

## Consolidated Financial Results for the First Three Months of Fiscal Year Ending December 31, 2024 (Three Months Ended March 31, 2024)

 Company name: **MonotaRO Co., Ltd.**

Stock code: 3064

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Scheduled date to file Quarterly Securities Report: May 13, 2024

Scheduled date of dividend payments: -

Supplementary materials: Yes Investors meeting: No

Listing: Tokyo Stock Exchange, Prime Market

 URL: <https://www.monotaro.com>

*(Figures are rounded down to the nearest million yen)*

### 1. Consolidated Financial Results for the Three Months Ended March 31, 2024

**(January 1, 2024 – March 31, 2024)**

(1) Consolidated results of operations *(Percentages show the change from the same period of previous fiscal year)*

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three months ended Mar. 31, 2024	69,139	11.5	8,901	10.9	8,984	11.1	6,256	10.0
Three months ended Mar. 31, 2023	62,014	13.6	8,030	20.5	8,084	19.8	5,687	20.8

Note: Comprehensive income: Three months ended Mar. 31, 2024: 6,153 million yen (10.8%)

Three months ended Mar. 31, 2023: 5,553 million yen (16.4%)

	Net income per share	Diluted net income per share
	Yen	Yen
Three months ended Mar. 31, 2024	12.59	12.59
Three months ended Mar. 31, 2023	11.45	11.45

(2) Consolidated financial position

	Total assets	Net assets	Equity ratio
	Millions of yen	Millions of yen	%
As of Mar. 31, 2024	127,043	89,055	69.8
As of Dec. 31, 2023	128,352	86,982	67.3

Reference: Shareholders' equity Mar. 31, 2024: 88,650 million yen Dec. 31, 2023: 86,433 million yen

### 2. Dividends

	Dividends per share				
	1Q-end	2Q-end	3Q-end	Year-end	Annual
	Yen	Yen	Yen	Yen	Yen
Year ended Dec. 31, 2023	-	8.00	-	8.00	16.00
Year ending Dec. 31, 2024 (actual)	-				
Year ending Dec. 31, 2024 (forecast)		9.00	-	10.00	19.00

Note: Amendments to dividend forecast compared with the most recent disclosure: None

### 3. Consolidated Forecasts for the Fiscal Year Ending December 31, 2024 (January 1, 2024 – December 31, 2024)

*(Percentages show the change from the same period of previous fiscal year)*

	Net sales		Operating income		Ordinary income		Net income attributable to owners of the parent		Net income per share
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Yen
Half year (accumulated)	139,015	11.7	17,022	10.7	17,024	9.6	11,923	9.6	23.99
Full year	286,570	12.7	35,820	14.4	35,835	13.6	25,096	15.1	50.51

Note: Revision of consolidated forecast during this quarter: None

#### 4. Others

- (1) Changes in the number of material subsidiaries resulting in changes in scope of consolidation during the three-month period ended March 31, 2024: None
- (2) Application of special accounting methods for the preparation of quarterly consolidated financial statements: None
- (3) Changes in accounting principles and estimates, or retrospective restatements:
- 1) Changes in accounting principles caused by the revision of accounting standards: None
  - 2) Changes in accounting principles other than mentioned in 1): None
  - 3) Changes in estimates: None
  - 4) Retrospective restatements: None
- (4) Number of shares outstanding (common shares)
- 1) Number of shares outstanding at the end of period (including treasury stock)  
Mar. 31, 2024: 501,351,000 shares Dec. 31, 2023: 501,351,000 shares
  - 2) Number of treasury stock at the end of period  
Mar. 31, 2024: 4,503,600 shares Dec. 31, 2023: 4,444,396 shares
  - 3) Average number of shares outstanding during the period  
Three months ended Mar. 31, 2024: 496,886,869 shares Three months ended Mar. 31, 2023: 496,906,963 shares

This quarterly report of financial results is out of scope from quarterly review procedures conducted by independent auditors.

#### **\* Cautionary statement with respect to forward-looking statements**

The forecasts above are based on the judgments made in accordance with information currently available. Forecasts therefore include risks and uncertainties. Actual figures may differ from these forecasts due to subsequent changes in the circumstances.

