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Consolidated Financial Results for the Three Months Ended August 20, 2025 [Japanese GAAP]*

September 16, 2025

Company name:	ASKUL Corporation
Stock exchange listing:	Tokyo
Code number:	2678
URL:	https://www.askul.co.jp/corp/english/investor
Representative:	Akira Yoshioka Representative Director, President and Chief Executive Officer (CEO)
Contact:	Tsuguhiro Tamai Director and Chief Financial Officer (CFO)
Phone:	+81-3-4330-5130
Scheduled date of commencing dividend payments:	-
Preparation of supplementary materials for financial results:	Yes
Schedule of financial results briefing session:	Yes (for institutional investors and analysts)

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

1. Consolidated Financial Results for the Three Months Ended August 20, 2025 (May 21, 2025 to August 20, 2025)

(1) Consolidated Operating Results (% indicates changes from the previous corresponding period.)

	Net sales		Operating profit		Ordinary profit		Profit attributable to owners of parent	
Three months ended	Million yen	%	Million yen	%	Million yen	%	Million yen	%
August 20, 2025	122,324	3.3	1,053	(59.1)	938	(62.6)	344	(77.7)
August 20, 2024	118,384	4.7	2,574	(8.9)	2,510	(8.0)	1,544	(10.7)

(Note) Comprehensive income: Three months ended August 20, 2025: ¥426 million [(73.7)%]
Three months ended August 20, 2024: ¥1,623 million [(9.9)%]

	Basic earnings per share	Diluted earnings per share
Three months ended	Yen	Yen
August 20, 2025	3.73	3.69
August 20, 2024	16.08	16.05

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
As of	Million yen	Million yen	%
August 20, 2025	233,128	73,486	30.0
May 20, 2025	227,782	81,254	34.2

(Reference) Equity: As of August 20, 2025: ¥70,022 million
As of May 20, 2025: ¥77,788 million

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, 2025	-	19.00	-	19.00	38.00
Fiscal year ending May 20, 2026	-				
Fiscal year ending May 20, 2026 (Forecast)		19.00	-	19.00	38.00

(Note) Revision to the forecast for dividends announced most recently: No

3. Consolidated Financial Results Forecast for the Fiscal Year Ending May 20, 2026 (May 21, 2025 to May 20, 2026)

(% 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	500,000	3.9	11,000	(21.5)	10,500	(24.0)	6,600	(27.2)	70.57

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

* Notes:

(1) Significant changes in the scope of consolidation during the period under review: No

(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) Number of outstanding shares (common stocks)

1) Number of outstanding shares at the end of the period (including treasury stock):

August 20, 2025:	94,771,300	shares
May 20, 2025:	94,771,300	shares

2) Number of treasury stock at the end of the period:

August 20, 2025:	5,241,900	shares
May 20, 2025:	1,245,700	shares

3) Average number of shares during the period:

Three months ended August 20, 2025:	92,408,211	shares
Three months ended August 20, 2024:	96,059,257	shares

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: No

* 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. For the assumptions on which earnings forecasts are based and notes and information on the use of earnings forecasts, see "1. Qualitative Information on Financial Results (3) Explanation of Consolidated Forecasts and Other Forward-Looking Information" on Page 4 of Attached Materials.

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1. Qualitative Information on Financial Results

(1) Explanation of Operating Results

During the three months ended August 20, 2025 (from May 21, 2025 to August 20, 2025), the Japanese economy remained on a gradual recovery trend, with improving employment and income conditions, partly due to increased inbound demand. On the other hand, the outlook remains uncertain due to rising prices of raw materials and energy amid the unstable international situation, and concerns about the impact of global uncertainty of monetary policies as well as the impact of U.S. policy trends including trade policies on personal consumption and other factors.

Under such circumstances, the Group is implementing measures aiming at the re-growth of its retail business and establishment of an area to provide new values, toward achievement of the targets of the Medium-Term Management Plan (from the fiscal year ending May 20, 2026 to the fiscal year ending May 20, 2029) announced on July 2025.

For the fiscal year ending May 20, 2026, although an increase in sales and a decrease in profit are expected from the previous fiscal year due mainly to an increase in fixed costs and incurrence of one-time costs for reorganization of distribution centers in the Kanto region, the Group is steadily working on the re-growth of sales through a recovery of the number of customers and further streamlining of logistics through reorganization of distribution centers, by regarding the year as an important turning point for a V-shaped recovery in the fiscal year ending May 20, 2027.

