

Financial Results for the Third Quarter of the Fiscal Year Ending May 2025

March 18, 2025
ASKUL Corporation



[Disclaimer]

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This material contains the ASKUL Group’s earnings forecasts and other forward-looking statements. These forecasts and other forward-looking statements 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. This material has not been audited by certified public accountants or auditing firms.

[Segment]

- ✓ ASKUL is reporting its operating performances by dividing its organization into three segments: E-commerce Business, Logistics Business, and Other. E-commerce Business deals with sales of OA and PC supplies, stationery, office living supplies, office furniture, foods, alcoholic beverages, pharmaceuticals, cosmetics, etc. Logistics Business refers to logistics and small-cargo transportation service to companies.
- ✓ Subject to inclusion in the results of each segment are indicated as follows:

Segment	Subsegment	Main services, major subsidiaries
E-commerce Business	ASKUL Business	ASKUL, SOLOEL ARENA, SOLOEL, New ASKUL Website
	LOHACO Business	LOHACO
	Group Companies, etc.	AlphaPurchase Co., Ltd., BUSINESSSMART CORPORATION, SOLOEL Corporation, FEED Corporation, ASKUL LOGIST Corporation, charm Co., Ltd *Including consolidation eliminations
Logistics Business		ASKUL LOGIST Corporation (sales to customers outside of the Group)
Others		TSUMAGOI MEISUI CORPORATION

[Fiscal Year]

Fiscal year runs from May 21 of each year to May 20 of the following year, month runs from 21st of each month to 20th of the following month.

[Other]

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Earning Results for the Third Quarter of FY5/2025

- ✓ The decline in gross profit margin due to the impact of foreign exchange rates and the increase in fixed costs resulted in an increase in net sales and a decrease in profits.
- ✓ During the third quarter, the foreign exchange position improved, and customer numbers showed signs of recovery, driven by sales growth initiatives.

Revision of Full-Year Earnings Forecast of FY5/2025 and Future Measures

- ✓ In line with the sales outlook, both sales and profits at each stage have been revised downward from the initial forecast.
- ✓ Prioritizing customer number recovery, we are accelerating the execution of measures, including optimizing prices through digital transformation (DX), expanding product offerings to meet customer needs, and enhancing original products.
- ✓ The ASKUL Kanto DC is progressing smoothly toward its planned launch at the beginning of FY5/2026. Over the medium to long term, we aim to enhance delivery efficiency and strengthen profitability by reorganizing our logistics centers in the Kanto region.

Acquisition of Treasury Stock

- ✓ Viewing this as an opportunity to further increase capital efficiency, we will flexibly conduct acquisition of treasury stock outside the target total return ratio of 45%.

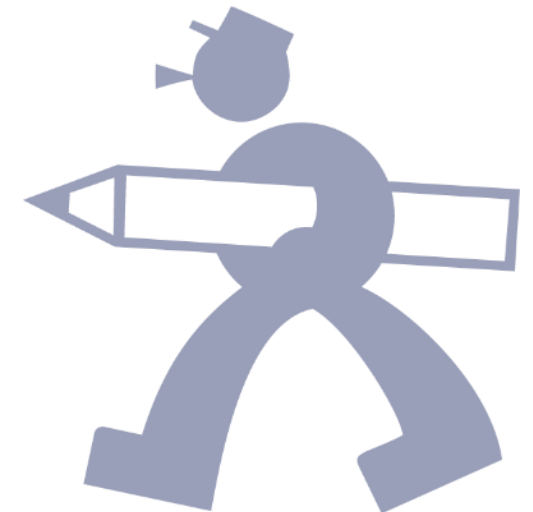
I Earnings Results for the Third Quarter and Revision of Full-Year Earnings Forecast for the Fiscal Year Ending May 20, 2025

II Progress of Business

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V Appendix



FY5/2025 Q3 Cumulative Earnings Results

Consolidated



(¥million)

	FY5/2024 Q3		FY5/2025 Q3		
	Actual	% of net sales %	Actual	% of net sales %	YoY change %
Net Sales	350,063	100.0	358,833	100.0	+2.5
Gross Profit	87,196	24.9	86,818	24.2	-0.4
Selling, General and Administrative Expenses	74,703	21.3	77,017	21.5	+3.1
Operating Profit	12,493	3.6	9,801	2.7	-21.6
Ordinary Profit	12,290	3.5	9,656	2.7	-21.4
Profit Attributable to Owners of Parent	16,146	4.6	6,110	1.7	-62.2

- ✓ **Net sales**
YoY +2.5%
Renewed the previous record
- ✓ **Gross profit margin**
YoY down 0.7 percentage point
- ✓ **Operating profit**
YoY -21.6%
- ✓ **Profit**
YoY -62.2%
*Extraordinary profit of 11.7 billion yen was recorded from litigation related to the ALP Metropolitan fire in the FY5/2024

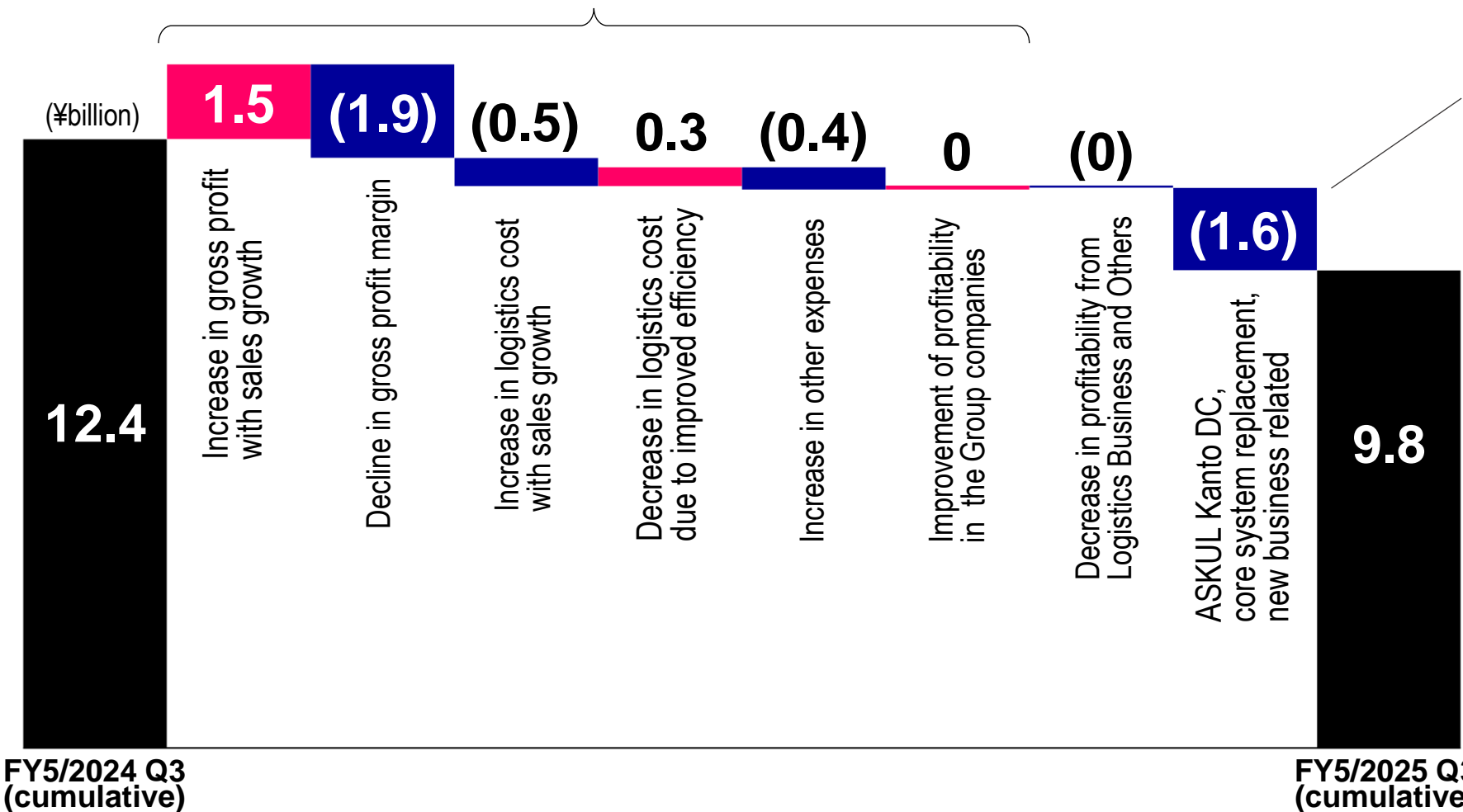
FY5/2025 Q3 Factors for Increase / Decrease in Operating Profit

Consolidated



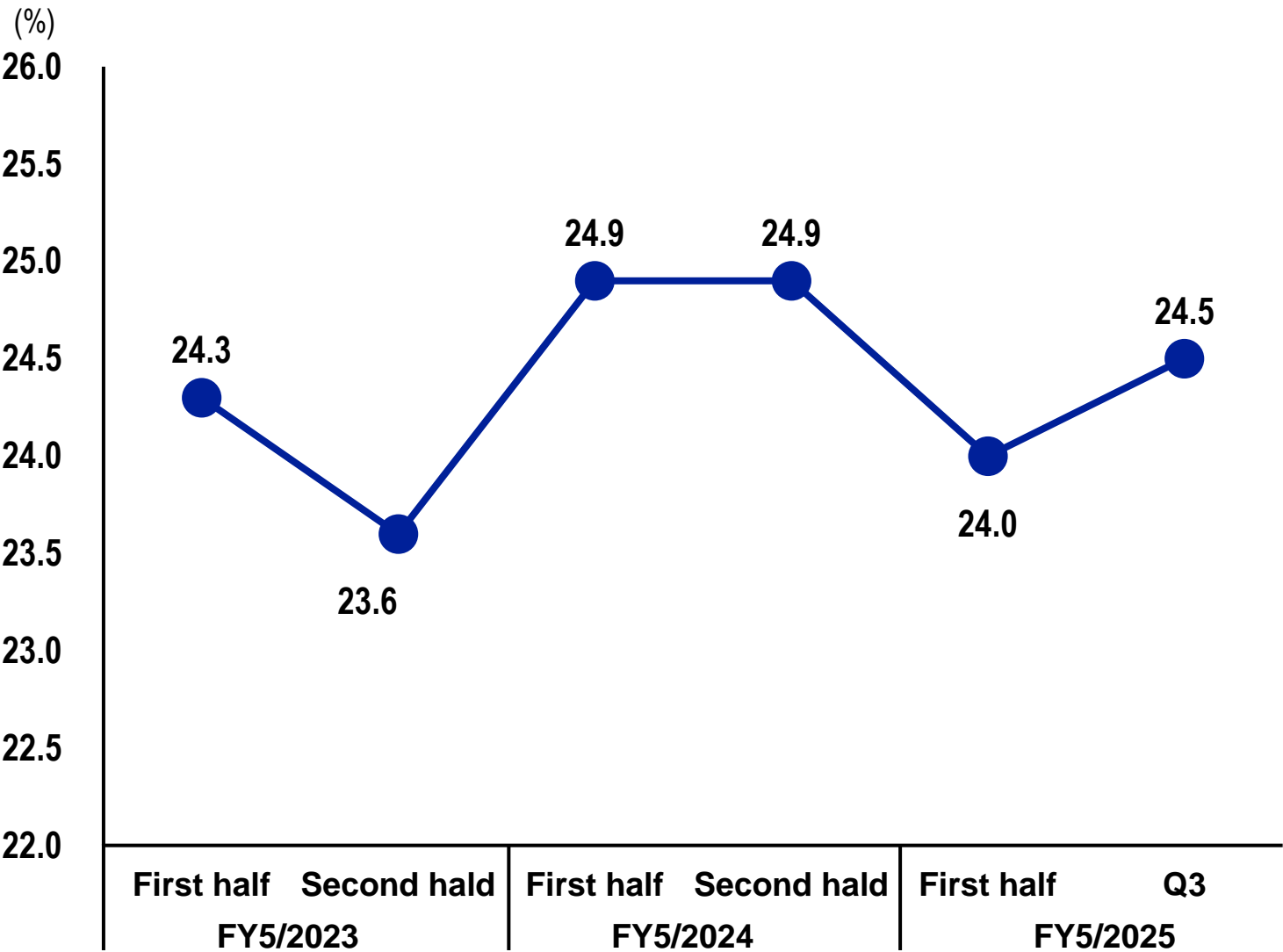
Decrease in profit primarily due to a decline in the gross profit margin caused by the impact of foreign exchange rates and an increase in fixed cost

