



Quarter 3, FY2023

(Jan. to Sep. 2023)

MonotaRO Co., Ltd
www.monotaro.com

- Main business
 - Electronic Commerce of indirect materials for factories, construction work, and automotive related businesses. (number of product lineup over 20 mil. SKU including 650 thou. SKU available for same-day shipment and 537 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 Sep. 30, 2023)

	Regular employee		Part-time and temporary employee		Total	
Head Office, etc. (MonotaRO JPN)	1,117	(604)	473	(395)	1,590	(999)
Distribution Center (MonotaRO JPN)	209	(158)	1,536	(1,447)	1,745	(1,605)
Total (MonotaRO JPN)	1,326	(762)	2,009	(1,842)	3,335	(2,604)

- 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 are customers).
- Market size
 - 5 to 10 trillion JPY
- Business Strategy
 - Differentiating by wide range of products and high searchability by utilizing Internet to achieve economies of scale.
 - Acquiring and retaining customers through marketing analysis of accumulated orders and customer databases.
 - Achieving high productivity by doing much of work in-house from software development to content creation.

2023 Jan. to Sep.
(Non-consol.) Financial Result Overview

Financial Result P/L Outline 1/3

	Jan.-Sep. 2022 Result		Jan.-Sep. 2023 Plan		Jan.-Sep. 2023 Result			
	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	YoY	vs Plan
Sales	159,405		185,908		179,373		+12.5%	△3.5%
Large Corp.	36,116	22.7%	50,026	26.9%	48,709	27.2%	+34.9%	△2.6%
Gross Profit	46,582	29.2%	55,363	29.8%	54,389	30.3%	+16.8%	△1.8%
SG&A Exp.	26,610	16.7%	31,818	17.1%	30,485	17.0%	+14.6%	△4.2%
Operating Income	19,971	12.5%	23,545	12.7%	23,904	13.3%	+19.7%	+1.5%
Current Income	20,192	12.7%	23,513	12.6%	24,127	13.5%	+19.5%	+2.6%
Net Income (Tax Rate)	13,421 (30.6%)	8.4%	16,323 (30.6%)	8.8%	16,773 (30.2%)	9.4%	+25.0%	+2.8%

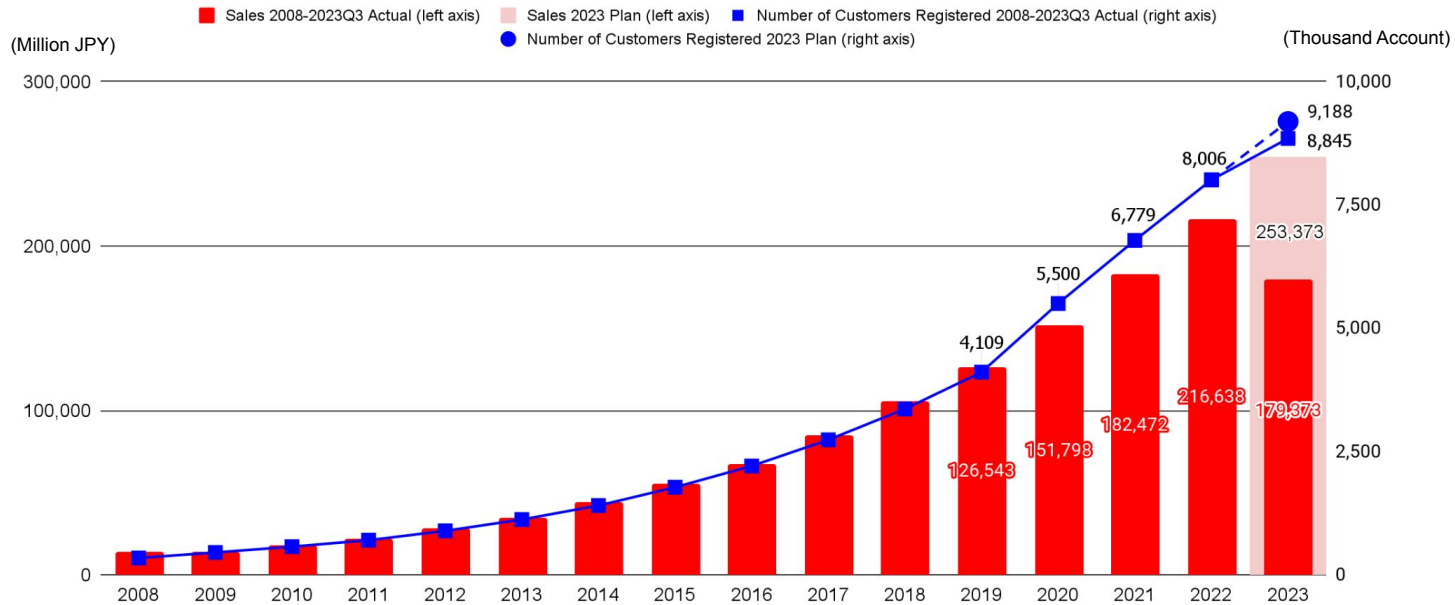
Financial Result P/L Outline 2/3 vs. Last Year

	Jan.-Sep. 2022 Result (A)		Jan.-Sep. 2023 Result (B)		Difference (B-A)		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio			
Sales	159,405	—	179,373	—	Amount (mil.JPY)	+19,968	<ul style="list-style-type: none"> monotaro.com: grew due to increases in size and number of orders. Large Corp. Business: maintained high growth rate from 2022 (+34.9%) due mainly to increases in numbers of customers acquired and customers unit price. Royalty income: decreased.
					YonY	+12.5%	
					Sales Ratio	-	
Gross Profit	46,582	29.2%	54,389	30.3%	Amount (mil.JPY)	+7,807	<ul style="list-style-type: none"> Product GP% increased (+0.7pt.: though sales share of Large Corporate Business increased and GP% of imported products decreased due to yen depreciation, GP% of domestic products increased due to price adjustment, etc.). Delivery cost ratio improved (+0.7pt.: due to improvement in delivery cost ratio resulting from increase in order amount per box and improvement in importing cost and improvement in cash on delivery and credit card fees as sales ratio). Royalty income: decreased.
					YonY	+16.8%	
					Sales Ratio	+1.1%	
SG&A Exp.	26,610	16.7%	30,485	17.0%	Amount (mil.JPY)	+3,874	<ul style="list-style-type: none"> Ad. & Promotion Exp. ratio increased (+0.4pt.: due to increase in flyers for existing customers, etc.). Labor Exp. ratio increased (+0.3pt.: due to salary increase and paying bonus to part-time employees, etc.). Depreciation Exp. ratio increased (+0.3pt.: due to launch of Inagawa DC, etc.). Facility Rent Exp. ratio increased (+0.2pt.: due to launch of Inagawa DC, etc.). Outsourcing Exp. ratio decreased (Δ0.5pt.: sales per box increased, and as result number of boxes shipped did not increase as much as sales growth, etc.). Mailing Exp. ratio decreased (Δ0.3pt.: due to decrease in catalog shipping cost, etc.). Other Exp. ratio decreased (Δ0.1pt.: increase in system usage cost, but decrease in equipment expenses for distribution center etc.).
					YonY	+14.6%	
					Sales Ratio	+0.3%	
Operating Income	19,971	12.5%	23,904	13.3%	Amount (mil.JPY)	+3,933	<ul style="list-style-type: none"> SG&A Expense ratio increased (+0.3pt.); however, GP ratio improved (+1.1pt.), and hence Operating Income ratio increased (+0.8pt.).
					YonY	+19.7%	
					Sales Ratio	+0.8%	
Net Income (Tax Rate)	13,421 (30.6%)	8.4%	16,773 (30.2%)	9.4%	Amount (mil.JPY)	+3,352	<ul style="list-style-type: none"> Net Income amount increased YoY +25.0%. Net Income ratio increased by 1.0pt. due to increase in Operating Income ratio (+0.8pt.).
					YonY	+25.0%	
					Sales Ratio	+1.0%	

