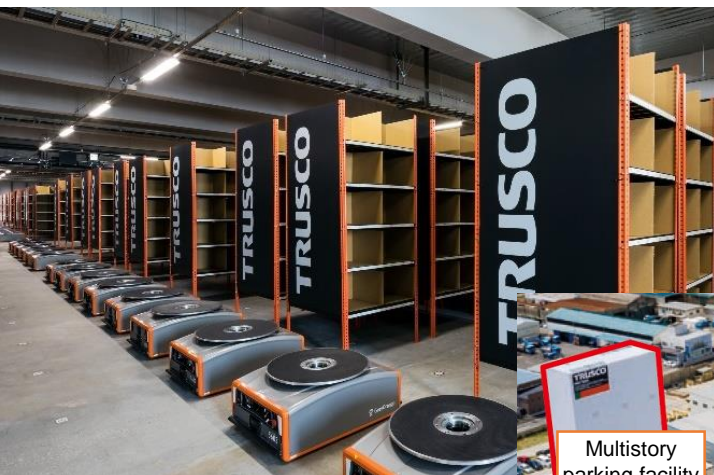


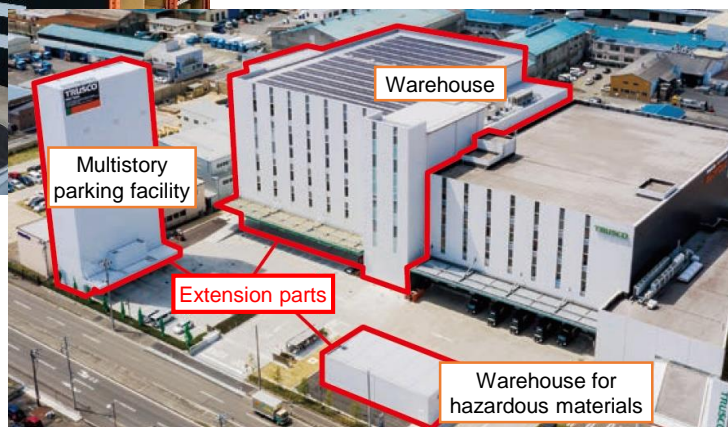
The 58th Business Year Business Performance Data Analysis

Fiscal Year Ending December 2020 First Half



▲ Butler® automated conveyance robots

May 7, 2020
Planet Tohoku enters operation



Trusco Nakayama Corporation

Announced August 7, 2020

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Exterior view of Planet Tohoku ▶

Impact of the COVID-19 Coronavirus

Due to the spread of COVID-19 coronavirus infections and the state of emergency that was declared from April 7, 2020 to May 25, 2020, manufacturers and other production sites in Japan were required to take measures to prevent the spread of infections, and experienced delays in procuring parts, declining demand and other effects. Against this backdrop, plant shutdowns and adjustments to production occurred.

Due to the impact from the spread of coronavirus infections, there was a rise in demand for goods such as masks, protective clothing and disinfectants, but due to a decline in business inquiries regarding the logistics and storage supplied needed for capital investment and the group of products needed for plant operation, net sales were lower than the second quarter of the previous year.

In terms of the supply of products, with the exception of some products going out of stock, the Company has managed to fulfill its supply responsibilities without inconveniencing customers, and moving forward the Company will continue to make every effort to fulfill its mission to supply products and improve convenience for customers.

(See p. 4 for information about revisions to the business performance forecast, and pp. 15-17 for a detailed sales analysis amid the coronavirus pandemic.

Initiatives Being Undertaken at the Company

In a continuation of measures taken in the first quarter, the Company implemented a number of initiatives to avoid the use of public transportation as much as possible and minimize the risk of infections. The measures include staggered work hours to avoid congestion when commuting, having staff commute with other staff using company vehicles, having staff work at appropriate offices that are the nearest to their homes, and having staff work from home.

The Company also recognizes the coronavirus pandemic as an opportunity to revise things such as the conventional role and methods of work. The Company will review its existing sales activities as needed, such as promoting telework, and work to improve the internal environment to ensure that work can be carried out efficiently (see p. 33 for details).

Revised Business Performance Forecast (Announced August 3, 2020)

A range disclosure and downward revision was made in the business performance forecast for the fiscal year ending December 2020.

	Initial Plan	Plan After Revised Business Performance Forecast	Change from Initial Plan (amount)	Change from Initial Plan (percentage)	Change from Previous Year (amount)	Change from Previous Year (percentage)
Net sales	¥231,619 million	¥225,849 million– ¥198,548 million	-¥5,770 million– -¥33,071 million	-2.5%– -14.3%	¥5,174 million– -¥22,126 million	+2.3%– -10.0%
Operating income	¥13,007 million	¥12,640 million– ¥7,636 million	-¥367 million– -¥5,371 million	-2.8%– -41.3%	-¥1,157 million– -¥6,161 million	-8.4%– -44.7%
Ordinary income	¥13,257 million	¥13,000 million– ¥7,996 million	-¥257 million– -¥5,261 million	-1.9%– -39.7%	-¥1,197 million– -¥6,201 million	-8.4%– -43.7%
Profit attributable to owners of parent	¥9,012 million	¥8,952 million– ¥5,499 million	-¥60 million– -¥3,513 million	-0.7%– -39.0%	-¥661 million– -¥4,114 million	-6.9%– -42.8%
Dividend per share	¥34.50	¥34.00–¥21.00	-¥0.50– -¥13.50	-	-¥2.50– -¥15.50	—

Disclosure of Ranges in the Business Performance Forecast

In the second half of the fiscal year (July 1, 2020 to December 31, 2020), uncertainty over when the coronavirus pandemic will end will persist, and it will be extremely difficult to forecast business performance. For these reasons, the Company has considered the impact on business performance from both a recovery and a further deterioration of conditions in the future, and after downwardly revising values in the FY2020 full-year consolidated business performance forecast for net sales, operating income, ordinary income and profit attributable to owners of parent, has switched to disclosing each of these figures as ranges.

The upper figures in the ranges are calculated based on the scenario that net sales in the second half largely follow the initial plan in response to market conditions recovering, and the lower end of the range is calculated based on a scenario in which economic activity stagnates to the same extent that it did in May 2020 when the stage of emergency was declared.

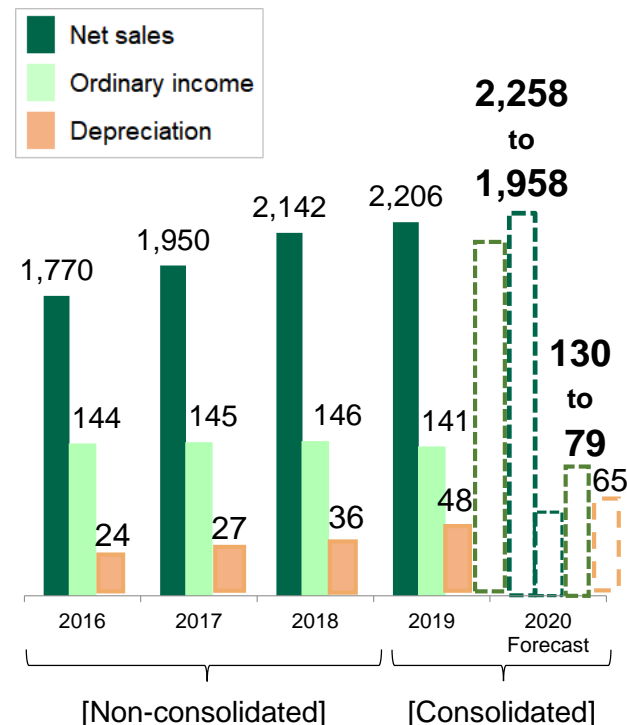
Business performance forecasts are created based on the information available as of the announcement date. As actual business performance may vary from the forecast figures due to various factors in the future, the Company will promptly disclose revisions if circumstances change in the future.

[Consolidated] Company overview

As of the end of June 2020

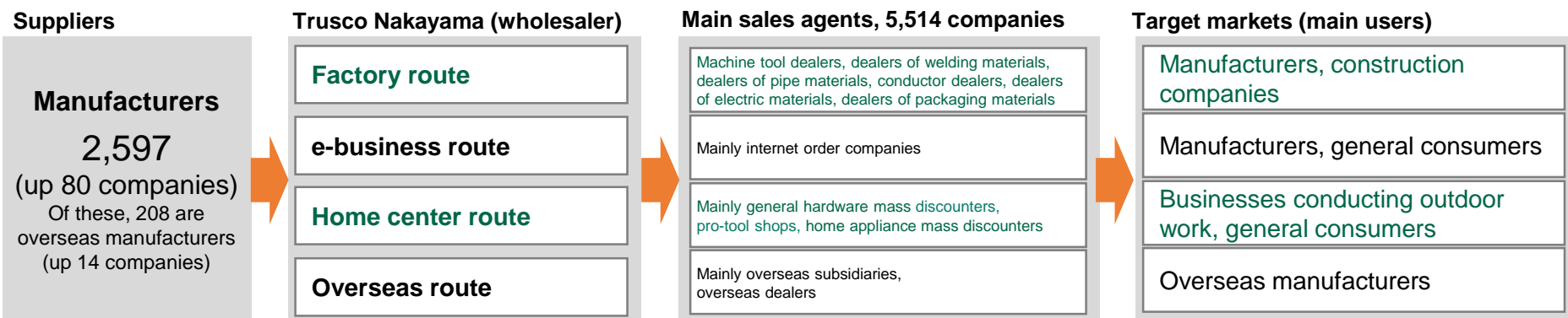
Founding	May 15, 1959
Representative	Tetsuya Nakayama, President Chairman, Nakayama Visually Impaired Welfare Foundation Vice president, Japan Federation of Machine Tool Distributors Associations President, Osaka Machine Appliance Wholesaler Cooperative
Head offices	Tokyo Head Office (Minato-ku, Tokyo, registered as official headquarters) Osaka Head Office (Nishi-ku, Osaka City)
Number of offices	99 in total: 96 domestic bases: 2 head offices, 68 sales branches, 26 distribution centers 3 overseas bases: Local subsidiaries: Thailand and Indonesia Representative office: Germany (Dusseldorf)
Capital stock	5,022,370,000 yen
Listed stock exchange	First section of the Tokyo Stock Exchange (Code number: 9830)
Number of employees	2,841 (12 executives, 1,704 full-time employees, 1,125 part-time employees)
Credit rating	A (Rating and Investment Information, Inc.)
Line of business	Wholesaler of industrial equipment such as machine tools, distribution equipment and environmental safety equipment (and consumables used in factories) and planning and development of products under the company's own brand, TRUSCO

➤ Change in Net Sales, Ordinary Income and Depreciation (Unit: 100 million yen)



* Depreciation has trended upwards due to capital expenditures.

