



Quarter 1, FY2024

(Jan. to Mar. 2024)

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 23 mil. SKU including 651 thou. SKU available for same-day shipment and 559 thou. SKU in stock).
- Features of Products for Sale
 - Variety of products, convenience is more important than price for customers.
- Number of employees (consolidated, as of Mar. 31, 2024)

	Regular employee		Part-time and temporary employee		Total	
Head Office, etc. (MonotaRO JPN)	1,160	(617)	446	(395)	1,606	(1,012)
Distribution Center (MonotaRO JPN)	217	(164)	1,571	(1,463)	1,788	(1,627)
Total (MonotaRO JPN)	1,377	(781)	2,017	(1,858)	3,394	(2,639)

- 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.

2024 Jan. to Mar.
(Non-consol.) Financial Result Overview

Financial Result P/L Outline 1/3

	2023Q1 Result		2024Q1 Plan		2024Q1 Result			
	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	YonY	vs Plan
Sales	59,594		66,320		66,288		+11.2%	△0.0%
Large Corp. Bus.	15,970	26.8%	20,707	31.2%	20,831	31.4%	+30.4%	+0.6%
Gross Profit	18,090	30.4%	19,845	29.9%	19,691	29.7%	+8.8%	△0.8%
SG&A Exp.	9,806	16.5%	10,883	16.4%	10,385	15.7%	+5.9%	△4.6%
Operating Income	8,284	13.9%	8,961	13.5%	9,305	14.0%	+12.3%	+3.8%
Current Income	8,358	14.0%	8,969	13.5%	9,387	14.2%	+12.3%	+4.7%
Net Income (Tax Rate)	5,830 (30.2%)	9.8%	6,238 (30.4%)	9.4%	6,488 (30.5%)	9.8%	+11.3%	+4.0%

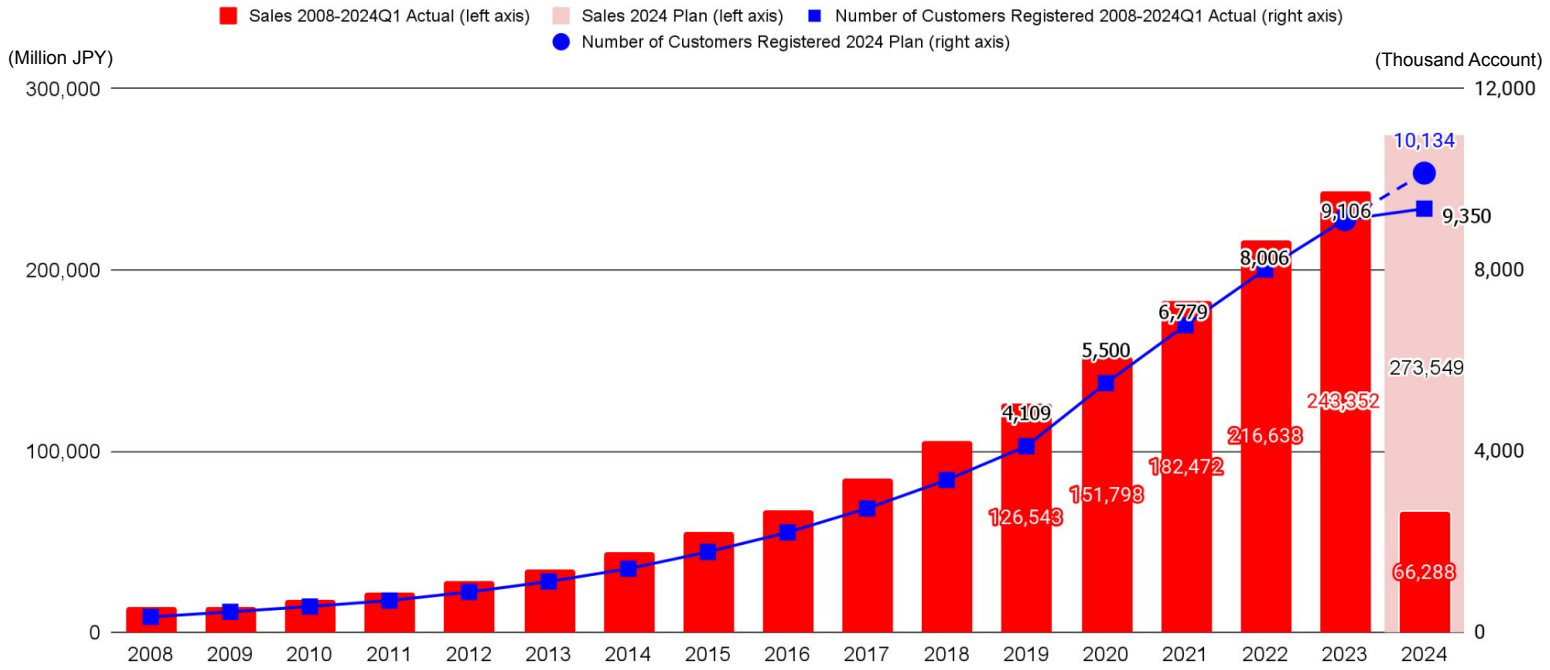
Financial Result P/L Outline 2/3 vs. Last Year

	2023Q1 Result (A)		2024Q1 Result (B)		Difference (B-A)		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio			
Sales	59,594	—	66,288	—	Amount (mil.JPY)	+6,693	<ul style="list-style-type: none"> monotaro.com: grew due to increases in size of orders. Large Corp. Business: Grew highly YoY (+30.4%) due to increases in number of customers acquired. Royalty income: decreased YoY.
					YoY	+11.2%	
					Sales Ratio	-	
Gross Profit	18,090	30.4%	19,691	29.7%	Amount (mil.JPY)	+1,600	<ul style="list-style-type: none"> Product GP% decreased (Δ0.5pt.: due to change in product mix, decrease in sales share of PB, and depreciation of JPY). Royalty income: decreased YoY.
					YoY	+8.8%	
					Sales Ratio	Δ 0.7%	
SG&A Exp.	9,806	16.5%	10,385	15.7%	Amount (mil.JPY)	+579	<ul style="list-style-type: none"> Facility Rent Exp. ratio decreased (Δ0.4pt.: due to end of lease contract for Amagasaki DC, sales increase, etc.). Outsourcing Exp. ratio decreased (Δ0.4pt.: sales per box increased, and number of boxes did not increase as much as sales growth, DC productivity improved, etc.). Labor Exp. ratio decreased (Δ0.2pt.: sales per box increased, number of boxes shipped did not increase as much as sales growth, DC productivity improved, etc.). Other Exp. ratio decreased (Δ0.1pt.: no temporary cost increase in 2024Q1 contrary to 2023Q1 for preparing Inagawa DC Phase 2, etc.). Depreciation Exp. ratio increased (+0.4pt.: launched Phase 2 of Inagawa DC, etc.).
					YoY	+5.9%	
					Sales Ratio	Δ 0.8%	
Operating Income	8,284	13.9%	9,305	14.0%	Amount (mil.JPY)	+1,021	<ul style="list-style-type: none"> GP ratio decreased (Δ0.7pt.), but SG&A Exp. ratio decreased (Δ0.8pt.) and Operating Income ratio improved (+0.1pt.).
					YoY	+12.3%	
					Sales Ratio	+0.1%	
Net Income (Tax Rate)	5,830 (30.2%)	9.8%	6,488 (30.5%)	9.8%	Amount (mil.JPY)	+658	<ul style="list-style-type: none"> Operating Income grew by 12.3% and Net Income amount increased by +11.3%.
					YoY	+11.3%	
					Sales Ratio	+0.0%	

