

Disclaimer

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News Release Dated: April 28, 2021

To whom it may concern:

Company Name: ASKUL Corporation  
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President and Chief Executive Officer  
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Exchange First Section)  
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Announcement of Financial Results by Other Affiliated Company

ASKUL Corporation (hereinafter referred to as the "Company") hereby announces that there are some descriptions about the ASKUL Group in the financial results briefing presentation materials for full year and the fourth quarter of fiscal year 2020 announced today by Z Holdings Corporation (headquarters: 1-3 Kioicho, Chiyoda-ku, Tokyo; representative: Kentaro Kawabe, President and Representative Director), a company defined as "other affiliated company" of the Company. Please refer to the appendix for the applicable page of the presentation materials.

In the attached material, there are descriptions of the ASKUL Group's net sales and cost of sales. Please note that the consolidated accounting periods of Z Holdings Corporation and the Company differ as shown in the table below, and therefore the figures described in the material do not match the financial results to be announced by the Company.

Consolidated accounting period	Z Holdings Corporation	Company
Full year	From April 1, 2020, to March 31, 2021	From May 21, 2020, to May 20, 2021
	In the attached material, it is described that net sales of Askul Group increased 11.5 billion yen and its cost of sales increased 3.5 billion yen.	
Fourth quarter	From January 1, 2021, to March 31, 2021	From February 21, 2021, to May 20, 2021
	In the attached material, it is described that net sales of Askul Group increased 0.8 billion yen and its cost of sales declined 0.9 billion yen.	

Appendix: Z Holdings Corporation Business Results FY2020 Full Year & Q4 (excerpt)

Note: Z Holdings Corporation holds 41.67% of the total shares issued by the Company as of May 20, 2020.

# **Z Holdings Corporation Business Results**

## **FY2020 Full Year & Q4**

**April 28, 2021**

**Z HOLDINGS**

# Appendix

## Financial Information

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## FY2020 (Full Year) Factors of change in operating income

Item		Full year (¥B)	YoY	Major factors of change (¥B)
<b>FY2019 Results</b>		<b>152.2</b>		
YoY difference	<b>Revenue</b>	<b>+152.9</b>	<b>+14.5%</b>	<ul style="list-style-type: none"> <li>• ZOZO +90.4 (Consolidated from November 2019)</li> <li>• LINE +25.2 (Consolidated from March 2021)</li> <li>• ASKUL Group +11.5</li> <li>• eBOOK +8.6</li> <li>• YJ Card +7.2</li> </ul>
	<b>Cost of sales</b>	<b>+7.9</b>	<b>+1.9%</b>	<ul style="list-style-type: none"> <li>• eBOOK +4.2</li> <li>• ASKUL Group +3.5</li> <li>• LINE +3.2</li> <li>• ZOZO +1.6</li> </ul>
	<b>SG&amp;A</b>	<b>+123.9</b>	<b>+26.5%</b>	<ul style="list-style-type: none"> <li>• ZOZO +66.1</li> <li>• ZHD, Yahoo Japan +33.4</li> <li>• LINE +30.8</li> </ul>
	(Major items) <b>Personnel expenses</b>	<b>+28.7</b>	<b>+26.4%</b>	<ul style="list-style-type: none"> <li>• ZOZO +14.1</li> <li>• LINE +6.7</li> </ul>
	<b>Depreciation and amortization</b>	<b>+18.9</b>	<b>+23.0%</b>	<ul style="list-style-type: none"> <li>• ZOZO +11.6</li> </ul>
	<b>Sales promotion cost</b>	<b>+21.9</b>	<b>+30.1%</b>	<ul style="list-style-type: none"> <li>• Increase in cost mainly due to increase in EC transaction value and sales promotional measures</li> </ul>
	<b>Business commissions</b>	<b>+9.7</b>	<b>+15.4%</b>	<ul style="list-style-type: none"> <li>• ZOZO +6.7</li> <li>• LINE +3.2</li> </ul>
	<b>Other income &amp; expenses</b>	<b>-11.1</b>	<b>-</b>	<ul style="list-style-type: none"> <li>• Gain on sale of property and equipment, impairment loss of right-of-use assets accompanying integration with LINE Corporation, etc.</li> </ul>
<b>FY2020 Results</b>		<b>162.1</b>	<b>+6.5%</b>	

