Quarter 1, 2025

(Jan. to Mar. 2025)

MonotaRO Co., Ltd
www.monotaro.com

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Business Overview, Features, and Differentiation Strategies

- Main Business
  - Electronic Commerce of indirect materials for factories, construction work, and automotive related businesses. (number of product lineup over 24,200 thou. SKU including 710 thou. SKU available for same-day shipment and 644 thou. SKU in stock).
- Features of Products for Sale
  - Variety of products, convenience is more important than price for customers.
- Number of Employees (consolidated, as of Mar. 31, 2025)

	Regular employee		Part-time and temporary employee		Total	
Head Office, etc. (MonotaRO JPN)	1,208	(680)	441	(398)	1,649	(1,078)
Distribution Center (MonotaRO JPN)	243	(173)	1,566	(1,443)	1,809	(1,616)
Total (MonotaRO JPN)	1,451	(853)	2,007	(1,841)	3,458	(2,694)

- Main Competitors
  - Door-to-door tool dealers, hardware stores, auto parts dealers, Internet shopping sites, etc.
- Main Customer Base
  - Manufacturing, construction/engineering, automotive related, etc. (mainly small and medium-sized companies).
- Market Size
  - 8 to 10 trillion JPY
- Business Strategy
  - Gaining market share through pursuit of customer convenience by enhancing our competitive advantages: merchandising, marketing/sales, supply chain, operations, software, data/algorithms.

Jan. to Mar. 2025
(Consol.) Financial Result Overview

2025Q1 Consol.

Financial Result P/L Outline

	2024Q1 Result		2025Q1 Plan		2025Q1 Result			
	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	YonY	vs Plan
Sales	69,139		78,945		79,106		+14.4%	+0.2%
Gross Profit	20,215	29.2%	23,041	29.2%	23,278	29.4%	+15.2%	+1.0%
SG&A Exp.	11,313	16.4%	13,298	16.8%	12,538	15.8%	+10.8%	△5.7%
Operating Income	8,901	12.9%	9,743	12.3%	10,740	13.6%	+20.7%	+10.2%
Current Income	8,984	13.0%	9,742	12.3%	10,714	13.5%	+19.2%	+10.0%
Net Income (*1) (Tax Rate)	6,085 (31.8%)	8.8%	6,658 (31.7%)	8.4%	7,404 (30.9%)	9.4%	+21.7%	+11.2%
Net Income attributable to owners of the parent	6,256	9.0%	6,787	8.6%	7,537	9.5%	+20.5%	+11.1%

Financial Result B/S Outline

	Mar. 2024	Dec. 2024	Mar. 2025	
	mil. JPY	mil. JPY	mil. JPY	Ratio
Assets				
Cash	14,568	30,727	29,470	20.1%
Accounts Receivable	32,631	33,569	36,342	24.7%
Inventory	19,038	20,661	21,605	14.7%
Others	8,406	9,158	9,034	6.2%
Total Current Assets	74,645	94,116	96,453	65.7%
Tangible Fixed Assets	39,125	37,305	36,758	25.0%
Intangible Fixed Assets	6,311	6,516	6,413	4.4%
Others	6,961	7,090	7,218	4.9%
Total Fixed Assets	52,398	50,911	50,389	34.3%
Total Assets	127,043	145,028	146,842	

	Mar. 2024	Dec. 2024	Mar. 2025	
	mil. JPY	mil. JPY	mil. JPY	Ratio
Liabilities				
Accounts Payable	19,845	19,825	23,214	15.8%
Short-term Debt, etc.	2,700	430	406	0.3%
Others	11,000	16,205	12,352	8.4%
Total Current Liabilities	33,546	36,461	35,974	24.5%
Total Long term Liabilities	4,441	4,300	4,340	3.0%
Total Liabilities	37,987	40,761	40,314	27.5%
Net Assets				
Shareholder's Equity	88,201	103,260	105,603	71.9%
Others	854	1,006	923	0.6%
Total Net Assets	89,055	104,267	106,527	72.5%
Total Liabilities & Net Assets	127,043	145,028	146,842	

*1: Short-term Debt & etc. includes short-term debt & current portion of long-term debt.

Financial Result C/F Outline

	2024Q1 Result	2025Q1 Result
	mil. JPY	mil. JPY
Cash Flow from Operating Activity		
Net Income before Tax	8,928	10,710
Depreciation	1,392	1,726
Increase or Decrease in Accounts Receivable (△ = increase)	△3,263	△2,813
Increase or Decrease in Inventory (△ = increase)	△118	△1,019
Increase or Decrease in Accounts Payable (△ = decrease)	2,773	3,437
Tax payment	△5,739	△6,921
Increase or Decrease in Accrued Consumption Taxes (△ = decrease)	△814	△625
Others	△178	346
Total	2,981	4,841
Cash Flow from Investing Activity		
Acquisition of Tangible Assets	△409	△351
Acquisition of Intangible Assets	△454	△617
Others	286	221
Total	△577	△747
Cash Flow from Financing Activity		
Repayments of Long-term Debt	△2,250	—
Cash Dividends Paid	△3,939	△4,944
Others	△108	△8
Total	△6,297	△4,952
Currency Exchange Adjustment	7	△41
Net Increase or Decrease in Cash and Cash Equivalent (△ = decrease)	△3,885	△900
Cash and Cash Equivalent at Beginning of Period	18,454	30,370
Cash and Cash Equivalent at End of Period	14,568	29,470

Jan. to Mar. 2025
(Non-consol.) Financial Result Overview

2025Q1 Non-consol.

Financial Result P/L Outline 1/3

	2024Q1 Result		2025Q1 Plan		2025Q1 Result			
	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	YonY	vs Plan
Sales	66,288		75,893		76,477		+15.4%	+0.8%
Enterprise Bus.	20,831	31.4%	26,198	34.5%	26,207	34.3%	+25.8%	+0.0%
Gross Profit	19,691	29.7%	22,368	29.5%	22,738	29.7%	+15.5%	+1.7%
SG&A Exp.	10,385	15.7%	12,294	16.2%	11,647	15.2%	+12.1%	△5.3%
Operating Income	9,305	14.0%	10,074	13.3%	11,091	14.5%	+19.2%	+10.1%
Current Income	9,387	14.2%	10,084	13.3%	11,063	14.5%	+17.8%	+9.7%
Net Income (Tax Rate)	6,488 (30.5%)	9.8%	7,000 (30.6%)	9.2%	7,753 (29.9%)	10.1%	+19.5%	+10.8%

2025Q1 Non-consol.

