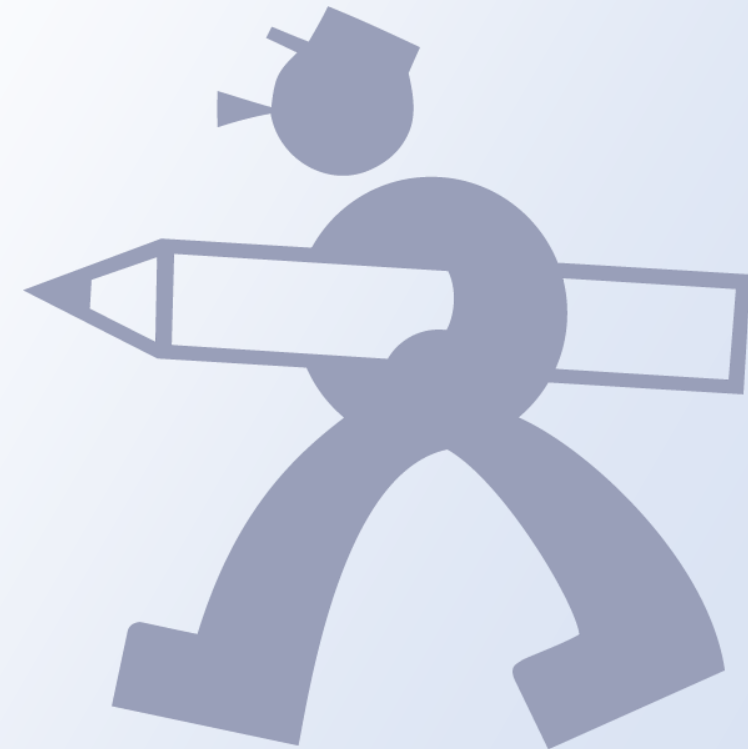


Summary of Financial Results for 1Q FY5/2022

September 16, 2021
ASKUL Corporation



Note:

This material contains the 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 that is 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 purpose of this material, LOHACO refers to the online mail-order business for general consumers launched in October 2012 in alliance with Yahoo Japan Corporation.

A "new ASKUL website" refers to constructing a new website that integrates the site for small and medium-sized businesses and the one for middle-level and large enterprises.

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

MRO refers to Maintenance, Repair and Operation, and in this material primarily refers to indirect materials consumed at work sites by companies.

DX refers to digital transformation.

Since the presentation of the overview of consolidated financial statements for the fiscal year ended May 20, 2016, ASKUL has been reporting its operating performances by dividing its organization into the segments of the E-commerce business, Logistics business, and Other. The E-commerce business deals with sales of OA and PC supplies, stationery, office living supplies, office furniture, foods, alcoholic beverages, pharmaceuticals, cosmetics, etc. The logistics business refers to logistics and package transport services that target corporations.

This material occasionally uses abbreviations to express ASKUL's distribution centers;

ASKUL Logi PARK as ALP, ASKUL Value Center as AVC, Demand Management Center as DMC, and ASKUL Tokyo Distribution Center as ASKUL Tokyo DC.

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Good Start for 1Q Projected Line Both Net Sales and Profits Marked Record Highs

- B-to-B continued to see base growth despite a predicted recoil from the past sharp rise in infection-prevention products.
- LOHACO successfully completed the launch of the new main store and has started regrowth toward turning profitable in the next fiscal year.

Ongoing Implementation of Growth Scenario in Medium-term Management Plan

- Construction of ASKUL Tokyo DC was completed in July, leasing began in September as scheduled, and construction of a material handling system started.
- The new ASKUL website is on track to release some of its features ahead of others in the second half.
- LOHACO deepens synergies with Z Holdings through efforts including the launch of the new main store and fast delivery business.
- The platform reform and DX initiatives launch a variety of measures.

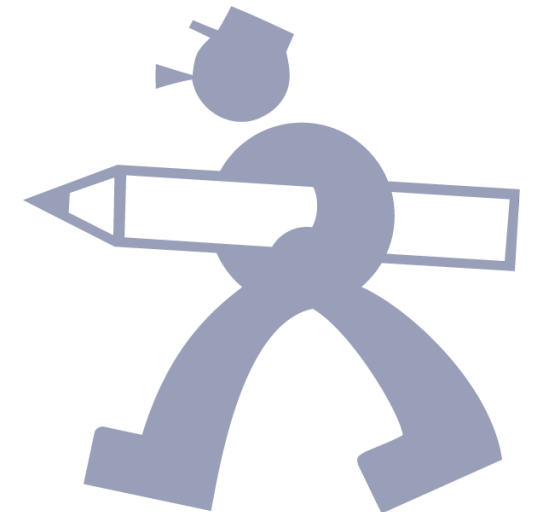
I. Consolidated Performance for 1Q FY5/2022

II. B-to-B

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1Q FY5/2022 Consolidated Performance

Consolidated



(¥million)	1Q FY5/2021*1			1Q FY5/2022			
	Actual	% of net sales %	Reference value*2	Actual	% of net sales %	YoY change %	Reference value*2
Net Sales	100,180	100.0	99,072	102,442	100.0	+2.3	+3.4
Gross Profit	24,851	24.8	24,612	24,994	24.4	+0.6	+1.6
Selling, General and Administrative Expenses	21,861	21.8	21,621	21,721	21.2	-0.6	+0.5
Operating Profit	2,989	3.0		3,272	3.2	+9.4	
Ordinary Profit	2,986	3.0		3,240	3.2	+8.5	
Profit Attributable to Owners of Parent	1,502	1.5		2,153	2.1	+43.3	

- Net sales
102.3% YoY
(103.4% in real terms*2)
Renewed the previous record
- SG&A expenses ratio
Down 0.6 points YoY
- Operating profit, ordinary profit and profit
Broke the previous record profit

*1 A provisional accounting treatment related to a business combination was finalized during 2Q FY5/2021, and the figures for 1Q FY5/2021 reflect details of the finalization.

*2 Reference value assuming that the Accounting Standard for Revenue Recognition, etc. have been applied since the previous fiscal year.

Comparison of Consolidated Performance in 1Q FY5/2022 (By Business)

Consolidated

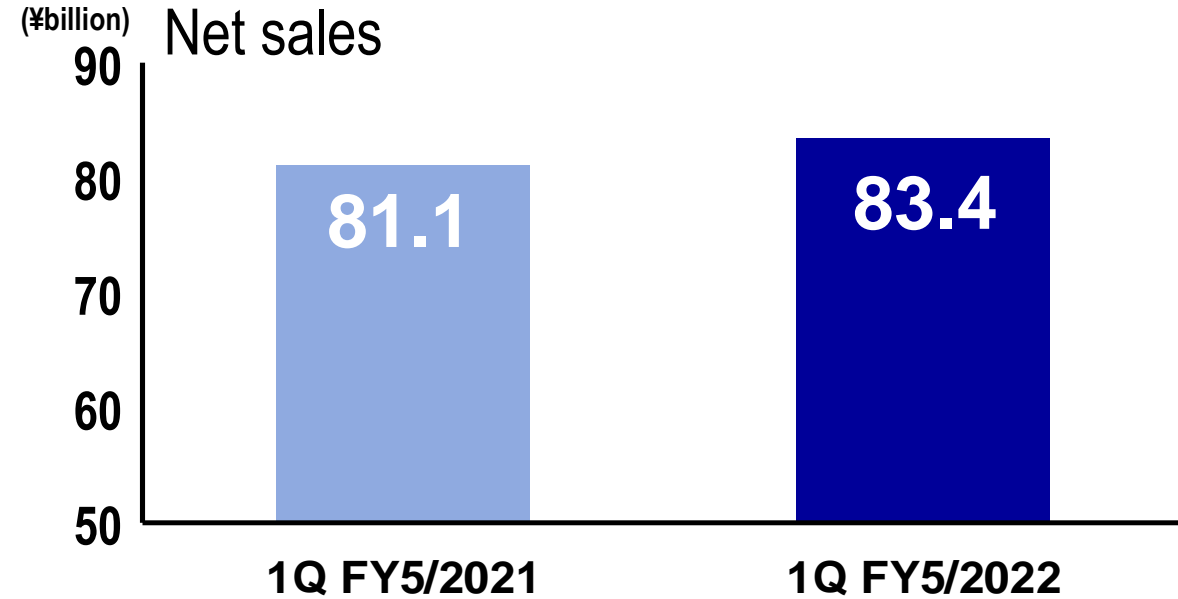


		FY5/2021					FY5/2022				
		1Q	Reference value*	2Q	3Q	4Q	1Q	YoY change	YoY change %	Reference value*	
Net Sales		B-to-B business	81.1	80.2	87.7	87.4	88.8	83.4	2.2	+2.8	+3.9
		LOHACO	12.9	12.7	12.7	13.1	14.0	12.6	(0.3)	-2.4	-1.1
		B-to-C business (including Charm)	16.8	16.6	16.8	17.1	17.6	16.7	(0.1)	-0.9	+0.5
		E-commerce business	98.0	96.8	104.6	104.5	106.5	100.1	2.1	+2.2	+3.4
		Logistics business and other	2.1	2.1	1.6	2.0	2.5	2.3	0.1	+5.6	+5.6
		Consolidated total	100.1	99.0	106.2	106.5	109.1	102.4	2.2	+2.3	+3.4
		Operating Profit		B-to-B business	4.7		5.1	5.6	4.5	4.1	(0.5)
LOHACO	(1.2)				(1.1)	(0.9)	(0.8)	(0.9)	0.3	-	
B-to-C business (including Charm)	(1.2)				(1.1)	(0.9)	(0.8)	(0.8)	0.4	-	
Performance-linked bonuses (including provision)	-				(0.8)	(0.1)	(0)	(0)	-	-	
E-commerce business	3.4				3.1	4.5	3.7	3.3	(0.1)	-3.9	
Logistics business and other	(0.4)				(0.2)	(0.2)	(0.1)	(0)	0.4	-	
Consolidated total	2.9				2.9	4.3	3.6	3.2	0.2	+9.4	

* Reference value assuming that the Accounting Standard for Revenue Recognition, etc. have been applied since the previous fiscal year.

1Q FY5/2022 Consolidated Performance (B-to-B Business)

Consolidated

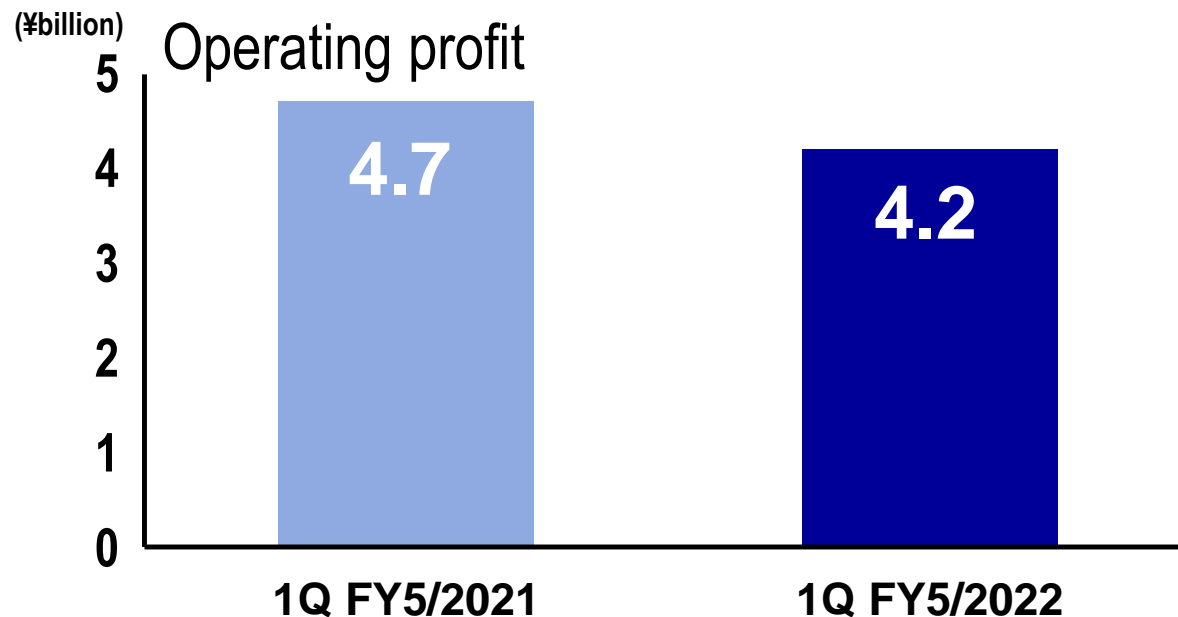


➤ Net sales

102.8% YoY (103.9% in real terms*)

The recoil after the sharp rise in sales of infection-prevention products is within our assumptions.

Base growth is continuing.