## FY2020 Q4 Factors of change in operating income

Item		Q4 (¥B)	YoY	Major factors of change (¥B)
<b>FY2019 Q4 Results</b>		<b>28.7</b>		
YoY difference	<b>Revenue</b>	<b>+38.7</b>	<b>+13.2%</b>	<ul style="list-style-type: none"> <li>• LINE +25.2 (Consolidated from March 2021)</li> <li>• ZOZO +5.8 (Consolidated from November 2019)</li> <li>• ASKUL Group +0.8</li> </ul>
	<b>Cost of sales</b>	<b>+0.5</b>	<b>+0.5%</b>	<ul style="list-style-type: none"> <li>• LINE +3.2</li> <li>• ZOZO -1.8</li> <li>• PayPay Bank (former JNB) -1.3</li> <li>• Yahoo Japan +1.5</li> <li>• ASKUL Group -0.9</li> </ul>
	<b>SG&amp;A</b>	<b>+44.8</b>	<b>+31.0%</b>	<ul style="list-style-type: none"> <li>• LINE +30.8</li> <li>• Yahoo Japan +13.7</li> </ul>
	(Major items) <b>Sales promotion cost</b>	<b>+17.3</b>	<b>+74.7%</b>	<ul style="list-style-type: none"> <li>• Increase in cost mainly due to increase in EC transaction value and sales promotional measures</li> </ul>
	<b>Personnel expenses</b>	<b>+7.1</b>	<b>+21.5%</b>	<ul style="list-style-type: none"> <li>• LINE +6.7</li> <li>• ZOZO +2.3</li> </ul>
	<b>Depreciation and amortization</b>	<b>+2.6</b>	<b>+10.6%</b>	<ul style="list-style-type: none"> <li>• LINE +1.7</li> </ul>
	<b>Business commissions</b>	<b>+3.9</b>	<b>+21.5%</b>	<ul style="list-style-type: none"> <li>• LINE +3.2</li> </ul>
	<b>Other income &amp; expenses</b>	<b>-2.1</b>	<b>-</b>	<ul style="list-style-type: none"> <li>• Gain on sale of property and equipment, impairment loss of right-of-use assets accompanying integration with LINE Corporation, etc.</li> </ul>
<b>FY2020 Q4 Results</b>		<b>19.8</b>	<b>-30.7%</b>	

## Business segment breakdown

Commerce Business	Advertising	Display advertising (Programmatic, reservation), ZOZO
	Business Services (For corporations)	ASKUL, ZOZO, Affiliate-related services, Reservation-related services, Corporate system-use fees of YAHUOKU!, Payment-related services, Banking-related services, Credit card-related services and others, Real estate-related services
	Personal Services (For individuals)	LOHACO, ZOZO, Yahoo! JAPAN Premium, Personal system-use fees of YAHUOKU!, PayPay Flea Market sales commission, Credit card-related services, Pet supplies-related services, Telecommunications carrier-related services, Banking-related services, FX-related services, Payment-related services
	Others	Banking-related services
Media Business	Advertising	Search advertising, Display advertising (Programmatic, reservation)
	Business Services (For corporations)	Media-related services, CRM-related services and others
	Personal Services (For individuals)	Video-related services, E-book-related services and others
Others	Advertising	LINE Display Ads, Account Ads and others
	Business Services (For corporations)	LINE FRIENDS, O2O, Commerce, AI-related services, Utilities payment-related services and others
	Personal Services (For individuals)	LINE Communication, Content, Financial-related services, Yahoo! JAPAN Mail, Utilities payment-related services and others

Note: The contracts of business services are concluded with corporations; the contracts of personal services are concluded with individual users.  
The same product may be classified in different segments depending on the contractor.