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

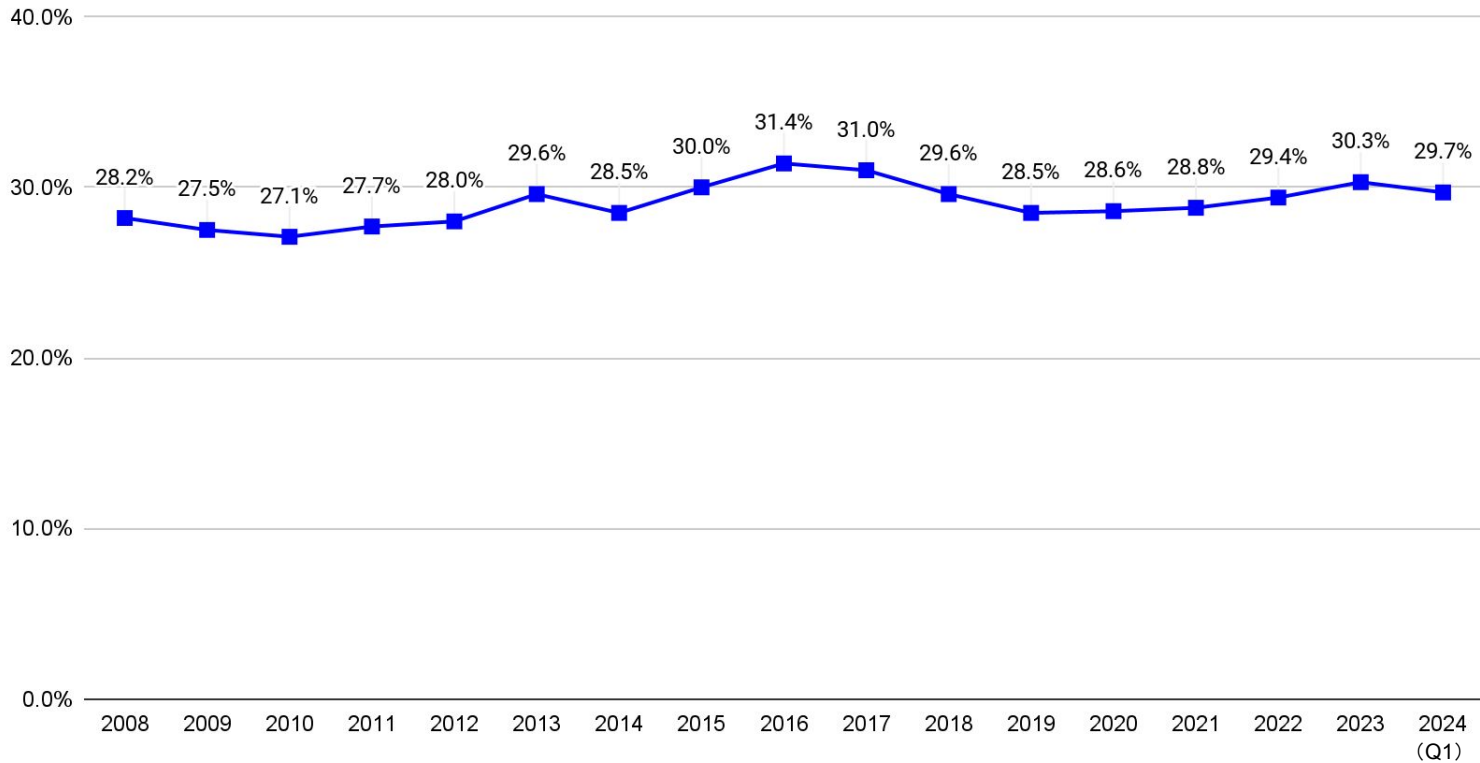
	2024Q1 Plan (A)		2024Q1 Result (B)		Difference (B-A)		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio			
Sales	66,320	—	66,288	—	Amount (mil.JPY)	Δ32	<ul style="list-style-type: none"> monotaro.com: almost as planned. Large Corp. Business: went above plan (+0.6%) . Royalty income: higher than plan.
					vs Plan	Δ0.0%	
					Sales Ratio	-	
Gross Profit	19,845	29.9%	19,691	29.7%	Amount (mil.JPY)	Δ154	<ul style="list-style-type: none"> Product GP ratio decreased (Δ0.3pt.:due to change in product mix and decrease in sales share of PB product and depreciation of JPY). Royalty income: increased as planned.
					vs Plan	Δ0.8%	
					Sales Ratio	Δ0.2%	
SG&A Exp.	10,883	16.4%	10,385	15.7%	Amount (mil.JPY)	Δ498	<ul style="list-style-type: none"> Other Exp. ratio decreased (Δ0.3pt.: decreases in equipment cost at DC, and in system usage fees, etc.). Ad. & Prom. Exp. ratio decreased (Δ0.2pt.: due to decrease in listing ad. and flyer costs, etc.). Outsourcing Exp. ratio decreased (Δ0.1pt.: due to decrease in temporary system engineer cost, etc.). Facility Rent Exp. ratio decreased (Δ0.1pt.: due to estimation variance of external warehouse rent, etc.). Labor Exp. ratio decreased (Δ0.1pt.: due to DC productivity improved, etc.).
					vs Plan	Δ4.6%	
					Sales Ratio	Δ0.7%	
Operating Income	8,961	13.5%	9,305	14.0%	Amount (mil.JPY)	+343	<ul style="list-style-type: none"> Operating income increased (+3.8%) due to lower SG&A expenses despite lower gross margin.
					vs Plan	+3.8%	
					Sales Ratio	+0.5%	
Net Income (Tax Rate)	6,238 (30.4%)	9.4%	6,488 (30.5%)	9.8%	Amount (mil.JPY)	+250	<ul style="list-style-type: none"> Due to increase in Operating Income than plan, Net Income amount increased (+4.0%).
					vs Plan	+4.0%	
					Sales Ratio	+0.4%	

Non-consol. Progress - Sales & Customer

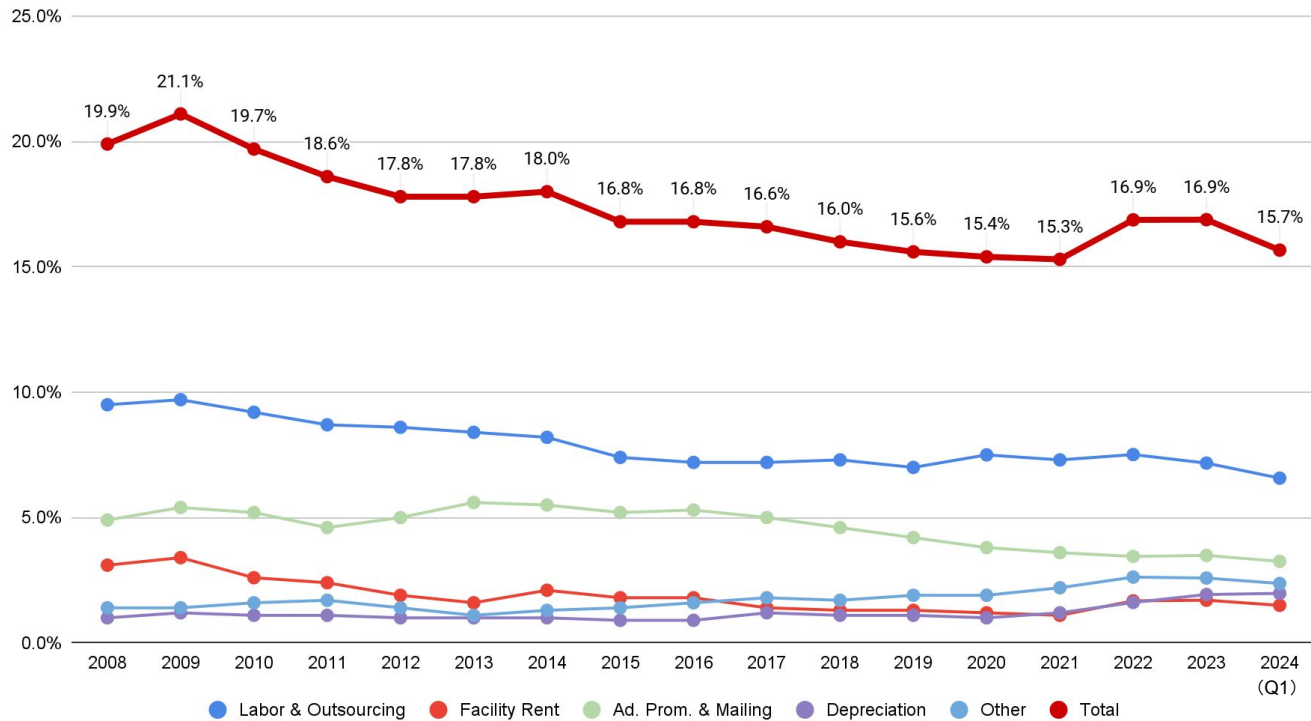


	Dec. 2023		Mar. 2024		Dec. 2024 (Plan)	
Number of Registered Customers	9,106,521	+1,100,027 (vs. Dec.2022)	9,350,525	+244,004 (vs. Dec.2023)	10,134,252	+1,027,731 (vs. Dec.2023)

Non-consol. Progress - Gross Profit Ratio



Non-consol. Progress - SG&A Expense Ratio



Expense Breakdown		
	2023Q1 Result	2024Q1 Result
Labor	4.5%	4.3%
Outsourcing	2.7%	2.3%
Facility Rent	1.9%	1.5%
Ad & Promotion	3.1%	3.1%
Mailing	0.2%	0.1%
Depreciation	1.6%	2.0%
Others	2.5%	2.4%
Total	16.5%	15.7%

Distribution-related Cost

- Distribution-related Cost sales ratio 2024Q1: 6.7%
 - 0.8pt. lower than 2023Q1 Result.
 - Labor and outsourcing expense ratio decreased: $\Delta 0.4$ pt. (increase in sales per box resulted in decrease in number of box handled per sale, productivity improved, etc.).
 - Facility rent expense ratio decreased: $\Delta 0.4$ pt. (lease contract for Amagasaki DC ended, sales increased, etc.).
 - Other expense ratio decreased: $\Delta 0.1$ pt. (preparation cost for launching Inagawa DC phase 2 was incurred in 2023Q1, etc.).
 - Depreciation expense ratio increased: $+0.2$ pt. (Inagawa DC Phase 2 launched in Apr. 2023, etc.).
 - 0.2pt. lower than Plan.
 - Other expense ratio decreased: $\Delta 0.1$ pt. (decrease in equipment costs at DC, etc.).
 - Facility rent expense ratio decreased: $\Delta 0.1$ pt. (estimation variance of external warehouse rent, etc.).