➤ Operating profit

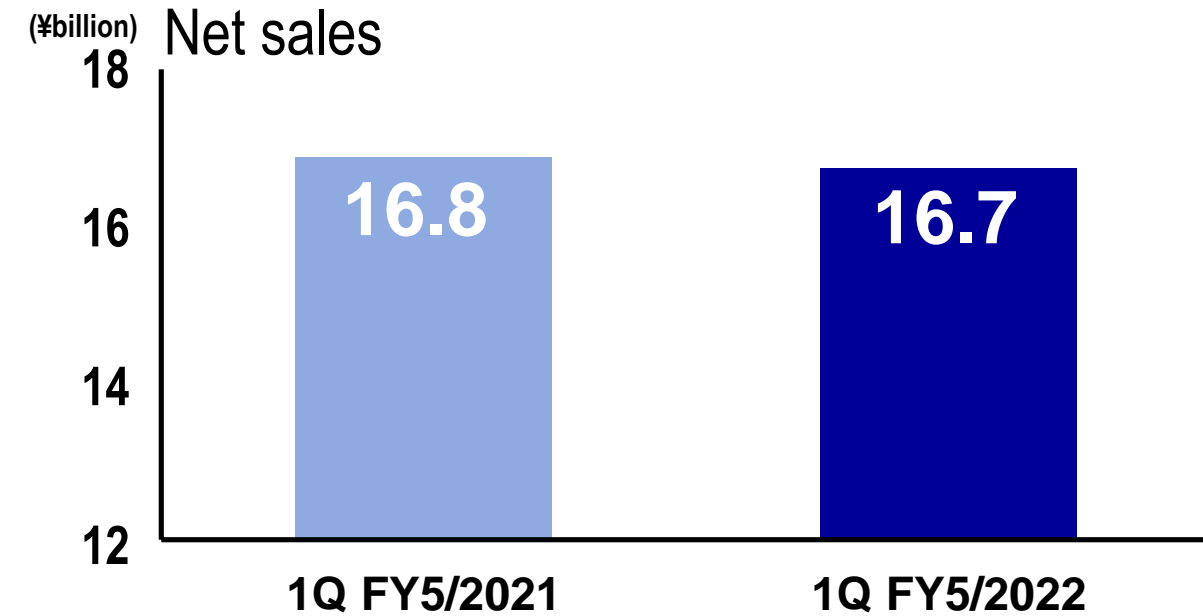
89.1% YoY

Progress as planned despite the impact of changes in category mix

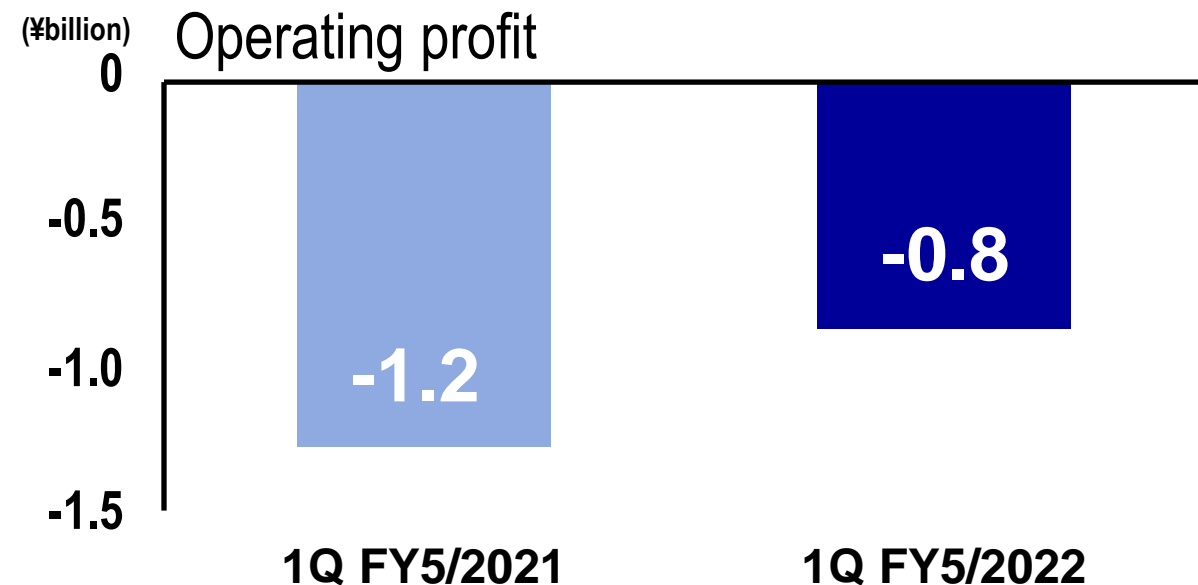
* Reference value assuming that the Accounting Standard for Revenue Recognition, etc. have been applied since the previous fiscal year.

1Q FY5/2022 Consolidated Performance (B-to-C Business)

Consolidated



- **Net sales**
99.1% YoY (100.5% in real terms*)
The impact of the system transfer is within our assumptions.
Currently, regrowth is driven by group synergies.

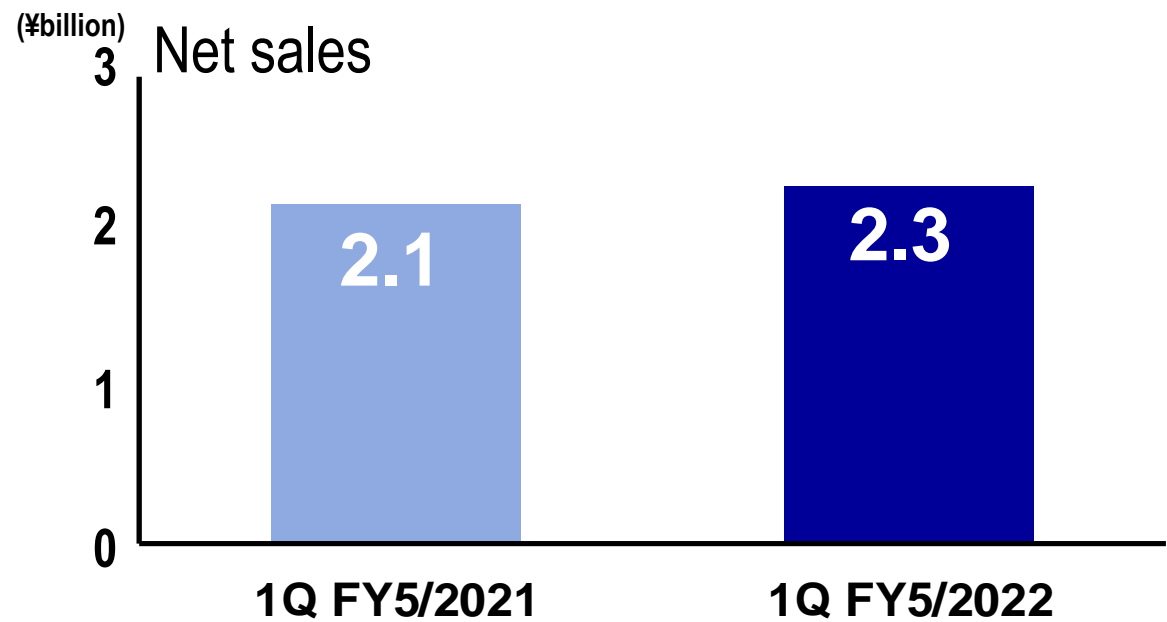


- **Operating profit**
Up ¥0.4 billion YoY
Gross profit margin, variable cost ratio and fixed cost ratio improved all together.

* Reference value assuming that the Accounting Standard for Revenue Recognition, etc. have been applied since the previous fiscal year.

1Q FY5/2022 Consolidated Performance (Logistics Business and Others)

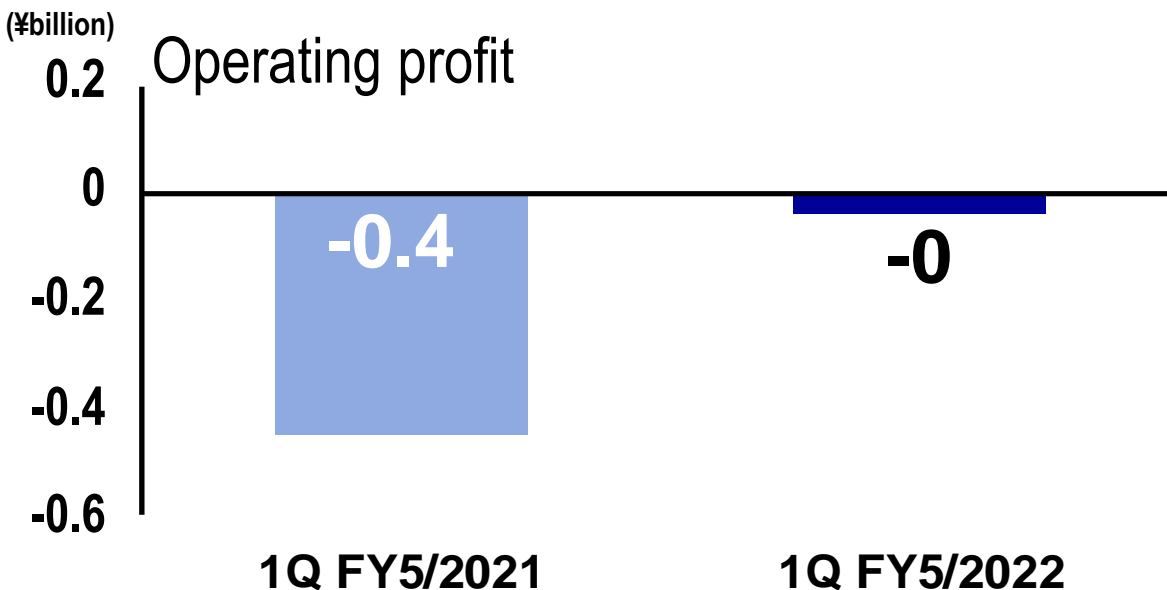
Consolidated



➤ Net sales

Up ¥0.1 billion YoY

The impact of a decrease in consolidated subsidiaries (¥700 million) was compensated for by the expansion of the 3PL business



➤ Operating profit

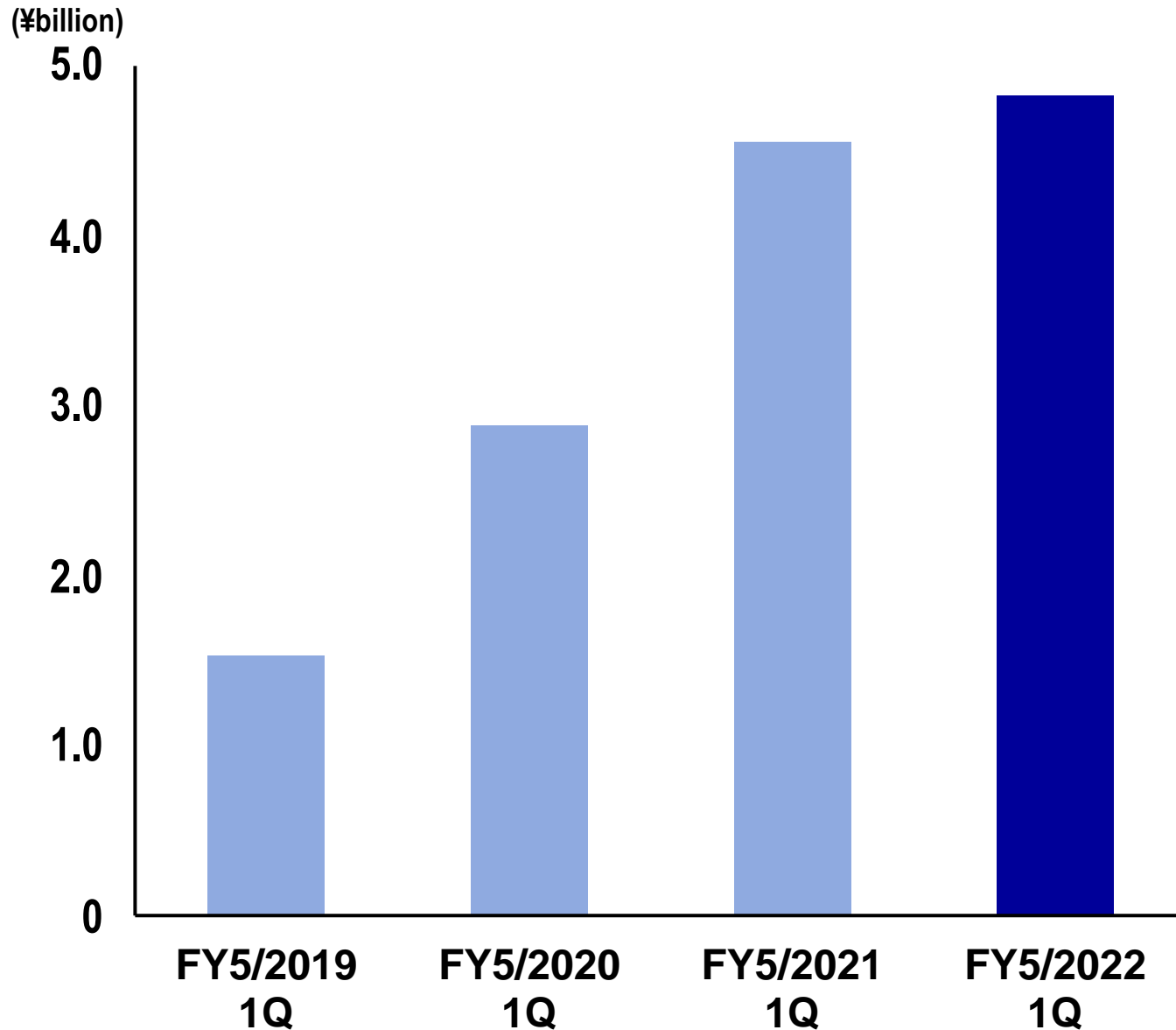
Up ¥0.4 billion YoY

Improvement of the 3PL business in Miyoshi Center

Set to turn profitable on a full-year basis

Trend of EBITDA

Consolidated



Broke the
Previous
Record

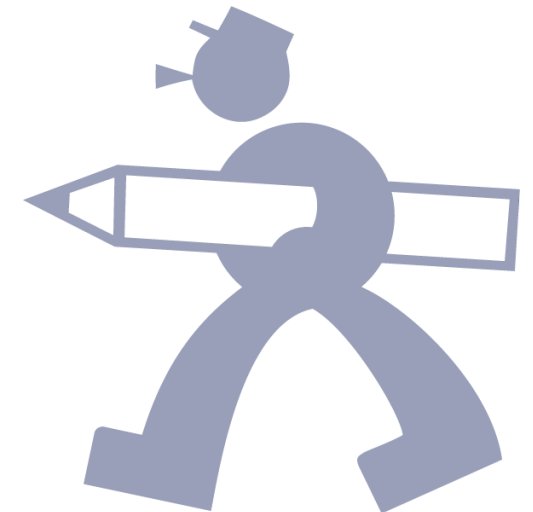
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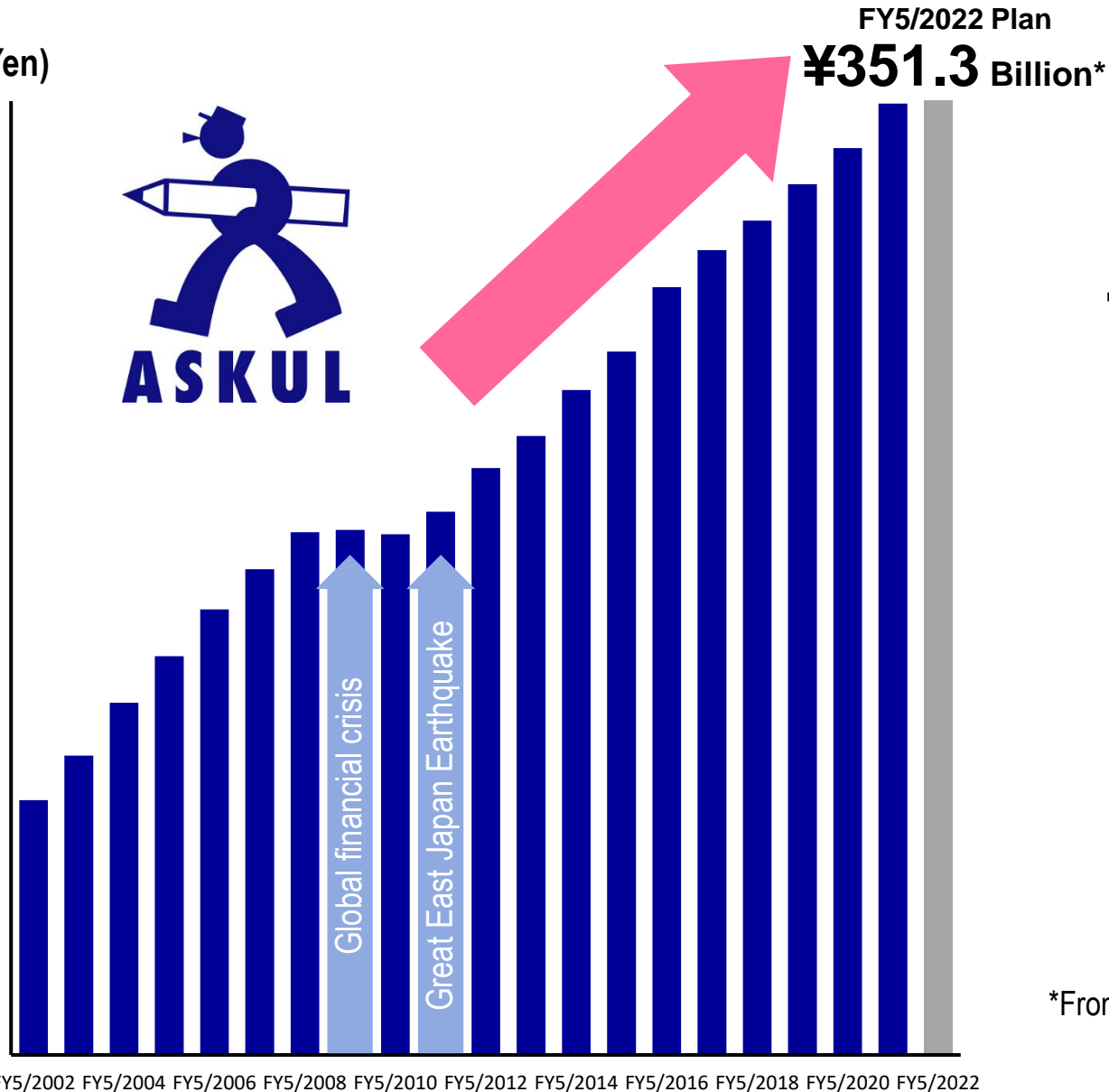
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(Yen)

