)

MonotaRO Co., Ltd
www.monotaro.com

- Main business
 - Electronic Commerce of indirect materials for factories, construction work, and automotive related businesses. (number of product lineup about 23.7 mil. SKU including 681 thou. SKU available for same-day shipment and 591 thou. SKU in stock).
- Features of Products for Sale
 - Variety of products, convenience is more important than price for customers.
- Number of employees (consolidated, as of Sep. 30, 2024)

	Regular employee		Part-time and temporary employee		Total	
Head Office, etc. (MonotaRO JPN)	1,195	(670)	426	(389)	1,621	(1,059)
Distribution Center (MonotaRO JPN)	237	(171)	1,615	(1,485)	1,852	(1,656)
Total (MonotaRO JPN)	1,432	(841)	2,041	(1,874)	3,473	(2,715)

- Main competitors
 - Door-to-door tool dealers, hardware stores, auto parts dealers, Internet shopping sites, etc.
- Main customer base
 - Manufacturing, construction/engineering, automotive related, etc. (mainly small and medium-sized companies are customers).
- Market size
 - 5 to 10 trillion JPY
- Business Strategy
 - Differentiating by wide range of products and high searchability by utilizing Internet to achieve economies of scale.
 - Acquiring and retaining customers through marketing analysis of accumulated orders and customer databases.
 - Achieving high productivity by doing much of work in-house from software development to content creation.

2024 Jan. to Sep.
(Non-consol.) Financial Result Overview

Financial Result P/L Outline 1/3

	Jan.-Sep. 2023 Result		Jan.-Sep. 2024 Plan		Jan.-Sep. 2024 Result			
	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	YonY	vs Plan
Sales	179,373		200,131		202,635		+13.0%	+1.3%
Enterprise Bus.	48,709	27.2%	62,490	31.2%	62,651	30.9%	+28.6%	+0.3%
Gross Profit	54,389	30.3%	60,061	30.0%	60,329	29.8%	+10.9%	+0.4%
SG&A Exp.	30,485	17.0%	33,470	16.7%	32,148	15.9%	+5.5%	△4.0%
Operating Income	23,904	13.3%	26,590	13.3%	28,181	13.9%	+17.9%	+6.0%
Current Income	24,127	13.5%	26,611	13.3%	28,305	14.0%	+17.3%	+6.4%
Net Income (Tax Rate)	16,773 (30.2%)	9.4%	18,508 (30.4%)	9.2%	19,568 (30.5%)	9.7%	+16.7%	+5.7%

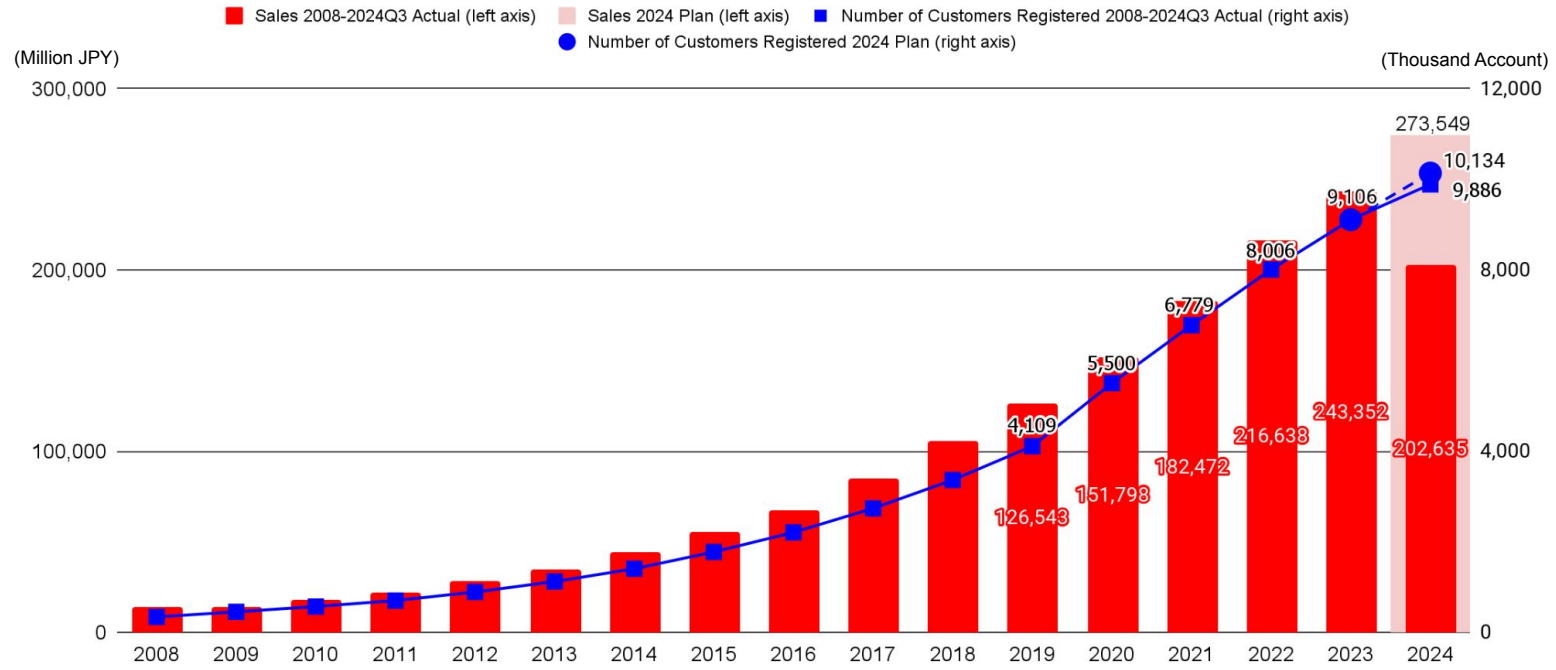
Financial Result P/L Outline 2/3 vs. Last Year

	Jan.-Sep. 2023 Result (A)		Jan.-Sep. 2024 Result (B)		Difference (B-A)		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio			
Sales	179,373	—	202,635	—	Amount (mil.JPY)	+23,261	<ul style="list-style-type: none"> monotaro.com: Grew due to increases in both number of orders and unit price per order. Especially in recent months, the number of orders has been growing steadily. Enterprise Business: Grew highly (YoY +28.6%), mainly due to increases in number of customers placing orders. Royalty income: Decreased YoY.
					YoY	+13.0%	
					Sales Ratio	-	
Gross Profit	54,389	30.3%	60,329	29.8%	Amount (mil.JPY)	+5,939	<ul style="list-style-type: none"> Product GP% Decreased (Δ0.6pt.: Due to change in product mix and decline in profit ratio of imported products resulting from depreciation of JPY). Royalty income: Decreased YoY. Other COGS ratio improved (+0.1pt.)
					YoY	+10.9%	
					Sales Ratio	Δ 0.5%	
SG&A Exp.	30,485	17.0%	32,148	15.9%	Amount (mil.JPY)	+1,663	<ul style="list-style-type: none"> Outsourcing Exp. ratio decreased (Δ0.3pt.: Sales per box increased, increase in productivity, etc.). Facility Rent Exp. ratio decreased (Δ0.3pt.: Due to end of lease contract for Amagasaki DC, sales increase, etc.). Other Exp. ratio decreased (Δ0.2pt.: Incurred one time equipment cost last year for launching Inagawa DC Phase 2. Decrease in package cost ratio due to increase in sales per box, etc.). Labor Exp. Ratio decreased (Δ0.2pt.: increases in sales per box, in productivity, etc.). Ad. Exp. Ratio decreased (Δ0.1pt.: Some flyers for new customers will be sent out together in Q4. And decrease in listing ad. cost ratio, etc.). Depreciation Exp. Ratio increased (+0.1pt.: Phase 2 of Inagawa DC launched in Apr. 2023, etc.).
					YoY	+5.5%	
					Sales Ratio	Δ 1.1%	
Operating Income	23,904	13.3%	28,181	13.9%	Amount (mil.JPY)	+4,276	<ul style="list-style-type: none"> GP ratio decreased (Δ0.5pt.), but SG&A Exp. ratio also decreased (Δ1.1pt.) and Operating Income ratio improved (+0.6pt.).
					YoY	+17.9%	
					Sales Ratio	+0.6%	
Net Income (Tax Rate)	16,773 (30.2%)	9.4%	19,568 (30.5%)	9.7%	Amount (mil.JPY)	+2,795	<ul style="list-style-type: none"> Operating Income grew by 17.9% and Net Income amount increased by +16.7%.
					YoY	+16.7%	
					Sales Ratio	+0.3%	