	2023Q1 Result		2024Q1 Plan		2024Q1 Result			
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	YoY	vs Plan
Sales (Non-consol.)	59,594		66,320		66,288		+11.2%	$\Delta 0.0\%$
Depreciation	635	1.1%	871	1.3%	866	1.3%	+36.3%	$\Delta 0.6\%$
Labor & Outsourcing	1,984	3.3%	1,938	2.9%	1,919	2.9%	$\Delta 3.3\%$	$\Delta 1.0\%$
Facility Rent	1,034	1.7%	922	1.4%	867	1.3%	$\Delta 16.2\%$	$\Delta 6.0\%$
Others	795	1.3%	850	1.3%	792	1.2%	$\Delta 0.3\%$	$\Delta 6.7\%$
Total	4,450	7.5%	4,582	6.9%	4,446	6.7%	$\Delta 0.1\%$	$\Delta 3.0\%$

Financial Result B/S Outline

	Mar. 2023	Dec. 2023	Mar. 2024	
	mil. JPY	mil. JPY	mil. JPY	Ratio
Assets				
Cash	7,477	17,995	14,171	11.2%
Accounts Receivable	27,917	28,802	32,084	25.4%
Inventory	18,517	17,513	17,670	14.0%
Other	7,452	8,089	8,050	6.4%
Total Current Assets	61,365	72,400	71,977	57.0%
Tangible Fixed Asset	35,431	38,335	37,932	30.0%
Intangible Fixed Assets	6,403	6,263	6,214	4.9%
Other	9,930	10,332	10,164	8.0%
Total Fixed Assets	51,765	54,931	54,311	43.0%
Total Assets	113,131	127,332	126,288	

	Mar. 2023	Dec. 2023	Mar. 2024	
	mil. JPY	mil. JPY	mil. JPY	Ratio
Liabilities				
Accounts Payable	17,756	16,304	19,096	15.1%
Short-term Debt & etc.	4,500	4,500	2,250	1.8%
Others	10,104	14,267	10,232	8.1%
Total Current Liabilities	32,361	35,072	31,579	25.0%
Total Long term Liabilities	4,781	4,006	4,049	3.2%
Total Liabilities	37,142	39,079	35,628	28.2%
Net Assets				
Shareholder's Equity	75,960	88,225	90,631	71.8%
Others	28	28	28	0.0%
Total Net Assets	75,988	88,253	90,660	71.8%
Total Liabilities & Net Assets	113,131	127,332	126,288	

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

2024 Jan. to Mar.
(Consol.) Financial Result Overview

Financial Result P/L Outline 1/3

	2023Q1 Result		2024Q1 Plan		2024Q1 Result			
	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	Amount (mil. JPY)	Sales Ratio	YoY	vs Plan
Sales	62,014		69,150		69,139		+11.5%	△0.0%
Gross Profit	18,585	30.0%	20,419	29.5%	20,215	29.2%	+8.8%	△1.0%
SG&A Exp.	10,555	17.0%	11,886	17.2%	11,313	16.4%	+7.2%	△4.8%
Operating Income	8,030	12.9%	8,532	12.3%	8,901	12.9%	+10.9%	+4.3%
Current Income	8,084	13.0%	8,532	12.3%	8,984	13.0%	+11.1%	+5.3%
Net Income (Tax Rate)	5,556 (31.3%)	9.0%	5,801 (32.0%)	8.4%	6,085 (31.8%)	8.8%	+9.5%	+4.9%
Net Income attributable to owners of the parent	5,687	9.2%	5,971	8.6%	6,256	9.0%	+10.0%	+4.8%

■ NAVIMRO (South Korea)

- Accelerated large corporation business. Sales grew from previous year but did not reach Plan.
- Reviewed inventory product lineup and attempting to improve repeat rate of order.

	2023Q1 Result			2024Q1 Plan			2024Q1 Result				
	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	vs Plan	YonY (Local Currency)	vs Plan (Local Currency)
Sales	2,050	+21.2%	+12.6%	2,370	+15.8%	+11.7%	2,370	+15.6%	Δ0.2%	+7.4%	Δ3.9%
Op.Income	20	+55.1%	+44.1%	Δ70	—	—	Δ40	—	—	—	—
Net Income x Share ^{(*)1}	10	Δ10.4%	Δ16.8%	Δ70	—	—	Δ50	—	—	—	—

■ MONOTARO INDONESIA (Indonesia)

- Sales growth exceeded Plan due to increase in number of existing customers regularly purchasing indirect materials.
- Reviewed inventory conditions. Priority for stock is given to products with long delivery lead-time, tendency to be purchased by customer with high lifetime value, and small sized products.

	2023Q1 Result			2024Q1 Plan			2024Q1 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	220	+61.1%	+50.0%	260	+19.9%	+12.2%	300	+35.9%	+13.4%	+24.5%	+11.0%
Op.Income	Δ60	—	—	Δ90	—	—	Δ70	—	—	—	—
Net Income x Share ^{(*)1}	Δ30	—	—	Δ40	—	—	Δ40	—	—	—	—

*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)

- Sales are slightly above Plan. To improve repeat rates, focusing on customers in industrial and commercial areas and expanding inventory of consumables.
- To shorten delivery lead-time, will open new warehouses in three cities in 2024.

	2023Q1 Result			2024Q1 Plan			2024Q1 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)	280	+58.5%	+52.7%	290	+3.0%	Δ2.4%	310	+10.4%	+7.2%	Δ0.6%	+1.9%
Sales(*3)	180	+53.1%	+47.4%	180	+2.6%	Δ2.8%	210	+15.3%	+12.4%	+3.8%	+6.8%
Op.Income	Δ180	—	—	Δ260	—	—	Δ280	—	—	—	—
Net Income x Share(*1)	Δ100	—	—	Δ130	—	—	Δ140	—	—	—	—

*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

	Mar. 2023	Dec. 2023	Mar. 2024	
	mil. JPY	mil. JPY	mil. JPY	Ratio
Assets				
Cash	8,407	18,644	14,568	11.5%
Accounts Receivable	28,343	29,349	32,631	25.7%
Inventory	19,783	18,875	19,038	15.0%
Others	7,798	8,417	8,406	6.6%
Total Current Assets	64,332	75,286	74,645	58.8%
Tangible Fixed Assets	36,233	39,561	39,125	30.8%
Intangible Fixed Assets	7,204	6,359	6,311	5.0%
Others	6,290	7,144	6,961	5.5%
Total Fixed Assets	49,729	53,065	52,398	41.2%
Total Assets	114,061	128,352	127,043	

	Mar. 2023	Dec. 2023	Mar. 2024	
	mil. JPY	mil. JPY	mil. JPY	Ratio
Liabilities				
Accounts Payable	18,381	17,052	19,845	15.6%
Short-term Debt & etc.	4,813	4,942	2,700	2.1%
Others	10,911	14,995	11,000	8.7%
Total Current Liabilities	34,107	36,989	33,546	26.4%
Total Long term Liabilities	5,259	4,380	4,441	3.5%
Total Liabilities	39,366	41,369	37,987	29.9%
Net Assets				
Shareholder's Equity	74,003	86,028	88,201	69.4%
Others	691	954	854	0.7%
Total Net Assets	74,695	86,982	89,055	70.1%
Total Liabilities & Net Assets	114,061	128,352	127,043	