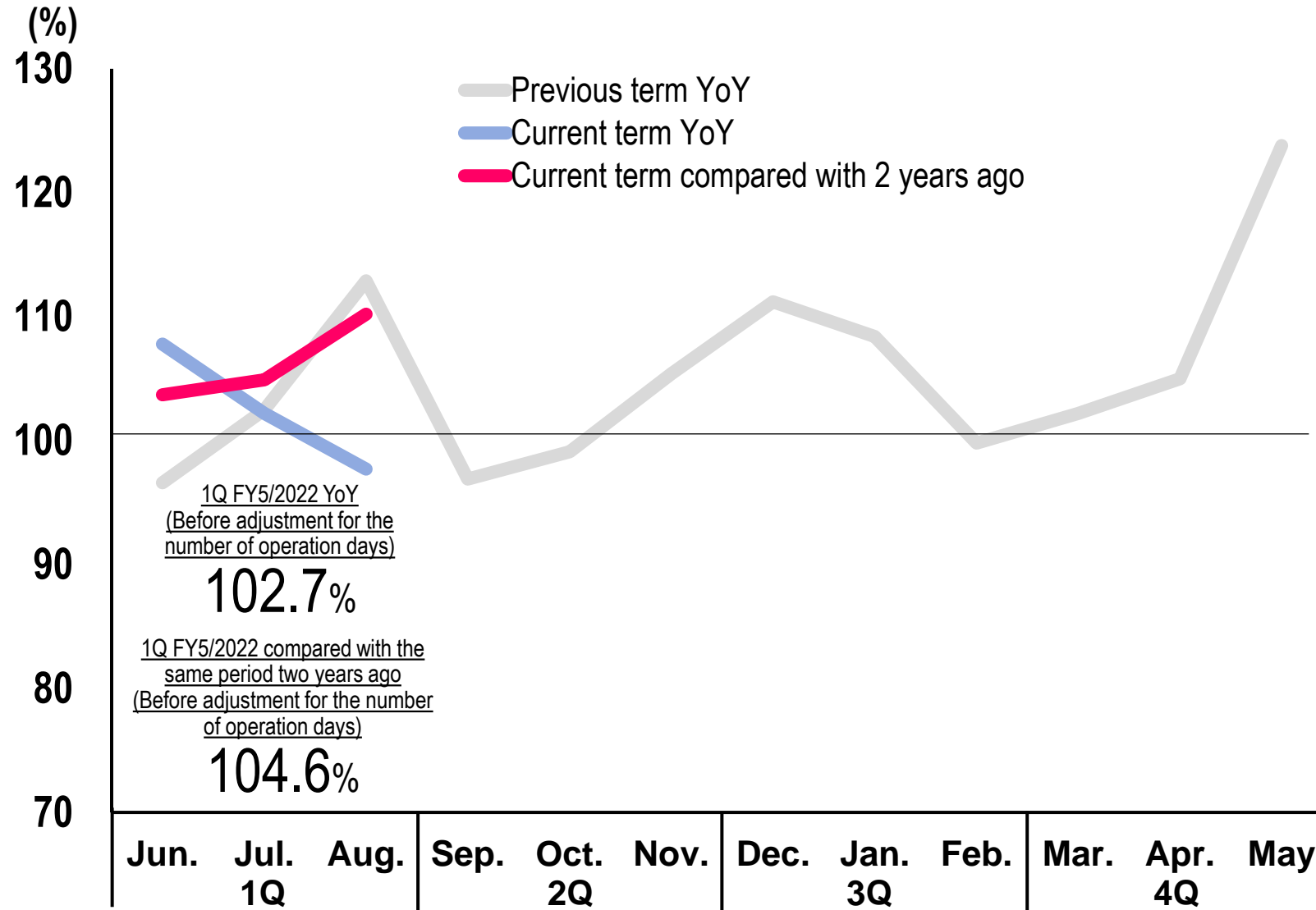


Transformation from Office
Mail Order Business
Toward
Further Growth

*From the current fiscal year, Accounting Standard for Revenue Recognition, etc. is applied

B-to-B Business YoY Change in Monthly Net Sales (adjusted for the number of operation days)

Non-Consolidated



Base Growth is Continuing

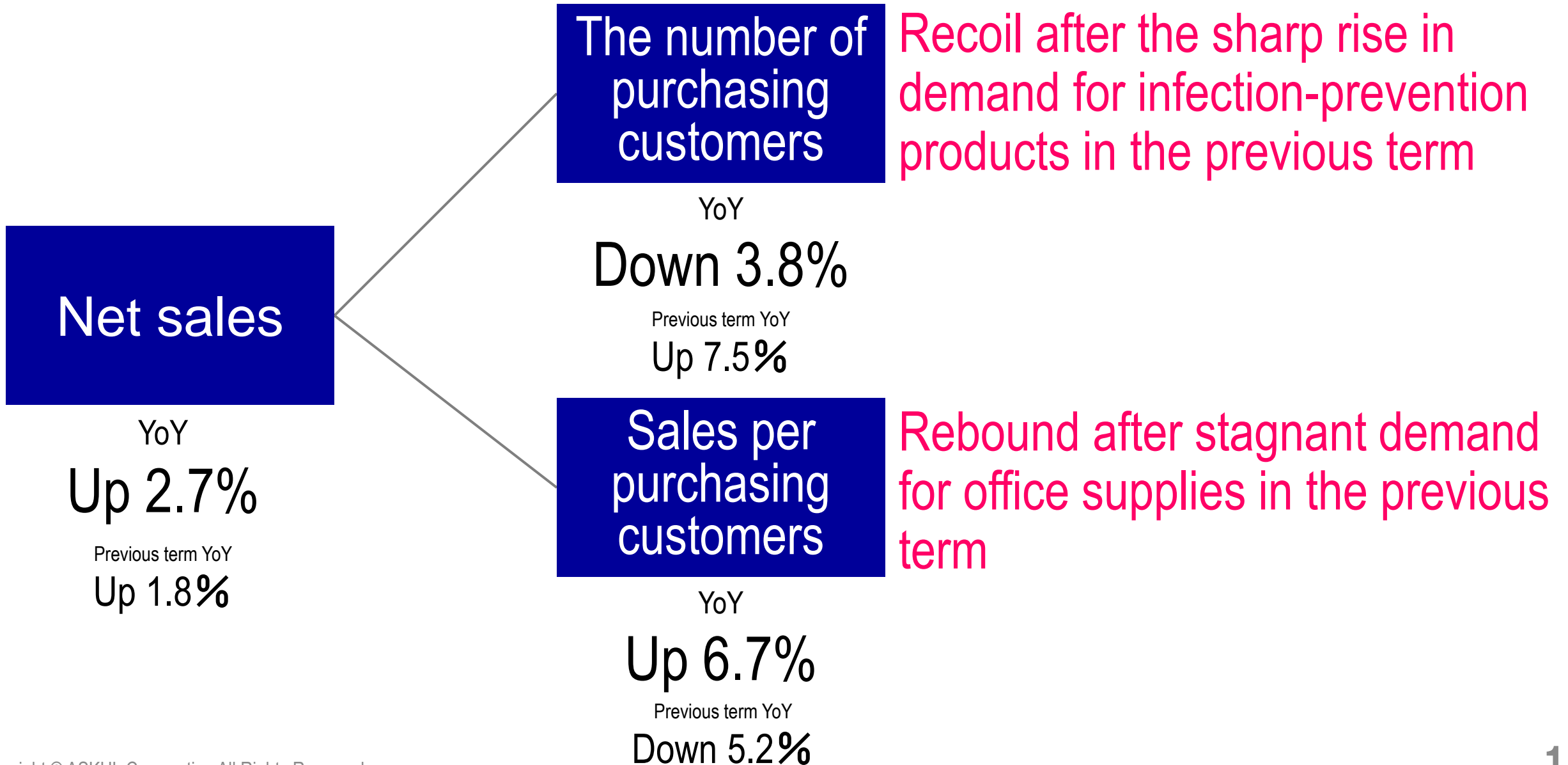
B-to-B FY5/2022 Quarterly Net Sales by Item

Non-Consolidated

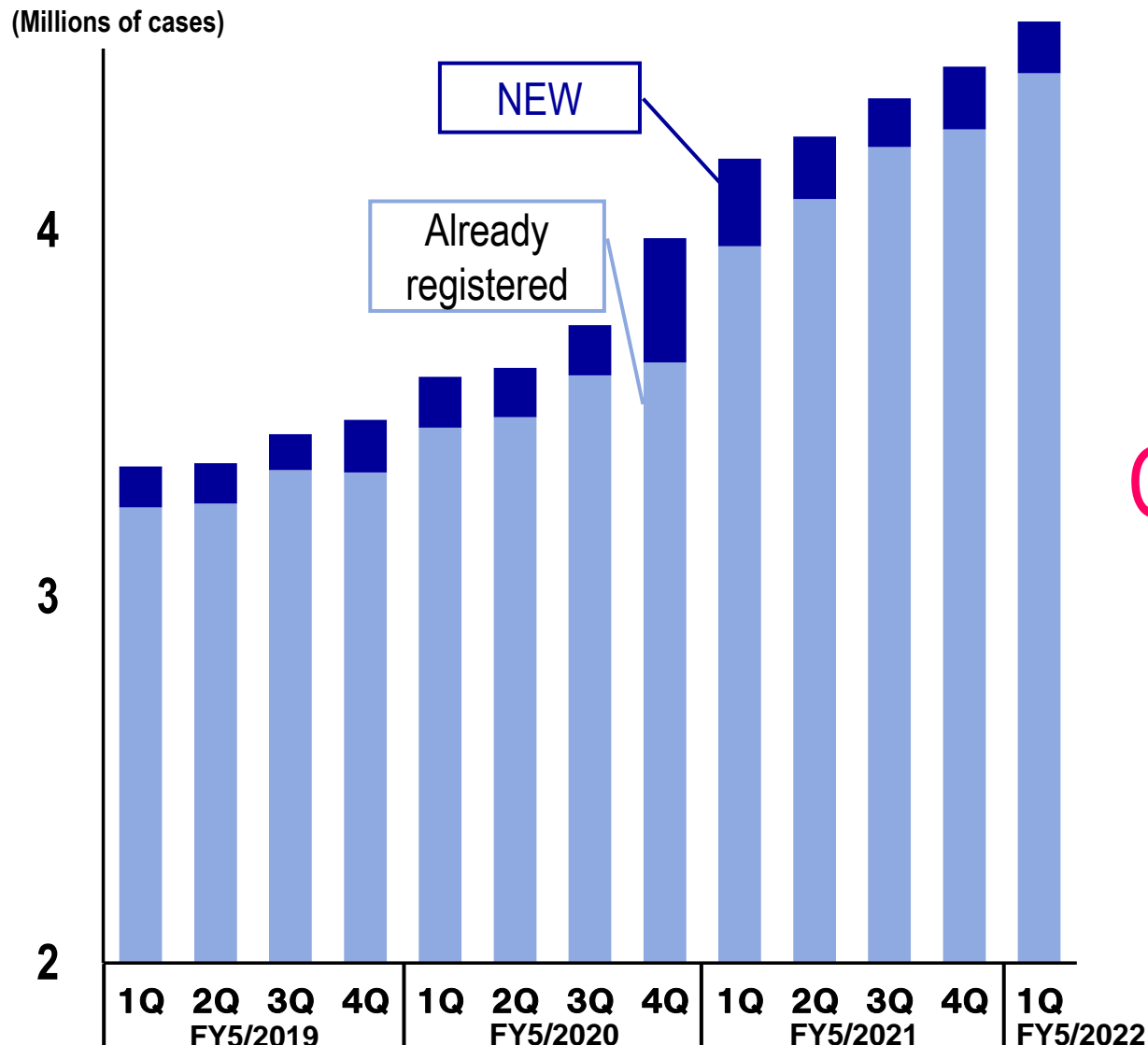


(¥billion)	FY5/2020 1Q		FY5/2021 1Q		FY5/2021 2Q		FY5/2021 3Q		FY5/2021 4Q		FY5/2022 1Q					
		Composition ratio %		Composition ratio %		Composition ratio %		Composition ratio %		Composition ratio %	Composition ratio %	YoY change	YoY change %	vs 2 years ago	vs 2 years ago %	
OA & PC	23.3	31.9	21.9	29.4	23.9	29.8	24.0	30.3	24.2	29.9	22.2	29.1	0.3	+1.7	(1.0)	-4.5
Stationery	10.3	14.1	9.5	12.8	10.1	12.7	10.1	12.8	11.5	14.3	9.5	12.5	0	+0.2	(0.7)	-7.6
Living Supplies	20.6	28.2	20.3	27.3	20.5	25.6	19.4	24.6	19.7	24.4	22.1	28.9	1.8	+8.9	1.5	+7.4
Furniture	5.0	6.9	4.5	6.1	5.1	6.4	5.4	6.9	6.8	8.5	5.0	6.6	0.4	+10.0	0	+0.1
MRO	8.1	11.2	8.3	11.2	9.0	11.3	9.0	11.5	9.3	11.5	8.8	11.6	0.4	+5.9	0.6	+8.2
Medical	4.0	5.5	8.2	11.1	9.3	11.7	9.0	11.5	7.4	9.2	7.1	9.3	(1.1)	-14.0	3.0	+77.0
Others	1.6	2.3	1.5	2.1	2.0	2.5	1.9	2.5	1.8	2.3	1.5	2.0	(0)	-0.2	(0.1)	-8.4
Total	73.2	100.0	74.5	100.0	80.3	100.0	79.2	100.0	81.1	100.0	76.5	100.0	1.9	+2.7	3.3	+4.6

Medical sales continued base growth despite the reactionary decline after the sharp rise in the previous term



B-to-B Number of Registered Customers*



Customer Base Keeps Expanding toward Post-Pandemic Growth

* New means the number of customers who registered in each quarter.
 Already registered is the number of customers calculated by excluding new customers from the total number of customers from whom ASKUL, SOLOEL ARENA, etc., can receive orders as of the end of each quarter.