Financial Result P/L Outline 2/3 vs. Last Year

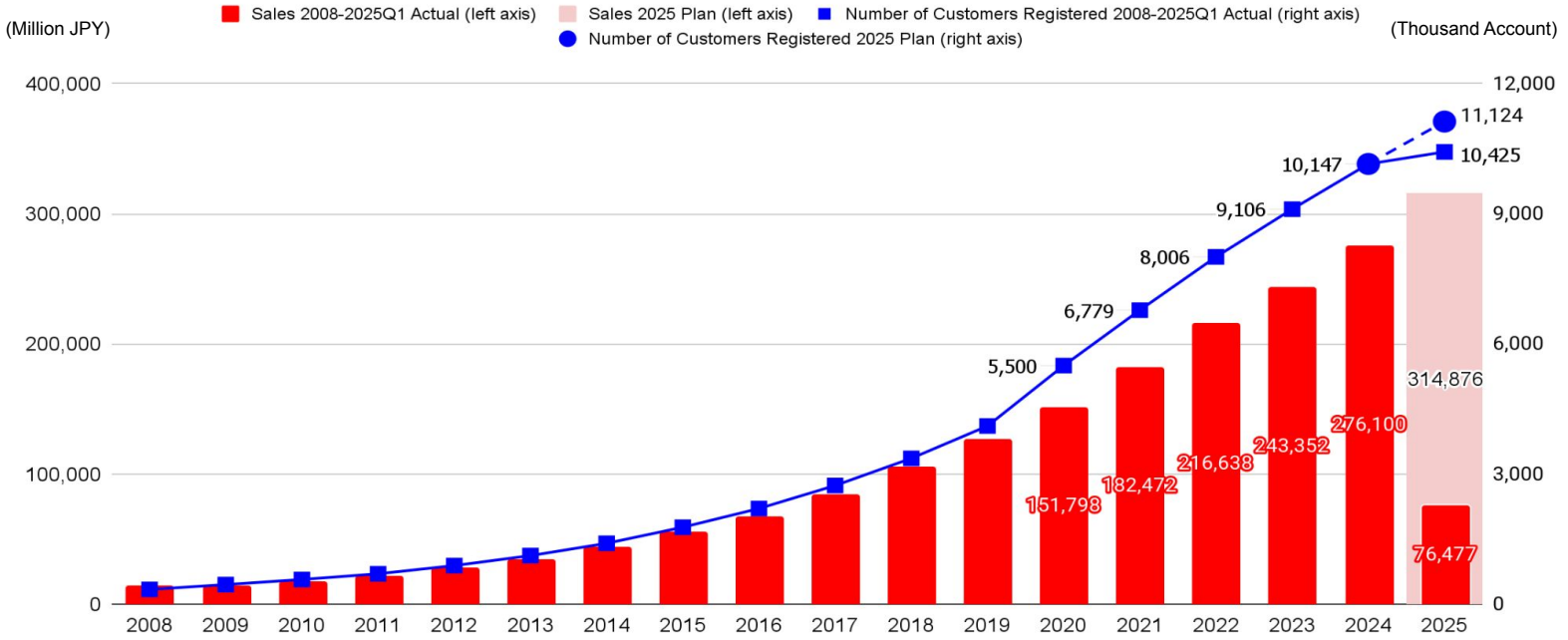
	2024Q1 Result (A)		2025Q1 Result (B)		Difference (B-A)		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio			
Sales	66,288	—	76,477	—	Amount (mil.JPY)	+10,189	■ monotaro.com: Grew due to increases in both number of orders and unit price per order. ■ Enterprise Business: Grew highly (YoY +25.8%), due mainly to increases in number of customers placing orders. ■ Royalty income: Increased YoY.
					YonY	+15.4%	
					Sales Ratio	-	
Gross Profit	19,691	29.7%	22,738	29.7%	Amount (mil.JPY)	+3,047	■ Product GP% decreased (△0.5pt.: Due to decline in profit ratio of imported products resulting from depreciation of JPY, product mix, etc.). ■ Royalty income: Increased YoY. ■ Delivery cost ratio improved (+0.3pt.: due to increase in order amount per box).
					YonY	+15.5%	
					Sales Ratio	+0.0%	
SG&A Exp.	10,385	15.7%	11,647	15.2%	Amount (mil.JPY)	+1,261	■ Other Exp. ratio decreased (△0.3pt.: Decreases in system usage cost ratio, increase in capitalization of in-house software development costs, etc.). ■ Outsourcing Exp. ratio decreased (△0.2pt.: Sales per box increased, increase in productivity, etc.). ■ Labor Exp. Ratio decreased (△0.1pt.: Increases in sales per box, increase in productivity, etc.). ■ Ad. & Prom. Exp. Ratio decreased (△0.1pt.: Decrease in flyer cost ratio due to sales growth, etc.). ■ Depreciation Exp. ratio increased (+0.1pt.: Due mainly to early amortization of OMS).
					YonY	+12.1%	
					Sales Ratio	△0.5%	
Operating Income	9,305	14.0%	11,091	14.5%	Amount (mil.JPY)	+1,786	■ SG&A Exp. ratio decreased (△0.5pt.), which resulted into improvement of Operating Income ratio (+0.5pt.).
					YonY	+19.2%	
					Sales Ratio	+0.5%	
Net Income (Tax Rate)	6,488 (30.5%)	9.8%	7,753 (29.9%)	10.1%	Amount (mil.JPY)	+1,265	■ Net Income grew by 19.5% YoY. ■ Tax rate decreased because estimated tax credits are deducted from tax amount for each quarter beginning this year onward.
					YonY	+19.5%	
					Sales Ratio	+0.3%	

2025Q1 Non-consol.

Financial Result P/L Outline 3/3 vs. Plan

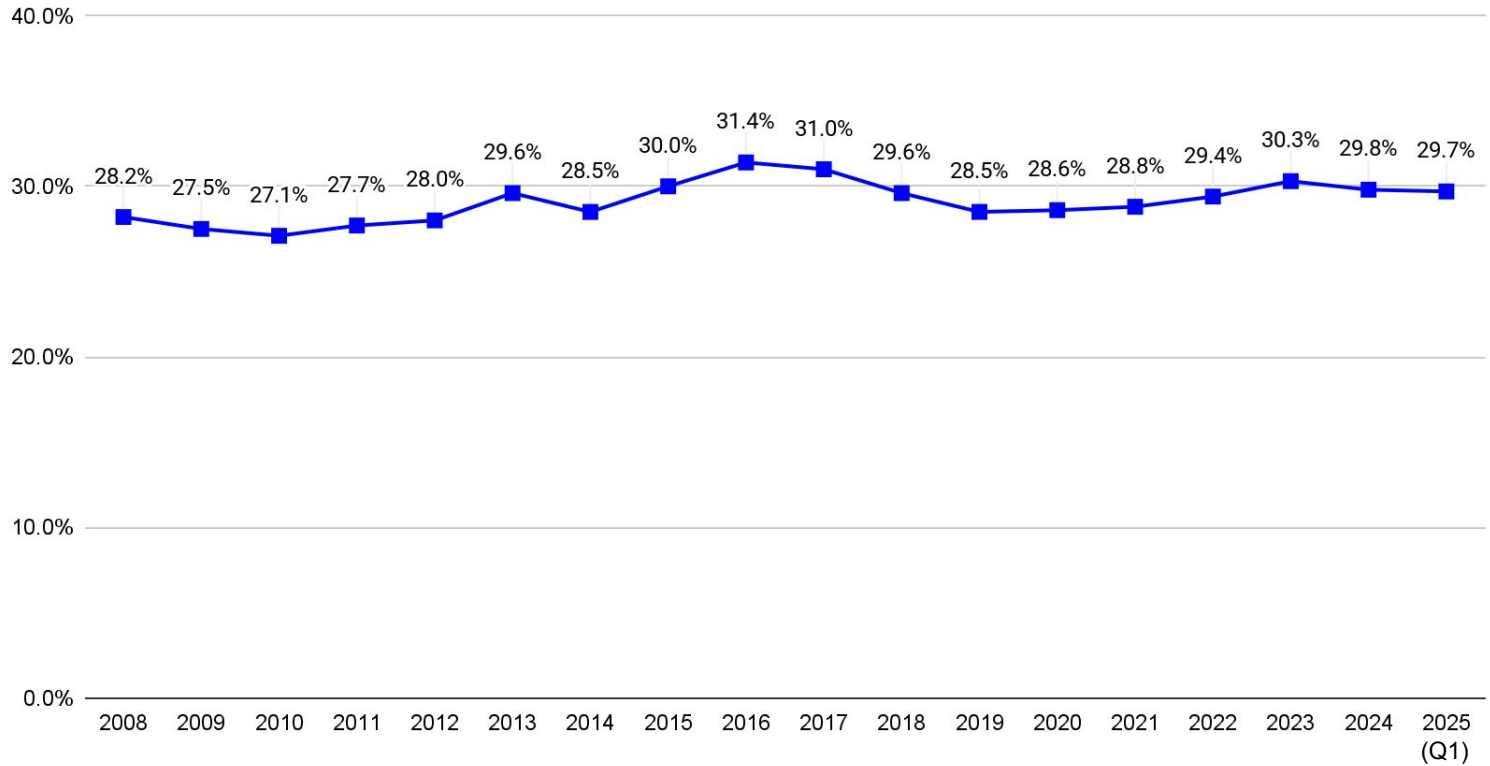
	2025Q1 Plan (A)		2025Q1 Result (B)		Difference (B-A)		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio			
Sales	75,893	—	76,477	—	Amount (mil.JPY)	+583	■ monotaro.com: New customer acquisition went beyond plan. ■ Enterprise Business: Same level as plan.. ■ Royalty income: Higher than plan.
					vs Plan	+0.8%	
					Sales Ratio	-	
Gross Profit	22,368	29.5%	22,738	29.7%	Amount (mil.JPY)	+370	■ Product GP ratio decreased (△0.1pt.: Due to decline in profit ratio of imported products resulting from depreciation of JPY, decrease in profit ratio on domestic PB goods, product mix, etc.). ■ Royalty income: Higher than plan. ■ Delivery cost ratio improved (+0.2pt.: Due to increases in sales per box, etc.).
					vs Plan	+1.7%	
					Sales Ratio	+0.2%	
SG&A Exp.	12,294	16.2%	11,647	15.2%	Amount (mil.JPY)	△646	■ Other Exp. ratio decreased (△0.4pt.: Due to improvement in bad debt rate, increase in capitalization of in-house software development costs, decrease in system usage cost, deviation in timing of maintenances and repairs for buildings and equipment at DCs from plan, decrease in packaging costs resulting from increase in sales per box, etc.). ■ Ad. & Prom. Exp. ratio decreased (△0.3pt.: Due to deviation in flyer cost, etc.). ■ Outsourcing Exp. ratio decreased (△0.2pt.: Sales per box increased, increase in productivity, etc.). ■ Depreciation Exp. ratio decreased (△0.1pt.: Due to deviation in amount of early amortization of OMS, etc.).
					vs Plan	△5.3%	
					Sales Ratio	△1.0%	
Operating Income	10,074	13.3%	11,091	14.5%	Amount (mil.JPY)	+1,017	■ GP ratio increased (+0.2pt.) and SG&A expenses ratio decreased (△1.0pt.), and hence Operating Income ratio increased (+1.2pt.)
					vs Plan	+10.1%	
					Sales Ratio	+1.2%	
Net Income (Tax Rate)	7,000 (30.6%)	9.2%	7,753 (29.9%)	10.1%	Amount (mil.JPY)	+753	■ Operating profit increased by 1,017 million JPY from plan, and Net Income increased by 753 million JPY from plan (+10.8% compared to plan). ■ Tax rate decreased due to change in estimated tax deductions from plan; from duduction once in Q4 to each quarter.
					vs Plan	+10.8%	
					Sales Ratio	+0.9%	