Financial Result P/L Outline 3/3 vs. Plan

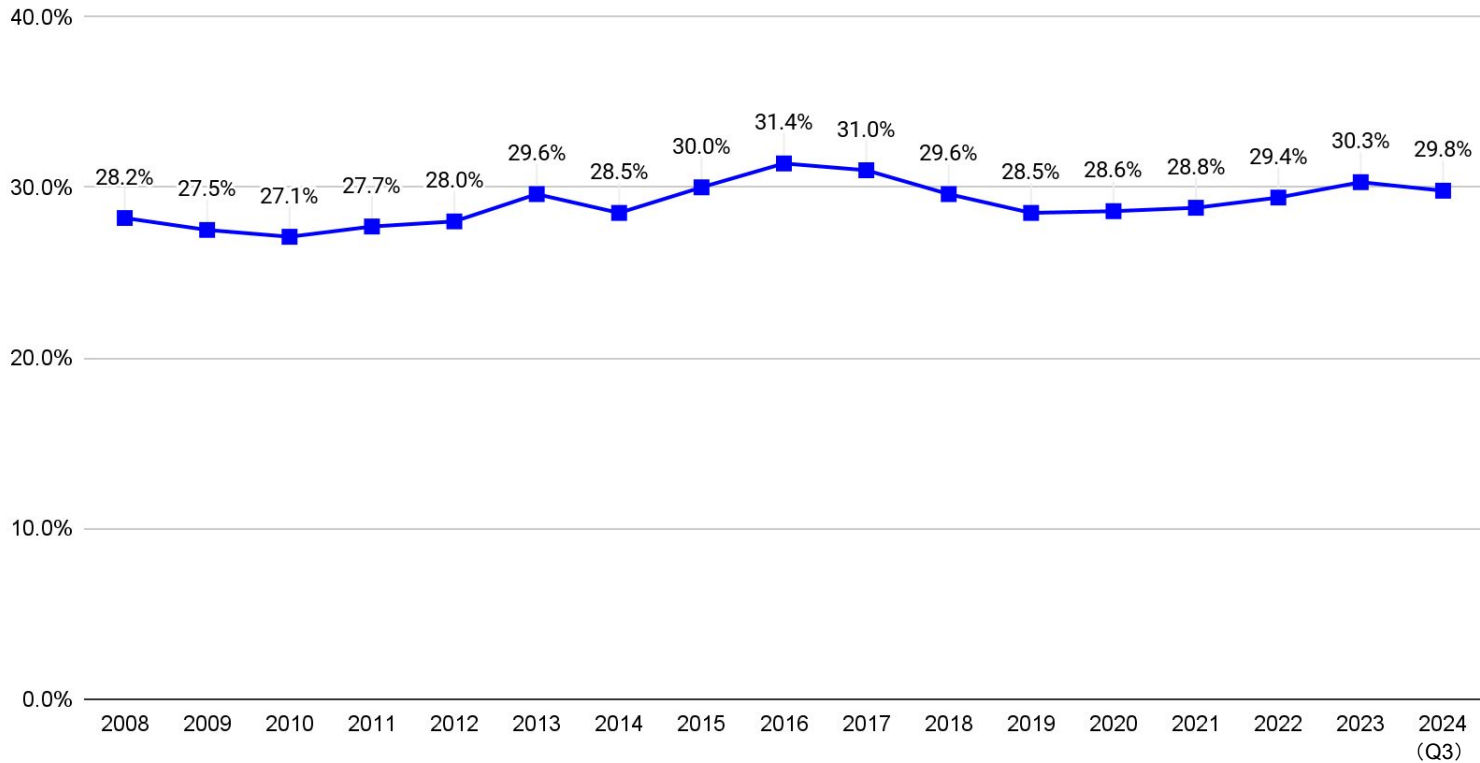
	Jan.-Sep. 2024 Plan (A)		Jan.-Sep. 2024 Result (B)		Difference (B-A)		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio			
Sales	200,131	—	202,635	—	Amount (mil.JPY)	+2,503	<ul style="list-style-type: none"> monotaro.com: Higher than plan. Enterprise Business: Went above plan (+0.3%) . Royalty income: Higher than plan.
					vs Plan	+1.3%	
					Sales Ratio	-	
Gross Profit	60,061	30.0%	60,329	29.8%	Amount (mil.JPY)	+268	<ul style="list-style-type: none"> Product GP ratio decreased (Δ0.4pt.: Due to change in product mix, decrease in sales share of PB product, and decline in profit ratio of imported products resulting from depreciation of JPY). Royalty income: Increased compared to plan.
					vs Plan	+0.4%	
					Sales Ratio	Δ 0.2%	
SG&A Exp.	33,470	16.7%	32,148	15.9%	Amount (mil.JPY)	Δ 1,322	<ul style="list-style-type: none"> Other Exp. ratio decreased (Δ0.3pt.: Decreases in system usage fees, equipment and supplies expense etc.). Ad. & Prom. Exp. ratio decreased (Δ0.2pt.: Due to decrease in cost of flyers for dormant customers, etc.). Labor Exp. ratio decreased (Δ0.1pt.: Due to difference in number of employees, etc.). Facility Rent Exp. ratio decreased (Δ0.1pt.: Due to estimation variance of external warehouse rent cost, etc.). Outsourcing Exp. ratio decreased (Δ0.1pt.: Due to decrease in temporary system engineer cost, etc.).
					vs Plan	Δ 4.0%	
					Sales Ratio	Δ 0.8%	
Operating Income	26,590	13.3%	28,181	13.9%	Amount (mil.JPY)	+1,590	<ul style="list-style-type: none"> Despite decrease in gross profit ratio (Δ0.2 pt.), Operating Income increased (+6.0%) due to decrease in SG&A expenses.
					vs Plan	+6.0%	
					Sales Ratio	+0.6%	
Net Income (Tax Rate)	18,508 (30.4%)	9.2%	19,568 (30.5%)	9.7%	Amount (mil.JPY)	+1,059	<ul style="list-style-type: none"> Due to increase in Operating Income, Net Income amount increased (+5.7%).
					vs Plan	+5.7%	
					Sales Ratio	+0.5%	

Non-consol. Progress - Sales & Customer

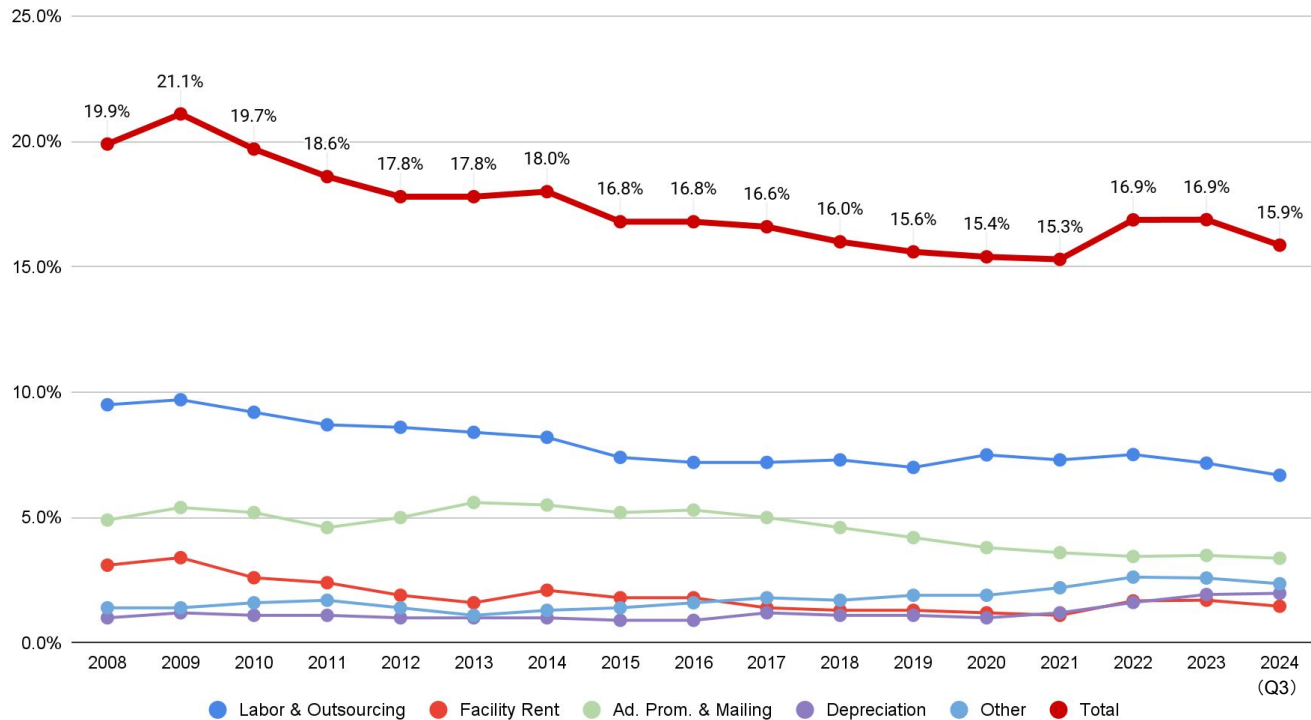


	Dec. 2023		Sep. 2024		Dec. 2024 (Plan)	
Number of Registered Customers	9,106,521	+1,100,027 (vs. Dec.2022)	9,886,453	+779,932 (vs. Dec.2023)	10,134,252	+1,027,731 (vs. Dec.2023)

Non-consol. Progress - Gross Profit Ratio



Non-consol. Progress - SG&A Expense Ratio



	Jan.-Sep. 2023 Result	Jan.-Sep. 2024 Result
Labor	4.6%	4.4%
Outsourcing	2.6%	2.3%
Facility Rent	1.8%	1.5%
Ad & Promotion	3.3%	3.2%
Mailing	0.2%	0.1%
Depreciation	1.9%	2.0%
Others	2.6%	2.4%
Total	17.0%	15.9%

Distribution-related Cost

- Distribution-related Cost sales ratio 2024 Jan.-Sep.: 6.8%
 - 0.8pt. lower than 2023 Jan.-Sep. Result.
 - Labor and outsourcing expense ratio decreased: $\Delta 0.5$ pt. (increase in sales per box resulted in decrease in number of box handled per sale, productivity improved, etc.).
 - Facility rent expense ratio decreased: $\Delta 0.3$ pt. (lease contract for Amagasaki DC ended, sales increased, etc.).
 - Other expense ratio decreased: $\Delta 0.2$ pt. (no spending of preparing cost for launching Inagawa DC phase 2 this year, etc.).
 - 0.2pt. lower than Plan.
 - Facility rent expense ratio decreased: $\Delta 0.1$ pt. (estimation variance of external warehouse rent cost, etc.).
 - Other expense ratio decreased: $\Delta 0.1$ pt. (decrease in equipment cost at DC, etc.).
 - Labor & Outsourcing ratio decreased: $\Delta 0.1$ pt. (almost as planned).