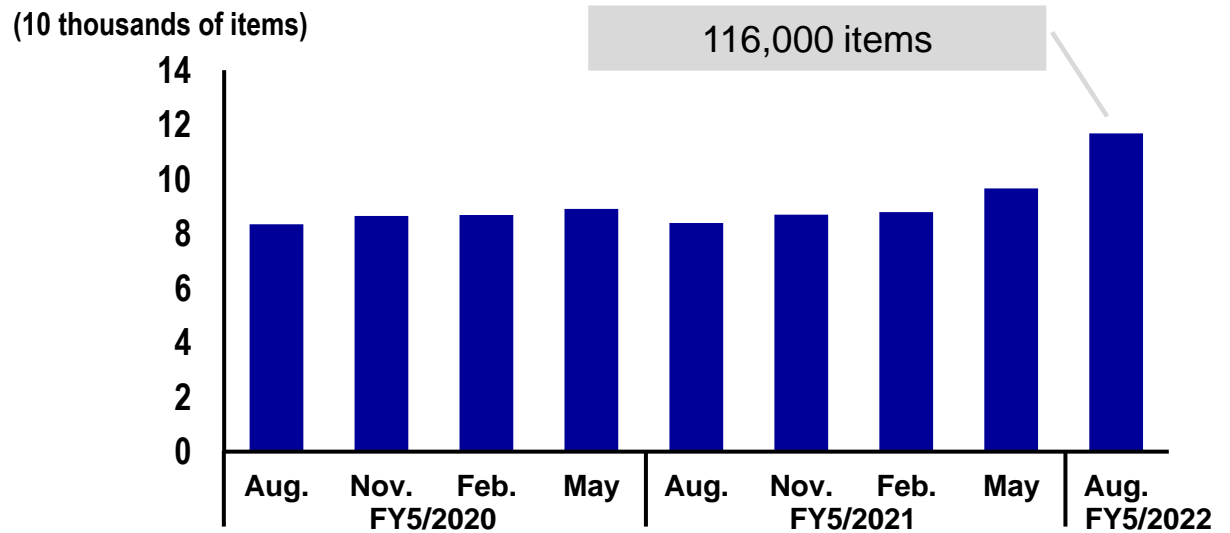
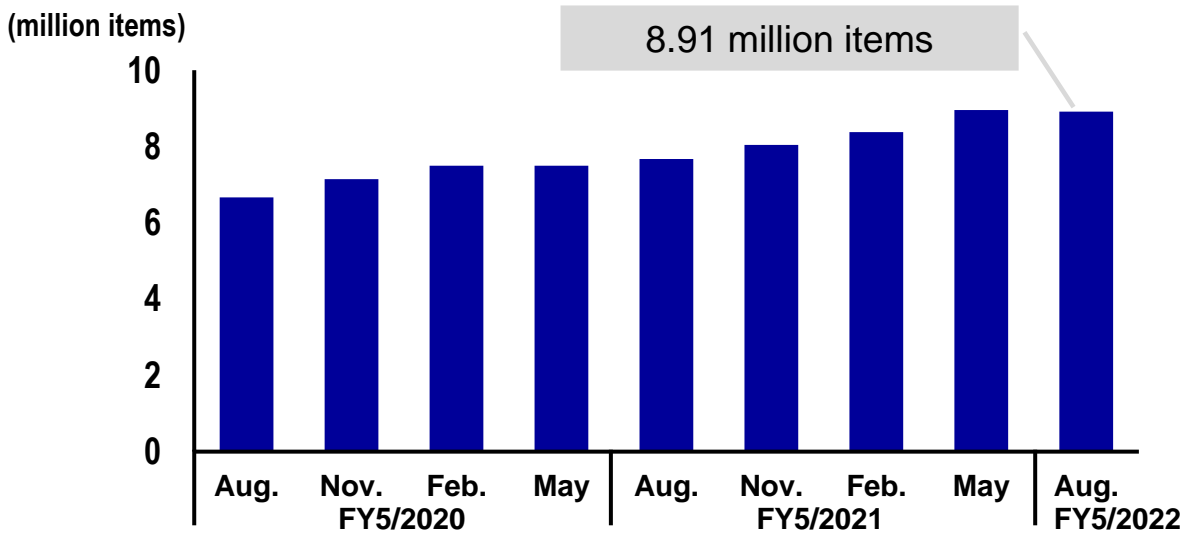
B-to-B Expansion of Product Assortments (Number of Products, Products in Stock)

Products Handled
(Medium-term target at 18 million items)

In-Stock Products
(Medium-term target at 330,000 items)

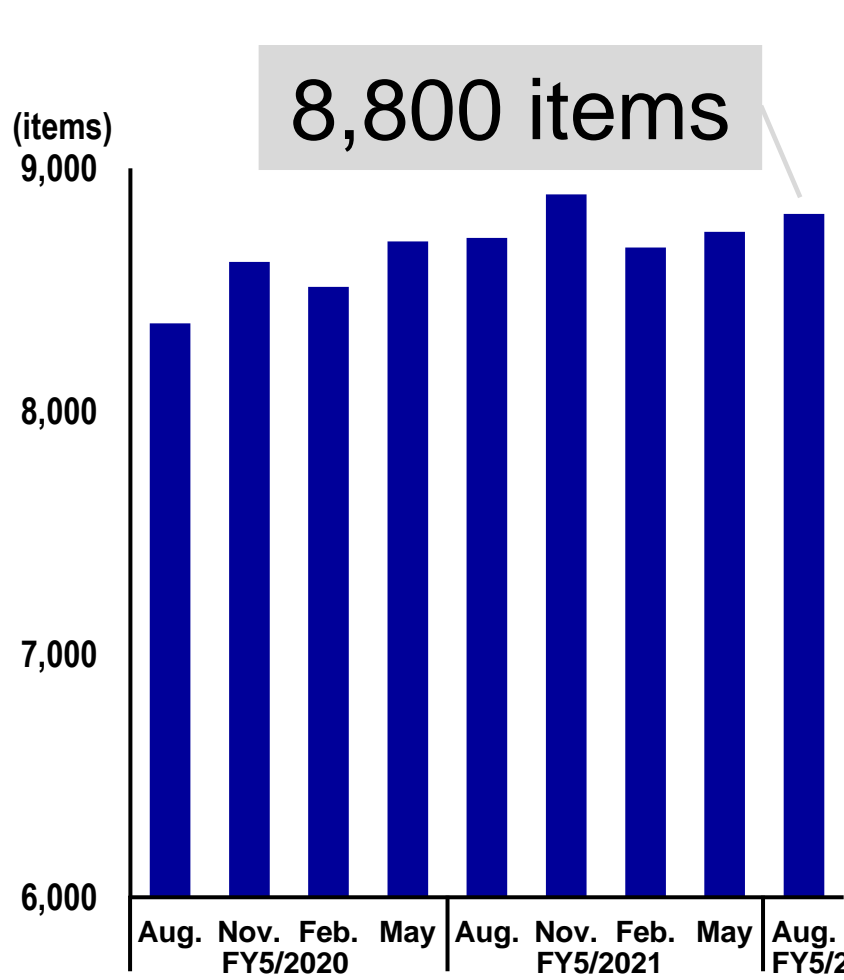
- ✓ 1Q period
New products handled: Over 100,000 items
Products suspended for sale temporarily:
100,000 items (due to a shortage of semiconductors)
- ✓ The launch speed will gain momentum after 2Q

- ✓ In response to needs from telework during the 1Q period, 17,000 items exclusive for LOHACO were put on the market of B-to-B
- ✓ From FY5/2023 when ASKUL Tokyo DC starts operation, expansion speed will accelerate

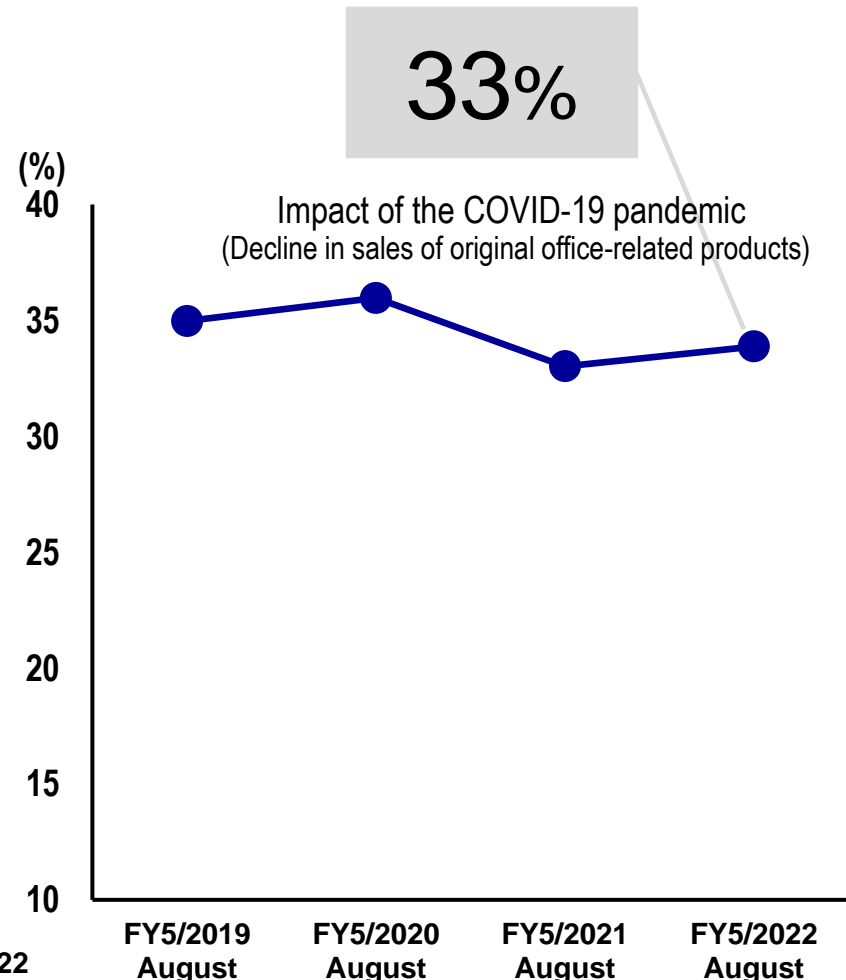


B-to-B Expansion of Product Assortments (ASKUL Original Products*)

Number of Items
(Medium-term targets at 12,000 items)



Share in Net Sales
(Sales of B-to-B in-stock products)

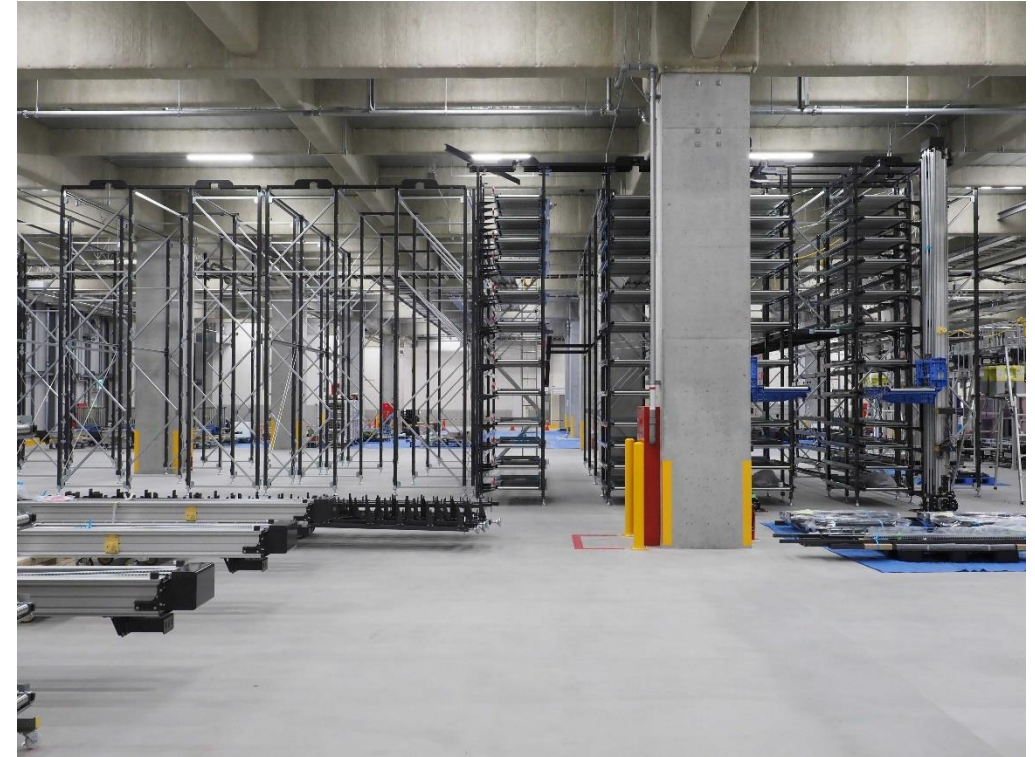


Reinforce
development of
original products
for two strategic
major industries

*1 Original products includes products exclusive to ASKUL
*2 Excluding original products exclusive to LOHACO



The construction of a material handling system started as planned to be put into operation in the summer of 2022.



