

To Innovate Business Procurement Network

Increase the value of time, achieve sustainable growth

Since our founding in 2000, MonotaRO has consistently provided customers with the value of time through indirect materials EC business in line with our Mission of “To Innovate Business Procurement Network.”

Our services are used by customers of all sizes and in a wide variety of fields, including manufacturing industry factories and warehouses, automotive related, construction, agriculture, restaurant industry, schools, and research institutions.

Moreover, in addition to Japan, we also have operations in South Korea, Indonesia, and India.

Compared to direct materials (raw materials, parts, etc. which form a completed product), products known as “indirect materials” are characterized by the fact that, although the frequency and cost of individual products are low, the number of items purchased is very high. This requires the purchaser to invest a considerable amount of time and effort to purchase each item.

With operations backed by technology and data, MonotaRO streamlines the indirect material procurement process for our customers, who are business operators, and offers them the resource of “time.” Not only do we provide an advanced search system swiftly finding the required item among an abundant product lineup and a system to recommend products best suited to each customer, we also achieve efficient operations leveraging data at large-scale progressive distribution bases.

In addition to e-commerce sites, we also focus on purchasing system solutions for large corporations by taking advantage of economies of scale.

“You’ll find it, you’ll get it, and you’ll need it, with MonotaRO, you’ll get the job done.” is the catchphrase of our 2024 TV commercial.

Our goal is to have the customers go through a “get the job done” experience, and this results in more “usable time” which leads the customers to the higher productivity, development of new technologies, and creation of new businesses.

We will continue striving forward as one, powered by our “Challenge and Respect” culture.

Our Strengths

- 1. The convenience of a one-stop shopping with approximately 22.17 million items and a wide variety of private label products.**
- 2. Transparent, fair, and easy-to-understand prices through a one-price policy.**
- 3. Advanced database marketing and site design utilizing huge amounts of data, and prompt delivery through our own logistics warehouse with approximately 559,000 products in stock**

I would like to take this opportunity to thank all our stakeholders for their continued support and encouragement.

Director, President, and COO
Sakuya Tamura



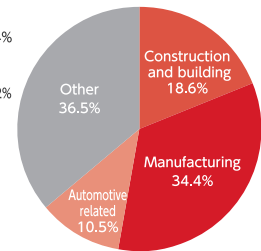
You'll get the job done with MonotaRO

Steadily increasing satisfied users in a wide range of industries nationwide

More than 9.1 million customers

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

- Wholesale, retail, restaurants: 10.4%
- Education: 2.4%
- Agriculture: 2.2%
- Social insurance and social welfare: 1.2%
- Medical care: 1.1%



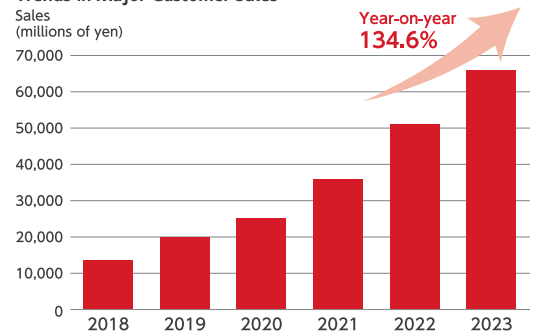
Based on 2023 sales
Only monotaro.com orders (excludes corporate tie-ups)

System Integration with Large Corporations

Used by more than 3,500 companies

Our proprietary purchasing system, ONE SOURCE Lite, and PunchOut linkage. Contributing to increased efficiency and visualization of procurement systems for major corporations. We have enhanced our IT and customer center support, and in FY2023 achieved a growth of 134.6% year-on-year.

Trends in Major Customer Sales



Provide a broad range of products cheaper and more efficiently

More than 2,000 suppliers

We do business with more than 2,000 suppliers in over ten countries, including wholesalers and manufacturers. Through increasingly sophisticated supply chains, we can procure products for our customers more quickly, accurately, and efficiently.

Supporting fine-grained needs with long tail products

More than 22 million products handled

By using the strengths of the internet and offering a variety of products that other stores do not handle due to low profitability (long tail products), we can respond to a wide range of customer needs.