	Jan.-Sep. 2023 Result		Jan.-Sep. 2024 Plan		Jan.-Sep. 2024 Result			
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	YoY	vs Plan
Sales (Non-consol.)	179,373		200,131		202,635		+13.0%	+1.3%
Depreciation	2,249	1.3%	2,671	1.3%	2,617	1.3%	+16.4%	$\Delta 2.0$ %
Labor & Outsourcing	6,059	3.4%	5,955	3.0%	5,952	2.9%	$\Delta 1.8$ %	$\Delta 0.1$ %
Facility Rent	2,799	1.6%	2,766	1.4%	2,607	1.3%	$\Delta 6.9$ %	$\Delta 5.7$ %
Others	2,468	1.4%	2,652	1.3%	2,510	1.2%	+1.7%	$\Delta 5.4$ %
Total	13,576	7.6%	14,046	7.0%	13,688	6.8%	+0.8%	$\Delta 2.6$ %

Financial Result B/S Outline

	Sep. 2023	Dec. 2023	Sep. 2024	
	mil. JPY	mil. JPY	mil. JPY	Ratio
Assets				
Cash	7,505	17,995	21,267	16.0%
Accounts Receivable	28,146	28,802	29,991	22.6%
Inventory	18,574	17,513	18,379	13.9%
Other	7,659	8,089	8,057	6.1%
Total Current Assets	61,886	72,400	77,696	58.6%
Tangible Fixed Asset	37,128	38,335	36,712	27.7%
Intangible Fixed Assets	6,359	6,263	6,338	4.8%
Other	11,377	10,332	11,885	9.0%
Total Fixed Assets	54,865	54,931	54,936	41.4%
Total Assets	116,751	127,332	132,632	

	Sep. 2023	Dec. 2023	Sep. 2024	
	mil. JPY	mil. JPY	mil. JPY	Ratio
Liabilities				
Accounts Payable	15,726	16,304	17,742	13.4%
Short-term Debt, etc.	4,500	4,500	—	0.0%
Others	10,393	14,267	11,418	8.6%
Total Current Liabilities	30,619	35,072	29,160	22.0%
Total Long term Liabilities	3,177	4,006	4,097	3.1%
Total Liabilities	33,797	39,079	33,258	25.1%
Net Assets				
Shareholder's Equity	82,925	88,225	99,345	74.9%
Others	28	28	28	0.0%
Total Net Assets	82,954	88,253	99,374	74.9%
Total Liabilities & Net Assets	116,751	127,332	132,632	

(*Note) Short-term Debt, etc. includes short-term debt & current portion of long-term debt.

2024 Jan. to Sep.
(Consol.) Financial Result Overview

Financial Result P/L Outline 1/3

	Jan.-Sep. 2023 Result		Jan.-Sep. 2024 Plan		Jan.-Sep. 2024 Result			
	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	YoY	vs Plan
Sales	187,223		209,404		211,509		+13.0%	+1.0%
Gross Profit	55,965	29.9%	62,014	29.6%	61,991	29.3%	+10.8%	△0.0%
SG&A Exp.	33,045	17.7%	36,357	17.4%	34,950	16.5%	+5.8%	△3.9%
Operating Income	22,919	12.2%	25,656	12.3%	27,040	12.8%	+18.0%	+5.4%
Current Income	23,145	12.4%	25,663	12.3%	27,134	12.8%	+17.2%	+5.7%
Net Income (Tax Rate)	15,773 (31.6%)	8.4%	17,560 (31.6%)	8.4%	18,399 (31.8%)	8.7%	+16.6%	+4.8%
Net Income attributable to owners of the parent	16,171	8.6%	17,977	8.6%	18,886	8.9%	+16.8%	+5.1%

■ NAVIMRO (South Korea)

- Focusing on enterprise business and postpaid corporate customers, in which there is large room to grow.
- Aiming to increase sales by acquiring customers with high lifetime value, and improving profit ratios.

	Jan.-Sep. 2023 Result			Jan.-Sep. 2024 Plan			Jan.-Sep. 2024 Result				
	Amount (mil.JPY)	YoY	YoY (Local Currency)	Amount (mil.JPY)	YoY	YoY (Local Currency)	Amount (mil.JPY)	YoY	vs Plan	YoY (Local Currency)	vs Plan (Local Currency)
Sales	6,640	+17.5%	+11.6%	7,720	+16.2%	+14.6%	7,340	+10.5%	Δ4.9%	+4.9%	Δ8.5%
Op.Income	Δ100	—	—	Δ40	—	—	Δ110	—	—	—	—
Net Income x Share ^{(*)1}	Δ100	—	—	Δ70	—	—	Δ130	—	—	—	—

■ MONOTARO INDONESIA (Indonesia)

- Number of corporate customers who regularly buy increased.
- Expanding number of products handled and promoting linkage with suppliers' inventory information in order to realize one-stop shopping.

	Jan.-Sep. 2023 Result			Jan.-Sep. 2024 Plan			Jan.-Sep. 2024 Result				
	Amount (mil.JPY)	YoY	YoY (Local Currency)	Amount (mil.JPY)	YoY	YoY (Local Currency)	Amount (mil.JPY)	YoY	vs Plan	YoY (Local Currency)	vs Plan (Local Currency)
Sales	690	+40.0%	+33.9%	890	+28.9%	+27.5%	920	+32.5%	+2.8%	+27.0%	Δ0.4%
Op.Income	Δ230	—	—	Δ250	—	—	Δ230	—	—	—	—
Net Income x Share ^{(*)1}	Δ120	—	—	Δ130	—	—	Δ120	—	—	—	—

*1: Calculated by multiplying Net Income by Share Ratio at end of each fiscal year for reference.

*2: Sales and profit/loss less than 10 million JPY are rounded down as shown in explanation material in Japanese language.

■ IB MonotaRO (India)

- Although GMV fell short of plan, sales slightly higher. Focus on consumables sales led to improvement in repeat order ratio, although average order amount declined.
- Continuing to acquire corporate customers in commercial and industrial areas with high Lifetime Value.
- New 3 distribution related sites launched in 2024 (currently total of 5 in operation) for shortening lead time.

	Jan.-Sep. 2023 Result			Jan.-Sep. 2024 Plan			Jan.-Sep. 2024 Result				
	Amount (mil.JPY)	YoY	YoY (Local Currency)	Amount (mil.JPY)	YoY	YoY (Local Currency)	Amount (mil.JPY)	YoY	vs Plan	YoY (Local Currency)	vs Plan (Local Currency)
Gross Merchandise Value(*3)	930	+20.8%	+19.4%	1,000	+6.6%	+5.4%	980	+5.1%	Δ1.4%	Δ2.9%	Δ7.9%
Sales(*3)	600	+17.0%	+15.6%	640	+7.0%	+5.8%	700	+16.6%	+8.9%	+7.6%	+1.7%
Op.Income	Δ560	—	—	Δ620	—	—	Δ760	—	—	—	—
Net Income x Share(*1)	Δ290	—	—	Δ320	—	—	Δ410	—	—	—	—

*1: Calculated by multiplying Net Income by Share Ratio at end of each fiscal year for reference.

*2: Sales and profit/loss less than 10 million JPY are rounded down as shown in explanation material in Japanese language.

*3: Only commission portion of sales by sellers in marketplace is recognized as sales.

Financial Result B/S Outline

	Sep. 2023	Dec. 2023	Sep. 2024	
	mil. JPY	mil. JPY	mil. JPY	Ratio
Assets				
Cash	8,328	18,644	22,144	16.7%
Accounts Receivable	28,632	29,349	30,558	23.1%
Inventory	19,959	18,875	19,730	14.9%
Others	8,009	8,417	8,478	6.4%
Total Current Assets	64,930	75,286	80,911	61.2%
Tangible Fixed Assets	38,380	39,561	37,812	28.6%
Intangible Fixed Assets	7,184	6,359	6,434	4.9%
Others	6,970	7,144	7,089	5.4%
Total Fixed Assets	52,535	53,065	51,336	38.8%
Total Assets	117,465	128,352	132,248	

	Sep. 2023	Dec. 2023	Sep. 2024	
	mil. JPY	mil. JPY	mil. JPY	Ratio
Liabilities				
Accounts Payable	16,365	17,052	18,452	14.0%
Short-term Debt, etc.	4,722	4,942	257	0.2%
Others	11,013	14,995	12,197	9.2%
Total Current Liabilities	32,101	36,989	30,907	23.4%
Total Long term Liabilities	3,753	4,380	4,503	3.4%
Total Liabilities	35,854	41,369	35,411	26.8%
Net Assets				
Shareholder's Equity	80,386	86,028	95,809	72.4%
Others	1,224	954	1,027	0.8%
Total Net Assets	81,611	86,982	96,837	73.2%
Total Liabilities & Net Assets	117,465	128,352	132,248	

(*Note) Short-term Debt, etc. includes short-term debt & current portion of long-term debt.