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

	Jan.-Sep. 2023 Plan (A)		Jan.-Sep. 2023 Result (B)		Difference (B-A)		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio			
Sales	185,908	—	179,373	—	Amount (mil.JPY)	△6,534	<ul style="list-style-type: none"> monotaro.com: went below plan due mainly to lower sales per customers who placed order. Large Corp. Business: went below plan (△2.6%) due mainly to particular companies' sales went below plan. Royalty income: lower than plan.
					vs Plan	△3.5%	
					Sales Ratio	-	
Gross Profit	55,363	29.8%	54,389	30.3%	Amount (mil.JPY)	△973	<ul style="list-style-type: none"> Product GP ratio increased (+0.5pt.: GP% of both domestic and imported products improved). Delivery Cost ratio improved (+0.4pt.: due to increase in order amount per box and improvement in importing cost). Royalty income: lower than plan.
					vs Plan	△1.8%	
					Sales Ratio	+0.5%	
SG&A Exp.	31,818	17.1%	30,485	17.0%	Amount (mil.JPY)	△1,333	<ul style="list-style-type: none"> Other Exp. ratio decreased (△0.4pt.: decreases in facilities maintenance cost, equipment cost for distribution center, system usage cost, and packing cost, etc.). Outsourcing Exp. ratio decreased (△0.2pt.: cost of temporary staff at DC decreased due to decrease in number of boxes, and cost of system development outsource decreased, etc.). Facility Rent Exp. ratio increased (+0.1pt.: due to lower sales growth than plan). Depreciation Exp. ratio increased (+0.1pt.: due to lower sales growth than plan). Ad. & Prom. Exp. ratio increased (+0.3pt.: due to increase in number of flyers for existing customers, etc.).
					vs Plan	△4.2%	
					Sales Ratio	△0.1%	
Operating Income	23,545	12.7%	23,904	13.3%	Amount (mil.JPY)	+359	<ul style="list-style-type: none"> Sales not reached plan, but GP% and SG&A Exp.% improved. Operating Income, therefore, went beyond plan (+1.5%).
					vs Plan	+1.5%	
					Sales Ratio	+0.6%	
Net Income (Tax Rate)	16,323 (30.6%)	8.8%	16,773 (30.2%)	9.4%	Amount (mil.JPY)	+449	<ul style="list-style-type: none"> Due to increase in Operating Income, Net Income amount went beyond plan (+2.8%) and Net Income ratio improved (+0.6pt.).
					vs Plan	+2.8%	
					Sales Ratio	+0.6%	

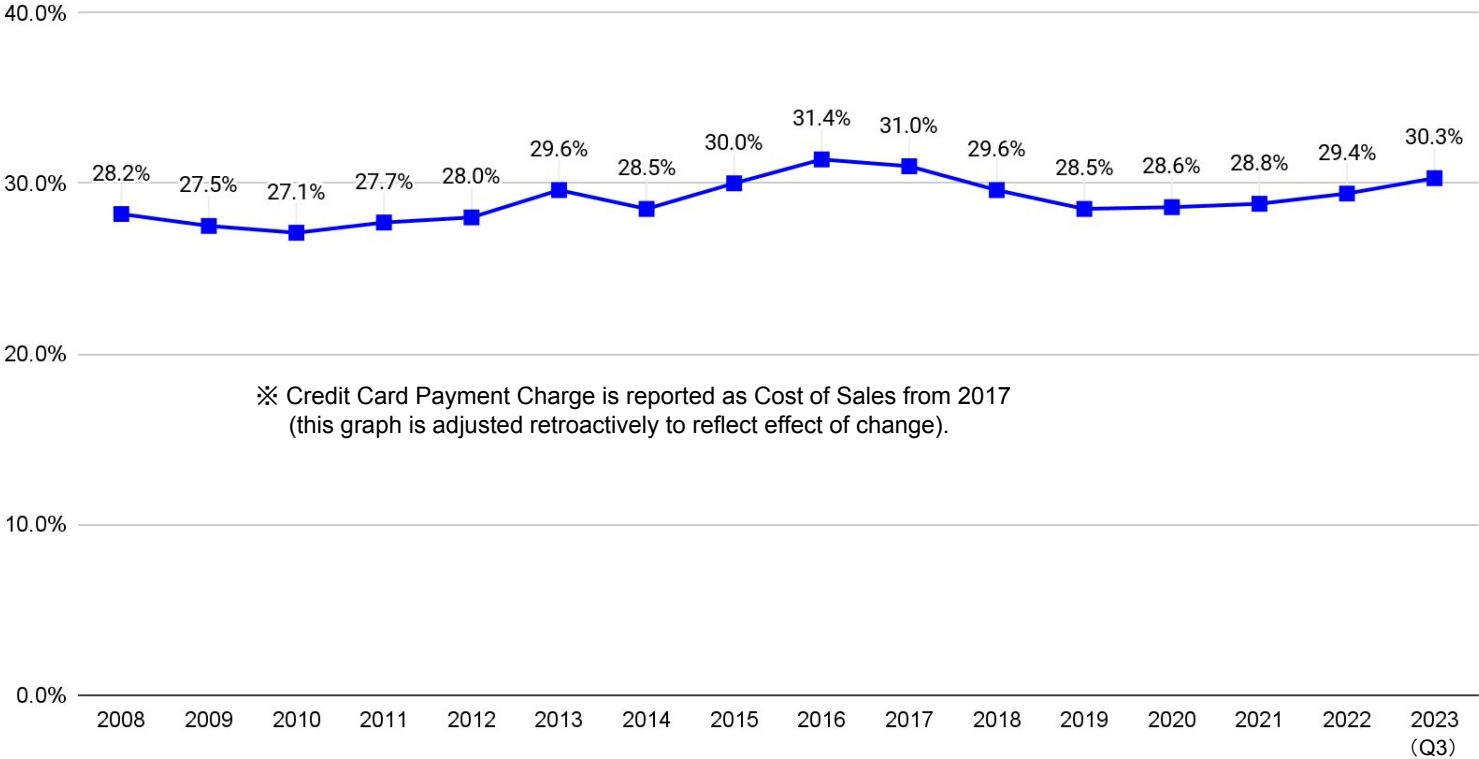
Non-consol. Progress - Sales & Customer



	Dec. 2022		Sep. 2023		Dec. 2023 (Plan)	
Number of Registered Customers	8,006,494	+1,227,175	8,845,412	+838,918	9,188,494	+1,182,000
		(vs. Dec.2021)		(vs. Dec.2022)		(vs. Dec.2022)

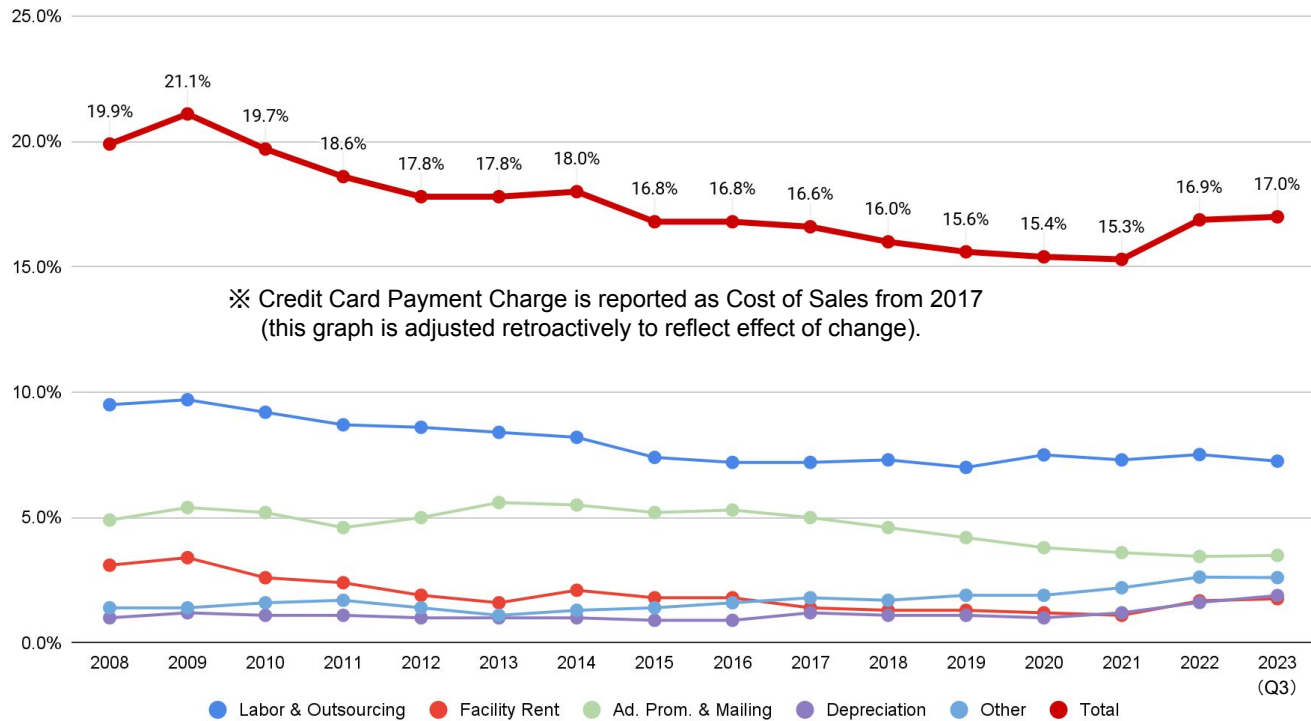
※ After pandemic of COVID19, customer registration by general consumers increased rapidly, but it is expected to decrease YoY in 2023, so number of new customer acquisition is expected to decrease YoY. For corporate customers, there is slight increase plan in YoY basis.