Business flow () Year-on-year change



A-(1) [Consolidated] Business performance

- Consolidated net sales: Down 1.1% year on year, down 5.0% from the budget. The number of business days was larger by three than in the same period a year earlier. (Number of business days – last year: 116, this year: 119)
* The number of business days is the non-consolidated number.
- Consolidated gross profit margin: 22.0%, up 0.3 percentage points year on year, for reasons of factors (1) and (2) mentioned below.
=> (1) Amid the COVID-19 coronavirus outbreak, sales of masks and other environmental safety goods with high gross profit margins have increased. (up 9.6% year on year).
(2) Total gross profit margin rose after growth in sales on the e-business route.
- SGA (up +5.7% year on year): The main factors were increased depreciation due to capital expenditures, and higher commission fees (maintenance and inspection) related to logistics equipment and systems.
Employee overtime payments have trended downwards .

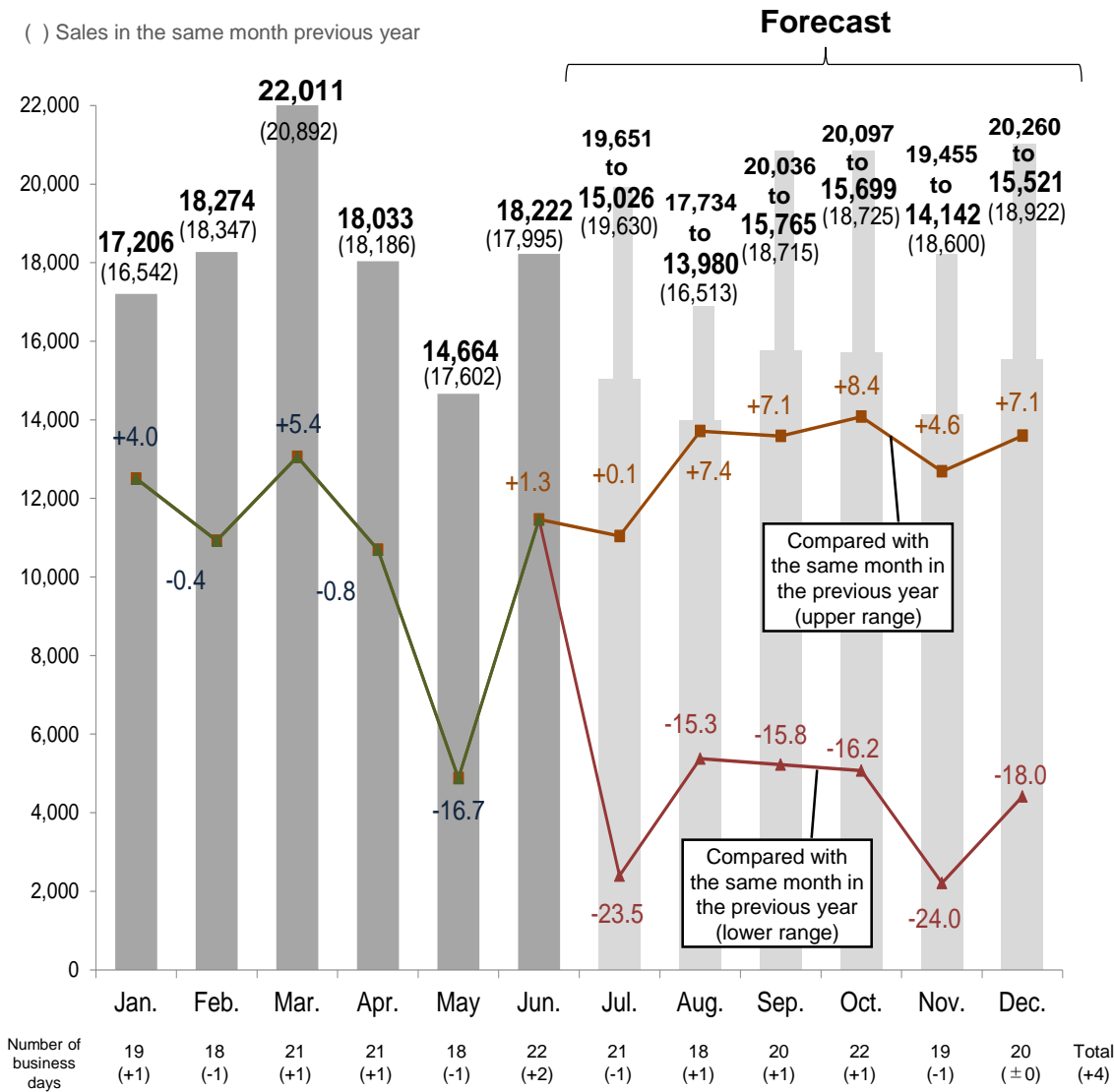
	1H of FY ended Dec. 2019		1H of FY ending Dec. 2020						
	Actual results	Share (%)	Actual results	Share (%)	YoY change (%)	Budget	Share (%)	Change from budget	Change from budget (%)
Net sales	¥109,566 million	–	¥108,413 million	–	-1.1	¥114,074 million	–	-¥5,660 million	-5.0
Gross profit	¥23,737 million	21.7	23,894 million	22.0	+0.7	¥24,743 million	21.7	-¥848 million	-3.4
Selling, general and administrative expenses (SGA)	¥16,776 million	15.3	¥17,733 million	16.4	+5.7	¥18,108 million	15.9	-¥374 million	-2.1
(depreciation included in SGA)	¥2,300 million	2.1	¥2,962 million	2.7	+28.8	¥2,966 million	2.6	-¥4 million	-0.1
Operating income	¥6,960 million	6.4	¥6,161 million	5.7	-11.5	¥6,635 million	5.8	-¥473 million	-7.1
Ordinary income	¥7,102 million	6.5	¥6,400 million	5.9	-9.9	¥6,758 million	5.9	-¥357 million	-5.3
Profit attributable to owners of parent	¥4,807 million	4.4	¥4,333 million	4.0	-9.9	¥4,595 million	4.0	-¥261 million	-5.7
Net income per share	¥72.90	–	¥65.72	–	–	¥69.68	–	-¥3.96	–
Dividend per share	¥18.50	–	¥16.50	–	–	¥17.50	–	-¥1.00	–

A-(2) [Non-consolidated] Business performance

	1H of FY ended Dec. 2019		1H of FY ending Dec. 2020						
	Actual results	Share (%)	Actual results	Share (%)	YoY change (%)	Budget	Share (%)	Change from budget	Change from budget (%)
Net sales	¥109,396 million	—	¥108,367 million	—	-0.9	¥113,833 million	—	-¥5,466 million	-4.8
Gross profit	¥23,622 million	21.6	¥23,819 million	22.0	+0.8	¥24,628 million	21.6	-¥808 million	-3.3
Selling, general and administrative expenses (SGA)	¥16,637 million	15.2	¥17,591 million	16.2	+5.7	¥17,962 million	15.8	-¥370 million	-2.1
(depreciation included in SGA)	¥2,266 million	2.1	¥2,926 million	2.7	+29.1	¥2,966 million	2.6	-¥40 million	-1.3
Operating income	¥6,984 million	6.4	¥6,228 million	5.7	-10.8	¥6,665 million	5.9	-¥437 million	-6.6
Ordinary income	¥7,121 million	6.5	¥6,454 million	6.0	-9.4	¥6,788 million	6.0	-¥333 million	-4.9
Net income	¥4,831 million	4.4	¥4,382 million	4.0	-9.3	¥4,615 million	4.1	-¥232 million	-5.0
Sales of PB goods	¥22,231 million	20.3	¥21,561 million	19.9	-3.0	¥23,205 million	20.4	-1,643 million	-7.1
Net income per share	¥73.27	—	¥66.46	—	—	¥69.98	—	-¥3.52	—

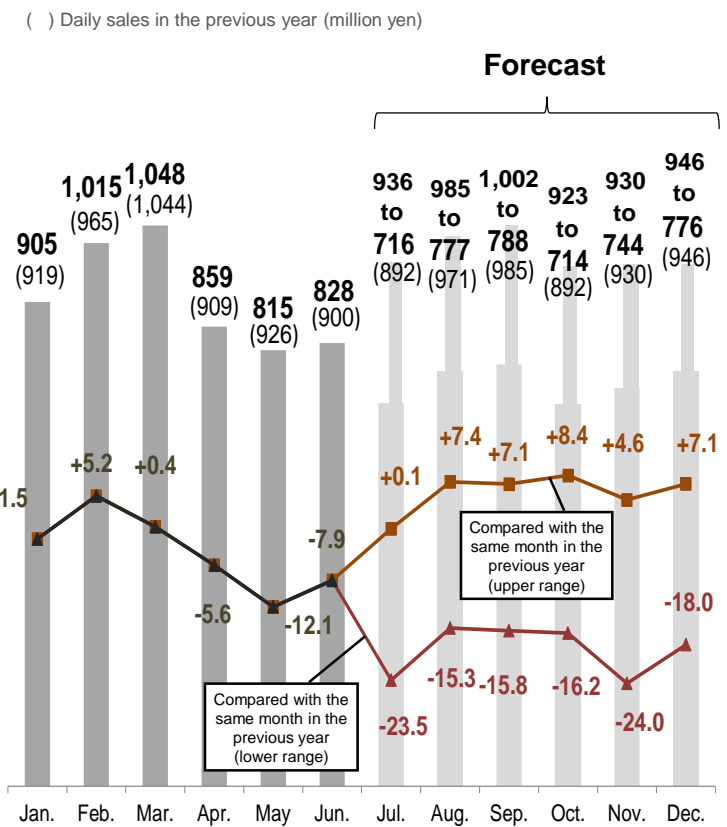
A-(3) [Consolidated] Company-wide monthly sales and sales per day in FY ending December 2020

Total Upper range: calculated based on scenario where market conditions recover, and net sales are in line with the initial forecast
 Lower range: calculated based on scenario where economic activity stagnates to same extent as May 2020



Change in average daily sales (all business offices)

Orders are constantly placed for consumables used in factories. We carry out a year-on-year comparison of sales per day.
 Our sales increase during the peak periods of March when many companies close their accounts.
 Actual figures are calculated based on the number of business days of Trusco Nakayama Corporation.



B-(1) [Consolidated] Net sales, gross profit margin and ordinary income by sales route

Net sales by sales route

	1H of FY ended Dec. 2019				1H of FY ending Dec. 2020										
	Net sales		Gross profit margin	Ordinary income	Net sales							Gross profit margin		Ordinary income	
Sales route	Actual results	Share	Actual results	Actual results	Actual results	Share	YoY change	YoY change	Budget	Change from budget	Comparison with the budget	Actual results	YoY change	Actual results	YoY change
Factory route	¥85,111 million	77.7%	21.3%	¥5,645 million	¥80,166 million	74.0%	-¥4,944 million	-5.8%	¥87,438 million	-¥7,271 million	-8.3%	21.6%	+0.3pt	¥4,562 million	-19.2%
e-business route	¥16,788 million	15.3%	25.1%	¥1,479 million	¥19,424 million	17.9%	¥2,636 million	+15.7%	¥18,436 million	¥988 million	+5.4%	25.5%	+0.4pt	¥1,665 million	+12.6%
Home center route	¥6,969 million	6.4%	17.5%	-¥36 million	¥8,167 million	7.5%	¥1,198 million	+17.2%	¥7,375 million	¥792 million	+10.8%	17.9%	+0.4pt	¥80 million	-
Overseas route	¥697 million	0.6%	31.5%	-¥94 million	¥653 million	0.6%	-¥43 million	-6.2%	¥824 million	-¥170 million	-20.7%	30.2%	-1.3pt	-¥132 million	-
Total	¥109,566 million	100.0%	21.7%	¥7,102 million	¥108,413 million	100.0%	-¥1,153 million	-1.1%	¥114,074 million	-¥5,660 million	-5.0%	22.0%	+0.3pt	¥6,400 million	-9.9%

Factory route: Down 5.8% year on year

Overall business confidence and capital investment remained as weak as in the previous year due to the trade dispute between the United States and China and the COVID-19 coronavirus. There was a notable slowdown in daily sales due to more plants than usual shutting down operations over the long stretch of consecutive holidays from late April to early May.

e-business route: Up 15.7% year on year

Sales to mail order companies surged by 18.0% year on year, and those to companies participating in Orange Commerce increased by 8.3%. While sales to some mail order companies slowed due to poor business confidence, due to an expansion of the products being handled and the effectiveness of people remaining at home due to the coronavirus outbreak, orders bound mainly for B-to-C mail order companies increased. Net sales remained on the increase.