Financial Result C/F Outline

	Jan.-Sep. 2023 Result	Jan.-Sep. 2024 Result
	mil. JPY	mil. JPY
Cash Flow from Operating Activity		
Net Income before Tax	23,047	26,987
Depreciation	3,497	4,278
Increase or Decrease in Accounts Receivable (Δ = increase)	Δ 2,078	Δ 1,207
Increase or Decrease in Inventory (Δ = increase)	Δ 272	Δ 867
Increase or Decrease in Accounts Payable (Δ = decrease)	653	1,406
Tax payment	Δ 8,064	Δ 10,415
Increase or Decrease in Accrued Consumption Taxes (Δ = decrease)	943	Δ 497
Others	Δ 190	Δ 224
Total	17,536	19,461
Cash Flow from Investing Activity		
Acquisition of Tangible Assets	Δ 4,347	Δ 1,207
Acquisition of Intangible Assets	Δ 1,566	Δ 1,545
Others	Δ 744	Δ 148
Total	Δ 6,659	Δ 2,901
Cash Flow from Financing Activity		
Repayments of Long-term Debt	Δ 4,500	Δ 4,500
Cash Dividends Paid	Δ 7,439	Δ 8,433
Others	259	Δ 356
Total	Δ 11,680	Δ 13,290
Currency Exchange Adjustment	27	5
Net Increase or Decrease in Cash and Cash Equivalent (Δ = decrease)	Δ 775	3,274
Cash and Cash Equivalent at Beginning of Period	8,586	18,454
Cash and Cash Equivalent at End of Period	7,811	21,729

2024 Jan. to Sep.
Business Plan & Strategy

Non-consolidated P/L Plan Outline

	2023 Result		2024 Plan		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	YoY
Sales	243,352		273,549		12.4%
Enterprise Bus.	67,327	27.7%	86,382	31.6%	28.3%
Gross Profit	73,759	30.3%	82,231	30.1%	11.5%
SG&A Exp.	41,084	16.9%	45,273	16.6%	10.2%
Operating Income	32,675	13.4%	36,957	13.5%	13.1%
Current Income	32,891	13.5%	36,984	13.5%	12.4%
Net Income (Tax Rate)	22,072 (28.9%)	9.1%	25,714 (30.4%)	9.4%	16.5%

Consolidated P/L Plan Outline 1/2

	2023 Result		2024 Plan		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	YoY
Sales	254,286		286,570		12.7%
Gross Profit	75,964	29.9%	84,990	29.7%	11.9%
SG&A Exp.	44,654	17.6%	49,169	17.2%	10.1%
Operating Income	31,309	12.3%	35,820	12.5%	14.4%
Current Income	31,538	12.4%	35,835	12.5%	13.6%
Net Income (Tax Rate)	21,264 (30.9%)	8.4%	24,565 (31.4%)	8.6%	15.5%
Net Income attributable to owners of the parent	21,813	8.6%	25,096	8.8%	15.1%

If consolidated financial forecast is expected to exceed by one of following ranges from disclosed consolidated financial forecast, revised forecast is disclosed.
Sales (consolidated): ±5% • Operating Income (consolidated): ±10% • Current Income (consolidated): ±10% • Net Income Attributable to Owners of Parent: ±10%

Consolidated P/L Plan Outline 2/2

■ NAVIMRO (South Korea)

	2023 Result			2024 Plan		
	Amount (mil.JPY)	YonY	YonY(Local Currency)	Amount (mil.JPY)	YonY	YonY (Local Currency)
Sales	9,300	+15.8%	+9.4%	10,800	+16.1%	+16.1%
Op.Income	△110	—	—	△10	—	—
Net Income x Share(*1)	△120	—	—	△30	—	—

■ MONOTARO INDONESIA (Indonesia)

	2023 Result			2024 Plan		
	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	YonY (Local Currency)
Sales	970	+34.2%	+28.4%	1,280	+30.7%	+30.7%
Op.Income	△330	—	—	△320	—	—
Net Income x Share(*1)	△160	—	—	△160	—	—

■ IB MONOTARO (India)

	2023 Result			2024 Plan		
	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	YonY (Local Currency)
(*2) Gross Merchandise Value	1,240	+19.6%	+17.5%	1,420	+14.3%	+14.3%
(*2) Sales	790	+15.4%	+13.3%	930	+17.2%	+17.2%
Op.Income	△790	—	—	△800	—	—
Net Income x Share(*1)	△410	—	—	△410	—	—

*1: Calculated by multiplying Net Income by Share Ratio at end of each fiscal year for reference.

*2: Only commission portion of sales by sellers in marketplace is recognized as sales.

*3: Sales and profit/loss less than 10 million JPY are rounded down as shown in explanation material in Japanese language.

■ Market Analysis by Customer Size and MonotaRO's Current Status

	Customer Size	MonotaRO's Situation	Current Strategy	State of Progress
Enterprise Business	Micro (Sole Proprietorship, General Consumers, Other)	<ul style="list-style-type: none"> 2023 Sales share: about 10% 2023 Sales YoY growth: about 0% 	<ul style="list-style-type: none"> Optimizing direct marketing based upon expected LTV. 	<ul style="list-style-type: none"> Temporary increase in demand for emergency products due to impact of alert over risk of Nankai Trough megaquake, etc.
	Small (Legal Entity with Sales < 2 bil. JPY, about 4.5 mil. corps.)	<ul style="list-style-type: none"> 2023 Sales share: about 40% 2023 Sales YoY growth: about 9% Corp. registration % (*1): about 30% 	<ul style="list-style-type: none"> Acquiring and retaining new corp. customers through more elaborated direct marketing based upon expected LTV. Strengthening personalized/integrated marketing to increase purchases by existing customers. 	<ul style="list-style-type: none"> Increasing flyers to acquire new customers based on new updated list (from Aug). Developing measures for customer retention Developing communication measures based on the customers' behaviour on website, using new sales promotion platform.
	Mid (Legal Entity with Sales < 30 bil. JPY, about 60,000 corps.)	<ul style="list-style-type: none"> 2023 Sales share: about 25% 2023 Sales YoY growth: about 15% Corp. registration % (*1) is high about 80%, and penetration rate of bases (*2) is about 20%. About 2.3K corps are connected to enterprise system. 	<ul style="list-style-type: none"> Acquiring new companies connected to enterprise system. Strengthening measures to acquire new users within companies (e.g. flyers). Increasing user's spending. <ul style="list-style-type: none"> Strengthening marketing and site promotion to reach end users. 	<ul style="list-style-type: none"> Started sending flyers to increase penetration of bases within companies (from Aug). Implementing promotions in procurement system to increase frequency of order. Restarting sales activities for Mid to expand connection to enterprise system (from Dec.).
	Large (Sales > 30 bil. JPY, about 6,000 corps.)	<ul style="list-style-type: none"> 2023 Sales share: about 25% 2023 Sales YoY growth: about 25% Corp. registration % (*1) is over 90%, and penetration rate of bases (*2) is about 9%. About 1K corps are connected to enterprise system. 	<ul style="list-style-type: none"> Improving accuracy of corporations' potential uses. Strengthening sales team structure to acquire new large customers. Developing effective sales frameworks based on understanding of procurement process. Strengthening service solutions for Large customers. 	<ul style="list-style-type: none"> New acquisition of large customers progressed as planned. Enhancing onboarding plans after contracts concluded. Strengthen sales activities (e.g. PB products proposals, exhibitions) to increase base penetration and market share in high potential manufacturing bases, etc.

* 1: Corp. Registration rate = corporate customers having at least one person who has MonotaRO account.

* 2: Penetration rate = Percentage of business offices and sites that have at least one person holding account with MonotaRO among those of company.

■ Measures to improve delivery services

- From Sep. 10, 2024, extension of same-day shipping cutoff time to 5pm (17:00) started in South Kanto area
 - Previous cutoff time: 3pm (15:00)
 - Pop-ups displayed on website (monotaro.com) for target customers.
- Expanding scope of announcements and geographical coverage gradually in future.
 - Strengthening marketing for expanding scope of announcements beyond website (monotaro.com).
 - Kansai area added to geographical coverage in 2024Q4.

Shown at right is pop-up of cut-off time extension for same day shipment, and it reads following in Japanese.

- Cut-off time has been extended to 5pm in South Kanto area.
- Eligible are orders for delivery to South Kanto area, Tokyo, Kanagawa, Chiba, and Saitama Prefectures.
- Not applicable for direct shipments, large items and some special items.



■ BtoB Online E-commerce (monotaro.com)

Acquiring New Customers	Expanding Existing Customers' Sales
<ul style="list-style-type: none"> Renewed prospect lists and extended range of new customers to send flyers to (from Aug) Efforts underway to strengthen acquisition of customers with high LTV expectations. 	<ul style="list-style-type: none"> Confirmed impacts of dormant reactivation and reactivated customer retention activities launched in 2023. Strengthening measures to retain newly acquired customers (online advertising/promotional activities). Expanding integrated marketing plans using new sales promotion platform. Extended cutoff time for same-day shipping from 3 pm to 5 pm in South Kanto area.

■ System Connection with Large Corporations (Enterprise Business)

Acquiring New Customers	Expanding Customers' Usage
<ul style="list-style-type: none"> Elaborating potential of each company and base. New customer sales achieved Plan through acquisition of large accounts in Large Seg. Webinar sponsored by MonotaRO will be held in Nov. As for Mid, promoting switching from monotaro.com is scheduled to resume. 	<ul style="list-style-type: none"> Increased sales staff. Cultivating deeper customer relationships, and expanding on-site sales. Realized one-to-one marketing with ONE SOURCE Lite customers. Extended cutoff time for same-day shipping from 3 pm to 5 pm in South Kanto area.