Progress - Sales & Customer

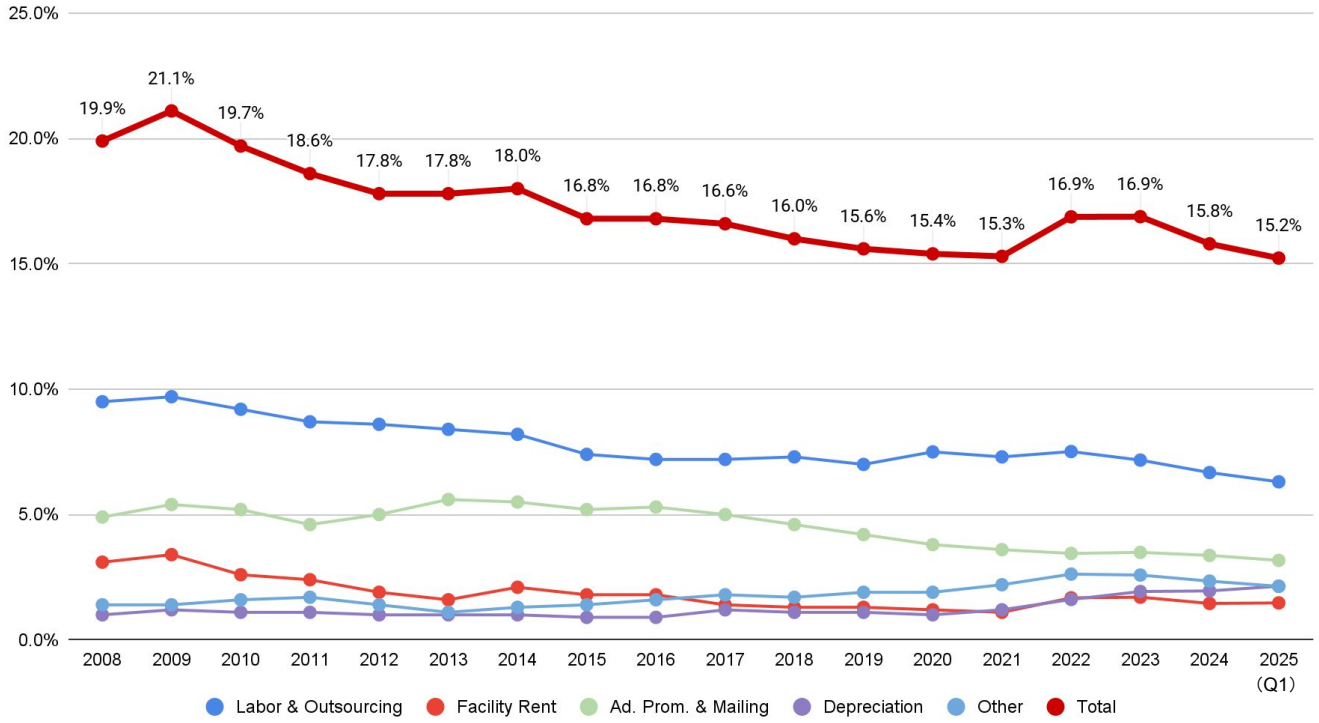


	Dec. 2024		Mar. 2025		Dec. 2025 (Plan)	
Number of Registered Customers (thousand account)	10,147	1,040	10,425	277	11,124	976
		(vs. Dec.2023)		(vs. Dec.2024)		(vs. Dec.2024)

Progress - Gross Profit Ratio



Progress - SG&A Expense Ratio



Expense Breakdown		
	2024Q1 Result	2025Q1 Result
Labor	4.3%	4.2%
Outsourcing	2.3%	2.1%
Facility Rent	1.5%	1.5%
Ad & Promotion	3.1%	3.0%
Mailing	0.1%	0.2%
Depreciation	2.0%	2.1%
Others	2.4%	2.1%
Total	15.7%	15.2%

Distribution-related Cost vs. Last Year / vs. Plan

- Distribution-related Cost sales ratio 2025Q1: 6.2%
  - 0.5pt. lower than 2024Q1 Result.
    - Labor and outsourcing expense ratio decreased: △0.2pt. (due to increase in sales per box resulting in decrease in number of box handled, productivity at DC improved, etc.).
    - Depreciation ratio decreased:△0.1pt. (due to sales increase, etc.).
    - Facility Rent expense ratio decreased:△0.1pt. (due to sales increase, etc.).
    - Other expense ratio decreased: △0.1pt. (decrease in packing cost ratio due to increase in sales per box, etc.).
  - 0.2pt. lower than Plan.
    - Other expense ratio decreased: △0.2pt. (due to deviation in timing of maintenances and repairs for buildings and equipment at DCs from plan, etc.).
    - Labor and outsourcing expense ratio decreased: △0.1pt. (due to increase in sales per box resulting in decrease in number of box handled, etc.).

	2024Q1 Result		2025Q1 Plan		2025Q1 Result			
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	YonY	vs Plan
Sales (Non-consol.)	66,288		75,893		76,477		+15.4%	+0.8%
Depreciation	866	1.3%	885	1.2%	881	1.2%	+1.7%	△0.5%
Labor & Outsourcing	1,919	2.9%	2,118	2.8%	2,051	2.7%	+6.8%	△3.2%
Facility Rent	867	1.3%	898	1.2%	908	1.2%	+4.8%	+1.2%
Others	792	1.2%	965	1.3%	871	1.1%	+9.9%	△9.7%
Total	4,446	6.7%	4,867	6.4%	4,712	6.2%	+6.0%	△3.2%

2025Q1 Non-consol.

Financial Result B/S Outline

	Mar. 2024	Dec. 2024	Mar. 2025	
	mil. JPY	mil. JPY	mil. JPY	Ratio
Assets				
Cash	14,171	29,981	28,543	19.4%
Accounts Receivable	32,084	32,981	35,789	24.4%
Inventory	17,670	19,298	20,348	13.9%
Other	8,050	8,704	8,604	5.9%
Total Current Assets	71,977	90,966	93,286	63.6%
Tangible Fixed Asset	37,932	36,250	35,768	24.4%
Intangible Fixed Assets	6,214	6,419	6,326	4.3%
Other	10,164	10,668	11,408	7.8%
Total Fixed Assets	54,311	53,337	53,504	36.4%
Total Assets	126,288	144,304	146,791	

	Mar. 2024	Dec. 2024	Mar. 2025	
	mil. JPY	mil. JPY	mil. JPY	Ratio
Liabilities				
Accounts Payable	19,096	19,016	22,514	15.3%
Short-term Debt, etc.	2,250	—	—	0.0%
Others	10,232	15,367	11,559	7.9%
Total Current Liabilities	31,579	34,383	34,074	23.2%
Total Long term Liabilities	4,049	4,129	4,141	2.8%
Total Liabilities	35,628	38,513	38,215	26.0%
Net Assets				
Shareholder's Equity	90,631	105,762	108,546	73.9%
Others	28	28	28	0.0%
Total Net Assets	90,660	105,790	108,575	74.0%
Total Liabilities & Net Assets	126,288	144,304	146,791	

*Note: Short-term Debt & etc. includes short-term debt & current portion of long-term debt.

Jan. to Mar. 2025
Overseas Subsidiaries
Financial Result Overview

Financial Result P/L Outline 1/2

NAVIMRO (South Korea)

- Sales declined from last year and plan due to insufficient marketing initiatives, and neither new customer acquisition nor repeat rate grew.
- From Q2, prioritizing use of marketing resources to achieve sales growth.

	2024Q1 Result			2025Q1 Plan			2025Q1 Result				
	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	vs Plan	YonY (Local Currency)	vs Plan (Local Currency)
Sales	2,370	+15.6%	+7.4%	2,440	+3.1%	+3.7%	2,140	△9.5%	△12.2%	△3.8%	△7.2%
Op.Income	△40	—	—	△20	—	—	△20	—	—	—	—
Net Income x Share (*1)	△50	—	—	△30	—	—	△30	—	—	—	—

MONOTARO INDONESIA (Indonesia)

- Customer retention through inside sales continued to be effective, but new customer acquisition didn't progress. In addition, sales didn't attain plan due to lower demand than plan during last week of fasting month (Ramadan).
- GP margin improved due to improved purchasing and pricing, and SG&A ratio also improved as scale of sales expanded.

	2024Q1 Result			2025Q1 Plan			2025Q1 Result				
	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	vs Plan	YonY (Local Currency)	vs Plan (Local Currency)
Sales	300	+35.9%	+24.5%	390	+32.1%	+30.8%	340	+14.8%	△13.1%	+16.0%	△11.3%
Op.Income	△70	—	—	△80	—	—	△70	—	—	—	—
Net Income x Share (*1)	△40	—	—	△40	—	—	△40	—	—	—	—

*1: Calculated by multiplying Net Income by Share Ratio at end of each fiscal year for reference.
*: Sales and profit/loss less than 10 million JPY are rounded down as shown in explanation material in Japanese language.

Financial Result P/L Outline 2/2

IB MonotaRO (India)

- Sales lower than last year and plan, but percentage of targeted large customers increased due to progress in measures.
- GP ratio improved due to improvement in returned products ratio.
- Customers' repeat rate and average order size remained flat from last year, and these will be worked on for improvement.

