Disclaimer
This is an English translation of the captioned release. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the release for complete information

News Release dated: December 13, 2013

To whom it may concern:

Company Name: ASKUL Corporation
(Code No.: 2678, Tokyo Stock Exchange First Section)
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FY5/2014 1st Half Performance

(Consolidated financial summary for first half of fiscal year ending May 2014)

ASKUL Corporation (hereinafter referred to as the "Company") herewith attach the "FY5/2014 1st Half Performance" (Consolidated financial summary for first half of fiscal year ending May 2014) to provide supplementary information with respect to the "Summary of Consolidated Financial Results for First Half of Fiscal Year Ending May 2014 (Japanese GAAP)."

These supplementary materials include forward-looking statements concerning current plans and the outlook for operating results. These statements are based on plans and forecasts that use currently available information. Forward-looking statements are not promises or guarantees about the future because actual operating results may differ from the Company's outlook for a variety of reasons.

These supplementary materials are unaudited and have not been reviewed by certified public accountants or auditors.

LOHACO's 2Q Net Sales Grow 35% Compared to 1Q

Monthly Consolidated Net Sales Start Registering Double-digit Growth with Solid B-to-B Business

"ASKUL Logi PARK Tokyo Metropolitan" Utilization Rate Exceeds 60%

To Ensure Profit and Accelerate "Offense" in the Second Half

December 13, 2013

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Notes:
This material contains ASKUL Group's current plans and performance outlook. These plans, forecasts, and other forward-looking statements represent ASKUL's plans and forecasts based on information currently available. Actual performance may differ from these plans and forecasts due to a variety of conditions and factors that could occur in the future. This material does not represent promises or guarantees regarding the achievement of these plans.
This material has not been audited by certified public accountants or auditing firms.

For the purposes of this material, LOHACO refers to the online mail-order business for general consumers, launched in October 2012 in alliance with Yahoo Japan Corporation.

B-to-B refers to business-to-business transactions, while B-to-C refers to business-to-consumer transactions.

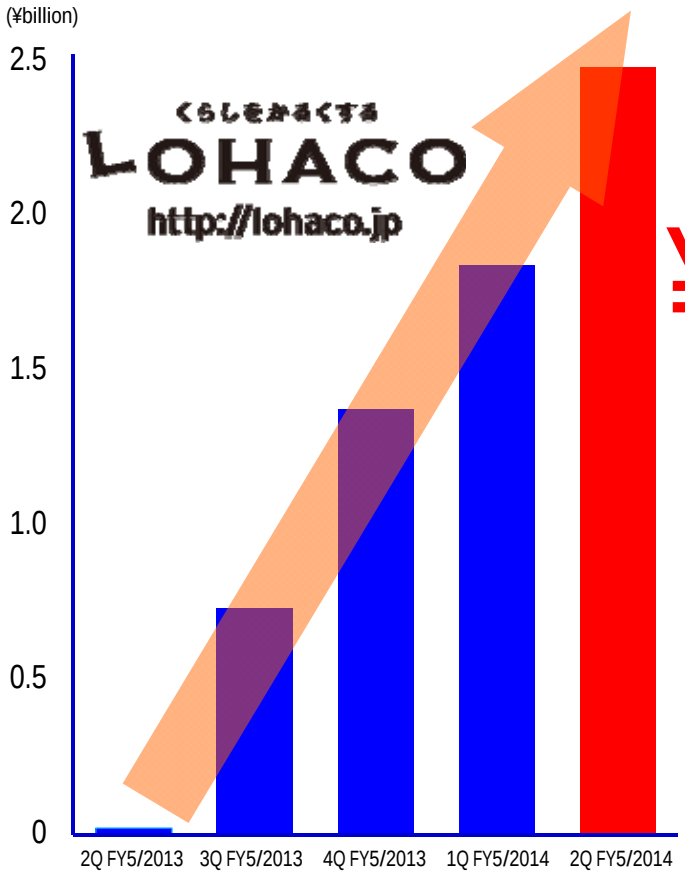
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- Further Profit Expansion of B-to-B Business by Focusing on Growth Areas -

Source: 1Q FY5/14 earnings material

The Biggest Theme for the Fiscal Year Is "Offense"

Strive for Expansion of LOHACO Sales Aiming for Future Profit Maximization

LOHACO Business – Quarterly Net Sales Trend



2Q net sales

¥2.4 billion

QoQ change

135%

Monthly Consolidated Net Sales Trend

(after Adjusting for Number of Business Days; Y-o-Y Comparison)



FY5/2014 1H Consolidated Performance Overview

	FY5/2013 1H		FY5/2014 1H				
	Amount (¥ million)	% of sales	Amount (¥ million)	% of sales	YoY change (%)	Initial forecast (¥ million)	Vs. forecast (%)
Net Sales	109,736	100	119,215	100	+8.6	119,000	+0.2
Gross Profit	24,426	22.3	26,678	22.4	+9.2	26,700	-0.1
Selling, General and Administrative Expenses	20,845	19.0	25,211	21.1	+20.9	25,100	+0.4
Operating Income	3,581	3.3	1,467	1.2	-59.0	1,600	-8.3
Ordinary Income	3,563	3.2	1,523	1.3	-57.2	1,600	-4.8
Net Income	1,866	1.7	558	0.5	-70.1	500	+11.6

LOHACO operating loss	-¥1.37 billion
Temporary/fixed expenses incl. logistics base enhancement	-¥1.02 billion
Initial operating expenses, etc. for the new center launch	-¥0.47 billion

- Net sales progressed in line with the forecast and marked a record high
- Gross profit marked a record high while we invested the operating income surplus from 1Q in the pricing strategy for expanding LOHACO sales
- Though operating income and ordinary income declined YoY on temporary expenses such as active sales promotion of LOHACO and the launch of the new center, it was within the full-year plan's scope
- Extraordinary loss was smaller than plan and net income exceeded the plan by 11.6%

FY5/2014 1H Consolidated Performance Summary

(¥billion)	LOHACO		B-to-B business, etc.		Logistics base enhancement, etc.(*1)				Total	
					Fixed expenses		Temporary expenses (*2)			
	Full-year forecast	1H actual	Full-year forecast	1H actual	Full-year forecast	1H actual	Full-year forecast	1H actual	Full-year forecast	1H actual
Net Sales	10.0	4.2	240.0	114.9	—	—	—	—	250.0	119.2
Operating Income	-2.3	-1.3	10.4	3.8	-1.7	-0.6	-0.4	-0.4	6.0	1.4

*1 Expenses related to logistics base enhancement, etc. are ultimately distributed to each business based on net sales, etc. in ASKUL's managerial accounting.
*2 Recording of the temporary expenses on logistics base enhancement, etc. has been completed in 1Q.

(1) Net sales marked a record high, as LOHACO exceeded the plan and B-to-B business, etc. progressed in line with the forecast

(2) Temporary/fixed expenses for logistics base enhancement, etc. were in line with the forecast (¥1.0 billion)

(3) LOHACO's operating profit fell slightly short of the plan, as we invested the operating income surplus from 1Q in the pricing strategy for LOHACO sales expansion

(4) B-to-B business, etc. progressed in line with the plan after absorbing the initial operating expenses, etc. for launch of the new center (¥0.47 billion) and both profits and sales continued to increase YoY

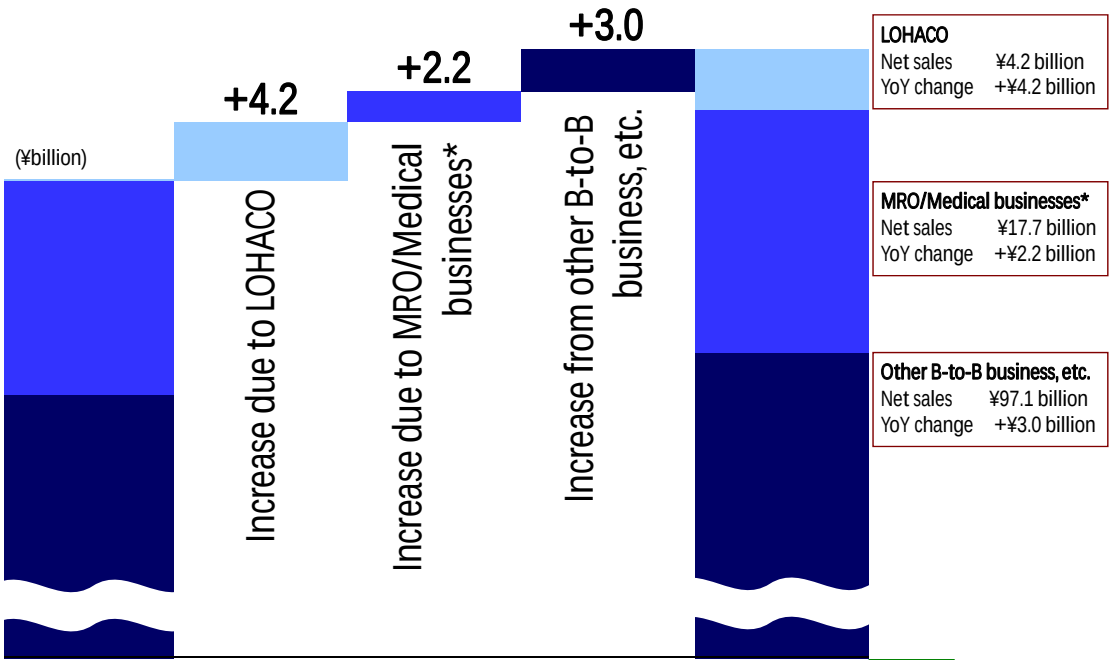
Factors Affecting FY5/2014 1H Consolidated Net Sales

FY5/2013 1H (actual)

Net sales	¥109.7 billion
YoY change	+¥7.3 billion
YoY growth	+7.2%

FY5/2014 1H (actual)

Net sales	¥119.2 billion
YoY change	+¥9.4 billion
YoY growth	+8.6%



*MRO/Medical businesses do not include LOHACO portion

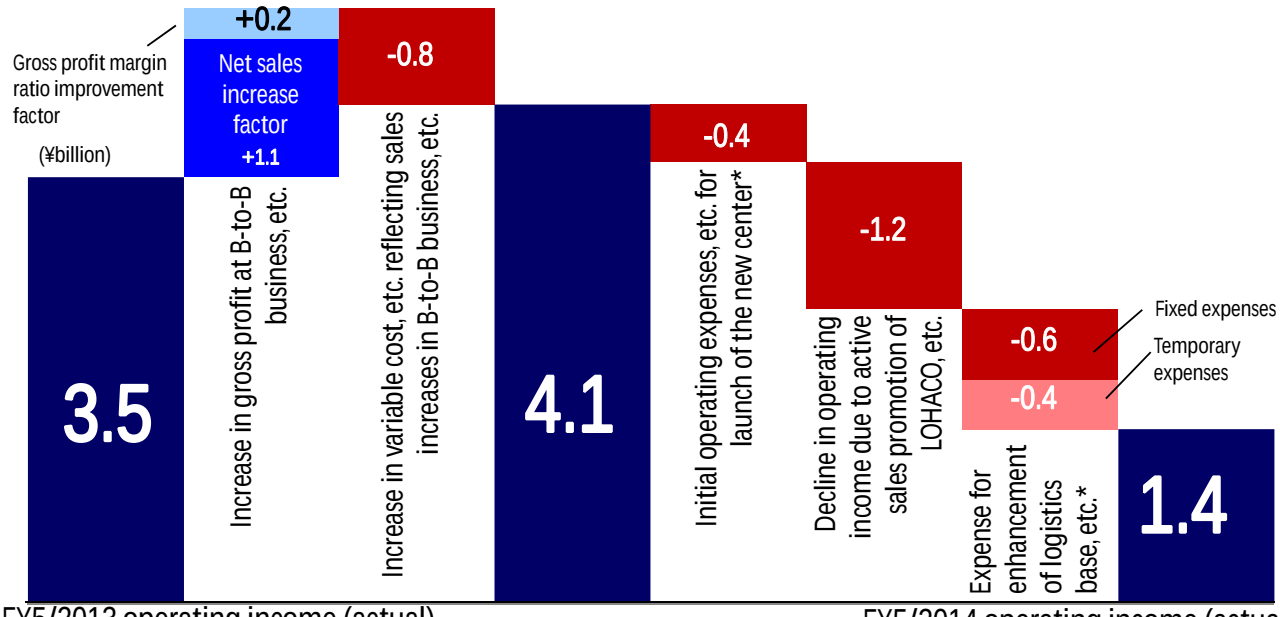
Factors Affecting FY5/2014 1H Consolidated Operating Income

FY5/2013 1H (actual)

Net sales growth YoY	+7.2%
Gross profit margin	22.3%
SG&A expense ratio	19.0%

FY5/2014 1H (actual)

Net sales growth YoY	+8.6%
Gross profit margin	22.4%
SG&A expense ratio	21.1%



FY5/2013 operating income (actual)
¥3.5 billion

FY5/2014 operating income (actual)
¥1.4 billion

* Expenses related to logistics base enhancement, etc. and initial operating expenses, etc. for launch of new center are ultimately distributed to each business based on net sales, etc. in ASKUL's managerial accounting.