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

Financial Result C/F Outline

	2023Q1 Result	2024Q1 Result
	mil. JPY	mil. JPY
Cash Flow from Operating Activity		
Net Income before Tax	8,084	8,928
Depreciation	990	1,392
Increase or Decrease in Accounts Receivable (Δ = increase)	Δ 1,830	Δ 3,263
Increase or Decrease in Inventory (Δ = increase)	Δ 205	Δ 118
Increase or Decrease in Accounts Payable (Δ = decrease)	2,724	2,773
Tax payment	Δ 4,240	Δ 5,739
Increase or Decrease in Accrued Consumption Taxes (Δ = decrease)	785	Δ 814
Others	332	Δ 178
Total	6,640	2,981
Cash Flow from Investing Activity		
Acquisition of Tangible Assets	Δ 846	Δ 409
Acquisition of Intangible Assets	Δ 563	Δ 454
Others	158	286
Total	Δ 1,251	Δ 577
Cash Flow from Financing Activity		
Repayments of Long-term Debt	Δ 2,250	Δ 2,250
Cash Dividends Paid	Δ 3,450	Δ 3,939
Others	39	Δ 108
Total	Δ 5,661	Δ 6,297
Currency Exchange Adjustment	Δ 16	7
Net Increase or Decrease in Cash and Cash Equivalent (Δ = decrease)	Δ 289	Δ 3,885
Cash and Cash Equivalent at Beginning of Period	8,586	18,454
Cash and Cash Equivalent at End of Period	8,297	14,568

2024 Jan. to Mar.
Business Plan & Strategy

Non-consolidated P/L Plan Outline

	2023 Result		2024 Plan		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	YoY
Sales	243,352		273,549		12.4%
Large Corp.	67,327	27.7%	86,382	31.6%	28.3%
Gross Profit	73,759	30.3%	82,231	30.1%	11.5%
SG&A Exp.	41,084	16.9%	45,273	16.6%	10.2%
Operating Income	32,675	13.4%	36,957	13.5%	13.1%
Current Income	32,891	13.5%	36,984	13.5%	12.4%
Net Income (Tax Rate)	22,072 (28.9%)	9.1%	25,714 (30.4%)	9.4%	16.5%

	2024 Jan.- Jun. Plan			2024 Jul.-Dec. Plan		
	Amount (mil.JPY)	Sales Ratio	YoY	Amount (mil.JPY)	Sales Ratio	YoY
Sales	133,176		11.6%	140,373		13.2%
Large Corp.	41,228	31.0%	28.9%	45,153	32.2%	27.8%
Gross Profit	39,841	29.9%	10.1%	42,390	30.2%	12.8%
SG&A Exp.	22,113	16.6%	9.2%	23,159	16.5%	11.2%
Operating Income	17,727	13.3%	11.3%	19,230	13.7%	14.8%
Current Income	17,741	13.3%	10.2%	19,243	13.7%	14.6%
Net Income (Tax Rate)	12,339 (30.4%)	9.3%	10.1%	13,375 (30.5%)	9.5%	23.1%

Consolidated P/L Plan Outline 1/2

	2023 Result		2024 Plan		
	Amount (mil.JPY)	Sales Ratio	Amount (mil.JPY)	Sales Ratio	YonY
Sales	254,286		286,570		12.7%
Gross Profit	75,964	29.9%	84,990	29.7%	11.9%
SG&A Exp.	44,654	17.6%	49,169	17.2%	10.1%
Operating Income	31,309	12.3%	35,820	12.5%	14.4%
Current Income	31,538	12.4%	35,835	12.5%	13.6%
Net Income	21,264	8.4%	24,565	8.6%	15.5%
(Tax Rate)	(30.9%)		(31.4%)		
Net Income attributable to owners of the parent	21,813	8.6%	25,096	8.8%	15.1%

	2024 Jan.- Jun. Plan			2024 Jul.- Dec. Plan		
	Amount (mil.JPY)	Sales Ratio	YonY	Amount (mil.JPY)	Sales Ratio	YonY
Sales	139,015		11.7%	147,555		13.6%
Gross Profit	41,057	29.5%	10.4%	43,933	29.8%	13.3%
SG&A Exp.	24,034	17.3%	10.1%	25,134	17.0%	10.1%
Operating Income	17,022	12.2%	10.7%	18,798	12.7%	18.0%
Current Income	17,024	12.2%	9.6%	18,811	12.7%	17.5%
Net Income	11,622	8.4%	9.4%	12,943	8.8%	21.6%
(Tax Rate)	(31.7%)			(31.2%)		
Net Income attributable to owners of the parent	11,923	8.6%	9.6%	13,173	8.9%	20.5%

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)

	2023 Result			2024 Plan		
	Amount (mil.JPY)	YonY	YonY(Local Currency)	Amount (mil.JPY)	YonY	YonY (Local Currency)
Sales	9,300	+15.8%	+9.4%	10,800	+16.1%	+16.1%
Op.Income	△110	—	—	△10	—	—
Net Income x Share(*1)	△120	—	—	△30	—	—

■ MONOTARO INDONESIA (Indonesia)

	2023 Result			2024 Plan		
	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	YonY (Local Currency)
Sales	970	+34.2%	+28.4%	1,280	+30.7%	+30.7%
Op.Income	△330	—	—	△320	—	—
Net Income x Share(*1)	△160	—	—	△160	—	—

■ IB MONOTARO (India)

	2023 Result			2024 Plan		
	Amount (mil.JPY)	YonY	YonY (Local Currency)	Amount (mil.JPY)	YonY	YonY (Local Currency)
(*2) Gross Merchandise Value	1,240	+19.6%	+17.5%	1,420	+14.3%	+14.3%
(*2) Sales	790	+15.4%	+13.3%	930	+17.2%	+17.2%
Op.Income	△790	—	—	△800	—	—
Net Income x Share(*1)	△410	—	—	△410	—	—

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

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

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

■ Market Analysis by Customer Size and MonotaRO's Current Status

	Customer Size	Characteristics of Customers	MonotaRO's Situation	Next Strategy
monotaro.com	Micro (Sole Proprietorship, General Consumers, Other)	<ul style="list-style-type: none"> Sole proprietorship, general consumers. Purchased by individuals for business and personal uses. 	<ul style="list-style-type: none"> 2023 Sales share: about 10% 2023 Sales YonY growth: about 0% 	<ul style="list-style-type: none"> Optimizing direct marketing based upon expected LTV.
	Small (Legal Entity with Sales < 2 bil. JPY, about 4.5 mil. corps.)	<ul style="list-style-type: none"> Number of employees < 10 Procurement person 1 to 2 and "Person ordering = Person using" 	<ul style="list-style-type: none"> 2023 Sales share: about 40% 2023 Sales YonY growth: about 9% Corp. registration % (*1): about 30% 	<ul style="list-style-type: none"> Acquiring new corp. customers through more elaborated direct marketing based upon expected LTV. Strengthening personalized/integrated marketing to increase purchases by existing customers.
Large Corp. Business	Mid (Legal Entity with Sales < 30 bil. JPY, about 60,000 corps.)	<ul style="list-style-type: none"> Number of employees 50 to 500. Plural locations exist. Multiple indirect material procurement personnel, and in some cases, orders are placed by proxy. <ul style="list-style-type: none"> "Person ordering = Person using" 	<ul style="list-style-type: none"> 2023 Sales share: about 25% 2023 Sales YonY growth: about 15% Corp. registration % (*1) is high about 80%, and penetration rate of locations (*2) is about 20%. About 2.3K corps are connected to enterprise system. 	<ul style="list-style-type: none"> Strengthening measures to acquire new users within companies (e.g. flyers). Increasing user's spending. <ul style="list-style-type: none"> Strengthening marketing and site promotion functions to reach end users.
	Large (Sales > 30 bil. JPY, about 6,000 corps.)	<ul style="list-style-type: none"> Number of employees > 500. Share of listed entities is high. Many locations/departments exist, and complicated indirect material ordering patterns. 	<ul style="list-style-type: none"> 2023 Sales share: about 25% 2023 Sales YonY growth: about 25% Corp. registration % (*1) is over 90%, and penetration rate of bases (*2) is about 9%. About 1K corps are connected to enterprise system. 	<ul style="list-style-type: none"> Strengthening sales team structure to acquire new large corp. customers. Developing effective sales frameworks based on understanding of procurement process, purchasing structure, needs, and issues of target companies.

* 1: Corp. Registration rate = corporate customers having at least one person who has MonotaRO account.

* 2: Penetration rate = Percentage of business offices and sites that have at least one person holding account with MonotaRO among those of company.