Home center route: Up 17.2% year on year

Due to a robust construction industry and DIY demand due to the effects of consumers remaining at home, business with major home centers performed strongly. Sales to pro-tool shops have also continued to expand.

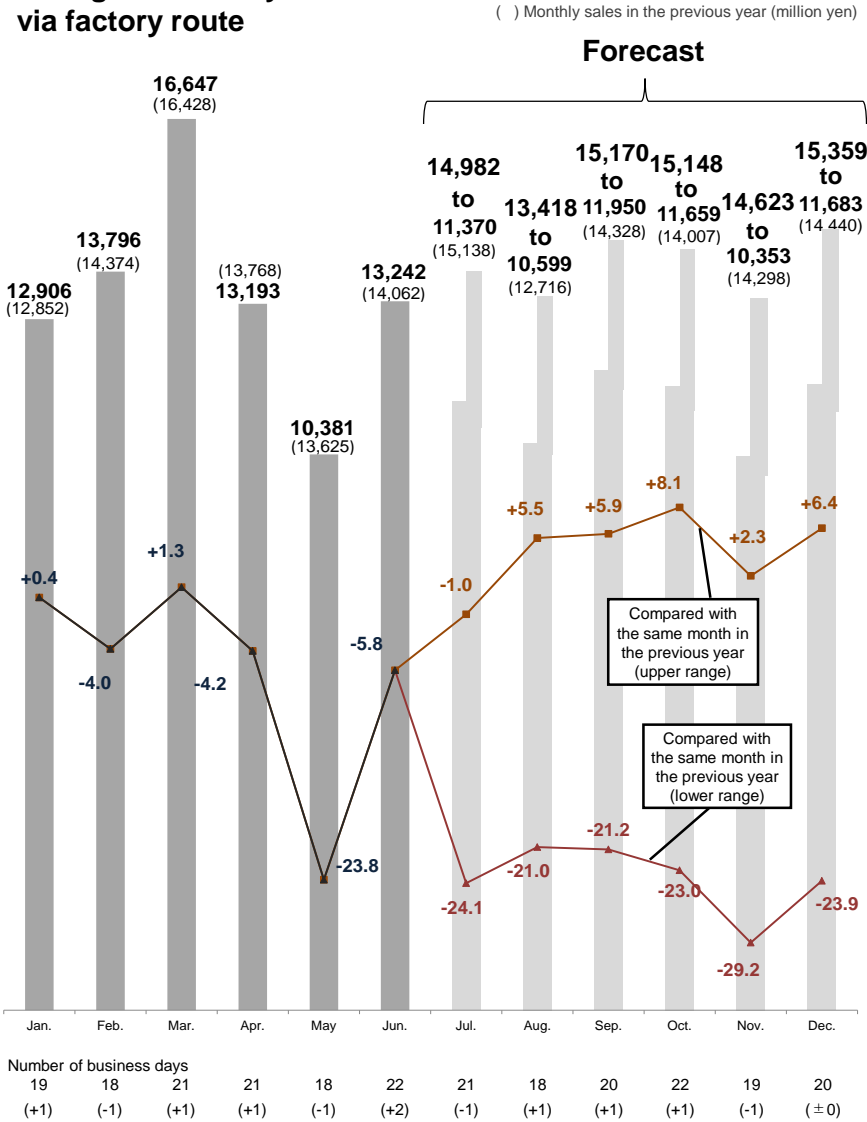
Overseas route: Down 6.2% year on year

A slowdown in sales due to reduced production, primarily in the automotive industry, was also seen in Thailand and Indonesia. While the effect on overall business performance is minor, continued and proactive efforts will be made to strengthen business with existing customers and develop new customers.

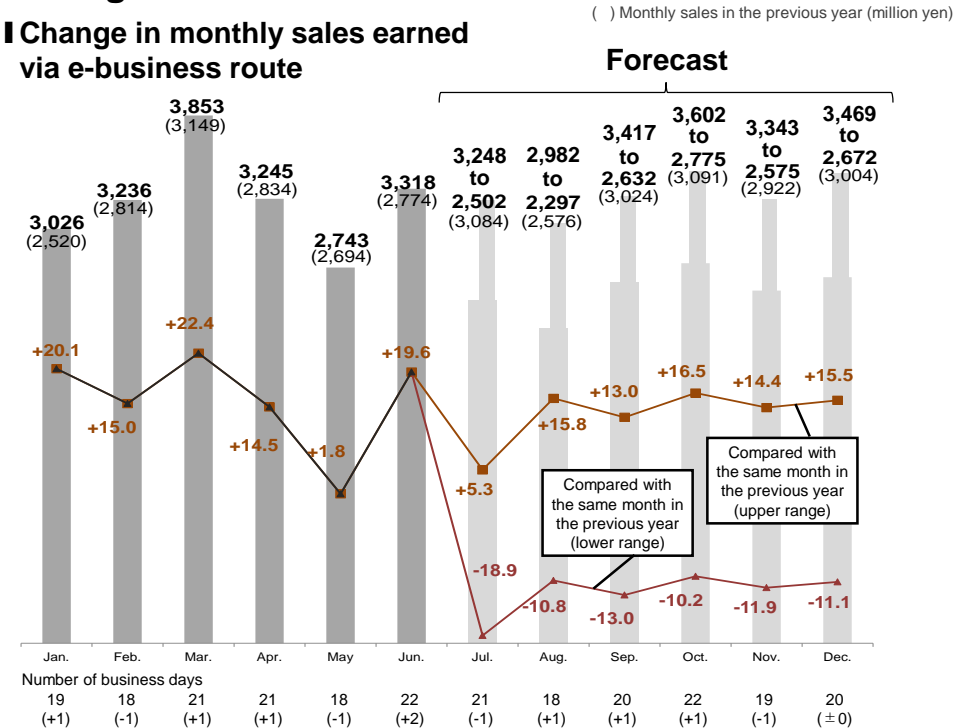
B-(2) [Consolidated] Change in Monthly Sales by Sales Segment

Upper range: calculated based on scenario where market conditions recover, and net sales are in line with the initial forecast
Lower range: calculated based on scenario where economic activity stagnates to same extent as May 2020

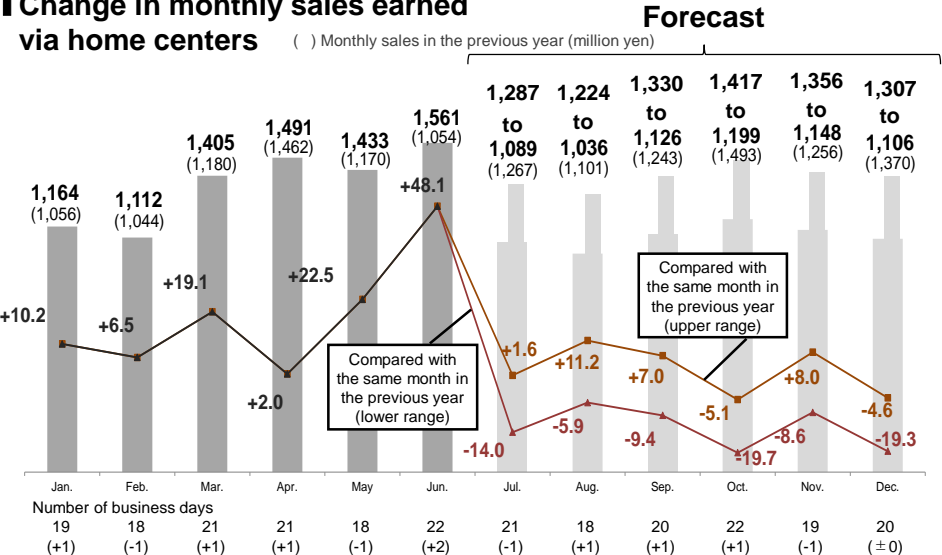
I Change in monthly sales earned via factory route



II Change in monthly sales earned via e-business route

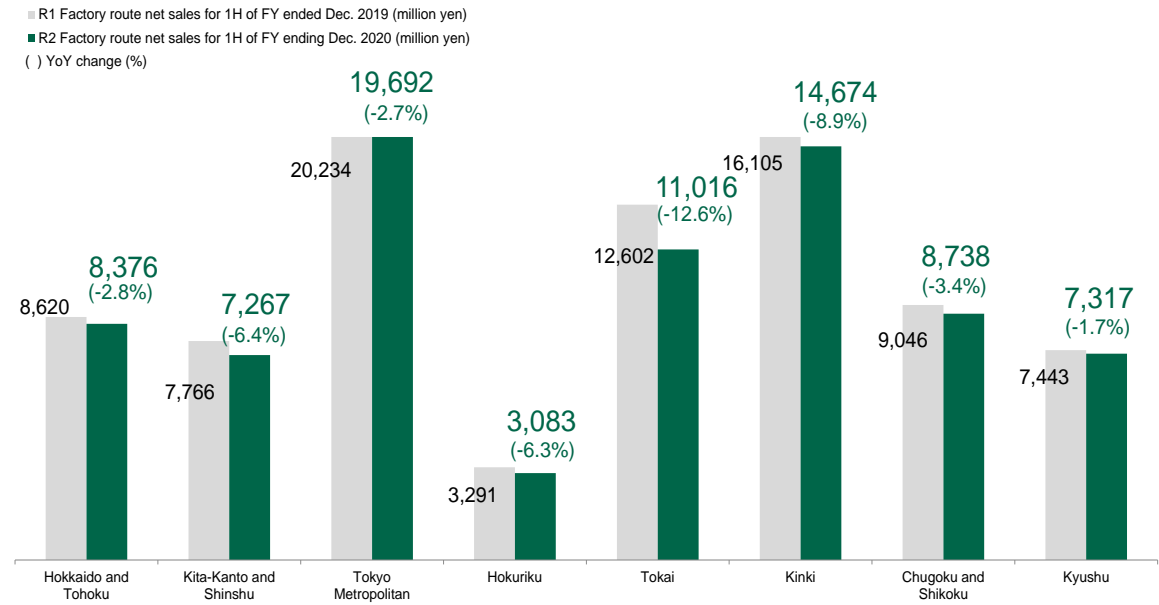


III Change in monthly sales earned via home centers

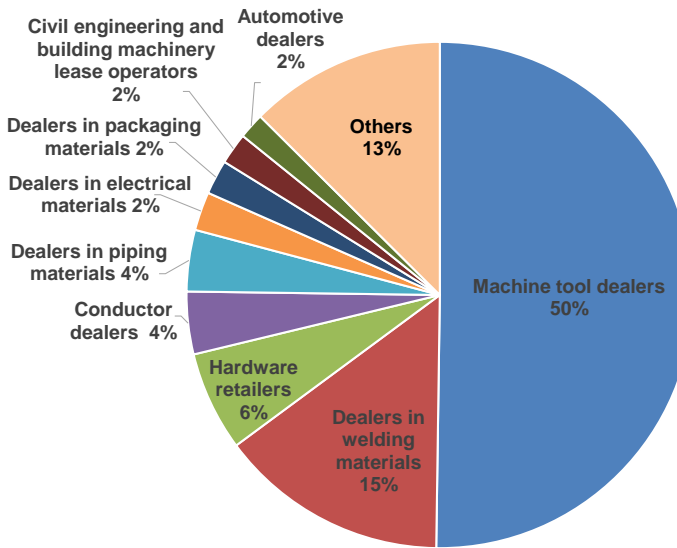


B-(3) [Consolidated] Factory route: Business performance by region, industry and sales route