	2024Q1 Result			2025Q1 Plan			2025Q1 Result				
	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	vs Plan	YonY (Local Currency)	vs Plan (Local Currency)
Gross Merchandise Value(*2)	310	+10.4%	△0.6%	280	△11.3%	△12.3%	230	△25.3%	△15.7%	△24.0%	△13.4%
Sales(*2)	210	+15.3%	+3.8%	210	△1.1%	△2.2%	180	△13.4%	△12.4%	△11.9%	△9.9%
Op.Income	△280	—	—	△210	—	—	△240	—	—	—	—
Net Income x Share(*1)	△140	—	—	△120	—	—	△140	—	—	—	—

*1: Calculated by multiplying Net Income by Share Ratio at end of each fiscal year for reference.
*2: Only commission portion of sales by sellers in marketplace is recognized as sales.
*: Sales and profit/loss less than 10 million JPY are rounded down as shown in explanation material in Japanese language.

Jan. to Mar. 2025
Business Plan & Strategy

Consolidated P/L Plan Outline

	2024 Result		2025 Plan		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	YonY
Sales	288,119		328,173		13.9%
Gross Profit	84,420	29.3%	96,841	29.5%	14.7%
SG&A Exp.	47,353	16.4%	53,841	16.4%	13.7%
Operating Income	37,066	12.9%	43,000	13.1%	16.0%
Current Income	37,320	13.0%	43,026	13.1%	15.3%
Net Income	25,726	8.9%	29,832	9.1%	16.0%
(Tax Rate)	(30.8%)		(30.6%)		
Net Income attributable to owners of the parent	26,338	9.1%	30,284	9.2%	15.0%

	2025 Jan.- Jun. Plan			2025 Jul.- Dec. Plan		
	Amount (mil.JPY)	Sales Ratio	YonY	Amount (mil.JPY)	Sales Ratio	YonY
Sales	159,579		14.5%	168,594		13.4%
Gross Profit	46,806	29.3%	14.8%	50,034	29.7%	14.7%
SG&A Exp.	26,874	16.8%	16.5%	26,967	16.0%	11.0%
Operating Income	19,932	12.5%	12.4%	23,067	13.7%	19.3%
Current Income	19,937	12.5%	11.6%	23,089	13.7%	18.7%
Net Income	13,652	8.6%	12.3%	16,179	9.6%	19.3%
(Tax Rate)	(31.5%)			(29.9%)		
Net Income attributable to owners of the parent	13,899	8.7%	11.2%	16,385	9.7%	18.4%

*: If consolidated financial forecast is expected to exceed by one of following ranges from disclosed consolidated financial forecast, revised forecast is disclosed.
Sales (consolidated): ±5% • Operating Income (consolidated): ±10% • Current Income (consolidated): ±10% • Net Income Attributable to Owners of Parent: ±10%

Non-consol. P/L Plan Outline

	2024 Result		2025 Plan		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	YonY
Sales (*1)	276,100		314,876		14.0%
Enterprise Bus. (*1)	86,083	31.2%	107,761	34.2%	25.2%
Gross Profit	82,141	29.8%	93,873	29.8%	14.3%
SG&A Exp.	43,591	15.8%	49,792	15.8%	14.2%
Operating Income	38,550	14.0%	44,080	14.0%	14.3%
Current Income	38,805	14.1%	44,120	14.0%	13.7%
Net Income (Tax Rate)	25,984 (29.6%)	9.4%	30,926 (29.9%)	9.8%	19.0%

	2025 Jan.- Jun. Plan			2025 Jul.- Dec. Plan		
	Amount (mil.JPY)	Sales Ratio	YonY	Amount (mil.JPY)	Sales Ratio	YonY
Sales (*1)	153,296		14.8%	161,579		13.3%
Enterprise Bus. (*1)	51,950	33.9%	26.3%	55,810	34.5%	24.2%
Gross Profit	45,418	29.6%	14.4%	48,454	30.0%	14.2%
SG&A Exp.	24,887	16.2%	17.4%	24,905	15.4%	11.2%
Operating Income	20,531	13.4%	10.9%	23,549	14.6%	17.5%
Current Income	20,551	13.4%	10.2%	23,569	14.6%	17.0%
Net Income (Tax Rate)	14,266 (30.6%)	9.3%	10.2%	16,659 (29.3%)	10.3%	27.8%

*1: Considering number of business days (120/124 days in 1st. Half/2nd Half 2024 and 119/122 days in 1st Half/2nd Half 2025).

Overseas Subsidiary

NAVIMRO (South Korea)

	2024 Result			2025 Plan		
	Amount (mil. JPY)	YonY	YonY (Local Currency)	Amount (mil. JPY)	YonY	YonY (Local Currency)
Sales	9,950	+7.1%	+3.7%	10,570	+6.2%	+6.2%
Op. Income	△120	–	–	△0	–	–
Net Income × Share (*1)	△150	–	–	△10	–	–

MONOTARO INDONESIA (Indonesia)

	2024 Result			2025 Plan		
	Amount (mil. JPY)	YonY	YonY (Local Currency)	Amount (mil. JPY)	YonY	YonY (Local Currency)
Sales	1,260	+29.1%	+25.0%	1,770	+40.6%	+40.6%
Op. Income	△300	–	–	△260	–	–
Net Income × Share (*1)	△150	–	–	△150	–	–

IB MONOTARO (India)

	2024 Result			2025 Plan		
	Amount (mil. JPY)	YonY	YonY (Local Currency)	Amount (mil. JPY)	YonY	YonY (Local Currency)
Gross Merchandise Value (*2)	1,300	+4.1%	△2.1%	1,260	△2.3%	△2.3%
Sales (*2)	930	+17.3%	+10.2%	940	+0.7%	+0.7%
Op. Income	△1,010	–	–	△810	–	–
Net Income × Share (*1)	△550	–	–	△470	–	–

*1: Calculated by multiplying Net Income by Share Ratio at the end of each fiscal year for reference.
*2: Only commission portion of sales by sellers in marketplace is recognized as sales.
*: Sales and profit/loss less than 10 million JPY are rounded down as shown in explanation material in Japanese language.

Domestic Business 1/5

Market Analysis by Customer Size and MonotaRO's Current Status

Approach:

- Micro-Mid: Based upon LTV calculations, maximizing acquisition of new customers, retaining acquired customers, and increasing LTV of retained customers.
- Mid-Large: Expanding new companies linked to procurement management system and acquiring end users through penetrating bases/increasing order size.

	Customer size (*1) (Market size: approx. 8-10 trillion JPY)	MonotaRO's situation ( ) is change from end of 2023	Strategies for 2025	Progress 2025Q1
monoaro.com	**Micro** (Sole Proprietorship, General Consumers, Other)	• 2024 Sales share: 10% (△1pt.) • 2024 Sales YoY growth: 1% (+3pt.)	• Optimizing direct marketing based upon expected LTV.	• Optimized direct marketing based on expected LTV, resulting in increase in new customer acquisitions over plan.
	Small (Legal Entity with Sales < 2 bil. JPY etc., about 4.5 mil. corps.)	• 2024 Sales share: about 39% (△1pt.) • 2024 Sales YoY growth: 10% (±0pt.) • Corp. registration rate (*2): about 25%	• Strengthening measures to acquire new customers and retaining existing customers by improving each channel and sales promotion base. • Creating sales spaces (e.g. catalogues) aimed at re-accelerating sales growth from first-time purchases for existing customers, for whom growth rates have been declining since 2023.	• Strengthened customer acquisition measures based on expected LTV, resulting in increase in new corp. customer over plan through internet ad. and flyers. • Planning to publish catalogs in second half. • Strengthening measures to improve awareness among customers on extended order deadline for same day shipping.
Enterprise Business	**Mid** (Legal Entity with Sales < 30 bil. JPY etc., about 60,000 corps.)	• 2024 Sales share: about 22% (±0pt.) • 2024 Sales YoY growth: 15% (+1pt.) • Sales via procurement management system: about 30% • Corp. registration rate (*2) is high about 85%, while penetration rate of bases (*3) is about 20%.	• Strengthening measures to acquire new customers and retaining existing customers by improving each channel and sales promotion base. • Strengthening sales activities for Mid customers to immigrate to system connection.	• Progressing as planned are sales activities to acquire new Mid corp. customers for system integration. • Strengthening measures to improve awareness among customers on extended order deadline for same day shipping.
	Large (Legal Entity with Sales > 30 bil. JPY etc., about 6,500 corps.)	• 2024 Sales share: 29% (+3pt.) • 2024 Sales YoY growth: 25% (△1pt.) • Sales via procurement management system: about 90% • Corp. registration rate (*2) is over 90%, while penetration rate of bases (*3) is about 10%. • About 1K corps are connected to system.	• Continuing activities to acquire company with new system connection. • Strengthening on-site sales activities targeting high-potential locations. • Developing services for enterprise customers (e.g. specification of delivery date & time, etc.).	• Progressing as planned are sales activities to acquire new Large corp. customers for system integration. • Deploying sales reps. and strengthening sales personnel at bases with high-potential usage to increase penetration rates and number of users per base.

* : Update from 2024 version: expanding data source and refining definition (discontinuous of business and corporate number, detailed examination of data on business organisations other than corporations).
*1: Customer size are for customers as of end of 2024.
*2: Rate of corporate customers having at least one person who has MonotaRO account.
*3: Percentage of business offices and sites that have at least one person holding account with MonotaRO among those of company.