■ BtoB Online E-commerce (monotaro.com)

Acquiring New Customers	Expanding Existing Customers' Sales
<ul style="list-style-type: none"> Maximizing number of new customer and cumulative LTV acquired by using online (SEM, SEO) and offline (flyers) advertising at appropriate costs based on calculation of expected lifetime value of each customer. New customer acquisition in 2024Q1, however, did not reach Plan. 	<ul style="list-style-type: none"> Continuing measures to re-engage dormant customers (flyers, mini-catalogs sent). Developing and implementing infrastructure that enables more real-time personalized sales promotions for high-frequency customers to expand their purchase product categories. Efforts are underway to extend the same-day shipping cutoff time.

■ System Connection with Large Corporations (Large Corporation Business)

Acquiring New Customers	Expanding Customers' Usage
<ul style="list-style-type: none"> Strengthening sales resources to acquire new connections from large companies, especially those with large sales and user base. Acquisitions of large corp. customers, especially with large sales, remain steady. 	<ul style="list-style-type: none"> Conducting interviews with customers regarding indirect material procurement methods and issues. Proposals on efficient indirect material procurement will be made based on analysis on interviews. Testing is underway to realize one-to-one marketing. Working on extending deadline for same-day shipping orders.

2023 Jan.-Mar. Result			2024 Jan.-Mar. Plan			2024 Jan.-Mar. Result			
Mil. JPY	YonY	/Total Sales	Mil. JPY	YonY	/Total Sales	Mil. JPY	YonY	vs Plan	/Total Sales
15,970	+33.7%	26.8%	20,707	+29.7%	31.2%	20,831	+30.4%	+0.6%	31.4%

	Dec. 2023 End Result		Mar. 2024 End Result		
	No. Corp.		No. Corp.	vs Dec. 2023 End	Remark
Total number of corporations (ONE SOURCE / ONE SOURCE Lite)	(*)	3,578 (2,827)	(*) 3,638 (2,876)	+60 (+49)	130 considering

* Note: Number of active corporations in Dec.2023 and Mar. 2024.

■ Royalty Business

	2024Q1.
Target Business (Grainger's Zoro business in US & UK)	<ul style="list-style-type: none"> U.S. sales grew about 5% from 2023Q1, but both gross profit and operating income % declined.
Royalty Income	<ul style="list-style-type: none"> Amount received decreased from 2023Q1 but exceeded Plan.

■ Difference in 2024Q1 SG&A Expenses from Plan

	SG&A Decreasing Factor	Amount
Decrease in Expenses Other than Logistic Expense (except for expenses delayed)	<ul style="list-style-type: none"> • Decrease in SG&A from Plan <ul style="list-style-type: none"> – Estimated differences in system usage costs, IT development costs (outsourcing costs, in-house capitalization rate), allowance for doubtful accounts ratio, etc. 	About Δ200 mil. JPY
Decrease in Logistic Expense (except for expenses delayed)	<ul style="list-style-type: none"> • Decrease in SG&A from Plan <ul style="list-style-type: none"> – Variance in estimates of external warehouse rent and equipment and supplies costs, etc. 	About Δ120 mil. JPY
Decrease in Ad.& Promotion Expense	<ul style="list-style-type: none"> • Spent for business expansion emphasized on new customer acquisition; however, full amount of planned expenses not used in Q1. 	About Δ100 mil. JPY
Delayed to Q2 or later	<ul style="list-style-type: none"> • Delayed to Q2 or later (implementation timing shifted) <ul style="list-style-type: none"> – System usage costs, education and training costs, recruitment costs, Logistic system maintenance costs, etc. 	About Δ60 mil. JPY
Total		About Δ490 mil. JPY

Sustainability

Status Update

			Action in 2024 (incl. plan)
Prioritized Action Areas	Environment	Reduction of CO2 emissions as measure against climate change	<ul style="list-style-type: none"> • Set goal to reduce total CO2 emissions by 50% from 2020 levels by 2030. • Having CO2 emissions in 2023 verified by third-party. • Studying introduction of renewable energy at Shin kanto DC. • Examining and implementing energy conservation measures at Inagawa DC.
		Proposal and development of environment-conscious products	<ul style="list-style-type: none"> • Proposing products based on analysis of user usage. • Developing environmentally-conscious PB products. • Holding in-house penetration event seminars “Sustainability Day,” in which sustainable materials and products are introduced by manufacturers.
		Realization of resource-recycling model	<ul style="list-style-type: none"> • Implementing waste reduction and recycling plan. • Preparing disclosure through formulation of recycling definitions.
		Responsible Sourcing and Human Rights	<ul style="list-style-type: none"> • Distributed procurement guidelines to suppliers and requested their endorsement. • Requesting, implementing, and analyzing self-assessment questionnaires to suppliers. Examining audit process for compliance.
	Social	Diversity and Inclusion	<ul style="list-style-type: none"> • In March 2024, MonotaRO was certified as one of 2024 Excellent Corporations for Health Management (in Large Corporations Sector). • Expanding employment channels for hiring people with disabilities. Continuing to strengthen retention support. • Holding seminars and roundtable discussions in “D&I Week” as internal penetration event. • Implementing measures to promote use of sitter subsidy coupons.