Non-consol. Progress - Gross Profit Ratio



※ Credit Card Payment Charge is reported as Cost of Sales from 2017 (this graph is adjusted retroactively to reflect effect of change).

Non-consol. Progress - SG&A Expense Ratio



	Jan.-Sep. 2022 Result	Jan.-Sep. 2023 Result
Labor	4.3%	4.6%
Outsourcing	3.1%	2.6%
Facility Rent	1.6%	1.8%
Ad & Promotion	2.9%	3.3%
Mailing	0.5%	0.2%
Depreciation	1.6%	1.9%
Others	2.7%	2.6%
Total	16.7%	17.0%

Distribution-related Cost

- Distribution-related Cost sales ratio 2023 Jan.-Sep.: 7.5%
 - 0.2pt. lower than 2022 Jan.-Sep. Result.
 - Depreciation expense ratio increased: +0.2pt. (Inagawa DC launched, etc.).
 - Facility rent expense ratio increased: +0.2pt. (Inagawa DC launched, etc.).
 - Labor and outsourcing expense ratio decreased: Δ 0.3pt. (increase in sales per box resulted in decrease in number of box handled per sale, productivity of Inagawa DC improved, etc.).
 - Other expense ratio decreased: Δ 0.2pt. (preparation cost for launching Inagawa DC phase 2 was lower than that for Inagawa DC phase 1 last year, etc.).
 - 0.3pt. lower than plan.
 - Other expense ratio decreased: Δ 0.2pt. (DC facility maintenance postponed to Q3 or later, and difference in estimation of equipment and packing costs, etc.).
 - Labor and outsourcing expense ratio decreased: Δ 0.1pt. (increase in sales per box resulted in decrease in number of box handled per sale, etc.).

	Jan.-Sep. 2022 Result		Jan.-Sep. 2023 Plan		Jan.-Sep. 2023 Result			
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	YoY	vs Plan
Sales (Non-consol.)	159,405		185,908		179,373		+12.5%	Δ 3.5%
Depreciation	1,707	1.1%	2,294	1.2%	2,249	1.3%	+31.8%	Δ 2.0%
Labor & Outsourcing	5,954	3.7%	6,445	3.5%	6,059	3.4%	+1.8%	Δ 6.0%
Facility Rent	2,260	1.4%	2,867	1.5%	2,799	1.6%	+23.9%	Δ 2.3%
Others	2,380	1.5%	2,878	1.5%	2,271	1.3%	Δ 4.6%	Δ 21.1%
Total	12,302	7.7%	14,485	7.8%	13,379	7.5%	+8.8%	Δ 7.6%

Financial Result B/S Outline

	Sep. 2022	Dec. 2022	Sep. 2023			Sep. 2022	Dec. 2022	Sep. 2023	
	mil. JPY	mil. JPY	mil. JPY	Ratio		mil. JPY	mil. JPY	mil. JPY	Ratio
Assets					Liabilities				
Cash	4,556	7,318	7,505	6.4%	Accounts Payable	14,680	14,961	15,726	13.5%
Accounts Receivable	24,365	26,108	28,146	24.1%	Short-term Debt & etc.	6,500	4,500	4,500	3.9%
Inventory	17,823	18,319	18,574	15.9%	Others	8,957	10,623	10,393	8.9%
Other	7,335	7,726	7,659	6.6%	Total Current Liabilities	30,137	30,084	30,619	26.2%
Total Current Assets	54,082	59,472	61,886	53.0%	Total Long term Liabilities	7,102	7,059	3,177	2.7%
Tangible Fixed Asset	35,080	34,818	37,128	31.8%	Total Liabilities	37,240	37,144	33,797	28.9%
Intangible Fixed Assets	6,213	6,291	6,359	5.4%	Net Assets				
Other	9,877	10,198	11,377	9.7%	Shareholder's Equity	67,979	73,603	82,925	71.0%
Total Fixed Assets	51,171	51,309	54,865	47.0%	Others	34	33	28	0.0%
Total Assets	105,253	110,781	116,751		Total Net Assets	68,013	73,637	82,954	71.1%
					Total Liabilities & Net Assets	105,253	110,781	116,751	

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

2023 Jan. to Sep.
(Consol.) Financial Result Overview

Financial Result P/L Outline 1/3

	Jan.-Sep. 2022 Result		Jan.-Sep. 2023 Plan		Jan.-Sep. 2023 Result			
	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	YoY	vs Plan
Sales	165,993		194,273		187,223		+12.8%	△3.6%
Gross Profit	47,846	28.8%	57,210	29.4%	55,965	29.9%	+17.0%	△2.2%
SG&A Exp.	28,522	17.2%	34,422	17.7%	33,045	17.7%	+15.9%	△4.0%
Operating Income	19,323	11.6%	22,787	11.7%	22,919	12.2%	+18.6%	+0.6%
Current Income	19,566	11.8%	22,756	11.7%	23,145	12.4%	+18.3%	+1.7%
Net Income (Tax Rate)	12,787 (31.7%)	7.7%	15,565 (31.6%)	8.0%	15,773 (31.6%)	8.4%	+23.4%	+1.3%
Net Income attributable to owners of the parent	13,119	7.9%	15,906	8.2%	16,171	8.6%	+23.3%	+1.7%

■ NAVIMRO (South Korea)

- Sales maintained double-digit growth from previous year, due partly to increased orders from large corporations, but fell short of plan due to severe economic environment.
- New warehouse started operation in July 2023. Despite some confusion due to relocation of warehouse, situations are beginning to normalize with temporary increase in number of employees, etc.

	Jan.-Sep. 2022 Result			Jan.-Sep. 2023 Plan			Jan.-Sep. 2023 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	5,650	+19.4%	+13.6%	6,810	+20.4%	+19.4%	6,640	+17.5%	Δ2.5%	+11.6%	Δ6.5%
Op.Income	120	+7.1%	+1.9%	10	Δ87.1%	Δ87.2%	Δ100	—	—	—	—
Net Income x Share(*1)	110	+11.4%	+6.0%	0	Δ97.3%	Δ97.4%	Δ100	—	—	—	—

■ MONOTARO INDONESIA (Indonesia)

- Although acquisition of corporate customer is growing, unattained sales targets mainly due to light users' sales shortages.
- Currently, major part of sales are orders from Jakarta and surrounding areas, but office was opened in Surabaya, second largest city in Java island.

	Jan.-Sep. 2022 Result			Jan.-Sep. 2023 Plan			Jan.-Sep. 2023 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	490	+80.7%	+56.0%	780	+58.6%	+56.8%	690	+40.0%	Δ11.7%	+33.9%	Δ14.6%
Op.Income	Δ190	—	—	Δ140	—	—	Δ230	—	—	—	—
Net Income x Share(*1)	Δ100	—	—	Δ70	—	—	Δ120	—	—	—	—

*1: Calculated by multiplying Net Income by Share Ratio at the end of each fiscal year for reference.

*2: Sales and profit/loss less than 10 million JPY are rounded down as shown in explanation material in Japanese language.

■ IB MonotaRO (India)

- Continuing efforts both to increase sales and improve GP% through focusing on segments selected based on sales and profitability by product category and sales region.
- Continuing efforts to improve service level and repeat rate through increasing self-handling items in own distribution centers, including cross-docking items (shift from “marketplace-centered business model”). Planning to operate a third warehouse.

	Jan.-Sep. 2022 Result			Jan.-Sep. 2023 Plan			Jan.-Sep. 2023 Result				
	Amount (mil.JPY)	YoY	YoY (Local Currency)	Amount (mil.JPY)	YoY	YoY (Local Currency)	Amount (mil.JPY)	YoY	vs Plan	YoY (Local Currency)	vs Plan (Local Currency)
Gross Merchandise Value(*3)	770	+153.0%	+124.2%	1,110	+43.6%	+42.7%	930	+20.8%	△15.8%	+19.4%	△16.3%
Sales(*3)	510	+162.3%	+132.5%	760	+47.2%	+46.3%	600	+17.0%	△20.5%	+15.6%	△21.0%
Op.Income	△510	—	—	△560	—	—	△560	—	—	—	—
Net Income x Share(*1)	△250	—	—	△280	—	—	△290	—	—	—	—

*1: Calculated by multiplying Net Income by Share Ratio at the end of each fiscal year for reference.

*2: Sales and profit/loss less than 10 million JPY are rounded down as shown in explanation material in Japanese language.

*3: Only commission portion of sales by sellers in marketplace is recognized as sales.