The most advanced flagship center in eastern Japan that will realize the fastest speed (expansion of the number of in-stock products) and the highest efficiency (process reform)



Expand Customers' Buying-Around in the Second Half by Opening the SOLOEL ARENA Website to public

<Conceptual presentation of screens of search results in search engines>

Customers of Medium and large corporations using SOLOEL ARENA

Search

Packing tape

Online advertising

Advertising - www.askul.co.jp/
If you need packing tape, visit ASKUL - ASKUL official site for corporate customers

SEO

www.askul.co.jp/
OPP tape/Transparent tape Mail-Order ASKUL

www.AAA.co.jp/
OPP packaging tape Company A

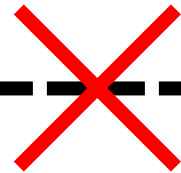
www.BBB.co.jp/
OPP packaging tape Company B

Online advertising

Advertising - View packaging tape

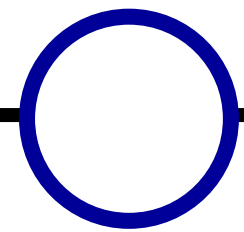
"Power of Gemba"
ASKUL Original
OPP transparent packing tape
¥●●●●

Before



Not displayed in search results

After



Visit the website directly from search results.



In ASKUL's website for small and medium-sized businesses, **40%** of sales are made through external search engines including product search.

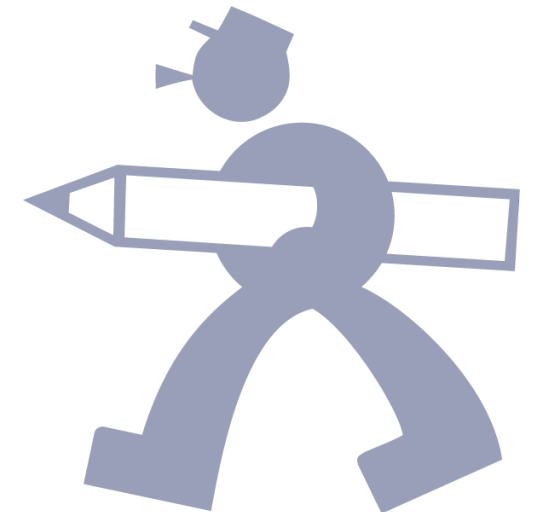
I. Consolidated Performance for 1Q FY5/2022

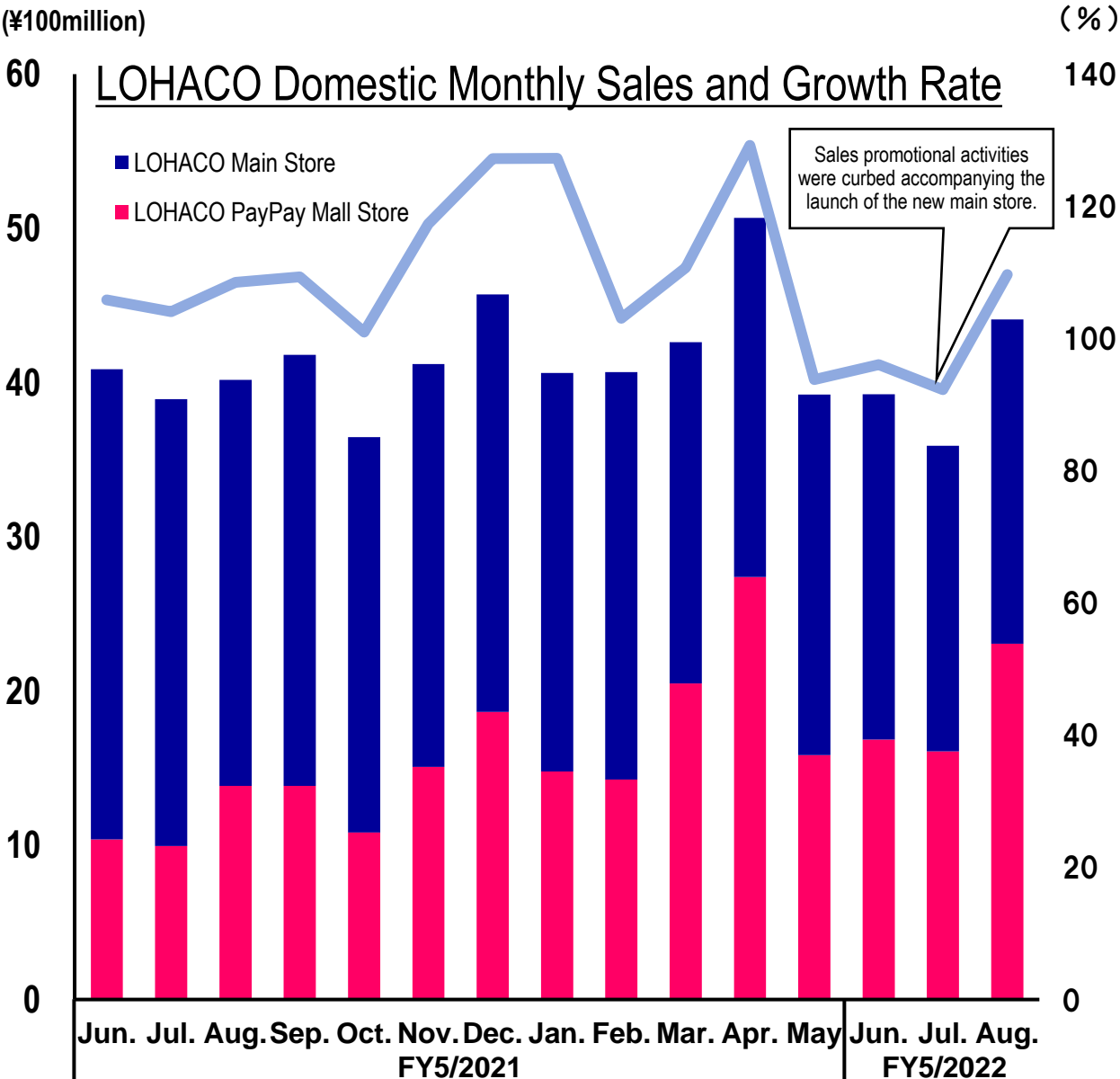
II. B-to-B

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Aim at Further Growth with Group Synergies

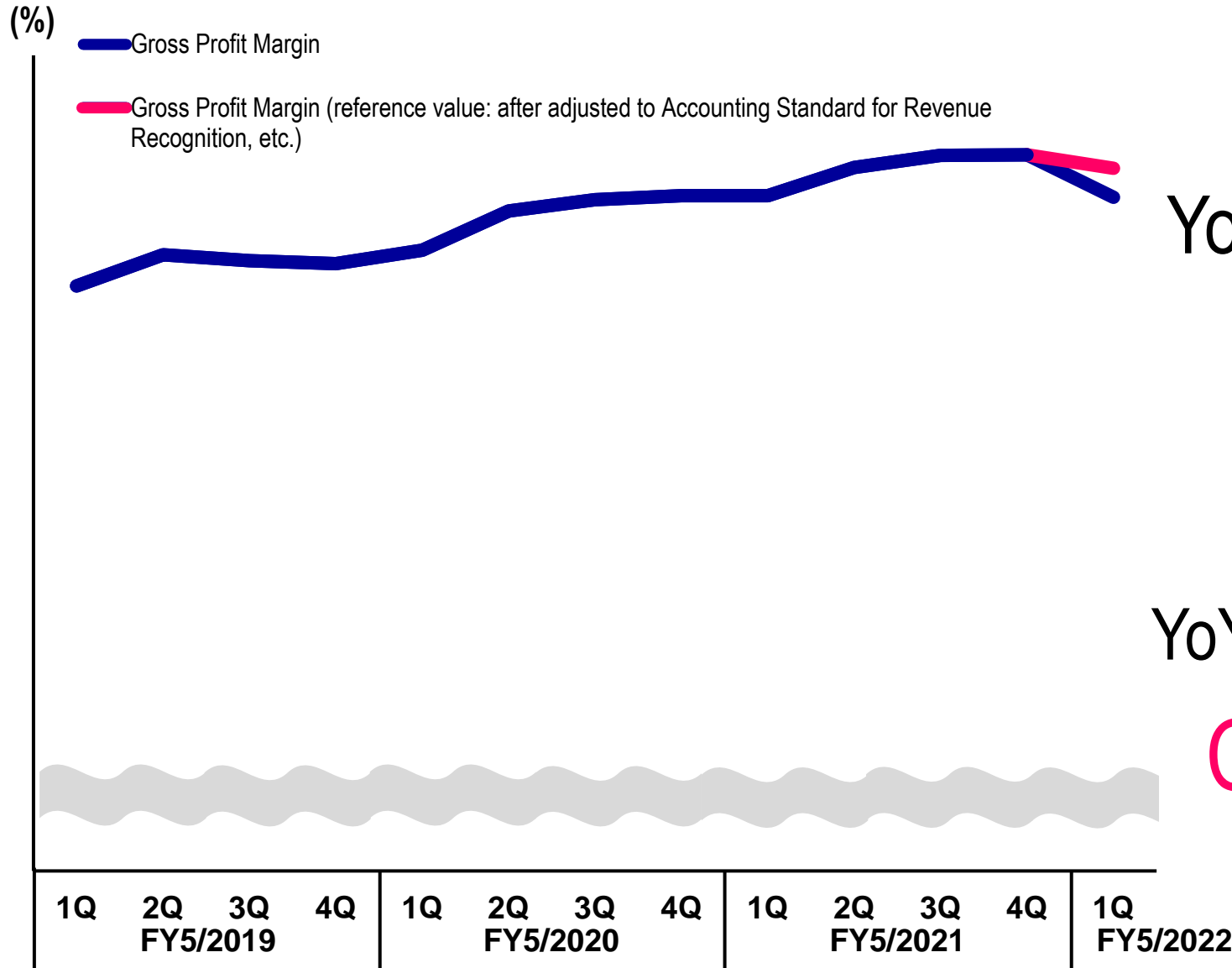


Renewal campaign (July 1 to July 26)



CYBER SUNDAY (August 7 to September 5)

LOHACO Gross Profit Margin



FY5/2022 1Q results
YoY change: Down 0.05 points



After adjusted to applying Accounting Standard for Revenue Recognition, etc.

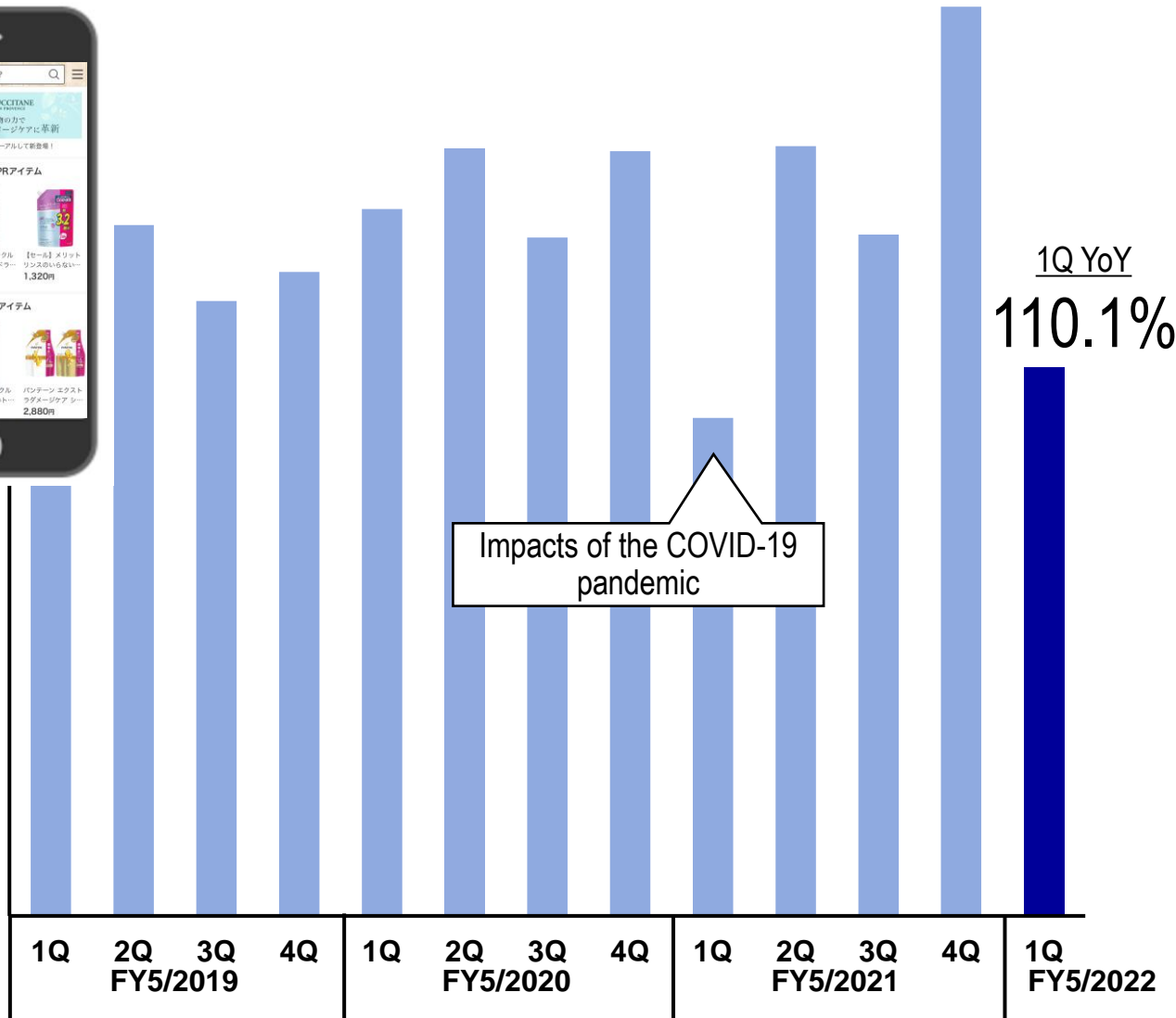
YoY change: **Up 0.9 points**

Continuously improved

LOHACO Advertising Fee Income

(Yen)