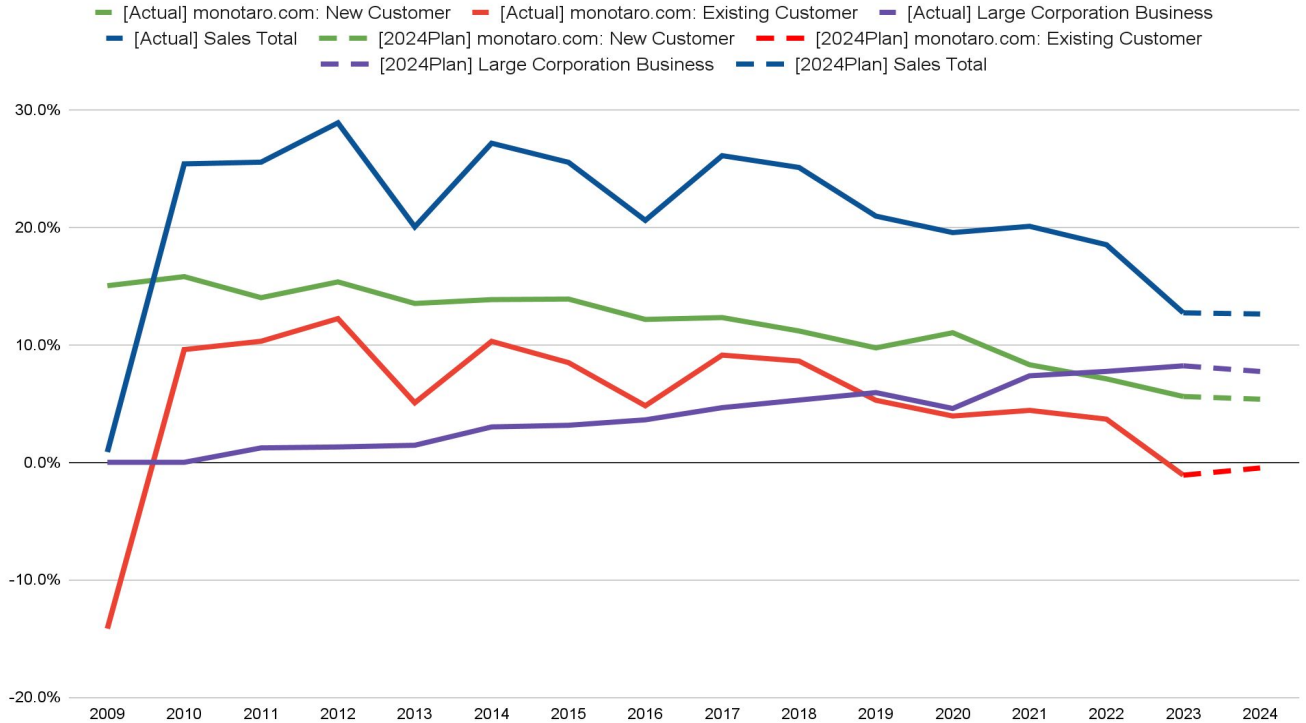
Reference

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



Reference

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

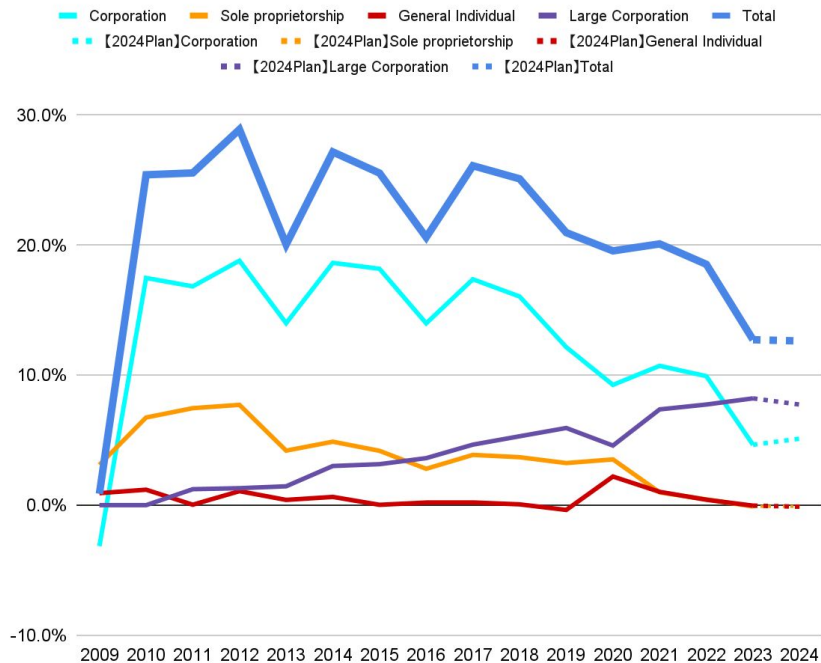


* Note 1: Fiscal year contributions of every channel to total sales growth from previous year is organized and shown based on status as of end of 2023.
 * Note 2: "monotaro.com: New Customer" indicates contribution of sales from customers acquired each fiscal year, and "monotaro.com: Existing Customer" indicates contribution of sales from customers acquired before corresponding year.
 * Note 3: Previously, orders placed via monotaro.com by customers of Large Corp.Business were classified as sales of "Large Corp. Business" (due to past sales management classifications), but from 2024 disclosure materials, they are reclassified as sales of "monotaro.com" following accounting system replacement in 2023 (impact on growth rate is negligible).

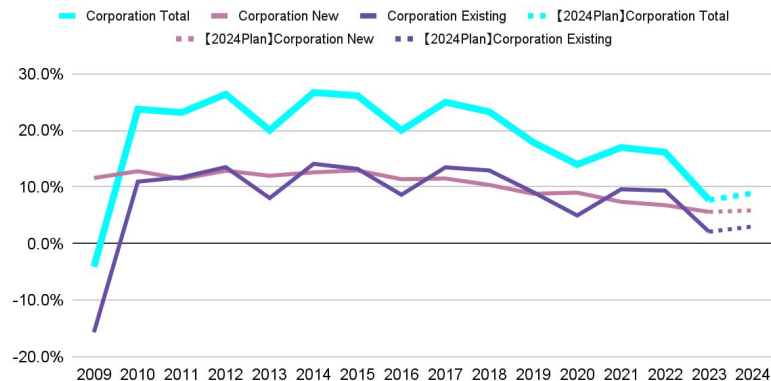
Non-consol. Year Sales Growth (Corporate New & Existing)

Sales Total Growth

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



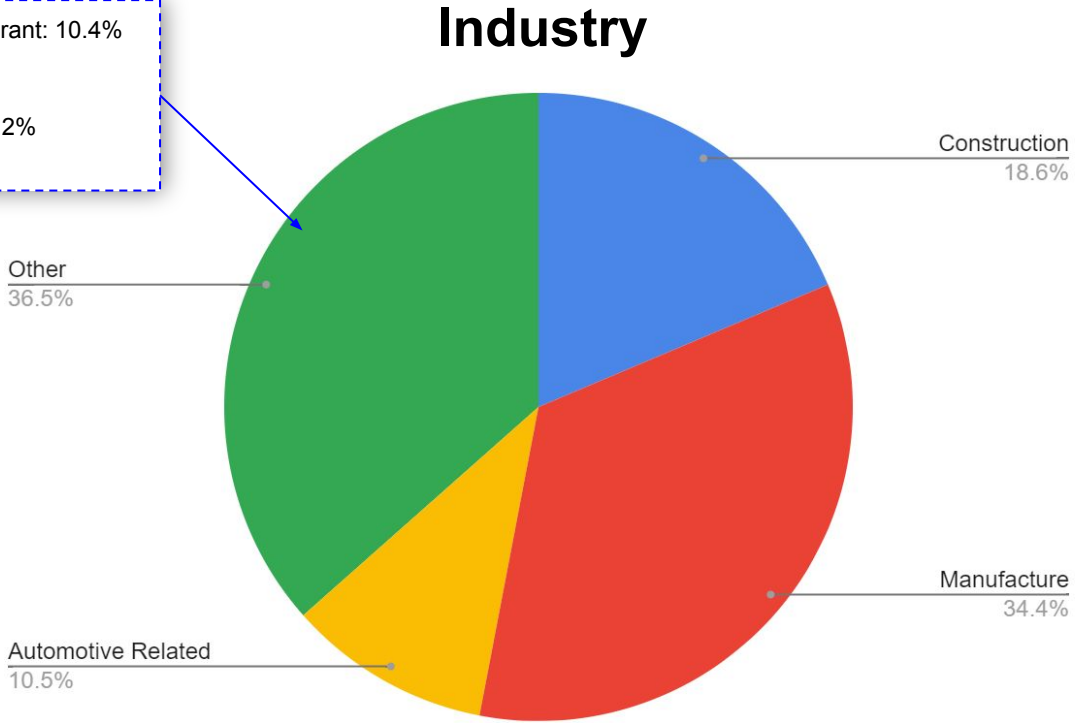
Sales Growth of monotaro.com Corp. Customer (Contributions of New and Existing Customers)



- Growth contribution and growth of corporate customers on monotaro.com
 - Of overall sales growth (12.3% in 2023 result and 12.4% planned in 2024), Total sales growth contribution from corporate customers on monotaro.com is approximately 5% both in 2023 result and 2024 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 2023 was approximately 8%, and 2024 is approximately 9% (graph above).

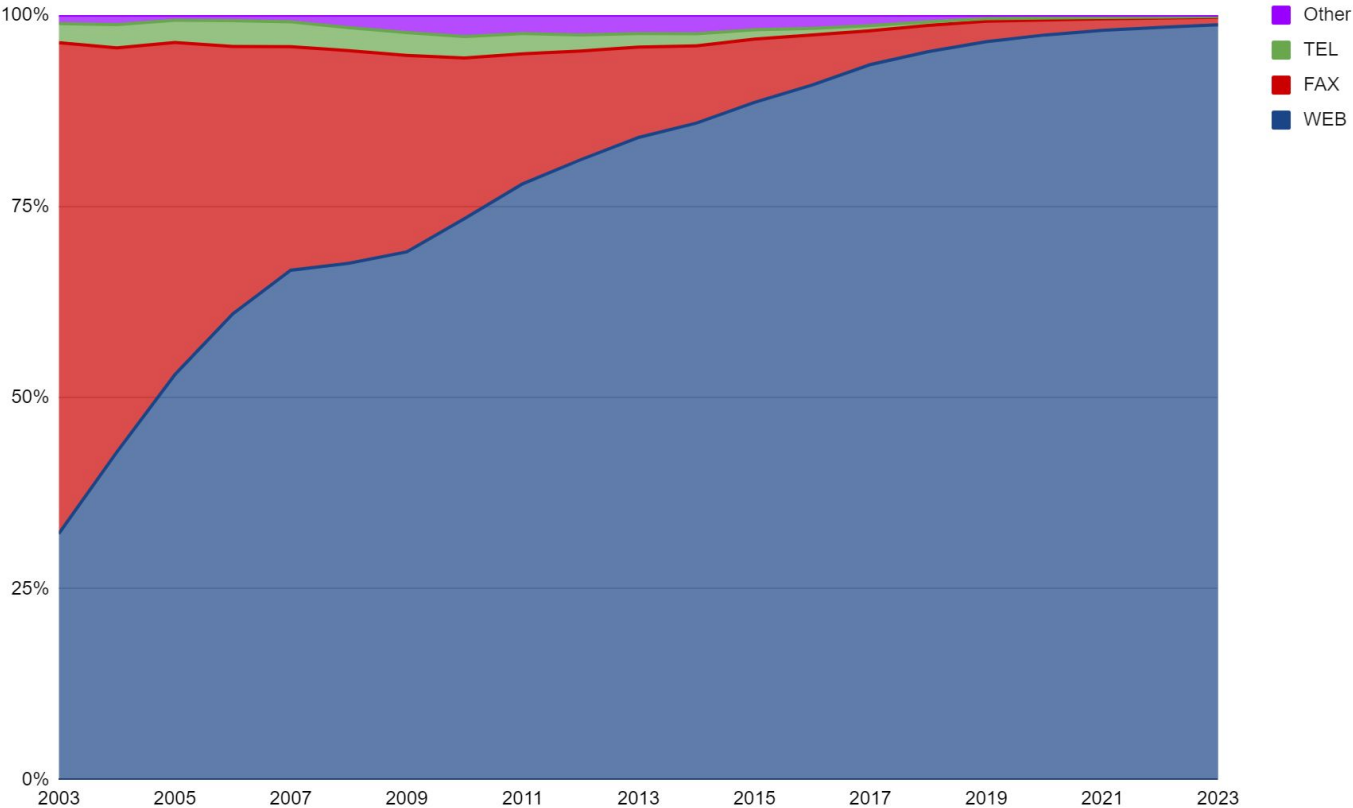
Non-consol. Customer Demographics

- Wholesale, Retail, Restaurant: 10.4%
- Education: 2.4%
- Agriculture: 2.2%
- Social security/welfare: 1.2%
- Medical: 1.1%