E-commerce Business

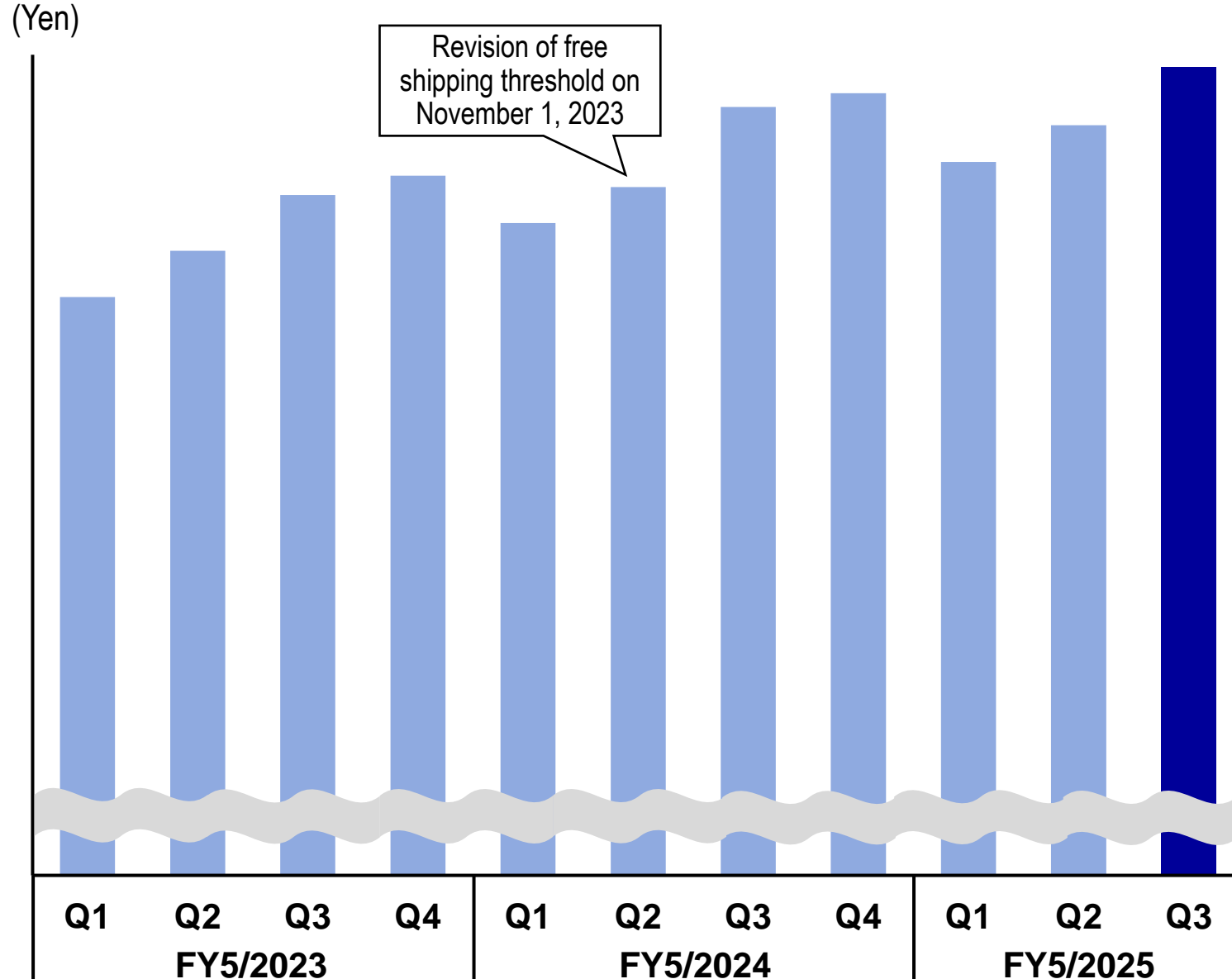


Breakdown of Fixed Cost Increase	
●ASKUL Kanto DC	-1,120 million
<breakdown>	
Rent	-1,030 million
Start-up expenses	-80 million
●Core system replacement	-530 million
●New business related	-20 million

Changes in Gross Profit Margin



Improved due to recovery of foreign exchange position



FY5/2025 Q3 period

YoY change: +3.2%

200-million-yen worth of delivery cost reduction



Improvement continues
after the revision of free
shipping threshold

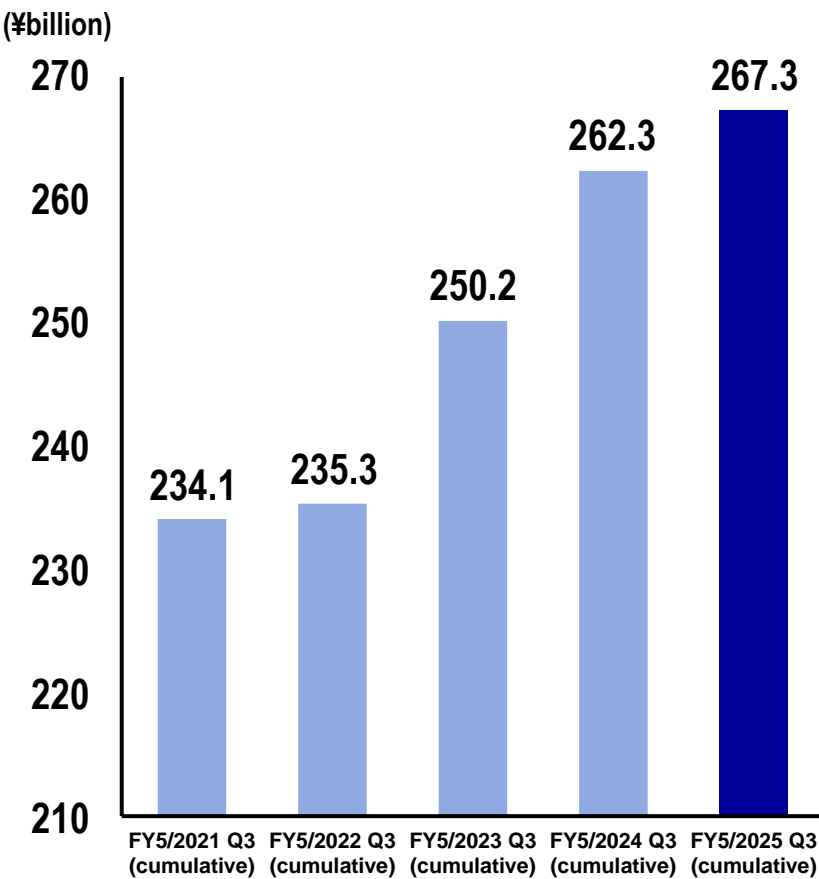
FY5/2025 Q3 Earnings Results [Quarterly, By Business]

(¥billion)		FY5/2024					FY5/2025				
		Q1	Q2	Q3	Q4	Full-year	Q1	Q2	Q3	YoY change	YoY change %
Net Sales	ASKUL Business	84.4	89.8	88.0	90.9	353.3	88.3	89.9	89.0	0.9	+1.1
	LOHACO Business	8.8	8.6	8.8	9.7	36.1	9.5	8.5	9.3	0.4	+5.2
	Group Companies, etc.	17.5	17.3	19.6	18.4	72.8	18.3	18.8	20.5	0.9	+4.7
	E-commerce Business	110.8	115.8	116.5	119.1	462.3	116.2	117.2	118.9	2.3	+2.0
	Logistics Business and Other	2.2	2.3	2.2	2.4	9.3	2.1	2.2	1.9	(0.2)	-11.7
	Consolidated Total	113.0	118.2	118.7	121.6	471.6	118.3	119.5	120.9	2.1	+1.8
Operating Profit	Performance-linked Bonuses (including provision), etc.	(0.2)	(0.2)	0.1	(0.1)	(0.5)	0.1	0.1	0.1	(0)	-1.2
	E-commerce Business	2.8	4.4	5.2	4.4	17.0	2.5	3.4	3.8	(1.3)	-26.0
	Logistics Business and Other	(0)	(0)	(0)	(0)	(0.1)	0	(0)	(0.1)	(0.1)	-
	Consolidated Total	2.8	4.4	5.2	4.4	16.9	2.5	3.4	3.7	(1.4)	-28.2

FY5/2025 Q3 Earnings Results: E-commerce Business Net Sales

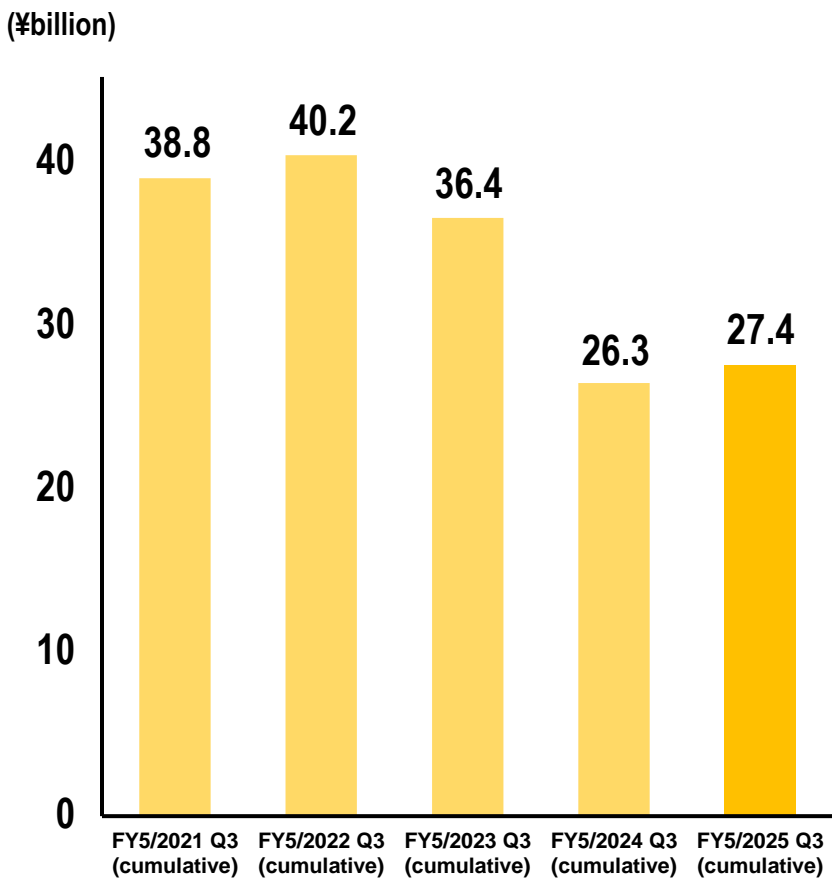
ASKUL Business

YoY +1.9%



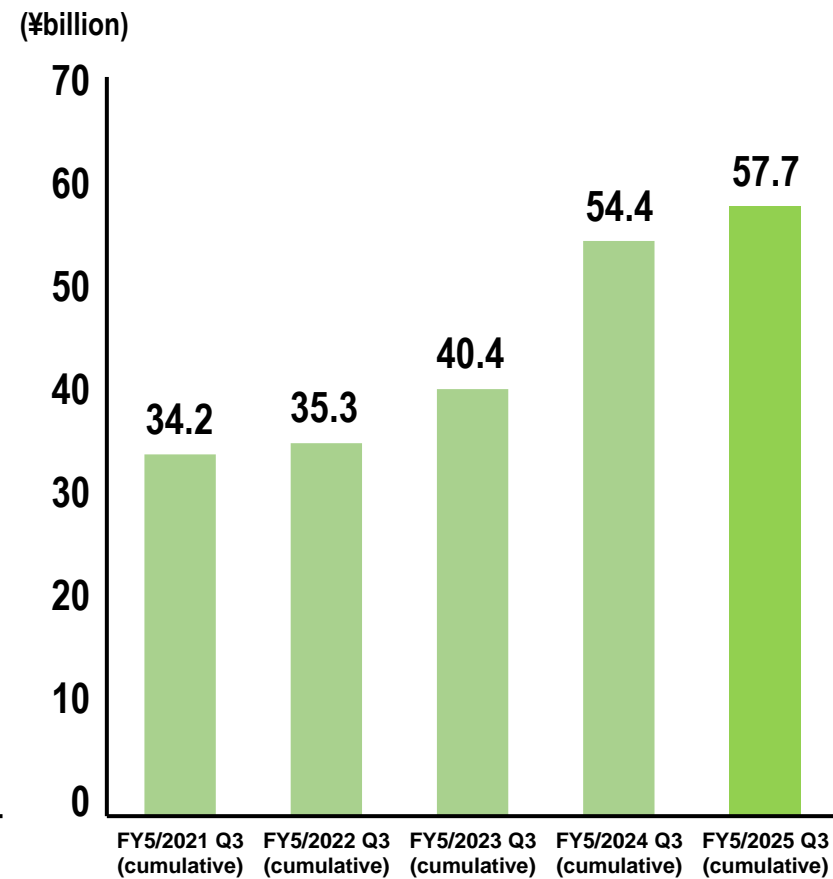
LOHACO Business

YoY +4.1%



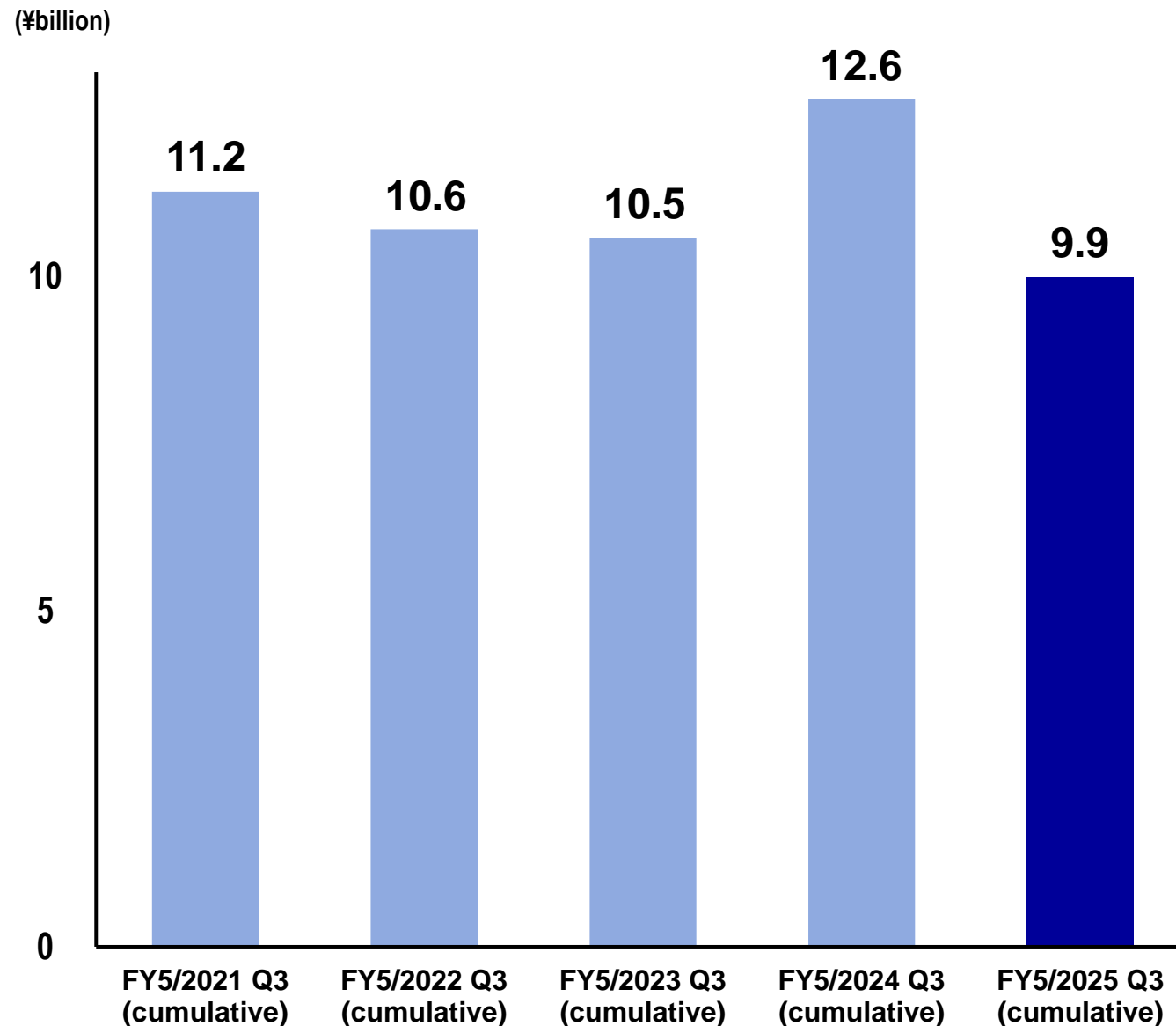
Group Companies, etc.