The financial performance of the Group for the three months ended August 20, 2025 was net sales of 122,324 million yen, a 3.3% increase year-on-year, operating profit of 1,053 million yen, a 59.1% decrease year-on-year, ordinary profit of 938 million yen, down 62.6% year-on-year, and profit attributable to owners of parent of 344 million yen, a 77.7% decrease year-on-year.

Operating results by segment are outlined below.

<E-commerce business>

(Million yen)

	For the three months ended August 20, 2024	For the three months ended August 20, 2025	Change (amount)	Change (percentage)
Net sales	116,282	120,249	+3,967	+3.4%
ASKUL business	88,373	91,003	+2,629	+3.0%
LOHACO business	9,585	10,100	+515	+5.4%
Group companies and elimination of intra-group transactions	18,323	19,145	+822	+4.5%
Operating profit	2,565	1,064	(1,501)	(58.5)%

(Note) Net sales include intra-segment sales or transfers.

In the E-commerce business during the three months ended August 20, 2025, net sales grew steadily mainly in the ASKUL business to 120,249 million yen, a 3.4% increase year-on-year, and gross profit margin improved due to an improvement in foreign exchange positions and other factors. On the other hand, even though initially planned, operating profit was 1,064 million yen, a 58.5% decrease year-on-year. This was primarily due to the impact of the increase in depreciation and other fixed costs related to the ASKUL Kanto DC, which began operating in June 2025, resulting in an increase in sales and a decrease in profits.

Net sales and operating profit are outlined below.

(1) Net sales

a. ASKUL business

- Net sales of products for Living Supplies and MRO(Note) Supplies categories remained strong, with a growth rate of 3.0% year-on-year, despite sluggish demand for conventional office supplies (office furniture, ink and toner, stationery, etc.)
- While the number of customers grew for large and medium-sized companies and small and medium-sized enterprises continued to demonstrate a trend of improvement, partly due to the effect of sales promotion measures targeting corporate customers, the number of non-corporate customers decreased
- Net sales to large and medium-sized companies remained strong, despite sluggish purchase volumes by small and medium-sized enterprises due to delayed demand recovery

b. LOHACO business

- Net sales grew 5.4% year-on-year, due to the contribution of the effect of the sales promotion measures in collaboration with LY Corporation and sales of government-stockpiled rice

c. Group companies and elimination of intra-group transactions

- Net sales of AlphaPurchase Co., Ltd. remained strong, with a growth rate of 4.5% year-on-year

(2) Operating profit

Operating profit decreased by 1,501 million yen year-on-year to 1,064 million yen. This was mainly due to a 2.5-point year-on-year increase in the ratio of selling, general and administrative expenses, standing at 24.2%, caused by increased fixed costs, etc., while gross profit margin improved by 1.1 points year-on-year to 25.1%, as outlined below.

- The purchase price of imported products such as copy paper decreased due to the impact of foreign exchange rates, resulting in an improvement in the gross profit margin
- Although the unit sales price per box increased, leading to a gradual decrease of shipment expenses, the ratio of shipment expenses to net sales temporarily deteriorated partly due to the impact of the launch of the ASKUL Kanto DC
- The launch of the ASKUL Kanto DC in June 2025 incurred one-time start-up costs and fixed costs including depreciation (1,153 million yen in total)

<Logistics business>

Net sales of the contracted business of logistics that ASKUL LOGIST Corporation received from outside the Group increased, but this could not make up for the increased subcontract expenses and other expenses, resulting in a decrease in profits.

As a result, net sales in the three months ended August 20, 2025 were 1,912 million yen, a 2.0% increase year-on-year, and operating loss was 33 million yen, as opposed to an operating loss of 25 million yen a year earlier.

<Other>

Sales of bottled water of TSUMAGOI MEISUI CORPORATION remained steady partly due to the impact of the extremely hot weather. However, partly due to the rebound from the increase in net sales owing to the bulk sales of in-stock products related to the relocation of warehouses in the same period of the previous fiscal year, both sales and profit decreased.

As a result, net sales in the three months ended August 20, 2025 were 540 million yen, a 23.2% decrease year-on-year, and operating profit was 18 million yen, down 82.5% year-on-year.