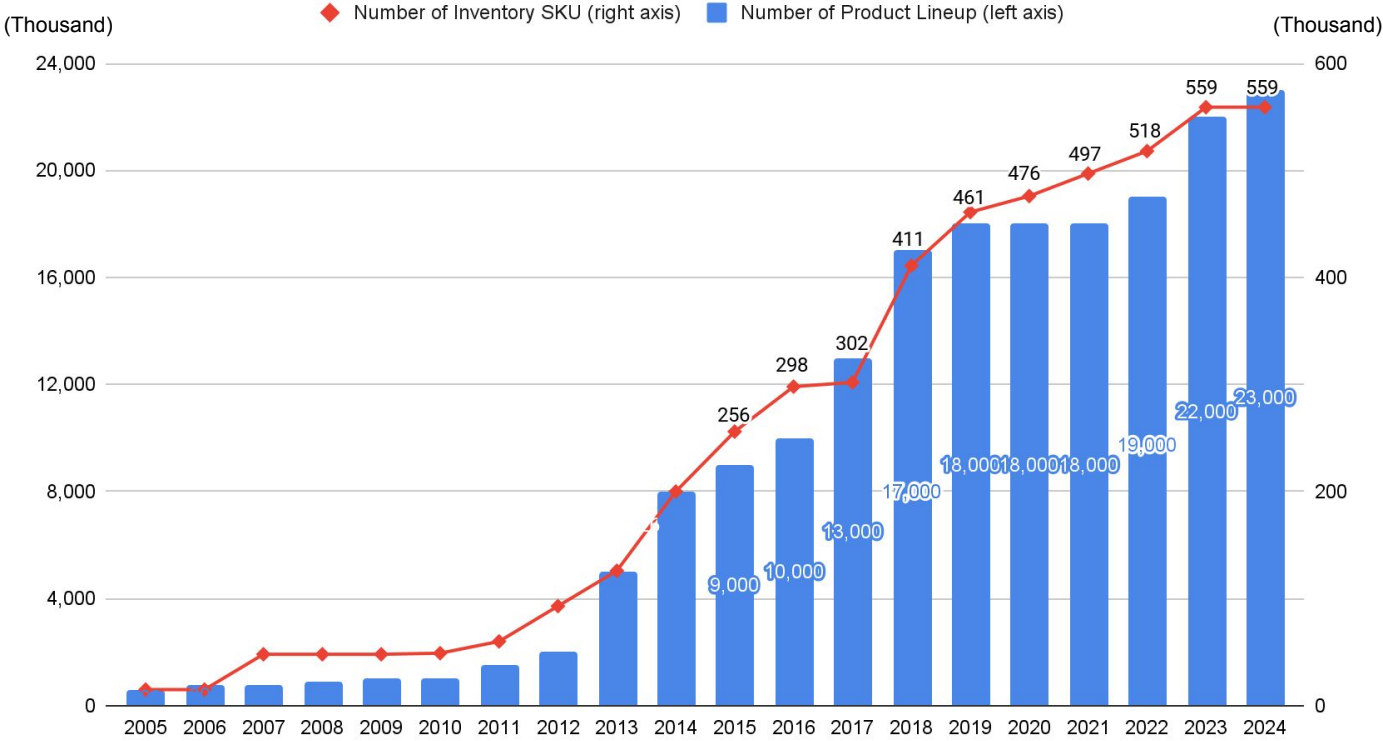


Ratio by sales amount in 2023
(Sales of monotaro.com excluding sales Large Corp. Business)

Non-consol. Internet Purchase Order Ratio



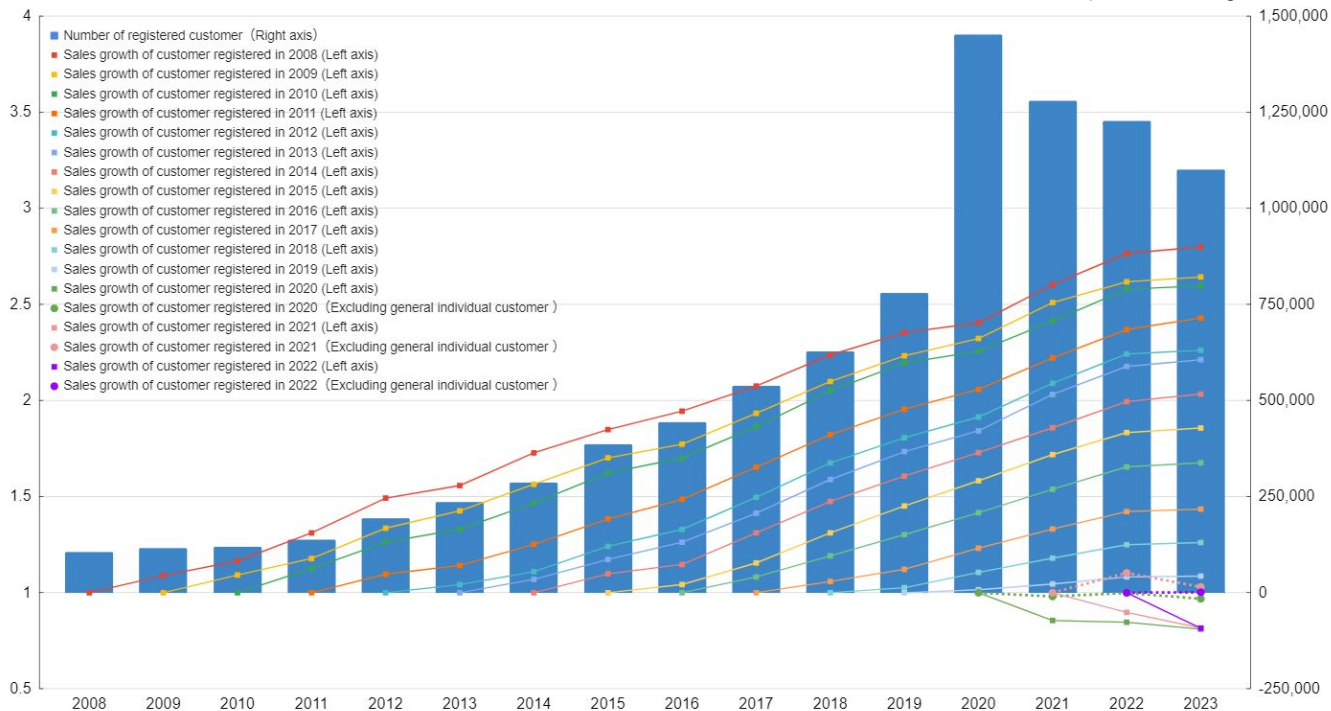
Non-consol. Product Lineup & Inventory



Non-consol. Customer Growth by Year Registered

(Growth Rate of Sales)

(Number of Registered Customers)