FY5/2014 Consolidated Performance Outlook

	FY5/2013 full year (actual)		FY5/2014 full year (plan)		
	Amount (¥million)	% of sales	Amount (¥million)	% of sales	YoY change (%)
Net Sales	226,610	100.0	250,000	100.0	+10.3
Gross Profit	50,613	22.3	56,400	22.6	+11.4
Selling, General and Administrative Expenses	43,733	19.2	50,400	20.2	+15.2
Operating Income	6,880	3.0	6,000	2.4	-12.8
Ordinary Income	7,241	3.2	6,000	2.4	-17.1
Net Income	5,812	2.6	3,000	1.2	-48.4

Forecast to be left unchanged on strong first-half performance

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Priority Measures for FY5/2014

Source: Full-year FY5/13 earnings material

(1) Reform of logistics base for ensuring significant growth

- Start operations of a state-of-the-art logistics center in a year
- Double the number of products available for same-day and next-day delivery
- Logistics cost structure reform

(2) Strive for thorough expansion of sales of LOHACO business

- Pricing strategy for main products
- Attract customers with large-scale sales promotions
- Expand product range of new categories

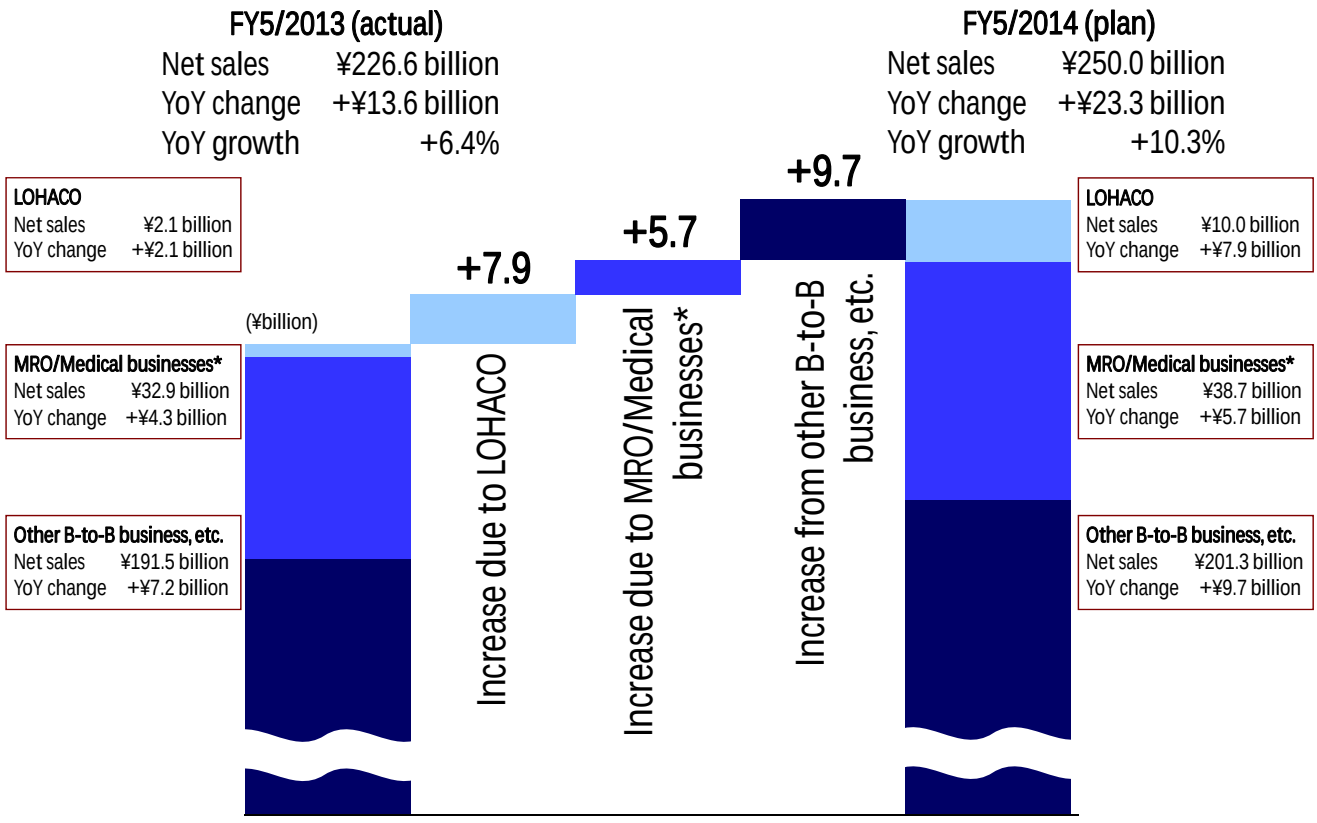
(3) Further profit expansion of B-to-B business by focusing on growth areas

- Accelerate growth of the MRO business
- Accelerate growth of the Medical business
- Improve gross profit for ensuring stable profits

*MRO: Abbreviation of Maintenance, Repair and Operation. Here, primarily denotes indirect supplies consumed on site by companies

Main Factors Affecting FY5/2014 Consolidated Net Sales (Plan)

Source: Full-year FY5/13 earnings material



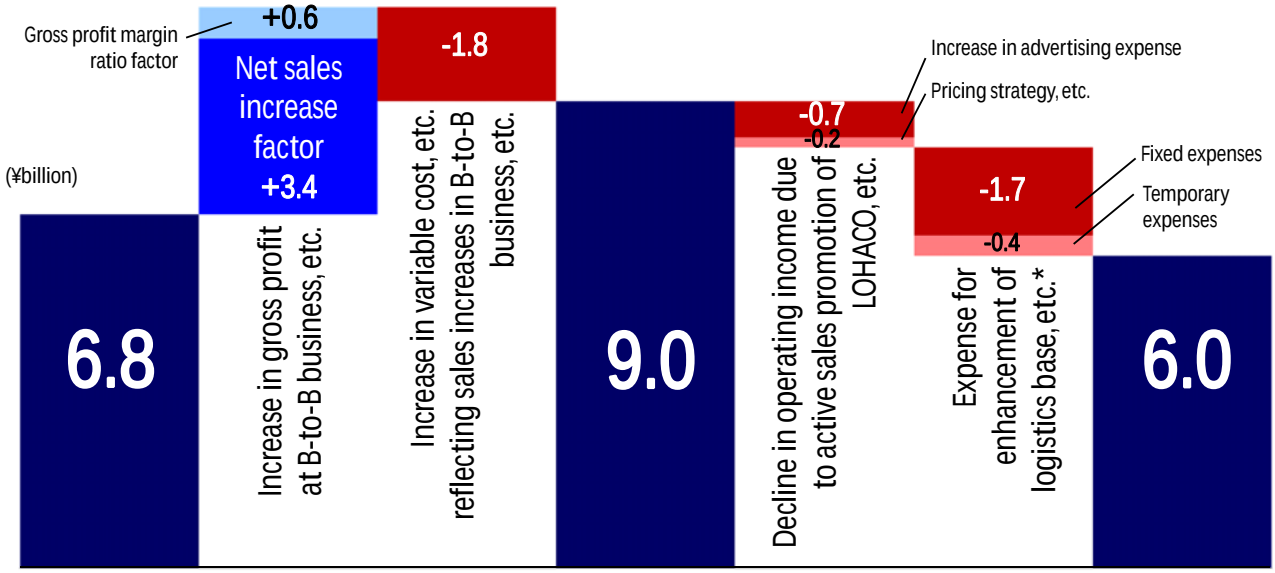
*MRO/Medical businesses do not include LOHACO portion

Factors Affecting FY5/2014 Consolidated Operating Income (Plan)

Source: Full-year FY5/13 earnings material

FY5/2013 (actual)
Net sales growth YoY: +6.4%
Gross profit margin: 22.3%
SG&A expense ratio: 19.3%

FY5/2014 (plan)
Net sales growth YoY: +10.3%
Gross profit margin: 22.6%
SG&A expense ratio: 20.2%



FY5/2013 operating income (actual) ¥6.8 billion

FY5/2014 operating income (plan) ¥6.0 billion

*Expenses related to logistics base enhancement, etc. are ultimately distributed to each business based on net sales, etc. in ASKUL's managerial accounting.

FY5/2014 Consolidated Performance Outlook (By Business)

Source: Full-year FY5/13 earnings material

(¥billion)	FY5/2013 full year (actual)			FY5/2014 full year (plan)				
	LOHACO	B-to-B Business, etc.	Total	LOHACO	B-to-B Business, etc.	Logistics Base Enhancement, etc. *		Total
						Fixed Expenses	Temporary Expenses	
Net Sales	2.1	224.5	226.6	10.0	240.0	—	—	250.0
Operating Income	-1.3	8.2	6.8	-2.3	10.4	-1.7	-0.4	6.0

*Expenses related to logistics base enhancement, etc. are ultimately distributed to each business based on net sales, etc. in ASKUL's managerial accounting.

- The most important challenge for FY5/2014 is expanding the sales of LOHACO
  ⇒ Budgeting large-scale advertising expenses (¥1.3 billion) and pricing strategy
- B-to-B business to focus on growth areas to further boost profits
  ⇒ Planning to increase sales by ¥15.5 billion and operating income by ¥2.2 billion
- We aim for double-digit growth in company-wide net sales, to ¥250.0 billion

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To Ensure Success with First Mover Advantage + ASKUL's Strengths



April 27, 2012 Business and Capital Tie-up

Thoroughly Accelerate the Pace of "Offense"

ASKUL × YAHOO! JAPAN

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LOHACO

http://lohaco.jp

E-commerce is entering the second generation

Source: 1Q FY5/14 earnings material

1st generation



Search and purchase single items related to one's hobby or taste

2nd generation

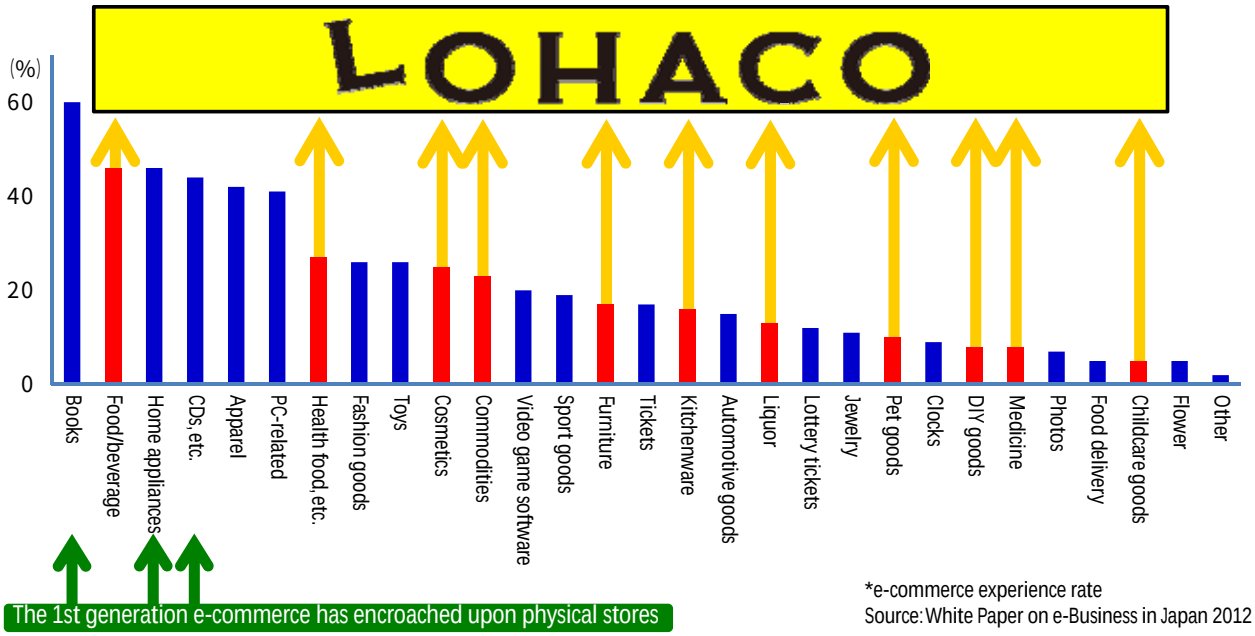


E-commerce entering into the household, and being utilized in daily life

Source: 1Q FY5/14 earnings material

E-commerce of commodities is yet to gain popularity

Same-day, next-day delivery of household commodities



*e-commerce experience rate
Source: White Paper on e-Business in Japan 2012

Source: 1Q FY5/14 earnings material

We will become

No. 1 in 2nd generation e-Commerce

Source: 1Q FY5/14 earnings material

Why can we achieve it with LOHACO?