YoY +6.0%



FY5/2025 Q3 Earnings Results: E-commerce Business Operating Profit

Consolidated



YoY -21.0%

Decline in gross profit margin,
mainly in the first half and an
increase in fixed cost as planned



Gross profit margin on a recovery trend

FY5/2025 Q3 Earnings Results: Logistics Business and Others

Consolidated

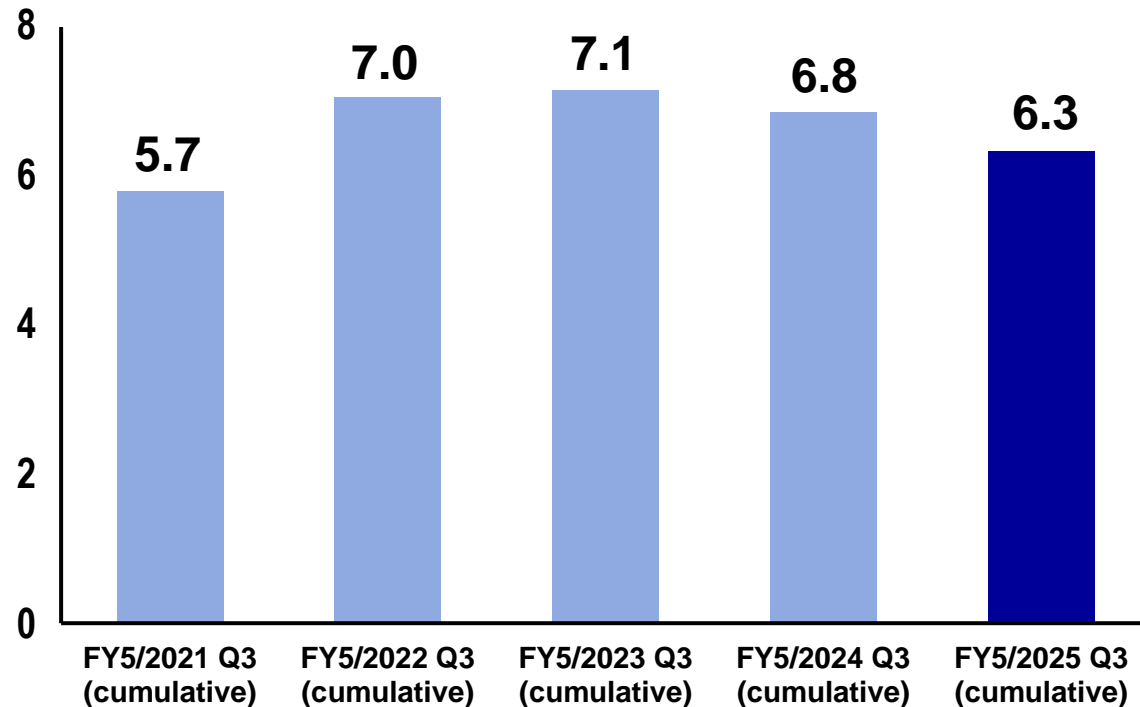


Net Sales

YoY **-7.5%**

Termination of certain contracts with a focus on profitability.

(¥billion)

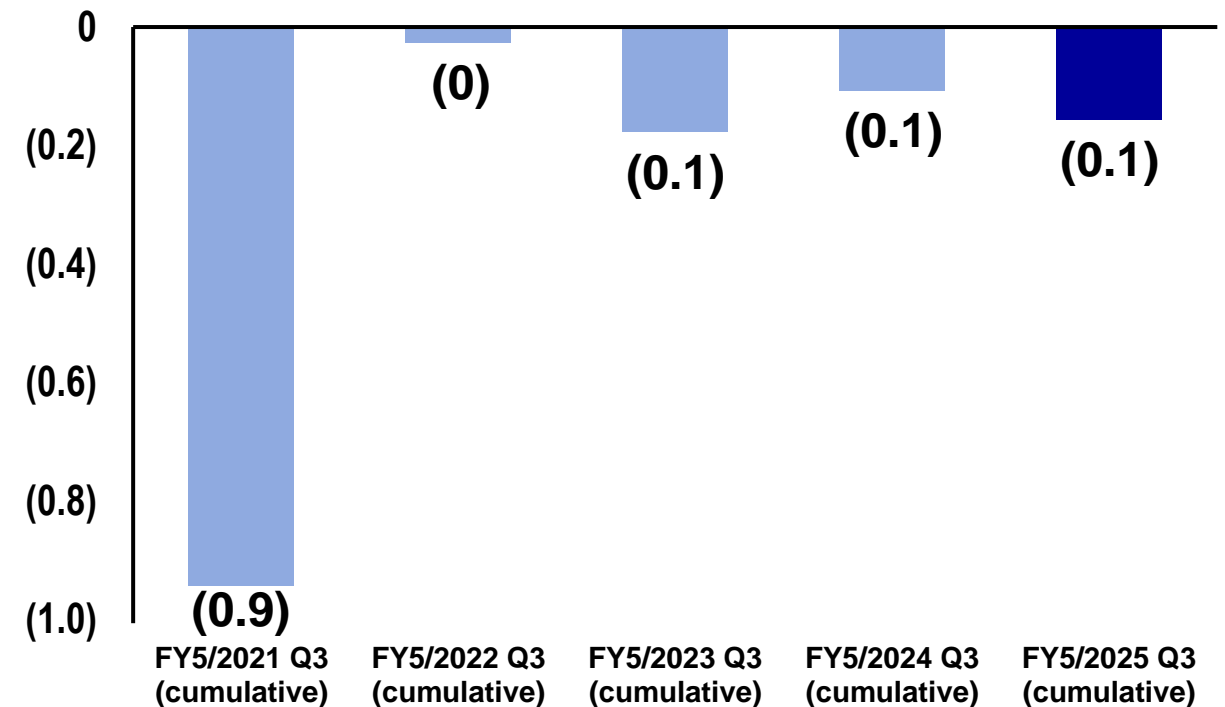


Operating Profit

YoY change **-0 billion**

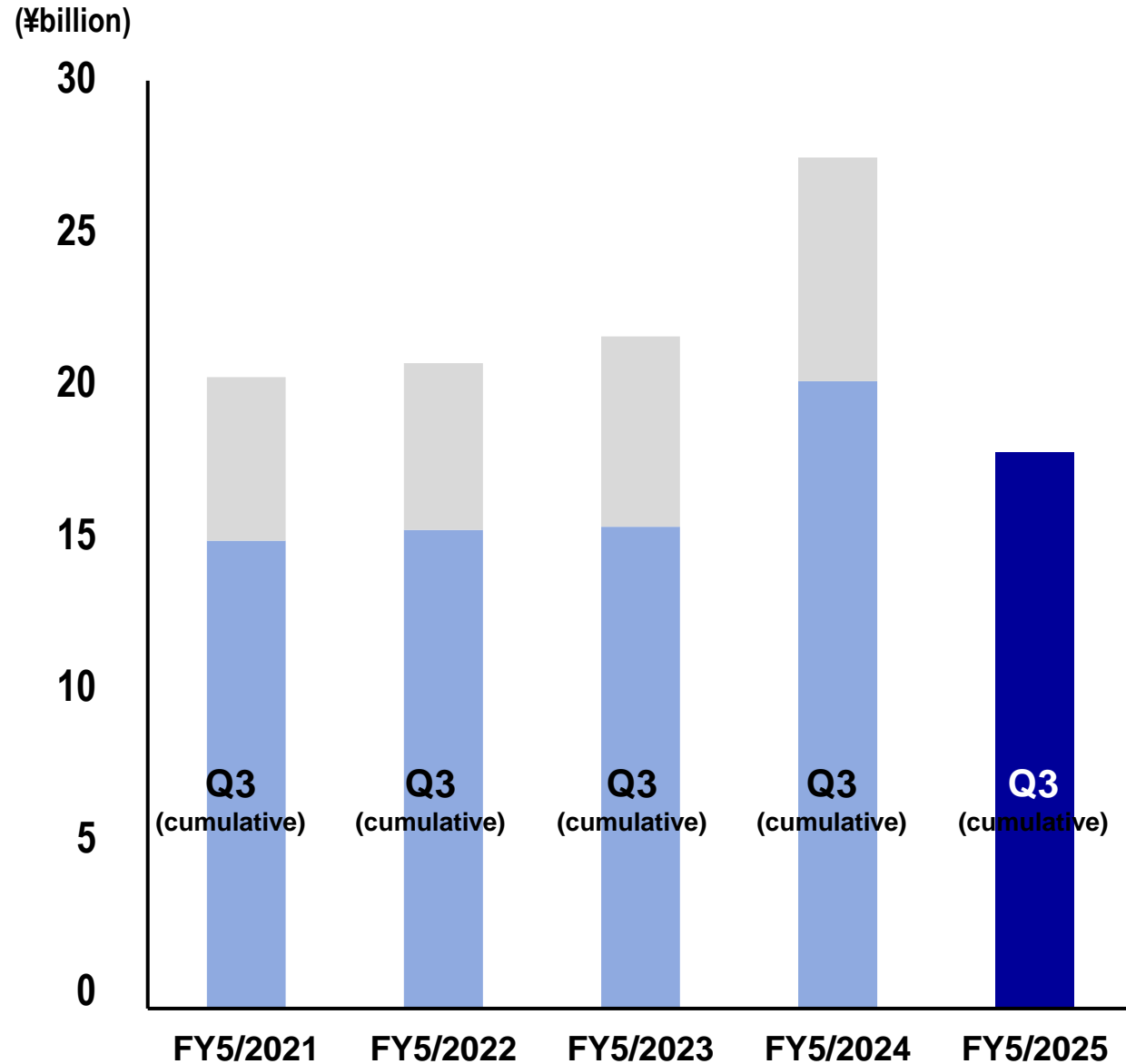
Working on a selection and concentration to achieve profitability.

(¥billion)



Trends in EBITDA

Consolidated



Aiming for improvement from
the FY5/2026 onward

FY5/2025 Revision of Full-Year Consolidated Earnings Forecast

Consolidated



	FY5/2024		FY5/2025					
	Actual	% of net sales %	Initial plan	% of net sales %	Revised plan	% of net sales %	Change from the initial plan	YoY change %
(¥million)								
Net Sales	471,682	100.0	500,000	100.0	480,000	100.0	(20,000)	+1.8
Gross Profit	117,502	24.9	126,700	25.3	117,950	24.6	(8,750)	+0.4
Selling, General and Administrative Expenses	100,549	21.3	108,700	21.7	103,950	21.7	(4,750)	+3.4
Operating Profit	16,953	3.6	18,000	3.6	14,000	2.9	(4,000)	-17.4
Ordinary Profit	16,677	3.5	17,700	3.5	13,700	2.9	(4,000)	-17.9
Profit Attributable to Owners of Parent	19,139	4.1	11,200	2.2	8,500	1.8	(2,700)	-55.6

- ✓ Net sales
Down 20 billion yen
- ✓ Operating profit and ordinary profit
Down 4 billion yen
- ✓ Profit
Down 2.7 billion yen
- ✓ The year-end dividend forecast remains unchanged and stable dividends will continue (19 yen per share)

FY5/2025 Revision of Full-Year Consolidated Earnings Forecast [By Business]

Consolidated



			FY5/2024	FY5/2025		FY5/2025		
			Actual	Initial plan	YoY change %	Revised plan	Change from the initial plan	YoY change %
(¥billion)								
Net Sales	ASKUL Business		353.3	374.9	+6.1	358.3	(16.6)	+1.4
	LOHACO Business		36.1	37.8	+4.8	36.5	(1.3)	+0.9
	Group Companies, etc.		72.8	77.6	+6.5	76.5	(1.0)	+5.1
	E-commerce Business		462.3	490.4	+6.1	471.3	(19.0)	+1.9
	Logistics Business and Other		9.3	9.5	+2.7	8.6	(0.9)	-7.5
	Consolidated Total		471.6	500.0	+6.0	480.0	(20.0)	+1.8
Operating Profit	E-commerce Business		17.0	17.8	+4.3	13.8	(4.0)	-19.1
	Logistics Business and Other		(0.1)	0.1	-	0.1	-	-
	Consolidated Total		16.9	18.0	+6.2	14.0	(4.0)	-17.4

Factors Behind the FY5/2025 Revision of Full-Year Consolidated Earnings Forecast

Consolidated



	Segment	Change from the initial plan (billion yen)	Factors behind the downward revision of the earnings forecast
Net Sales	ASKUL business	-16.6	<ul style="list-style-type: none"> ✓ Impact of price and free delivery threshold revisions ✓ Decline in demand for conventional office supplies
	LOHACO business	-1.3	<ul style="list-style-type: none"> ✓ Controlled advertising and promotional expenses with a focus on profitability
	Group companies, etc.	-1.0	<ul style="list-style-type: none"> ✓ charm (due to stagnation in the aquarium market^{*1}) and AlphaPurchase (delayed large-scale renovation projects in the FM Business^{*2}), etc.
	Logistics Business and Others	-0.9	<ul style="list-style-type: none"> ✓ Underperformance in the delivery intermediary business and other factors
Gross Profit		-8.7	<ul style="list-style-type: none"> ✓ Sales shortfall and deterioration of foreign exchange position applied to main products in the ASKUL business
Operating Profit		-4.0	<ul style="list-style-type: none"> ✓ Falling short of sales and gross profit margin targets in the ASKUL business

Notes: 1 charm operates an e-commerce business specializing in pet supplies. The aquarium market refers to the market for goldfish, tropical fish, and related products.
2 FM in the FM Business stands for facility management.

