

Note: This document is a translation of a part of the original Japanese version and provided for reference purposes only. In the event of any discrepancy between the Japanese original and this English translation, the Japanese original shall prevail.



Excerpt from Consolidated Financial Results for the Nine Months Ended February 20, 2022 [Japanese GAAP]*

March 15, 2022

Company name: ASKUL Corporation

Stock exchange listing: Tokyo

Code number: 2678

URL: <https://www.askul.co.jp/kaisya/ir/>

Representative: Akira Yoshioka

President and chief executive officer

Contact: Tsuguhiko Tamai

Executive officer and chief financial officer

Phone: 03-4330-5130

Scheduled date of filing quarterly securities report: March 25, 2022

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

(Amounts of less than one million yen are rounded down)

1. Consolidated Financial Results for the Nine Months Ended February 20, 2022 (May 21, 2021 to February 20, 2022)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | |
|----------------------------------------|-------------|-----|------------------|------|-----------------|------|-----------------------------------------|------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % |
| Nine months ended February 20, 2022 | 317,994 | 1.6 | 10,637 | 3.4 | 10,646 | 4.0 | 7,131 | 15.9 |
| February 20, 2021 | 313,003 | 4.5 | 10,286 | 62.3 | 10,236 | 63.8 | 6,150 | 49.4 |

(Note) Comprehensive income: Nine months ended February 20, 2022: ¥ 7,198 million [17.3%]
 Nine months ended February 20, 2021: ¥ 6,135 million [48.9%]

| | Basic earnings per share | Diluted earnings per share |
|----------------------------------------|--------------------------|----------------------------|
| | Yen | Yen |
| Nine months ended February 20, 2022 | 69.72 | 69.65 |
| February 20, 2021 | 60.16 | 60.03 |

(2) Consolidated Financial Position

| | Total assets | Net assets | Capital adequacy ratio |
|----------------------------|--------------|-------------|------------------------|
| | Million yen | Million yen | % |
| As of February 20, 2022 | 195,547 | 58,808 | 29.8 |
| May 20, 2021 | 190,107 | 59,203 | 30.9 |

(Reference) Equity: As of February 20, 2022: ¥ 58,317 million
 As of May 20, 2021: ¥ 58,777 million

2. Dividends

| | Annual dividends | | | | |
|-----------------------------------------------|------------------|-----------------|-----------------|----------|-------|
| | 1st quarter-end | 2nd quarter-end | 3rd quarter-end | Year-end | Total |
| | Yen | Yen | Yen | Yen | Yen |
| Fiscal year ended May 20, 2021 | - | 19.00 | - | 30.00 | 49.00 |
| Fiscal year ending May 20, 2022 | - | 15.00 | - | | |
| Fiscal year ending May 20, 2022 (Forecast) | | | | 15.00 | 30.00 |

(Note) Revision to the forecast for dividends announced most recently: No

(Note) Breakdown of the 3rd quarter dividend for the fiscal year ending May 20, 2022 :

| | |
|------------------------|-------|
| Commemorative dividend | - yen |
| Special dividend | - yen |

3. Consolidated Financial Results Forecast for the Fiscal Year Ending May 20, 2022(May 21, 2021 to May 20, 2022)

(% indicates changes from the previous corresponding period.)

| | Net sales | | Operating profit | | Ordinary profit | | Profit attributable to owners of parent | | Basic earnings per share |
|-----------|-------------|-----|------------------|-----|-----------------|-----|-----------------------------------------|------|--------------------------|
| | Million yen | % | Million yen | % | Million yen | % | Million yen | % | Yen |
| Full year | 430,000 | 1.9 | 14,000 | 0.5 | 13,900 | 0.4 | 9,000 | 16.0 | 87.82 |

(Note) Revision to the financial results forecast announced most recently: No

* Notes:

(1) Changes in significant subsidiaries during the nine months ended February 20, 2022

(changes in specified subsidiaries resulting in changes in scope of consolidation): No

| | | | |
|------------|---|----------------|---|
| New | - | (Company name: |) |
| Exclusion: | - | (Company name: |) |