Advertising image



Impacts of the COVID-19 pandemic

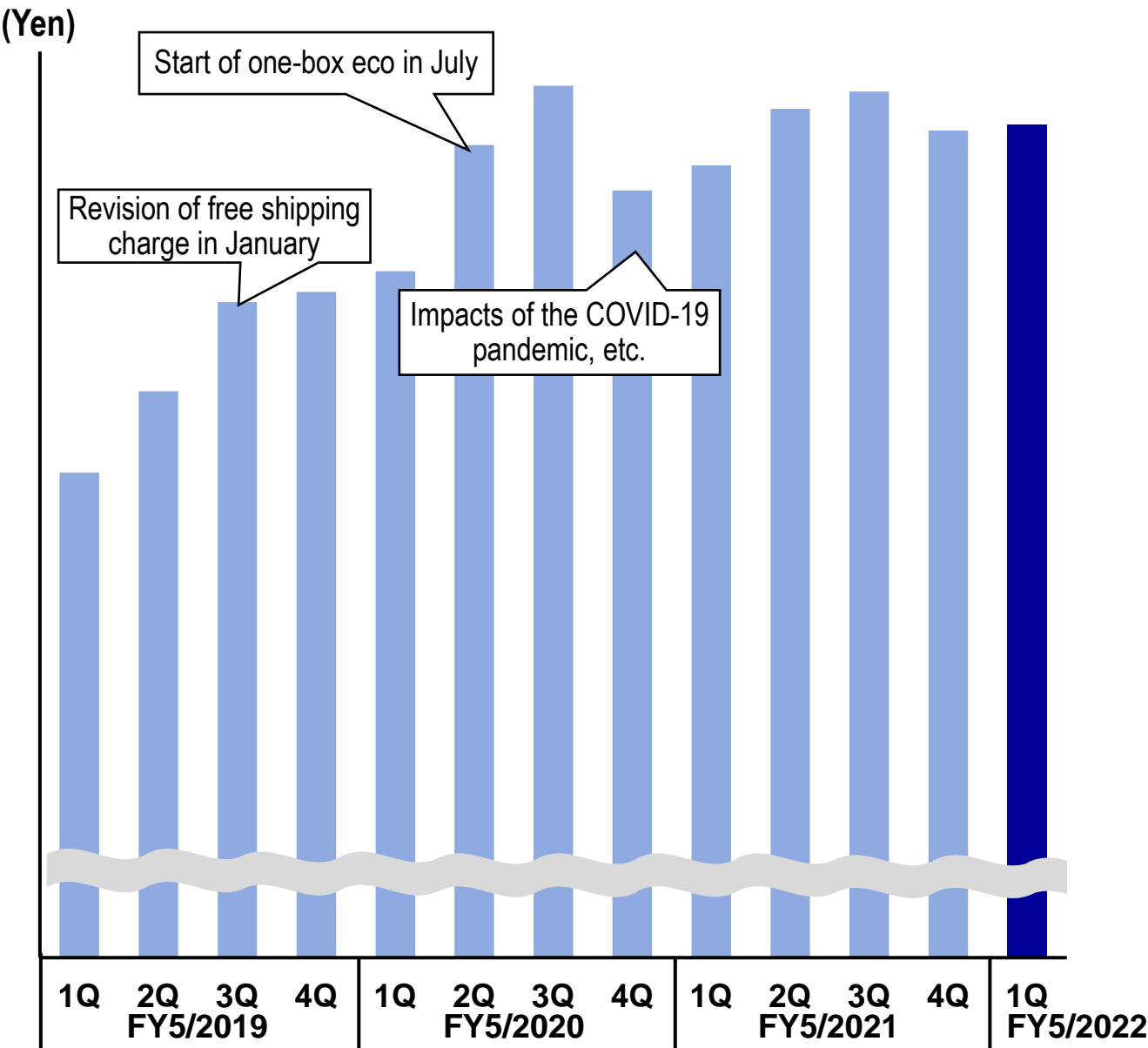
1Q YoY
110.1%

A temporary decline due to the curb on sales promotional activities accompanying the launch of the new main store



Will improve from 2Q

LOHACO Sales per Box (domestic)

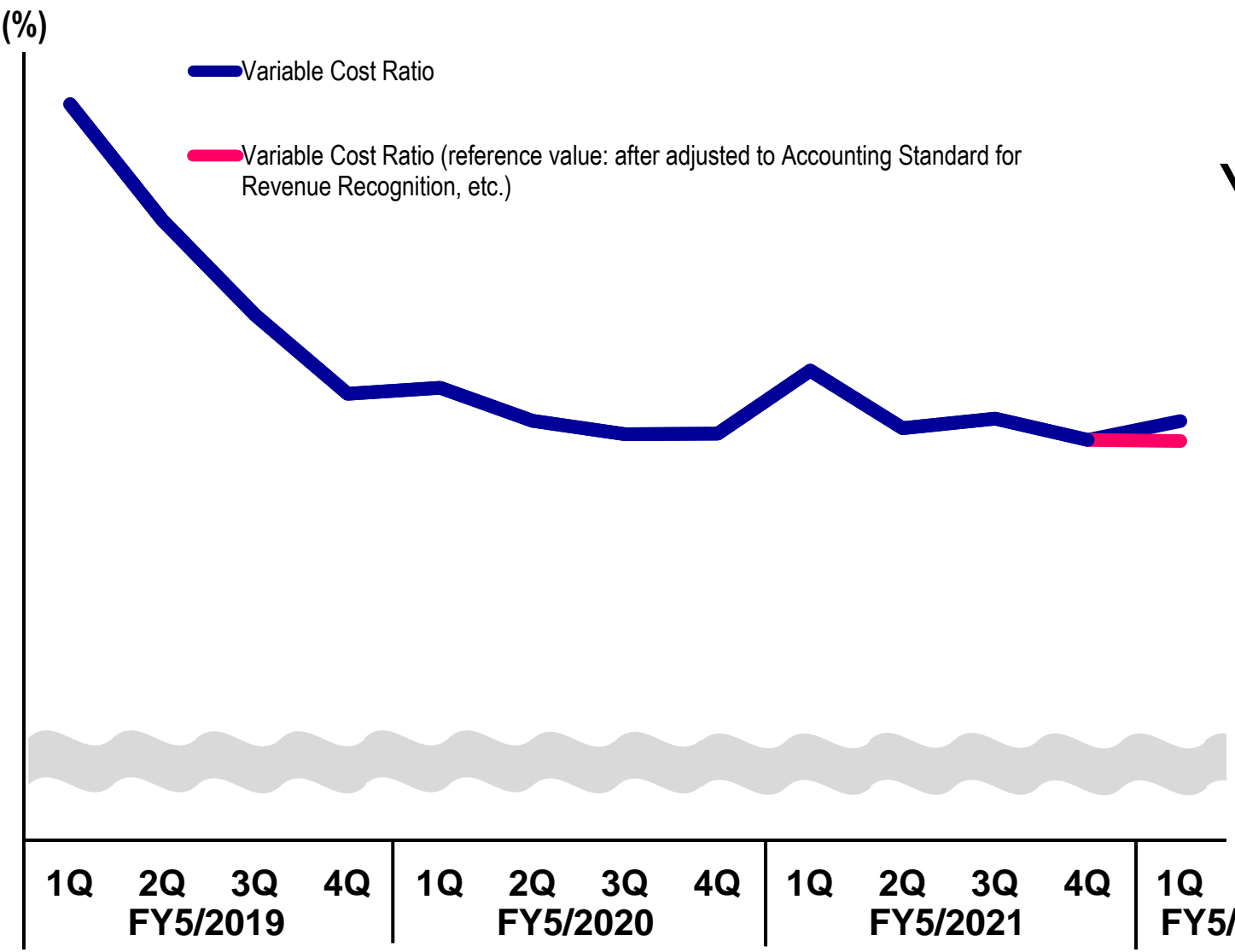


FY5/2022 1Q results
YoY change: **Up 3.1%**



Aim at further improvement through promoting buying-around

LOHACO Variable Cost Ratio



FY5/2022 1Q results
 YoY change: Down 0.8 points

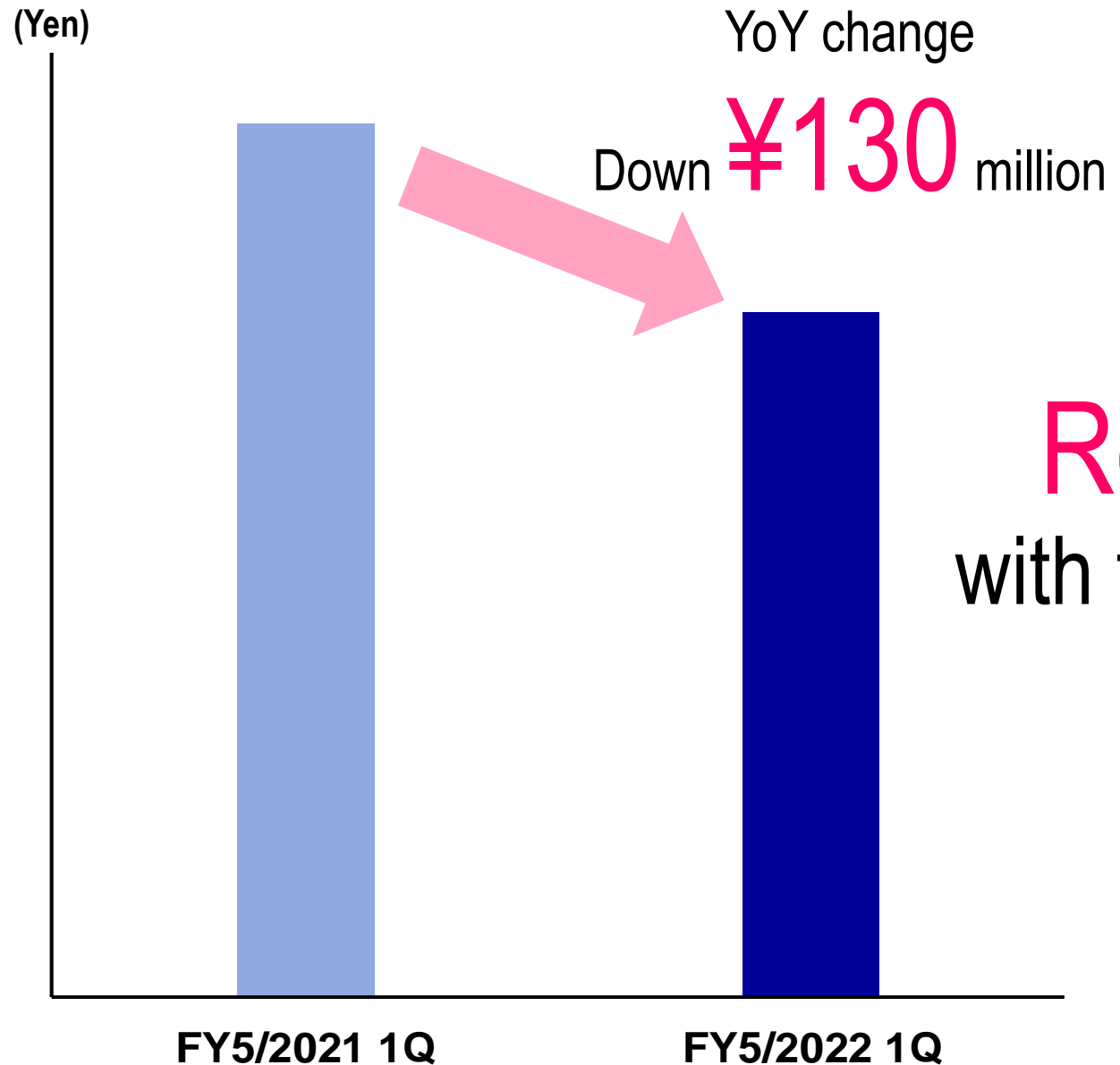


After adjusted to applying Accounting Standard for Revenue Recognition, etc.

YoY change:
Down 1.1 points
Progress as planned

LOHACO Fixed Costs(amortization of software and personnel expenses)

Non-Consolidated



Reduction of fixed costs
with the launch of the new main store

LOHACO Synergies with Z Holdings Group



Completion of the transfer of the system of the LOHACO Main Store to the platform provided by Yahoo



Reduction of Fixed Costs

Quick Commerce*

“PayPay Direct by ASKUL” put into service

- ✓ Approximately 300 kinds of products are on sale through the Demae-can service
- ✓ Demonstration tests started in some areas including Itabashi Ward, Tokyo (from July 28, 2021)

<Scheme Diagram>



<Assortment example>

- Frozen food
- Beverages (room temperature and refrigerated)
- Ice/ice cream
- Daily necessities



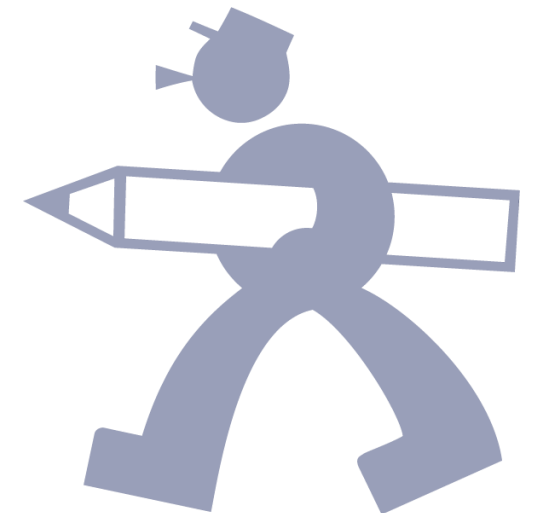
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July 2021

The ASKUL Group Formulated Voluntary Declaration of Consumer Orientation

The Group endorsed the “consumer-oriented management,” promoted by the Consumer Affairs Agency, and formulated a “Voluntary Declaration of Consumer Orientation,” to announce the Group’s policy for its realization.

