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Excerpt from Summary of Consolidated Financial Results for the Three Months Ended August 20, 2020 [Japanese GAAP]*

September 16, 2020

Company name: ASKUL Corporation

Stock exchange listing: Tokyo

Code number: 2678

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

Representative: Akira Yoshioka

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: September 29, 2020

Scheduled date of commencing dividend payments: -

Availability of supplementary briefing material on quarterly financial results: Yes

Schedule of quarterly financial results briefing session: Yes

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

1. Consolidated Financial Results for the Three Months Ended August 20, 2020 (May 21, 2020 to August 20, 2020)

(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	%
Three months ended August 20, 2020	100,180	2.3	2,990	102.1	2,987	105.1	1,502	65.0
August 20, 2019	97,891	4.2	1,479	-	1,456	-	910	-

(Note) Comprehensive income: Three months ended August 20, 2020: ¥ 1,442 million [52.6%]
Three months ended August 20, 2019: ¥ 945 million [-%]

	Basic earnings per share	Diluted earnings per share
	Yen	Yen
Three months ended August 20, 2020	29.43	29.31
August 20, 2019	17.85	17.85

(2) Consolidated Financial Position

	Total assets	Net assets	Capital adequacy ratio
	Million yen	Million yen	%
As of August 20, 2020	168,587	53,341	31.5
May 20, 2020	174,114	52,825	30.1

(Reference) Equity: As of August 20, 2020: ¥ 53,045 million
As of May 20, 2020: ¥ 52,434 million

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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, 2020	-	19.00	-	19.00	38.00
Fiscal year ending May 20, 2021	-				
Fiscal year ending May 20, 2021 (Forecast)		19.00	-	19.00	38.00

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

(Note) Breakdown of the 1st quarter dividend for the fiscal year ending May 20, 2021 :

Commemorative dividend - yen
Special dividend - yen

3. Consolidated Financial Results Forecast for the Fiscal Year Ending May 20, 2021(May 21, 2020 to May 20, 2021)

(% 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	406,300	1.5	9,200	4.3	9,000	4.0	5,000	(11.5)	97.94

(Note) Revision to the financial results forecast announced most recently: Yes

* Notes:

(1) Changes in significant subsidiaries during the three months ended August 20, 2020

(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):

August 20, 2020: 55,259,400 shares

May 20, 2020: 55,259,400 shares

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

August 20, 2020: 4,192,022 shares

May 20, 2020: 4,221,622 shares

3) Average number of shares during the period:

Three months ended August 20, 2020: 51,051,906 shares

Three months ended August 20, 2019: 51,023,762 shares

* 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.

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Quarterly Consolidated Financial Statements

Quarterly Consolidated Balance Sheets

(Million yen)

	As of May 20,2020	As of August 20,2020
Assets		
Current assets		
Cash and deposits	63,260	54,208
Notes and accounts receivable - trade	38,701	42,711
Merchandise and finished goods	16,582	16,900
Raw materials and supplies	257	239
Costs on construction contracts in progress	63	98
Accounts receivable - other	10,340	10,236
Other	1,277	1,442
Allowance for doubtful accounts	(24)	(30)
Total current assets	130,458	125,807
Non-current assets		
Property, plant and equipment		
Buildings and structures	8,329	8,283
Accumulated depreciation	(3,162)	(3,236)
Buildings and structures, net	5,166	5,046
Land	137	137
Leased assets	19,408	19,429
Accumulated depreciation	(6,405)	(6,877)
Leased assets, net	13,003	12,551
Other	10,065	10,043
Accumulated depreciation	(6,961)	(7,070)
Other, net	3,104	2,973
Construction in progress	461	1,065
Total property, plant and equipment	21,873	21,774
Intangible assets		
Software	7,285	7,255
Software in progress	1,116	1,318
Goodwill	2,165	1,888
Other	6	5
Total intangible assets	10,574	10,468
Investments and other assets		
Investment securities	808	433
Deferred tax assets	3,873	3,539
Other	6,647	7,696
Allowance for doubtful accounts	(121)	(1,131)
Total investments and other assets	11,208	10,537
Total non-current assets	43,655	42,780
Total assets	174,114	168,587

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(Million yen)

	As of May 20,2020	As of August 20,2020
Liabilities		
Current liabilities		
Notes and accounts payable - trade	45,549	45,013
Electronically recorded obligations - operating	21,733	18,882
Short-term borrowings	430	380
Current portion of long-term borrowings	1,767	3,517
Accounts payable - other	10,281	10,433
Income taxes payable	1,972	303
Accrued consumption taxes	1,140	812
Provisions	780	712
Other	3,718	3,748
Total current liabilities	87,374	83,803
Non-current liabilities		
Long-term borrowings	13,679	11,547
Lease obligations	11,879	11,424
Retirement benefit liability	3,716	3,812
Asset retirement obligations	2,438	2,441
Other	2,200	2,217
Total non-current liabilities	33,914	31,443
Total liabilities	121,289	115,246
Net assets		
Shareholders' equity		
Share capital	21,189	21,189
Capital surplus	24,220	24,183
Retained earnings	23,769	24,296
Treasury shares	(16,718)	(16,601)
Total shareholders' equity	52,461	53,067
Accumulated other comprehensive income		
Remeasurements of defined benefit plans	(26)	(22)
Total accumulated other comprehensive income	(26)	(22)
Share acquisition rights	7	5
Non-controlling interests	382	290
Total net assets	52,825	53,341
Total liabilities and net assets	174,114	168,587

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Quarterly Consolidated Statements of Income and Comprehensive Income

Quarterly Consolidated Statements of Income (For the three months)

(Million yen)

	For the three months ended August 20,2019	For the three months ended August 20,2020
Net sales	97,891	100,180
Cost of sales	74,792	75,323
Gross profit	23,098	24,856
Reversal of provision for sales returns	26	26
Provision for sales returns	26	31
Gross profit - net	23,098	24,851
Selling, general and administrative expenses	21,619	21,861
Operating profit	1,479	2,990
Non-operating income		
Interest income	6	8
Subsidy income	-	37
Rental income	112	47
Other	60	13
Total non-operating income	179	106
Non-operating expenses		
Interest expenses	64	58
Rental expenses	109	44
Other	28	8
Total non-operating expenses	203	110
Ordinary profit	1,456	2,987
Extraordinary income		
Gain on sales of non-current assets	-	1
Total extraordinary income	-	1
Extraordinary losses		
Loss on sales of shares of subsidiaries	-	24
Loss on valuation of investment securities	-	48
Loss on sales of non-current assets	-	0
Loss on retirement of non-current assets	2	0
Provision of allowance for doubtful accounts	-	1,000
Total extraordinary losses	2	1,074
Profit before income taxes	1,453	1,914
Income taxes - current	300	145
Income taxes - deferred	225	329
Total income taxes	526	475
Profit	927	1,439
Profit (loss) attributable to non-controlling interests	16	(63)
Profit attributable to owners of parent	910	1,502

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

(Million yen)

	For the three months ended August 20,2019	For the three months ended August 20,2020
Profit	927	1,439
Other comprehensive income		
Deferred gains or losses on hedges	0	-
Foreign currency translation adjustment	(1)	-
Remeasurements of defined benefit plans, net of tax	19	3
Total other comprehensive income	18	3
Comprehensive income	945	1,442
Comprehensive income attributable to		
Comprehensive income attributable to owners of parent	929	1,506
Comprehensive income attributable to non-controlling interests	16	(63)