Because it has the winning structure

Source: 1Q FY5/14 earnings material

(1) Deliver in one go in the time-specified same-day delivery at the earliest

⇒ Logistics expertise accumulated in B-to-B over 20 years enables us to profit even on commodities

⇒ Decisive efficiency enabled by utilization of the same logistics base as B-to-B

⇒ Besides these, our state-of-the-art logistics center started operation

Source: 1Q FY5/14 earnings material

(2) Low cost through direct transactions with manufacturers and shortest value chains = price competitiveness

⇒ Producer-retailer alliance enabled by opening up ASKUL's distribution process

⇒ Abilities to make proposals to customers and to develop own-brand products are also our strengths

Source: 1Q FY5/14 earnings material

(3) Wide product range of commodities that enables one-stop shopping

⇒ Commodities (regular daily goods) + approx. 70,000 items in LOHACO Mall

⇒ Customer convenience improved after re-launch of website, which has been boosting shopping across the website

Source: 1Q FY5/14 earnings material

(4) Utilization of big data analysis in cooperation with Yahoo Japan Corporation

⇒ Fully utilize analysis technique on the voluminous information on the Internet

⇒ Improve customer attraction and conversion rate (CVR)

Web Marketing Consortium 2013

The curtain-raiser of commodity e-commerce for individuals



Date/Time: October 11 (Fri); from 13:00

Place: ANA InterContinental Tokyo

Participants: Some 230 people from about 120 suppliers

Purpose of Marketing Consortium

What we are aiming for

Purpose 1

Aim for a **Win-Win-Win** solution with consumers and manufacturers through sound development of e-commerce



Purpose 2



Opening of big data

Practice effective e-commerce marketing activities

Purpose 3



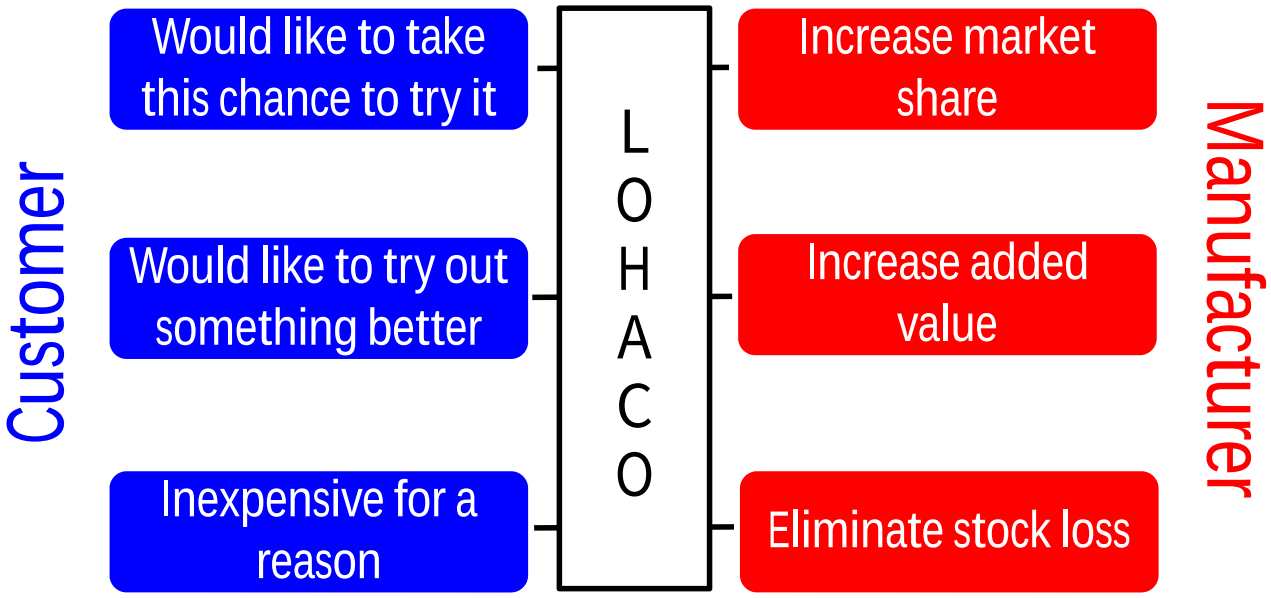
Support the daily life of **working women**, promote diversity and assist the **parental generation** through e-commerce

The Spirit of e-commerce, as We Perceive It

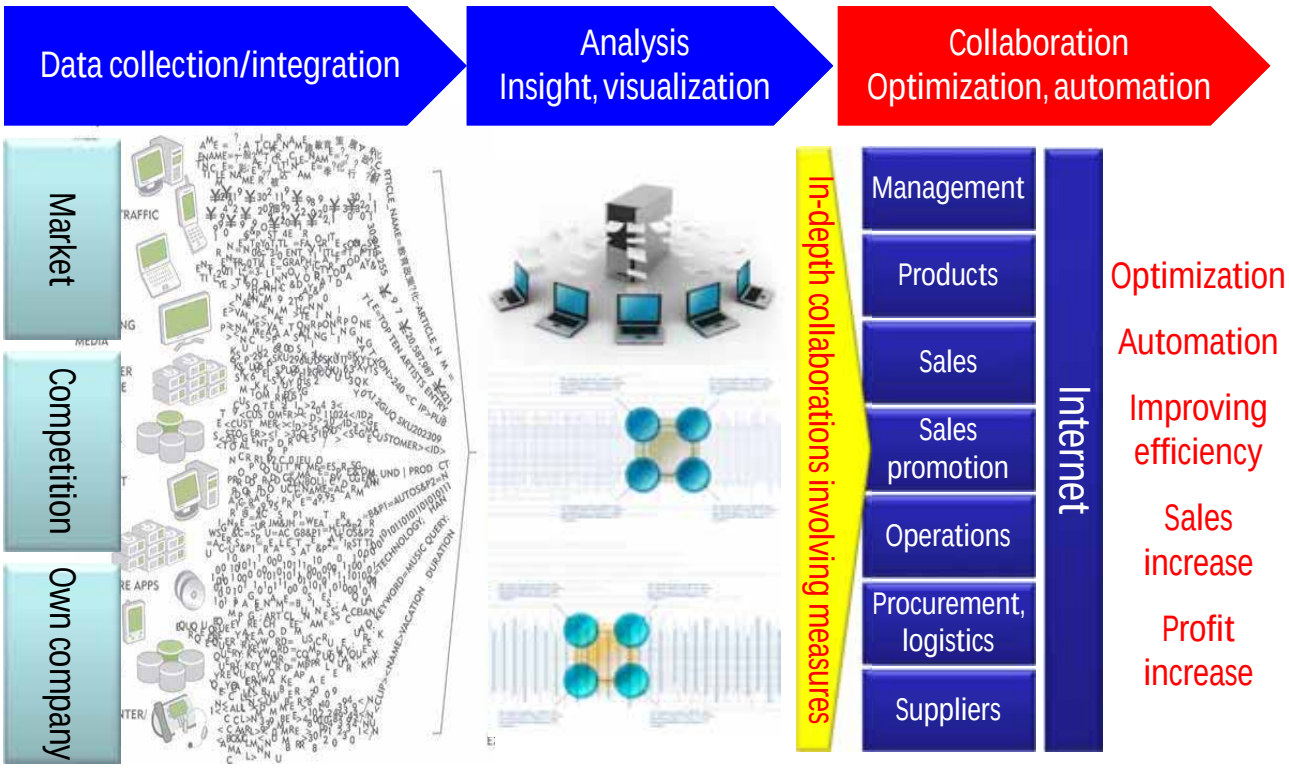


Free
Open
Joint creation

Fulfill the 3 Major Needs of Manufacturers



Efficient e-Commerce Marketing



Implement e-commerce marketing together with manufacturers with LOHACO as the platform

Thoroughly accelerate the pace of "offense"



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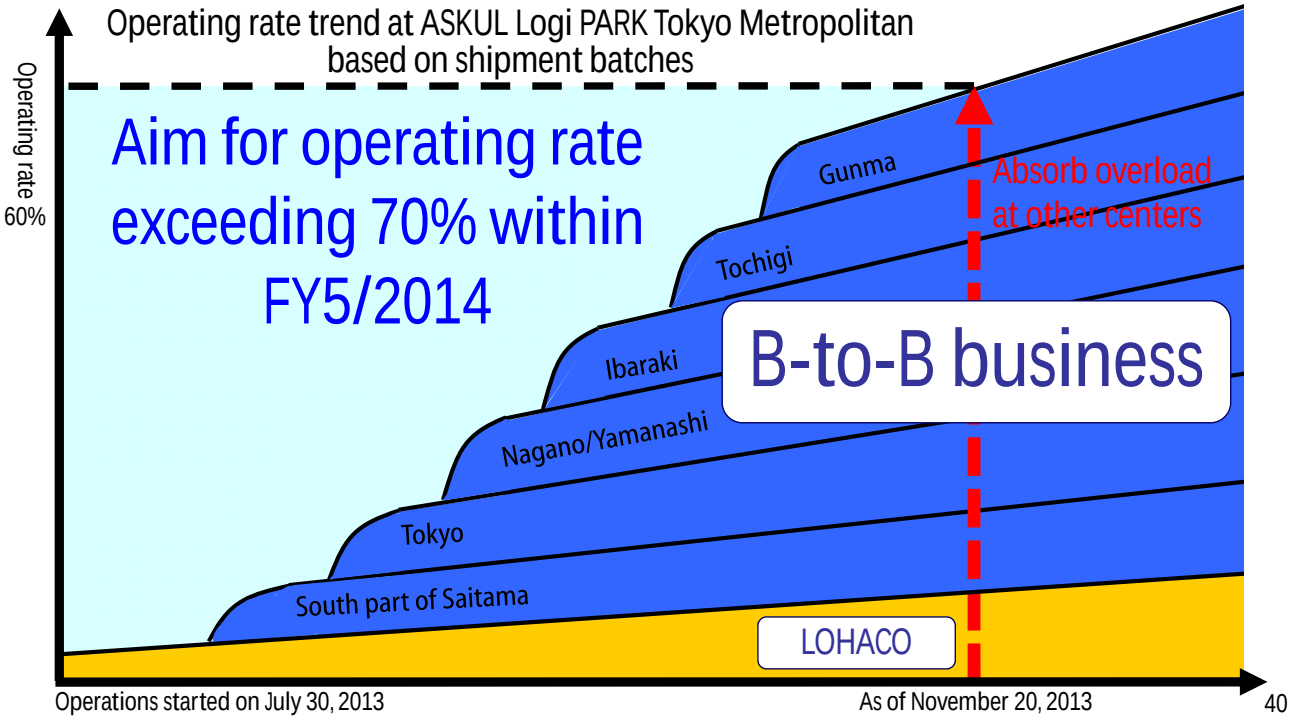


http://www.youtube.com/watch?v=XLjIbNGIIFw

Number of Stock Items to Reach 70,000

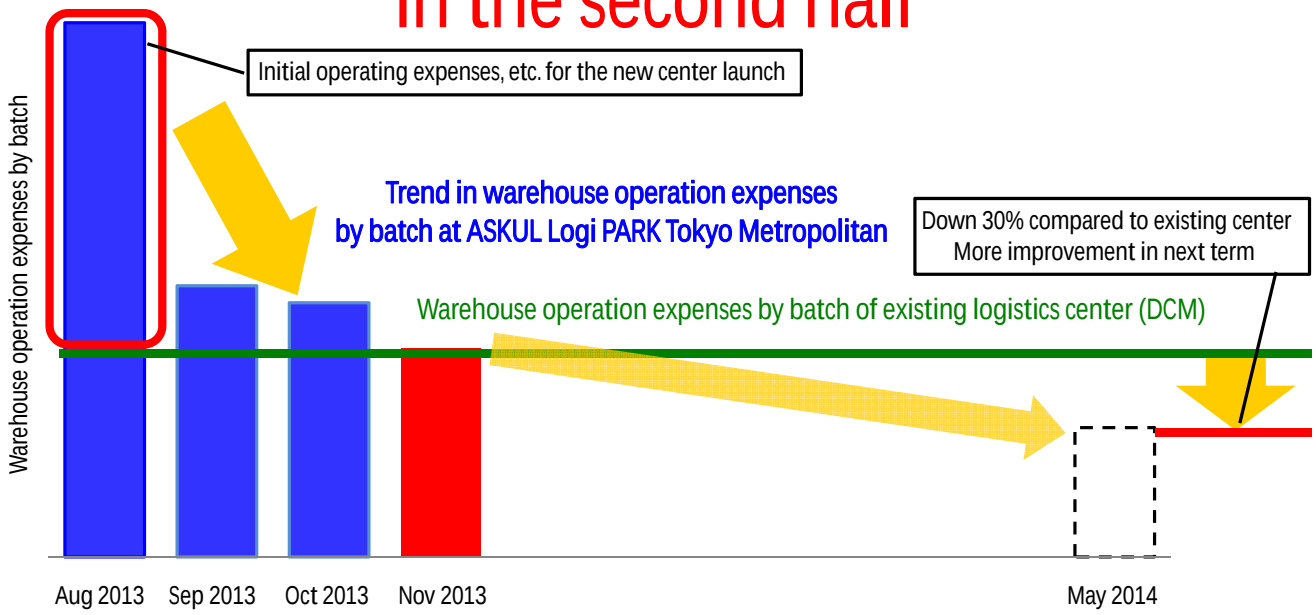


Jump-start the Mega Logistics Center with the Logistics Know-how Accumulated over 20 years