2023 Jan.-Sep. Result			2024 Jan.-Sep. Plan			2024 Jan.-Sep. Result			
Mil. JPY	YonY	/Total Sales	Mil. JPY	YonY	/Total Sales	Mil. JPY	YonY	vs Plan	/Total Sales
48,709	+34.9%	27.2%	62,490	+28.3%	31.2%	62,651	+28.6%	+0.3%	30.9%
			Dec. 2023 End Result		Sep. 2024 End Result				
			No. Corp.		No. Corp.		vs Dec. 2023 End		Remark
Total number of corporations (ONE SOURCE / ONE SOURCE Lite)			(*) 3,578 (2,827)		(*) 3,750 (2,942)		+172 (+115)		141 considering

* Note: Number of active corporations in Dec.2023 and Sep. 2024.

■ Royalty Business

	2024 Jan.-Sep.
Target Business (Grainger's Zoro business in US & UK)	<ul style="list-style-type: none"> U.S. daily sales grew about by 8% from 2023 Jan.- Sep., but gross profit % declined.
Royalty Income	<ul style="list-style-type: none"> Amount received in 2024 Jan.- Sep. decreased from 2023 Jan.- Sep., but exceeded Plan.

■ Difference in 2024 Jan.- Sep. SG&A Expenses from Plan

	SG&A Decreasing Factor	Amount
Decrease in Expenses Other than Logistic Expense (except for expenses delayed)	<ul style="list-style-type: none"> Decrease in SG&A from Plan <ul style="list-style-type: none"> Variances of estimation (personnel cost, system usage cost, tax and public dues, etc.) and reductions of expense so far in 2024 (system usage cost, IT engineer dispatch outsourcing cost, etc.). 	About Δ730 mil. JPY
Decrease in Logistic Expense (except for expenses delayed)	<ul style="list-style-type: none"> Decrease in SG&A from Plan <ul style="list-style-type: none"> Variances in estimates of external warehouse rent, equipment cost, and maintenance and repair cost, etc. 	About Δ350 mil. JPY
Decrease in Ad.& Promotion Expense	<ul style="list-style-type: none"> Decrease in listing ad. and flyer (mainly for dormant customers) due to increase in active rate and target narrowed down. 	About Δ220 mil. JPY
Delayed to Q4	<ul style="list-style-type: none"> Delayed to Q4 (implementation timing shifted), and impact is small. 	About Δ20 mil. JPY
Total		About Δ1,320 mil. JPY

* Amounts less than 10 million JPY are rounded down as shown in explanation material in Japanese language.

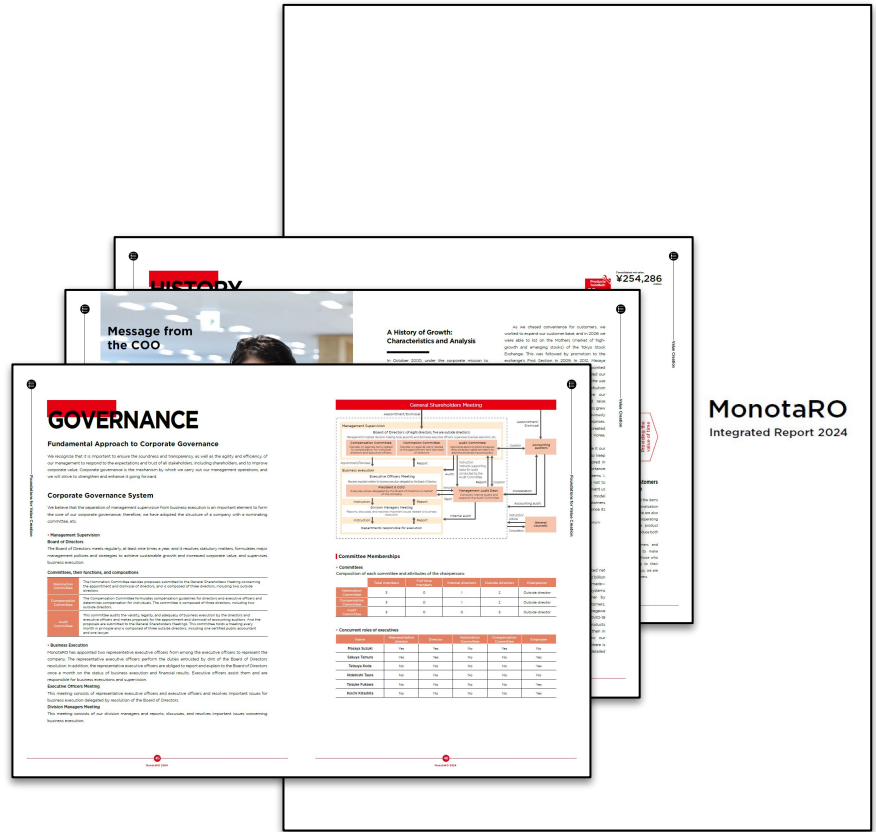
Sustainability

Status Update

			Action in 2024
Prioritized Action Areas	Environment	Reduction of CO2 emissions as a measure against climate change	<ul style="list-style-type: none"> • CO2 emissions calculation and third-party assurance verification for 2023 completed. • Introduced GHG calculation tools (to rationalise calculation and avoid individualization). • Implemented round use of containers for imported products.
		Proposal and development of environment-conscious products	<ul style="list-style-type: none"> • Began selling closed-recycled cardboard under MonotaRO brand. • In-house exhibition of environmentally friendly products was held in May with cooperation of four manufacturers. • Surveyed users to find out their attitudes toward environmentally friendly products.
		Realization of resource-recycling model	<ul style="list-style-type: none"> • Developing definition of recycling of unneeded materials (including waste). • Carried out survey of waste disposal companies to find out whether they recycle or not.
	Social	Sustainable procurement	<ul style="list-style-type: none"> • Distributed procurement guidelines to approximately 2,500 companies. Collecting procurement guideline endorsement and self-inspection questionnaires from suppliers. • Audit criteria, objectives and methods are researched and examined in order to monitor evaluation for compliance with procurement guidelines. • Conducted sustainability audit at suppliers' factories in presence of our company as reference. We shared audit results with suppliers and requested them to make improvements.
		Diversity and Inclusion	<ul style="list-style-type: none"> • Promoting employment of people with disabilities, and supporting their retention. • Implemented, analyzed, and reported internal D&I awareness survey questionnaires. • Conducted employee engagement surveys, mental health seminars, brief sessions to promote use of babysitting assistance, regular childcare round-table discussions.
Governance			<ul style="list-style-type: none"> • Disclosed data on prevention of bribery and corruption.
Sustainability-related Policies			<ul style="list-style-type: none"> • Disclosed sustainability policy and human rights policy.
Action in Disaster Occurrence			<ul style="list-style-type: none"> • When torrential rains occurred in Noto Peninsula in Sep., we supplied disaster relief supplies there in cooperation with Ishikawa Prefecture and Ministry of Economy, Trade and Industry.

Reference

Integrated Report (English Version)

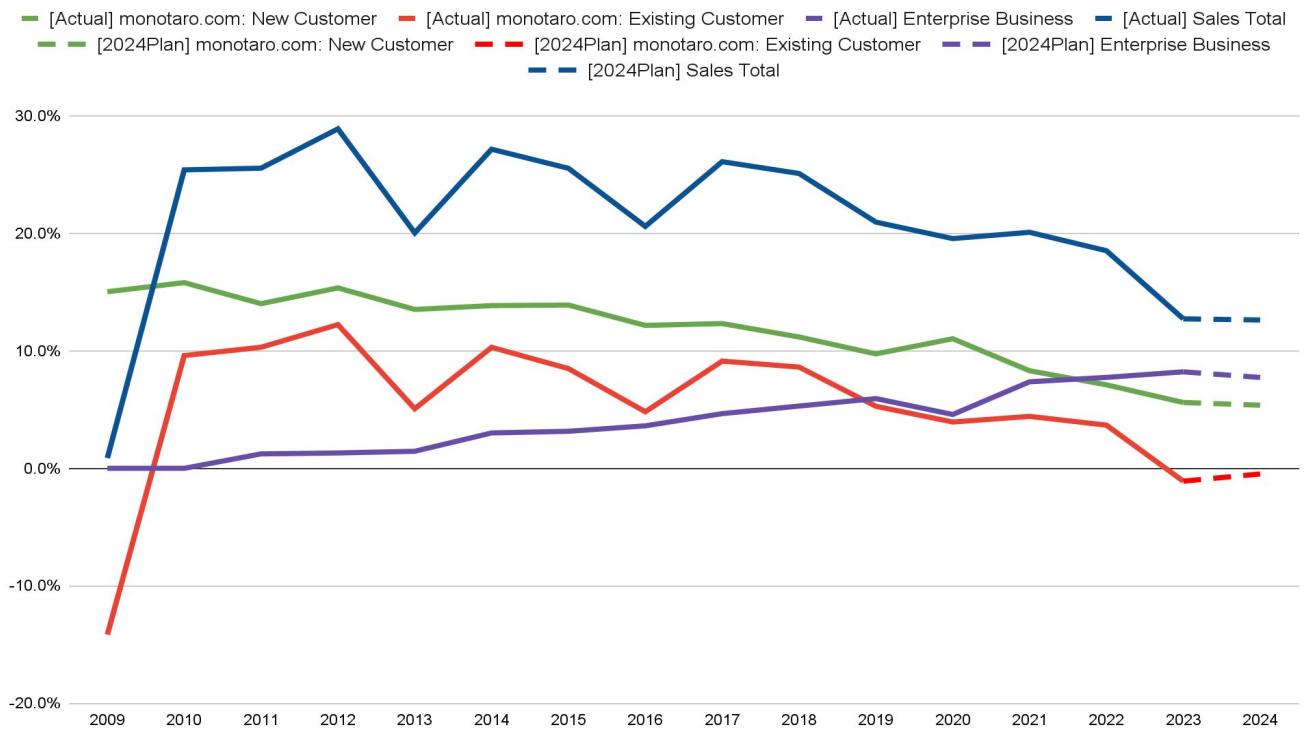


MonotaRO
Integrated Report 2024

- "Integrated Report 2024" was published and disclosed in Japanese (Jul. 24), and English report was published and disclosed (Oct. 10).
 - Where Report is disclosed (MonotaRO's IR site):
 English: https://corp.monotaro.com/en/ir/library/library_11.html
 Japanese: https://corp.monotaro.com/ir/library/library_11.html

