

February 5, 2020

To whom it may concern:

Company Name	ASKUL Corporation
Representative	Akira Yoshioka President and Chief Executive Officer (Code No.2678, Tokyo Stock Exchange First Section)
Contact Person	Tsuguhiro Tamai Executive Officer and Chief Financial Officer Phone: (03) 4330-5130

Announcement of Financial Results by Other Affiliated Company

ASKUL Corporation (hereinafter referred to as the “Company”) hereby announces that the ASKUL Group’s consolidated net sales were disclosed in the financial results briefing presentation materials for the third quarter of fiscal year 2019 announced today by Z Holdings Corporation, a company defined as “other affiliated company” of the Company (headquarters: 1-3 Kioicho, Chiyoda-ku, Tokyo; representative: Kentaro Kawabe, President and Representative Director). Please refer to the appendix for the applicable page of the presentation materials.

In the attachment, ASKUL Group’s operating income is stated as 1.5 billion yen in the third quarter financial results of Z Holdings Corporation from October 1, 2019, to December 31, 2019. The following is supplementary information regarding the figure.

The Company’s quarterly business results are for the periods of August 21 to November 20 for the second quarter and November 21 to February 20 for the third quarter, which are different from the reporting periods followed by Z Holdings Corporation. In addition, the above 1.5 billion yen in operating income includes depreciation of intangible fixed assets related to the Company (about 1.1 billion yen, which does not occur in the Company’s business results) and therefore differs from the figures announced by the Company in its business results.

Appendix: Z Holdings Corporation FY2019 3Q Business Results Presentation Material (excerpt)

Note: Yahoo Japan Corporation changed its trade name to Z Holdings Corporation and transitioned to a holding company structure effective October 1, 2019. Z Holdings Corporation holds 41.67% of the total shares issued by the Company as of May 20, 2019.