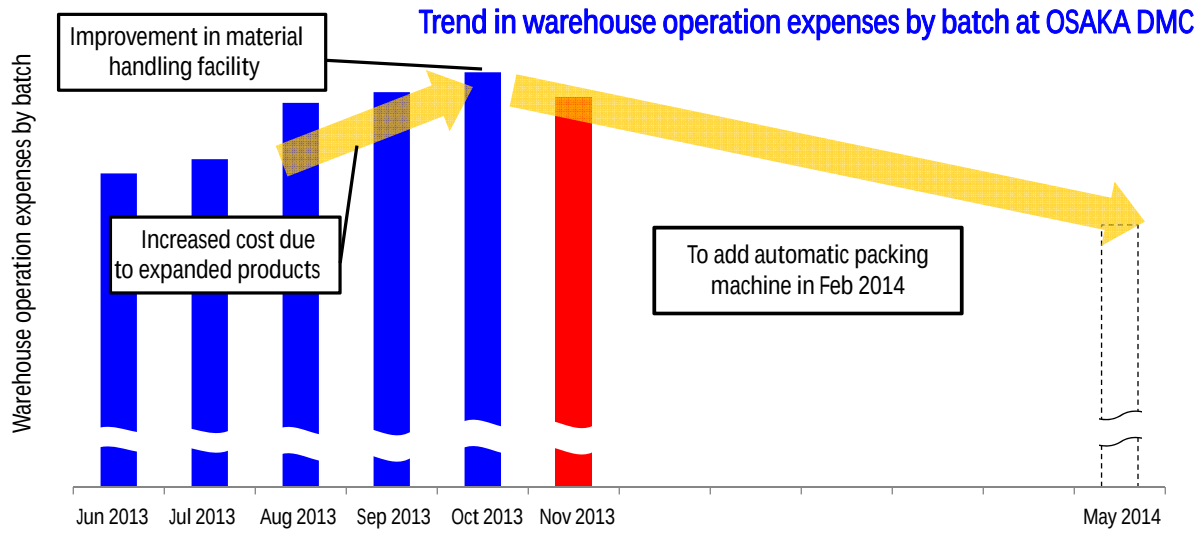


Increased efficiency within 3 months from launch

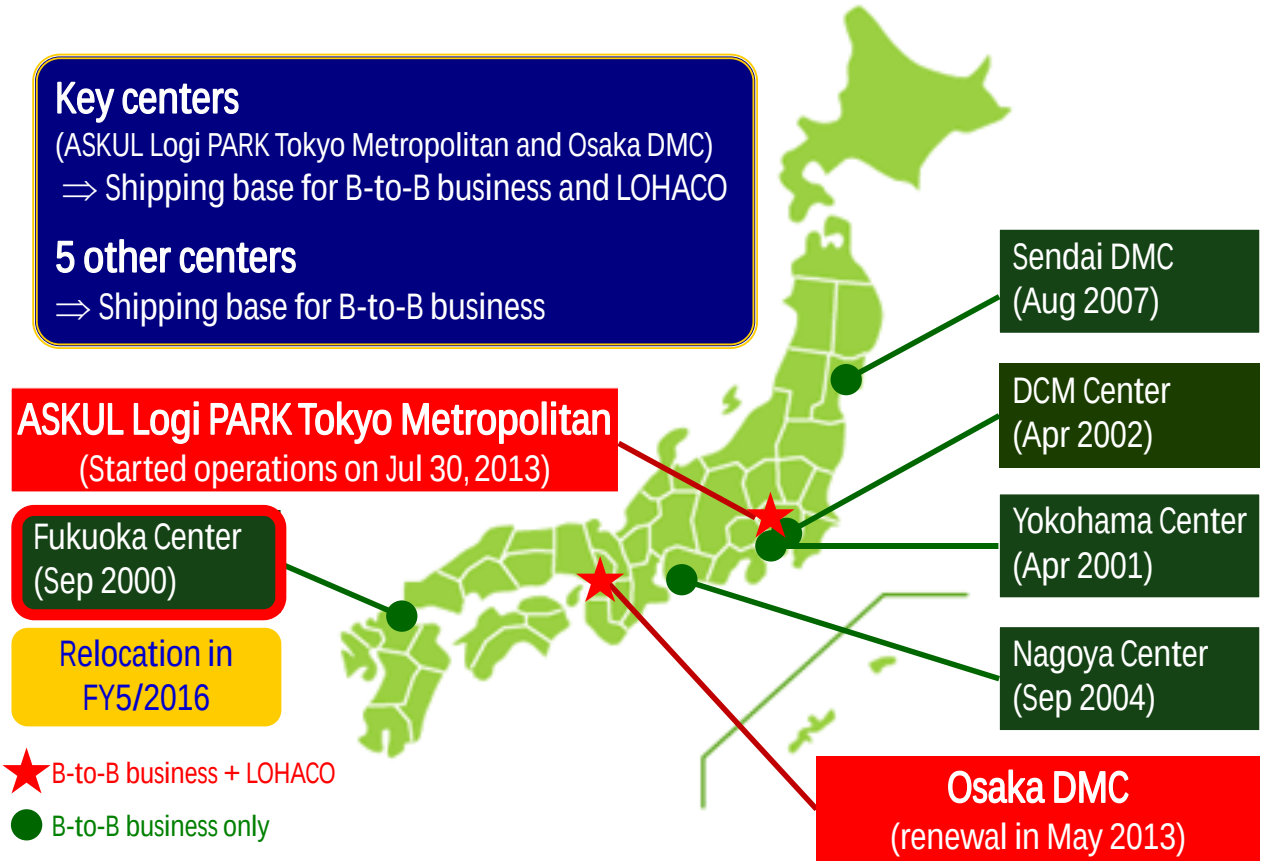
To contribute to profitability in the second half



Expecting improvement in profitability in the second half with better efficiency through improved material handling facility and introduction of additional automatic packing machine

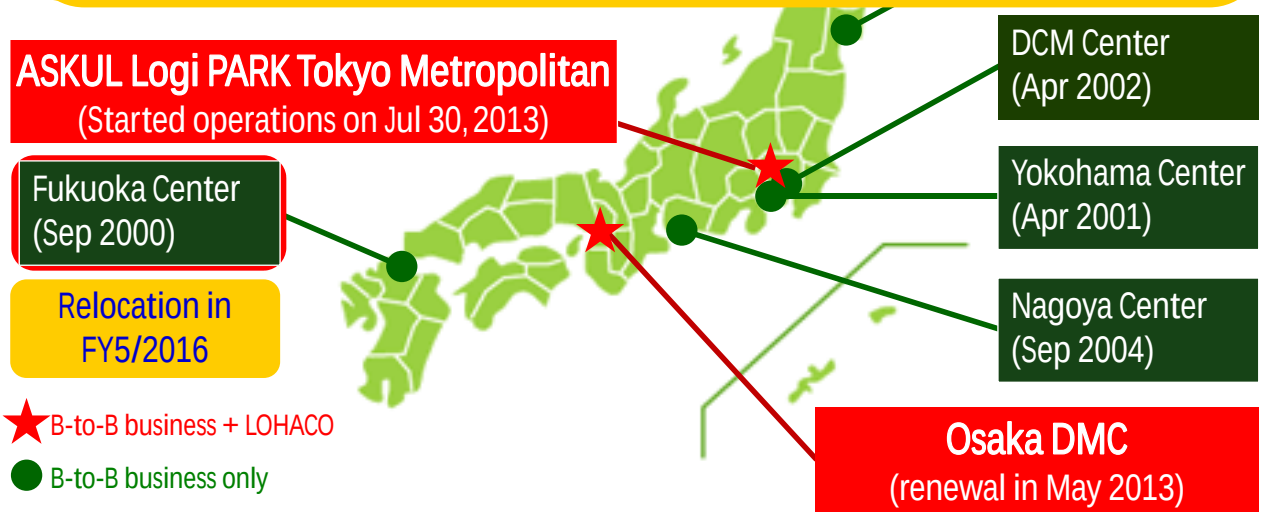


Further Evolution of Logistics Network

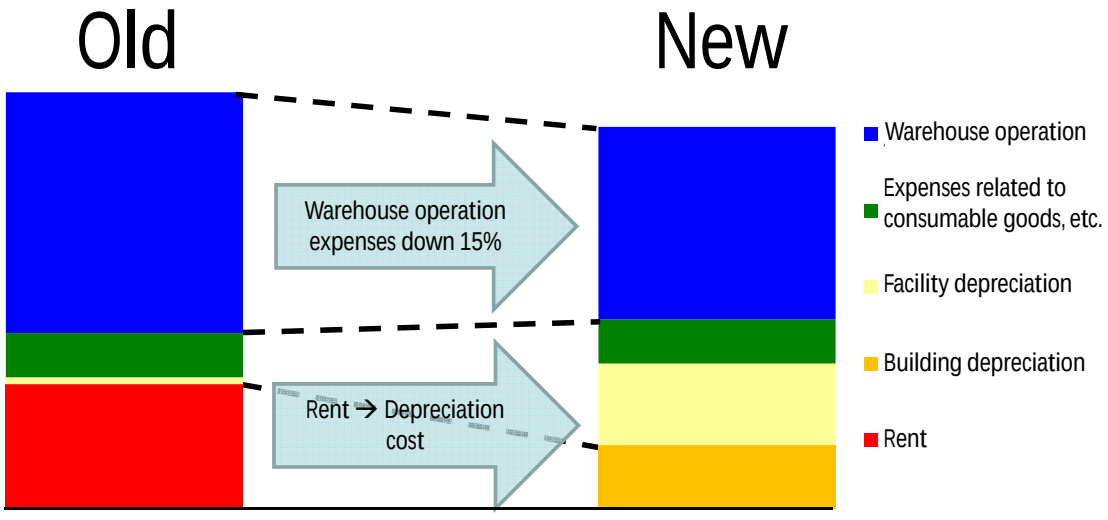


Further Evolution of Logistics Network

Logistics investment for the time being is for relocation and renovation of existing centers with latest equipment and enhancement
To improve service level of LOHACO



Relocation of Fukuoka Center to result in doubling the area and absorption of fixed costs such as depreciation



*Calculated based on the anticipated volume of materials upon starting the operations of the new Fukuoka Center over a period of six months

Achieve Efficient Relocation by Leveraging Grants

Overview of ASKUL Logi PARK Fukuoka



Image upon completion (provided by Fukuoka City)

- Location: Minato Kashii 2-25-12, Higashi-ku, Fukuoka
- Size: Site area – 24,905 m^2
  Building area – 14,495 m^2 (planned)
  Floor area – 46,457 m^2 (planned)
- Structure: 4 floor building (planned)
- Investment: About 10.0 billion yen including land, building and material handling equipment (estimate) * Does not include grant
- Grant: About 1.4 billion yen (total of land, building and facility)
- Start of operations: January 2016 (planned)

Towards Realizing 2nd Generation e-Commerce

Accelerate the implementation of logistics system upgrade and reform of operations

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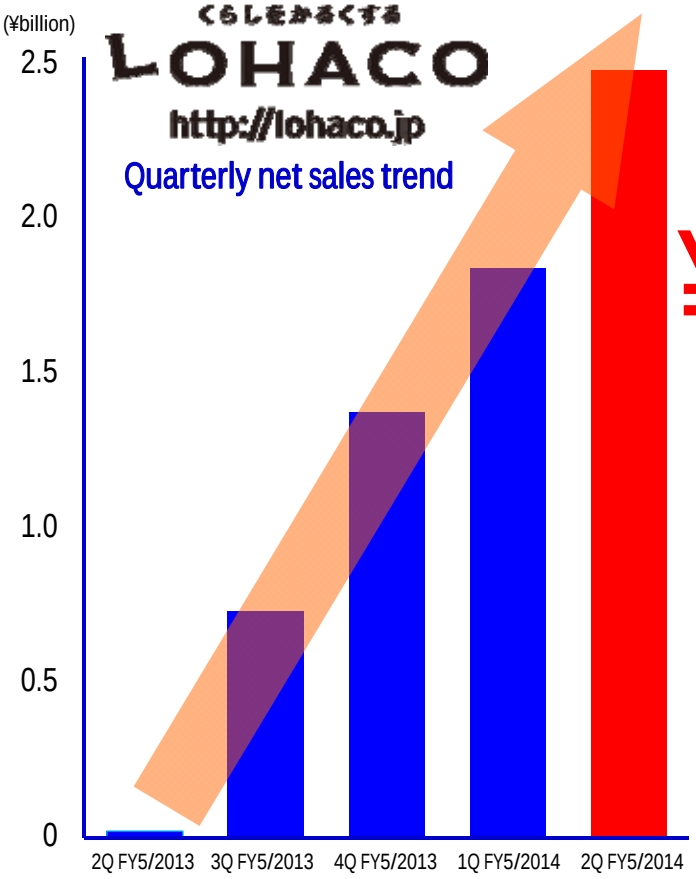
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We will thoroughly focus on sales expansion at LOHACO