Factory route: Sales by region



Factory route: Sales constituent ratio by industry



Factory route sales by industry

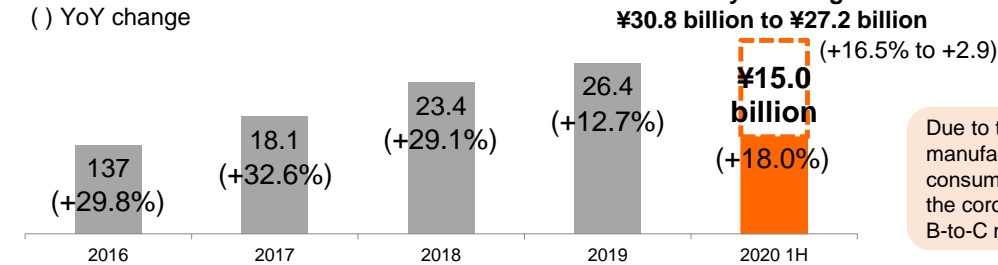
Sales route	1H of FY ended Dec. 2019			1H of FY ending Dec. 2020						
	Net sales		Gross profit margin	Net sales					Gross profit margin	
	Actual results	Share	Actual results	Actual results	Share	YoY change	Budget	Comparison with the budget	Actual results	YoY change
Machine tool dealers	¥44,327 million	52.1%	21.1%	¥40,312 million	50.3%	-9.1%	¥45,282 million	-11.0%	21.4%	+0.3pt
Welding material dealers	¥12,138 million	14.3%	21.8%	¥11,736 million	14.6%	-3.3%	¥12,621 million	-7.0%	21.9%	+0.1pt
Other manufacturing related (incl. physical and chemical material, conductors, packaging material dealers)	¥13,546 million	15.9%	21.0%	¥13,059 million	16.3%	-3.6%	¥14,118 million	-7.5%	21.3%	+0.3pt
Construction related	¥15,098 million	17.7%	21.6%	¥15,058 million	18.8%	-0.3%	¥15,416 million	-2.3%	22.1%	+0.5pt
Total net sales via factory route	¥85,111 million	100%	21.3%	¥80,166 million	100%	-5.8%	¥87,438 million	-8.3%	21.6%	+0.3pt

B-(4) [Consolidated] Sales via the e-business route and the number of companies participating in Orange Commerce

Sales via e-business route

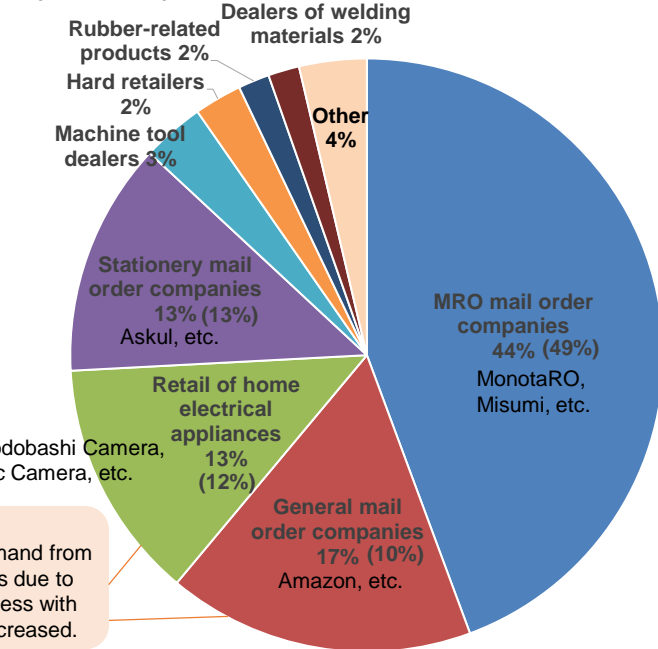
Sales route	1H of FY ended Dec. 2019		1H of FY ending Dec. 2020				
	Net sales		Net sales			Gross profit margin	
	Actual results	Share	Actual results	Share	YoY change	Actual results	YoY change
Mail order companies	¥12,786 million	76.1%	¥15,091 million	77.7%	+18.0%	24.8%	+0.4pt
Companies participating in Orange Commerce (Trusco's electronic central purchasing system)	¥4,002 million	23.9%	¥4,332 million	22.3%	+8.3%	28.0%	+0.9pt
Total net sales via e-business route	¥16,788 million	100.0%	¥19,424 million	100.0%	+15.7%	25.5%	+0.4pt

Sales to mail order companies (billion yen)

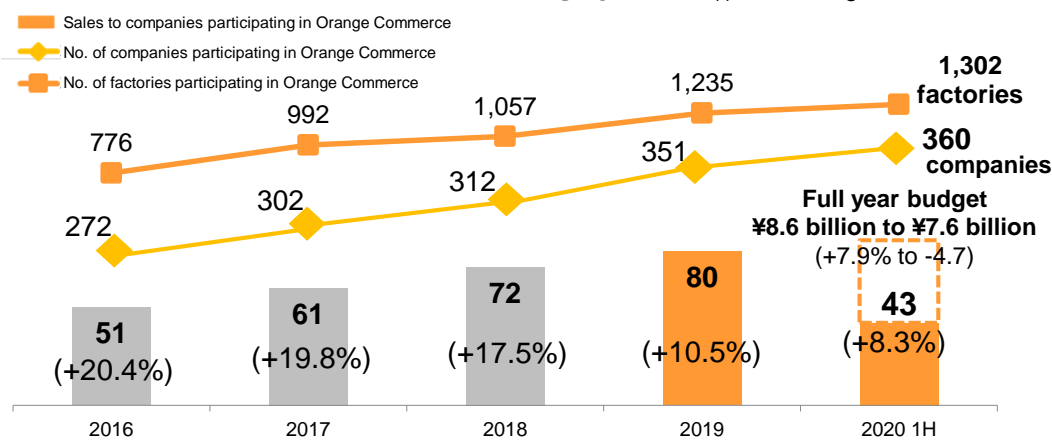


Due to the slowdown of the manufacturing industry and demand from consumers' stay-home practices due to the coronavirus outbreak, business with B-to-C mail order companies increased.

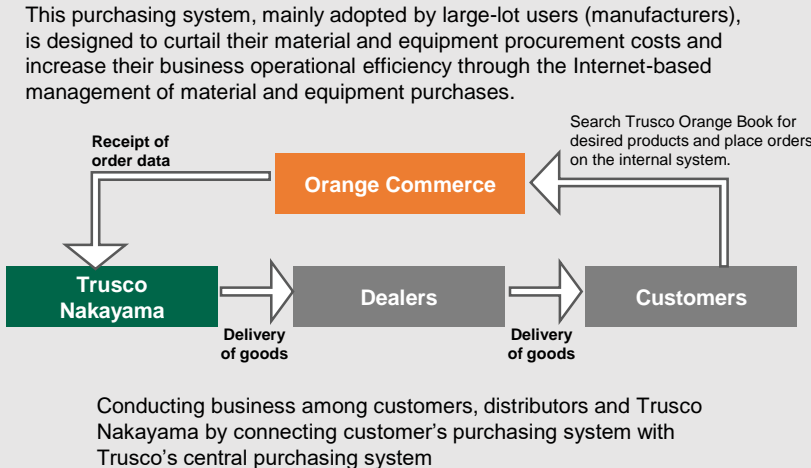
Sales to mail order companies: Sales ratio by industry



Change in the number of companies participating in Orange Commerce (Trusco's electronic central purchasing system)



Trusco's electronic central purchasing system:



B-(5) [Consolidated] Sales to top 10 clients in the home center route

As a professional-tool wholesaler, Trusco Nakayama has focused on dealing in pro tools and actively proposed to general hardware mass discounters that allot part of their floor spaces to pro-tool shops. Trusco Nakayama will work on enhancing its comprehensive marketing power by stepping up sales of its products via the home center route where pro-tool shops and material shops are housed.

■ Ranking of sales to general hardware mass discounters

(Units: million yen; %)

Ranking	Name of client	1H of FY ended Dec. 2019	1H of FY ending Dec. 2020	YoY change
1	DCM Hodaka (Pro-tool Shop)	954	1,032	+8.1
2	Nufco	718	860	+19.8
3	Kohnan Shoji	582	810	+39.1
4	DCM Kahma	608	687	+13.0
5	Royal Home Center	622	666	+7.0
6	Cainz	491	656	+33.6
7	DCM Homac	565	588	+4.0
8	Shimachu	400	488	+21.9
9	DCM Daiki	285	354	+24.0
10	Komeri	274	328	+19.4
Combined sales to top 10 companies		5,505	6,473	+17.6
Combined sales via home center route		6,969	8,167	+17.2
Percentage share of sales to top 10 companies		79.0	79.3	

The number customers visiting home centers has increased in connection with stay-home practices due to the coronavirus pandemic, resulting in higher sales. In addition, strong sales have been achieved due to a higher number of product items being procured from the Company. On another front, general hardware mass discounters are working to integrate online stores with physical stores to improve services for visiting customers. This allows the Company's inventory to be used with greater convenience.

■ Sales to DCM Holdings

Total: ¥2,950 million (up 9.6% year on year)

(DCM Hodaka, DCM Kahma, DCM Homac, DCM Daiki, DCM Sanwa, DCM Kuroganeya, Keiyo,

■ Sales to pro-tool shops

Total: ¥1,170 million (up 12.9% year on year)

Pro-tool shops refer to dealers specializing in tools for professional craftspeople and factory workers. They are so compatible with our products that sales to them are rising.

Company names are presented in abbreviated forms.