Financial Result B/S Outline

	Sep. 2022	Dec. 2022	Sep. 2023	
	mil. JPY	mil. JPY	mil. JPY	Ratio
Assets				
Cash	5,868	8,887	8,328	7.1%
Accounts Receivable	24,718	26,512	28,632	24.4%
Inventory	19,037	19,585	19,959	17.0%
Others	7,733	8,060	8,009	6.8%
Total Current Assets	57,357	63,045	64,930	55.3%
Tangible Fixed Assets	35,158	35,046	38,380	32.7%
Intangible Fixed Assets	7,118	7,093	7,184	6.1%
Others	6,170	6,551	6,970	5.9%
Total Fixed Assets	48,447	48,691	52,535	44.7%
Total Assets	105,805	111,737	117,465	

	Sep. 2022	Dec. 2022	Sep. 2023	
	mil. JPY	mil. JPY	mil. JPY	Ratio
Liabilities				
Accounts Payable	15,195	15,667	16,365	13.9%
Short-term Debt & etc.	6,589	4,772	4,722	4.0%
Others	9,441	11,135	11,013	9.4%
Total Current Liabilities	31,226	31,575	32,101	27.3%
Total Long term Liabilities	7,194	7,539	3,753	3.2%
Total Liabilities	38,420	39,115	35,854	30.5%
Net Assets				
Shareholder's Equity	66,249	71,789	80,386	68.4%
Others	1,135	832	1,224	1.0%
Total Net Assets	67,385	72,621	81,611	69.5%
Total Liabilities & Net Assets	105,805	111,737	117,465	

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

Financial Result C/F Outline

	Jan.-Sep. 2022 Result	Jan.-Sep. 2023 Result
	mil. JPY	mil. JPY
Cash Flow from Operating Activity		
Net Income before Tax	18,722	23,047
Depreciation	2,583	3,497
Increase or Decrease in Accounts Receivable (Δ = increase)	Δ 2,124	Δ 2,078
Increase or Decrease in Inventory (Δ = increase)	Δ 3,527	Δ 272
Increase or Decrease in Accounts Payable (Δ = decrease)	600	653
Tax payment	Δ 7,317	Δ 8,064
Increase or Decrease in Accrued Consumption Taxes (Δ = decrease)	Δ 114	943
Others	1,367	Δ 190
Total	10,190	17,536
Cash Flow from Investing Activity		
Acquisition of Tangible Assets	Δ 9,093	Δ 4,347
Acquisition of Intangible Assets	Δ 1,749	Δ 1,566
Others	(*Note) Δ 1,005	Δ 744
Total	Δ 11,849	Δ 6,659
Cash Flow from Financing Activity		
Repayments of Long-term Debt	—	Δ 4,500
Cash Dividends Paid	Δ 6,080	Δ 7,439
Others	1,968	259
Total	Δ 4,112	Δ 11,680
Currency Exchange Adjustment	415	27
Net Increase or Decrease in Cash and Cash Equivalent (Δ = decrease)	Δ 5,355	Δ 775
Cash and Cash Equivalent at Beginning of Period	11,068	8,586
Cash and Cash Equivalent at End of Period	5,713	7,811

*Note: Invested in Aldagram Inc. etc.

2023 Jan. to Sep.
Business Plan & Strategy

Non-consol. P/L Plan Outline

	2022 Result		2023 Plan		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	YoY
Sales	216,638		253,373		17.0%
Large Corp.	50,027	23.1%	69,250	27.3%	38.4%
Gross Profit	63,643	29.4%	75,672	29.9%	18.9%
SG&A Exp.	36,558	16.9%	42,711	16.9%	16.8%
Operating Income	27,085	12.5%	32,960	13.0%	21.7%
Current Income	27,239	12.6%	32,918	13.0%	20.8%
Net Income (Tax Rate)	19,044 (27.8%)	8.8%	23,283 (29.2%)	9.2%	22.3%

Consolidated P/L Plan Outline 1/2

	2022 Result		2023 Plan		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	YonY
Sales	225,970		265,195		17.4%
Gross Profit	65,437	29.0%	78,288	29.5%	19.6%
SG&A Exp.	39,224	17.4%	46,258	17.4%	17.9%
Operating Income	26,213	11.6%	32,030	12.1%	22.2%
Current Income	26,398	11.7%	31,986	12.1%	21.2%
Net Income (Tax Rate)	18,194 (28.8%)	8.1%	22,347 (30.1%)	8.4%	22.8%
Net Income attributable to owners of the parent	18,658	8.3%	22,789	8.6%	22.1%

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%

Consolidated P/L Plan Outline 2/2

■ NAVIMRO (South Korea)

	2022 Result			2023 Plan		
	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	YonY (Local Currency)
Sales	8,030	+21.0%	+14.1%	9,530	+18.7%	+18.7%
Op.Income	190	+17.9%	+11.2%	70	△63.1%	△63.1%
Net Income x Share (*1)	190	+22.5%	+15.6%	50	△73.4%	△73.4%

■ MONOTARO INDONESIA (Indonesia)

	2022 Result			2023 Plan		
	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	YonY (Local Currency)
Sales	730	+84.5%	+59.6%	1,150	+57.9%	+57.9%
Op.Income	△250	—	—	△170	—	—
Net Income x Share (*1)	△130	—	—	△80	—	—

■ IB MONOTARO (India)

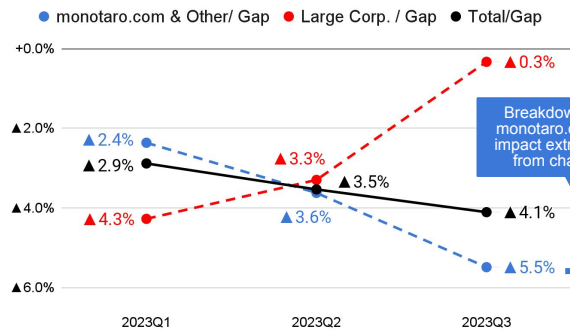
	2022 Result			2023 Plan		
	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	YonY (Local Currency)
(*3) Gross Merchandise Value	1,040	+116.1%	+92.9%	1,640	+57.6%	+57.6%
(*3) Sales	690	+120.2%	+96.6%	1,130	+63.4%	+63.4%
Op.Income	△730	—	—	△750	—	—
Net Income x Share (*1)	△360	—	—	△370	—	—

*1: Calculated by multiplying Net Income by Share Ratio at the end of each fiscal year for reference.

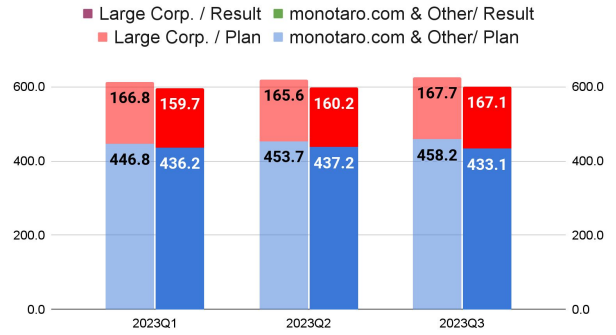
*2: Sales and profit/loss less than 10 million JPY are rounded down as shown in explanation material in Japanese language.

*3: Only commission portion of sales by sellers in marketplace is recognized as sales.

Sales Gap by Channel Plan vs. Result (%)

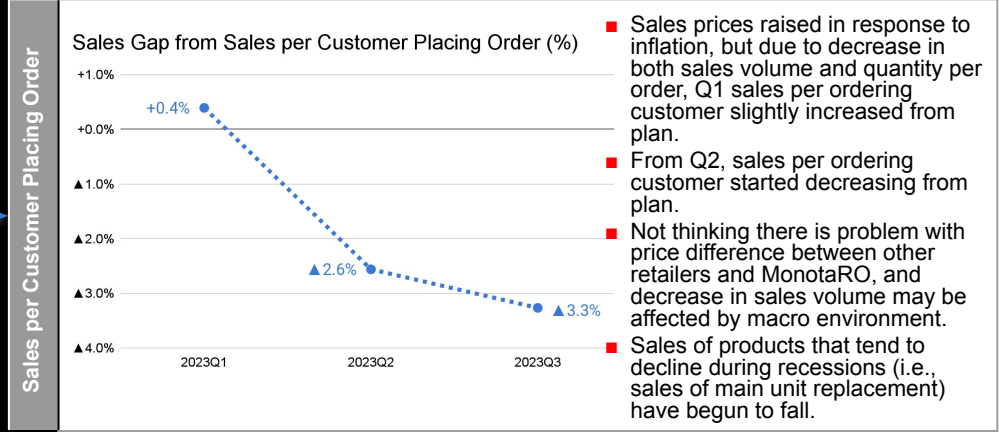
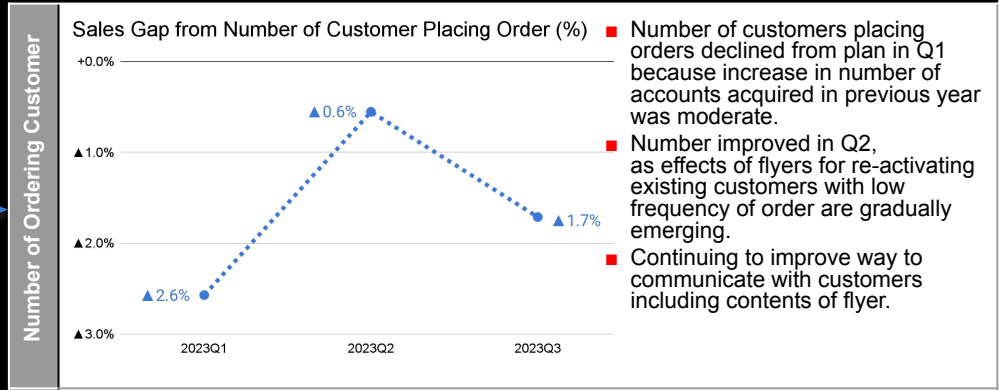


Sales Amount by Channel Plan vs. Result (100M-JPY)



* monotaro.com & Others* includes royalties, overseas cross-border EC sales, etc.