## **1. Qualitative Information on the Consolidated Financial Statements**

### **(1) Qualitative Information Regarding Consolidated Results of Operations**

The Japanese economy during the first three months of the fiscal year ending December 31, 2024, generally continued to be unpredictable with concerns about the impact of the yen's continued depreciation and the economy due to the situation in prolonged Russia and Ukraine and tension in the Middle East in addition to the rising energy and raw material prices, although there have been indications of a gradual recovery driven by the normalization of social and economic activities and improvements in employment and income conditions.

In this economic environment, we have continually concentrated on acquiring new customers aggressively mainly through internet advertisements (paid listings) and internet search engine optimization (SEO), which can improve our website's position on the search engines. We also conducted promotion activities including direct mail using e-mail and mailing flyers with optimized product listings for each customer, daily special prices. In addition, we broadcasted TV commercials to enhance our visibility much further.

Furthermore, the total number of our product lineup reached approximately 23 million items in total with 559 thousand items in stock available for the same day shipment to meet the increase in demand corresponding to the expansion of our customer base as of the end of the first three months of the fiscal year ending December 31, 2024.

In addition, in relation to the sales of MRO products to large customers through the integrated purchase systems, both the number of customers and the amount of sales steadily increased.

Consequently, we have successfully obtained 244,004 newly registered accounts for the first three months of the fiscal year ending December 31, 2024 and the number of registered accounts totaled 9,350,525 as of the end of the first three months of the fiscal year ending December 31, 2024.

In addition, NAVIMRO, which is our Korean subsidiary, also aggressively engaged in acquiring new customers mainly through paid listings and focused on increasing both its product lineup and the number of products in stock in order to expand its customer base.

All of our efforts mentioned above resulted in net sales of 69,139 million yen (11.5% increase from the same period of the previous fiscal year), operating income of 8,901 million yen (10.9% increase from the same period of the previous fiscal year), ordinary income of 8,984 million yen (11.1% increase from the same period of the previous fiscal year), and net income attributable to owners of the parent of 6,256 million yen, a corresponding 10.0% increase.

### **(2) Qualitative Information Regarding Consolidated Financial Position**

Total assets as of March 31, 2024 (the end of the first three months of the fiscal year ending December 31, 2024) amounted to 127,043 million yen, a decrease of 1,308 million yen from the end of the previous fiscal year. This was attributable to decreases of 4,075 million yen in cash and deposits, despite an increase of 3,036 million yen in notes and accounts receivable-trade.

On the other hand, total liabilities as of March 31, 2024 amounted to 37,987 million yen, a decrease of 3,382 million yen from the end of the previous fiscal year. This was due mainly to decreases of 3,170 million yen and 2,242 million yen in income taxes payable and loans payable, respectively, despite an increase of 2,793 million yen in accounts payable-trade.

Total net assets amounted to 89,055 million yen, an increase of 2,073 million yen from the end of the previous fiscal year. This was largely due to net income attributable to owners of the parent of 6,256 million yen offset by dividend payments of 3,975 million yen for the first three months of the fiscal year ending December 31, 2024.

As a result, the equity ratio as of March 31, 2024 was 69.8%, up 2.5 percentage points from the end of the previous fiscal year.

### **(3) Forecast for the Fiscal Year Ending December 31, 2024**

Our consolidated financial results for the first three months of this fiscal year were almost in line with our plan. Therefore, the consolidated forecast for the fiscal year ending December 31, 2024, disclosed on February 2, 2024, has not been changed at this time.