B-(6) Business performance of overseas subsidiaries

■ Total performance of overseas subsidiaries

1H of FY ending Dec. 2020

Million yen

		Net sales	Gross profit	Selling, general and administrative expenses (SGA)	Operating income	Ordinary income	Net income
TRUSCO NAKAYAMA CORPORATION (THAILAND) LIMITED 1 baht = 3.49 yen (3.51 yen a year earlier)	Actual results	316	75	75	-0	-0	-0
	Share against net sales	-	23.7%	24.0%	-	-	-
	YoY change	-15.8%	-18.9%	+12.3%	-	-	-
PT.TRUSCO NAKAYAMA INDONESIA 1 rupiah = 0.0076 yen (0.0076 yen a year earlier)	Actual results	119	23	63	-39	-34	-34
	Share against net sales	-	19.6%	52.8%	-	-	-
	YoY change	+9.0%	-20.2%	-10.6%	-	-	-

In addition to a slowdown in the automotive industry, whose members are the main users in both Thailand and Indonesia, the economic slowdown due to the spread of coronavirus infections has had a significant impact. In Indonesia, sales increased compared a year earlier because the site was not operating in March last year due to relocation. To establish deeper ties with important clients in the future, efforts will focus on accumulating the necessary inventory, improving product databases for mail order companies, and acquiring distributor rights from suppliers.

Trusco Nakayama Thailand: Established in September 2010
Trusco Nakayama Indonesia: Established in December 2014

[Reference] Non-consolidated business performance in other overseas regions

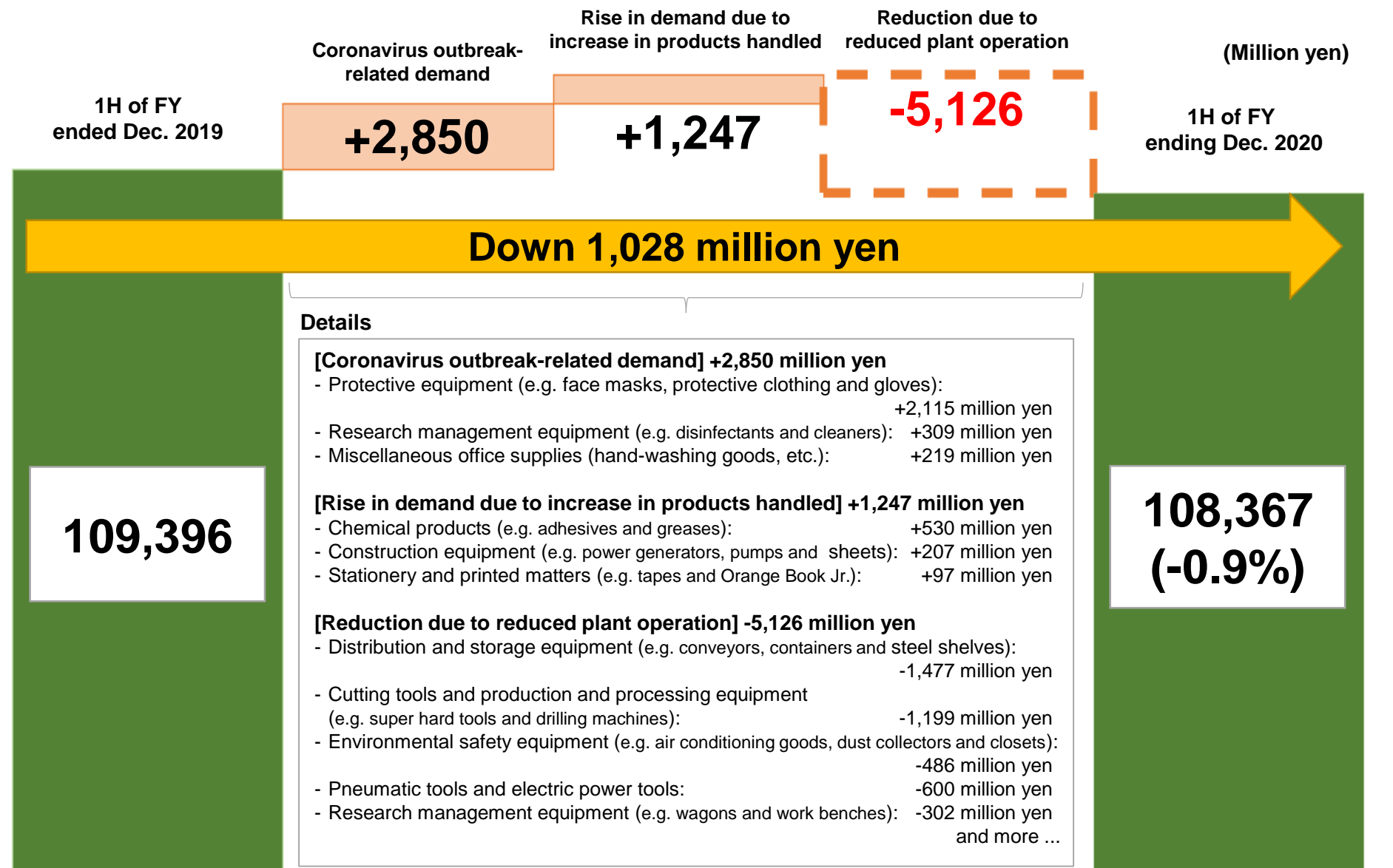
1H of FY ending Dec. 2020

Million yen

		Net sales	Gross profit
Business performance in other overseas regions (including the Philippines, China and South Korea)	Actual results	217	55
	Share against net sales	—	25.4%
	YoY change	+3.0%	+13.7%

B-(7) [Non-consolidated] Analysis of sales for 1H of FY ending December 2020

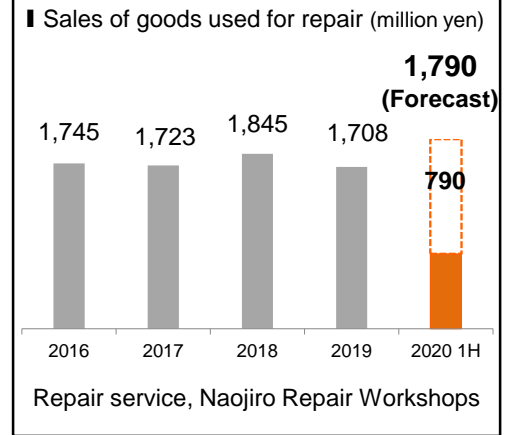
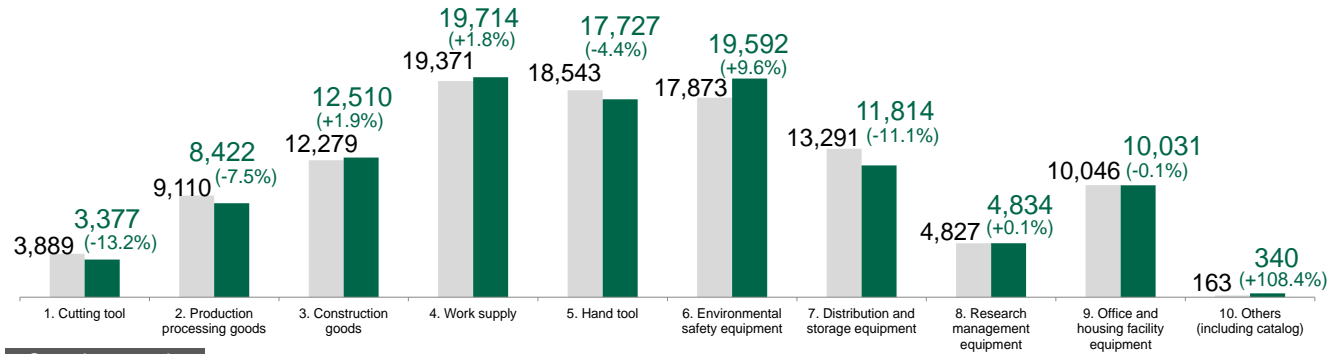
Major changes in net sales for 1H of FY ending December 2020



B-(8) [Non-consolidated] Sales by product category

■ Sales graph by large category and details of medium category

■ R1 Factory route net sales for 1H of FY ended Dec. 2019 (million yen)
■ R2 Factory route net sales for 1H of FY ending Dec. 2020 (million yen)