BtoB Online E-commerce (monotaro.com)



■ System Connection with Large Corporations (Large Corporation Business)

Acquiring New Customers						Expanding Customers' Usage				
<ul style="list-style-type: none"> Continuing to hold seminars, including in-house ones, on improving productivity of indirect material procurement. New customer acquisition is so far progressing as planned this year. 						<ul style="list-style-type: none"> Through organizing team for drawing out abilities of sales members and developing communication methods of team, working on increasing existing customers' wallet share. 				
2022 Jan.-Sep. Result			2023 Jan.-Sep. Plan			2023 Jan.-Sep. Result				
Mil. JPY	YonY	/Total Sales	Mil. JPY	YonY	/Total Sales	Mil. JPY	YonY	vs Plan	/Total Sales	
36,116	+39.7%	22.7%	50,026	+38.5%	26.9%	48,709	+34.9%	Δ2.6%	27.2%	
				Dec. 2022 End Result		Sep. 2023 End Result				
				No. Corp.		No. Corp.		vs Dec. 2022 End		Remark
Total number of corporations (ONE SOURCE / ONE SOURCE Lite)				(*) 2,521 (1,847)		(*) 3,386 (2,640)		+865 (+793)		834 considering

* Note: Number of active corporations on Dec.2022 and Sep. 2023.

■ Royalty Business

	2023 Jan. - Sep.
Target Business (Grainger's Zoro business in US & UK)	<ul style="list-style-type: none"> US Sales Q3 cumulative grew from previous year, but speed of growth was lower than expected. Operating Profit % Q3 cumulative declined YonY, and so did Operating Profit %.
Royalty Income	<ul style="list-style-type: none"> Received amount Q3 cumulative declined YonY and from plan.

■ Difference in 2023 Jan.-Sep. SG&A Expenses from Plan

SG&A Decreasing Factor	Amount
<ul style="list-style-type: none"> Decrease in variable expenses due to decline in sales (Decrease in Labor Expense, Outsourcing Expense, Packaging Costs, etc., as sales declined) 	About Δ270 mil. JPY
<ul style="list-style-type: none"> Decrease in number of boxes shipped due to sales price adjustment (price increase) (Decrease in Labor Expense and Outsourcing Expense due to decrease in operations at distribution bases) 	About Δ480 mil. JPY
<ul style="list-style-type: none"> Actions postponed to 2023Q4 (System consulting/outsourcing, purchase of logistics supplies and equipment, logistics facility maintenance and repairment) 	About Δ70 mil. JPY
<ul style="list-style-type: none"> Decrease in SG&A expense below plan (Logistics-related costs) (Logistics equipment repairment and building management expenses not incurred, decrease in rents for external warehouses, etc.) 	About Δ570 mil. JPY
<ul style="list-style-type: none"> Decrease in SG&A expense below plan (other than Logistics-related costs) (Decrease in outsourced system development costs, cloud service costs, system usage costs, recruitment costs, etc.) 	About Δ660 mil. JPY
<ul style="list-style-type: none"> Implementation of measures decided (Increase in advertising expenses due to sending more flyers to existing customers, etc.) 	About +460 mil. JPY
<ul style="list-style-type: none"> Paid bonus to part-time employees. 	About +260 mil. JPY
Total	About Δ1,330 mil. JPY

* Note: Figures less than 10 million JPY are rounded as shown in explanation material in Japanese language.

Sustainability

■ Progress on Sustainability in 2023 (Q1- Q3)

			Actions as of 2022	Actions in 2023
Prioritized Action Areas	Environment	Reduction of CO2 emissions as measure against climate change	<ul style="list-style-type: none"> Completed CO2 emissions of 2021 and certified by third-party. In terms of GHG emissions (Scope 1 + Scope 2), by 2030, aiming to reduce GHG emissions by 50% from 2020 level. Disclosed impact of climate change-related risks and opportunities on Company's business activities, earnings, etc., in accordance with TCFD. 	<ul style="list-style-type: none"> Electricity consumed at Inagawa DC is switched to substantially renewable energy sources. Applying heat-insulating paint at Ibaraki Chuo SC. Optimized lighting in AGV operation area at Inagawa DC (illumination suppression in unoccupied areas).
		Proposal and development of environment-conscious products	<ul style="list-style-type: none"> Supported efficient indirect material procurement to help customers become more environmentally conscious. On Oct. 27, 2022, monotaro.com launched special page on environment-conscious products, and environment-conscious attributes added to narrow down searches. Six environmental certifications such as "Green Purchasing" and "Eco Mark" defined as ecological products. 	<ul style="list-style-type: none"> Expansion of certification for environmentally conscious products to 10 certifications. Enhanced of number of products eligible for certification.
		Realization of resource-recycling model	<ul style="list-style-type: none"> At Kasama DC and Ibaraki Chuo SC, items that became unsellable due to exterior damages were used as internal consumption items. 	<ul style="list-style-type: none"> Worked with suppliers to reduce number of products damaged during transportation. Reduced expired products by optimizing inventory volume.
	Social	Responsible Sourcing and Human Rights	<ul style="list-style-type: none"> Formulated policies and guidelines for cooperation with business partners regarding sustainable procurement (sustainability/human rights and environmental-conscious procurement), referring to official guidelines. 	<ul style="list-style-type: none"> Distributed procurement guidelines to suppliers and requesting their endorsement. Requested, conducted, and analyzed self-assessment questionnaires answered by suppliers. Reviewed audit process and improved support for compliance.
		Diversity and Inclusion	<ul style="list-style-type: none"> Obtained ERUBOSHI certification (3 stars, Feb. 2022). Established hourly paid holiday system. D&I slogan "MoRE!" is formulated and unveiled. Held seminars to promote understanding of D&I (mental health, understanding and supporting disabilities, infertility treatment). Held roundtable for employees raising children. 	<ul style="list-style-type: none"> Obtained KURUMIN certification (Mar. 2023). Established Career Design Leave. Established Family Support Leave. Established Accumulated Paid Leave. Disclosed evaluation, compensation system, and employee stock ownership plan. Disclosed efforts and systems to promote health management. Introduced of welcome-back hiring system and babysitter usage assistance system.