- Contents:
 - Introduction: Greetings from Chairman of the Board, Representative Executive Officer, etc.
 - What is MonotaRO
 - Value Creation Story
 - Value Creation in Practice
 - Foundations of Value Creation
 - Financial & Corporate Information

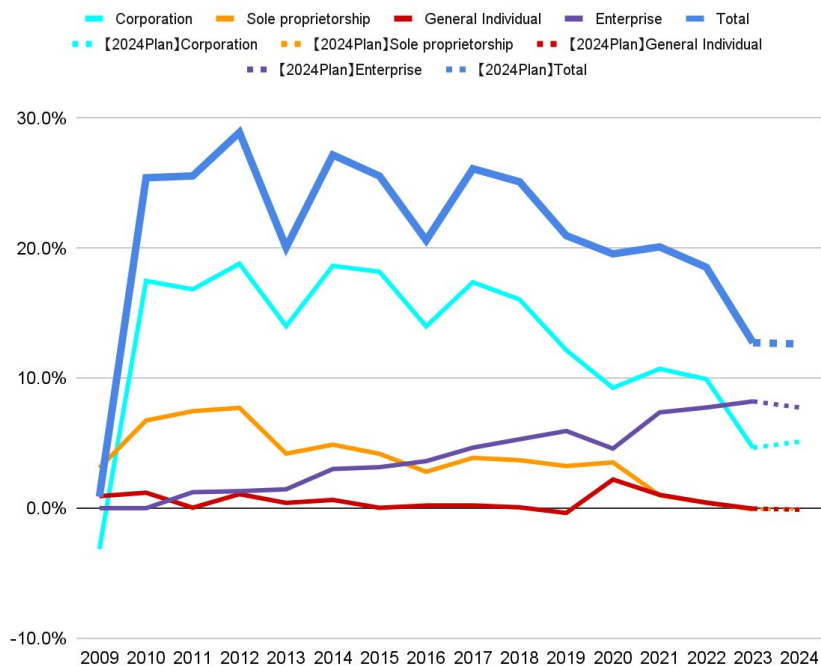
Non-consol. Fiscal Yr. Sales Growth (Service Channel Contribution)



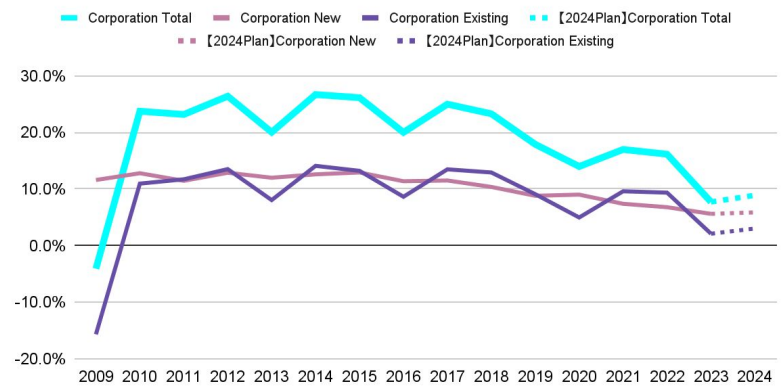
* Note 1: Fiscal year contributions of every channel to total sales growth from previous year is organized and shown based on status as of end of 2023.
 * Note 2: "monotaro.com: New Customer" indicates contribution of sales from customers acquired each fiscal year, and "monotaro.com: Existing Customer" indicates contribution of sales from customers acquired before corresponding year.
 * Note 3: Previously, orders placed via monotaro.com by customers of Enterprise Business were classified as sales of "Enterprise Business" (due to past sales management classifications), but from 2024 disclosure materials, they are reclassified as sales of "monotaro.com" following accounting system replacement in 2023 (impact on growth rate is negligible).

Non-consol. Year Sales Growth (Corporate New & Existing)

Sales Total Growth
(Contributions of monotaro.com Corp Customer., Enterprise, monotaro.com Sole Proprietorship and General Individual)



Sales Growth of monotaro.com Corp. Customer
(Contributions of New and Existing Customers)

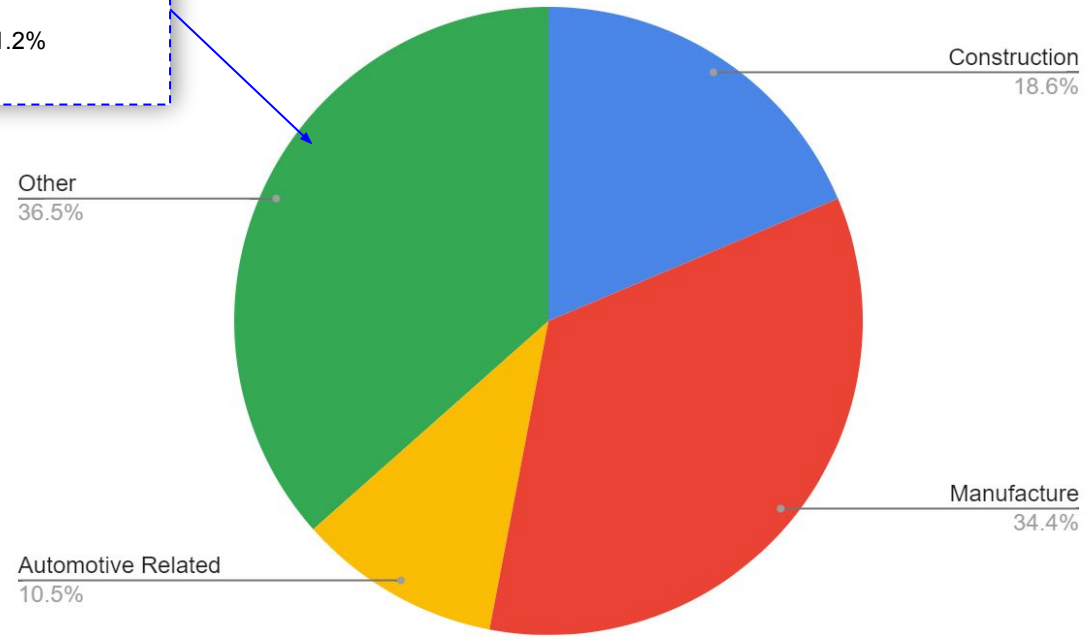


- Growth contribution and growth of corporate customers on monotaro.com
 - Of overall sales growth (12.3% in 2023 result and 12.4% planned in 2024), Total sales growth contribution from corporate customers on monotaro.com is approximately 5% both in 2023 result and 2024 plan. Due to increasing growth contribution from high-growth of Enterprise business, growth contribution from monotaro.com appears to be relatively decreasing (left graph).
 - Sales growth for monotaro.com's corporate customers in 2023 was approximately 8%, and 2024 is approximately 9% (graph above).

