

## Consolidated Financial Results for the First Nine Months of Fiscal Year Ending December 31, 2024 (Nine Months Ended September 30, 2024)

 Company name: **MonotaRO Co., Ltd.**

Stock code: 3064

Representative: Sakuya Tamura, President &amp; COO

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Scheduled date of dividend payments: -

Supplementary materials: Yes Investors meeting: No

Listing: Tokyo Stock Exchange, Prime Market

 URL: <https://www.monotaro.com>

*(Figures are rounded down to the nearest million yen)*

### 1. Consolidated Financial Results for the Nine Months Ended September 30, 2024

(January 1, 2024 – September 30, 2024)

(1) Consolidated results of operations *(Percentages show the change from the same period of previous fiscal year)*

|                                 | Net sales       |      | Operating income |      | Ordinary income |      | Net income attributable to owners of the parent |      |
|---------------------------------|-----------------|------|------------------|------|-----------------|------|---|------|
|                                 | Millions of yen | %    | Millions of yen  | %    | Millions of yen | %    | Millions of yen                                 | %    |
| Nine months ended Sep. 30, 2024 | 211,509         | 13.0 | 27,040           | 18.0 | 27,134          | 17.2 | 18,886  | 16.8 |
| Nine months ended Sep. 30, 2023 | 187,223         | 12.8 | 22,919           | 18.6 | 23,145          | 18.3 | 16,171  | 23.3 |

Note: Comprehensive income: Nine months ended Sep. 30, 2024: 18,295 million yen (14.4%)

Nine months ended Sep. 30, 2023: 15,989 million yen (21.4%)

|                                 | Net income per share | Diluted net income per share |
|---------------------------------|----------------------|------------------------------|
|                                 | Yen                  | Yen                          |
| Nine months ended Sep. 30, 2024 | 38.01                | 38.01                        |
| Nine months ended Sep. 30, 2023 | 32.54                | 32.54                        |

(2) Consolidated financial position

|                     | Total assets    | Net assets      | Equity ratio |
|---------------------|-----------------|-----------------|--------------|
|                     | Millions of yen | Millions of yen | %            |
| As of Sep. 30, 2024 | 132,248         | 96,837          | 72.7         |
| As of Dec. 31, 2023 | 128,352         | 86,982          | 67.3         |

Reference: Shareholders' equity Sep. 30, 2024: 96,157 million yen Dec. 31, 2023: 86,433 million yen

### 2. Dividends

|                                      | Dividends per share |        |        |          |        |
|--------------------------------------|---------------------|--------|--------|----------|--------|
|                                      | 1Q-end              | 2Q-end | 3Q-end | Year-end | Annual |
|                                      | Yen                 | Yen    | Yen    | Yen      | Yen    |
| Year ended Dec. 31, 2023             | -                   | 8.00   | -      | 8.00     | 16.00  |
| Year ending Dec. 31, 2024 (actual)   | -                   | 9.00   | -      | -        | -      |
| Year ending Dec. 31, 2024 (forecast) | -                   | -      | -      | 10.00    | 19.00  |

Note: Amendments to dividend forecast compared with the most recent disclosure: None

### 3. Consolidated Forecasts for the Fiscal Year Ending December 31, 2024 (January 1, 2024 – December 31, 2024)

*(Percentages show the change from the same period of previous fiscal year)*

|           | Net sales       |      | Operating income |      | Ordinary income |      | Net income attributable to owners of the parent |      | Net income per share |
|-----------|-----------------|------|------------------|------|-----------------|------|---|------|----------------------|
|           | Millions of yen | %    | Millions of yen  | %    | Millions of yen | %    | Millions of yen                                 | %    | Yen                  |
| Full year | 286,570         | 12.7 | 35,820           | 14.4 | 35,835          | 13.6 | 25,096  | 15.1 | 50.51                |

Note: Revision of consolidated forecast during this quarter: None

#### 4. Others

(1) Changes in the number of material subsidiaries resulting in changes in scope of consolidation during the nine-month period ended September 30, 2024: None

(2) Application of special accounting methods for the preparation of quarterly consolidated financial statements: None

(3) Changes in accounting principles and estimates, or retrospective restatements:

1) Changes in accounting principles caused by the revision of accounting standards: None