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LOHACO
http://lohaco.jp

Quarterly net sales trend

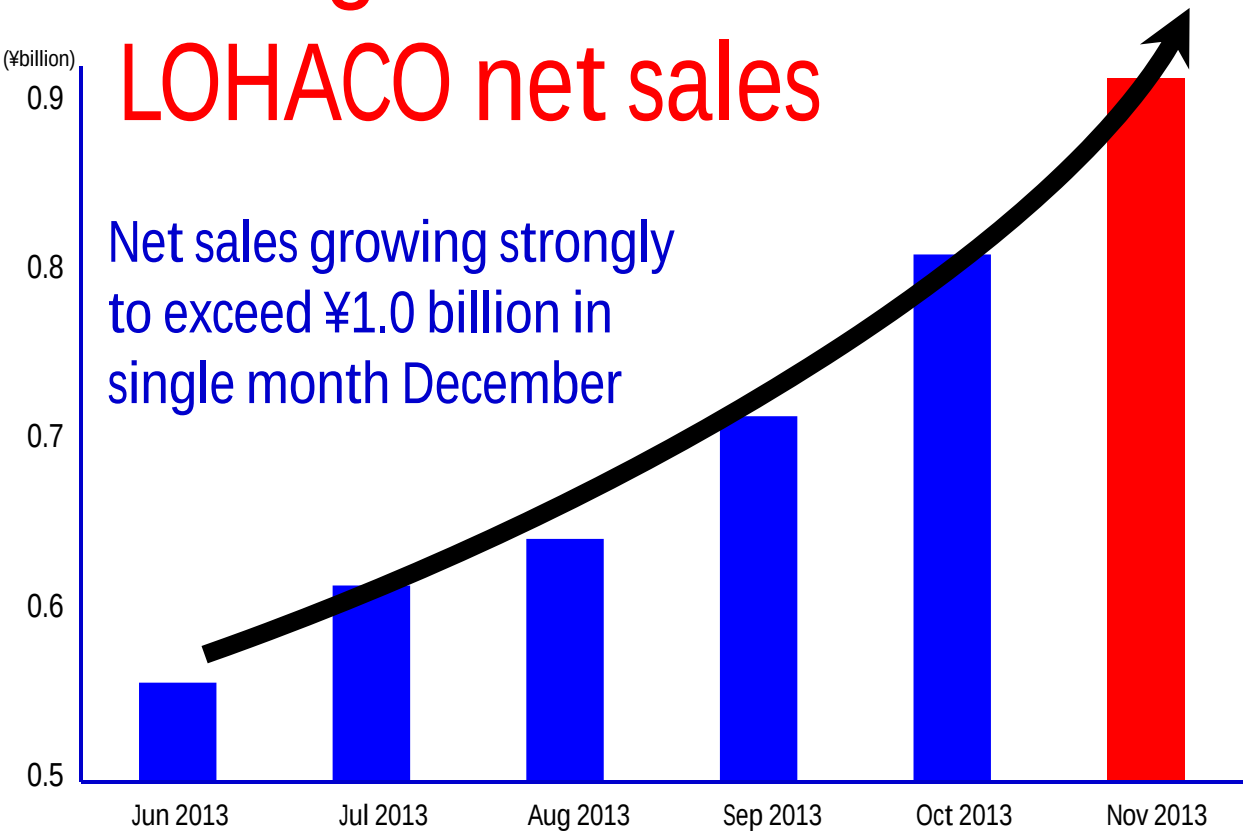
2Q net sales

¥2.4 billion

QoQ change

135%

Change in trend of LOHACO net sales

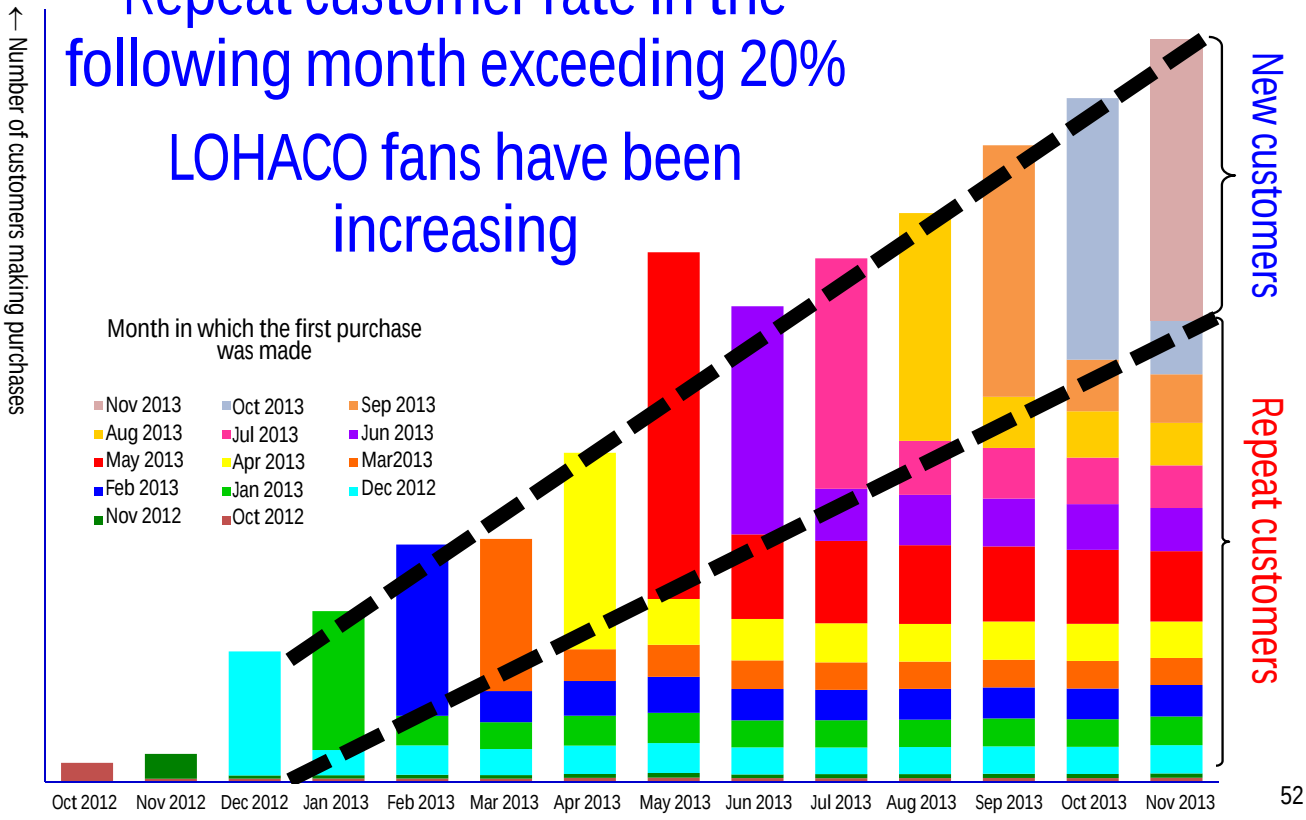


Net sales growing strongly to exceed ¥1.0 billion in single month December

Continued Purchase Taking Root

Repeat customer rate in the following month exceeding 20%

LOHACO fans have been increasing



Source: 1Q FY5/14 earnings material

Reason behind Increase in Repeat Customers (1)

Differentiated Delivery Service



Time-specified same-day/next-day delivery for no extra charge* which even Amazon cannot match

*¥1,900 or more per order

Source: 1Q FY5/14 earnings material

Reason behind Increase in Repeat Customers (2)
Single-item Purchase of Lowest-Priced Products

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¥87 per bottle
in a 3-bottle set

Amazon



¥96 per bottle
in a 2-box set (12 bottles)

*The prices as of Sep 7, 2013

We will change e-commerce together with Yahoo! JAPAN and manufacturers



Promoting LOHACO along with Yahoo! the Bargain



Exposure of LOHACO products ranks high in Yahoo! Shopping search



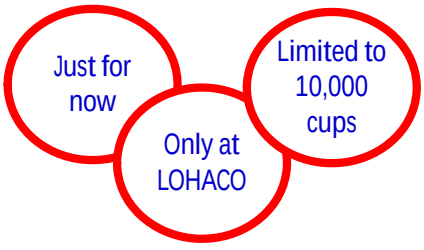
Guiding potential customers from the vast Internet ocean to LOHACO

Carrying out marketing that is integrated with manufacturers

Case 1: Nissin Food Products Co., Ltd.

Offering **CUP CURRY RICE** at a trial price limited to LOHACO

"What is the new format of curry rice?"



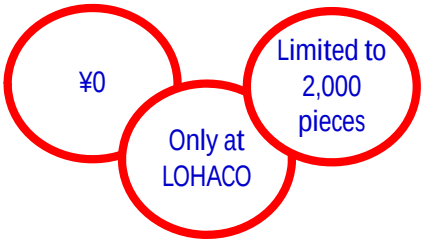


- More than 85% of the products were sold within 5 days from the start
- High CVR: one in about three people who viewed the product page bought it
- Detailed questionnaire survey was carried out targeting those who purchased the product
- We plan to offer the information, which is effective marketing data to the manufacturer together with the outcome of buying pattern analysis

Case 2: Unicharm Corporation

Free diaper samples, limited to LOHACO

"Want to touch it, check it with my eyes and try it on my baby"





2,000 samples → Customers with babies proactively obtained the product → Turn potential customers into real customers → Verify product/brand evaluation → Promote continued purchase → Strengthen contact with customers buying diapers

Case 3: Ajinomoto Co., Inc.

Advance launch of **Freeze Dry Soup** and **Soup DELI** at LOHACO

"I want to be the first one to try these new products."



In response to the popularity of Variety BOX!



- Following the popular Assorted Soup, we are introducing these products in advance at discounted prices!
- Individual wrapping makes it convenient for lunch or when you feel like a midnight snack

Case 4: Sumitomo 3M Limited

Special offer limited to LOHACO
"greener CLEAN"

"I would like to try premium products."



¥100

Carefully selected material

Only at LOHACO



Case 5: Kikkoman Corporation

Special offer limited to LOHACO

Purveyors to the Japanese Imperial Household

"Kikkoman Freshly Pressed *Nama-Shoyu* (raw soy sauce) *Goyo Kuranama* (imperial-use; fresh from the brewery) 450 ml (in a gift box)"

"Offering high value-added products to our favored patrons."

Offered to our clients by direct mail

Specially selected product

For our favored patrons

Limited quantity

This freshly pressed, limited brew *nama-shoyu* (raw soy sauce) is brewed only once a year at Kikkoman's soy sauce cellar dedicated for imperial-use products. Soy beans, wheat and salt, all produced in Japan, are used in the product. It is a premium soy sauce that is matured over two phases in barrels made of Japanese cedar in the special cellar without being pasteurized. It is in a special airtight container that maintains freshness for up to 90 days after opening.



LOHACO Drug, online pharmacy, launched on December 6!

Starting with about 2,900 items that fall under the second and third category pharmaceutical products



ロハコドラッグ (LOHACO Drug)

Offers "function for searching suitable medicines based on symptoms" + "online advice from pharmacist"



Delivered in the same package as commodities, on the same day at the earliest, by utilizing ASKUL's logistic platform.
We aim to differentiate ourselves through safe and secure service.


ロハコドラッグ
LOHACO Drug
ロハコドラッグオープン記念！医薬品全品Tポイント5倍!!
対象期間
12月31日まで
風邪薬
冬のかぜに
かぜ薬の定番
3つのベンザ
ベンザブロックIP
ベンザブロックS
ベンザブロックL
ベンザブロックS
¥998
胃腸薬
年末年始の
食べ過ぎ
飲み過ぎに
ソルマック
EX2
¥448
検査・診断薬・局方品
かぜの季節に
イソジンが
おトク
イソジン
うがい薬
250mL
¥998
ドリンク剤
滋養強壮に
700mL
¥1,149
生活習慣対策
脂肪がたまりやすい、
便秘がちな方に。
ナイシトールG
336錠
¥3,790
皮フの薬
消毒用
エタノールも
お家までお届け
消毒用
エタノールIP
¥398
痔・尿トラブル・性機
あるだけで
おしりも安心
ボラギノール
ボラギノールA
注入軟膏
2g
¥1,290


We will gain altitude
and speed to become
No. 1 in 2nd-generation
e-commerce!