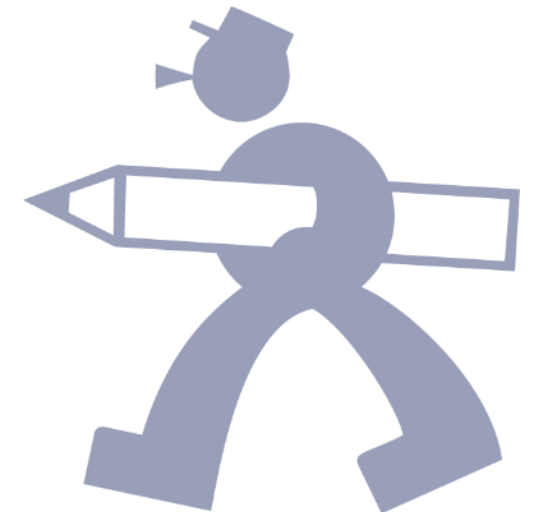
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From [Financial Results for the Second Quarter of the Fiscal Year Ending May 2025] presentation material

Strengthening Product Capability

NEW

Strengthening Price Competitiveness

- ✓ After conducting a Proof of Concept (POC) for Merchandising DX, prices are being revised, focusing on products with high purchase frequency among customers.

Enhancing Product Assortment and Original Products

- ✓ Marketing lab has also been launched in the ASKUL business. Collaborating with suppliers to enhance product assortment through data utilization.
- ✓ Strengthening original products by establishing a dedicated product development department.

Strengthening Attracting Customers, Enhancing User Interface (UI) and User Experience (UX)

NEW

Increasing Advertising and Promotional Expenses

- ✓ Recovering customer numbers through increased traffic and enhanced brand awareness.
- ✓ Reallocating and increasing advertising and promotional expenses targeting existing customers.

Reviewing Customer Acquisition Methods and Measures to Improve Retention Rates

- ✓ Strengthening customer acquisition methods targeting customers who are likely to become loyal customers through data utilization and implementing measures to retain customers after registration.

Improving Sales Promotion Accuracy

- ✓ Automating site exposure of enhanced product assortments and bargain items and optimizing the recommendation engine to propose desired products to customers.

Evolving into an Easy-to-Navigate Site

- ✓ Enhancing the site's ease of use and purchasing experience through search algorithm optimization and functional improvements based on customer feedback.



Further promote pricing optimization, product assortment, and initiatives to drive customer purchasing.

Strengthening Price Competitiveness

- ✓ Conducted a Proof of Concept (PoC)* for Merchandising DX (MDDX) and validated its effectiveness. Plan to implement automated pricing logic at the beginning of the FY5/2026 to enhance productivity in merchandising operations.
- ✓ While pricing optimization may temporarily lower the average purchase price per customer, **we expect mid-term recovery in growth driven by an increase in the customer base.**

Enhancing Product Assortment and Original Products

- ✓ Conducted a PoC for data-driven product assortment and confirmed sales growth. Plan to implement the new assortment logic at the beginning of the FY5/2026.
- ✓ Strengthening the development of original products.

Increasing Advertising and Promotional Expenses

- ✓ Drove higher sales through advertising by reallocating and increasing advertising and promotional expenses targeting existing customers.

Reviewing Customer Acquisition Methods and Measures to Improve Retention Rates

- ✓ Enhancing initiatives to promote customer purchasing through diverse approaches.
Examples:
 - Sending emails and making calls to registered customers who have not yet made a purchase.
 - Leveraging print media to improve awareness of staple products, original products, and items used across various business operations. (refer to the next page for details)

Example of print media





Enhancing awareness of products used across various business operations by leveraging visibility.

Helpful Guidebook: LET'S ASKUL!

A guidebook designed to enhance the ASKUL experience, featuring popular staple products and original items highly favored by customers, along with explanations of convenient functions available on the ASKUL website.



Published in Oct. 2024, about 80 pages

Food Service Industry Products



Cleaning Products



Packaging Products

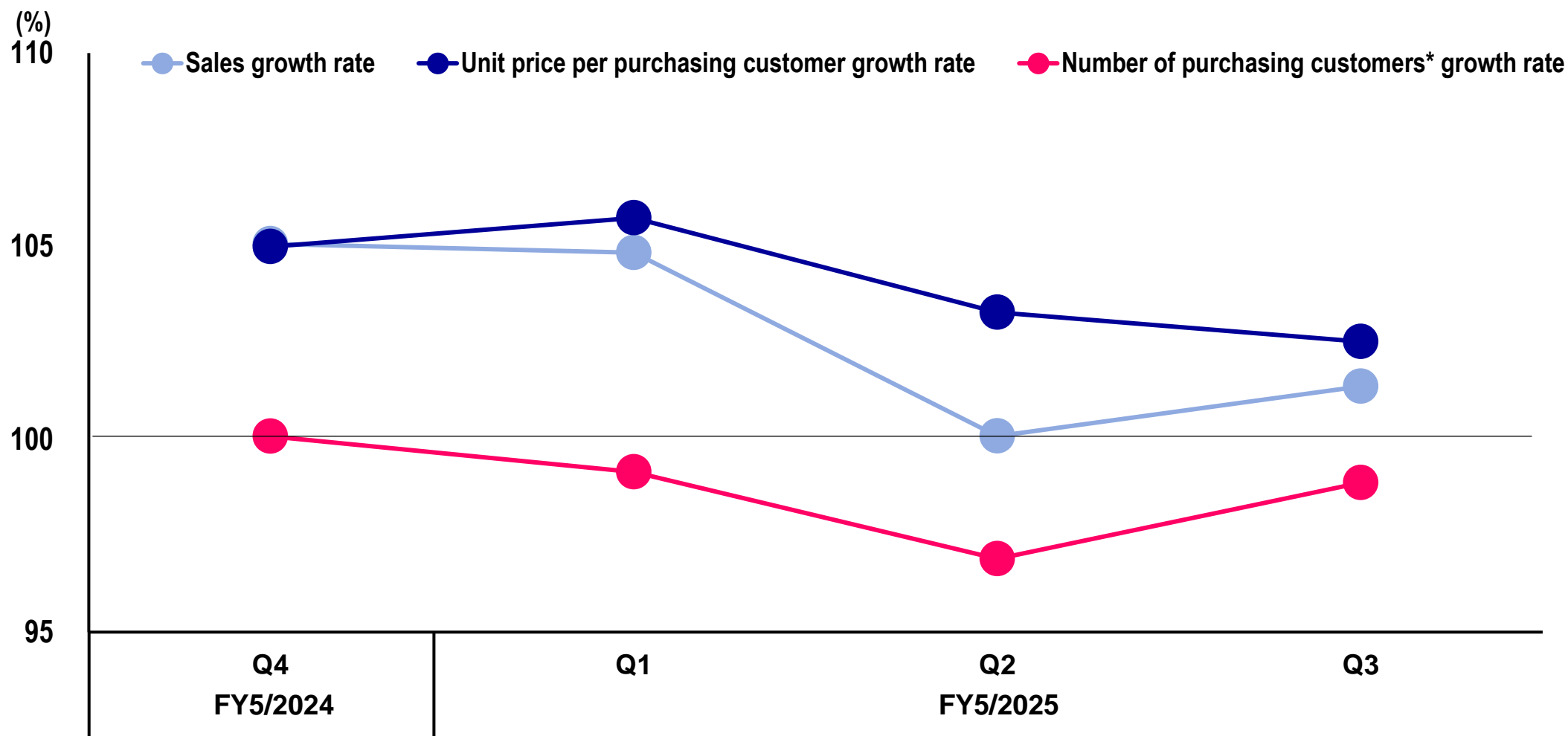


Original Products





In Q3, the decline in the number of customers bottomed out, showing signs of improvement.



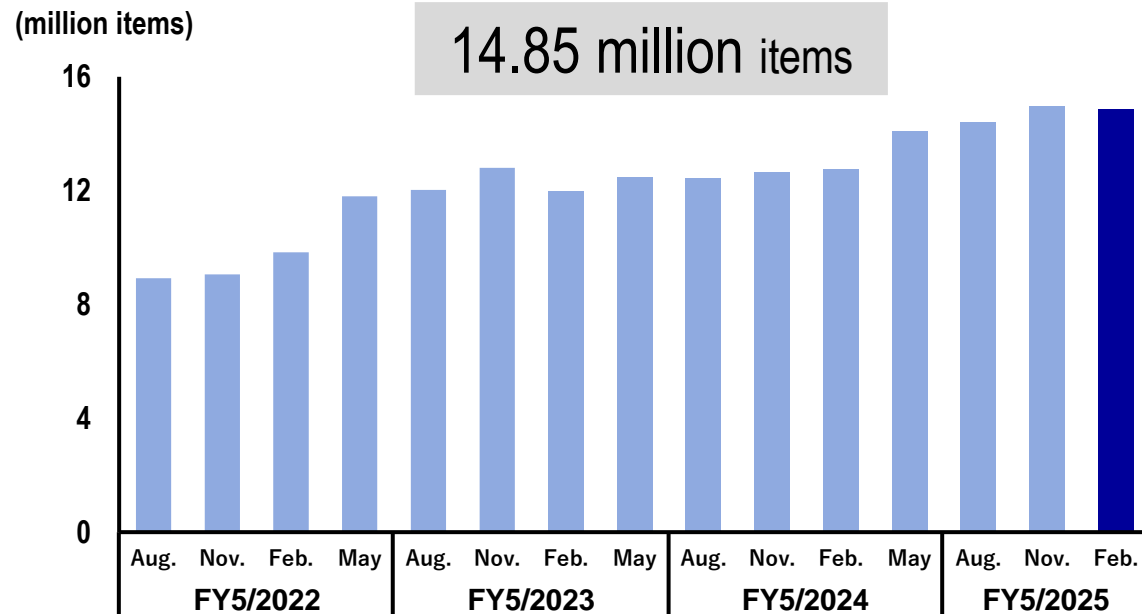
Note: Number of unique customers who made purchase during the period.



Products Handled

✓ Q3 period: decreased approx. 100,000 items
over 290,000 new items introduced

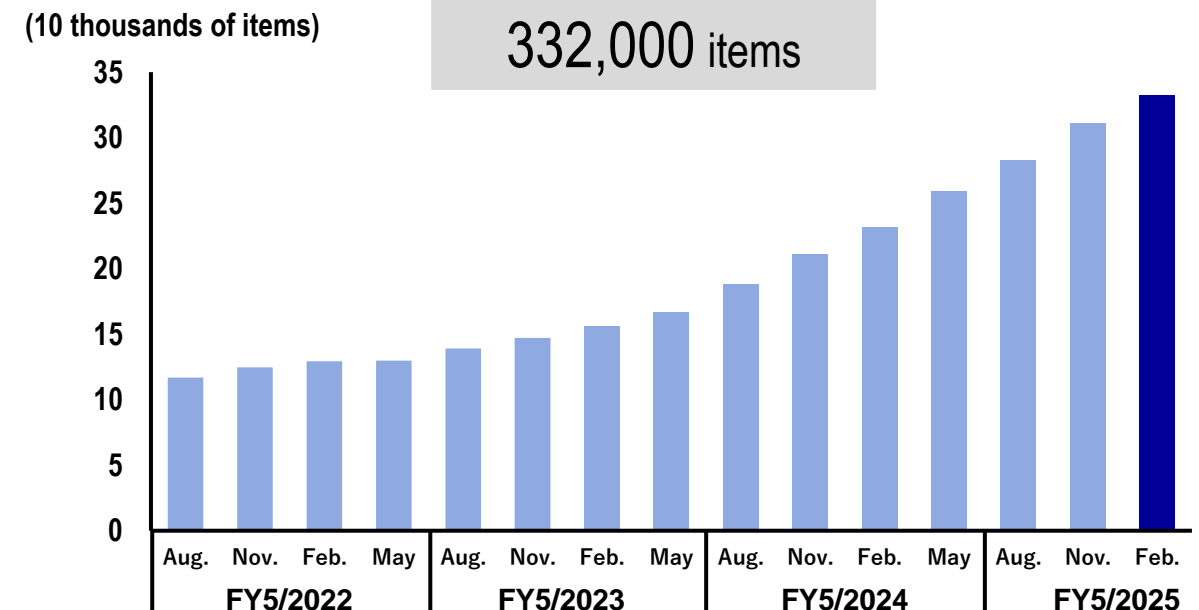
Overall product count declined due to the review of low utilization items, while introduction of new items remained steady.

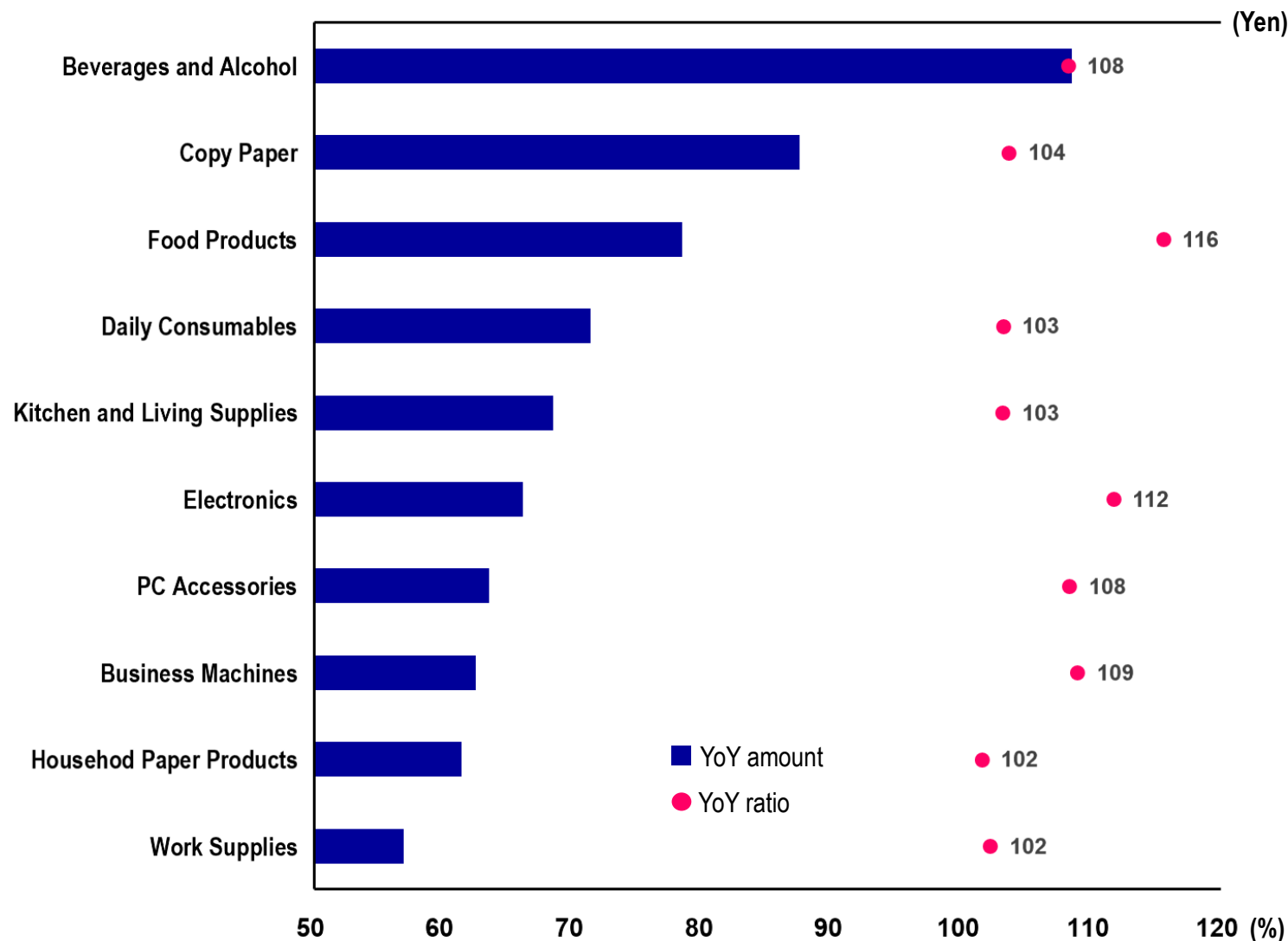


In-Stock Products

✓ Q3 period: increased 21,000 items
increased in all categories

Achieved the medium-term target of 330,000 items
Continue expanding the next-day delivery items