Domestic Business 2/5

■ BtoB Online E-commerce (monotaro.com)

Acquiring New Customers	Expanding Existing Customers' Sales
・Strengthened acquisition measures based on expected LTV as well, resulting in increase in new small corp.customers over plan through internet ad. and flyers.	・Planning to publish catalogs in second half this year. ・Strengthening sales promotion infrastructure development to enable advanced integrated marketing ・Strengthening measures to improve awareness among customers on extended deadline (from 3 p.m. to 5 p.m.) for same day shipping.

■ System Connection with Large Corporations (Enterprise Business)

Acquiring New Customers	Expanding Customers' Usage
・Sales activities to acquire new Large and Mid corp. customers for system integration are progressing as planned.	・Deploying and strengthening sales reps at bases with high-potential usage to increase penetration rates and number of users per bases. ・Strengthening measures to improve awareness among customers on extended order deadline (from 3 p.m. to 5 p.m.) for same day shipping. ・Promoting PB products.

2024 Jan.- Mar. Result			2025 Jan.- Mar. Plan			2025 Jan.- Mar. Result			
Mil. JPY	YonY	/Total Sales	Mil. JPY	YonY	/Total Sales	Mil. JPY	YonY	vs Plan	/Total Sales
20,831	+30.4%	31.4%	26,198	+25.8%	34.5%	26,207	+25.8%	+0.0%	34.3%

	Dec. 2024 End Result	Mar. 2025 End Result	
	No. Corp.	No. Corp.	vs Dec. 2024 End
Total number of corporations (ONE SOURCE / ONE SOURCE Lite)	(*1) 3,845 (2,994)	(*1) 3,945 (3,052)	+100 (+58)

*1: Number of active corporations in Dec.2024 and Mar. 2025.

■ Royalty Business

	2025Q1
Target Business (Grainger's Zoro business in US & UK)	・Both sale and operating profit grew from 2024Q1.
Royalty Income	・Amount of royalty received increased from 2024Q1 and plan.

Domestic Business 3/5

■ Extension order deadline same-day shipping (3 to 5 p.m.)

- Progress of Measure
  - Sep. 2024 Started in South Kanto Area
  - Dec. 2024 Expanded to Kansai Area
  - Jan. 2025 Expanded to North Kanto and Koshinetsu Areas
  - Mar. 2025 Expanded to Tokai Area
  - Apr. 2025 Expanded to 42 prefectures

- Impact of implementation of Extension
  - In regions such as South Kanto and Kansai, where deadline extension was introduced early, changes in purchasing behavior, such as increase in orders placed between 3 and 5 p.m., emerged.
  - No strong correlation with sales growth, however, has been confirmed (sales growth was observed even in areas measures are not rolled out).
  - In user survey conducted in 2025Q1, awareness of extension was approximately 20%.

- Measures to improve customer awareness
  - Strengthening TVCMs, radio CMs, flyers, direct mail, and website announcements.
  - Starting service to display “delivery dates” for same-day shipping products on weekdays (midnight - 5 p.m., Apr. 17th onwards).
    - Customers placing orders between 3 and 5 p.m. on weekdays will be able to confirm that their products will be delivered next day.



Displayed that products to be delivered on Sat., Apr. 5 (if ordered by 5 p.m. today/Apr. 4).

* Image of display “delivery dates.” Image just in Japanese available.

Domestic Business 4/5

■ Overview of Mito DC

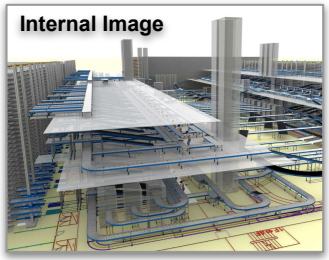
Building Structure	4 floors
Total Floor area	About 74,000㎡
Inventory Capacity	About 500 thou. SKU
Shipping Capacity	About 300 thou. line/day
Start of Building	May 2025
Completion of Building	May 2027 (planned)
Start of DC Operation	May 2028 (planned)
Total Investment	50.4 billion JPY (*1)
Asset to be Owned	Whole DC (land, building, material handling, etc.) to be owned by MonotaRO.

■ Progress of Mito DC

- Construction of building will start in May 2025.
- Total investment amount is 50.4 billion JPY (*1).
  - Due to anticipated further increases in construction costs resulting from rising material prices as well as certain specification changes and installations of additional equipment and machinery, total investment 46.0 billion JPY, which was previously disclosed, has been revised (revision made on May 1, 2025).
  - This investment is planned to be financed through interest-bearing debt.







Domestic Business 5/5

■ Difference in 2025Q1 SG&A Expenses from Plan

	SG&A Decreasing Factor	Amount
Decrease in Office Expense (except for expenses delayed)	・Decrease in SG&A from Plan - Difference of estimations in bad debt ratios, system usage costs, IT development costs (outsourcing costs, capitalization of in-house software development costs), etc.	About △210 mil. JPY
Decrease in Logistic Expense (except for expenses delayed)	・Decrease in SG&A from Plan - Difference of estimations in outsourcing costs, packaging costs, maintenance and consumable expenses, etc.	About △120 mil. JPY
Decrease in Ad.& Promotion Expense (except for expenses delayed)	・Expenses were incurred to expand business operations focused on acquiring new customers, but full amount of planned expenses was not utilized in Q1.	About △90 mil. JPY
Delayed to Q2 or later	・Delayed to Q2 or later (implementation timing shifted) - Ad. expenses, logistics supplies and maintenance costs, system usage costs, training and education expenses, etc.	About △220 mil. JPY
Total		About △640 mil. JPY

Sustainability

Status Update

			Progress in 1Q 2025
Prioritized Action Areas	Environment	Reduction of CO2 emissions as measure against climate change	・GHG emissions calculation for 2024 started. ・Continued energy saving efforts in DCs (expanded areas for power reduction through lighting dimming).
		Proposal and development of environment-conscious products	・Updated introduction page for environmentally conscious products and added details of initiatives.
		Realization of resource-recycling model	・Disclosed amount of unnecessary materials (valuable materials + waste) and recycling rate. ・Continue efforts to separate unnecessary materials and increase amount of recyclable materials.
	Social	Sustainable procurement	・Distributed procurement guidelines to approximately 2,500 suppliers in 2024. Collecting procurement guideline endorsement and self-inspection questionnaires from approx. 80% of them. ・Audit criteria, objectives, and methods are researched and examined in order to monitor evaluation for compliance with procurement guidelines. ・Conducted sustainability audit at suppliers' factories in presence of our company. ・Shared audit results with suppliers and requested them to make improvements.
		Diversity and Inclusion	・Implemented measures to promote employment of people with disabilities at head office and logistics sites, and raised awareness of these measures throughout company. ・Updated information on D&I on Sustainability page and Recruitment page.
Disclosure			・Started gathering information on laws and regulations, etc., following publication of SSBJ Disclosure Standards.

External ESG Evaluation

Main external evaluations (global)

MSCI ESG RATINGS A
CCC B BB BBB A AA AAA

A
*As of Jun. 2024

FTSE

3.7
*As of Dec. 2024

CDP Discloser 2024

B-Rating
*As of Feb. 2025

Sustainalytics

Medium Risk
*As of Feb. 2024

Main index inclusion

2024 CONSTITUENT MSCI JAPAN EMPOWERING WOMEN INDEX (WIN)

FTSE Blossom Japan Index

FTSE Blossom Japan Sector Relative Index

Main external evaluations (domestic)

2025 健康経営優良法人 KENKO Investment for Health 大規模法人部門

女性が活躍しています！

Eruboshi three stars (highest certification mark)

2023年認定 くるみん 子育てサポートしています

Kurumin (certified for two consecutive terms)

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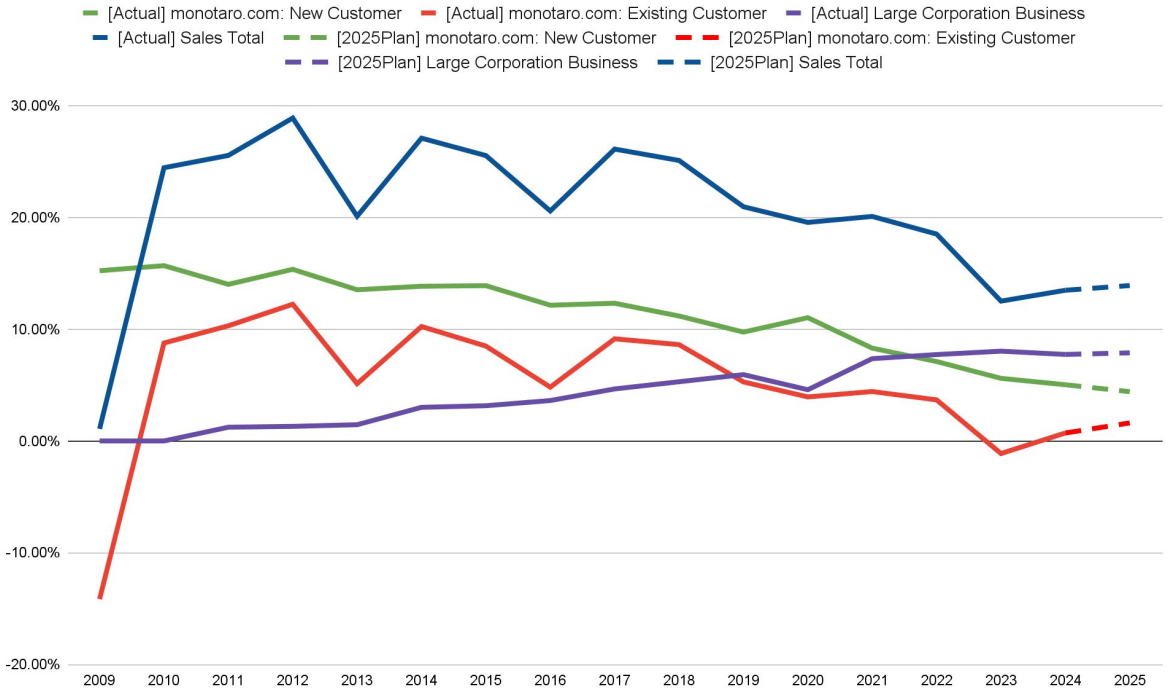
Reference