I. 1H Results

II. FY5/2014 Outlook (Reminder)

III. No.1 in 2nd Generation e-Commerce

IV. Progress of Priority Measures (1)
- Reform of Logistics Base for Ensuring Significant Growth -

V. Progress of Priority Measures (2)
- Strive for Thorough Expansion of Sales of LOHACO Business -

VI. Progress of Priority Measures (3)
- Further Profit Expansion of B-to-B Business by Focusing on Growth Areas -

ASKUL
ASKUL INTERNET SHOP

SOLOEL ARENA
Powered by ASKUL

Targeting B-to-B Business

ASKUL + MEDeTOMO

SOLOEL

Source: 1Q FY5/14 earnings material





We aim for No.1 in all work sites





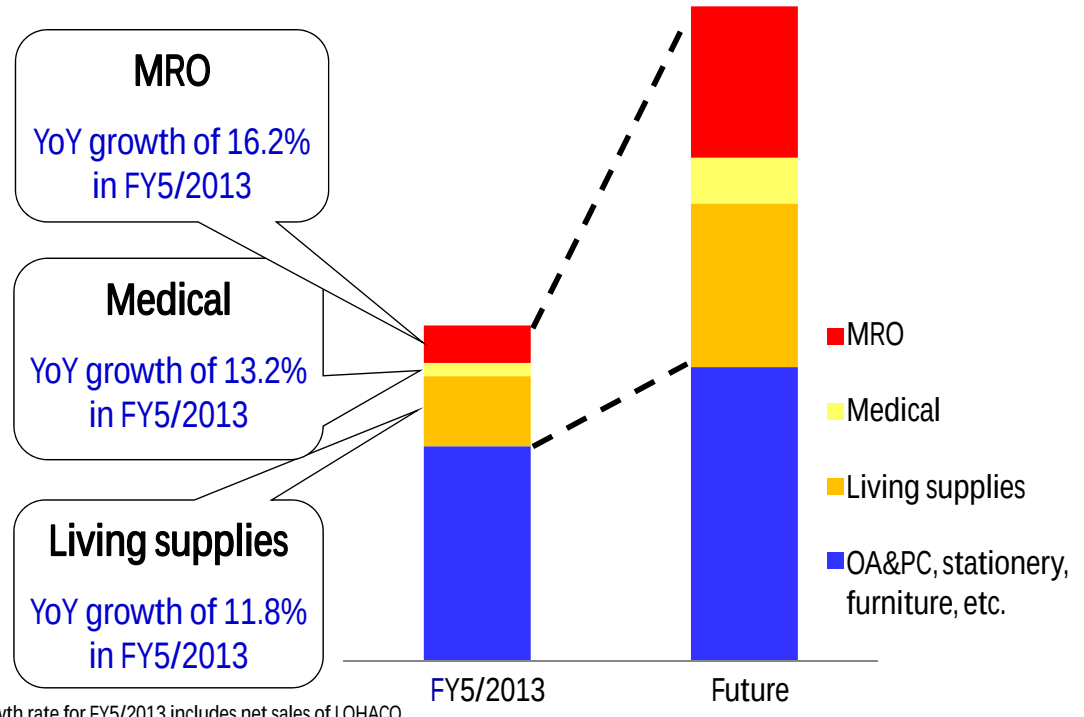
Source: 1Q FY5/14 earnings material

B-to-B net sales back on growth track, fully overcoming the slowdown



Source: Full-year FY5/13 earnings material

Image of Re-growth with New Categories



*The YoY growth rate for FY5/2013 includes net sales of LOHACO

Aim to restore double-digit growth in B-to-B business

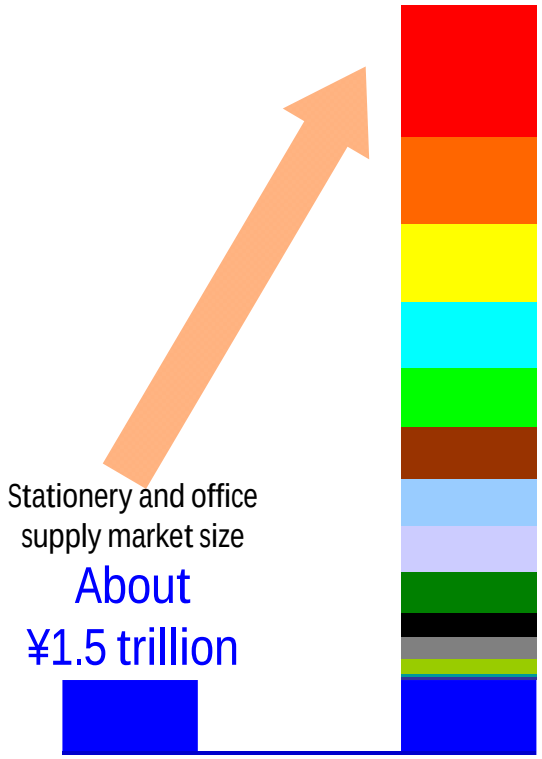
B-to-B Growth Strategy

Category	MRO	Medical	
Industry	Manufacturing/ construction	Medical/ nursing care	Service (stores/distribution)

×

Business development by about 1,400 agents

Huge MRO Market

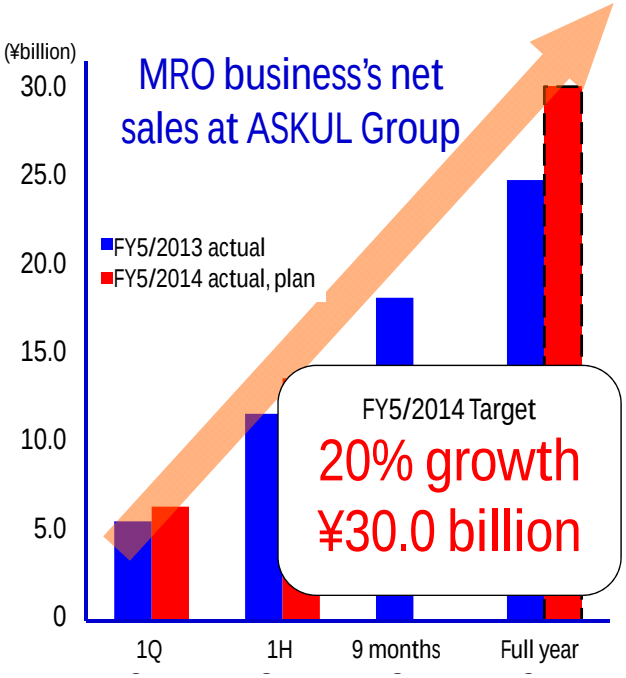


About ¥15 trillion

- Stationery/Office supplies
- Jig
- Soldering/welding
- Power tools parts
- Industrial tools
- Auto supplies for service vehicles
- Measuring instruments
- Others
- Scientific supplies
- Work supplies
- Clean room supplies
- Hardware
- Work-related expendables
- Scientific equipment
- Structural parts

*Market size calculated by ASKUL based on METI data and production/shipping data

Strengthening High-demand Products + Expanding Low-demand Products = Growth



*The net sales target includes products sold through LOHACO.

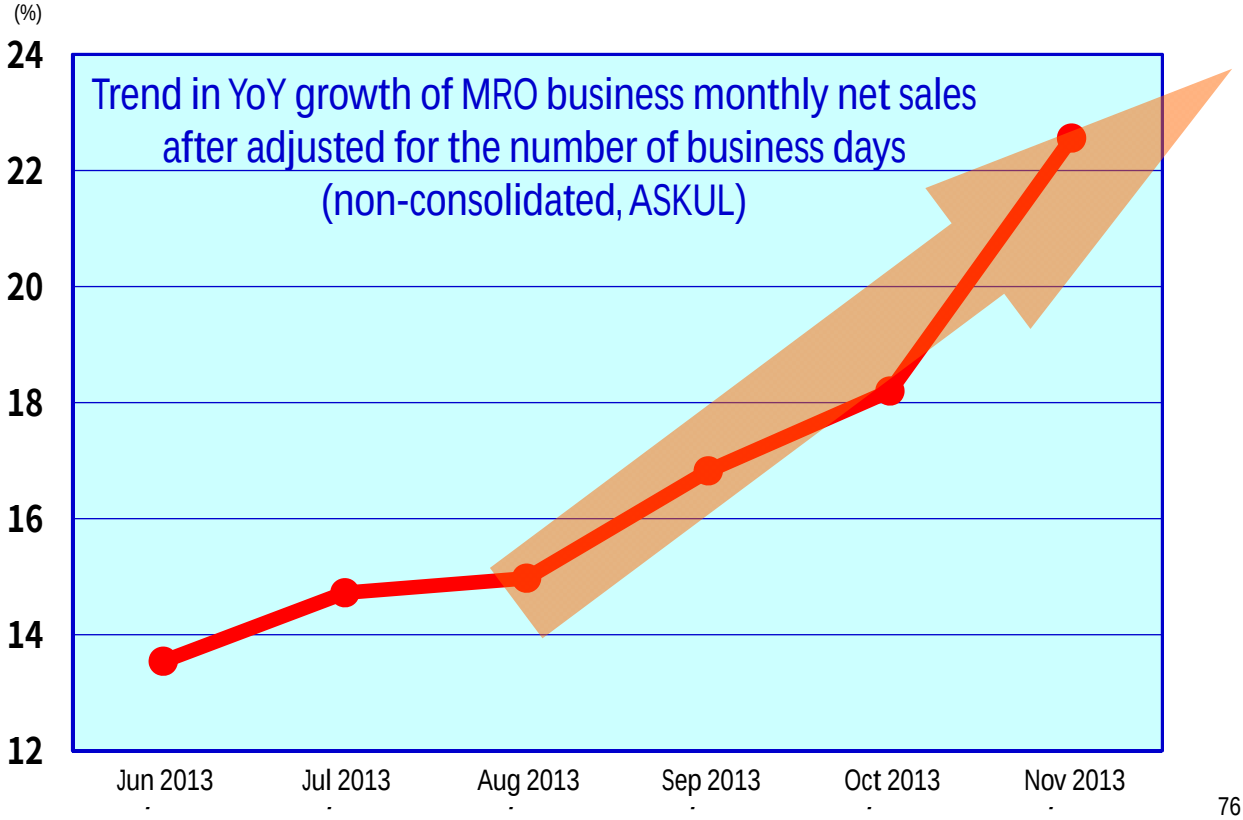
SOLOEL ARENA Powered by ASKUL

Alpha Purchase APMRO



ASKUL Catalog Fall/Winter 2013
Released in August 2013

MRO Net Sales Growth Exceeds 20%



Strengthened Both Competitiveness and Profitability

現場のチカラ

Aug 2012 Introduced 100 SKUs

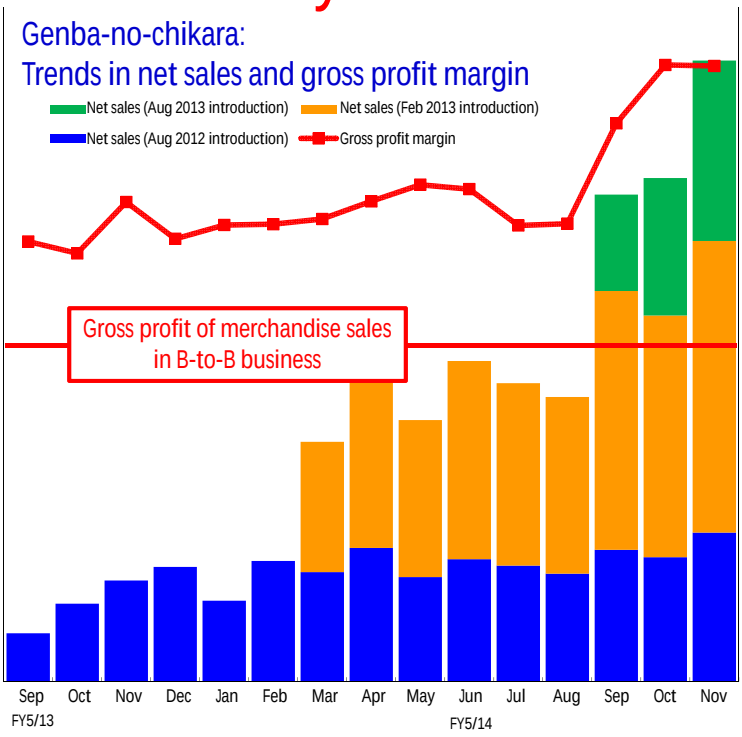


Feb 2013 Introduced 173 SKUs



Aug 2013 Introduced 300 SKUs

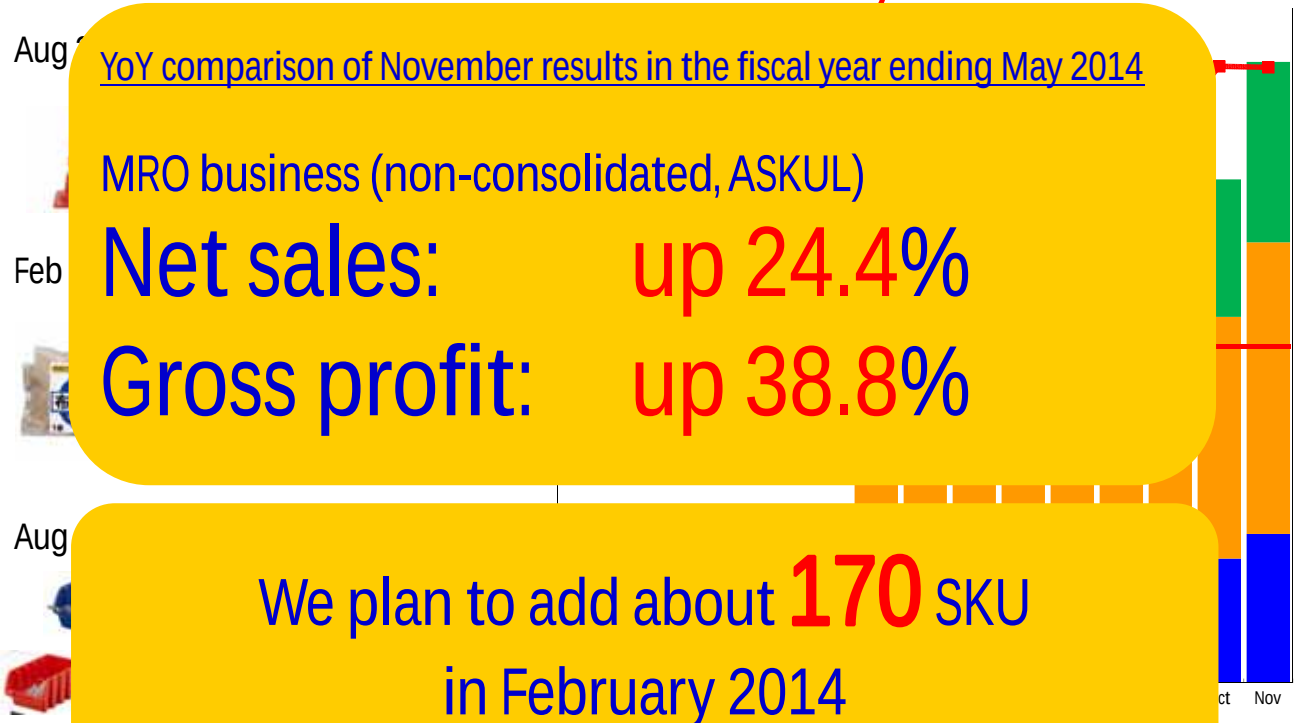




*Genba-no-chikara is ASKUL's original brand for MRO supplies.