Constituent ratio

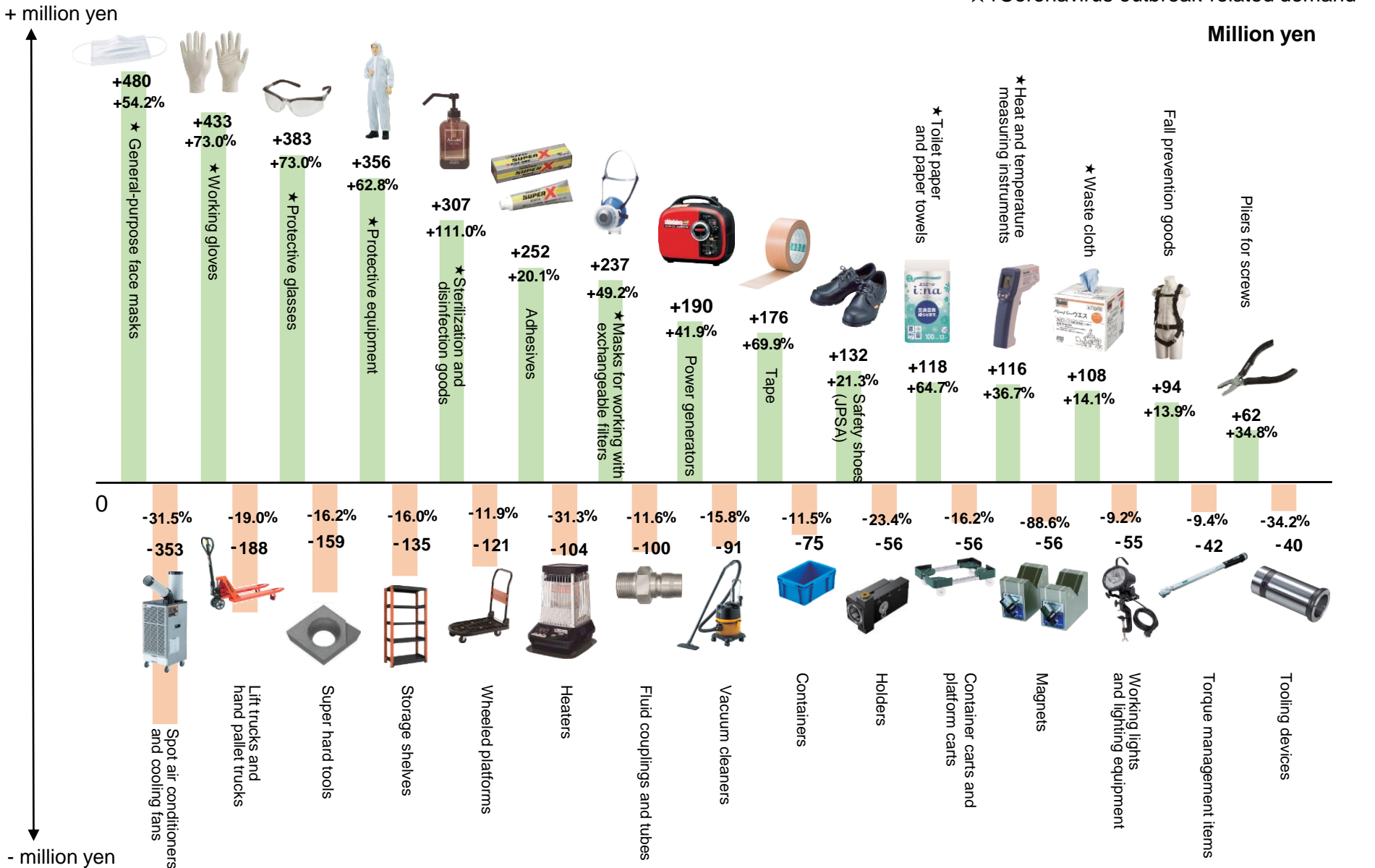
Category of goods (large category)	Medium category	Trusco's sales	Constituent ratio	YoY change	Gross profit margin	Category of goods (large category)	Medium category	Trusco's sales	Constituent ratio	YoY change	Gross profit margin
1. Cutting tool 3.1	1 Cutting tools	1,533	1.4	-17.6	11.8	6. Environmental safety equipment 18.1	25 Protective equipment	11,109	10.3	+24.4	26.0
	2 Drilling and thread cutting tools	1,843	1.7	-9.0	21.6		26 Safety goods	4,519	4.2	+0.5	25.6
	3 Measurement equipment	4,351	4.0	-5.0	16.8		27 Environment improvement goods	900	0.8	-7.0	20.4
	4 Mechatronics	1,757	1.6	-4.2	15.7		28 Air conditioning goods	1,659	1.5	-19.3	18.8
	5 Tools for machine tools	1,065	1.0	-18.3	23.4		29 Disaster and crime prevention goods	453	0.4	-2.0	21.2
	6 Electronic machinery	1,248	1.2	-10.3	11.5		30 Closets and exterior goods	950	0.9	-1.3	16.2
2. Production processing goods 7.8	7 Hydraulic tools	951	0.9	-5.7	11.8	7. Distribution and storage equipment 10.9	31 Loading goods	3,452	3.2	-5.8	17.4
	8 Pumps	1,638	1.5	-0.7	16.2		32 Conveyors	545	0.5	-14.9	17.2
	9 Welding equipment	1,014	0.9	+2.3	18.3		33 Transportation goods	4,349	4.0	-16.3	22.6
	10 Painting and interior goods	1,151	1.1	+6.4	25.6		34 Containers and vessels	1,741	1.6	-7.6	30.6
	11 Civil engineering and building goods	1,193	1.1	+21.0	12.3		35 Steel shelves	1,725	1.6	-9.2	27.3
	12 Ladders and stepladders	1,525	1.4	-6.5	22.8	8. Research management equipment 4.5	36 Tool wagons	479	0.4	-14.1	29.0
	13 Piping and materials of electronic equipment	1,706	1.6	+0.9	24.0		37 Storage and management goods	619	0.6	-13.5	32.4
	14 Component, hardware, and building materials	3,328	3.1	+2.8	28.5		38 Work benches	700	0.6	-8.9	28.0
3. Construction goods 11.5	15 Cutting goods	667	0.6	-1.9	23.4		39 Stainless goods	912	0.8	-6.0	18.4
	16 Grinding and polishing goods	3,409	3.1	-5.3	23.7	9. Office and housing facility equipment 9.2	40 Research and development-related goods	2,122	2.0	+17.1	20.5
	17 Chemical products	9,917	9.2	+5.7	22.2		41 Cleaning utensils	2,885	2.7	-1.1	23.2
	18 Factory miscellaneous goods	1,903	1.8	+11.3	16.2		42 Stationery	1,027	0.9	+9.0	19.1
	19 Packing and binding goods	2,470	2.3	-3.6	32.3		43 Office miscellaneous goods	1,469	1.4	+15.8	27.7
	20 Casters	1,344	1.2	-6.1	17.8		44 Electric appliances	1,632	1.5	-7.7	23.0
4. Work supply 18.2	21 Electric power tools and accessories	4,734	4.4	-4.2	14.8	10. Others 0.3	45 OA business machinery	840	0.8	-0.3	27.0
	22 Pneumatic tools and accessories	2,960	2.7	-11.7	18.3		46 Office furniture	2,035	1.9	-6.0	24.1
	23 Tools for manual work	4,841	8.4	+1.0	22.5		47 Interior goods	141	0.1	+0.3	20.1
	24 Tool boxes	509	0.9	+6.2	30.2		48 Total	340	0.3	+108.4	14.0
5. Hand tool 16.4						Total		108,367	100.0	-0.9	22.0

(Million yen, %)

B-(9) [Non-consolidated] Analysis of sales for 1H of FY ending December 2020 (by product category)

■ Demand changes by product for 1H of FY ending December 2020

★ : Coronavirus outbreak-related demand



B-(10) [Non-consolidated] Sales by category of goods featured in the TRUSCO Orange Book

■ Sales by category of goods listed in the TRUSCO Orange Book and constituent ratios

Sales by product category are classified and displayed according to the categories listed in the TRUSCO Orange Book.

Category	Net sales	YoY change	Category	Net sales	YoY change	Category	Net sales	YoY change
1. Cutting tools	¥3,621 million	-11.9	9. Hand tools	¥8,283 million	-2.3	17. Loading equipment	¥4,332 million	-17.0
2. Machine tools	¥1,241 million	-21.3	10. Electric, hydraulic & pneumatic tools	¥10,415 million	-6.5	18. Cleaning & janitorial supplies	¥5,971 million	+8.0
3. Measuring & testing instruments	¥4,680 million	-5.5	11. Protective equipment	¥11,850 million	+24.7	19. Environmental supplies	¥3,890 million	-9.7
4. Mechatronics parts	¥1,502 million	+3.1	12. Safety supplies	¥2,395 million	-4.9	20. Garden supplies	¥899 million	+10.6
5. Hardware & building materials	¥3,792 million	-0.2	13. Packaging supplies	¥6,684 million	+4.3	21. Office supplies & storage	¥5,264 million	-0.1
6. Pneumatic supplies	¥2,184 million	-7.6	14. Construction & lighting supplies	¥10,272 million	-0.5	22. Laboratory supplies	¥2,563 million	-0.5
7. Electronics	¥1,910 million	+3.0	15. Handling equipment	¥3,941 million	-6.2			
8. Chemicals	¥6,464 million	+4.5	16. Logistics & storage supplies	¥6,235 million	-8.7			

■ Tools that increase customers' convenience



This is a set of catalogs featuring a wide range of professional tools required in manufacturing. The TRUSCO Digital Orange Book is also available, integrating the user-friendliness of hard-copy catalogs with the portability and search features of online content.

Number of items listed:	Approx. 440,000 (2020 edition)
Number of manufacturers:	1,776
Total number of pages:	16,728
Annual circulation:	210,000 copies
Size:	A4 (changed from B5)



This is a one-stop website on which it is possible to search for and purchase professional tools. It also supports quotation, order, return and real-time stock status view functions. Revamped last year, its search features and user-friendliness have improved.

Number of items featured:	Approx. 2.09 million
Share of orders received via computer systems:	83.4%
Safety data sheets, drawings and contained chemical substances investigation sheets are downloadable.	
Available 24 hours per day	



This is an interactive goods search service based on AI learning functions. The service can respond to queries instantly. It supports natural language, synonyms and technical terms in specific industries.

AI Kokomite-kun (chatbot) responds in natural language.
Voice input supported
Available on smartphones

B-(11) [Non-consolidated] Sales of private brand (PB) goods

For private brand (PB) goods, although sales of environmental safety equipment such as masks and protective equipment increased due to increase demand in relation to the coronavirus, due to factors including reduced plant operation, sales decreased in other categories of goods.

■ Sales of PB goods by category of goods

* Excluding sales through other routes

Unit: million yen

	Entire company		Factory route		e-business route		Home center route	
	Constituent ratio	19.9%	Constituent ratio	19.9%	Constituent ratio	25.1%	Constituent ratio	6.6%
	Gross profit margin	36.3%	Gross profit margin	36.3%	Gross profit margin	37.0%	Gross profit margin	32.8%
	Net sales	YoY change	Net sales	YoY change	Net sales	YoY change	Net sales	YoY change
Total	21,561	-3.0%	15,971	-7.4%	4,900	+12.1%	542	+17.4%
Cutting tool	352	-0.7%	254	-4.1%	61	+16.9%	33	-1.4%
Production processing goods	743	-7.6%	554	-9.7%	166	-1.7%	9	+5.7%
Construction goods	1,784	-0.1%	1,314	-3.8%	430	+12.5%	30	+4.5%
Work supply	3,712	-1.7%	2,964	-4.2%	679	+9.8%	40	+8.7%
Hand tool	2,187	-5.4%	1,569	-9.7%	521	+8.6%	67	+2.6%
Environmental safety equipment	4,246	+15.5%	3,111	+6.3%	977	+42.3%	139	+165.2%
Distribution and storage equipment	4,837	-12.1%	3,497	-15.8%	1,108	+1.6%	208	-3.1%
Research management equipment	1,635	-12.8%	1,257	-16.4%	365	+4.5%	2	-
Office and housing facility equipment	2,059	-3.8%	1,447	-8.1%	589	+9.5%	9	-43.1%
Other	2	+36.0%	0	-	0	-	2	-

■ Private Brand (PB) goods



Products designed and developed by Trusco.

Approximately 5,000 new products are launched a year. Their profit margin is greater than that of national brand goods. PB goods account for 19.9% of Trusco's sales.

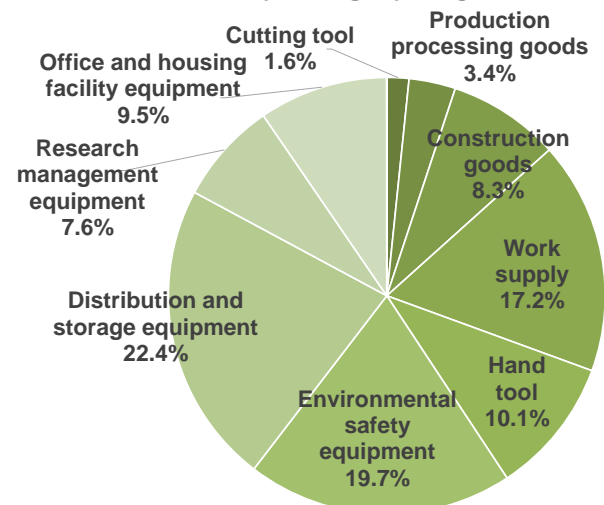


■ Change in sales of PB goods (Unit: million yen, %) (YoY change)

Full year forecast
44,656 to 39,292
million yen
(+1.7 to -10.5%)