Z HOLDINGS

Z Holdings Corporation FY2019-3Q Business Results

February 5, 2020

1

FY2019-3Q Financial Results

2

Business Topics

3

Strategic Measures

4

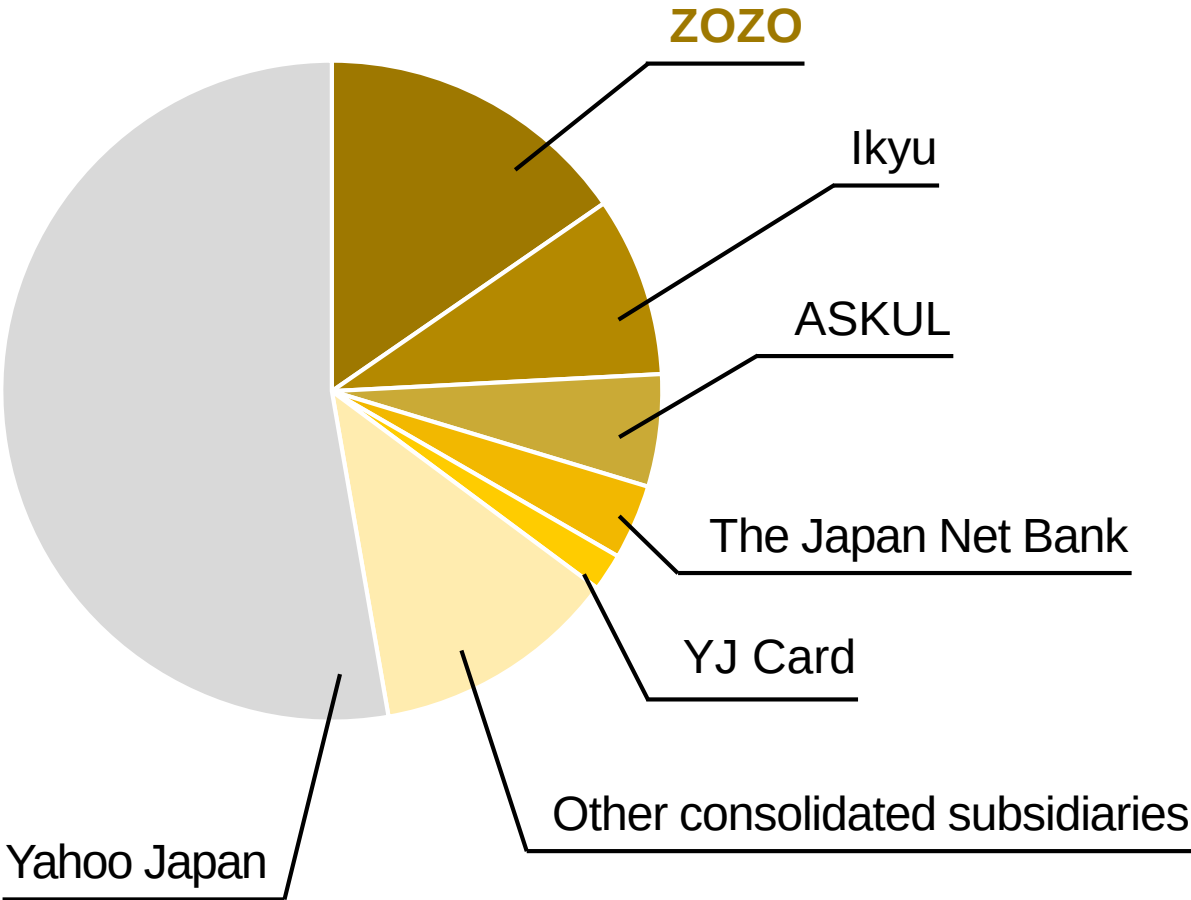
Appendix

Business Topics

Commerce Business

FY2019-3Q Commerce Business – Breakdown of Operating Income

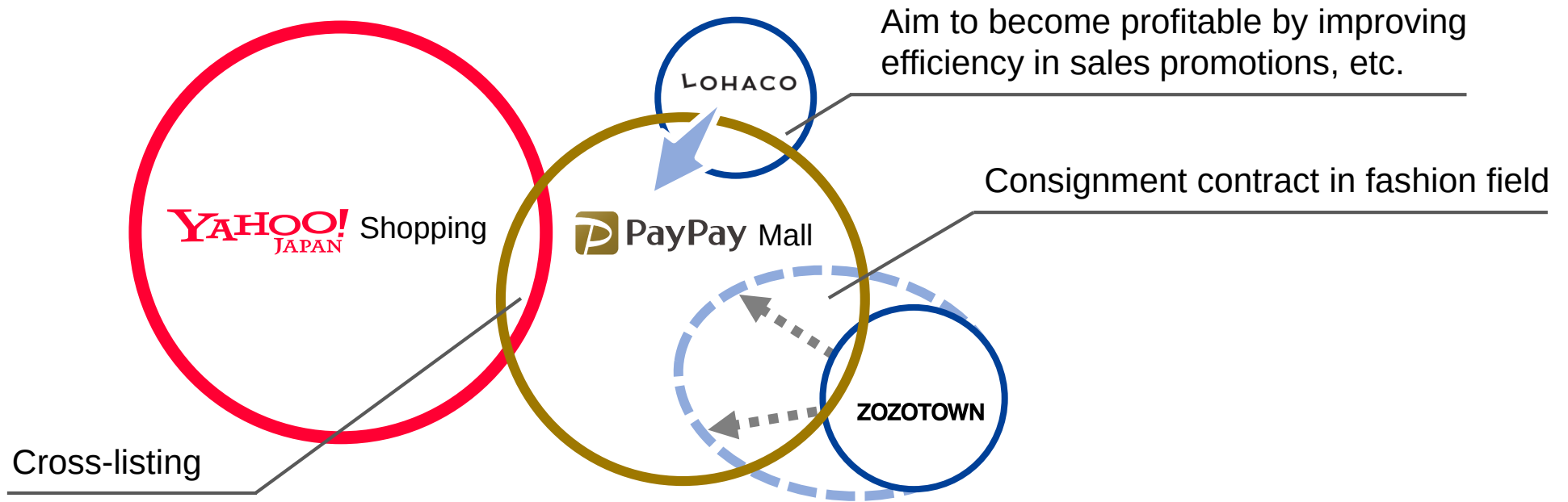
**% of non-Yahoo Japan companies in operating income increased due to ZOZO.
Striving for a solid operating income base by maximizing group synergies**