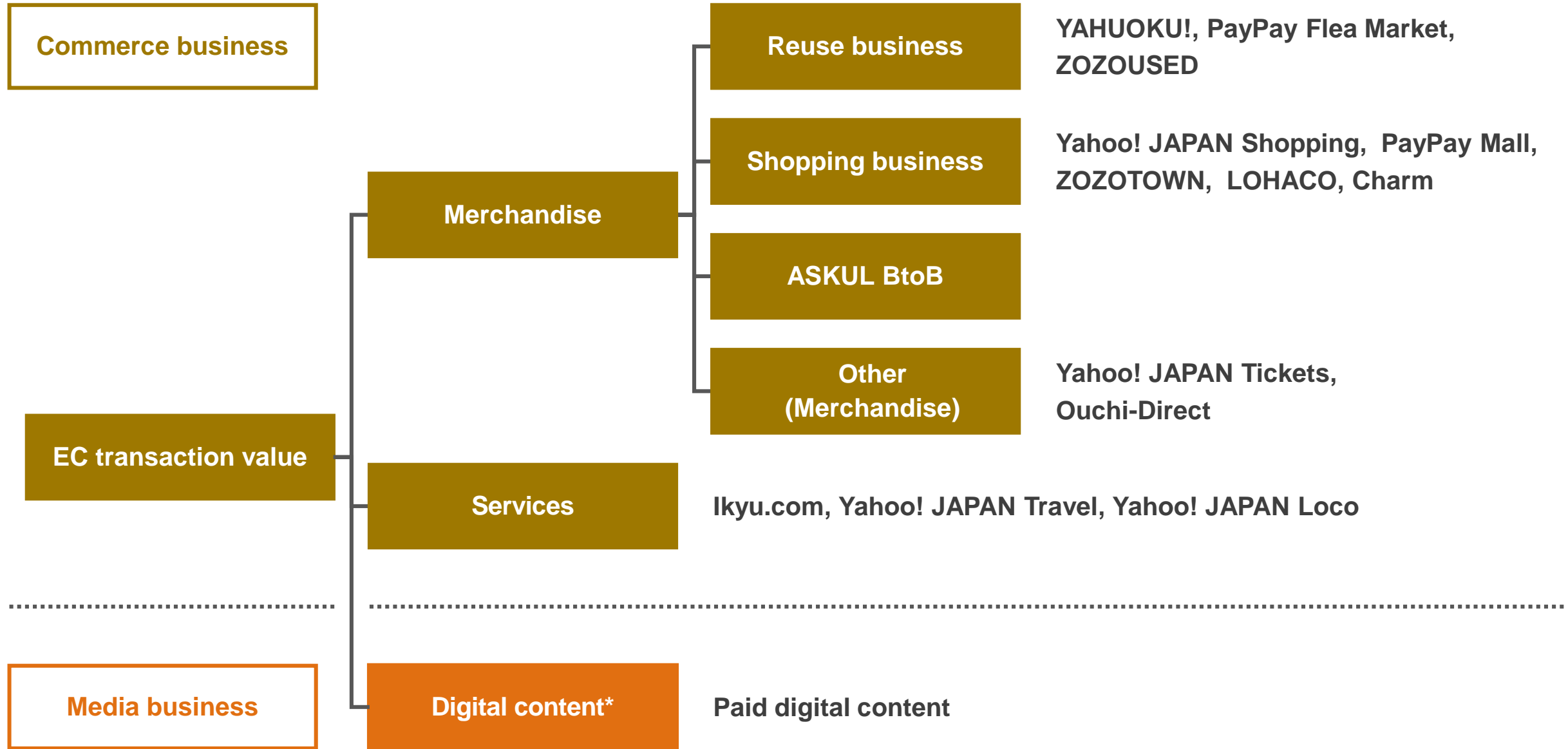
# Commerce Business

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# Definition of EC transaction value

Commerce Business



\* Transaction value of paid digital content. Transaction value of Yahoo! JAPAN Bookstore included until FY2018 Q4. Digital content business has been transferred to Media business from FY2020 Q3. 51