現場のチカラ

Strengthened Both Competitiveness and Profitability



YoY comparison of November results in the fiscal year ending May 2014

MRO business (non-consolidated, ASKUL)

Net sales: up 24.4%

Gross profit: up 38.8%

We plan to add about **170** SKU in February 2014

*Genba-ne

Widening of Product Range



Scientific supplies

As of December 2013, the number of products offered by MRO business to exceed

500,000 items

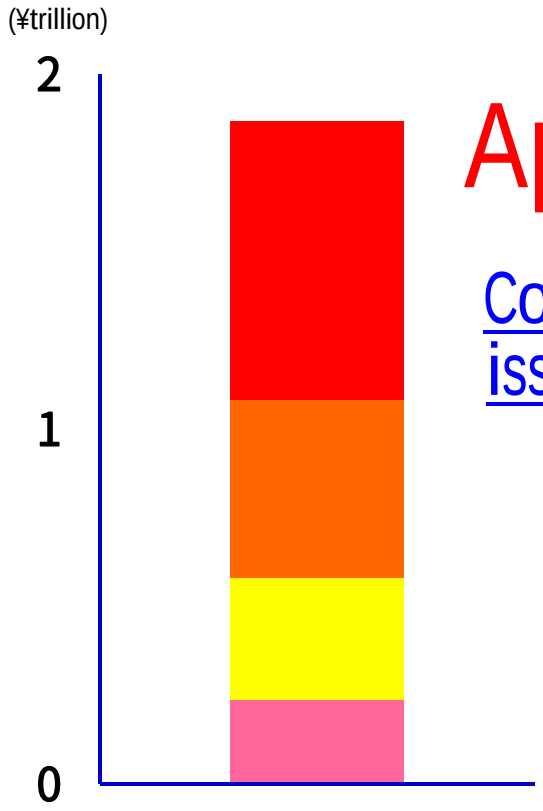
FY5/2014 target:

600,000 items or more

*Number of products offered by ASKUL Internet Shop

Growing beyond the framework of office supply mail order service

Expanding Medical Market



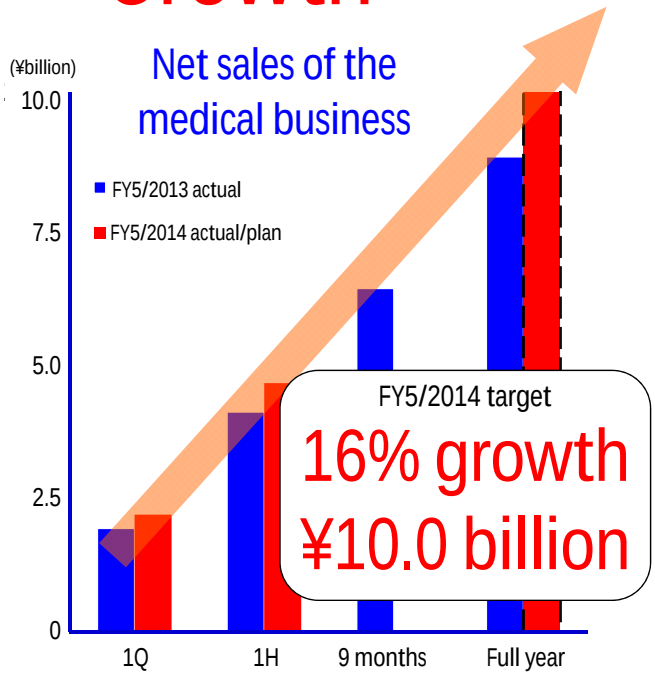
Approx. ¥2 trillion

Contributing to solving the issue of rising nursing-care and medical costs

- OTC pharmaceuticals*1
- Medical devices*2
- Nursing-care products*2
- Sanitary products*1

*1 Source: Yano Research Institute Ltd.
*2 Source: estimate by ASKUL
The medical market does not include ethical pharmaceuticals

Increasing Agents + Enhanced Nursing-care Products = Growth

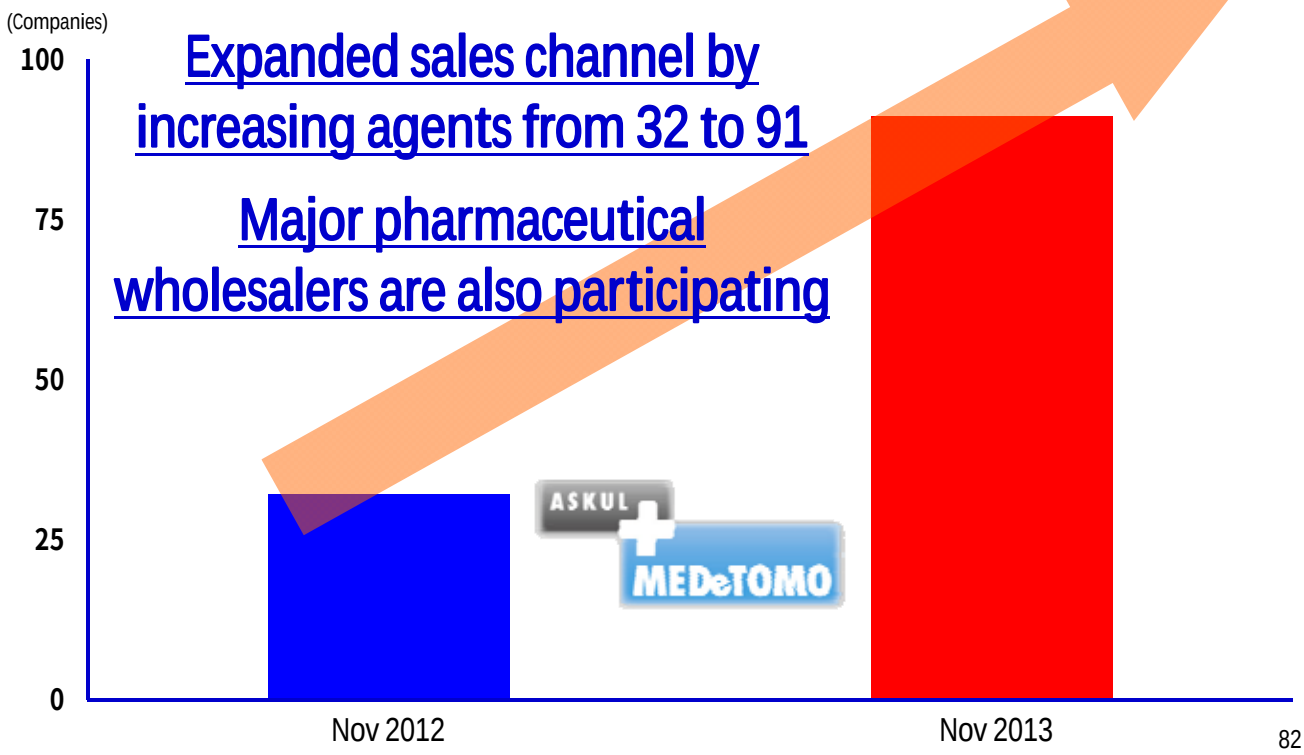


*The net sales target includes products sold through LOHACO.



No. 1 in net sales of medical mail order service (results for FY5/2013) *Source: ASKUL

Number of Agents Tripled



Development of Own-brand Products



End of FY5/2012

Target for end of FY5/2014

Number of own-brand products on a company-wide level

3,602 → 5,000

Sales share of own-brand products on a company-wide level
(excl. original copier paper)

14% → 20%

Enhance profits through expansion of own-brand products

Development of Own-brand Products



Own-brand products to reach
5,000 items

Achieving the target ahead of schedule(August 2013)

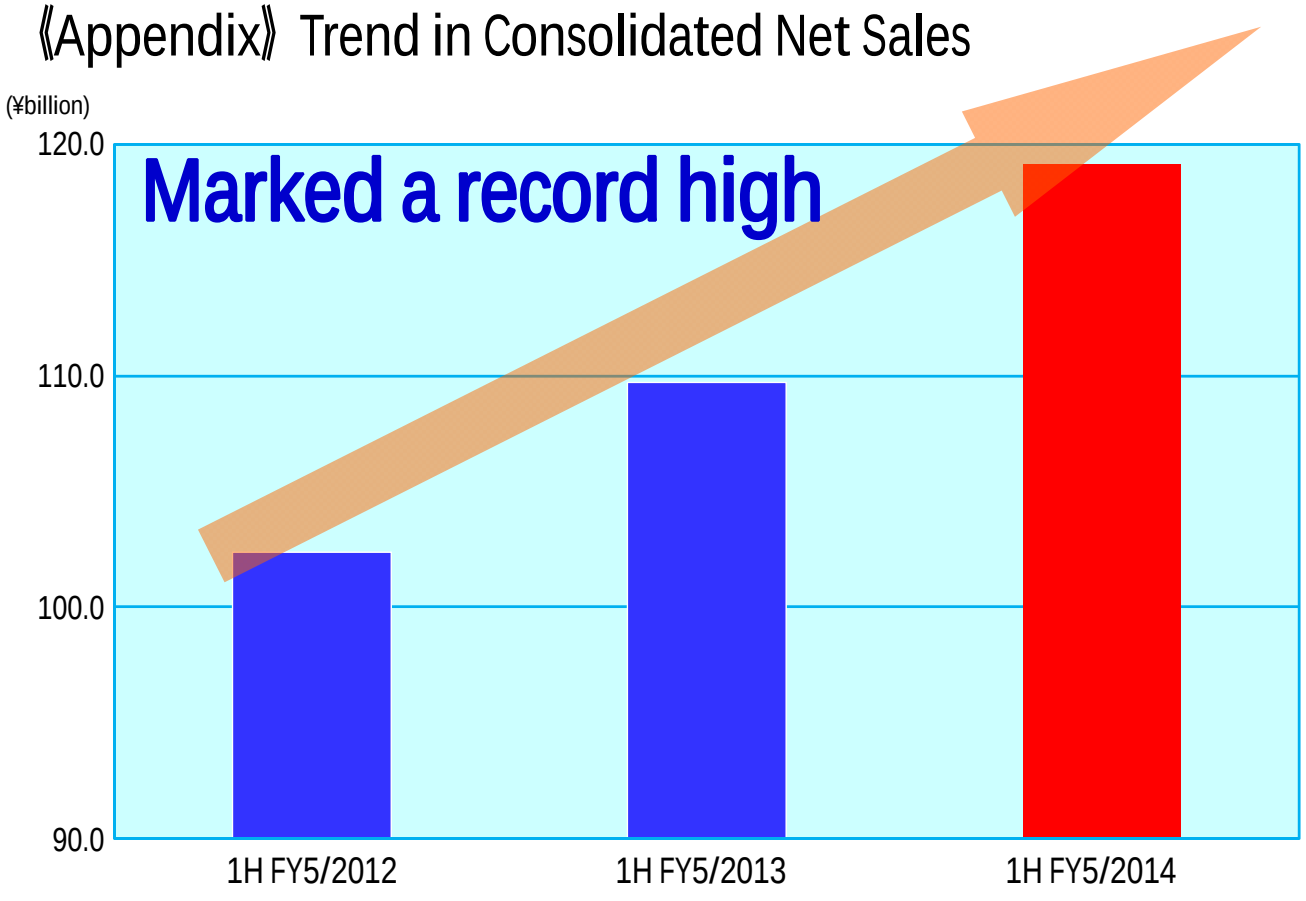
Sales share
has also increased to **16.3%** (November 2013)

Enhance profits through
expansion of own-brand products



Appendix

《Appendix》 Trend in Consolidated Net Sales



《Appendix》 Net Sales by Product Category

Non-consolidated

ASKUL

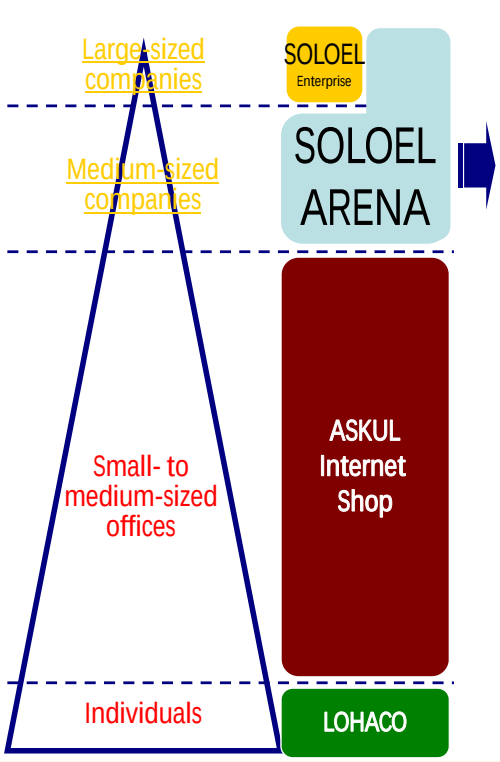
	1H FY5/2013		1H FY5/2014	
	Amount (¥million)	YoY change (%)	Amount (¥million)	YoY change (%)
OA&PC	39,930	+3.2	41,456	+3.8
Stationery	23,701	+8.3	25,425	+7.3
Living Supplies	22,589	+10.7	27,206	+20.4
Furniture	8,506	+8.1	8,782	+3.2
Others (Medical, etc.)	7,238	+16.2	8,155	+12.7
Total	101,963	+7.2	111,026	+8.9