Breakdown of operating income for Commerce business (¥ B)	
ZOZO (2 months from Nov.)	4.2
Ikyu	2.4
ASKUL	1.5
The Japan Net Bank	1.0
YJ Card	0.5
Other consolidated subsidiaries	3.3
Yahoo Japan	14.4
Total operating income for Commerce business	27.5

Note: After eliminations for consolidated statements. Operating income for each company is rounded down, thus the sum of all operating incomes may differ from the total amount. 14

E-commerce ecosystem that fulfills diverse needs



Value Propositions

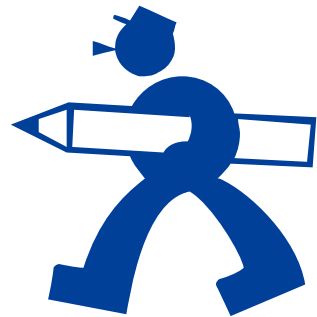
Marketplace that has every kind of item

Next-rank shopping experience*1

Category-specific marketplace*2

*1 Safe store and items + easy search/comparison + best buys + returnable within 14 days

*2 ZOZOTOWN and LOHACO are category-specific marketplaces that have original product lineup and high-quality delivery service



ASKUL

Working together to further enhance corporate value

Management Structure

- Feb. 5
Board of directors resolved proposal on new independent directors



March 13
Extraordinary shareholders meeting

- Capital and business alliance with Z Holdings will be maintained and continued

Results

ASKUL Group
3Q Operating income

¥1.5 B (YoY +175%)

Note: After eliminations for consolidated statements

LOHACO

- Improve profitability
- Balance logistics cost-cutting and improved quality in delivery
- Further strengthen collaboration with Yahoo Japan (Expand sales from store in PayPay Mall)



Aim to achieve profitability by FY ending May 2023

Appendix

From Y to Z — Structure that creates a greater future

Z HOLDINGS

President & Representative Director
Kentaro Kawabe

YAHOO!
JAPAN

President &
Representative
Director
Kentaro Kawabe

 **ZOZO**

 **ASKUL**

 **体.com**

⋮

Z financial

President &
Representative
Director
Tomoaki Tanida

Commerce
Business

Commerce business
(E-commerce, Finance, etc.)

Consolidated subsidiaries
directly under Z Holdings

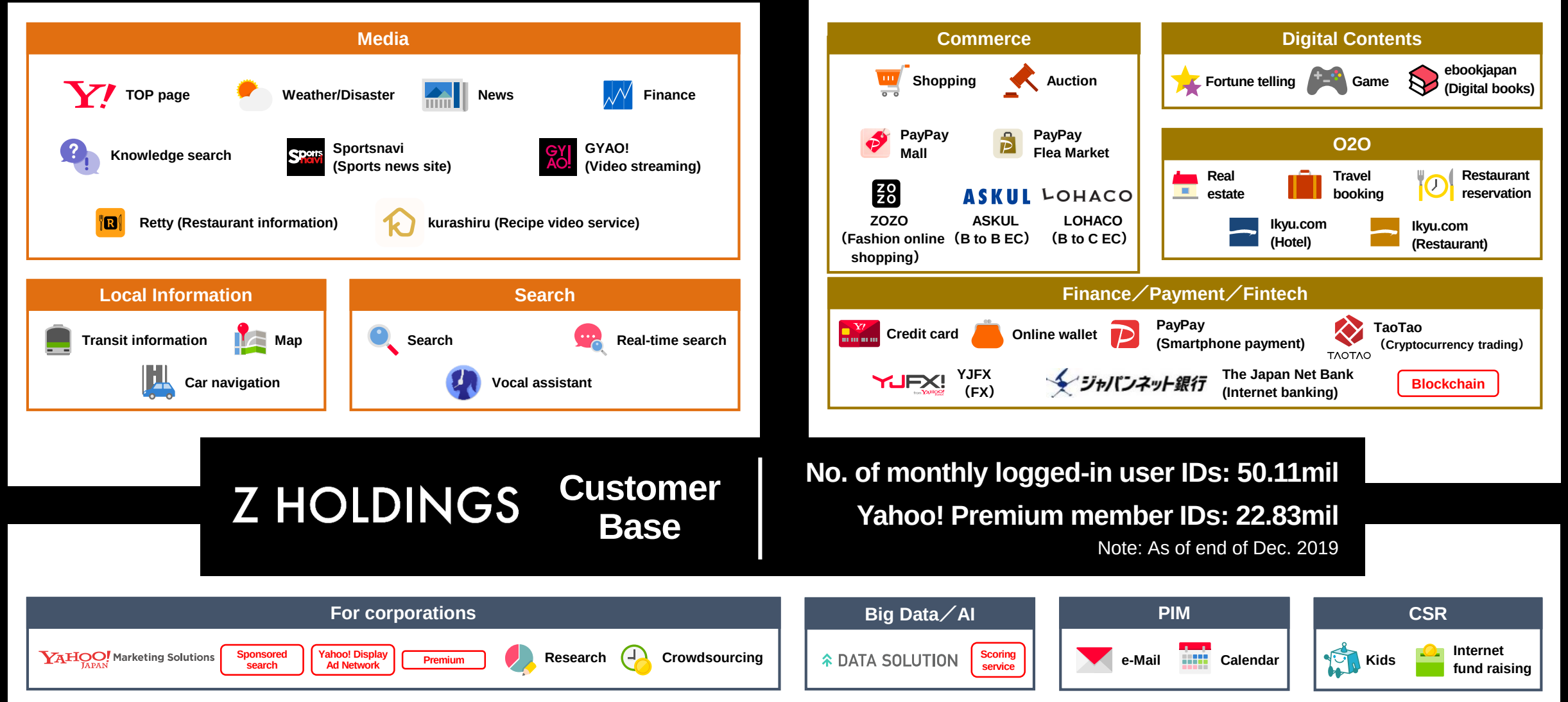
Group companies directly under
Z Financial