For details, please visit below. (Japanese only)

<https://askul.disclosure.site/ja/themes/175>

The Group Started Joint Study with the University of Tokyo on “Overall Optimization Method of EC Logistics Applying Financial Engineering”

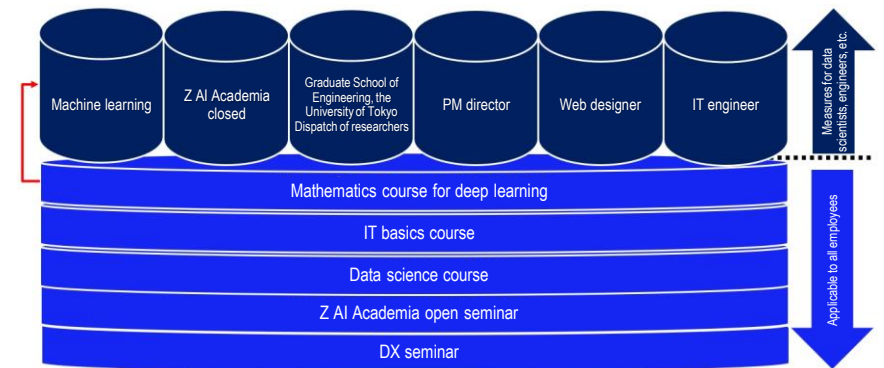
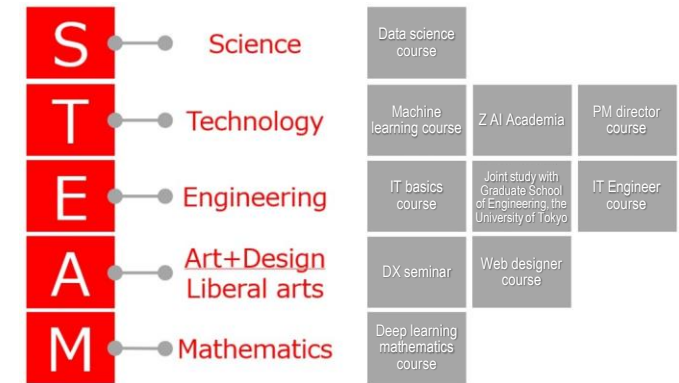
- ✓ Joint study with Associate Professor Kenji Tanaka, Graduate School of Engineering, the University of Tokyo
- ✓ Aim to “optimize logistics,” “have logistics evolve from a sustainable perspective,” and “improve the value of logistics service by utilizing data”

<Overview of the Study>

Study title	overall optimization method of EC logistics applying financial engineering
Objective	In recognition that theoretical and empirical analyses of financial markets have made significant progress, and as a result sophisticated engineering methods for managing risks and returns have been proposed in recent years, this study will realize an overall optimization model by applying such methods to EC logistics.
Contents of the study	Combine financial engineering, such as modern portfolio theory and game theory, and apply them to the overall optimization of issues on logistics.

“ASKUL DX ACADEMY” was Opened as Part of Acceleration of Transformation to DX Organization and Reinforcement of DX Human Resources Development

- ✓ Unique training program for development of DX human resources by employing the STEAM* model as the framework
- ✓ Applicable to not only data scientists and engineers but also all employees
- ✓ Aim to develop DX human resources and strengthen the foundation of human resources that push forward with the business transformation of the ASKUL Group



* It is a coined word made by combining the initials of five English words: Science, Technology, Engineering, Art (Art + Design Liberal Arts), and Mathematics. An educational philosophy that adds creativity education to the mathematics and science education that handles the five disciplines

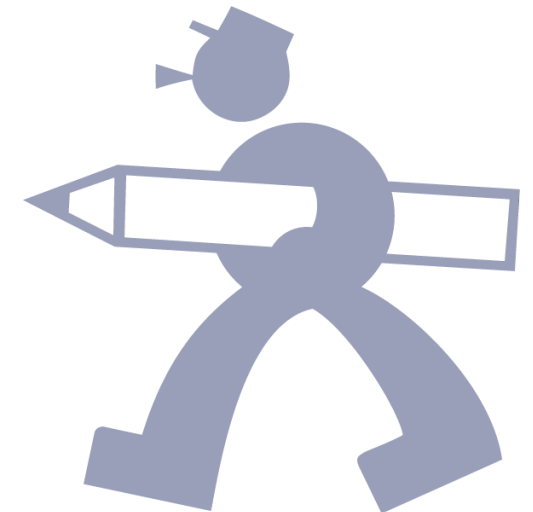
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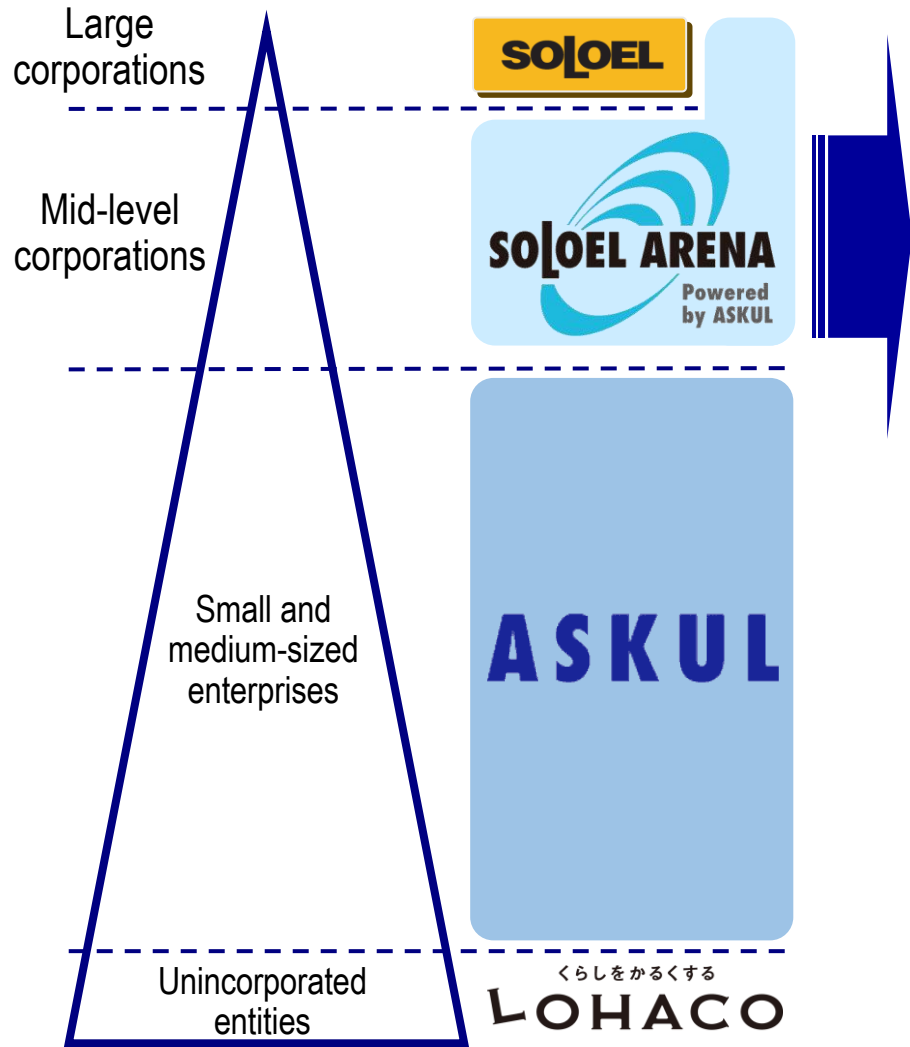
FY5/2022 Net Sales by Item

Non-Consolidated

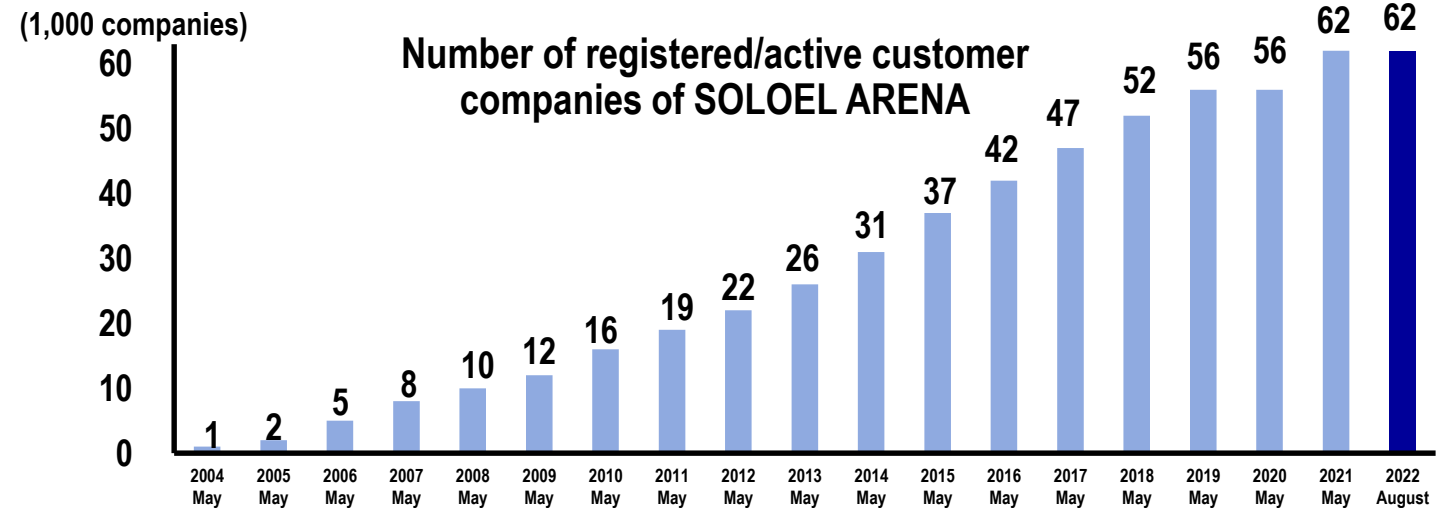
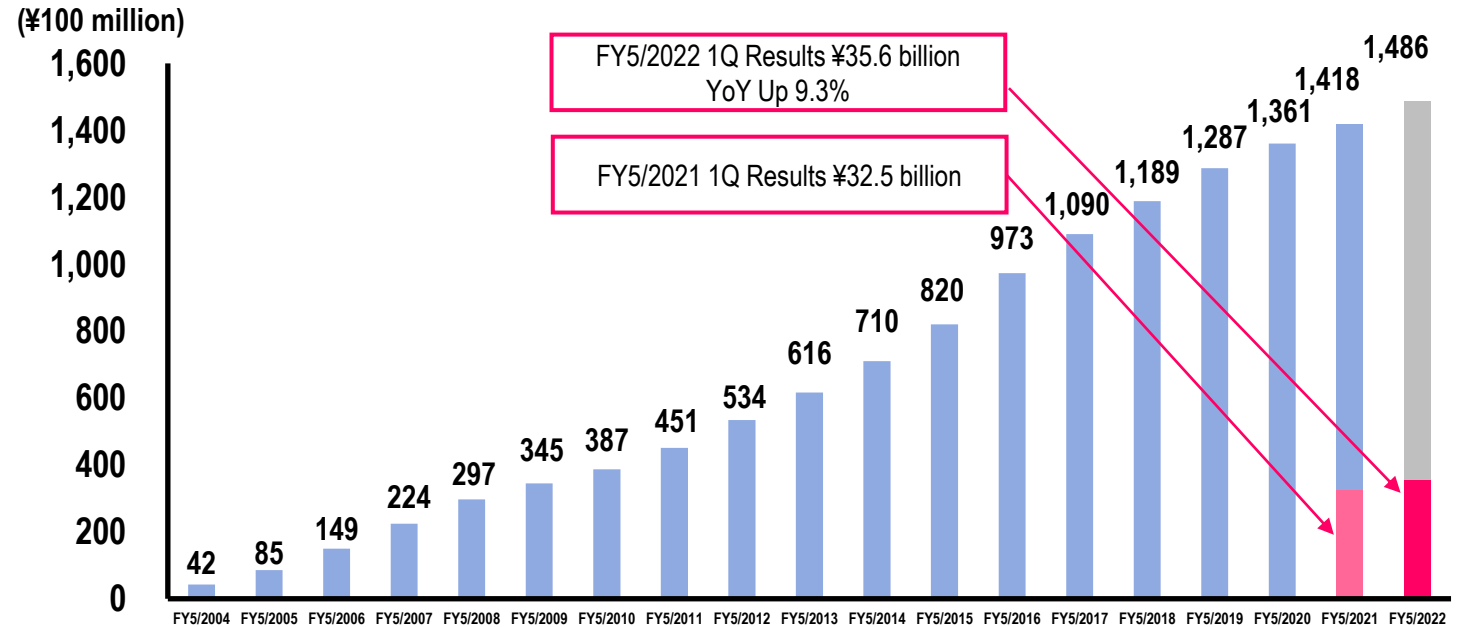


(¥billion)	FY5/2020 1Q		FY5/2021 1Q			FY5/2022 1Q			
		Composition ratio %		Composition ratio %	YoY change %		Composition ratio %	YoY change	YoY change %
OA & PC	23.7	27.8	22.5	25.7	-5.3	22.8	25.6	0.2	+1.3
Stationery	10.5	12.3	9.7	11.2	-7.2	9.7	11.0	(0)	-0.1
Living Supplies	31.1	36.5	30.9	35.4	-0.6	32.9	37.0	1.9	+6.4
Furniture	5.1	6.0	4.7	5.4	-7.4	5.1	5.8	0.4	+8.5
MRO	8.3	9.8	8.6	9.9	+3.1	9.1	10.2	0.4	+5.6
Medical	4.7	5.5	9.1	10.5	+94.5	8.0	9.0	(1.0)	-12.0
Others	1.8	2.1	1.6	1.9	-8.3	1.2	1.4	(0.3)	-22.0
Total	85.5	100.0	87.5	100.0	+2.3	89.1	100.0	1.6	+1.9

B-to-B Results of SOLOEL ARENA and others



Net sales value for SOLOEL ARENA and others





Gross profit: ¥24.9 billion YoY change: Up ¥0.1 billion

Gross profit margin: 24.4% YoY change: Down 0.4 points

➤ Impact of changes in B-to-B business category mix

SG&A expenses: ¥21.7 billion YoY change: Down ¥0.1 billion

Ratio of SG&A expenses to net sales: 21.2% YoY change: Down 0.6 points

➤ Improve in labor cost ratio and delivery cost ratio



Capital expenditures ¥3 billion(Annual plan: ¥13.4 billion)

Related to ASKUL Tokyo DC ¥1.4 billion

Related to the new ASKUL website ¥0.9 billion

(Reference) Depreciation and amortization of software: ¥1.3 billion (Annual plan: ¥6.1 billion)

Investment details

(¥ million)

Item	FY5/2021 1Q	FY5/2022 1Q	
	Amount	Amount	YoY Change
[Capital expenditures]	1,490	3,062	+105.5%
Property, plant and equipment	655	1,605	+144.9%
Intangible assets	835	1,457	+74.5%
Construction in progress (Note 2)	1,065	6,043	+467.1%
Software in progress (Note 2)	1,318	4,069	+208.6%

(Note 1) Capital expenditure is stated on an accrual basis.

(Note 2) Construction in progress and software in progress above present balances at the end of the quarter under review, and partially include consumption and other taxes.

1Q FY5/2022 Share of Orders Placed on the Internet of Net Sales and Original Products

Non-Consolidated



Share of orders placed on the Internet of net sales

	FY5/2021 1Q	FY5/2022 1Q	YoY Change
Orders via the Internet	85.3%	87.7%	+2.4 points
Other	14.7%	12.3%	-2.4points

Note 1: Percentages are based on orders placed.

