

# To Innovate Business Procurement Network



**monotaro**

TSE Prime Market 3064

# Better understanding of customers and improved service

Since our establishment in 2000, we have been developing our indirect materials e-commerce business based on our mission of “To Innovate Business Procurement Network,” and providing our customers with the value of “time.”

Our services are used in a wide range of industries, including manufacturing, automotive, construction, agriculture, food and beverage, education, and research, and we have over 10 million registered users. In addition to Japan, we also carry out business in South Korea, Indonesia and India.

Compared to direct materials (raw materials and parts that will be used to make the final product), indirect materials are purchased less frequently and in smaller quantities, but because there are so many different types of indirect materials, they can be very time-consuming and laborious for the purchaser.

In order to eliminate these time-consuming processes, we are working to streamline our customers’ procurement processes by utilizing technology and data. We offer a wide range of products that meet the needs of customers across a variety of industries, as well as a system that allows customers to find the products they need quickly and receive customized product recommendations. We also aim to improve customer convenience by achieving a prompt delivery system through efficient operations at advanced logistics bases.

We will be celebrating the 25th anniversary of our founding in October 2025. It is with the support of all of our business partners, customers, and stakeholders that we have been able to celebrate our 25th year in business. We would like to express our sincere gratitude to all of our business partners, customers, and stakeholders for their support. Our services provide customers with an experience that “gets the job done,” and as a result, increase their “usable time.” We believe that this will lead to solutions for issues faced by industries, such as a shortage of manpower and a lack of time to devote to their core business. By providing the value of “usable time,” we aim to contribute to industrial development, such as improving productivity, developing new technologies, and creating new businesses.

## Our strengths

- 1. One-stop shopping**  
**With a large product lineup of over 24 million items and same-day shipping for over 600,000 items, customers can procure all the indirect materials they need for their workplace in one place.**
- 2. One-price policy**  
**Transparent, fair and easy-to-understand pricing.**
- 3. Easy to find, quick delivery**  
**Providing a high level of customer satisfaction by making various uses of a large amount of data.**

We would like to thank everyone involved for their continued cooperation and support.

President and Chief Operating Officer  
**Sakuya Tamura**



# You'll get the job done with MonotaRO

**Steadily increasing satisfied users in a wide range of industries nationwide**

**More than 10.14 million customers**

We will continue contributing to MRO product purchases that are "findable, convenient, and efficient," and continue to grow with our customers.

**Procurement Management Systems Business for Enterprises**

**Approx. 3,800 companies using the service**

We offer two solutions, including linking our catalogs to the purchasing system customers are using, or introducing our original purchasing management system "ONE SOURCE Lite." For both services, there are no initial or running costs, and we contribute to solving the purchasing issues of large corporations by improving operational efficiency.

**Offering a wide range of products more quickly and efficiently**

**More than 2,000 suppliers**

We conduct business with more than 2,000 suppliers, including factories, manufacturers, and wholesalers in Japan and more than 10 overseas countries. By refining the supply chain, we can procure and deliver a wide range of products to our customers more efficiently, quickly and accurately.

**Supporting detailed needs through long tail products**

**24.75 million items in our product lineup**

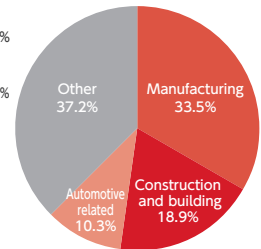
By utilizing our strengths in online sales, we can offer a wide range of products that are often not handled by other retailers due to profitability issues (long-tail products), allowing us to respond to the diverse needs of our customers.