Media
Business

Media business
(Media, Advertising, etc.)

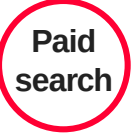
Consolidated subsidiaries
directly under Z Holdings

Z Holdings – Service Map



Business Portfolio

The size of the circles illustrates revenue size. Red circles: businesses of Yahoo Japan Corporation; blue circles: businesses of consolidated subsidiaries

Disclosed segments Breakdown	Commerce business				Media business
	EC		Finance	Others	Media
	Sales of goods	Service			
Advertising	 				 
Business services (For corporations)	  		 		
Personal services (For individuals)	   		  		

Note: Please refer to KPI trend for revenue by segments and revenue breakdown of segments.

The contracts of business services are concluded with corporations; the contracts of personal services are concluded with individual users.

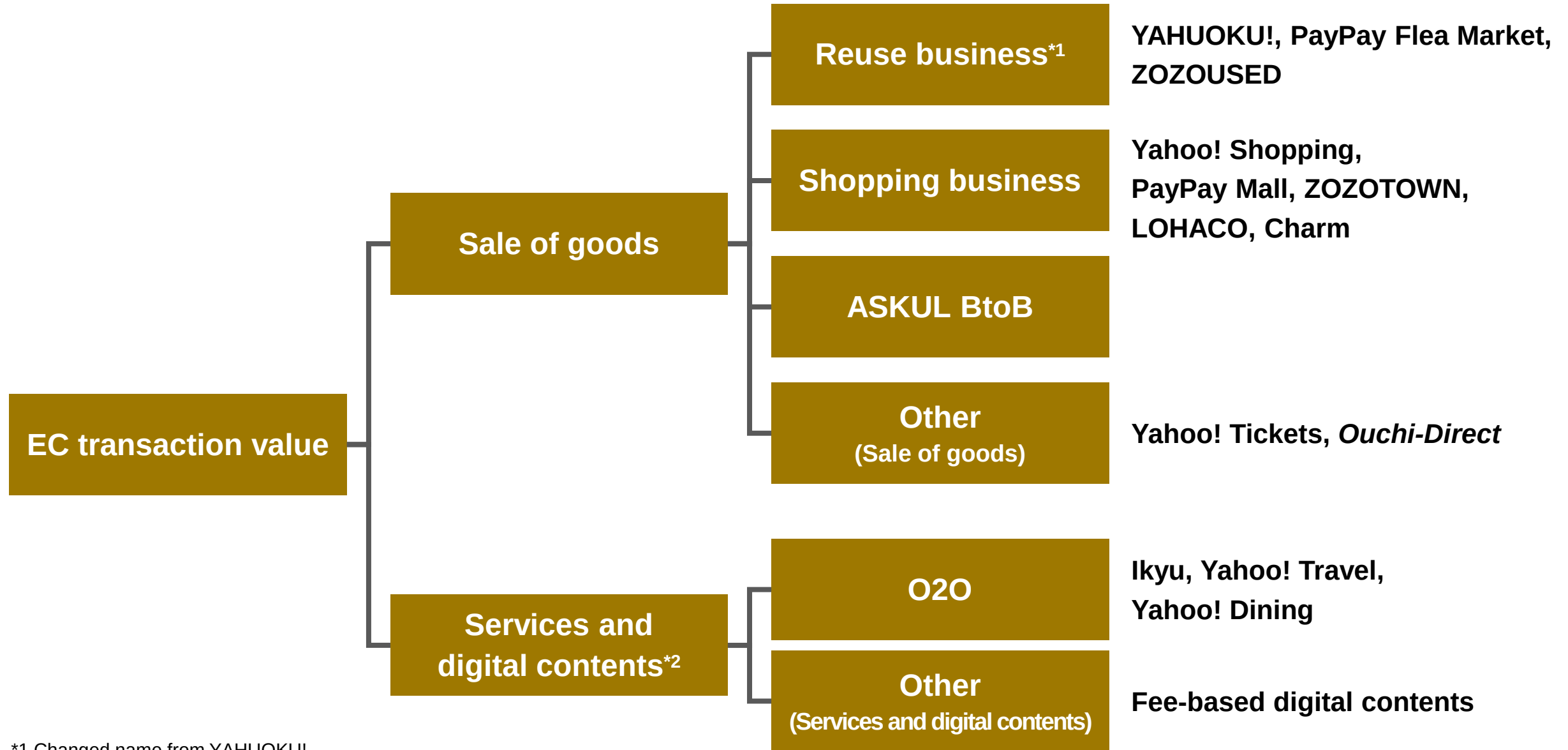
Business Segment Breakdown

Commerce Business	Advertising	Display advertising (“Premium Advertising”), ZOZO
	Business Services (For corporations)	ASKUL, ZOZO, Affiliate-related services, Reservation-related services, Corporate system-use fees of YAHUOKU!, Payment-related services, Banking-related services, Credit card-related services and others, Real estate-related services
	Personal Services (For individuals)	LOHACO, ZOZO, Yahoo! Premium, Personal system-use fees of YAHUOKU!, Credit card-related services, Pet supplies-related services, Telecommunications carrier-related services, Banking-related services, E-book-related services, FX-related services and others, Payment-related services
	Others	Banking-related services