Product Categories

- Safety Supplies / Workwear / Safety Boots
- Transportation / Storage / Packing / Tape
- Safety & Security equipment / Disaster Supplies / Safety Signs
- Office Supplies
- Office Furniture / Lighting / Cleaning
- Scientific Research and Development Products / Cleanroom Equipment
- Cutting tools / Abrasives
- Measuring & Surveying Equipment
- Power & Hand tools
- Lubrication / Paint / Repair & Adhesives / Welding Supplies
- Agriculture & Gardening
- Kitchen & Kitchenware / Restaurant & Shop Supplies
- Medical / Nursing Home Supplies
- Building Hardware & Materials / Interior & Painting
- Air Conditioning & Electrical
- Piping & Plumbing Parts / Pumps / Pneumatic & Hydraulic Equipment / Hoses
- Mechanical / Structural Components
- Electrical Control Equipment / Soldering / Static Electricity Control Products
- Screws / Bolts / Nails / Materials
- Automotive Supplies
- Truck Supplies
- Motorcycle Supplies
- Bicycle Supplies

Prompt delivery system to improve service

More than 559,000 products in stock

We have developed a faster delivery system to stock and ship items from our own distribution centers. We are working to improve customer convenience through same-day shipping thanks to efficient and highly mobile operations.



*The figures shown are as of December 31, 2023.

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

Private-brand products

The private-brand products MonotaRO designed, developed, and OEM'd are very popular due to their prices and quality, allowing our customers to reduce their purchasing costs.



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.

2023 Initiatives Aimed at Sustainable Growth



monotaro

Number of Products Handled
Over 22.00 million items



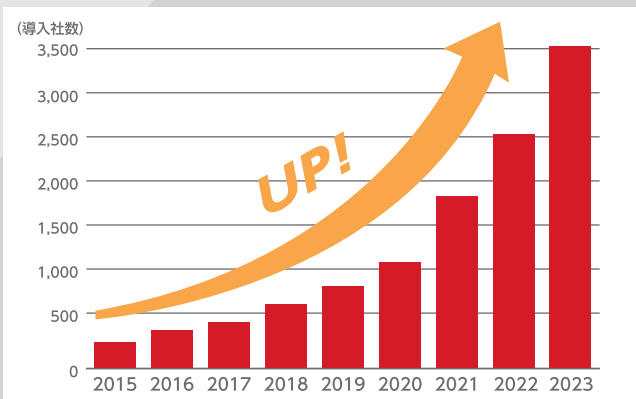
**Number of Products Handled:
Approx. 22.17 million items**
(as of December 31, 2023)

The company name "MonotaRO" embodies the idea of ensuring "enough 'things' for those who need them" in the industrial world. As part of our efforts to provide "get the job done" services enabling customers across a broad range of industries to procure indirect materials efficiently, we have expanded the number of products and product categories we handle. In the indirect materials market, which is said to be high-mix, low-volume production-based, by handling long tail products, MonotaRO reduces the time customers need to spend on the procurement process of "search, go buy, pay" and contributes to "increasing the value of time."

We are currently overseeing 23 product categories and also exerting efforts in the development of private brand products. We stock approximately 559,000 items (as of December 31, 2023) and are working on supply chain management and sales promotion utilizing data science.

Over 3,500 Companies Adopt MonotaRO's Purchasing Solution for Large Corporations (as of December 31, 2023)

"ONE SOURCE Lite" is MonotaRO's purchasing solution for large corporations equipped with an approval flow function and offers enhanced support including dedicated call center consultation which grasps the internal rules, etc. of each corporate customer (free to introduce and operate). MonotaRO's Purchasing Solution also performs punch-out linkage with other companies' purchasing systems that our customers may already use. In addition to enhancing convenience and efficiency of the procurement process, this solution also enables large corporations to "visualize" the entire company's purchasing activities, which leads to improvement of governance through centralized management.



Relocation of Head Office

~An office providing both a comfortable work environment and serendipity~

In November 2023, MonotaRO relocated its head office to Osaka City. The new head office is designed to emphasize ease of communication and a conducive work environment, aiming to enhance serendipity and encourage the creation of ideas and learning opportunities. We promote innovation to provide valuable services to our customers

- Head Office location:
JP Tower Osaka 22F, 3-2-2, Umeda, Kita-ku, Osaka, Japan 530-0001
- Occupied floors: 21F & 22F
(Floor space: Approx. 4,000 m² x 2 floors)



South Korean Subsidiary NAVIMRO starts Operation of New Warehouse



In July 2023, MonotaRO's subsidiary in South Korea, NAVIMRO Co.,Ltd (Head office: Seoul, South Korea) opened a new distribution center to strengthen its ability to provide short delivery times. Through initiatives such as introducing product shelf transfer robots to shorten the travel distance of workers, this DC promotes automation of operations and labor-saving. Area in use: Approx. 12,000 m²

Inagawa Distribution Center Switches to Renewable Energy



Following Kasama DC and Ibaraki Chuo SC's switch to renewable energy sources for electricity in 2022, Inagawa DC also switched to renewable energy sources for electricity in July 2023 through the purchase of non-fossil certificates. As a result, MonotaRO has been able to reduce CO₂ emissions from electricity use at its sites in Japan by approximately 95%.