Non-consol. Customer Demographics

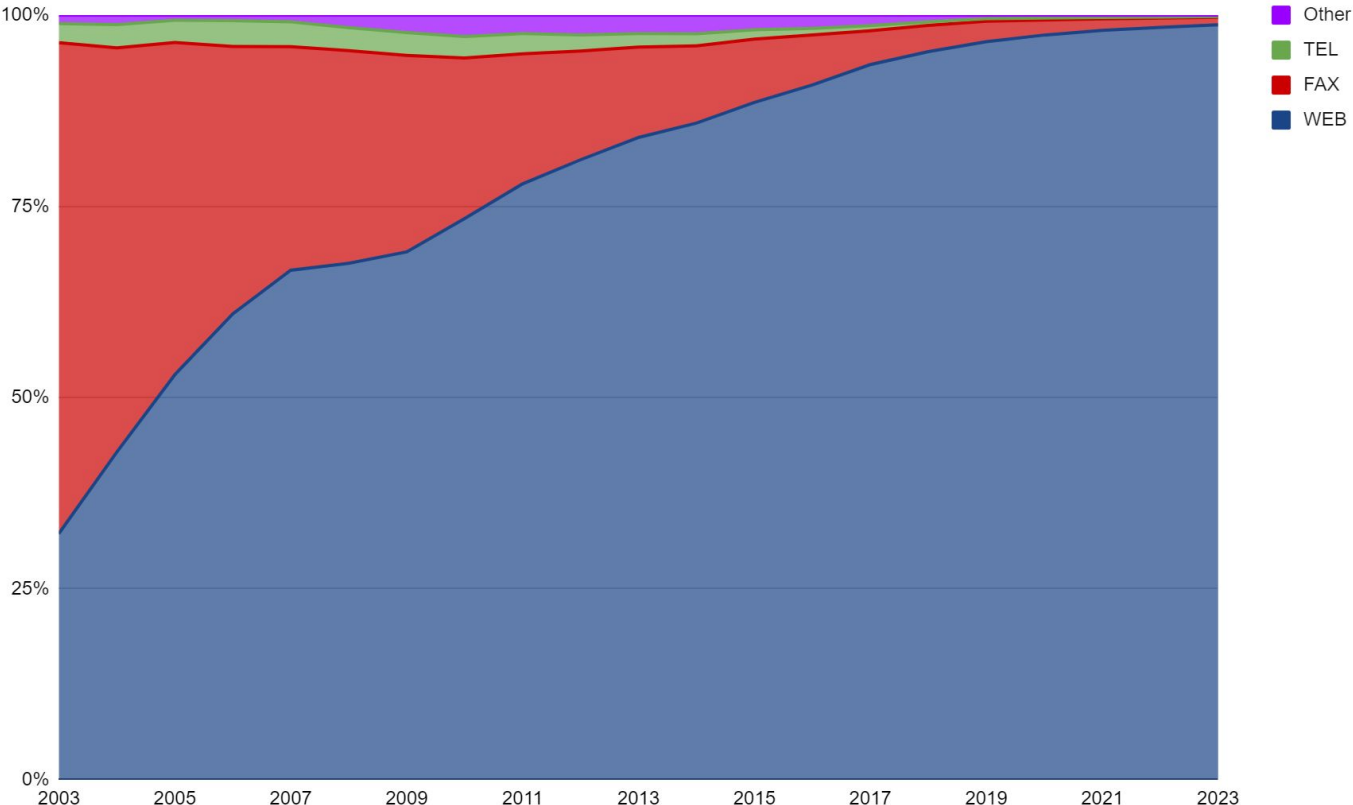
Industry

- Wholesale, Retail, Restaurant: 10.4%
- Education: 2.4%
- Agriculture: 2.2%
- Social security/welfare: 1.2%
- Medical: 1.1%

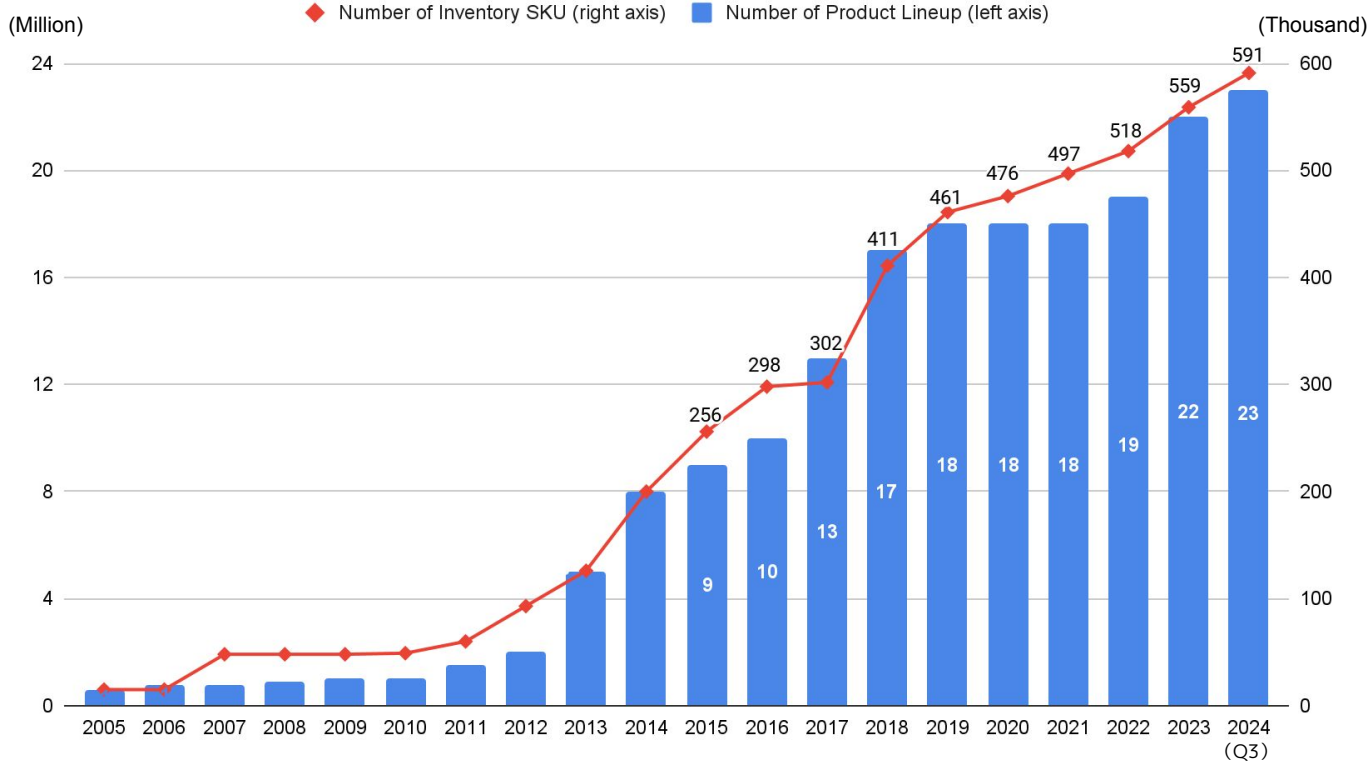


Ratio by sales amount in 2023
(Sales of monotaro.com excluding Enterprise Business)

Non-consol. Internet Purchase Order Ratio



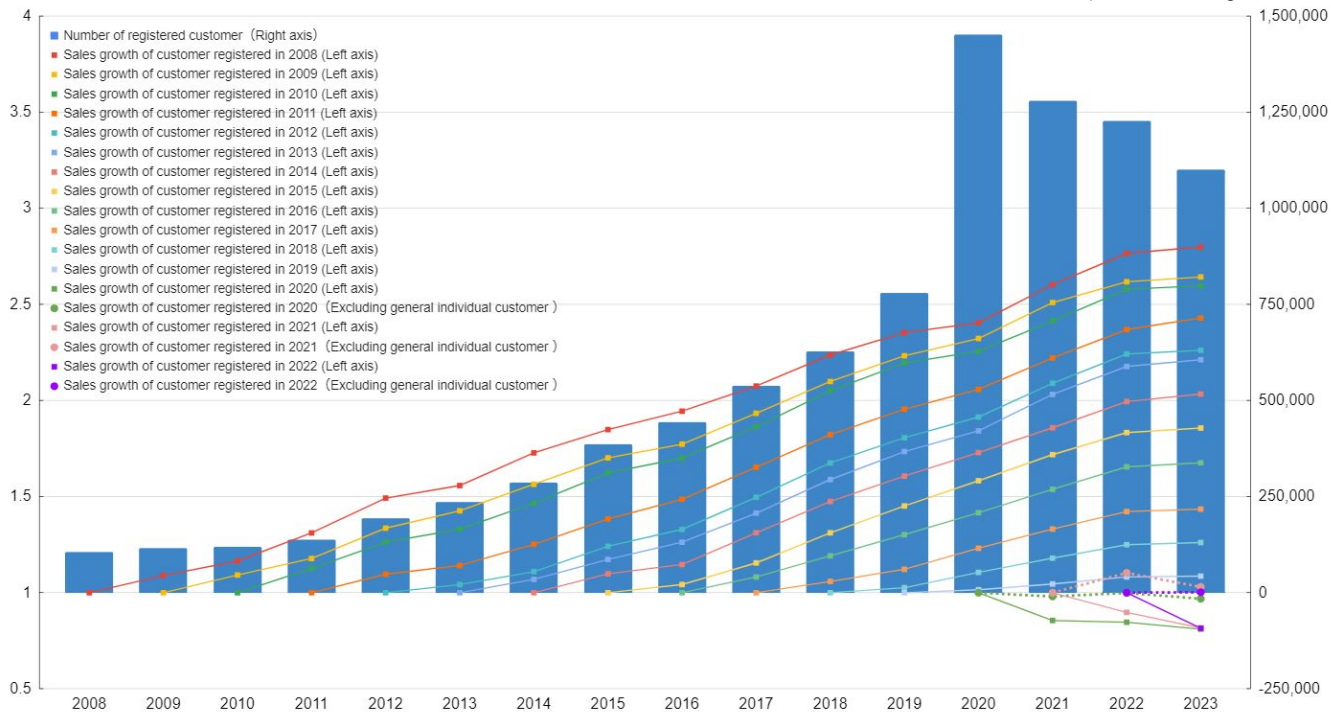
Non-consol. Product Lineup & Inventory



Non-consol. Customer Growth by Year Registered

(Growth Rate of Sales)

(Number of Registered Customers)