Media Business	Advertising	Paid search advertising “Sponsored Search”, Display advertising (“Yahoo! Display Ad Network (YDN)”, “Premium Advertising”)
	Business Services (For corporations)	Media-related services, CRM-related services and others
	Personal Services (For individuals)	Video-related services and others
Others	Advertising	
	Business Services (For corporations)	Utilities payment-related services and others
	Personal Services (For individuals)	Yahoo! Mail, Yahoo! Address Book, Utilities payment-related services and others

Note: The contracts of business services are concluded with corporations; the contracts of personal services are concluded with individual users.

The same product may be classified in different segments depending on the contractor.

Definition of EC Transaction Value



*1 Changed name from YAHUOKU!

*2 Changed name from Non-sale of goods

Disclaimer

Statements made at the meeting or included in the documents that are not historical facts are forward-looking statements about the future performance of Z Holdings Corporation (Company, Z Holdings) and its consolidated subsidiaries and affiliates.

The Company cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements.

Such factors include, but are not limited to, the items mentioned in “Risk Factors” in “Results for the Fiscal Year Ended March 31, 2019.” Unauthorized use of the information or the data in this document is not permitted.

Unless otherwise specified, English-language documents are prepared solely for the convenience of non-Japanese speakers. If there is any inconsistency between the English-language documents and the Japanese-language documents, the Japanese-language documents will prevail.

Z HOLDINGS