Top 10 Sales by Category YoY Amount and Ratio in Q3 period

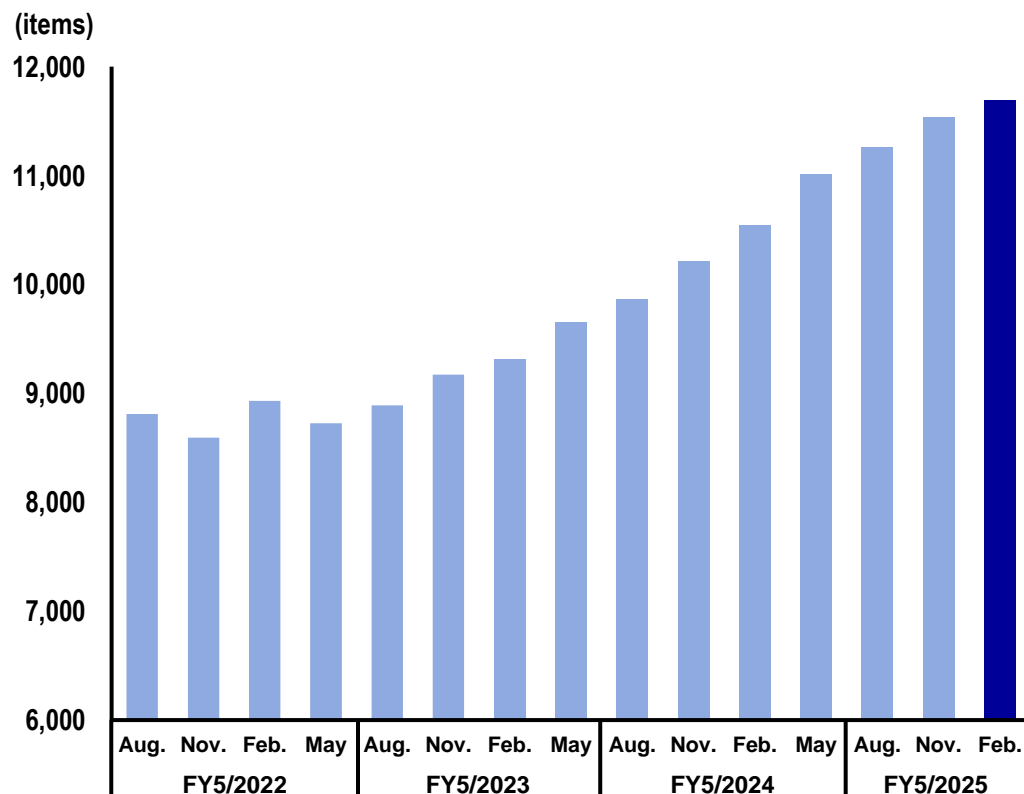
Achieved certain results in product expansion efforts.

Further strengthening growth categories.

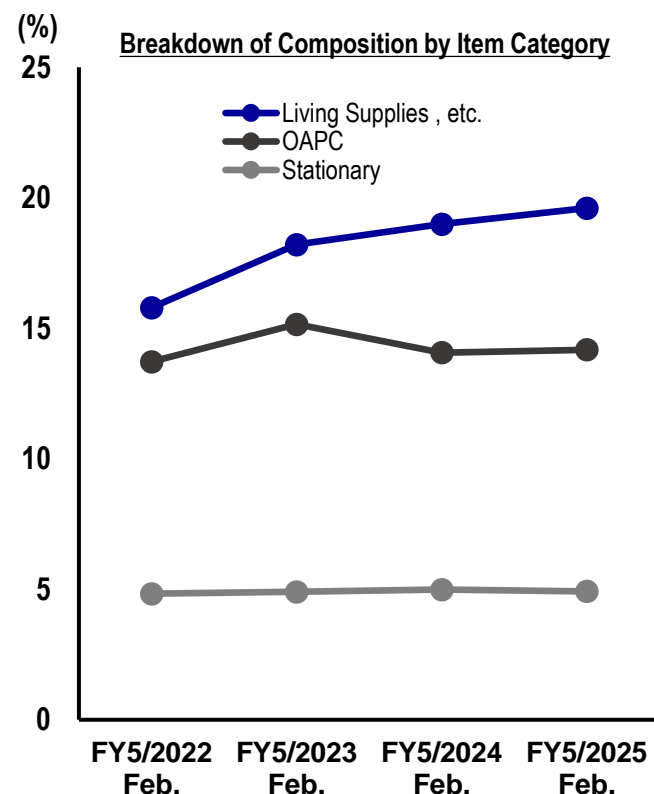


Number of Items

11,690 items

Composition to Net Sales
(Sales of in-stock products)

38.7%



Sales composition ratio of focus categories has expanded,
Further strengthening these categories

Note: Original products includes products exclusive to ASKUL
Excluding original products exclusive to LOHACO



- ✓ Release date: from March 3, 2025 (nationwide)
- ✓ Media: TV, YouTube, etc.

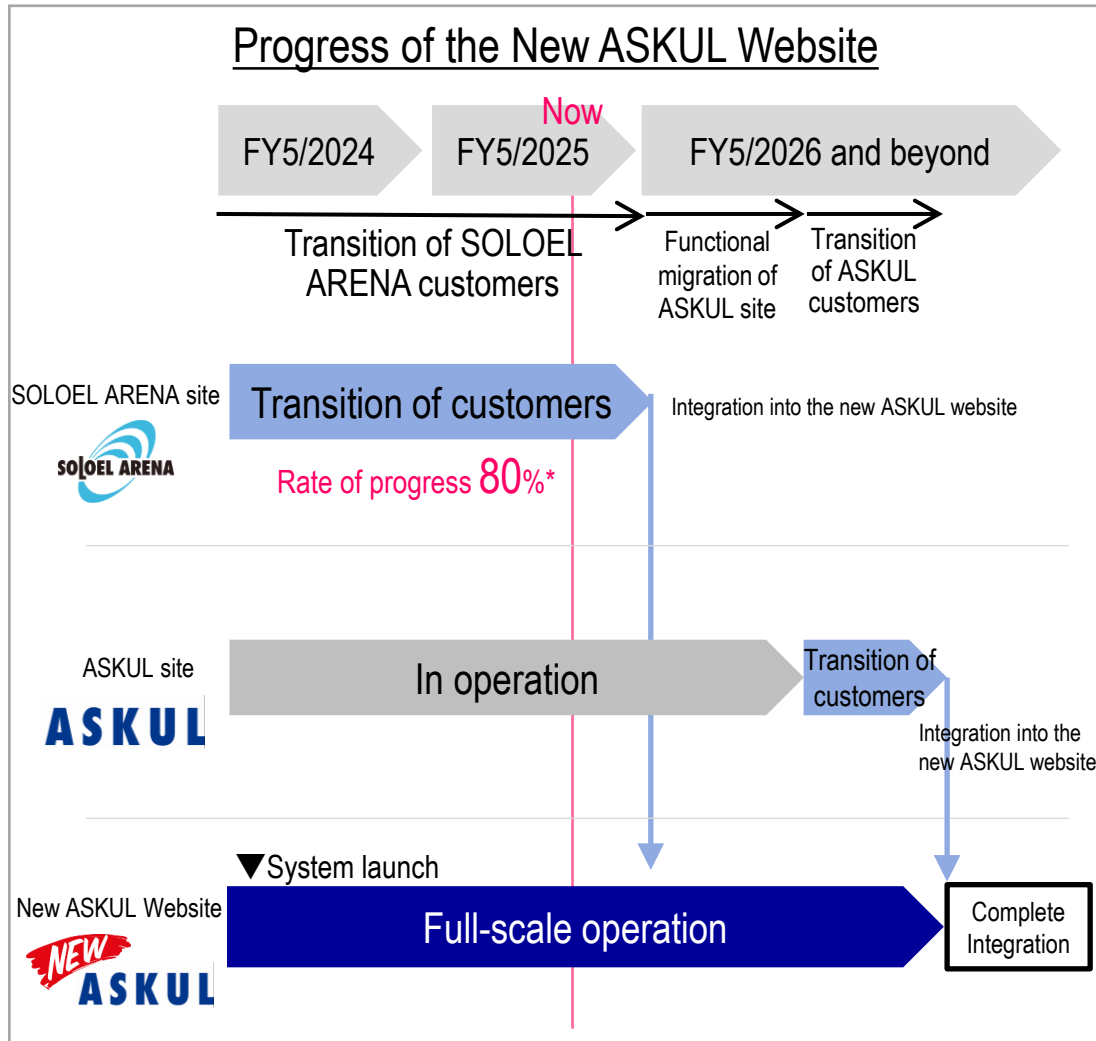
15 seconds ver. : <https://youtu.be/bMf01dlTgPU>

30 seconds ver. : <https://youtu.be/VzJEpbpXato>



Continue to prioritize customer support while carefully proceeding with the transition.

Progress of the New ASKUL Website



Status of SOLOEL ARENA Customer Transition

- ✓ According to the revised plan in Q4 of the FY5/2024, the transition is progressing as planned, progress rate; 80%.



The installation of the material handling system is nearly complete. Begun the testing phase to ensure the start of operation at the beginning of FY5/2026 as scheduled.

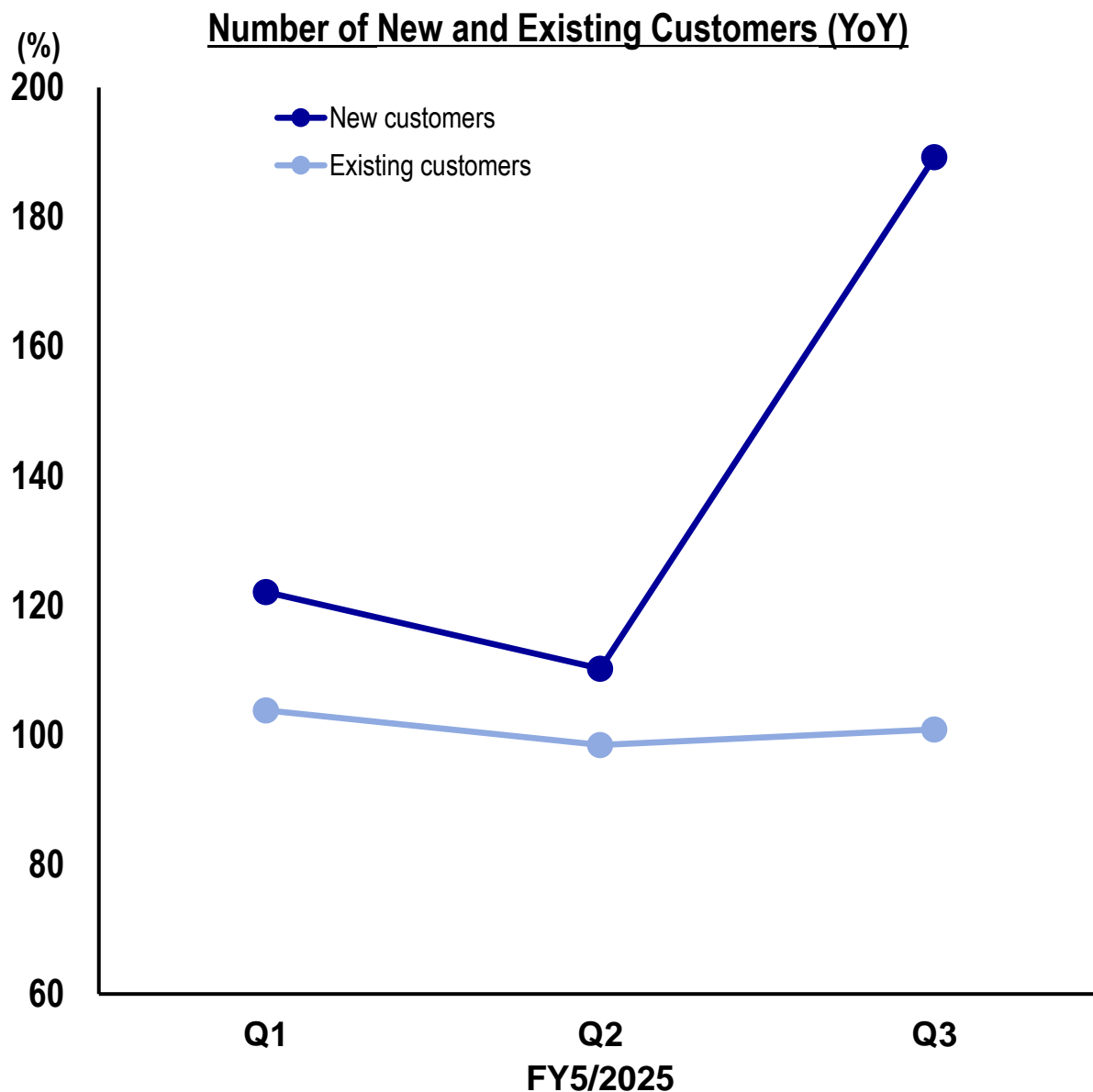


GTP*1



Shelf rack transport AGV*2

Notes: 1 GTP = Goods to person. A robot that transports goods directly to the locations where workers are responsible for picking
2 AGV = Automated guided vehicle.