**Prompt shipping system for improved service**

**626,000 products in stock**

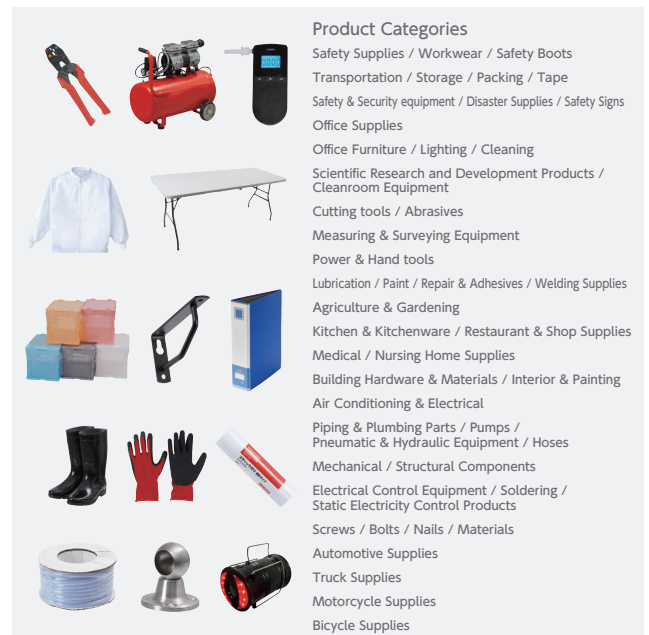
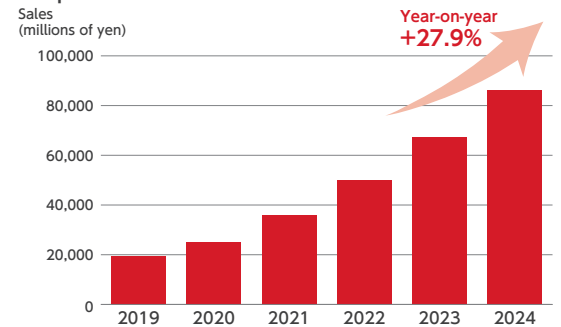
We have a prompt shipping system at our own distribution center, where we manage inventory and shipping. We strive to improve customer convenience through same-day shipping by implementing efficient and highly mobile operations.

- Wholesale, retail, restaurants: 10.7%
- Education: 2.5%
- Agriculture: 2.1%
- Social insurance and social welfare: 1.3%
- Medical care: 1.1%



Based on 2024 sales  
Only monotaro.com orders (excludes corporate tie-ups)

## Enterprise Business Sales



\*Figures listed are as of December 31, 2024.



## Detailed analysis of purchasing trends per customer

# Data marketing that achieves high repeat rates

Analyze massive amounts of data from a range of perspectives, including customer order information and actions on the website. By constructing logic and performing hypothesis testing, such as recommendations that anticipate the needs of each customer, we can achieve more precise marketing and use that information power to help our customers save effort in the purchasing process.



## Introducing original products that aim for low cost and optimal quality

# MonotaRO brand products

We contribute to the reduction of our customers' product procurement costs through our competitive pricing and optimal quality, and we either plan and develop products in-house or outsource production through OEM.



## Three subsidiaries in Asia

# Expansion into Overseas Markets

We leverage the expertise in e-commerce MonotaRO has developed in Japan alongside success stories using local subsidiary methods.

### ■Overseas Subsidiaries

- NAVIMRO (Korea)
- monotaro.id (Indonesia)
- IB MONOTARO (India)

Each country has its own unique market background when it comes to purchasing MRO products, so our initiatives are matched to things like the local purchasing and settlement systems in each country.



## Provision of MonotaRO's business expertise

# Consulting business for Zoro Tools

We are providing our expertise in database marketing and product development to help Zoro Tools (USA, UK), an e-commerce business run by W. W. Grainger, Inc.

# Topics in 2024



## Efforts to improve delivery service

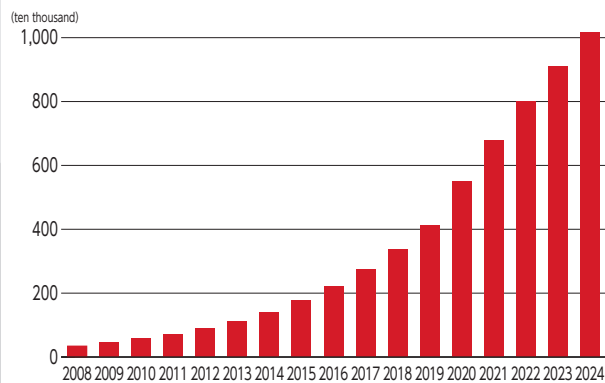
**It is now possible to specify the receipt method and the delivery date and time.**

**In addition, the time period for orders that can be received the next morning has been extended.**

In order to contribute to the efficient procurement of indirect materials for our customers, we are making efforts to improve our delivery service. In May 2024, we renewed our contactless delivery service, which started in 2023, making it available nationwide to individual customers in addition to corporations and sole proprietors. In June, we started a service that allows customers to specify the delivery method and date/time from a notification email sent after shipping, which also helps to reduce the number of re-deliveries. We have also made improvements to our logistics operations, and we have extended the cut-off time for orders to be delivered to the Kanto, Kansai, Koshinetsu and Tokai regions the next morning from 15:00 to 17:00. We plan to expand this service to the whole country, excluding some regions, by 2025.

## Over 10 million registered customers

The number of registered customers increased from approximately 5.5 million in 2020 to over 10 million by the end of December 2024. We will continue to improve our services so that we can provide many businesses with the experience of "getting the job done" and the resulting "usable time" will lead to the development of our customers' businesses.