ASKUL Original Products

(Item)

	Aug. of FY5/2021	Aug. of FY5/2022	YoY Change
Number of original products	9,970	10,270	+300
Share of non-consolidated net sales (of which, share of B-to-B business)	26.5% (33.0%)	26.7% (33.9%)	+0.2 points (+0.9points)

Note 1: The number of original products includes those with sales limited to ASKUL. Also, the calculation includes not only those items sold via catalogs but also items sold only via the Internet.

Note 2: The calculation of original products as a percentage of net sales includes original copy paper.

Note 3: From 4Q FY5/2018 onward, the calculation of B-to-B original products as a percentage of net sales uses B-to-B business inventory sales as the denominator.

ASKUL Environmental Policy

We, the ASKUL Group, strive with a shared sense of purpose to contribute to the realization of a sustainable society through the growth of our group as a company that supports our workplace, life, the planet and tomorrow.

Carbon neutral

- “2030 CO₂ Zero Challenge”
Reduce CO₂ that is emitted by business sites and distribution down to zero by 2030
- “RE100”
Raise a group-wide renewable energy utilization ratio to 100% by 2030
Realized 38% in the 1Q of FY5/2022
- “EV100”
Replace delivery vehicles owned and used by ASKUL LOGIST 100% with electric vehicles by 2030
In the 4Q of FY5/2021, seven new light EVs were introduced.



Resource recycling

- “1 box for 2 trees”
Confirm planting of two eucalyptus, double the amount of raw materials, by purchasing one box of original copy paper 
- Reduce disposal of returned products
Reduce returned products that lead to their disposal
Remake returned products into salable products
Sell returned products as “imperfect ones” at a discount
- A recycling value chain of used plastic products
Ministry of the Environment “FY2020 Demonstration Project for Constructing a Recycling System for Plastics and Other Resources to Support a Decarbonized Society”
Create a value chain for recycling plastic resources and reduce CO₂ emissions

Development and procurement of environmentally-friendly products

- Environmental response by original products
Development of original products by paying attention not only to quality and design but also to the environment

- Recycled paper bags “Come bag”
An FSC® certified* product, comprised of 85% paper pulp and 15% recycled pulp from ASKUL catalogs
* The FSC® certification system certifies “responsible management of the world’s forests”
Using FSC® certified products leads to forest conservation.

- Lineup of biomass shopping bags




ASKUL Environmental Policy

We, the ASKUL Group, strive with a shared sense of purpose to contribute to the realization of a sustainable society through the growth of our group as a company that supports our workplace, life, the planet and tomorrow.

2020 Selected as a “Climate Change A List” company by CDP



Companies included in “Climate Change A list” are ones selected as the highest rated by the international non-profit environmental organization Carbon Disclosure Project, CDP. If companies are taking excellent actions in response to climate change and disclosure of their information, they will be included in the list

2019 Announced support for “TCFD recommendations”
Selected as a “Climate Change A List” company by CDP



“TCFD recommendations” are international propositions, compiled by the Task Force on Climate-related Financial Disclosures (“TCFD”), concerning how corporations should voluntarily disclose information for the purpose of identifying and disclosing the financial impacts of risks and opportunities caused by climate change

2018 Obtained “Eco-First company” and “SBT” Certification



“SBT: Science Based Targets” are corporate targets to reduce global warming gas. The “Science Based Targets” organization, an international initiative, will approve them as targets that aim at scientifically based levels to achieve the “2°C target Efforts to keep the temperature well below 2°C and bring it below 1.5°C)” set out in the Paris Climate Accord

2017 Joined RE100 and EV100



The “Eco-First Company” is a company chosen by the Minister of the Environment as a company that engages in “advanced, unique and industry-leading business activities” in environmental conservation activities, such as global warming countermeasures and waste and recycling measures

2016 Signed up for the “United Nations Global Compact”
Announced the “2030 CO₂ Zero Challenge”



United Nations Global Compact (UNGC) is a voluntary initiative by which companies and organizations act as good members of society and participate in the creation of a global framework that realizes sustainable growth by demonstrating responsible and creative leadership

2013 Formulated Medium-Term Environmental Targets



“RE100” is an international business initiative, participated by companies that publicly aim to operate their business with 100% renewable energy

2003 Formulated ASKUL Environmental Policy



“EV100” is an international business initiative, participated by companies that publicly aim to replace all of their business-purpose vehicles with electric vehicles

Together with colleagues

- Diversity-oriented management
ASKUL's Declaration of Diversity (2015)
 - Utilize diverse human resources
Promote female active participation and enhance the ratio of female managers
Declared a target of raising the ratio of female managers to 30% by 2025
Participated in 30% Club Japan
 - Promote diverse work styles
Systems for leave and shorter working hours for childcare
Systems for leave and shorter working hours for nursing care
Holding of nursing care seminars
Telework system: Abolished the limit on the number of times per month for teleworking
Flextime system: Eliminated the core time
Office where employees can work with peace of mind (Thorough preventive measures against infection)



- ASKUL LOGIST: Provide free lunches
Promotion of health-oriented management by providing free lunches to employees working in logistics, delivery, and headquarters so that they can work in good physical and mental health



- ASKUL LOGIST Fukuoka Distribution Center's efforts to employ persons with disabilities in cooperation with local communities

Legal employment rate at 25.8%*
(Legal employment rate of private companies is 2.3%)
* Legal employment ratio calculated in units of business sites as of August 20, 2021)



Together with customers

- Improvement activities starting with customer voices
 - Share customer voices
Distribute internally opinions, requests, and suggestions received from customers by phone, e-mail, on the website, and on Twitter to ensure that all employees grasp the situation.
 - Operation of "Customer Satisfaction Improvement Committee"
Based on feedback from customers, related divisions cooperate in implementing service evolution and quality improvement activities.
- Efforts in contact points for inquiries
 - Hold CS Week
Hold an event once a year to express our gratitude to communicators who attend to customers on the front line every day.
Hold a variety of events every year, such as recognition of long service, lottery competitions, and gift giving.

Initiatives with business partners

- Declaration of support and voluntary action for the "White Logistics" promotion campaign
A movement to resolve the shortage of truck drivers and work to realize a more employee friendly working environment in which productivity in truck transportation is improved, efficiency in logistics is raised, and some kinds of drivers, such as women and people over the age of 60, will find it easy to work
- Sustainable Procurement Policy
Formulated in April 2021. In order to help realize a sustainable society, fulfill our corporate social responsibilities in cooperation with our business partners with attention paid to the environment, safety and human rights among others
- Supply Chain CSR Survey
Investigate the status of efforts of suppliers as corporations and actively communicate with them concerning the six aspects of the environment; worry-free and safe products; legal compliance and fair trade; human rights; the working environment; and response to risks and changes.

Social contribution activities

- Supporting East Japan Reconstruction through Impact Investment and Donations
The Group supports projects in three prefectures in the Tohoku region that are intended to solve social problems and revitalize local communities. It does so with the aim of offering cyclical support through donations and impact investing in cooperation with manufacturers. A soil enrichment material manufacturer in Miyagi Prefecture and a confectionery manufacturer in Iwate Prefecture have been decided to be the first recipients of the support.
- Project for looking into air and water environments
In a joint project with S.T. Corporation, the ASKUL Group donates part of the sales of "S.T. Toilet Deodorant and Deodorant Spray," exclusively for sale by ASKUL, to associations that are engaged in improving air and water environments, thereby supporting their activities. The first case will be donated to approved specified NPO, Water Aid Japan.
- Concluded SDGs Collaboration Agreement with City of Tsushima
There are many points in common between Tsushima City's SDGs Future City Plan and ASKUL's approach to and direction of resource circulation. Therefore, the SDGs Collaboration Agreement was concluded in February 2021 to promote joint activities that make effective use of the resources and know-how of both sides to achieve the SDGs targets.

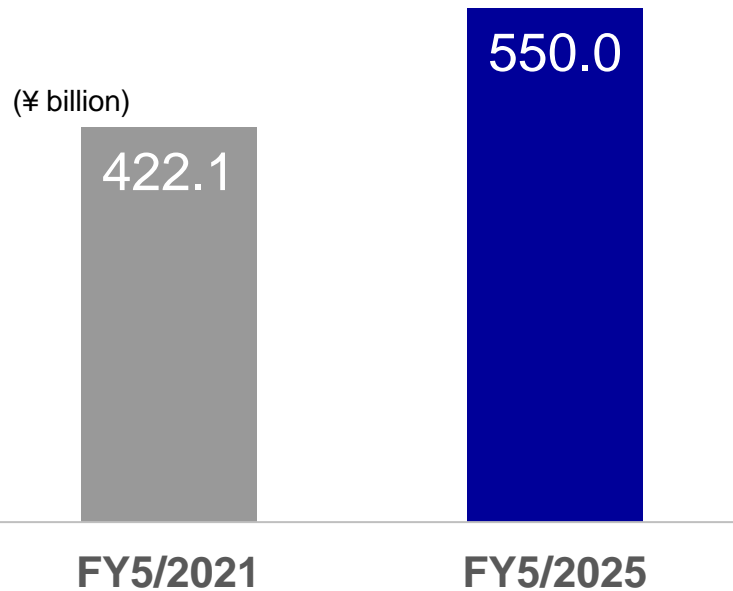


FY5/2025

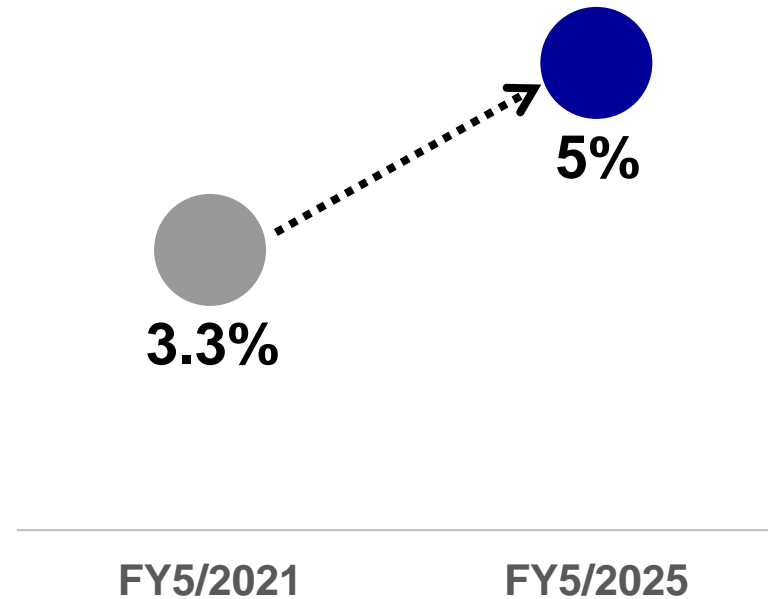
Net Sales **¥550 billion** Operating Income Ratio **5%**

Cumulative investments from FY5/2022 to FY5/2025: More than ¥30 billion

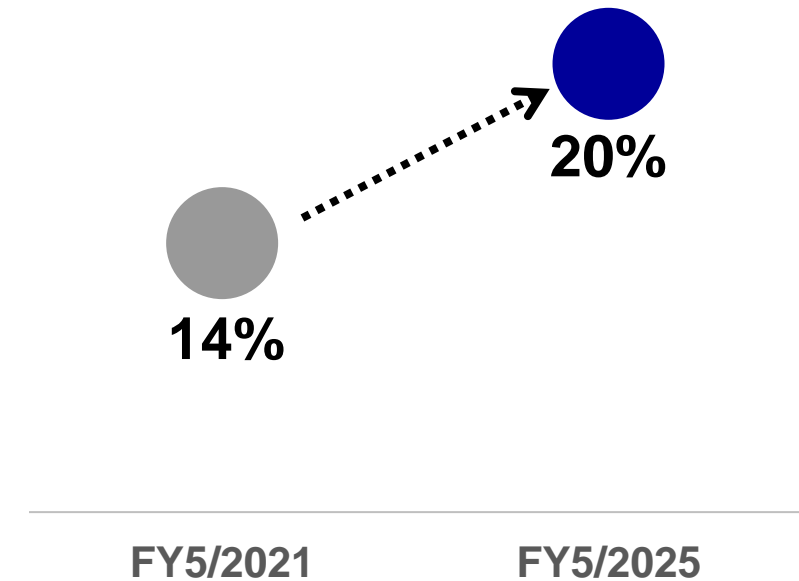
Consolidated net sales
Annual average growth rate:
Over 6%



Consolidated operating income ratio
Annual average growth rate:
Over 18%



Consolidated return on equity (ROE)



Most Significant Strategies in Medium-term Management Plan from FY5/2022 to FY5/2025



Medium-Term Growth Scenario

(From “From FY5/2022 to FY5/2025 Medium-Term Management Plan” announced in July 2021)

Establishment of the most powerful
B-to-B EC website

Strategic industries and
expansion of product assortments

Synergies with Z Holdings Group

Reform of the platform

FY5/2021

FY5/2022

FY5/2023

FY5/2024

FY5/2025

1. Establishment of the most powerful B-to-B EC website

The two EC websites, ASKUL for small and medium-size businesses and SOLOEL ARENA for mid-level and large corporations, are integrated into one. Aim to become the most powerful B-to-B EC website by not only combining the features of the two sites but also deploying the function to respond to the need from teleworking. In this way, increase the frequency of customers' purchasing and the purchase amount per customer and enhance the customer retention rate by consolidating purchases.

2. Strategic industries and expansion of product assortments

Expand product lineups centered on specialized products for customers in the two major industries of medical and nursing care, and manufacturing. The plan to double the number of items handled (18 million), quadruple in-stock products (330,000) and increase original products by 1.4 times (12,000), compared with those in May 2021. The two measures of the launch of the new ASKUL website and expansion of product assortments will drive double-digit B-to-B growth for FY5/2025.

3. Synergies with Z Holdings Group

The Group will further concentrate its resources on its strengths of products, logistics and CRM by fully utilizing the infrastructure of Z Holdings in terms of attracting customers, site platform and payment systems. Strengthen cooperation with the Z Holdings Group to achieve regrowth after turning profitable. “PayPay Direct by ASKUL,” a joint fast delivery business with the Z Holdings Group, was launched in July 2021.

4. Reform of the platform

The plan to evolve the high-speed logistics, which is ASKUL's strength, then realize “Come tomorrow” for long-tail products through measures, such as structural reform of distribution centers, integration of B-to-B and B-to-C logistics, and application of DX to value chains. “ASKUL Tokyo DC,” the most advanced core center in eastern Japan, which will play an important role in bringing this project into being, is scheduled to start operating in the summer of 2022.



Continuously bringing delight to our workplace, life, the planet and tomorrow.