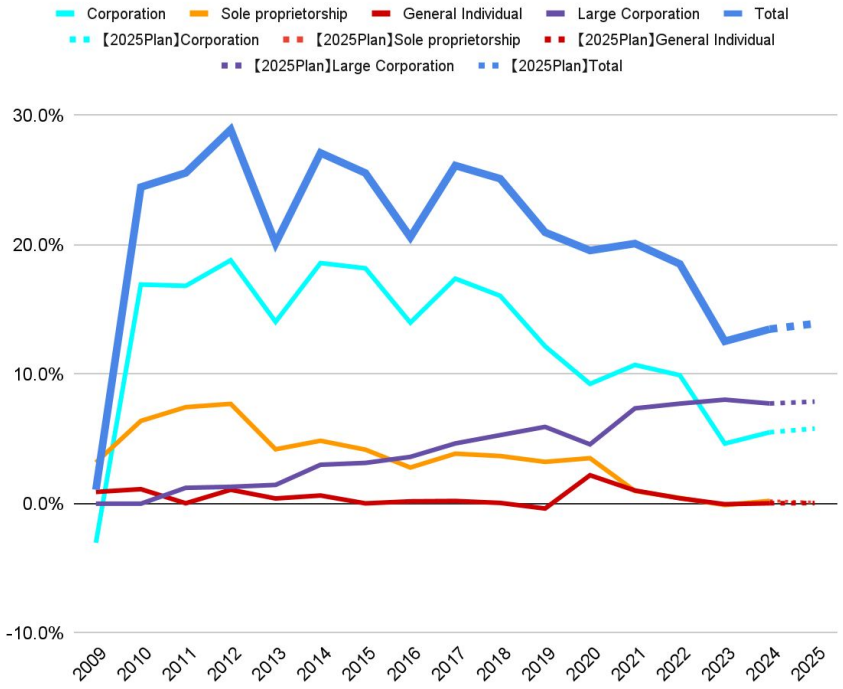
Non-consol. Fiscal Yr. Sales Growth (Service Channel Contribution)



*: Fiscal year contributions of every channel to total sales growth from previous year is organized and shown based on status as of end of 2024.
*: “monotaro.com: New Customer” indicates contribution of sales from customers acquired each fiscal year, and “monotaro.com: Existing Customer” indicates contribution of sales from customers acquired before corresponding year.
*: Previously, orders placed via monotaro.com by customers of Large Corp.Business were classified as sales of "Large Corp. Business” (due to past sales management classifications), but from 2024 disclosure materials, they are reclassified as sales of "monotaro.com" following accounting system replacement in 2023 (impact on growth rate is negligible).

Non-consol. Year Sales Growth (Corporate New & Existing)

Sales Total Growth
(Contributions of monotaro.com Corp Customer., Large Corp., monotaro.com Sole Proprietorship and General Individual)



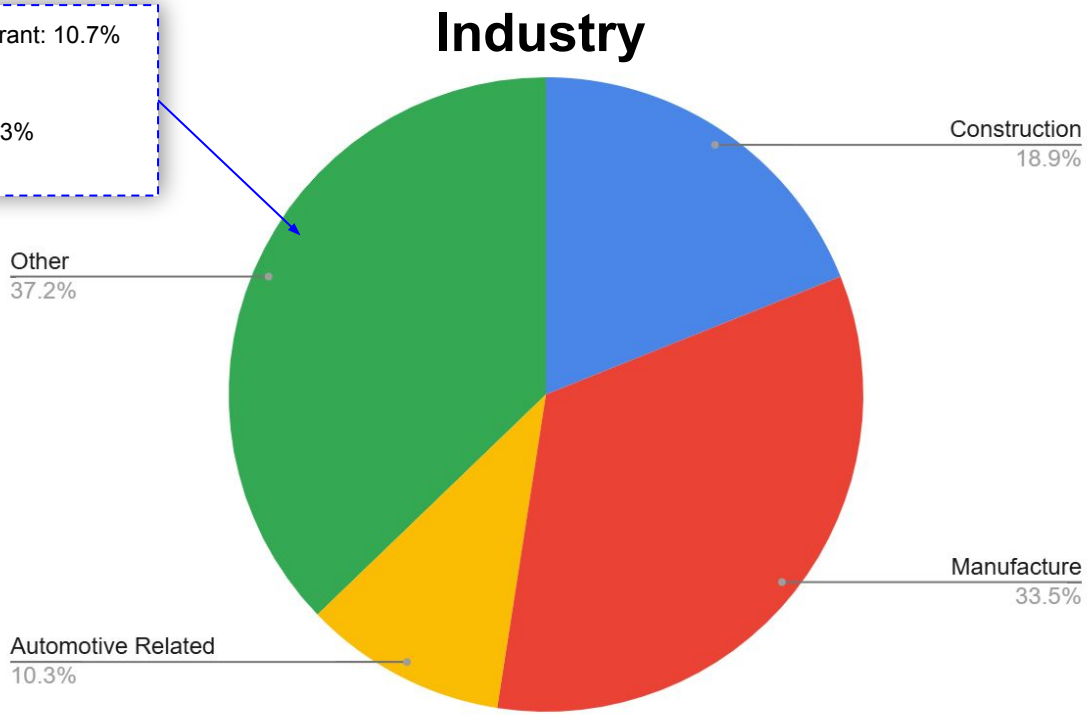
Sales Growth of monotaro.com Corp. Customer
(Contributions of New and Existing Customers)



- Growth contribution and growth of corporate customers on monotaro.com
  - Of overall sales growth (13.5% in 2024 result and 14.0% planned in 2025), Total sales growth contribution from corporate customers on monotaro.com is approximately 6% both in 2024 result and 2025 plan (left graph).
  - Sales growth for monotaro.com's corporate customers in 2024 was approximately 10%, and 2025 is approximately 10% (graph above).

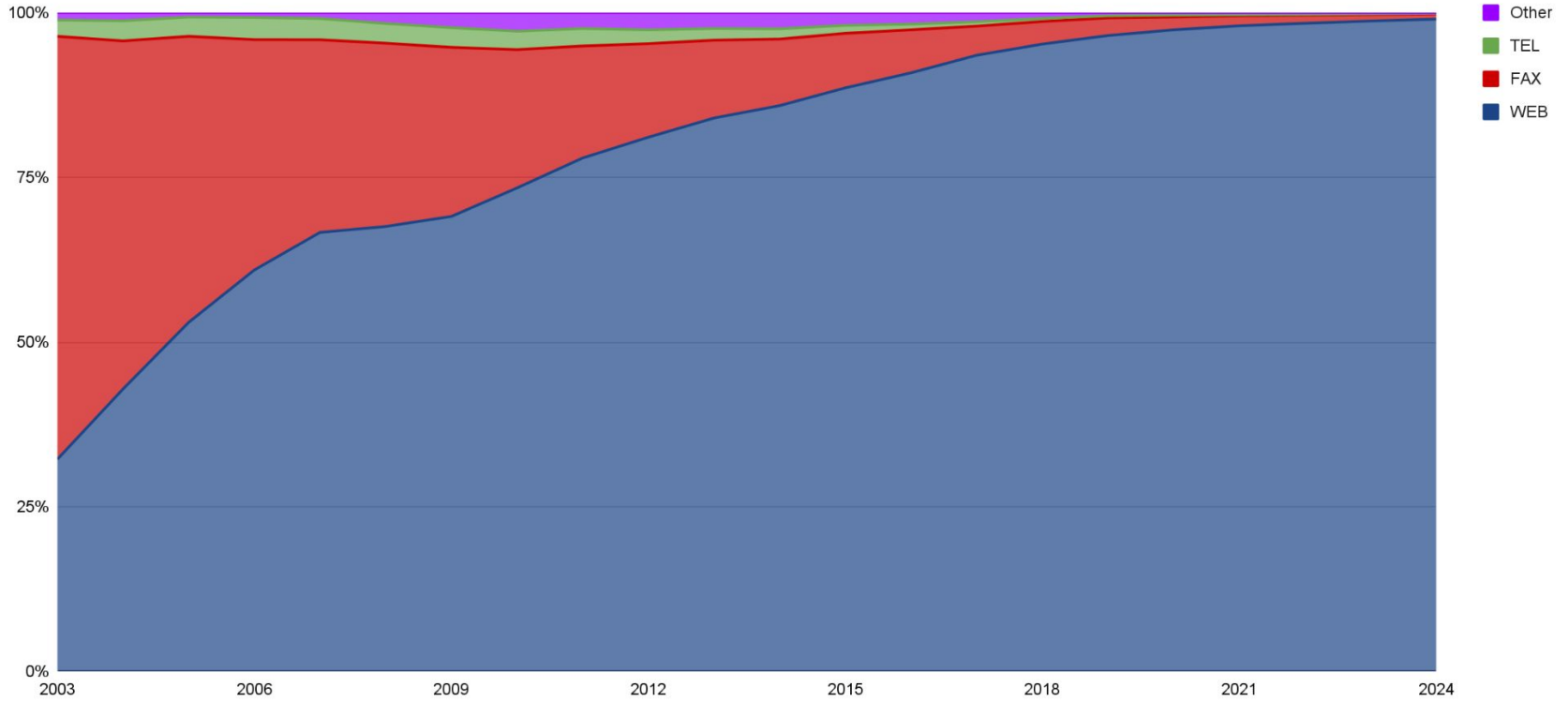
Non-consol. Customer Demographics

- Wholesale, Retail, Restaurant: 10.7%
- Education：2.5%
- Agriculture：2.1%
- Social security/welfare：1.3%
- Medical：1.1%