2) Changes in accounting principles other than mentioned in 1): None

3) Changes in estimates: None

4) Retrospective restatements: None

(4) Number of shares outstanding (common shares)

1) Number of shares outstanding at the end of period (including treasury stock)

|                |                    |                |                    |
|----------------|--------------------|----------------|--------------------|
| Sep. 30, 2024: | 501,351,000 shares | Dec. 31, 2023: | 501,351,000 shares |
|----------------|--------------------|----------------|--------------------|

2) Number of treasury stock at the end of period

|                |                  |                |                  |
|----------------|------------------|----------------|------------------|
| Sep. 30, 2024: | 4,444,238 shares | Dec. 31, 2023: | 4,444,396 shares |
|----------------|------------------|----------------|------------------|

3) Average number of shares outstanding during the period

|                                  |                    |                                  |                    |
|----------------------------------|--------------------|----------------------------------|--------------------|
| Nine months ended Sep. 30, 2024: | 496,891,814 shares | Nine months ended Sep. 30, 2023: | 496,904,987 shares |
|----------------------------------|--------------------|----------------------------------|--------------------|

Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: None

#### **\* Cautionary statement with respect to forward-looking statements**

The forecasts above are based on the judgments made in accordance with information currently available. Forecasts therefore include risks and uncertainties. Actual figures may differ from these forecasts due to subsequent changes in the circumstances.

## **1. Qualitative Information on the Consolidated Financial Statements**

### **(1) Qualitative Information Regarding Consolidated Results of Operations**

The Japanese economy during the first nine months of the fiscal year ending December 31, 2024, generally continued to be unpredictable with concerns about the impact of the yen's continued depreciation and the economy due to the prolonged situation involving Russia and Ukraine and tension in the Middle East in addition to rising energy and raw material prices, although there have been indications of a gradual recovery driven by the normalization of social and economic activities and improvements in employment and income conditions.

In this economic environment, we have continually concentrated on acquiring new customers aggressively mainly through internet advertisements (paid listings) and internet search engine optimization (SEO), which can improve our website's position on the search engines. We also conducted promotion activities including using e-mail and mailing flyers with optimized product listings for each customer, daily special prices, and broadcasted TV commercials to enhance our visibility much further.

In addition, in order to achieve a more convenient customer fulfillment service, we expanded our drop-off delivery service, started offering delivery date and time designation services, and extended the order cut-off time for the same day shipping in-stock items in the South Kanto area from 3:00 p.m. to 5:00 p.m.

Furthermore, the total number of our product lineup reached approximately 23.7 million items in total with 591 thousand items in stock available for the same day shipment to meet the increase in demand corresponding to the expansion of our customer base as of the end of the first nine months of the fiscal year ending December 31, 2024.

In addition, in relation to the sales of MRO products to large customers through the integrated purchase systems, both the number of customers and the amount of sales steadily increased.

Consequently, we have successfully obtained 779,932 newly registered accounts for the first nine months of the fiscal year ending December 31, 2024 and the number of registered accounts totaled 9,886,453 as of the end of the first nine months of the fiscal year ending December 31, 2024.

In addition, our subsidiaries such as NAVIMRO, which is our Korean subsidiary, also aggressively engaged in acquiring new customers mainly through paid listings and focused on increasing both their product lineup and the number of products in stock in order to expand their customer base.

All of our efforts mentioned above resulted in net sales of 211,509 million yen (13.0% increase from the same period of the previous fiscal year), operating income of 27,040 million yen (18.0% increase from the same period of the previous fiscal year), ordinary income of 27,134 million yen (17.2% increase from the same period of the previous fiscal year), and net income attributable to owners of the parent of 18,886 million yen, a corresponding 16.8% increase.

### **(2) Qualitative Information Regarding Consolidated Financial Position**

Total assets as of September 30, 2024 (the end of the first nine months of the fiscal year ending December 31, 2024) amounted to 132,248 million yen, an increase of 3,896 million yen from the end of the previous fiscal year. This was attributable to increases of 3,500 million yen and 934 million yen in cash and deposits and notes and accounts receivable-trade, respectively, despite a decrease of 976 million yen in machinery and equipment.

On the other hand, total liabilities as of September 30, 2024 amounted to 35,411 million yen, a decrease of 5,958 million yen from the end of the previous fiscal year. This was due mainly to decreases of 4,504 million yen and 1,969 million yen in long-term loans payable and Income taxes payable, respectively, despite an increase of 1,400 million yen in accounts payable-trade.