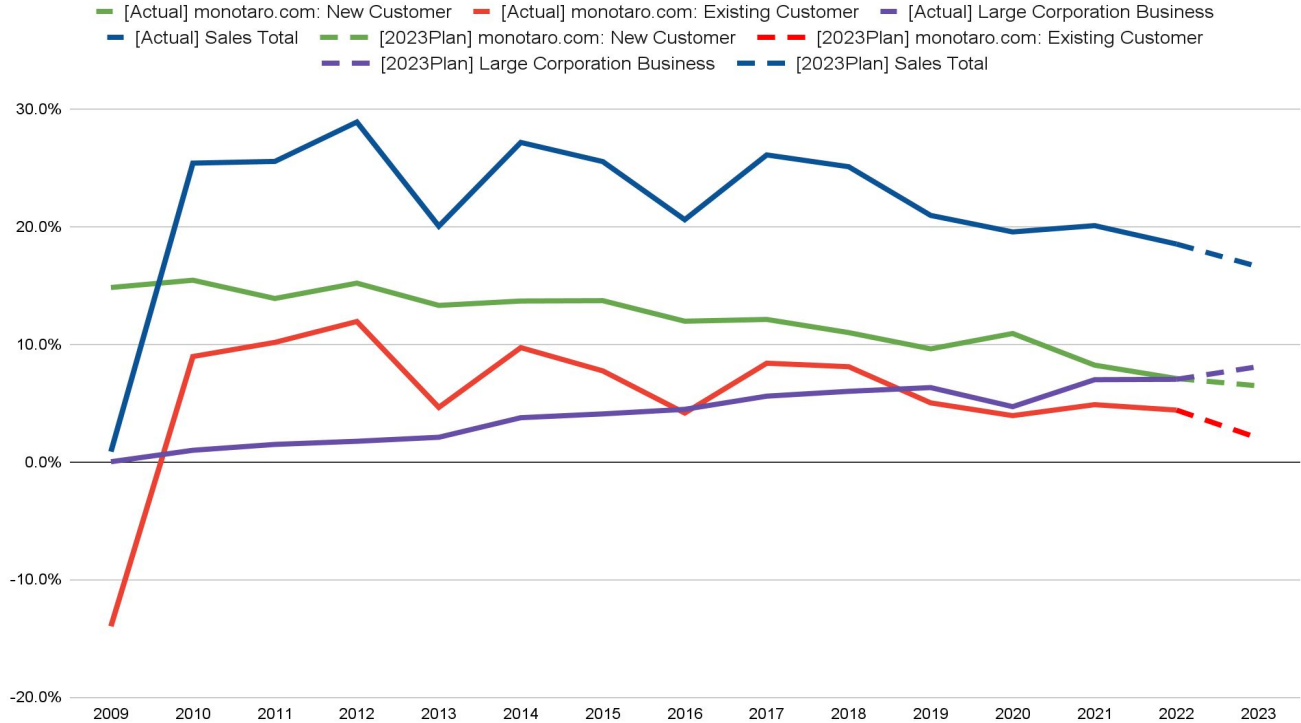
Reference

■ Sustainability Page: <https://corp.monotaro.com/en/ir/sustainability/index.html>



Reference

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

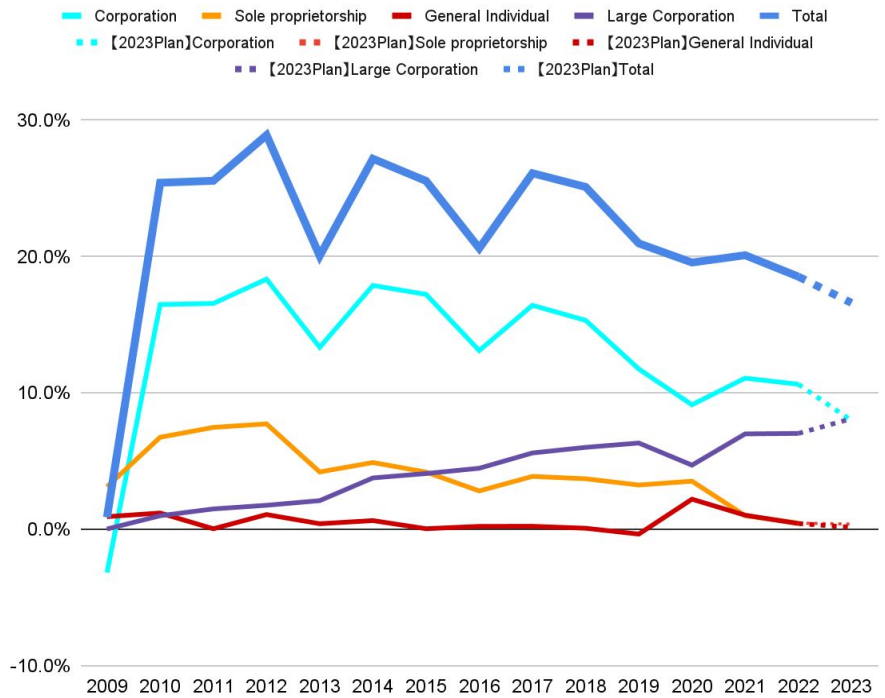


* Note 1: Fiscal year contributions of every channel to total sales growth from previous year is organized and shown based on status as of end of 2022.

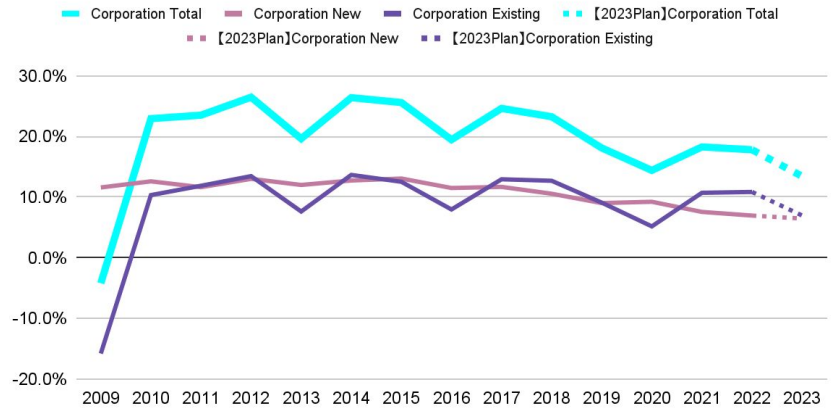
* Note 2: "monotaro.com: New Customer" indicates contribution of sales from customers acquired each fiscal year, and "monotaro.com: Existing Customer" indicates contribution of sales from customers acquired before corresponding year.

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)



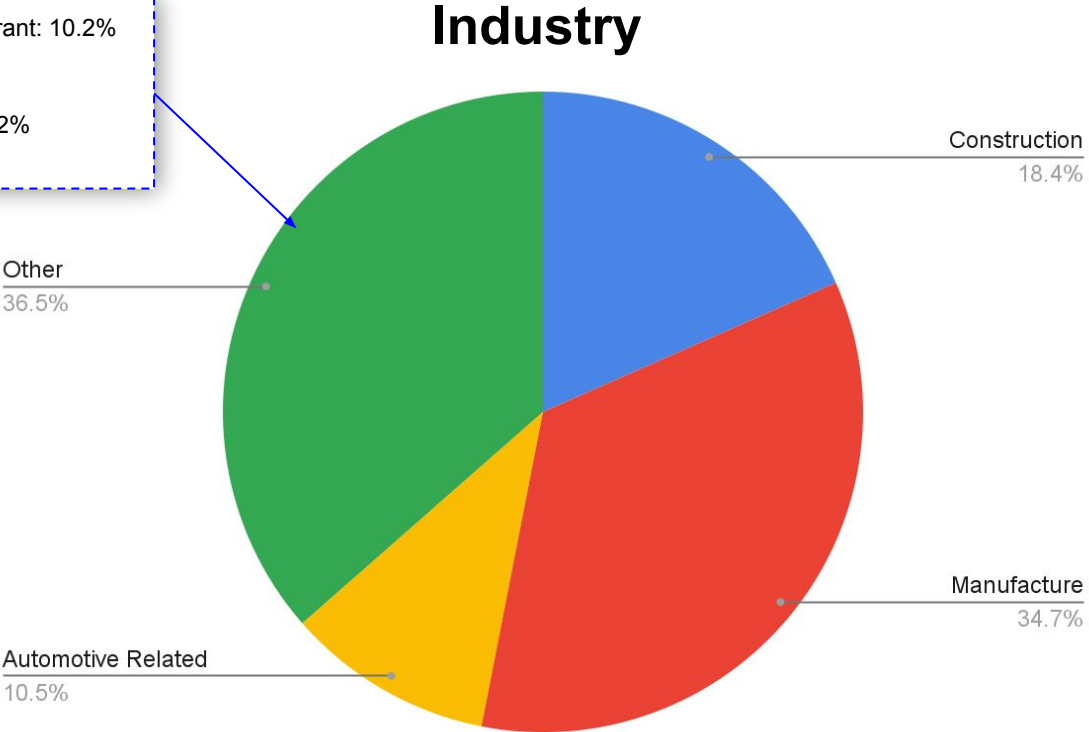
Sales Growth of monotaro.com Corp. Customer
(Contributions of New and Existing Customers)



- Growth contribution and growth of corporate customers on monotaro.com
 - Of overall sales growth (18.7% in 2022 and 17.0% in 2023 plan), Total sales growth contribution from corporate customers on monotaro.com is approximately 10% in 2022 and 8% in 2023 plan. Due to increasing growth contribution from high-growth of large corporation business, growth contribution from monotaro.com appears to be relatively decreasing (left graph).
 - Sales growth for monotaro.com's corporate customers in 2022 was approximately 18%, and plan for 2023 is approximately 13% (graph above).