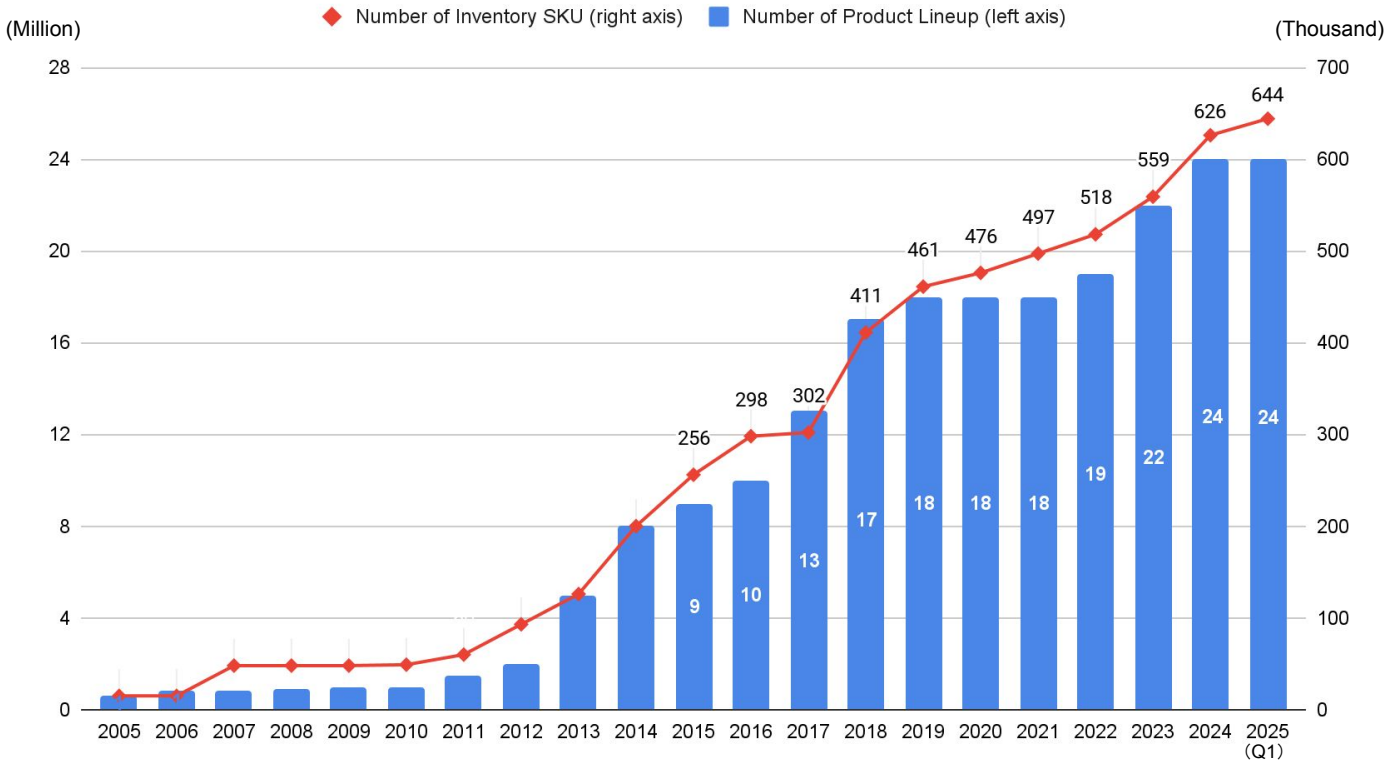


Ratio by sales amount in 2024
(Sales of monotaro.com excluding sales Large Corp. Business)

Non-consol. Internet Purchase Order Ratio

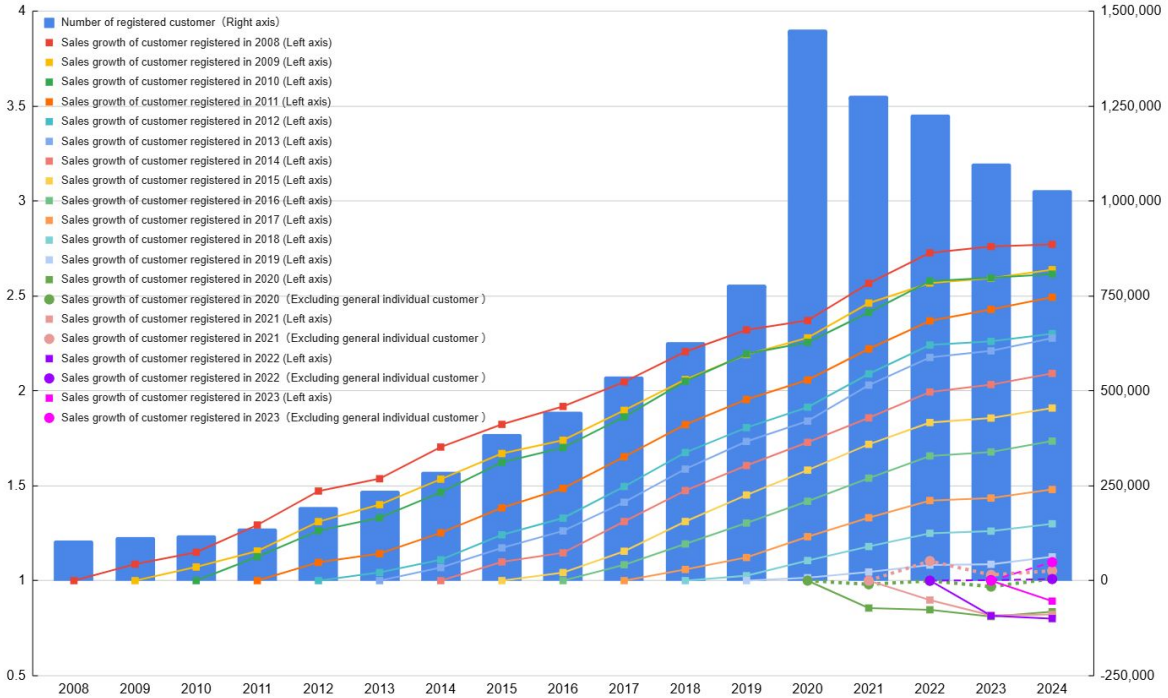


Non-consol. Product Lineup & Inventory



Non-consol. Customer Growth by Year Registered

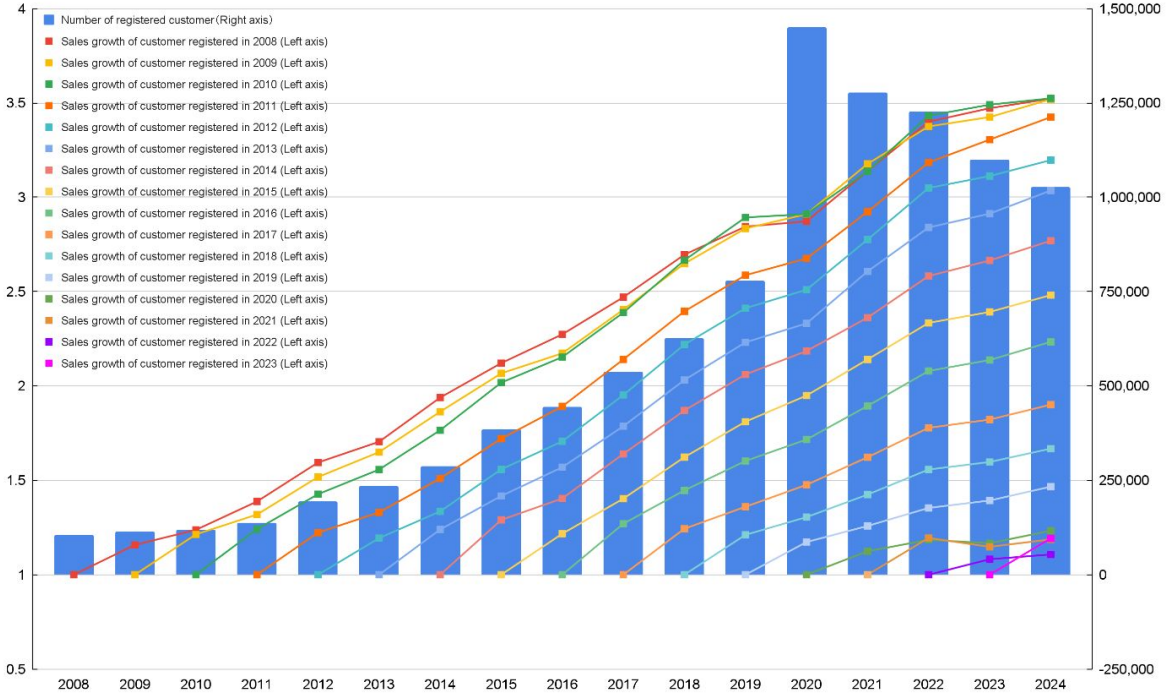
（Growth Rate of Sales）　　(Number of Registered Customers)



*: Above number of ‘monotaro.com’ registered customers and sales growth are updated retroactively at end of 2024 (large corporate sales and sales for customers who switched to procurement system for enterprise business are not included).
*: Line chart (left axis) shows sales growth ratio of customers registered each year by setting sales in registered year as ‘1.’