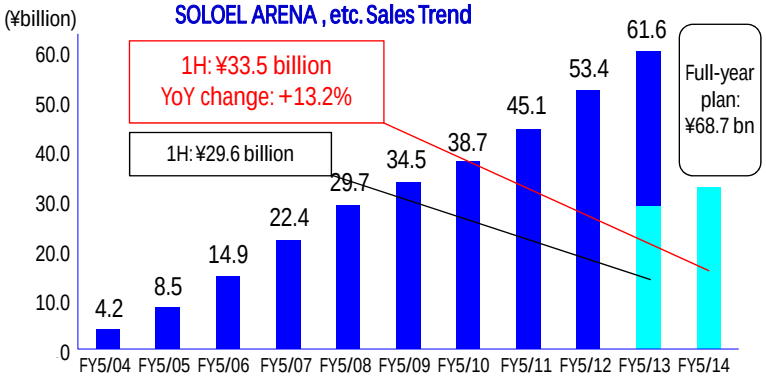
Others, which includes focus fields of MRO and Medical, and Living Supplies, LOHACO's mainstay products, drove forward the growth

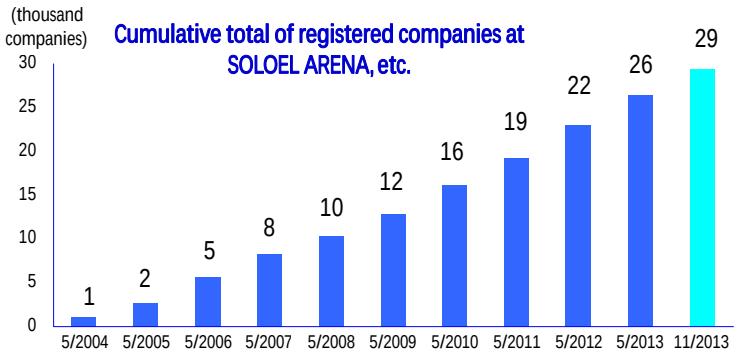
*MRO: Abbreviation of Maintenance, Repair and Operation. Here, primarily denotes indirect supplies consumed on site by companies
YoY change in the number of business days
1H FY5/13: weekdays were up 4 days; Saturdays were down 3 days 1H FY5/14: weekdays were down 2 days; Saturdays were up 2 days

《Appendix》 SOLOEL ARENA Expanding Steadily

ASKUL

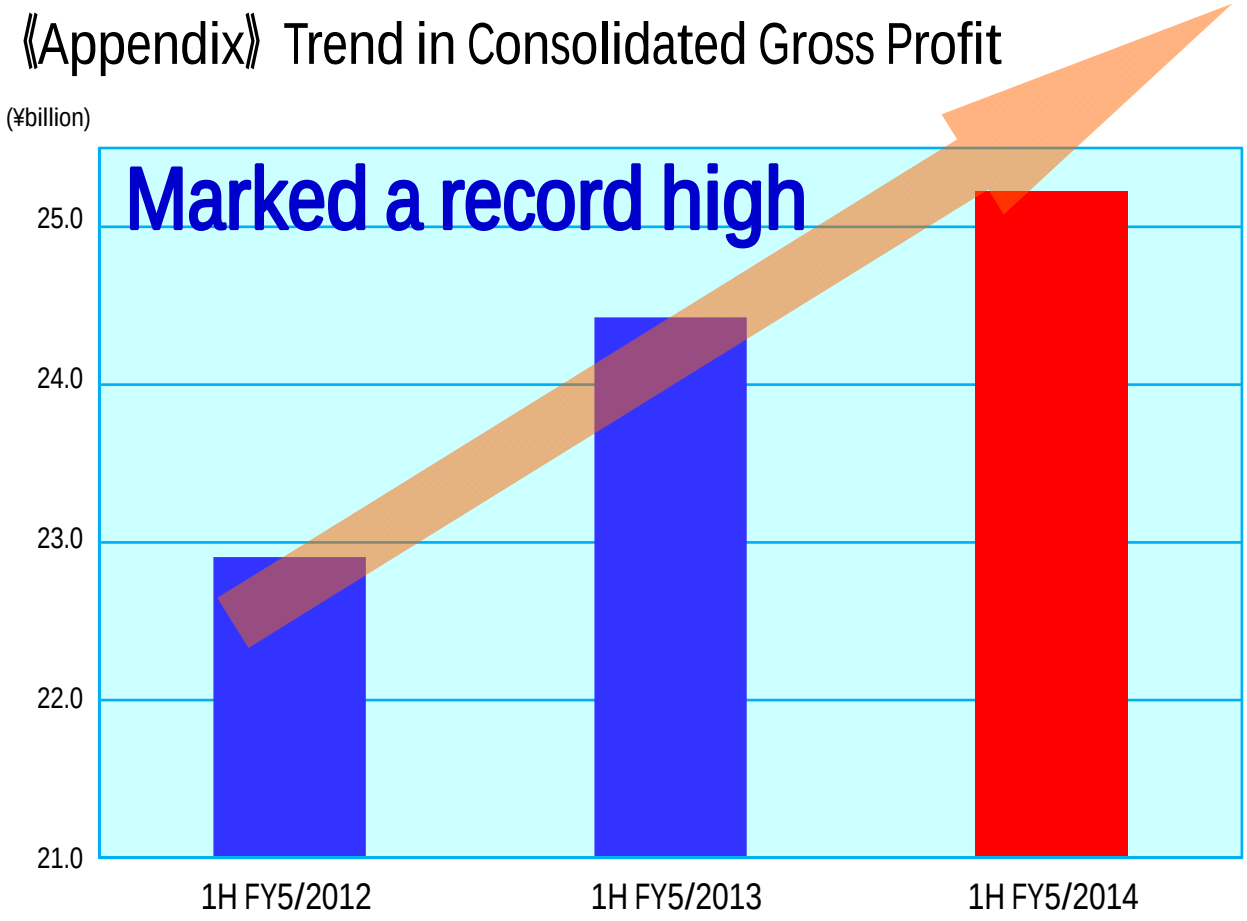




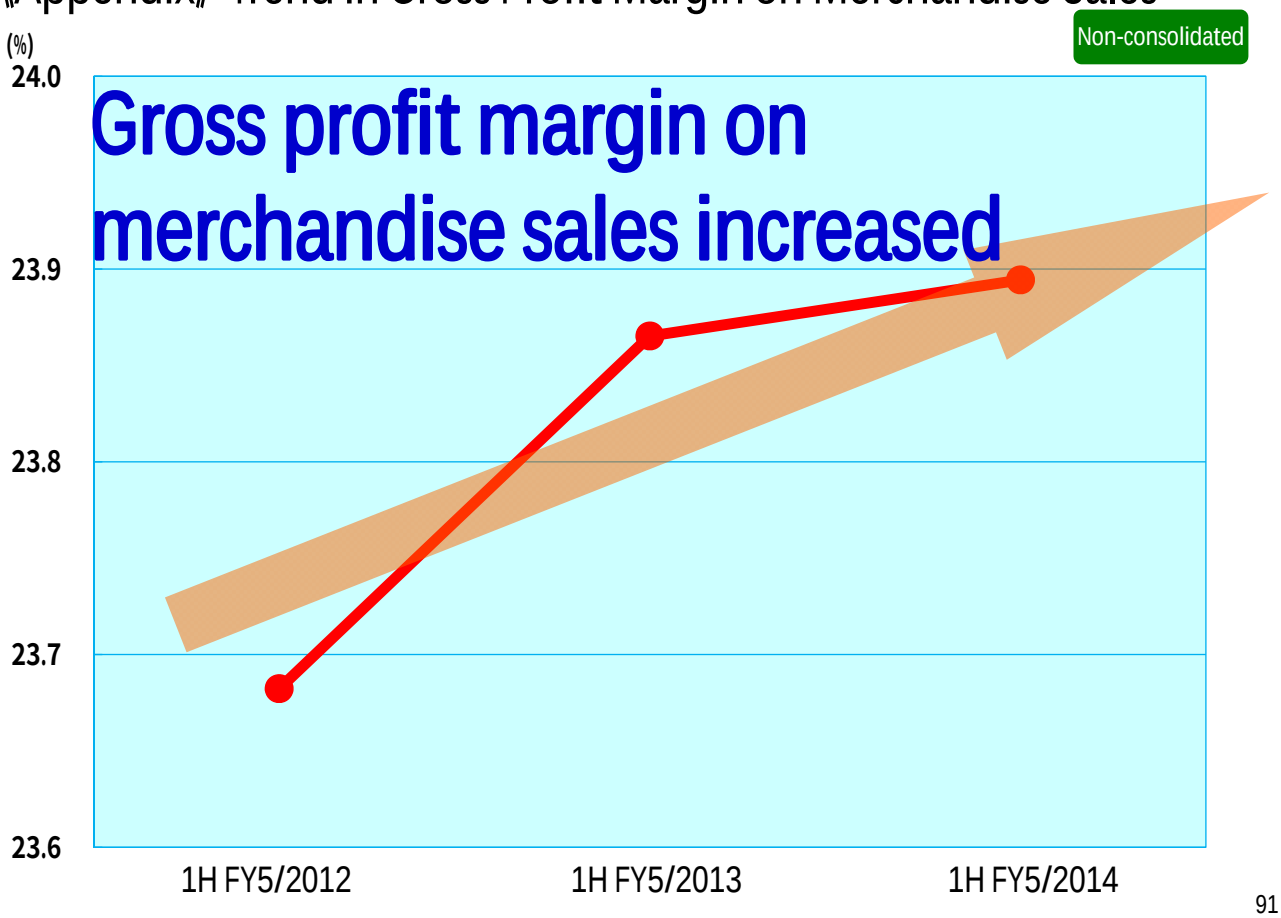


Sales increased 13.2% on year, exceeding full-year plan of 11.6%

《Appendix》 Trend in Consolidated Gross Profit



《Appendix》 Trend in Gross Profit Margin on Merchandise Sales



《Appendix》 Consolidated Gross Profit and SG&A Expenses

Gross profit: ¥26.6 billion

YoY change: +¥2.2 billion

Gross profit margin: 22.4%; YoY change: +0.1 p.p.; v/s plan: -0.0 p.p.

- While implementing pricing strategy to expand net sales of LOHACO, gross profit margin increased compared with the previous year as a result of cost reduction activities and improvement of gross profit on merchandise sales from increase in own-brand products

SG&A expenses: ¥25.2 billion

YoY change: +¥4.3 billion

Ratio of SG&A expenses to net sales: 21.1%; YoY change: +2.1 p.p.; v/s plan: +0.0 p.p.

< Reasons behind SG&A expenses difference from a year earlier >

- Logistics base enhancement (fixed and temporary expenses)	+¥1.02 billion
- Advertising and sales promotion	+¥0.73 billion
- Initial operating expenses for launching the new center	+¥0.47 billion

《Appendix》 Capital Expenditures

Capital expenditures: ¥20.6 billion

(Annual plan: ¥22.4 billion)

ASKUL Logi PARK Tokyo Metropolitan logistics base enhancement	¥18.1 billion
Osaka DMC logistics base enhancement	¥1.3 billion
LOHACO website development	¥0.3 billion

(Ref.) Depreciation and amortization of software: ¥1.8 billion

(Annual plan: ¥3.8 billion)

《Appendix》

(1) Share of orders placed on the Internet in net sales

	1H FY5/2014	YoY change	1H FY5/2013
Orders via the Internet	73.1%	+3.3 p.p.	69.6%
Other	26.9%	-3.3 p.p.	30.4%

Note 1: The percentages above are based on orders placed.

(2) ASKUL original products

(items)

	November 2013 (single month)	YoY change	November 2012 (single month)
Number of original products	5,113	+996	4,117
Share in net sales	16.3%	+1.3 p.p.	15.0%

Notes:

1. The figures above are the results for the month of November each year.
2. Net sales of original products used as the numerators in calculating the shares in net sales do not include net sales of original copier paper.
3. The figures for the number of original products do not include the products listed in Medical & Care Catalogs and Medical Pro Catalogs.

《Appendix》

(3) Capital expenditures

(¥million)

Item	1H FY5/2014		1H FY5/2013
	Amount	YoY change	Amount
[Capital expenditures]	20,648	+1,616.8%	1,202
Property, plant and equipment	19,573	+5,698.0%	337
Intangible assets	1,075	+24.3%	865
Construction in progress Note2	252	+5,024.9%	4
Software in progress Note2	68	-39.8%	113

Notes:

1. Capital expenditures are stated on an accrual basis and do not reflect reductions.
2. Construction in progress and software in progress partially include consumption and other taxes.