(Note) MRO is an acronym for Maintenance, Repair and Operations, and the term “MRO supplies” denotes indirect materials including consumables and repair supplies for use at factories, construction sites, warehouses, and others.

(2) Explanation of Financial Position

(Assets)

Total assets stood at 233,128 million yen at the end of the first quarter of the fiscal year under review, an increase of 5,346 million yen from the end of the preceding fiscal year. This was mainly due to increases of 12,221 million yen in leased assets, 3,548 million yen in software, 2,304 million yen in buildings and structures, and 1,918 million yen in accounts receivable – other due to the launch of ASKUL Kanto DC, while construction in progress decreased 11,196 million yen, software in progress decreased 3,440 million yen, and notes and accounts receivable - trade, and contract assets decreased 1,582 million yen.

(Liabilities)

Total liabilities stood at 159,642 million yen at the end of the first quarter of the fiscal year under review, an increase of 13,114 million yen from the end of the preceding fiscal year. This was primarily due to an increase of 13,277 million yen in lease liabilities.

(Net assets)

Net assets stood at 73,486 million yen at the end of the first quarter of the fiscal year under review, a decrease of 7,768 million yen from the end of the preceding fiscal year. The primary factors behind the decline were a decrease of 1,432 million yen in retained earnings mainly due to recognition of profit attributable to owners of parent of 344 million yen as opposed to an increase of 6,219 million yen in treasury shares (decrease in net assets) mainly due to the purchase of treasury shares and dividend payments of 1,776 million yen.

Consequently, the capital adequacy ratio was 30.0% (34.2% at the end of the preceding fiscal year).

(3) Explanation of Consolidated Forecasts and Other Forward-Looking Information

The forecast for the year ending May 20, 2026 (full year) announced on July 4, 2025, remains unchanged.

2. Quarterly Consolidated Financial Statements and Notes

(1) Quarterly Consolidated Balance Sheet

(Millions of yen)

	As of May 20, 2025	As of August 20, 2025
Assets		
Current assets		
Cash and deposits	48,423	48,795
Notes and accounts receivable - trade, and contract assets	59,870	58,288
Merchandise and finished goods	22,909	23,489
Raw materials and supplies	559	230
Costs on construction contracts in progress	70	51
Accounts receivable - other	14,300	16,219
Other	3,638	4,512
Allowance for doubtful accounts	(21)	(17)
Total current assets	149,752	151,569
Non-current assets		
Property, plant and equipment		
Buildings and structures	10,295	12,785
Accumulated depreciation	(5,683)	(5,868)
Buildings and structures, net	4,612	6,917
Land	257	257
Leased assets	32,279	45,672
Accumulated depreciation	(17,777)	(18,948)
Leased assets, net	14,501	26,723
Construction in progress	11,435	238
Other	13,100	14,047
Accumulated depreciation	(9,859)	(10,172)
Other, net	3,240	3,874
Total property, plant and equipment	34,047	38,011
Intangible assets		
Software	14,556	18,104
Software in progress	5,524	2,084
Goodwill	4,783	4,644
Customer-related intangible assets	7,020	6,889
Other	10	11
Total intangible assets	31,895	31,733
Investments and other assets		
Investment securities	100	100
Deferred tax assets	4,566	4,341
Other	8,165	8,110
Allowance for doubtful accounts	(745)	(737)
Total investments and other assets	12,086	11,815
Total non-current assets	78,030	81,559
Total assets	227,782	233,128

(Millions of yen)

	As of May 20, 2025	As of August 20, 2025
Liabilities		
Current liabilities		
Notes and accounts payable - trade	58,482	58,460
Electronically recorded obligations - operating	21,660	21,834
Short-term borrowings	380	380
Current portion of long-term borrowings	6,096	5,951
Accounts payable - other	12,342	12,284
Income taxes payable	578	544
Accrued consumption taxes	398	510
Provisions	438	690
Other	6,594	7,922
Total current liabilities	106,972	108,578
Non-current liabilities		
Long-term borrowings	13,735	13,104
Lease liabilities	12,651	24,561
Retirement benefit liability	5,001	5,077
Asset retirement obligations	2,941	3,278
Deferred tax liabilities	2,394	2,350
Other	2,830	2,690
Total non-current liabilities	39,555	51,063
Total liabilities	146,527	159,642
Net assets		
Shareholders' equity		
Share capital	21,233	21,233
Capital surplus	14,934	14,833
Retained earnings	43,393	41,960
Treasury shares	(1,989)	(8,209)
Total shareholders' equity	77,572	69,818
Accumulated other comprehensive income		
Remeasurements of defined benefit plans	216	204
Total accumulated other comprehensive income	216	204
Non-controlling interests	3,466	3,463
Total net assets	81,254	73,486
Total liabilities and net assets	227,782	233,128