Non-consol. Customer Growth by Year Registered (Corp.)

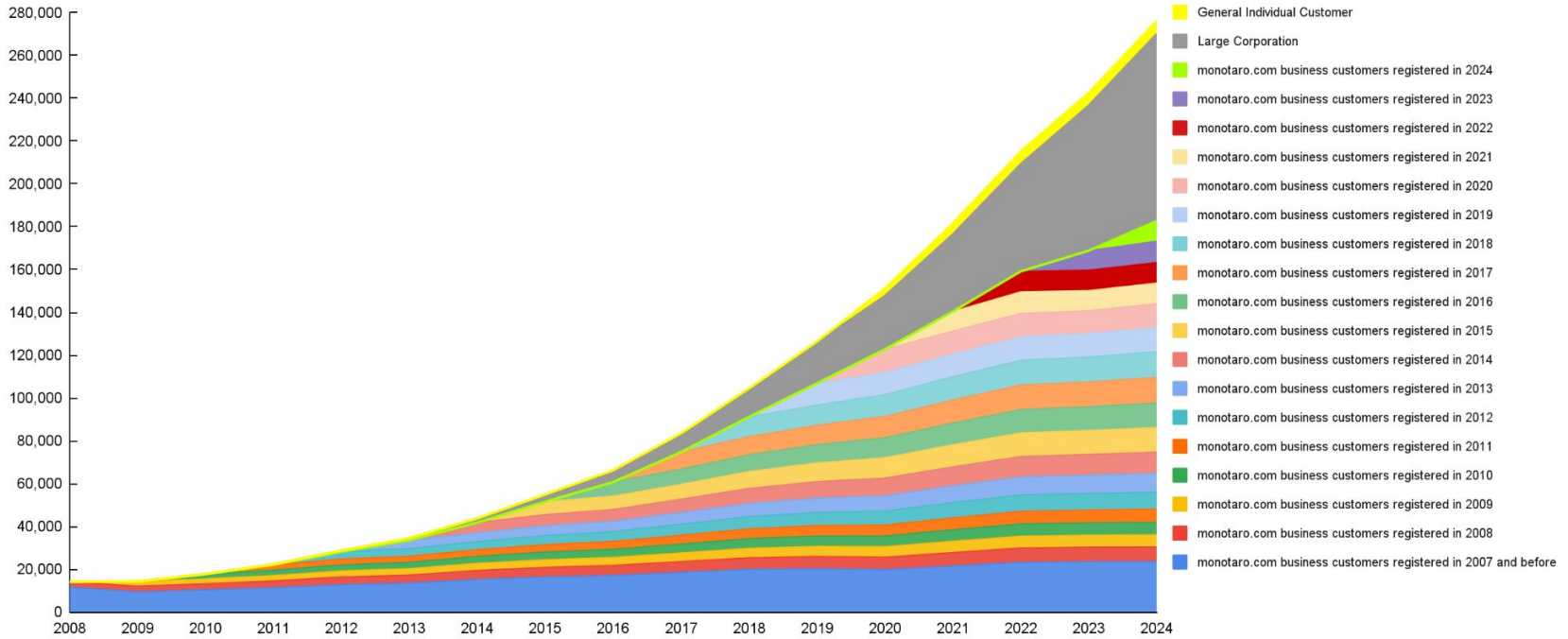
（Growth Rate of Sales）　　(Number of Registered Customers)



*: Above number of ‘monotaro.com’ registered customers and sales growth are updated retroactively at end of 2024 (large corporate sales and sales for customers who switched to procurement system for enterprise business are not included).
*: Line chart (left axis) shows sales growth ratio of customers registered each year by setting sales in registered year as ‘1.’
*: Bar chart is number of new customers in total acquired that includes those other than corporate customers.

Non-consol. Sales Trend by Registered Year

(Million JPY)



*: Sales of ‘monotaro.com business customers’ are sales of monotaro.com’s business customers organized retroactively for each registration year based upon updated customer status at end of 2024.
*: Sales of ‘Large corporation’ are total sales of large corporation customers based upon updated customer status at end of 2024.
*: Sales of ‘General individual customers’ are total sales of monotaro.com’s general individual customers and of IHC MonotaRO based upon updated customer status at end of 2024 (IHC MonotaRO was closed and integrated into monotaro.com).

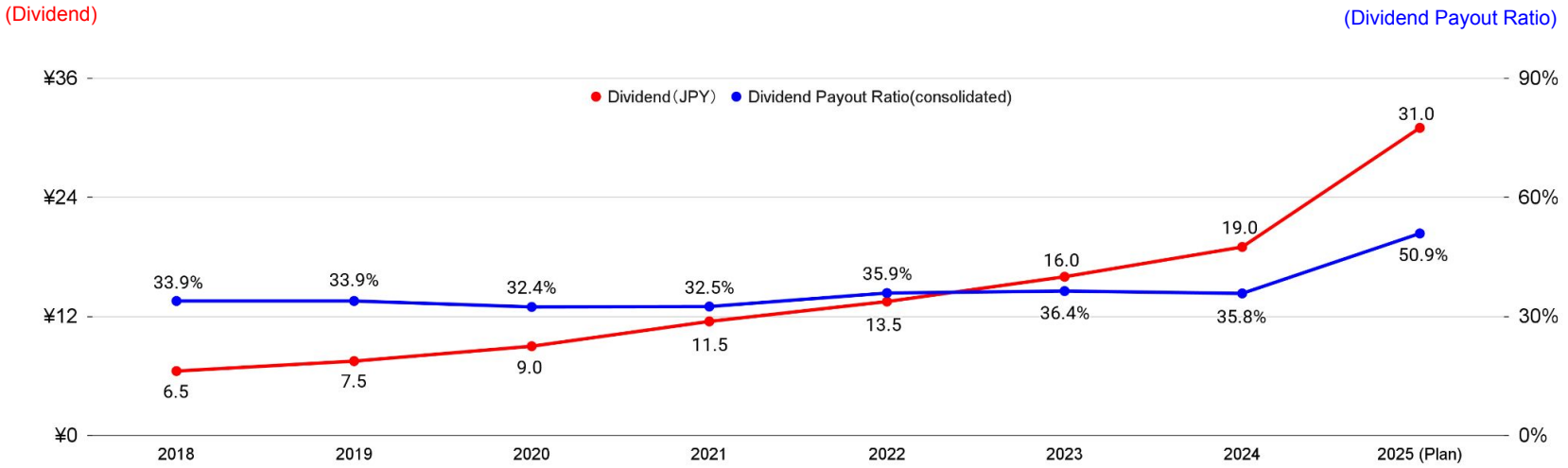
Logistic Sites

	Kasama DC	Ibaraki Chuo SC	Inagawa DC	Mito DC
Exterior Image				
Floor(s)	1 floor	1 floor	6 floors (leased)	4 floors
Total Floor Area	approx. 56,000 ㎡	approx. 49,000 ㎡	approx. 194,000 ㎡	approx. 74,000 ㎡
Inventory Capacity	330 thou. SKU	30 thou. SKU	550 thou. SKU	500 thou. SKU
Shipping Capacity	100 thou. line/ day	30 thou. line/ day	180 thou. line/ day	300 thou. line/ day
When started/ to start shipping	Apr. 2017	Apr. 2021	Phase 1, Apr. 2022 Phase 2, Apr. 2023	May 2028 (planned)

Shareholder Return

Dividend

- Dividend
  - Dividend Policy : Aiming to maintain dividend payout ratio of 50% or higher based on net income attributable to owners of the parent (after 2025).
  - 2024 Dividend (forecast): 19.00 JPY/share (9.00 JPY/share interim/actual, 10.00 JPY/share fiscal year end/actual).
  - 2025 Dividend (plan): 31.00 JPY/share (15.00 JPY/share interim/plan, 16.00 JPY/share fiscal year end/plan).



Cautionary Statement concerning Forward-looking Statements

This presentation may include forward-looking statements relating to our future plans, forecasts, objectives, expectations, and intentions. Actual results may differ materially for wide range of possible reasons. In light of many risks and uncertainties, you are advised not to put undue reliance on these statements.

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