Received "Kurumin Certification"



In line with "Respect for others," which is one of our Principles, MonotaRO accepts the diversity of each individual, and this serves as the foundation to create trust and vitality in the workplace. We aim to create an environment where all employees, both men and women, can actively participate and maintain a good work-family life balance. MonotaRO has received "Kurumin Certification" as a Child-rearing Support Company from the Ministry of Health, Labour and Welfare.

Company Information

Outline (as of December 31, 2023)

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
 Umeda Satellite Office .. Hilton Plaza West Office Tower 13F, 2-2-2 Umeda, Kita-ku, Osaka, Osaka
 Nagoya Office Nishiyanagi 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 3,370 employees (consolidated, part-time/temporary employees included)
 Business Online MRO products store

[Subsidiaries]

Company Name NAVIMRO Co., Ltd.
 100.00% (wholly-owned subsidiary)
 Headquarters Seoul, South Korea
 Founded January 2013
 Capital 17,000 million won
 Business Internet MRO product sales in South Korea
 Company Name PT MONOTARO INDONESIA
 Investment Ratio MonotaRO 51.00%
 Headquarters Jakarta, Indonesia
 Entered Market October 2016
 Capital 337,124 million rupiah
 Business Internet MRO product sales in Indonesia
 Company Name IB MONOTARO PRIVATE LIMITED
 Investment Ratio MonotaRO 52.99%
 Headquarters New Delhi, India
 Entered Market September 2020
 Capital 34 million rupees
 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 m²)
 2008 Mar. ... Relocated headquarters to Amagasaki, Hyogo
 May. ... Entered the automotive aftermarket industry
 Jul. ... MonotaRO Mobile Site opened.
 Dec. ... Listed on the TSE First Section market
 2009 May. ... Opened Distribution Center in Tagajo City, Miyagi Prefecture
 (8,300m², closed in May 2017)
 2012 Mar. 22 ... Masaya Suzuki was appointed Representative Executive Officer and President.
 Kinya Seto was appointed Representative Executive Officer and Chairman
 2013 Jan. ... Established a subsidiary and moved into the MRO market in South Korea
 2014 Jan. ... Relocated the headquarters within Amagasaki City, Hyogo Prefecture.
 May. ... Entered agricultural materials and kitchen supplies sales business
 Jul. ... Opened Amagasaki Distribution Center in Amagasaki-shi, Hyogo
 (44,000 m², 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 m²)
 Jul. ... Opened Hokkaido Distribution Center in Sapporo-shi, Hokkaido
 (990m²)(closed in 2021).
 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 (49,000m²)
 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 m² 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 COO.
 Masaya Suzuki assumed the position of Director, Chairman, and CEO.


Performance

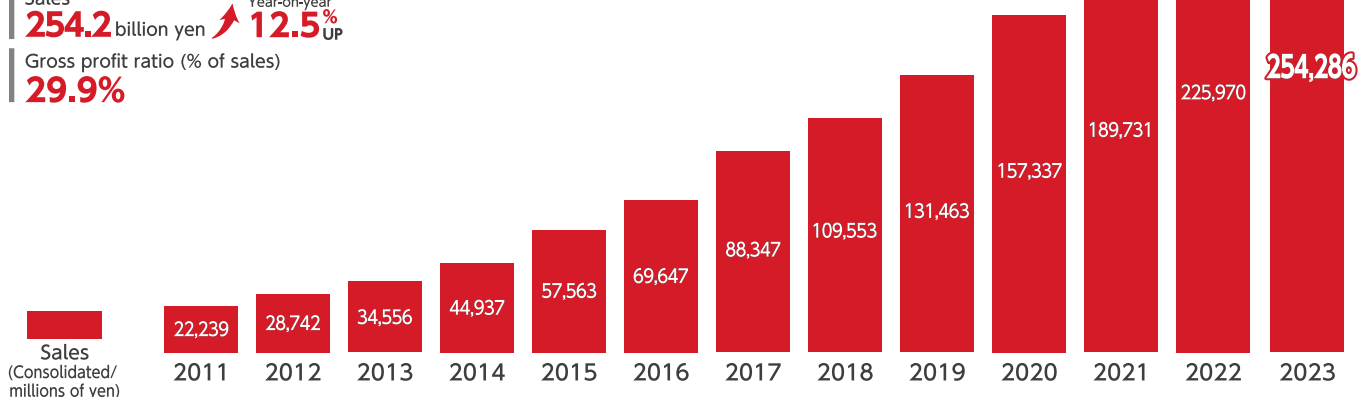
FY2023 full-year performance

Domestic site: monotaro.com

Products handled | No. of customers
 About **22.17million** items | About **9.1million**

Consolidated

Sales
254.2 billion yen  **12.5%** Year-on-year Up
 Gross profit ratio (% of sales)
29.9%



MonotaRO Co., Ltd.

monotaro.com

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

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