(2) Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statement of Income (For the three months ended August 20, 2025)

(Millions of yen)

	For the three months ended August 20, 2024	For the three months ended August 20, 2025
Net sales	118,384	122,324
Cost of sales	90,406	92,011
Gross profit	27,977	30,312
Selling, general and administrative expenses	25,402	29,258
Operating profit	2,574	1,053
Non-operating income		
Interest income	17	56
Subsidy income	3	4
Dividend income of insurance	16	20
Other	14	14
Total non-operating income	51	95
Non-operating expenses		
Interest expenses	98	157
Other	17	53
Total non-operating expenses	115	210
Ordinary profit	2,510	938
Extraordinary income		
Gain on sale of non-current assets	0	0
Compensation for damage income	6	-
Other	-	0
Total extraordinary income	6	1
Extraordinary losses		
Loss on retirement of non-current assets	9	4
Loss on valuation of investment securities	50	-
Other	3	0
Total extraordinary losses	63	4
Profit before income taxes	2,454	935
Income taxes - current	367	311
Income taxes - deferred	455	185
Total income taxes	823	497
Profit	1,631	438
Profit attributable to non-controlling interests	86	94
Profit attributable to owners of parent	1,544	344

Quarterly Consolidated Statement of Comprehensive Income (For the three months ended August 20, 2025)

(Millions of yen)

	For the three months ended August 20, 2024	For the three months ended August 20, 2025
Profit	1,631	438
Other comprehensive income		
Remeasurements of defined benefit plans, net of tax	(8)	(12)
Total other comprehensive income	(8)	(12)
Comprehensive income	1,623	426
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	1,536	332
Comprehensive income attributable to non-controlling interests	86	94

(3) Notes to Quarterly Consolidated Financial Statements

(Notes to Going Concern Assumption)

Not applicable.

(Notes to Significant Changes in Shareholders' Equity)

The Company acquired 3,992,600 shares of treasury stock during the three months ended August 20, 2025 based on a resolution of the Board of Directors meeting held on March 18, 2025. As a result, treasury stock increased by 6,219 million yen, resulting in treasury shares of 8,209 million yen at the end of the first quarter of the fiscal year under review.

(Segment Information, etc.)

[Segment Information]

I. First Three Months of the Previous Fiscal Year (From May 21, 2024 to August 20, 2024)

Information on net sales and profit (loss) by reporting segment

(Million yen)

	Reporting Segment			Others (Note 1)	Total	Adjustments (Note 2)	Amount recorded in quarterly statement of income (Note 3)
	E-commerce business	Logistics business	Total				
Net sales							
ASKUL business	88,373	—	88,373	—	88,373	—	88,373
LOHACO business	9,585	—	9,585	—	9,585	—	9,585
Group companies and elimination of intra-group transactions	18,323	—	18,323	—	18,323	—	18,323
Logistics business	—	1,875	1,875	—	1,875	—	1,875
Others	—	—	—	226	226	—	226
Revenue from contracts with customers	116,282	1,875	118,157	226	118,384	—	118,384
Sales to external customers	116,282	1,875	118,157	226	118,384	—	118,384
Intra-segment sales or transfer	—	—	—	477	477	(477)	—
Total	116,282	1,875	118,157	703	118,861	(477)	118,384
Segment profit (loss)	2,565	(25)	2,540	106	2,647	(72)	2,574

(Notes)
1. "Other" represents business segments that do not fall under the Reporting Segment and includes the manufacturing business.
2. The adjustment of minus 72 million yen to segment profit (loss) represents the elimination of inter-segment transactions of minus 72 million yen.
3. Segment profit (loss) is adjusted with operating profit reported in the quarterly consolidated statement of income.