Total net assets amounted to 96,837 million yen, an increase of 9,854 million yen from the end of the previous fiscal year. This was due largely to net income attributable to owners of the parent of 18,886 million yen offset by dividend payments of 8,447 million yen for the first nine months of the fiscal year ending December 31, 2024.

As a result, the equity ratio as of September 30, 2024 was 72.7%, up 5.4 percentage points from the end of the previous fiscal year.

### **(3) Forecast for the Fiscal Year Ending December 31, 2024**

Our consolidated financial results for the first nine months of this fiscal year were slightly higher in terms of sales and operating income, ordinary income, and net income attributable to owners of the parent, however, at this point, we do not expect any deviation from our consolidated earnings forecast (full year) for the fiscal year ending December 31, 2024 that meets our disclosure criteria (\*).

Therefore, the consolidated forecast for the fiscal year ending December 31, 2024, disclosed on February 2, 2024, has not been changed.

\* If the consolidated financial forecast is expected to exceed any one of following ranges from the disclosed consolidated financial forecast, a revised forecast is disclosed.

Net sales (consolidated):  $\pm 5\%$ , Operating income (consolidated):  $\pm 10\%$ , Ordinary income (consolidated):  $\pm 10\%$ , and Net income attributable to owners of the parent:  $\pm 10\%$ .

## 2. Consolidated Quarterly Financial Statements

### (1) Consolidated quarterly balance sheets

| Accounts  | As of Dec. 31, 2023 | (In millions of yen)<br>As of Sep. 30, 2024 |
|---|---------------------|---|
| <b>Assets</b>                                       |                     |   |
| Current assets                                      |                     |   |
| Cash and deposits                                   | 18,644              | 22,144                                      |
| Notes and accounts receivable-trade                 | 28,443              | 29,378                                      |
| Electronically recorded monetary claims             | 906                 | 1,179                                       |
| Merchandise   | 18,182              | 18,948                                      |
| Goods in transit                                    | 690                 | 782   |
| Supplies  | 1                   | 0   |
| Accounts receivable-other                           | 7,417               | 7,157                                       |
| Other   | 1,134               | 1,461                                       |
| Allowance for doubtful accounts                     | -134                | -140  |
| <b>Total current assets</b>                         | <b>75,286</b>       | <b>80,911</b>                               |
| Noncurrent assets                                   |                     |   |
| Property, plant and equipment                       |                     |   |
| Buildings, net                                      | 14,943              | 14,448                                      |
| Machinery and equipment, net                        | 14,888              | 13,912                                      |
| Leased assets, net                                  | 2,389               | 2,080                                       |
| Construction in progress                            | 1,076               | 1,129                                       |
| Other, net  | 6,262               | 6,242                                       |
| <b>Total property, plant and equipment</b>          | <b>39,561</b>       | <b>37,812</b>                               |
| Intangible assets                                   |                     |   |
| Software  | 5,883               | 6,028                                       |
| Software in progress                                | 301                 | 243   |
| Other   | 175                 | 162   |
| <b>Total intangible assets</b>                      | <b>6,359</b>        | <b>6,434</b>                                |
| Investments and other assets                        |                     |   |
| Guarantee deposits                                  | 3,550               | 3,415                                       |
| Other   | 3,715               | 3,781                                       |
| Allowance for doubtful accounts                     | -120                | -107  |
| <b>Total investments and other assets</b>           | <b>7,144</b>        | <b>7,089</b>                                |
| <b>Total noncurrent assets</b>                      | <b>53,065</b>       | <b>51,336</b>                               |
| <b>Total assets</b>                                 | <b>128,352</b>      | <b>132,248</b>                              |
| <b>Liabilities</b>                                  |                     |   |
| Current liabilities                                 |                     |   |
| Accounts payable-trade                              | 17,052              | 18,452                                      |
| Short-term borrowings                               | 221                 | 38  |
| Current portion of long-term loans payable          | 4,721               | 218   |
| Lease obligations                                   | 31                  | 255   |
| Accounts payable-other                              | 5,463               | 4,689                                       |
| Income taxes payable                                | 6,063               | 4,093                                       |
| Provision for employees' bonuses                    | 345                 | 730   |
| Other   | 3,093               | 2,428                                       |
| <b>Total current liabilities</b>                    | <b>36,989</b>       | <b>30,907</b>                               |
| Noncurrent liabilities                              |                     |   |
| Long-term loans payable                             | 221                 | 218   |
| Lease obligations                                   | 616                 | 634   |
| Net defined benefit liability                       | 562                 | 657   |
| Asset retirement obligations                        | 2,903               | 2,915                                       |
| Other   | 77                  | 76  |
| <b>Total noncurrent liabilities</b>                 | <b>4,380</b>        | <b>4,503</b>                                |
| <b>Total liabilities</b>                            | <b>41,369</b>       | <b>35,411</b>                               |
| <b>Net assets</b>                                   |                     |   |
| Shareholders' equity                                |                     |   |
| Capital stock                                       | 2,042               | 2,042                                       |
| Capital surplus                                     | 1,027               | 497   |
| Retained earnings                                   | 83,578              | 94,017                                      |
| Treasury stock                                      | -619                | -747  |
| <b>Total shareholders' equity</b>                   | <b>86,028</b>       | <b>95,809</b>                               |
| Accumulated other comprehensive income              |                     |   |
| Foreign currency translation adjustment             | 417                 | 351   |
| Remeasurements of defined benefit plans             | -12                 | -3  |
| <b>Total accumulated other comprehensive income</b> | <b>404</b>          | <b>348</b>                                  |
| Subscription rights to shares                       | 28                  | 28  |
| Non-controlling interests                           | 520                 | 651   |
| <b>Total net assets</b>                             | <b>86,982</b>       | <b>96,837</b>                               |
| <b>Total liabilities and net assets</b>             | <b>128,352</b>      | <b>132,248</b>                              |