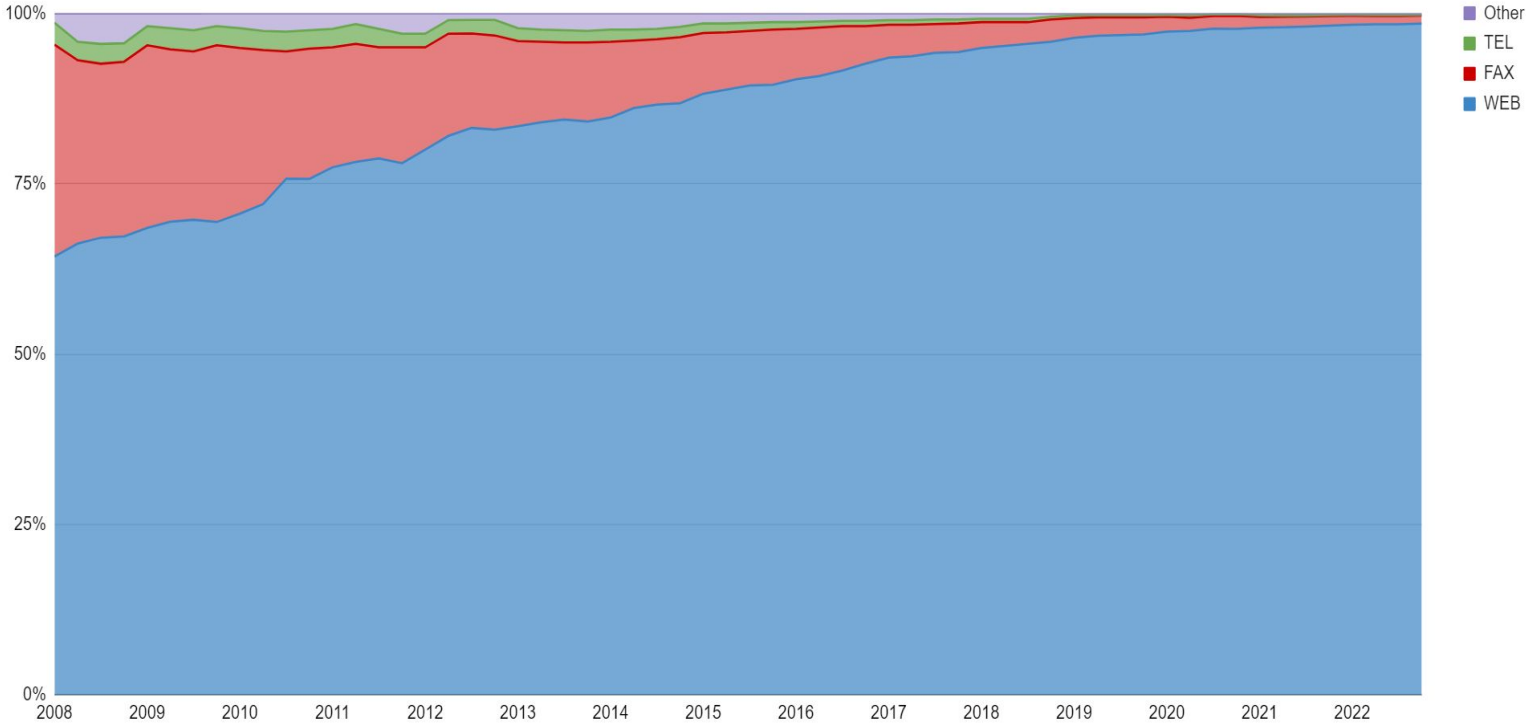
Non-consol. Customer Demographics

- Wholesale, Retail, Restaurant: 10.2%
- Education: 2.3%
- Agriculture: 2.2%
- Social security/welfare: 1.2%
- Medical: 1.2%

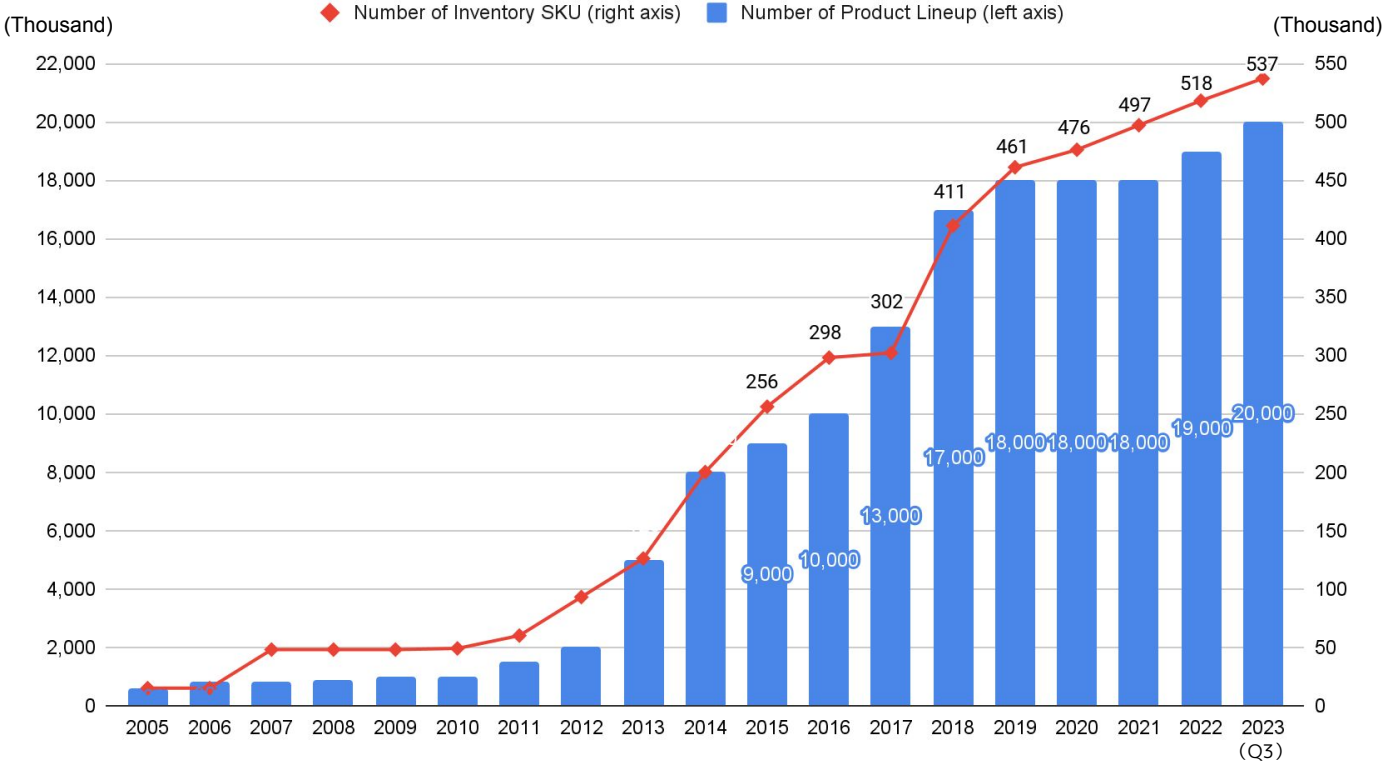


Ratio by sales amount in 2022
(Sales of monotaro.com excluding sales Large Corp. Business)