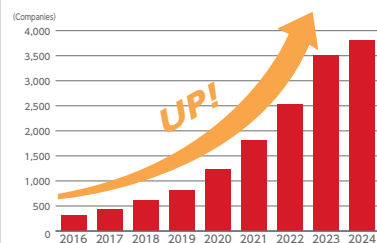
## New Logistics base Mito Distribution Center

**(Scheduled to commence operations in 2028)**

We are currently preparing to build a new distribution center in Mito City, Ibaraki Prefecture, which is scheduled to commence operations in 2028. By introducing new logistics technology, automating the warehouse and picking operations, and streamlining inventory management, we aim to achieve a productivity level that is approximately three times that of the current Kasama Distribution Center.



## Over 3,800 companies using our Procurement Management Systems Business for Enterprises



We provide the Procurement Management Systems Business for Enterprises that can contribute to the visualization of the indirect materials procurement process through centralized purchasing and the reduction of man-hours, and there are now over 3,800 companies using this system. In addition to offering a wide range of products, we also provide support from implementation to establishment of operations, including call centers for large corporations and usage status analysis reports.

## Sustainable Procurement Guidelines distributed to a total of approximately 2,500 suppliers.



In order to carry out sustainable business activities that lead to mutual prosperity for us and our business partners, we established the "Sustainable Procurement Guidelines" in 2023, which are based on the pillars of coexistence and co-prosperity, respect for human rights, compliance with laws and regulations, and environmental consideration. As of the end of December 2024, we have distributed these guidelines to approximately 2,500 suppliers, who have cooperated with us by responding to a self-inspection questionnaire and other requests.

## Improving the accuracy of our product search system.



We believe that the "searchability" of an EC site, which allows customers to easily find the products they need, is important, which is why we have been focusing on this since the company was first established. By creating a unique search system that incorporates vector searches, we have been able to display product lists with high relevance (accuracy) to the search terms as search results, making it easier for customers to find what they are looking for.

# Company Information

## Outline(as of December 31, 2024)

Company Name --- MonotaRO Co., Ltd.

Headquarters ----- JP Tower Osaka 22F, 3-2-2, Umeda, Kita-ku, Osaka, Japan

Amagasaki Office -- Liber Bldg. 3F, 2-183 Takeyacho, Amagasaki, Hyogo

Tokyo Office ----- Akasaka Nakanishi Bldg. 4F, 4-1-33 Akasaka, Minato-ku, Tokyo

Nagoya Office ----- Nishiyana Park Bldg. 7F, 4-13-7 Meieki, Nakamura-ku, Nagoya, Aichi

Distribution Centers --- Kasama DC: 1877-3 Tairamachi, Kasama, Ibaraki

Ibaraki Chuo SC: 3-8 Chuokogyodanchi, Ibaraki-machi, Higashiibaraki-gun, Ibaraki

Inagawa DC: Prologis Park Inagawa 1, 101-1 Kotani, Sashikumi, Inagawa-cho, Kawabe-gun, Hyogo

Founded ----- October 2000

Capital ----- 2,042,000,000 yen

Parent company --- W.W.Grainger, Inc.

Employees ----- 3,487 employees  
(consolidated, part-time/temporary employees included)

Business ----- Online MRO products store

### [Subsidiaries]

Company Name --- NAVIMRO Co., Ltd.