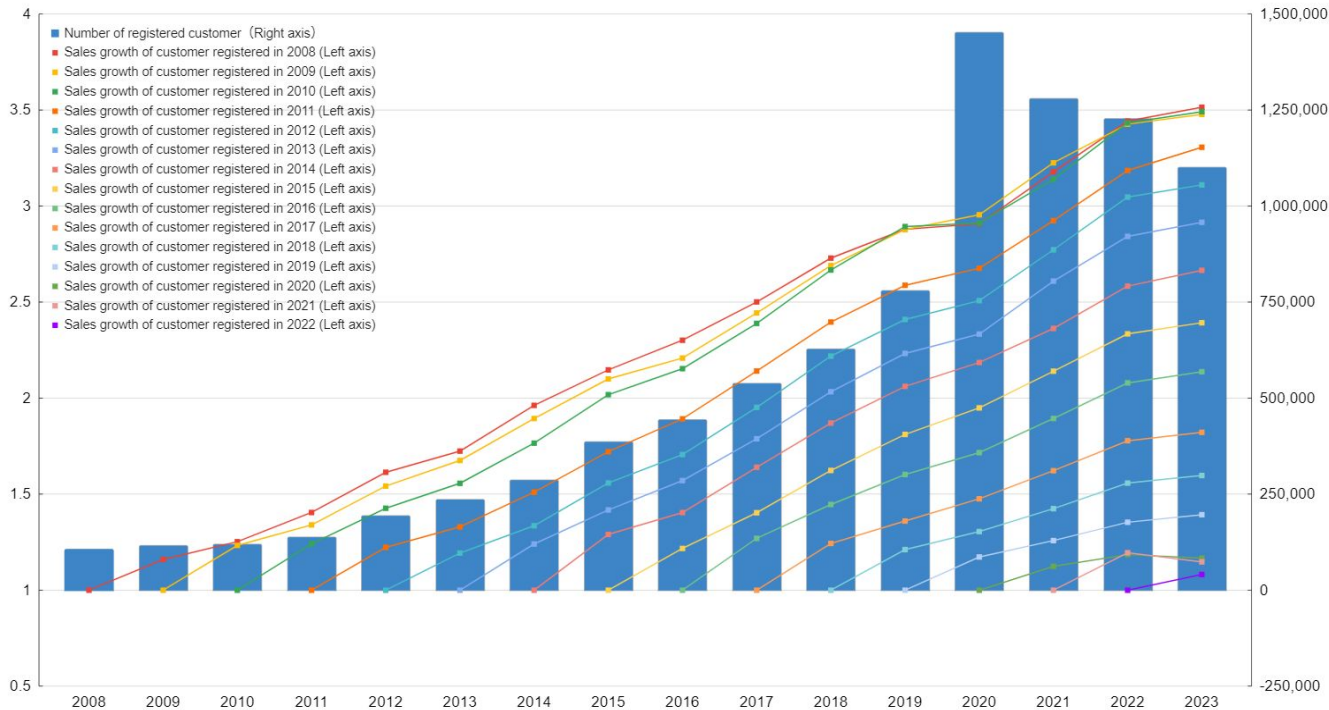
* Note 1: Above number of 'monotaro.com' registered customers and sales growth are updated retroactively at end of 2023 (Enterprise Bus. sales and sales for customers who switched to procurement system for Enterprise Bus. business are not included).

* Note 2: Line chart (left axis) shows sales growth ratio of customers registered each year by setting sales in registered year as '1.'

Non-consol. Customer Growth by Year Registered (Corp.)

(Growth Rate of Sales)

(Number of Registered Customers)



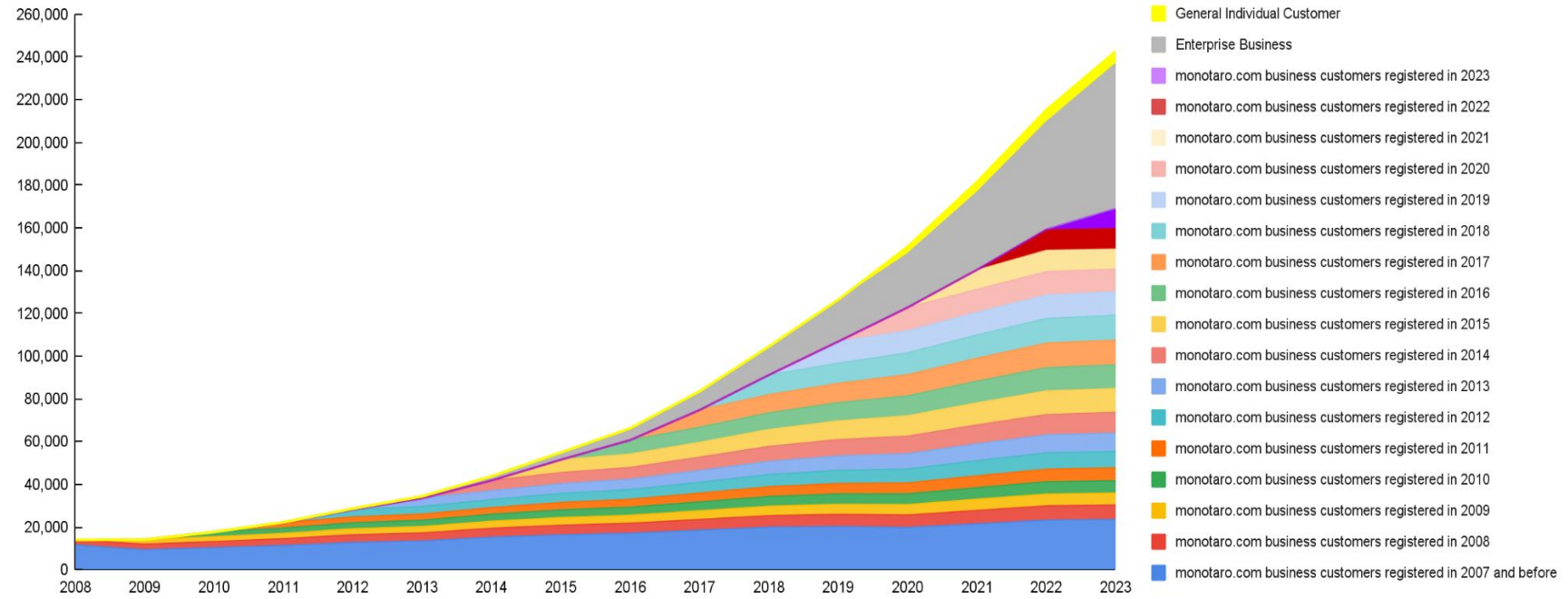
* Note 1: Above number of 'monotaro.com' registered customers and sales growth are updated retroactively at end of 2023 (Enterprise Bus. sales and sales for customers who switched to procurement system for Enterprise Bus. business are not included).

* Note 2: Line chart (left axis) shows sales growth ratio of customers registered each year by setting sales in registered year as '1.'

* Note 3: Bar chart is number of new customers acquired that includes those other than corporate customers.

Non-consol. Sales Trend by Registered Year

(Million JPY)



* Note 1: Sales of 'monotaro.com business customers' are sales of monotaro.com's business customers organized retroactively for each registration year based upon updated customer status at end of 2023.
 * Note 2: Sales of 'Enterprise Bus.' are total sales of enterprise customers based upon updated customer status at end of 2023.
 * Note 3: Sales of 'General individual customers' are total sales of monotaro.com's general individual customers and of IHC MonotaRO based upon updated customer status at end of 2023 (IHC MonotaRO was closed and integrated into monotaro.com).

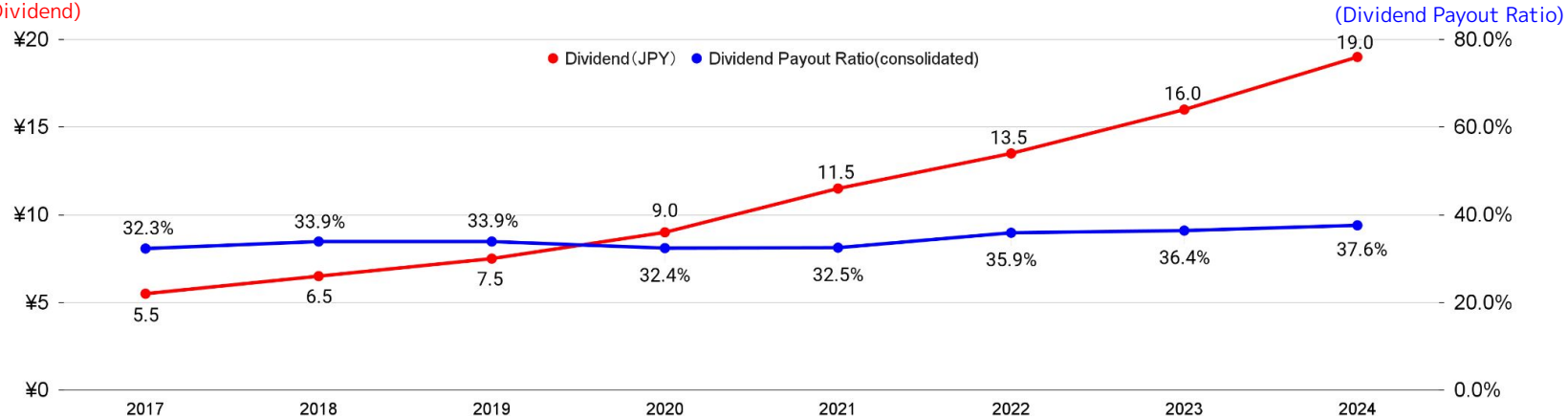
Shareholder Benefit

Dividend & Shareholder Benefit

■ Dividend

- Dividend Policy : Distributing dividend consistent with stable and ongoing growth.
- 2023 Dividend (actual): 16.00 JPY/share (8.00 JPY/share interim/actual, 8.00 JPY/share fiscal year end/actual).
- 2024 Dividend (plan): 19.00 JPY/share (9.00 JPY/share interim/actual, 10.00 JPY/share fiscal year end/plan).

(Dividend)



■ Shareholders' Benefit

- Shareholders having held one or more unit (100 shares) of MonotaRO share for 6 months or longer on continuous basis as of Dec. 31 are eligible for benefit.
- Eligible shareholders can choose products from MonotaRO's private brand as benefit, and amount of benefit varies in accordance with holding period (as in right chart).

Holding Period	Amount Benefit
6 months or more	3,000 JPY (excl. tax)
3 years or more	5,000 JPY (excl. tax)
5 years or more	7,000 JPY (excl. tax)

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 many risks and uncertainties, you are advised not to put undue reliance on these statements.

The logo for Monotaro, featuring the word "monotaro" in a bold, white, lowercase sans-serif font, centered within a solid red rectangular background.

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