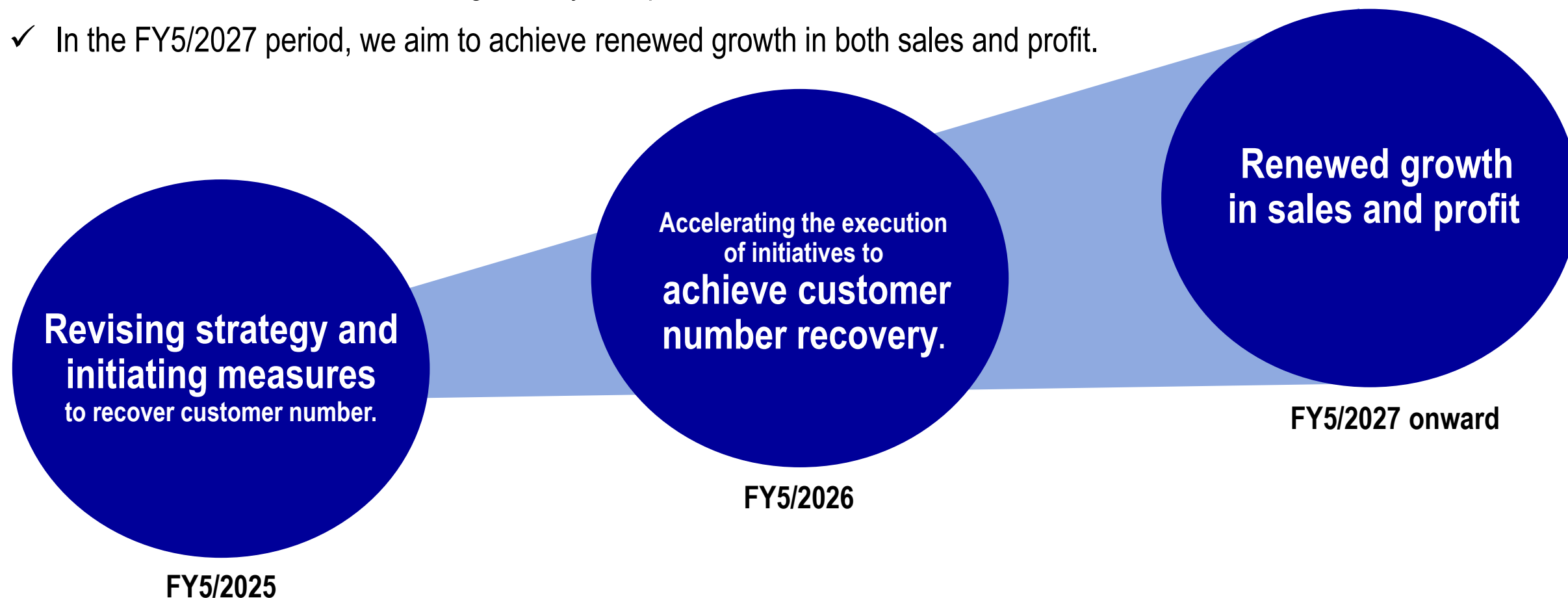
The number of new customers significantly increased by the promotional collaboration with LYC.

Aiming to enhance customer retention by improving basic services, including pricing, product assortment, and logistics.

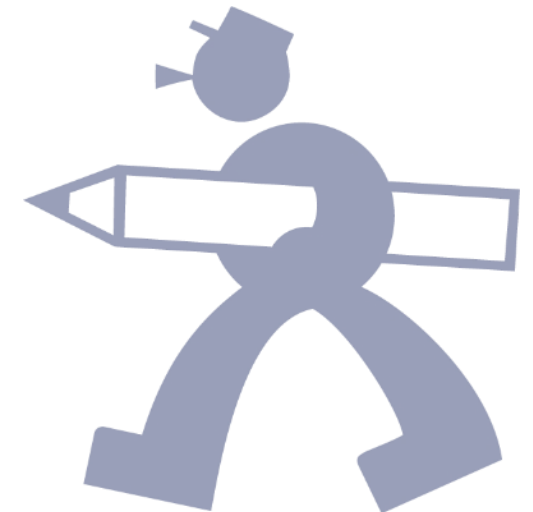
Medium- to Long-Term Growth Vision



- ✓ Accelerating the execution of initiatives to focus on customer recovery.
- ✓ In the FY5/2026 period, the operation of ASKUL Kanto DC will lead to an increase in fixed costs. However, as the reorganization of distribution centers in the Kanto region progresses, delivery efficiency is expected to improve, and fixed costs such as land rent will gradually be optimized.
- ✓ In the FY5/2027 period, we aim to achieve renewed growth in both sales and profit.



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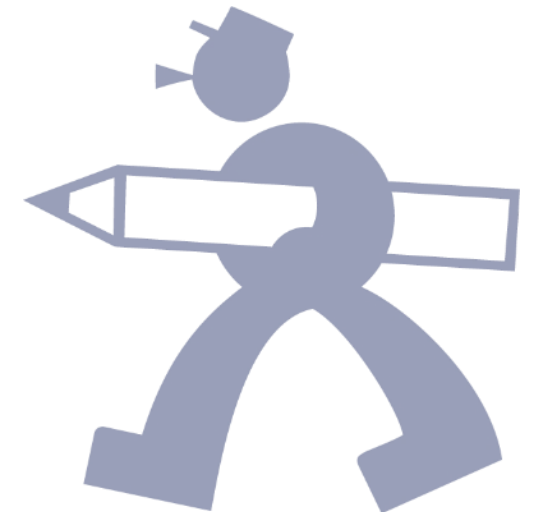


Enhancing capital efficiency to drive medium- to long-term corporate value growth.

Overview

Total number of shares to be acquired	Up to 5,000,000 shares (the ratio to the total outstanding shares excluding treasury stock as of February 20, 2025: 5.28%)
Total amount of shares to be acquired	Up to 8,000,000,000 yen
Acquisition period	From March 19, 2025, to September 30, 2025
Acquisition method	Purchase through off-auction own share repurchase transaction (ToSTNeT-3) of the Tokyo Stock Exchange and market purchase through a discretionary transaction method.
Others	<ul style="list-style-type: none">✓ All shares acquired during the acquisition period above will be cancelled promptly.✓ In order to avoid a decline in the ratio of shares in circulation, which is one of the criteria for maintaining the listing on the Prime market, the Company plans to acquire portion of shares that LY Corporation holds. <p>Note: The Company plans to maintain LYC's voting rights ratio (46.34%) as of February 20, 2025</p>

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January 2025

Switching inter-base transportation to ships to reduce environmental impact

- ✓ By transitioning the transportation route from ASKUL Miyoshi Center to ALP Fukuoka, we expect to achieve:
 - A 68.3% reduction in CO2 emissions compared to conventional methods.
 - An 84.5% reduction in truck driver operating hours compared to conventional methods.



February 2025

Launched the "Yasashii (kind) Basket" containing 11% recycled ocean plastic

- ✓ Utilizes recycled ocean plastic from orange buoys washed ashore in Tsushima City, Nagasaki Prefecture, incorporating 11% recycled content.
- ✓ Available in orange color that features the natural orange hue of the weathered buoys with no additional coloring applied, in two sizes.



March 2025

Received the highest "AAA" rating for the first time in the MSCI ESG Ratings

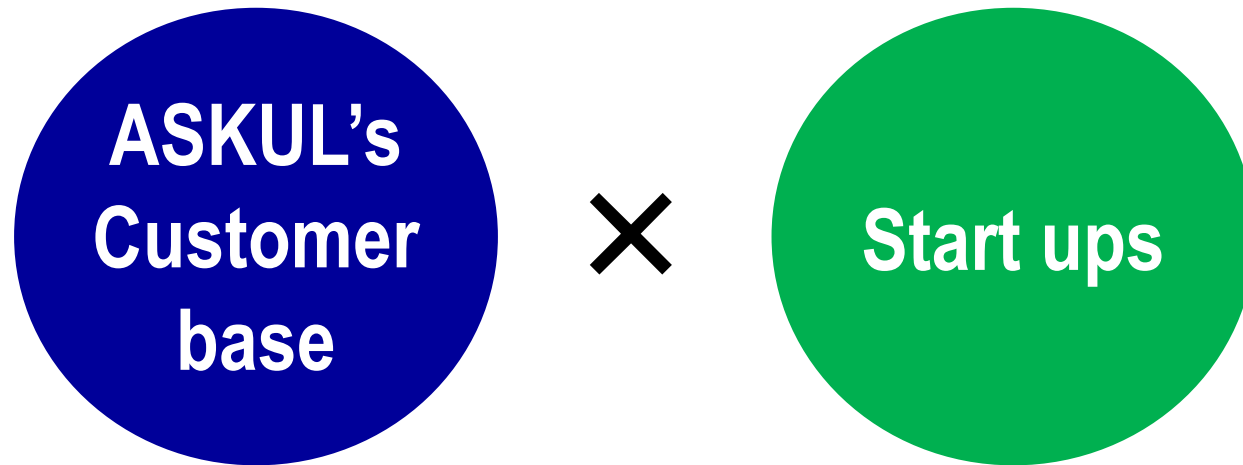
- ✓ ASKUL's ESG (environment, social, and governance) risk management was comprehensively evaluated

Note: The MSCI ESG Ratings is a rating system by MSCI Inc. that comprehensively evaluates the ESG risk management of thousands of companies worldwide. Companies are assessed and ranked within their industry on a seven-tier scale, ranging from "AAA" (highest) to "CCC" (lowest).





Hosted “The Better Tomorrow PITCH CAMP”



Utilizing ASKUL's assets effectively to come up with innovative new business ideas

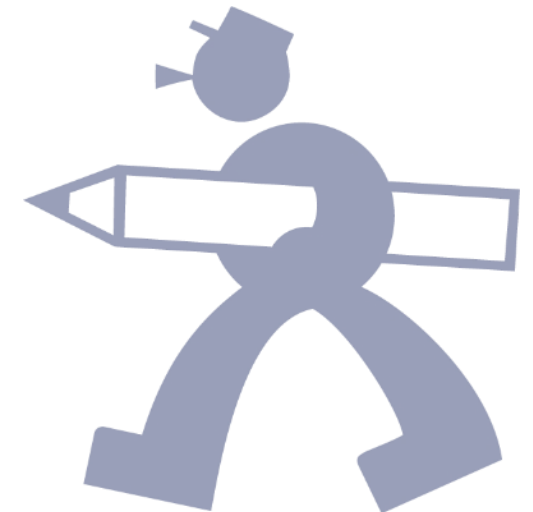


Held on February 18, 2025

[Participating companies]

Helpfeel Inc., goooods Inc., STORES, Inc., AgeWellJapan inc., and Commune Inc.

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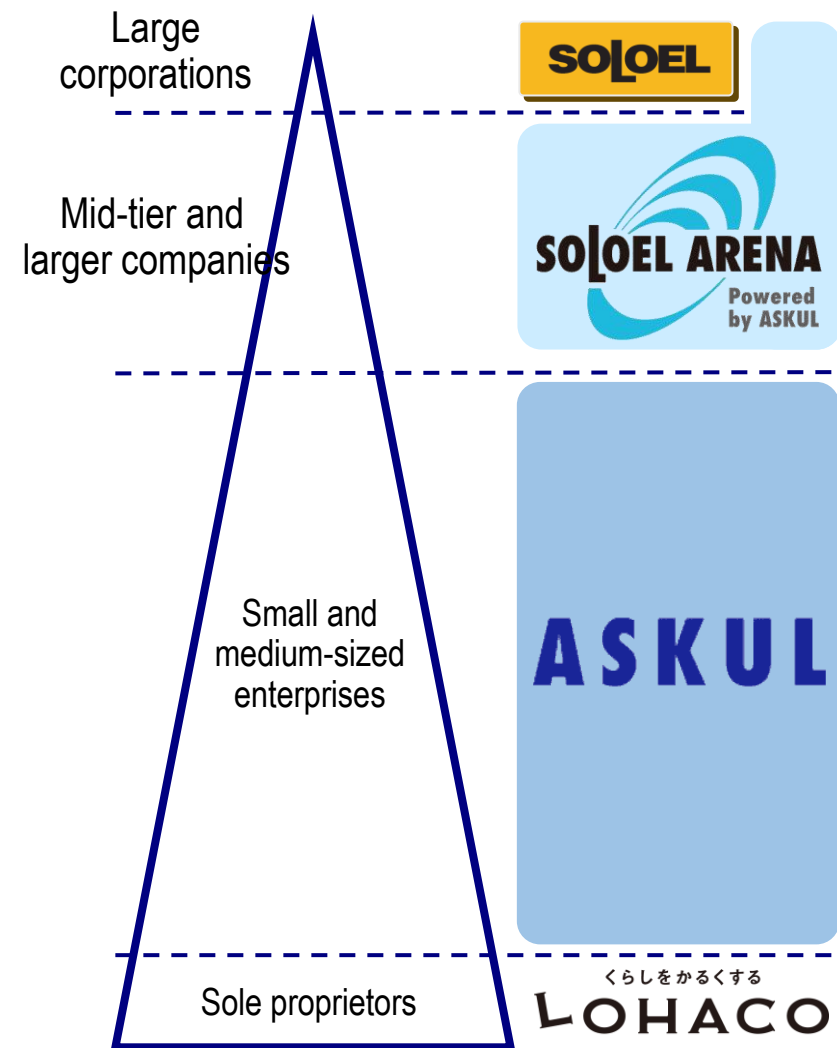
(¥billion)	FY5/2023		FY5/2024								FY5/2025							
	Q3		Q1		Q2		Q3		Q4		Q1		Q2		Q3			
		Composition ratio		Composition ratio		Composition ratio		Composition ratio		Composition ratio		Composition ratio		Composition ratio		Composition ratio	YoY change	YoY change
		%		%		%		%		%		%		%		%		%
OA & PC	25.5	29.8	24.1	28.6	26.2	29.3	26.2	29.9	26.4	29.1	24.9	28.2	25.8	28.8	26.3	29.6	0.0	+0.1
Stationery	10.6	12.4	9.8	11.7	10.9	12.2	11.2	12.8	13.1	14.5	10.8	12.3	11.5	12.9	11.6	13.1	0.4	+3.6
Living Supplies	24.9	29.1	27.6	32.7	27.6	30.8	25.9	29.5	26.0	28.6	29.1	33.0	28.0	31.2	26.7	30.0	0.7	+2.9
Furniture	4.7	5.5	4.9	5.9	5.1	5.8	5.2	5.9	6.6	7.3	4.7	5.3	4.7	5.3	4.9	5.5	(0.3)	-6.1
MRO	10.7	12.5	10.3	12.2	11.1	12.4	10.9	12.4	10.9	12.0	10.6	12.0	11.2	12.5	10.9	12.3	0.0	+0.5
Medical	7.3	8.6	5.6	6.7	6.1	6.8	6.0	6.9	5.6	6.2	6.3	7.1	6.1	6.8	6.3	7.1	0.2	+4.5
Others	1.8	2.2	1.8	2.2	2.4	2.7	2.2	2.5	2.0	2.2	1.7	2.0	2.2	2.5	2.0	2.3	(0.2)	-9.2
Total	85.8	100.0	84.4	100.0	89.8	100.0	88.0	100.0	90.9	100.0	88.3	100.0	89.9	100.0	89.0	100.0	0.9	+1.1

Notes: 1. Some products in the Living Supplies category have been reclassified to the Furniture category from the beginning of the fiscal year ended May 2024.
 2. From February of the fiscal year ended May 2024, due to changes in the agent system, there has been a positive impact on the Stationery and Other categories, but there are also categories with negative impacts. Therefore, the overall impact on sales in the ASKUL business is minimal.