**(2) Consolidated quarterly statements of (comprehensive) income**

| Accounts  | (In millions of yen)                      |   |
|---|---|---|
|   | Nine months period<br>ended Sep. 30, 2023 | Nine months period<br>ended Sep. 30, 2024 |
| Net sales   | 187,223                                   | 211,509                                   |
| Cost of sales   | 131,258                                   | 149,517                                   |
| Gross profit  | 55,965                                    | 61,991                                    |
| Selling, general and administrative expenses            | 33,045                                    | 34,950                                    |
| Operating income  | 22,919                                    | 27,040                                    |
| Non-operating income                                    |   |   |
| Interest income   | 19  | 12  |
| Foreign exchange gains                                  | 154                                       | 44  |
| Gain on sale of materials                               | 24  | 33  |
| Other   | 131                                       | 95  |
| Total non-operating income                              | 329                                       | 186                                       |
| Non-operating expenses                                  |   |   |
| Interest expenses                                       | 69  | 56  |
| Loss on sale of electronically recorded monetary claims | 26  | 31  |
| Other   | 8   | 5   |
| Total non-operating expenses                            | 104                                       | 93  |
| Ordinary income   | 23,145                                    | 27,134                                    |
| Extraordinary income                                    |   |   |
| Gain on sales of fixed assets                           | —   | 0   |
| Total extraordinary income                              | —   | 0   |
| Extraordinary losses                                    |   |   |
| Loss on disposal of fixed assets                        | 97  | 60  |
| Loss on sales of fixed assets                           | —   | 86  |
| Total extraordinary losses                              | 97  | 146                                       |
| Income before income taxes                              | 23,047                                    | 26,987                                    |
| Income taxes-current                                    | 7,109                                     | 8,637                                     |
| -deferred   | 165                                       | -49                                       |
| Total income taxes                                      | 7,274                                     | 8,587                                     |
| Net income  | 15,773                                    | 18,399                                    |
| Net income attributable to:                             |   |   |
| owners of the parent                                    | 16,171                                    | 18,886                                    |
| non-controlling interests                               | -397                                      | -486                                      |
| Other comprehensive income                              |   |   |
| Foreign currency translation adjustments                | 209                                       | -110                                      |
| Remeasurements of defined benefit plans                 | 6   | 6   |
| Total other comprehensive income                        | 215                                       | -104                                      |
| Comprehensive income                                    | 15,989                                    | 18,295                                    |
| Comprehensive income attributable to:                   |   |   |
| owners of the parent                                    | 16,342                                    | 18,810                                    |
| non-controlling interests                               | -352                                      | -514                                      |