

Disclaimer

This is an English translation of the captioned release. 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.

News Release Dated: November 28, 2019

To whom it may concern:

Company Name: ASKUL Corporation
(Code No.: 2678, Tokyo Stock Exchange First Section)
Representative: Akira Yoshioka
President and Chief Executive Officer
Contact Person: Tsuguhiro Tamai
Executive Officer and Chief Financial Officer
Phone: (03) 4330-5130

November 2019 Operating Results

The Company released data today on results for November 2019. For details on total logistics amounts of the B-to-C business, non-consolidated net sales, and year-on-year growth in sales per customer and the number of customers of the B-to-B business, see the Supplementary Information.

Net sales

The total logistics amounts of the B-to-C business for November period this year (from October 21, 2019, to November 20, 2019) declined 14.3% on a year-on-year basis.

Non-consolidated net sales for November declined 1.7% year-on-year. Non-consolidated net sales of the mainstay B-to-B business grew 2.0%. The number of business days was one day less than in November 2018 and there was one extra Saturday, so if this difference is adjusted then the growth of B-to-B non-consolidated sales for November 2019 would have been 4.6%. The downturn after the consumption tax rate increase was less than expected, and the business has been performing strongly compared with the budget.

Non-consolidated net sales of LOHACO declined 21.7% due to the impact of the reward points program for cashless payments (LOHACO is not part of this program), in addition to the impact of the fall in net sales overseas. In the current business year the LOHACO business is giving utmost priority to structural transformations for the switch to unique-value E-commerce, and it has been making steady progress in improving profitability by increasing both sales per box and gross profit margins.

(Reference) B-to-B business: Business days in November

(days)

FY ending/ended May 20	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Total
2020	4	4	5	4	4	4	25
2019	5	5	4	4	4	3	25
Difference	-1	-1	1	0	0	1	0

Notes:

1. For monthly operating results for this fiscal year, accounts are settled as of the 20th of each month on a provisional basis.
2. The monthly operating results will be disclosed on or around the sixth business day after the 20th of each month.
3. For the schedule of the release of our monthly operating results, please see the following page of our Investor Relations website: <https://www.askul.co.jp/kaisya/english/ir/calendar.html>
4. The operating results disclosed herein have not been audited by certified public accountants or auditing firms. Therefore, figures June differ from those in our quarterly and full-year financial statements.

Disclaimer

This is an English translation of the captioned release. 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.

5. The results data include total logistics amounts of the B-to-C business in addition to net sales of LOHACO. Total logistics amounts of the B-to-C business is calculated by adding net sales of Charm Co., Ltd. and transactions via LOHACO Market Place (excluding the Charm Co., Ltd. portion) to net sales of LOHACO.

(1) Total logistics amounts of the B-to-C business

(million yen)

FY ending/ ended May 20	June.	July.	Aug.	Sept.	Oct.	Nov.	1st half
2020	5,615	5,274	5,552	5,631	5,368	5,097	32,540
2019	5,610	5,213	5,473	5,479	5,663	5,946	33,387
YoY change (%)	0.1	1.2	1.5	2.8	-5.2	-14.3	-2.5

FY ending/ ended May 20	Dec.	Jan.	Feb.	Mar.	Apr.	May.	2nd half	Full year
2020								
2019	6,067	5,132	5,903	5,415	5,905	5,001	33,427	66,815
YoY change (%)								

(2) Non-consolidated net sales

FY ending/ ended May 20		June.	July.	Aug.	Sept.	Oct.	Nov.	1st half
Total	2020	31,090	27,881	26,554	32,189	27,930	29,238	174,874
	2019	29,678	27,819	25,423	29,029	27,600	29,740	169,111
	YoY change (%)	4.8	0.2	5.2	10.9	1.2	-1.7	3.4
B-to-B business	2020	26,792	23,991	22,429	27,968	24,041	25,597	150,821
	2019	25,244	23,793	21,115	24,871	23,273	25,091	143,390
	YoY change (%)	6.1	0.8	6.2	12.5	3.3	2.0	5.2
	YoY change adjusting for the number of business days (%)		3.8			8.4	4.6	
LOHACO business	2020	4,298	3,890	4,114	4,220	3,889	3,640	24,053
	2019	4,434	4,026	4,128	4,157	4,326	4,648	25,721
	YoY change (%)	-3.1	-3.4	-0.3	1.5	-10.1	-21.7	-6.5

FY ending/ ended May 20	Dec.	Jan.	Feb.	Mar.	Apr.	May.	2nd half	Full year
Total	2020							
	2019	30,481	22,576	30,953	29,934	32,969	24,588	171,503
	YoY change (%)							
B-to-B business	2020							
	2019	25,720	18,785	26,331	25,855	28,386	20,750	145,829
	YoY change (%)							
	YoY change adjusting for the number of business days (%)							
LOHACO business	2020							
	2019	4,760	3,791	4,622	4,078	4,583	3,837	25,673
	YoY change (%)							

Disclaimer

This is an English translation of the captioned release. 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.

(3) Growth in sales per customer (non-consolidated B-to-B business; YoY change %)

FY ending/ ended May 20	June.	July.	Aug.	Sept.	Oct.	Nov.	1st half	
2020	2.0	-2.1	2.2	7.0	1.0	0.1	1.7	
2019	4.1	2.4	3.6	1.5	-1.5	4.1	2.3	

FY ending/ ended May 20	Dec.	Jan.	Feb.	Mar.	Apr.	May	2nd half	Full year
2020								
2019	0.8	-4.8	4.7	1.0	-1.4	-2.6	-0.1	1.1

(4) Growth in the number of customers (non-consolidated B-to-B business; YoY change %)

FY ending/ ended May 20	June.	July.	Aug.	Sept.	Oct.	Nov.	1st half	
2020	4.0	3.0	3.9	5.1	2.3	1.9	3.4	
2019	4.3	2.7	3.9	3.1	1.2	4.2	3.2	

FY ending/ ended May 20	Dec.	Jan.	Feb.	Mar.	Apr.	May	2nd half	Full year
2020								
2019	2.5	-0.4	5.4	3.9	3.2	2.2	2.8	3.0