Headquarters ----- Seoul Special City, the Republic of Korea

Founded ----- January 2013

Business ----- Internet MRO product sales in South Korea

Company Name --- PT MONOTARO INDONESIA

Headquarters ----- Jakarta, the Republic of Indonesia

Entered Market ----- October 2016

Business ----- Internet MRO product sales in Indonesia

Company Name --- IB MONOTARO PRIVATE LIMITED

Headquarters ----- New Delhi, the Republic of India

Entered Market ----- September 2020

Business ----- Internet MRO product sales in India

## History

- 2000** Oct.19 --- Established by Sumitomo Co., Ltd. and W.W. Grainger Inc.  
Oct. --- "MonotaRO.com" website opened  
URL: <https://www.monotaro.com/>  
Test operation started, limited to 40 companies in the Kinki and Tokai regions
- 2001** Nov. --- MRO products procurement site opened nationwide. Began full-scale business
- 2002** Mar. --- Opened Distribution Center in Higashiosaka (integrated into Amagasaki DC in 2007)
- 2004** Jul. --- Launched private brand "MonotaRO"
- 2006** Feb. --- The Company was renamed from Sumisho Grainger Co., Ltd. to MonotaRO Co., Ltd.  
Dec. --- Listed on the TSE Mothers market
- 2007** Jan. --- Opened Distribution Center in Amagasaki, Hyogo(24,000 m<sup>2</sup>)
- 2008** Mar. --- Relocated headquarters to Amagasaki, Hyogo  
May. --- Entered the automotive aftermarket industry  
Jul. --- MonotaRO Mobile Site opened.
- 2009** Dec. --- Listed on the TSE First Section market
- 2011** May. --- Opened Distribution Center in Tagajo City, Miyagi Prefecture (8,300m<sup>2</sup>, closed in May 2017)
- 2012** Mar. 22 --- Masaya Suzuki assumed the position of President and Chief Executive Officer (currently: Chairman)  
Kinya Seto assumed the position of Director and Chairman (currently: Honorary Advisor)
- 2013** Jan. --- Established a subsidiary and moved into the MRO market in South Korea
- 2014** May. --- Entered agricultural materials and kitchen supplies sales business  
Jul. --- Opened Amagasaki Distribution Center in Amagasaki-shi, Hyogo (44,000 m<sup>2</sup>, merged with Inagawa DC in December 2022)
- 2015** May. --- Entered medical & nursing care supplies sales business
- 2016** Oct. --- Invested in an e-commerce company and moved into the MRO market in Indonesia
- 2017** Mar. --- Opened Kasama Distribution Center in Kasama-shi, Ibaraki (56,200 m<sup>2</sup>)
- 2018** Feb. --- Established a subsidiary and moved into the MRO market in China (withdrew in September 2021)
- 2020** Sep. --- Moved into the MRO market in India
- 2021** Feb. --- Opened Ibaraki Chuo Satellite Center in Higashiibaraki-gun, Ibaraki (49,000m<sup>2</sup>)
- 2022** Mar. --- Received a three-star Eruboshi certification.  
(Certified as a "Women's Activities" by the Minister of Health, Labour and Welfare.)  
Apr. --- Moved to the TSE Prime Market  
--- Opened Inagawa Distribution Center in Kawabe-gun, Hyogo (approx. 194,000 m<sup>2</sup> 2 phases completed in 2023)
- 2023** Mar. --- Received Kurumin Certification.  
(Certified as a "Child-rearing Support Company" by the Minister of Health, Labour and Welfare.)  
Nov. --- Relocated the headquarters to Osaka City, Osaka Prefecture.
- 2024** Jan. 1 --- Sakuya Tamura assumed the position of President and Chief Operating Officer (currently: Director, President and Chief Operating Officer)  
Masaya Suzuki assumed the position of Director, Chairman, and Chief Executive Officer  
Mar. --- Recognized as 2024 KENKO Investment for Health (Large Enterprise Category)  
Oct. --- Entered into an agreement with Ishikawa Prefecture regarding the supply of goods in the event of a disaster

## Performance

### FY2024 full-year performance

Domestic site: [monotaro.com](https://www.monotaro.com)

Products handled


About **24million** items

No. of customers

About **10.1million**

Consolidated

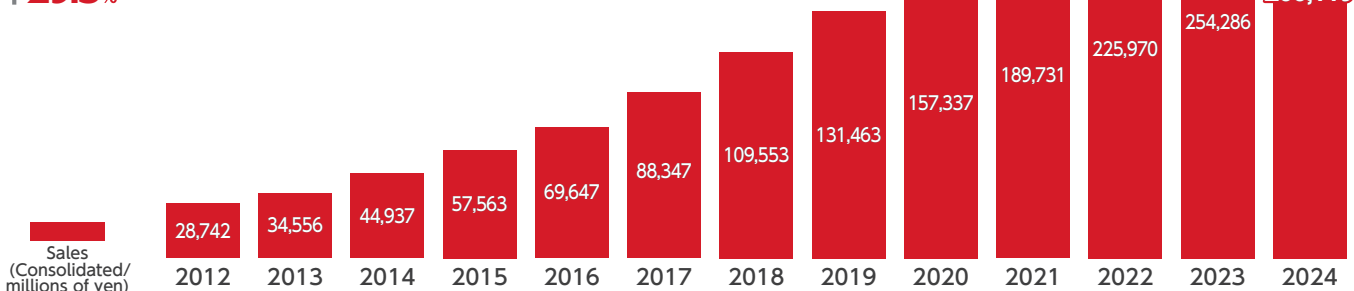
Sales

**288.1** billion yen  **13.3%** UP

Year-on-year

Gross profit ratio (% of sales)

**29.3%**



**MonotaRO Co., Ltd.**

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

Corporate site: <https://corp.monotaro.com/>

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