FY5/2025 Net Sales by Item Category



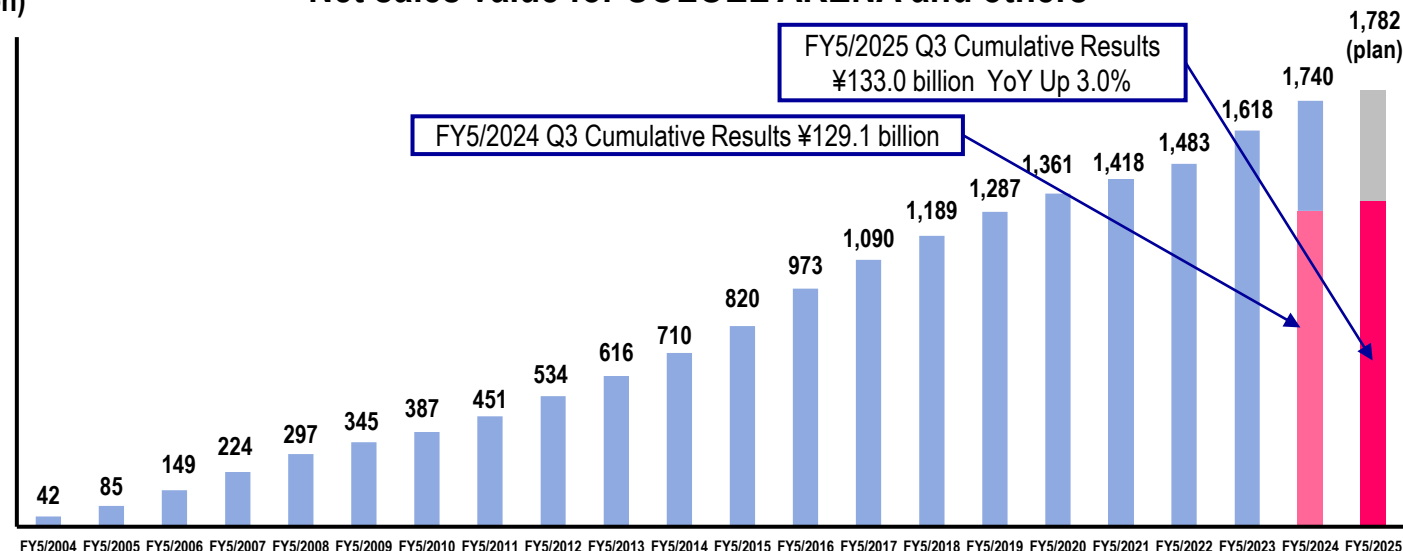
(¥billion)	FY5/2024 Q3 (cumulative)			FY5/2025 Q3 (cumulative)			
		Composition ratio	YoY change %		Composition ratio	YoY change	YoY change %
OA & PC	77.9	27.0	+5.4	78.2	26.5	0.2	+0.3
Stationery	32.6	11.3	+5.7	34.5	11.7	1.9	+6.0
Living Supplies	103.9	36.0	-2.1	107.0	36.3	3.1	+3.1
Furniture	16.0	5.5	+13.1	15.0	5.1	(0.9)	-5.9
MRO	32.9	11.4	+4.2	33.4	11.3	0.4	+1.4
Medical	18.6	6.5	-27.0	20.4	6.9	1.7	+9.4
Others	6.7	2.3	+49.8	6.0	2.1	(0.6)	-10.0
Total	288.8	100.0	+0.7	294.8	100.0	6.0	+2.1



(¥100 million)

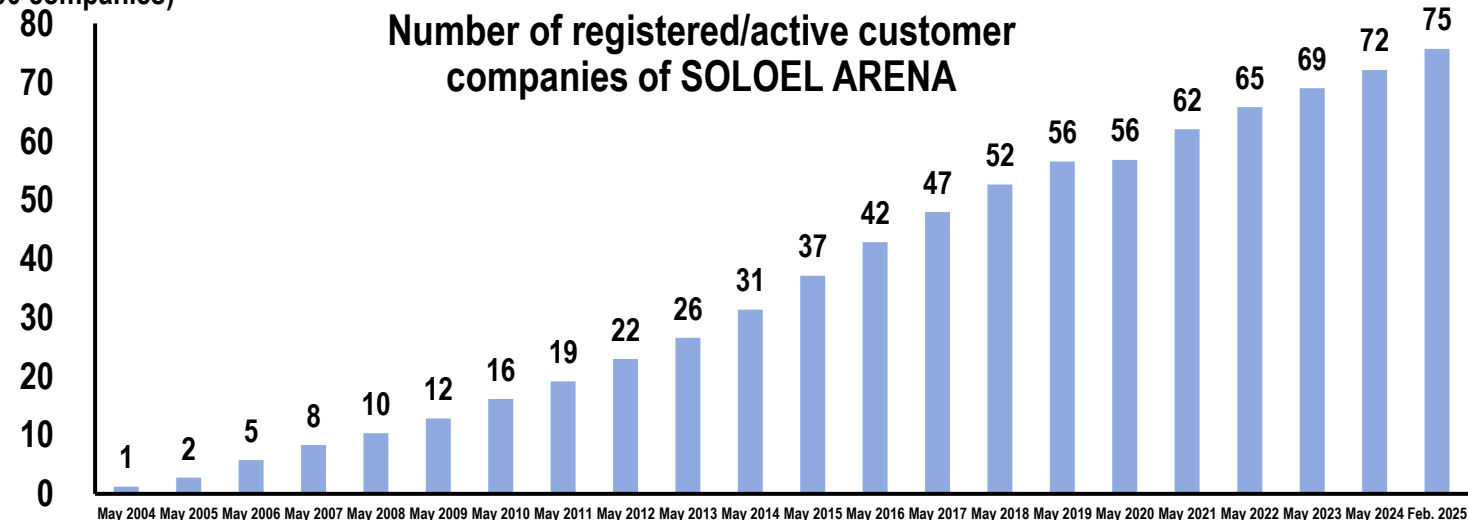
2,000
1,800
1,600
1,400
1,200
1,000
800
600
400
200
0

Net sales value for SOLOEL ARENA and others



(1,000 companies)

Number of registered/active customer companies of SOLOEL ARENA



(Reference) Depreciation and amortization of software: ¥6.9 billion (Annual plan: ¥9.4 billion)

Investment details

(¥ million)

Item	FY5/2024 Q3	FY5/2025 Q3	
	Amount	Amount	YoY Change
[Capital expenditures]	6,853	8,063	17.7%
Property, plant and equipment	3,056	3,414	11.7%
Intangible assets	3,797	4,649	22.4%
Construction in progress (Note 2)	1,202	9,012	649.3%
Software in progress (Note 2)	1,606	4,881	203.8%

Notes

1. Capital expenditure is stated on an accrual basis.
2. Construction in progress and software in progress above present balances at the end of the quarter under review and partially include consumption and other taxes.



(Unit: item)

	Feb. of FY5/2024	Feb. of FY5/2025	YoY Change
Number of original products	16,446	18,246	+1,800
Non-consolidated net sales composition (of which, ASKUL business)	32.4% (38.0%)	33.4% (38.7%)	+1.0pt (+0.7pt)

- Notes: 1. The number of original products includes those with sales limited to ASKUL.
 2. The sales composition ratio of original products is calculated, including original copy paper.
 3. From Q4 of FY5/2018 onward, the sales composition ratio of original products in the ASKUL business has been calculated using the inventory sales of the ASKUL business as the denominator.

FY5/2025 Q3 Gross Profit and SG&A Expenses

Consolidated



Gross profit: ¥ 86.8 billion YoY change: Down ¥ 0.3 billion

Gross profit margin: 24.2% YoY change: Down 0.7 percentage points

✓ Due to the impact of exchange position

SG&A expenses: ¥ 77.0 billion YoY change: Up ¥ 2.3 billion

Ratio of SG&A expenses to net sales 21.5% YoY change: Down 0.1 percentage points

Details of Selling, General and Administrative Expense (as shown in Financial Statements)

Item	FY5/2024 Q3		FY5/2025 Q3		YoY Change (%)
	Amount (million yen)	Ratio to Sales (%)	Amount (million yen)	Ratio to Sales (%)	
Personnel expenses	19,021	5.4	18,792	5.2	98.8
Shipment expenses	16,326	4.7	16,165	4.5	99.0
Subcontract expenses	3,690	1.1	4,602	1.3	124.7
Business consignment expenses	8,412	2.4	8,757	2.4	104.1
Rents	8,339	2.4	9,372	2.6	112.4
Provision of allowance for doubtful accounts	(30)	(0.0)	(26)	(0.0)	—
Depreciation	2,921	0.8	3,206	0.9	109.8
Amortization of software	3,602	1.0	3,743	1.0	103.9
Other expenses	12,419	3.5	12,402	3.6	99.9
Total	74,703	21.3	77,017	21.5	103.1



	Q1		Q2		First half		Q3		Q4		Second half		Full-year	
	Weekdays	Saturdays	Weekdays	Saturdays	Weekdays	Saturdays	Weekdays	Saturdays	Weekdays	Saturdays	Weekdays	Saturdays	Weekdays	Saturdays
FY5/2025	64	13	62	13	126	26	58	15	58	12	116	27	242	53
FY5/2024	63	13	63	12	126	25	59	15	59	12	118	27	244	52
Difference	+1	0	-1	+1	0	+1	-1	0	-1	0	-2	0	-2	+1



ASKUL Environmental Policy

We, the ASKUL Group, are committed to passing on a better global environment to future generations through our business activities as a company that continuously brings delight to our workplace, life, the planet and tomorrow.

Realizing a Carbon-Neutral Society

- 2050 Net Zero

Achieve net zero CO₂ emissions across the entire supply chain by 2050

- “2030 CO₂ Zero Challenge”

Reduce CO₂ that is emitted by business sites and distribution down to zero by 2030

- “RE100”

Raise a group-wide renewable energy utilization ratio to 100% by 2030. Realized 64.8% as of May 2024

- “EV100”

Replace delivery vehicles owned and used by ASKUL LOGIST 100% with electric vehicles by 2030.

In February 2025, in addition to the 20 existing EVs, 14 new EVs of five different types begun operation.



- Reducing CO₂ Emissions throughout the Supply Chain

Started with calculation of ASKUL original products using a tool for visualizing CO₂ emissions in the supply chain
Working towards achieving SBT Supplier Engagement

Building a Resource-Recycling Platform

- Reduce disposal of returned products

Reduce returned products that lead to their disposal

Remake returned products into salable products

Sell returned products as “imperfect ones” at a discount

- ASKUL Resource Recycling Platform

ASKUL Resource Recycling Platform is established and begins operation after Ministry of the Environment’s demonstration project. Promoting initiatives that do not throw away resources in cooperation with all entities in the value chain.

In December 2024, 3 types of dolly made from used clear plastic folders were released as Matakul, an original product series.



- ASKUL Catalog Recycle “Flowerpot”

Launched an eco-friendly flowerpot made from 20% recycled paper from ASKUL catalogs and 80% recycled cardboard.



Conserving Biodiversity

- “1 box for 2 trees”

Confirm planting of two eucalyptus trees, double the amount of raw materials, by purchasing one box of original copy paper



- Forest Maintenance Partnership Agreement with Tsumagoi Village

In August 2023, ASKUL, TSUMAGOI MEISUI, and Tsumagoi Village signed a Forest Maintenance Partnership Agreement for the purpose of jointly implementing activities to conserve Tsumagoi Village’s forest resources.

Started local tree-planting in May 2024

Development and procurement of environment-friendly products

- ASKUL Product Environmental Standard

Began to publish on product pages an independent score for the environmental friendliness level of each products.
Promoting development of environmentally friendly products while working together with manufacturers and suppliers to improve scores.