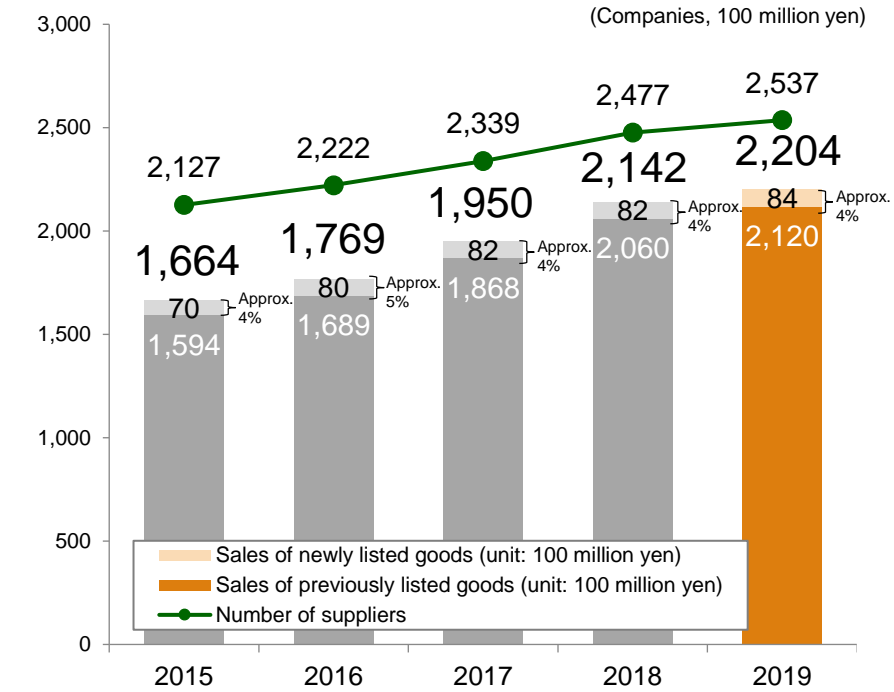
	2016	2017	2018	2019	2020 1H
PB constituent ratio	20.9%	20.6%	20.3%	19.9%	19.9%
PB gross profit margin	35.5%	35.9%	35.7%	35.8%	36.3%

■ PB sales ratio by category of goods

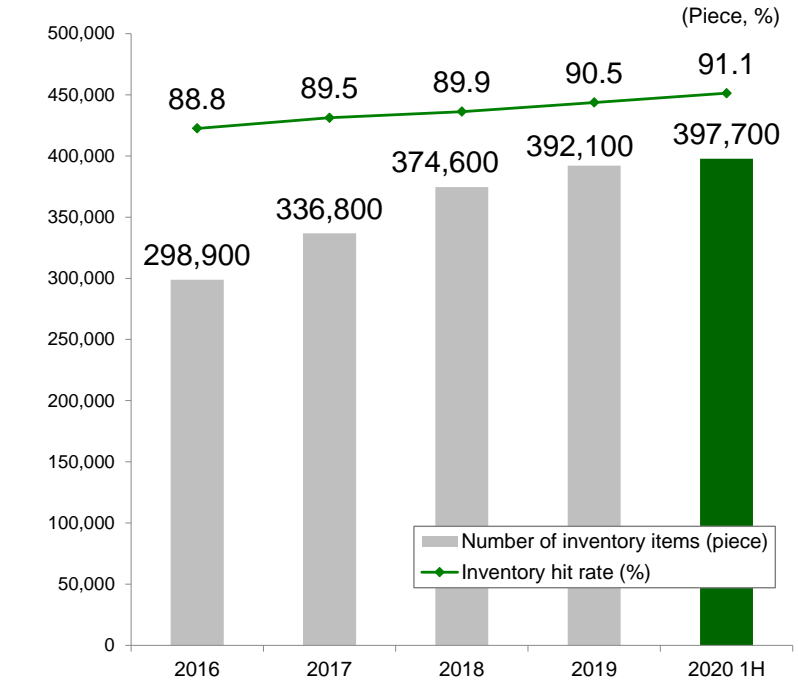


C-(1) Number of suppliers, sales of newly listed goods, number of items in inventory, hit rate, number of sales accounts and number of companies

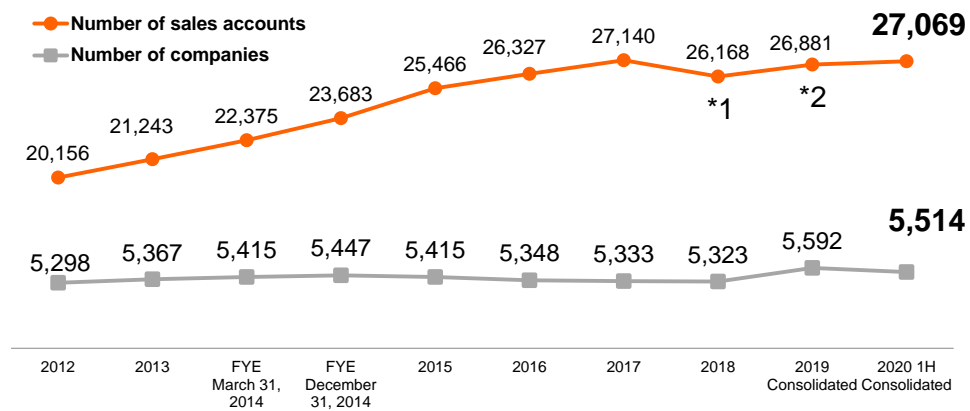
1. [Non-consolidated] Changes in the number of suppliers and sales of goods newly listed in the TRUSCO Orange Book



2. [Non-consolidated] Change in the number of inventory items and the inventory hit rate

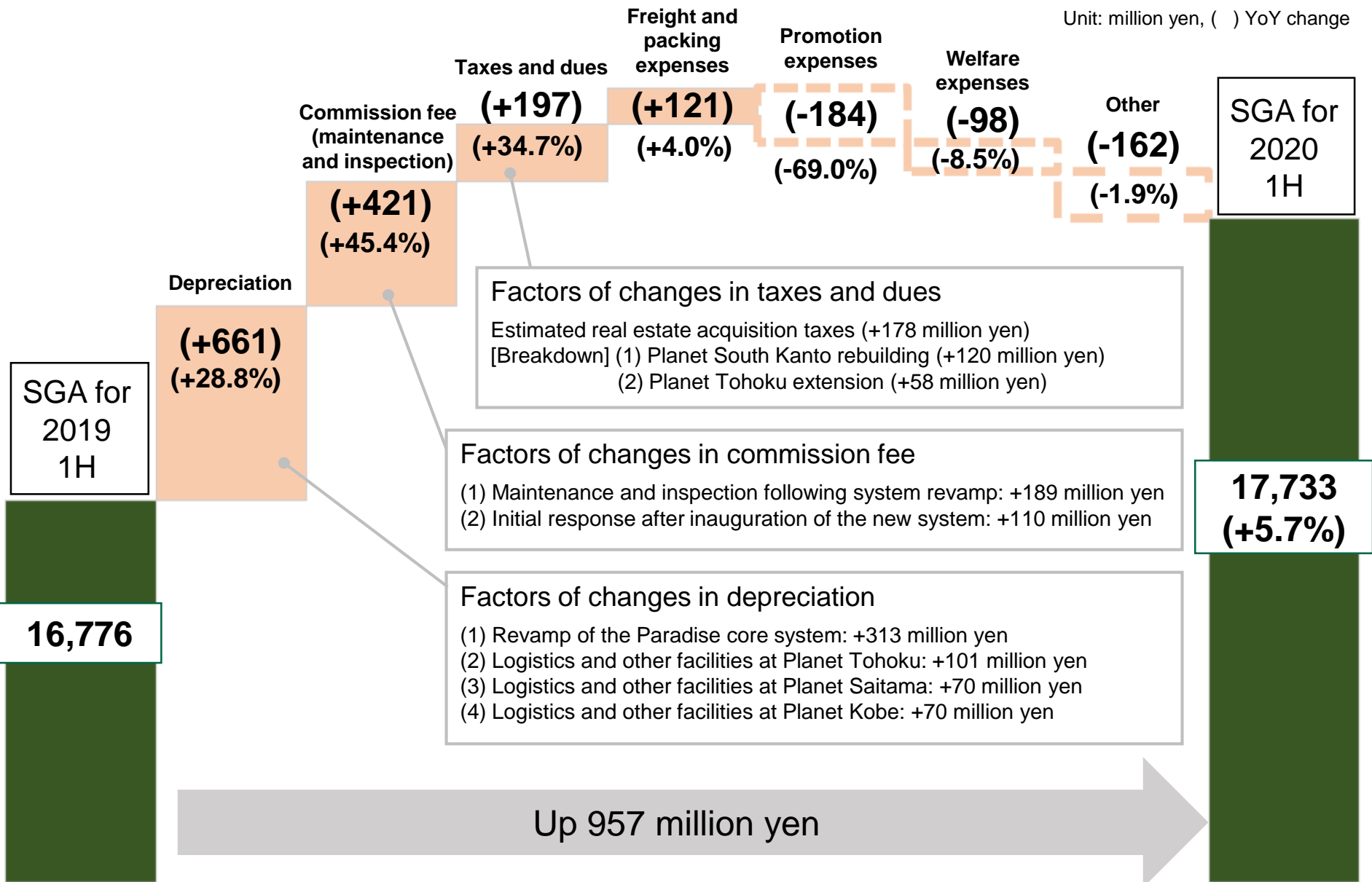


3. [Consolidated] Change in number of sales accounts and companies



- 1. Products newly listed in our product catalogue, TRUSCO Orange Book, for the relevant year account for approximately 4% of total sales.
 - 2. Inventory hit rate: Number of rows used for products shipped from inventory divided by the total number of rows used for orders. The number of items and the inventory hit rate are increasing year after year.
 - 3. The number of accounts is experiencing an upward trend amid growth of transactions with corporate customers with multiple stores.
- *1 The reduction in the number of accounts in 2018 is mainly attributable to deregistration of accounts due to the termination of transactions with customers using the home center route.
*2 The numbers of companies and accounts including overseas subsidiaries are presented from 2019 onwards.

D-(1) [Consolidated] Major changes in selling, general and administrative expenses (SGA)



For details on the factors of the changes, please see the next page.