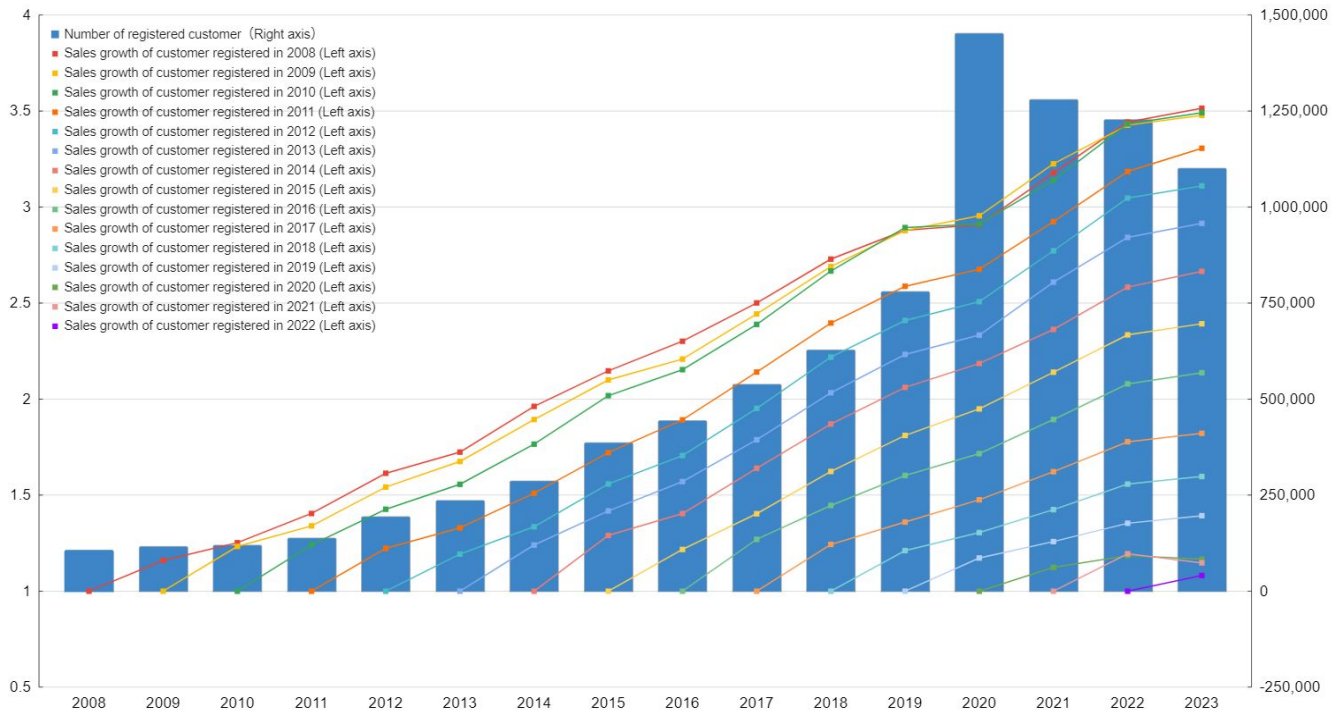
* Note 1: Above number of 'monotaro.com' registered customers and sales growth are updated retroactively at the end of 2023 (large corporate sales and sales for customers who switched to procurement system for large corporation business are not included).

* 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. Customer Growth by Year Registered (Corp.)

(Growth Rate of Sales)

(Number of Registered Customers)



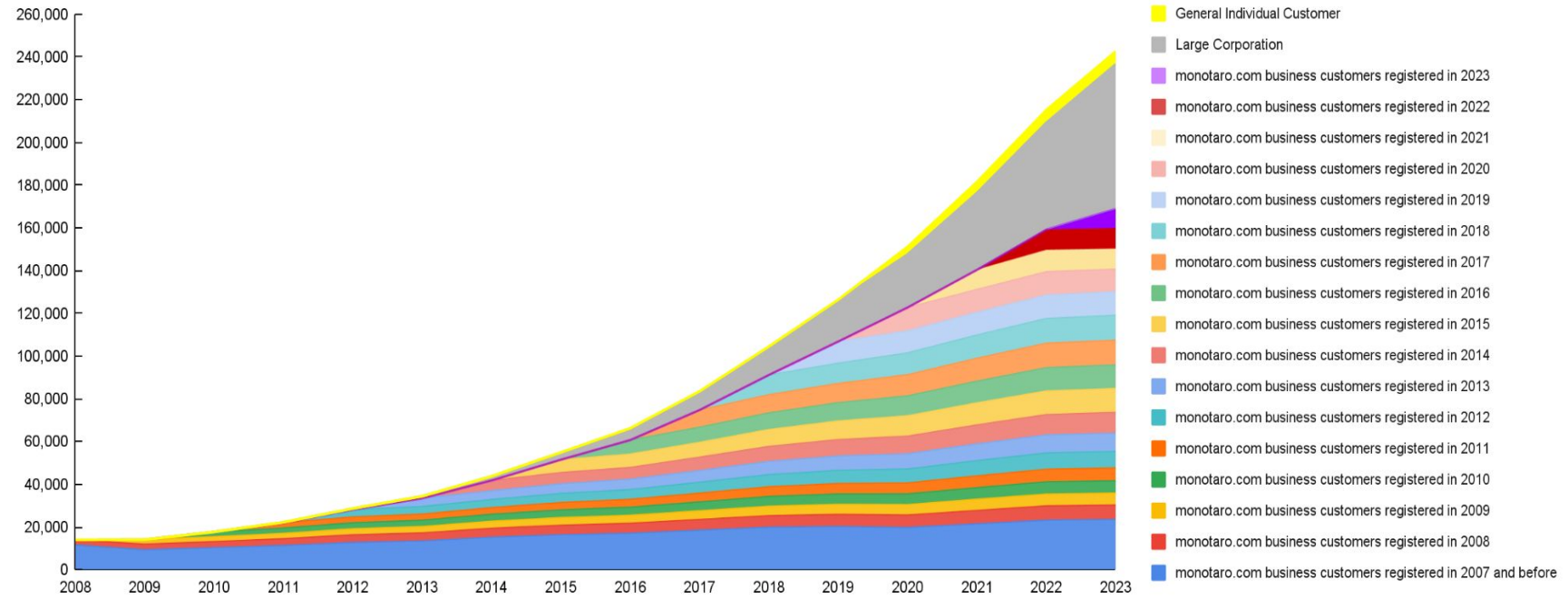
* Note 1: Above number of 'monotaro.com' registered customers and sales growth are updated retroactively at the end of 2023 (large corporate sales and sales for customers who switched to procurement system for large corporation business are not included).

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

* Note 3: Bar chart is number of new customers acquired that includes those other than corporate customers.

Non-consol. Sales Trend by Registered Year

(Million JPY)



* 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 2023.

* Note 2: Sales of 'Large corporation' are total sales of large corporation customers based upon updated customer status at end of 2023.

* 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 2023 (IHC MonotaRO was closed and integrated into monotaro.com).

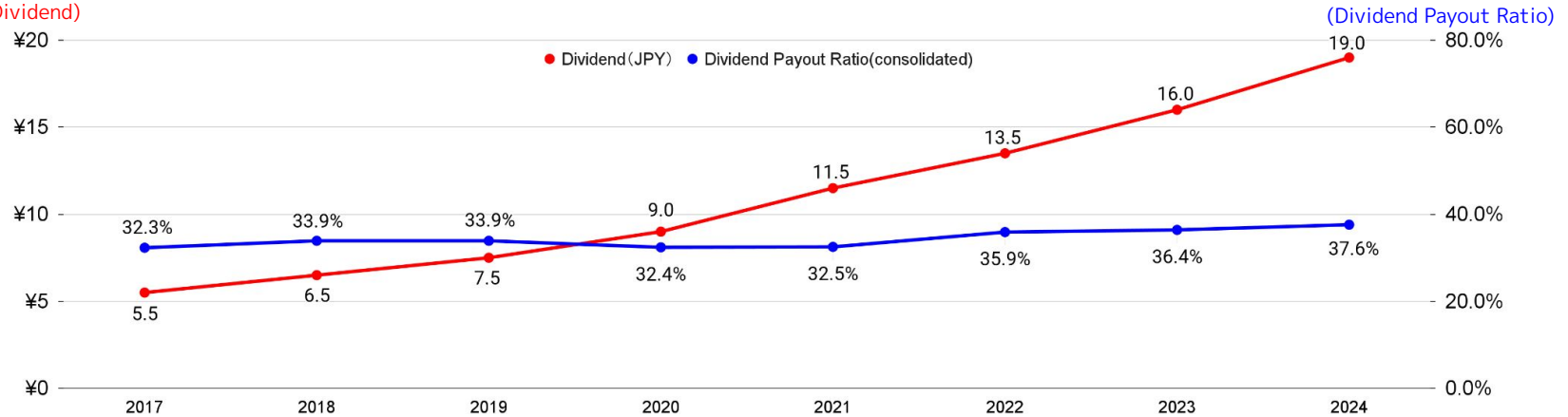
Shareholder Benefit

Dividend & Shareholder Benefit

■ Dividend

- Dividend Policy : Distributing dividend consistent with stable and ongoing growth.
- 2023 Dividend (actual): 16.00 JPY/share (8.00 JPY/share interim, 8.00 JPY/share fiscal year end).
- 2024 Dividend (plan): 19.00 JPY/share (9.00 JPY/share interim, 10.00 JPY/share fiscal year end).

(Dividend)



■ 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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