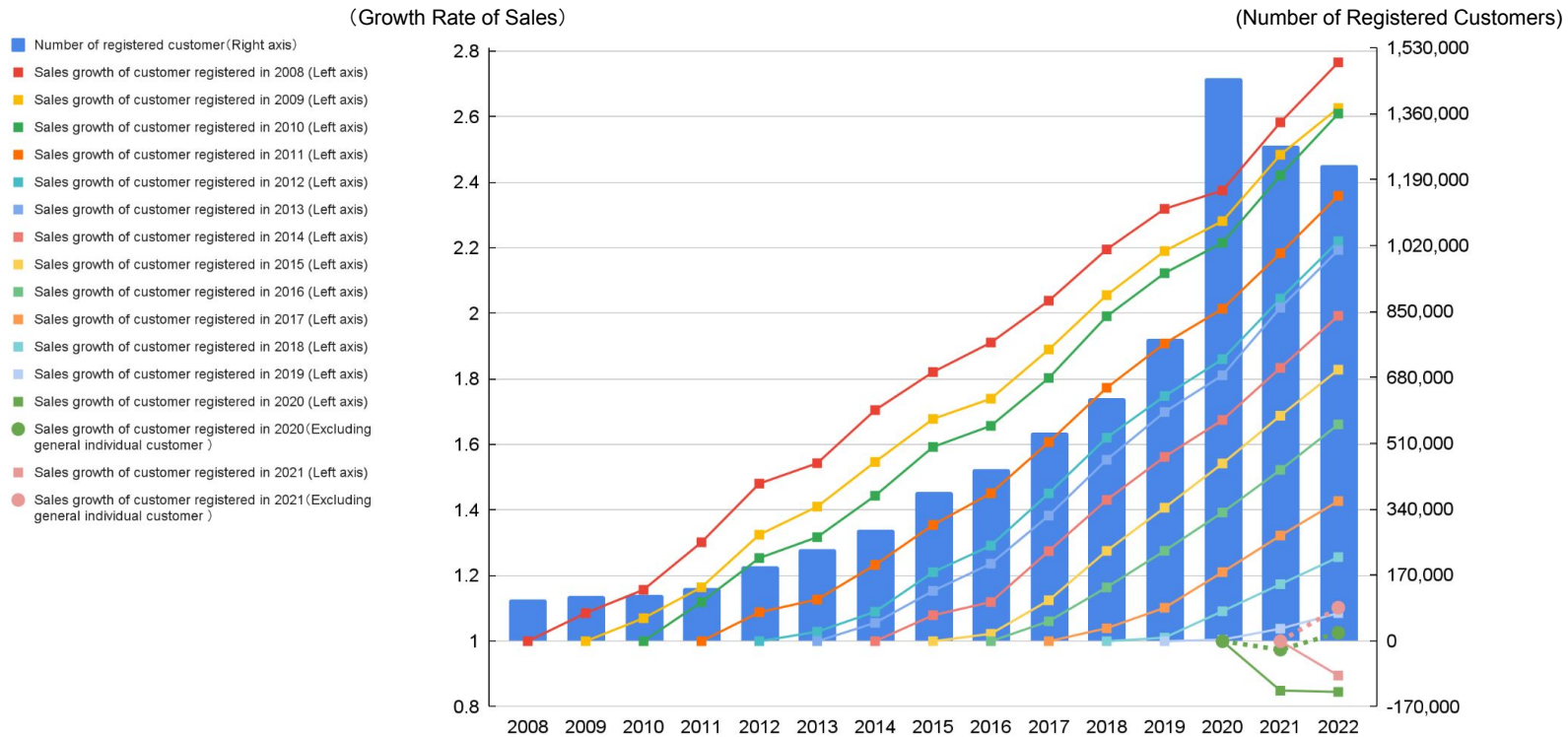
Non-consol. Internet Purchase Order Ratio



Non-consol. Product Lineup & Inventory



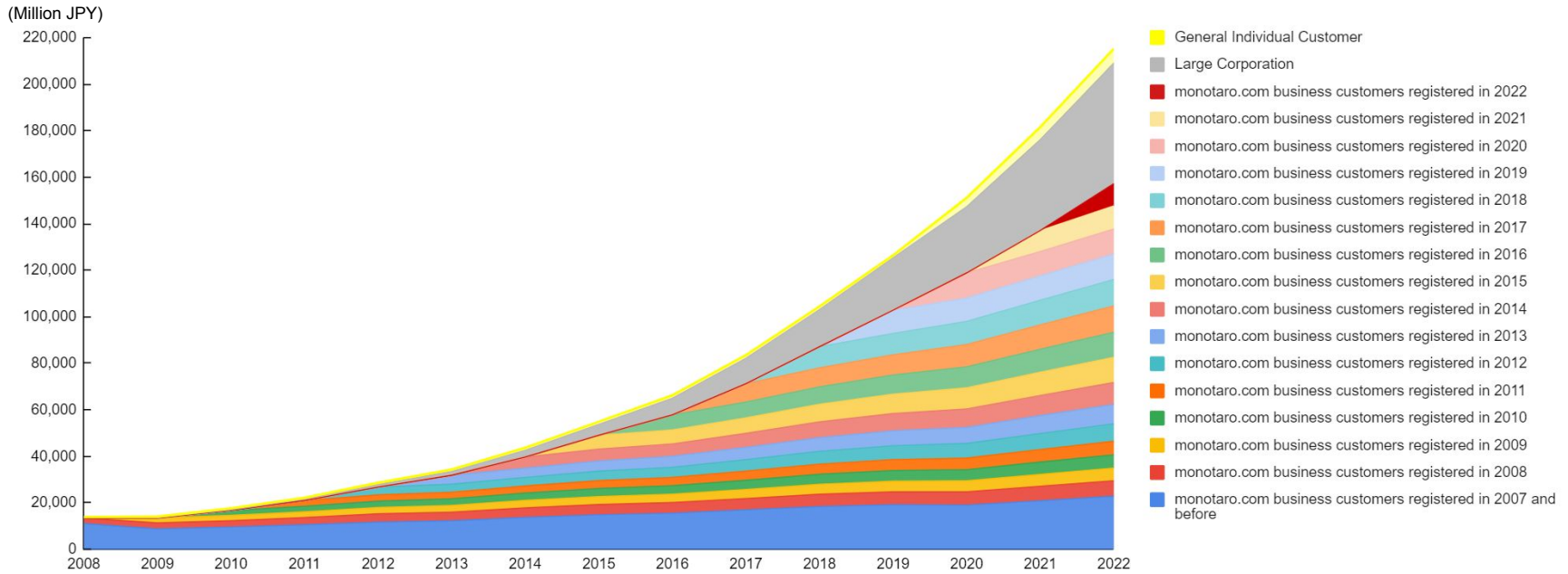
Non-consol. Customer Growth by Year Registered



* Note 1: Above number of 'monotaro.com' registered customers and sales growth are updated retroactively at the end of 2022 (large corporate sales and sales for customers who switched to procurement system for large corporation business are not included).

* Note 2: Line chart (left axis) shows sales growth ratio of customers registered each year by setting sales in registered year as '1.'

Non-consol. Sales Trend by Registered Year



* Note 1: 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 2022.

* Note 2: Sales of 'Large corporation' are total sales of large corporation customers based upon updated customer status at end of 2022.

* Note 3: 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 2022 (IHC MonotaRO was closed and integrated into monotaro.com).

Shareholder Benefit

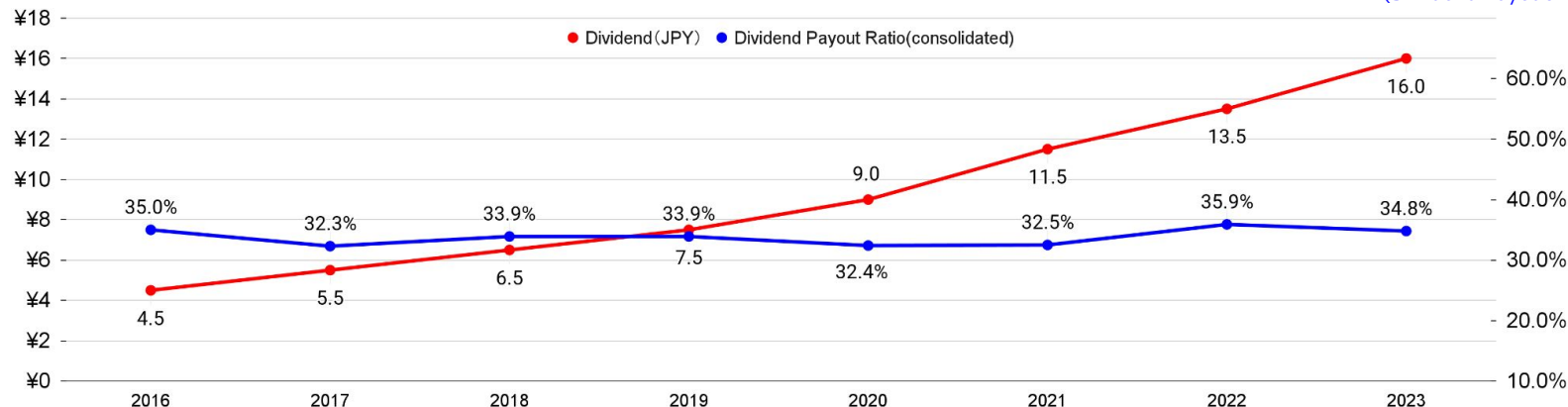
Dividend & Shareholder Benefit

■ Dividend

- Dividend Policy : Distributing dividend consistent with stable and ongoing growth.
- 2022 Dividend (actual): 13.50 JPY/share (6.50 JPY/share interim/actual, 7.00 JPY/share fiscal year end/actual).
- 2023 Dividend (plan): 16.00 JPY/share (8.00 JPY/share interim/actual, 8.00 JPY/share fiscal year end/plan).

(Dividend)

(Dividend Payout Ratio)



■ Shareholders' Benefit

- Shareholders having held one or more unit (100 shares) of MonotaRO share for 6 months or longer on continuous basis as of Dec. 31 are eligible for benefit.
- Eligible shareholders can choose products from MonotaRO's private brand as benefit, and amount of benefit varies in accordance with holding period (as in right chart).

Holding Period	Amount Benefit
6 months or more	3,000 JPY (excl. tax)
3 years or more	5,000 JPY (excl. tax)
5 years or more	7,000 JPY (excl. tax)

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 a wide range of possible reasons. In light of the many risks and uncertainties, you are advised not to put undue reliance on these statements.

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