II. First Three Months of the Current Fiscal Year (From May 21, 2025 to August 20, 2025)

Information on net sales and profit (loss) by reporting segment

(Million yen)

	Reporting Segment			Others (Note 1)	Total	Adjustments (Note 2)	Amount recorded in quarterly statement of income (Note 3)
	E-commerce business	Logistics business	Total				
Net sales							
ASKUL business	91,002	—	91,002	—	91,002	—	91,002
LOHACO business	10,100	—	10,100	—	10,100	—	10,100
Group companies and elimination of intra-group transactions	19,144	—	19,144	—	19,144	—	19,144
Logistics business	—	1,912	1,912	—	1,912	—	1,912
Others	—	—	—	163	163	—	163
Revenue from contracts with customers	120,248	1,912	122,160	163	122,324	—	122,324
Sales to external customers	120,248	1,912	122,160	163	122,324	—	122,324
Intra-segment sales or transfer	1	—	1	377	378	(378)	—
Total	120,249	1,912	122,161	540	122,702	(378)	122,324
Segment profit (loss)	1,064	(33)	1,031	18	1,049	3	1,053

(Notes) 1. “Other” represents business segments that do not fall under the Reporting Segment and includes the manufacturing business.

2. The adjustment of 3 million yen to segment profit (loss) represents the elimination of inter-segment transactions of 3 million yen.

3. Segment profit (loss) is adjusted with operating profit reported in the quarterly consolidated statement of income.

(Notes to Statement of Cash Flows)

The quarterly consolidated statement of cash flows for the three months ended August 20, 2025 has not been prepared. Depreciation (including amortization of intangible assets other than goodwill and customer-related intangible assets), amortization of goodwill, and amortization of customer-related intangible assets for the three months ended August 20 are as follows.

(Million yen)

	For the three months ended August 20, 2024	For the three months ended August 20, 2025
Depreciation	2,459	3,062
Amortization of goodwill	134	139
Amortization of customer-related intangible assets	130	130

3. Other

Details of Selling, General and Administrative Expenses (Consolidated)

Item	First Three Months of the Previous Fiscal Year (From May 21, 2024 through August 20, 2024)		First Three Months of the Fiscal Year Under Review (From May 21, 2025 through August 20, 2025)			(Reference) Fiscal Year Ended May 20, 2025 (From May 21, 2024 through May 20, 2025)	
	Amount (Million yen)	Ratio to Sales (%)	Amount (Million yen)	Ratio to Sales (%)	Year-on-Year Change (%)	Amount (Million yen)	Ratio to Sales (%)
Personnel expenses *1	6,250	5.3	7,037	5.8	112.6	25,148	5.2
Shipment expenses	5,591	4.7	6,010	4.9	107.5	21,347	4.4
Subcontract expenses *2	1,420	1.2	1,652	1.4	116.4	6,247	1.3
Business consignment expenses	2,839	2.4	3,066	2.5	108.0	11,685	2.4
Rents	3,103	2.6	3,206	2.6	103.3	12,508	2.6
Provision of allowance for doubtful accounts	2	0.0	(3)	(0.0)	-	(16)	(0.0)
Depreciation *3	1,056	0.9	1,539	1.3	145.6	4,328	0.9
Amortization of software *4	1,258	1.1	1,391	1.1	110.6	5,053	1.1
Other expenses *5	3,880	3.3	5,357	4.4	138.1	17,231	3.6
Total	25,402	21.5	29,258	23.9	115.2	103,534	21.5

*1. Compared with the same period of the previous fiscal year, personnel expenses for the three months ended August 20, 2025 increased. This was mainly due to the recognition of provisions for year-end performance-linked bonuses, etc.

2. Compared with the same period of the previous fiscal year, subcontract expenses for the three months ended August 20, 2025 increased. This was mainly due to the impact of the incurred expenses for core system replacement.

3. Compared with the same period of the previous fiscal year, depreciation for the three months ended August 20, 2025 increased. This was mainly due to the impact of the launch of ASKUL Kanto DC.

4. Compared with the same period of the previous fiscal year, amortization of software for the three months ended August 20, 2025 increased. This was mainly due to the impact of core system replacement.

5. Compared with the same period of the previous fiscal year, other expenses for the three months ended August 20, 2025 increased. This was mainly due to the impacts of the incurred expenses for the launch of ASKUL Kanto DC and publication of a new catalog in the ASKUL business.