Initiatives for Sustainability (Environment)

ESG



2024 Participated in “TNFD Forum”

Obtained “Net Zero Certification” from SBT

Selected as a “Climate Change A List” company by CDP

Received “AAA” rating in the MSCI ESG Rating



2023 Participated in “GX League”

Selected as a “Climate Change A List” company by CDP

2022 Selected as a “Climate Change A- List” company by CDP

2021 Selected as a “Climate Change A List” company by CDP

2020 Selected as a “Climate Change A List” company by CDP

2019 Announced support for “TCFD recommendations”

Selected as a “Climate Change A List” company by CDP

2018 Obtained “Eco-First company” and “SBT” Certification

2017 Joined RE100 and EV100

2016 Signed up for the “United Nations Global Compact”

Announced the “2030 Zero CO₂ Challenge”

2013 Formulated Medium-Term Environmental Targets

2003 Formulated ASKUL Environmental Policy



Initiatives for Sustainability (Society)

ESG



Together with colleagues

● Diversity-oriented management ASKUL's Declaration of Diversity (2015)

■ Utilize diverse human resources

- Promote female active participation and enhance the ratio of female managers
- Declared a target of raising the ratio of female managers to 30% by 2025
- Participated in 30% Club Japan
- Participated in Male Leaders Coalition for Empowerment of Women
- Signed the Women's Empowerment Principles (WEPs)



■ Promote diverse work styles

A system that creates a comfortable working environment and encourages each employee to take the initiative in learning and making the most of diversity

- Systems for leave and shorter working hours for childcare
- Systems for leave and shorter working hours for nursing care
- Teleworking system: Removal of the limit on the number of times per month
- Flextime system: Eliminated the core time
- Learning support system to assist proactive learning
- Secondary work system, club activity system



■ Health Management in the Workplace

Certified a company as "KENKO Investment for Health 2025" by the Ministry of Economy, Trade, and Industry



● ASKUL LOGIST: Provide free lunches

Promotion of health-oriented management by providing free lunches to employees working in logistics, delivery, and headquarters so that they can work in good physical and mental health

● ASKUL LOGIST Fukuoka Distribution Center's efforts to employ persons with disabilities in cooperation with local communities

Legal employment rate at **32.8%***

(Legal employment rate of private companies is 2.5%)

*Legal employment ratio calculated in units of business sites as of Feb. 20, 2025

Together with customers

● Cultivating Corporate Culture and Awareness

■ Share customer feedback

Distribute internally opinions, requests, and suggestions received from customers to all employees.

■ VOC (voice of customer) Seminar

Regularly hold seminars inviting lecturers from other companies to learn improvement activities based on customer feedback.

■ Meeting to listen to customers' feedback

Create opportunities to think and act from the customer's perspective by listening to audio recordings of customer service.

● Improvement Activities Based on Customer Feedback

■ Quality KPI Improvement Activities

PDCA cycle is implemented for the purpose of "enhancing customer satisfaction by improving the quality of products and services." Customer feedback is reported to and shared with management, and related department heads, and discussions are made regarding the evolution of products and services.

● Customer Satisfaction Management Systems

■ Declared Conformity to ISO10002

Declared conformity to ISO 10002, the international standard for customer satisfaction management systems. Customer service-related documents and regulations were created and organized, and construction and operation of management system is implemented.

Initiatives with business partners

● Declaration of support and voluntary action for the "White Logistics" promotion campaign

A movement to resolve the shortage of truck drivers and work to realize a more employee friendly working environment in which productivity in truck transportation is improved, efficiency in logistics is raised, and certain groups of drivers, such as women and people over the age of 60, will find it easy to work

● Sustainable Procurement Policy

Formulated in April 2021. The policy considers the environment, safety, human rights, and other issues aimed at striking a balance between the fulfillment of social responsibilities and sustainable development throughout the supply chain to ensure the sustainable provision of safe and reliable products to customers.

● Supply Chain CSR Survey / Audits

Based on Sustainable Procurement Policy, from July to October 2021, conducted a survey regarding the status of efforts of suppliers concerning the six areas: environment; worry-free and safe products; legal compliance and fair trade; human rights; the working environment; and response to risks and changes. In addition, CSR audits of factories of private brand manufacturer begun in April 2022.

Social contribution activities

● Supporting East Japan Reconstruction through Impact Investment and Donations

The Group supports projects in three prefectures in the Tohoku region that are intended to solve social problems and revitalize local communities. It does so with the aim of offering cyclical support through donations and impact investing in cooperation with manufacturers. The seventh recipient of the support has been selected as Hop Japan Co., Ltd. (Tamura City, Fukushima Prefecture), a company that brews craft beer using locally sourced hops.

● Project for looking into air and water environments

In a joint project with S.T. Corporation, the ASKUL Group donates part of the sales of "S.T. Toilet Deodorant and Deodorant Spray," exclusively sold by ASKUL, to associations that are engaged in improving air and water environments, thereby supporting their activities.

The second case will be donated to approved specified NPO, Habitat for Humanity Japan.

● Concluded SDGs Collaboration Agreement with City of Tsushima

There are many points in common between Tsushima City's SDGs Future City Plan and ASKUL's approach to and direction of resource circulation. Therefore, the SDGs Collaboration Agreement was concluded in February 2021. Since 2023, we have been regularly organizing study tours for employees. A total of 63 participants have joined so far, engaging in activities such as coastal cleanup.

Most Significant Strategies in Medium-term Management Plan from FY5/2022 to FY5/2025



From [Financial Results for the Fiscal Year Ended May 2023] presentation material

Medium-Term Growth Scenario

(From “From FY5/2022 to FY5/2025 Medium-Term Management Plan” announced in July 2021)

Establishment of the most powerful
B-to-B EC website

Strategic industries and
expansion of product assortments

Synergies with Z Holdings Group

Reform of the platform

FY5/2021

FY5/2022

FY5/2023

FY5/2024

FY5/2025

1. Establishment of the most powerful B-to-B EC website

The two EC websites, ASKUL for small and medium-size businesses and SOLOEL ARENA for mid-level and large corporations, are integrated into one. Aim to become the most powerful B-to-B EC website by not only combining the features of the two sites but also deploying the function to respond to the need from teleworking. In this way, increase the frequency of customers' purchasing and the purchase amount per customer and enhance the customer retention rate by consolidating purchases.

2. Strategic industries and expansion of product assortments

Expand product lineups centered on specialized products for customers in the two major industries of medical and nursing care, and manufacturing. The plan to double the number of items handled (18 million), quadruple in-stock products (330,000) and increase original products by 1.4 times (12,000), compared with those in May 2021. The two measures of the launch of the new ASKUL website and expansion of product assortments will drive double-digit B-to-B growth for FY5/2025.

3. Synergies with Z Holdings Group

The Group will further concentrate its resources on its strengths of products, logistics and CRM by fully utilizing the infrastructure of Z Holdings in terms of attracting customers, site platform and payment systems. Strengthen cooperation with the Z Holdings Group to achieve regrowth after turning profitable. “Yahoo! mart by ASKUL,” a joint fast delivery business with the Z Holdings Group, was launched in January 2022.

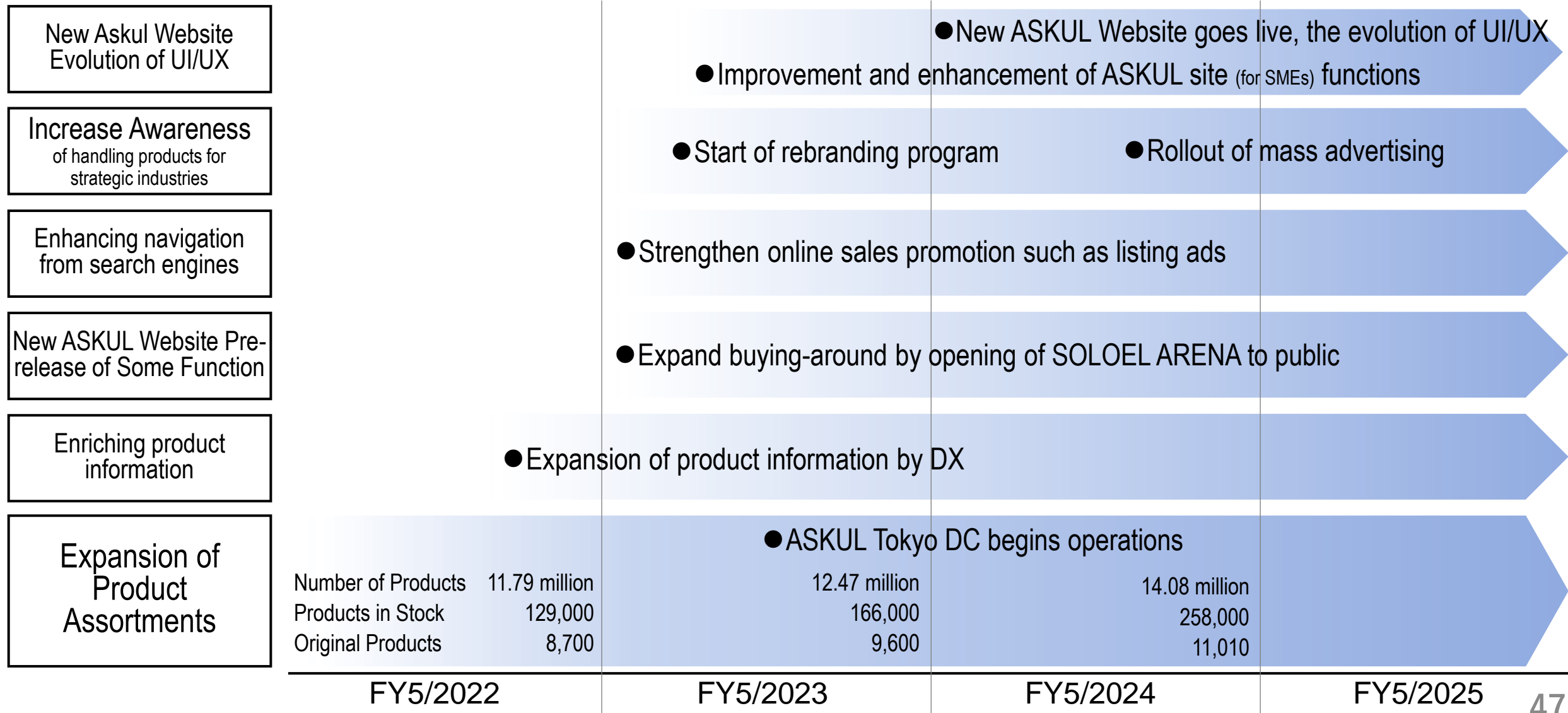
* Z Holdings Corporation reorganized the group on October 1, 2023, merged with Yahoo Japan Corporation, LINE Corporation, and other companies, and changed the corporate name to LY Corporation

4. Reform of the platform

The plan to evolve the high-speed logistics, which is ASKUL's strength, then realize “Delivering Tomorrow” for long-tail products through measures, such as structural reform of distribution centers, integration of B-to-B and B-to-C logistics, and application of DX to value chains. “ASKUL Tokyo DC,” the most advanced core center in eastern Japan, which will play an important role in realizing this plan, has begun operating in November 2022.



The new Medium-Term Management Plan is scheduled to be announced during the current fiscal year.



B-to-B Medium-to Long-Term Growth Vision

Non-Consolidated

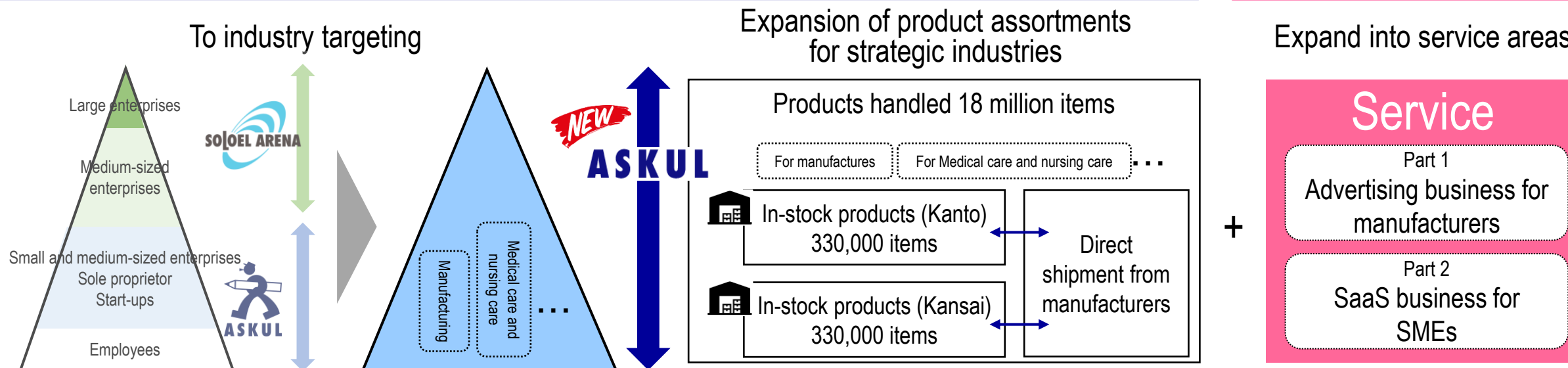


From [Financial Results for the Fiscal Year Ended May 2023] presentation material

Achievement Medium-Term Management Plan is a milestone and further enhance corporate value

Transformation from Office Supplies Mail Order

Further Enhancement of Corporate Value



Growth scenario

Strategic industries and expansion of product assortments

Establishment of the most powerful B-to-B EC website

Reform of the platform

Value to be realized

Have all the products that all customers need

Fastest and most convenient purchase experience

Deliver products quickly and reliably

Specific Initiatives

- ✓ Expand product assortment to 18 million items
- ✓ Expansion of products for the 2 major strategic industries
- ✓ Create route that customers can purchase smoothly from external search
- ✓ 1-to-1 (personalized) marketing by utilizing Data x AI
- ✓ Significant expansion of in-stock products
- ✓ Improve delivery time accuracy for products shipped directly from manufacturers



B-to-B	B-to-B stands for business to business and indicates transactions between companies
B-to-C	B-to-C represents business to consumer (customer) and refers to transactions between companies and consumers
MRO	MRO stands for Maintenance, Repair and Operations, and primarily refers to materials that serve as secondary materials (indirect materials), which used in the frontline operations of factories, construction sites, and other locations
ASKUL	Name of the internet mail-order service (accepts orders via facsimile) for small and medium-sized enterprises
SOLOEL ARENA	Name of the internet mail-order service for mid-tier and larger companies
LOHACO	Name of the internet mail-order service for general consumers launched in October 2012 in partnership with Yahoo Japan Corporation (currently LY Corporation)
New ASKUL Website	A new e-commerce site that integrates two sites; ASKUL for small and medium-sized enterprises, SOLOEL ARENA for mid-tier and larger companies. Full-scale operation started in July 2023, with SOLOEL ARENA customers gradually transitioning to the new ASKUL website
Advertising Business	Service for manufacturers to place advertisements on our e-commerce site, etc.
Distribution center abbreviations	ASKUL Logi PARK as ALP, ASKUL Value Center as AVC, Demand Management Center as DMC, Demand Chain Management as DCM, ASKUL Tokyo Distribution Center as ASKUL Tokyo DC, and ASKUL Kanto Distribution Center as ASKUL Kanto DC



Continuously Bringing Delight to Our Workplace, Life, the Planet and Tomorrow