

Disclaimer

This is an English translation of the captioned release excerpt. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the release for complete information.

## Excerpt from Summary of Consolidated Financial Results for the Nine Months Ended February 20, 2019 [Japanese GAAP]\*

March 14, 2019

Company name: ASKUL Corporation

Stock exchange listing: Tokyo

Code number: 2678

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

Representative: Shoichiro Iwata

President and chief executive officer

Contact: Tsuguhiro Tamai

Executive officer and chief financial officer

Phone: 03-4330-5130

Scheduled date of filing quarterly securities report: March 29, 2019

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: No

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

### 1. Consolidated Financial Results for the Nine Months Ended February 20, 2019 (May 21, 2018 to February 20, 2019)

#### (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, 2019	288,508	9.3	2,431	(38.2)	2,322	(37.5)	1,115	(76.0)
February 20, 2018	263,978	4.9	3,936	(41.2)	3,714	(44.1)	4,650	-

(Note) Comprehensive income: Nine months ended February 20, 2019: ¥ 1,171 million [ (75.0)%]  
Nine months ended February 20, 2018: ¥ 4,686 million [ -%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Nine months ended February 20, 2019	21.88	21.87
February 20, 2018	91.32	91.21

#### (2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of February 20, 2019	168,484	49,338	29.1
May 20, 2018	173,713	49,344	28.3

(Reference) Equity: As of February 20, 2019: ¥ 49,111 million  
As of May 20, 2018: ¥ 49,161 million

Disclaimer

This is an English translation of the captioned release excerpt. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the release for complete information.

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, 2018	-	18.00	-	18.00	36.00
Fiscal year ending May 20, 2019	-	18.00	-		
Fiscal year ending May 20, 2019 (Forecast)				18.00	36.00

(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, 2019 :

Commemorative dividend - yen  
Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending May 20, 2019(May 21, 2018 to May 20, 2019)

(% 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	390,000	8.2	6,000	43.1	5,800	47.2	3,500	(25.4)	68.66

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

\* Notes:

(1) Changes in significant subsidiaries during the nine months ended February 20, 2019

(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: No

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, 2019: 55,259,400 shares

May 20, 2018: 55,259,400 shares

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

February 20, 2019: 4,235,634 shares

May 20, 2018: 4,286,859 shares

3) Average number of shares during the period:

Nine months ended February 20, 2019: 51,004,809 shares

Nine months ended February 20, 2018: 50,920,019 shares

Disclaimer

This is an English translation of the captioned release excerpt. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the release for complete information.

---

\* 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.

Disclaimer

This is an English translation of the captioned release excerpt. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the release for complete information.

Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Million yen)

	As of May 20,2018	As of February 20,2019
<b>Assets</b>		
Current assets		
Cash and deposits	62,187	55,672
Notes and accounts receivable - trade	41,309	42,440
Merchandise and finished goods	14,188	16,149
Raw materials and supplies	238	304
Costs on uncompleted construction contracts	24	60
Accounts receivable - other	8,032	7,688
Other	2,644	1,267
Allowance for doubtful accounts	(23)	(16)
<b>Total current assets</b>	<b>128,601</b>	<b>123,567</b>
Non-current assets		
Property, plant and equipment		
Buildings and structures	7,417	8,357
Accumulated depreciation	(2,284)	(2,594)
Buildings and structures, net	5,133	5,762
Land	65	143
Leased assets	17,734	17,823
Accumulated depreciation	(2,915)	(4,142)
Leased assets, net	14,819	13,680
Other	12,171	11,530
Accumulated depreciation	(6,125)	(6,096)
Other, net	6,046	5,433
Construction in progress	67	456
<b>Total property, plant and equipment</b>	<b>26,133</b>	<b>25,477</b>
Intangible assets		
Software	5,080	5,286
Software in progress	1,834	2,626
Goodwill	2,699	2,063
Other	22	15
<b>Total intangible assets</b>	<b>9,636</b>	<b>9,993</b>
Investments and other assets		
Investment securities	214	306
Deferred tax assets	2,815	2,752
Other	6,380	6,474
Allowance for doubtful accounts	(68)	(87)
<b>Total investments and other assets</b>	<b>9,342</b>	<b>9,446</b>
<b>Total non-current assets</b>	<b>45,111</b>	<b>44,916</b>
<b>Total assets</b>	<b>173,713</b>	<b>168,484</b>

Disclaimer

This is an English translation of the captioned release excerpt. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the release for complete information.