(2) Accounting policies adopted specially for the preparation of quarterly consolidated financial statements: No

(3) Changes in accounting policies, changes in accounting estimates and retrospective restatement

1) Changes in accounting policies due to the revision of accounting standards: Yes

2) Changes in accounting policies other than 1) above: No

3) Changes in accounting estimates: No

4) Retrospective restatement: No

(4) Total number of issued shares (common shares)

1) Total number of issued shares at the end of the period (including treasury shares):

February 20, 2022: 102,518,800 shares

May 20, 2021: 102,518,800 shares

2) Total number of treasury shares at the end of the period:

February 20, 2022: 2,874,339 shares

May 20, 2021: 41,874 shares

3) Average number of shares during the period:

Nine months ended February 20, 2022: 102,288,436 shares

Nine months ended February 20, 2021: 102,246,974 shares

* This excerpt from the Summary of Consolidated Financial Results is not subject to quarterly review.

* Notes for using forecasted information and others Earnings forecasts and other forward-looking statements contained in this document are based on the information ASKUL has obtained to date and on certain assumptions it considers reasonable. As such, these forecasts and statements are not intended as a commitment by the Company to achieve them. Note also that actual results and other future events may differ materially from these forecasts and statements due to a variety of factors.

Quarterly Consolidated Financial Statements
Quarterly Consolidated Balance Sheets

(Million yen)

| | As of May 20,2021 | As of February 20,2022 |
|---------------------------------------------|-------------------|------------------------|
| Assets | | |
| Current assets | | |
| Cash and deposits | 66,259 | 64,493 |
| Notes and accounts receivable - trade | 45,582 | 49,934 |
| Merchandise and finished goods | 17,925 | 17,910 |
| Raw materials and supplies | 266 | 309 |
| Costs on construction contracts in progress | 35 | 39 |
| Accounts receivable - other | 12,013 | 11,605 |
| Other | 1,242 | 1,604 |
| Allowance for doubtful accounts | (34) | (39) |
| Total current assets | 143,291 | 145,857 |
| Non-current assets | | |
| Property, plant and equipment | | |
| Buildings and structures | 8,587 | 9,089 |
| Accumulated depreciation | (3,599) | (4,045) |
| Buildings and structures, net | 4,987 | 5,044 |
| Land | 132 | 119 |
| Leased assets | 19,787 | 21,173 |
| Accumulated depreciation | (7,440) | (8,942) |
| Leased assets, net | 12,346 | 12,230 |
| Other | 10,539 | 10,883 |
| Accumulated depreciation | (7,430) | (8,090) |
| Other, net | 3,108 | 2,792 |
| Construction in progress | 4,391 | 4,622 |
| Total property, plant and equipment | 24,966 | 24,808 |
| Intangible assets | | |
| Software | 5,983 | 6,021 |
| Software in progress | 3,350 | 6,436 |
| Goodwill | 1,614 | 1,431 |
| Other | 88 | 81 |
| Total intangible assets | 11,036 | 13,971 |
| Investments and other assets | | |
| Investment securities | 183 | 143 |
| Deferred tax assets | 4,043 | 3,617 |
| Other | 7,365 | 7,946 |
| Allowance for doubtful accounts | (780) | (798) |
| Total investments and other assets | 10,812 | 10,909 |
| Total non-current assets | 46,815 | 49,689 |
| Total assets | 190,107 | 195,547 |

(Million yen)