## 2. Consolidated Quarterly Financial Statements

### (1) Consolidated quarterly balance sheets

Accounts	As of Dec. 31, 2023	(In millions of yen) As of Mar. 31, 2024
<b>Assets</b>		
Current assets		
Cash and deposits	18,644	14,568
Notes and accounts receivable-trade	28,443	31,479
Electronically recorded monetary claims	906	1,152
Merchandise	18,182	18,161
Goods in transit	690	876
Supplies	1	1
Accounts receivable-other	7,417	7,361
Other	1,134	1,177
Allowance for doubtful accounts	-134	-132
<b>Total current assets</b>	<b>75,286</b>	<b>74,645</b>
Noncurrent assets		
Property, plant and equipment		
Buildings, net	14,943	14,687
Machinery and equipment, net	14,888	14,670
Leased assets, net	2,389	2,272
Construction in progress	1,076	1,195
Other, net	6,262	6,299
<b>Total property, plant and equipment</b>	<b>39,561</b>	<b>39,125</b>
Intangible assets		
Software	5,883	5,999
Software in progress	301	140
Other	175	171
<b>Total intangible assets</b>	<b>6,359</b>	<b>6,311</b>
Investments and other assets		
Guarantee deposits	3,550	3,461
Other	3,715	3,628
Allowance for doubtful accounts	-120	-129
<b>Total investments and other assets</b>	<b>7,144</b>	<b>6,961</b>
<b>Total noncurrent assets</b>	<b>53,065</b>	<b>52,398</b>
<b>Total assets</b>	<b>128,352</b>	<b>127,043</b>
<b>Liabilities</b>		
Current liabilities		
Accounts payable-trade	17,052	19,845
Short-term borrowings	221	225
Current portion of long-term loans payable	4,721	2,475
Lease obligations	31	228
Accounts payable-other	5,463	5,098
Income taxes payable	6,063	2,892
Provision for employees' bonuses	345	675
Other	3,093	2,105
<b>Total current liabilities</b>	<b>36,989</b>	<b>33,546</b>
Noncurrent liabilities		
Long-term loans payable	221	225
Lease obligations	616	628
Net defined benefit liability	562	599
Asset retirement obligation	2,903	2,908
Other	77	79
<b>Total noncurrent liabilities</b>	<b>4,380</b>	<b>4,441</b>
<b>Total liabilities</b>	<b>41,369</b>	<b>37,987</b>
<b>Net assets</b>		
Shareholders' equity		
Capital stock	2,042	2,042
Capital surplus	1,027	1,027
Retained earnings	83,578	85,859
Treasury stock	-619	-726
<b>Total shareholders' equity</b>	<b>86,028</b>	<b>88,201</b>
Accumulated other comprehensive income		
Foreign currency translation adjustments	417	465
Remeasurements of defined benefit plans	-12	-16
<b>Total accumulated other comprehensive income</b>	<b>404</b>	<b>448</b>
Subscription rights to shares	28	30
Non-controlling interests	520	374
<b>Total net assets</b>	<b>86,982</b>	<b>89,055</b>
<b>Total liabilities and net assets</b>	<b>128,352</b>	<b>127,043</b>

**(2) Consolidated quarterly statements of (comprehensive) income**

Accounts	(In millions of yen)	
	Three months period ended Mar. 31, 2023	Three months period ended Mar. 31, 2024
Net sales	62,014	69,139
Cost of sales	43,428	48,924
Gross profit	18,585	20,215
Selling, general and administrative expenses	10,555	11,313
Operating income	8,030	8,901
Non-operating income		
Interest income	4	2
Foreign exchange gains	33	62
Gain on sale of materials	7	10
Other	52	37
Total non-operating income	98	112
Non-operating expenses		
Interest expenses	31	18
Loss on sale of electronically recorded monetary claims	9	9
Other	3	0
Total non-operating expenses	43	28
Ordinary income	8,084	8,984
Extraordinary loss		
Loss on sales of fixed assets	—	0
Loss on disposal of fixed assets	0	56
Total extraordinary losses	0	56
Income before income taxes	8,084	8,928
Income taxes-current	2,261	2,758
-deferred	267	84
Total income taxes	2,528	2,842
Net income	5,556	6,085
Net income attributable to:		
owners of the parent	5,687	6,256
non-controlling interests	-131	-170
Other comprehensive income		
Foreign currency translation adjustment	6	75
Remeasurements of defined benefit plans	-10	-7
Total other comprehensive income	-3	67
Comprehensive income	5,553	6,153
Comprehensive income attributable to:		
owners of the parent	5,673	6,297
non-controlling interests	-120	-144