(Million yen)

	As of May 20,2018	As of February 20,2019
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	44,066	49,926
Electronically recorded obligations - operating	24,402	17,239
Short-term loans payable	1,080	380
Current portion of long-term loans payable	1,786	1,603
Accounts payable - other	10,555	9,309
Income taxes payable	387	392
Accrued consumption taxes	331	709
Provision	816	683
Other	3,511	3,066
Total current liabilities	86,938	83,311
Non-current liabilities		
Long-term loans payable	16,340	15,157
Lease obligations	13,736	12,624
Net defined benefit liability	3,085	3,320
Asset retirement obligations	2,219	2,347
Other	2,049	2,383
Total non-current liabilities	37,430	35,834
Total liabilities	124,369	119,145
<b>Net assets</b>		
Shareholders' equity		
Capital stock	21,189	21,189
Capital surplus	23,605	24,061
Retained earnings	21,380	20,660
Treasury shares	(16,991)	(16,788)
Total shareholders' equity	49,183	49,122
Accumulated other comprehensive income		
Deferred gains or losses on hedges	(1)	(1)
Foreign currency translation adjustment	25	22
Remeasurements of defined benefit plans	(46)	(32)
Total accumulated other comprehensive income	(22)	(11)
Share acquisition rights	19	19
Non-controlling interests	163	208
Total net assets	49,344	49,338
Total liabilities and net assets	173,713	168,484

Disclaimer

This is an English translation of the captioned release excerpt. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the release for complete information.

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 20,2018	For the nine months ended February 20,2019
Net sales	263,978	288,508
Cost of sales	200,828	220,387
Gross profit	63,149	68,120
Reversal of provision for sales returns	28	39
Provision for sales returns	28	34
Gross profit - net	63,149	68,125
Selling, general and administrative expenses	59,212	65,694
Operating profit	3,936	2,431
Non-operating income		
Interest income	18	20
Electrical sales income	19	-
Rental income	-	90
Other	100	81
Total non-operating income	137	192
Non-operating expenses		
Interest expenses	90	193
Depreciation of inactive non-current assets	236	-
Rent expenses	-	83
Other	31	25
Total non-operating expenses	359	301
Ordinary profit	3,714	2,322
Extraordinary income		
Gain on sales of non-current assets	4,555	-
Gain on reversal of provision for loss on fire	6,846	-
Gain on donation of non-current assets	-	30
Other	57	2
Total extraordinary income	11,458	33
Extraordinary losses		
Loss on valuation of investment securities	1,526	-
Impairment loss	1,196	26
Loss on sales of non-current assets	3,682	-
Loss on retirement of non-current assets	225	63
Other	318	26
Total extraordinary losses	6,949	116
Profit before income taxes	8,224	2,239
Income taxes - current	1,125	1,023
Income taxes - deferred	2,436	55
Total income taxes	3,562	1,078
Profit	4,661	1,160
Profit attributable to non-controlling interests	11	44
Profit attributable to owners of parent	4,650	1,115

Disclaimer

This is an English translation of the captioned release excerpt. This translation is prepared and provided for the purpose of the reader's convenience. All readers are recommended to refer to the original version in Japanese of the release for complete information.

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

(Million yen)

	For the nine months ended February 20,2018	For the nine months ended February 20,2019
Profit	4,661	1,160
Other comprehensive income		
Deferred gains or losses on hedges	0	0
Foreign currency translation adjustment	4	(4)
Remeasurements of defined benefit plans, net of tax	20	14
Total other comprehensive income	25	10
Comprehensive income	4,686	1,171
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	4,674	1,127
Comprehensive income attributable to non-controlling interests	11	44