| | As of May 20,2021 | As of February 20,2022 |
|-------------------------------------------------|-------------------|------------------------|
| Liabilities | | |
| Current liabilities | | |
| Notes and accounts payable - trade | 51,474 | 55,986 |
| Electronically recorded obligations - operating | 23,497 | 29,148 |
| Short-term borrowings | 380 | 380 |
| Current portion of long-term borrowings | 12,649 | 10,647 |
| Accounts payable - other | 12,369 | 11,515 |
| Income taxes payable | 2,793 | 1,445 |
| Accrued consumption taxes | 1,006 | 607 |
| Provisions | 926 | 526 |
| Other | 3,688 | 4,502 |
| Total current liabilities | 108,786 | 114,759 |
| Non-current liabilities | | |
| Long-term borrowings | 2,115 | 1,866 |
| Lease obligations | 11,211 | 10,931 |
| Retirement benefit liability | 4,127 | 4,274 |
| Asset retirement obligations | 2,714 | 2,684 |
| Other | 1,948 | 2,222 |
| Total non-current liabilities | 22,117 | 21,979 |
| Total liabilities | 130,903 | 136,738 |
| Net assets | | |
| Shareholders' equity | | |
| Share capital | 21,189 | 21,189 |
| Capital surplus | 14,320 | 14,320 |
| Retained earnings | 23,391 | 27,442 |
| Treasury shares | (81) | (4,601) |
| Total shareholders' equity | 58,819 | 58,350 |
| Accumulated other comprehensive income | | |
| Remeasurements of defined benefit plans | (42) | (33) |
| Total accumulated other comprehensive income | (42) | (33) |
| Share acquisition rights | (5) | 0 |
| Non-controlling interests | 431 | 489 |
| Total net assets | 59,203 | 58,808 |
| Total liabilities and net assets | 190,107 | 195,547 |

Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the nine months)

(Million yen)

| | For the nine months ended February 20,2021 | For the nine months ended February 20,2022 |
|--------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| Net sales | 313,003 | 317,994 |
| Cost of sales | 235,432 | 240,543 |
| Gross profit | 77,570 | 77,451 |
| Reversal of provision for sales returns | 26 | - |
| Provision for sales returns | 31 | - |
| Gross profit - net | 77,565 | 77,451 |
| Selling, general and administrative expenses | 67,279 | 66,813 |
| Operating profit | 10,286 | 10,637 |
| Non-operating income | | |
| Interest income | 30 | 31 |
| Rental income | 141 | 74 |
| Subsidy income | 67 | 134 |
| Other | 38 | 28 |
| Total non-operating income | 278 | 269 |
| Non-operating expenses | | |
| Interest expenses | 174 | 168 |
| Rental expenses | 132 | 61 |
| Other | 20 | 30 |
| Total non-operating expenses | 327 | 260 |
| Ordinary profit | 10,236 | 10,646 |
| Extraordinary income | | |
| Gain on sale of non-current assets | 1 | 0 |
| Insurance claim income | - | 226 |
| Gain on reversal of share acquisition rights | 1 | 3 |
| Total extraordinary income | 3 | 230 |
| Extraordinary losses | | |
| Loss on sale of non-current assets | 0 | 6 |
| Loss on retirement of non-current assets | 7 | 130 |
| Loss on valuation of investment securities | 48 | 40 |
| Loss on sale of shares of subsidiaries | 24 | - |
| Loss on retirement of treasury subscription rights to shares | - | 21 |
| Provision of allowance for doubtful accounts | 1,000 | - |
| Loss on disaster | 248 | - |
| Other | 6 | 6 |
| Total extraordinary losses | 1,336 | 204 |
| Profit before income taxes | 8,903 | 10,672 |
| Income taxes - current | 2,652 | 3,060 |
| Income taxes - deferred | 126 | 421 |
| Total income taxes | 2,779 | 3,482 |
| Profit | 6,124 | 7,189 |
| Profit (loss) attributable to non-controlling interests | (26) | 58 |
| Profit attributable to owners of parent | 6,150 | 7,131 |

Quarterly Consolidated Statements of Comprehensive Income (For the nine months)

(Million yen)

| | For the nine months ended February 20,2021 | For the nine months ended February 20,2022 |
|----------------------------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| Profit | 6,124 | 7,189 |
| Other comprehensive income | | |
| Remeasurements of defined benefit plans, net of tax | 10 | 9 |
| Total other comprehensive income | 10 | 9 |
| Comprehensive income | 6,135 | 7,198 |
| Comprehensive income attributable to | | |
| Comprehensive income attributable to owners of parent | 6,161 | 7,140 |
| Comprehensive income attributable to non-controlling interests | (26) | 58 |