D-(2) Selling, general and administrative expenses (SGA)

■ Details of selling, general and administrative expenses (SGA)

Unit: million yen, %

		1H of FY ended Dec. 2019		1H of FY ending Dec. 2020		YoY Change (amount)	YoY Change (percent)
		Amount	Share in net sales	Amount	Share in net sales		
1	Salary and bonus	5,931	5.4	5,871	5.4	-60	-1.0
2	Freight and packing expenses	3,046	2.8	3,168	2.9	121	+4.0
3	Depreciation	2,300	2.1	2,962	2.7	661	+28.8
4	Commission fee	926	0.8	1,347	1.2	421	+45.4
5	Welfare expenses	1,163	1.1	1,065	1.0	-98	-8.5
6	Taxes and dues	568	0.5	765	0.7	197	+34.7
7	Advertising expenses	423	0.4	493	0.5	70	+16.7
8	Leasehold and office rents	336	0.3	302	0.3	-33	-10.0
9	Provision for bonuses	295	0.3	289	0.3	-6	-2.1
10	Supplies expenses	259	0.2	268	0.2	8	+3.4
11	Traveling expenses and transportation expenses	305	0.3	245	0.2	-59	-19.6
12	Remuneration paid to directors	214	0.2	218	0.2	4	+2.2
13	Communication expenses	180	0.2	189	0.2	9	+5.0
14	Utilities expenses	176	0.2	173	0.2	-2	-1.6
15	Vehicle expenses	121	0.1	119	0.1	-2	-1.8
16	Promotion expenses	266	0.2	82	0.1	-184	-69.0
17	Entertainment expenses	72	0.1	12	0.0	-60	-83.4
18	Other	186	0.2	156	0.1	-29	-16.1
Total		16,776	15.3	17,733	16.4	957	+5.7

– Key Items –

() YoY change

- Full-time employees 1,660, part-time employees 1,125
- Overtime pay for employees (-125 million yen)
- Increase in wages and bonuses for part-time employees (+75 million yen)

- Impact of growth in shipping volume (approx. +191 million yen)
- User direct shipments rose 16.0% year on year
- Impact from unit price of individual shipments (-26 million yen)
- Decrease in contracted delivery services with chartered vehicles (-107 million yen)
Number of chartered vehicles: 205 (-31), including 35 for internal transport
[Reference] 103 vehicles (+11) for delivery by the Company's employees

- Revamp of the core system (+313 million yen)
- Logistics and other facilities at Planet Tohoku (+101 million yen)
- Logistics and other facilities at Planet Saitama (+70 million yen)
- Logistics and other facilities at Planet Kobe (+70 million yen)

- Maintenance and inspection following system revamp (+189 million yen)
- Initial response after inauguration of the new system (+110 million yen)

- Estimated real estate acquisition taxes (+178 million yen)
- Planet South Kanto rebuilding (+120 million yen)
- Planet Tohoku extension (+58 million yen)

- Expenses for shareholders' special benefit items (+37 million yen)
- Expenses for production of the 60th anniversary publication (+28 million yen)
- Expenses for production of *Corporate Profile* (+13 million yen)

- Expenses for layout change due to resizing of TRUSCO Orange Book catalogs for 2020 (from B5 to A4) (-70 million yen)
- Expenses for production of edited data for TRUSCO Orange Book catalogs for 2020 (-73 million yen)

D-(4) [Consolidated] Capital expenditures

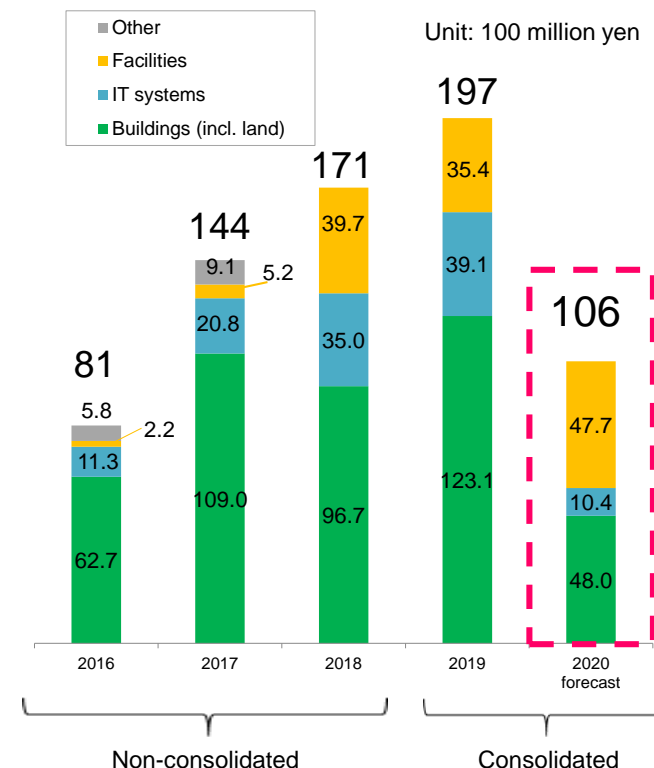
Major past and future capital expenditures

Unit: 100 million yen

Details of major capital expenditures		Total (expected) expenditures	Expenditures made until the previous fiscal year	FY ending Dec. 2020	
				Actual expenditures for 1Q and 2Q	Expected expenditures for 3Q and 4Q
Buildings	Planet South Kanto rebuilding	87.4	74.9	10.8	1.3
	Planet Tohoku extension	40.8	31.7	9.1	-
	New construction of TRUSCO Resort & Spa Karuizawa	29.2	11.9	5.3	8.5
	New construction of Osaka Stock Center (tentative name)	10.0	-	0.7	-
	Toyohashi Stock Center: Tent warehouse	3.9	-	2.6	1.3
	Others	0.1	-	-	0.1
Buildings subtotal		171.4	118.5	28.5	11.2
Facilities	Planet Tohoku (Automated bucket warehouse / SAS / GAS / Auto Store / I-Pack / JFB / Butler, etc.)	31.0	-	22.6	3.0
	Planet South Kanto (Automated bucket warehouse / Shuttle Rack / Auto Store / SAS / electric moving pallet racks, etc.)	21.0	-	10.6	7.9
	Planet North Kanto (Solar panels installation)	1.4	-	0.8	0.6
	Toyohashi Stock Center (Operation facilities)	0.8	-	0.2	0.6
	Repair work at different locations	0.7	-	-	0.3
	Visualization of work inside warehouse in the distribution system (dashboards)	0.5	-	-	0.4
	Visualization of work inside warehouse in the distribution system (linkage function: rectification of staff assignment)	0.5	-	-	0.5
	Others	-	-	0.2	0.1
Facilities subtotal		55.9	0	34.3	13.4
IT systems	Renewal of Paradise (order receipt/placement system)	33.7	30.7	3.0	-
	Renewal of SORA, Self, and Zaicon2	9.4	7.5	1.9	-
	Free location improvements	3.0	-	0.2	-
	Planet South Kanto (introduction of material handling equipment and network construction)	1.3	-	-	1.3
	Oluce upgrade	0.9	-	0.4	-
	Replacement of Paradise (MRO Stocker construction)	0.5	-	0.5	-
	Replacement of MRO Stocker	0.5	-	0.5	-
	CLET upgrade	0.3	-	-	0.3
	Others	-	-	0.8	1.6
IT systems subtotal		49.6	38.2	7.2	3.2
Land	Land adjacent to Planet Osaka	5.4	0.5	4.9	-
	Purchase of land adjacent to Planet Tohoku	2.0	-	2.0	-
	Purchase of land adjacent to Oyama Branch	1.3	-	1.3	-
Land subtotal		8.7	0.5	8.2	0.0
Total				78.3	27.8
Annual capital expenditures					106.1

Change in capital expenditures

Unit: 100 million yen



↑ From 2018, items included in "Other" are allocated to facilities, IT systems, or buildings.

Capital expenditures

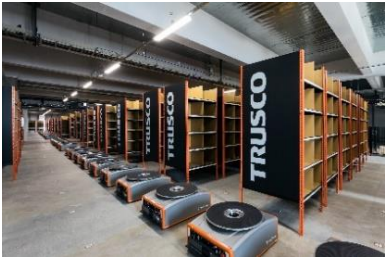
- The investment amount may fluctuate during the business year because the scheduled amount of capital expenditures includes expenses for projects at the planning stage.
- The amount of capital expenditures presented are on a cash out basis.

For FYE December 31, 2020, depreciation of 6,500 million yen (up 1,600 million yen year on year) is planned.

Extension at Planet Tohoku

In operation since May 7, 2020

Completed in January 2020



▲ Butler® Automated Conveyance Robot



▲ The AutoStore system can be viewed from this meeting room



▲ AutoStore High-Density Storage System

Outline

- Location: Sendai City, Miyagi Prefecture
- Site area: 3,905 tsubo
- Total floor area: 3,231 tsubo before extension, 8,587 tsubo after extension
- Extended building: Six stories
- Expenditures: 7,200 million yen for building and facilities
- No. of items in stock: Approx. 107,000
- Target no. of items: 500,000
- Facilities introduced: Automated bucket warehouse, AutoStore, Butler, SAS, GAS and I-Pack

During the extension work the AutoStore and Butler® systems were installed, and a structure with the meeting rooms looking down on the AutoStore installation was adopted. In addition, a new disaster stockpiling warehouse was installed to ensure that the supply of the products needed during a disaster does not stop. A multistory parking facility with capacity for 108 vehicles was also installed, helping to solve the issue with parking space shortages.

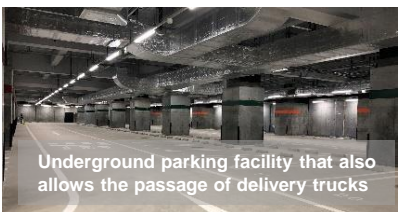
Rebuilding at Planet South Kanto

Scheduled to commence operation in August 2020

Completed in January 2020



AutoStore High-Density Storage System



Underground parking facility that also allows the passage of delivery trucks

Outline

- Location: Isehara City, Kanagawa Prefecture
- Site area: 3,662 tsubo
- Total floor area: 7,885.3 tsubo
- Structure: Four aboveground stories and one basement (for parking spaces) with base isolation
- Planned expenditures: 11,000 million yen for building and facilities
- No. of items in stock: Approx. 111,000
- Target no. of items in stock: 500,000
- Facilities introduced: Automated bucket warehouse, AutoStore, SAS, Case conveyor and electric pallet rack

This facility will introduce the Company's first Daifuku Shuttle Rack, one of the Company's largest automated warehouse systems and other distribution equipment to improve shipping efficiency and to achieve high density storage. Additionally, a truck berth with a 22-meter overhanging section will improve work efficiency during rainy weather, and by setting the height of the underground parking facility to allow delivery trucks to pass through, it is now possible to conduct delivery and pick-up operations without inconveniencing the surrounding neighborhood, even at night. A day-care nursery has also been set up inside the distribution center to create a comfortable work environment. The center is scheduled to begin operating from August 17, 2020.

E-(1) Management plan

◆Budgeting policy

On August 3 the Company revised its business performance forecast and changed the forecast to a range format. The revised budget is also listed in the management plan. The upper figures in the ranges are calculated based on the scenario that net sales in the second half largely follow the initial plan in response to market conditions recovering, and the lower end of the range is calculated based on a scenario in which economic activity stagnates to the same extent that it did in May 2020 when the stage of emergency was declared.

The upper range forecast is used as the entire company's budget, which is the total of the "annual budget of each branch prepared by the branch manager throughout Japan." The branch managers, who are familiar with their market, formulate their respective branch's budget as they are in charge of developing their branch strategy including staffing and are ultimately accountable for their branch. Because we will keep using the total of the budget prepared by branch managers as the entire company's budget, their plans are subject to a review every business year.

	57th business year FYE December 31, 2019					58th business year FYE December 31, 2020																				
	(Consolidated)		(Non-consolidated)			(Consolidated)			(Consolidated)						(Non-consolidated)											
	Results (¥ million)	Ratio (%)	Results (¥ million)	Ratio (%)	YoY change (%)	Initial plan (¥ million)	Ratio (%)	YoY change (%)	Revised plan (¥ million)		Ratio (%)		YoY change (%)		Revised plan (¥ million)		Ratio (%)		YoY change (%)							
									Upper range	Lower range	Upper range	Lower range	Upper range	Lower range	Upper range	Lower range	Upper range	Lower range	Upper range	Lower range						
Net sales	220,674	100.0	220,357	100.0	102.8	231,619	100.0	105.0	225,849	–	198,548	100.0	102.3	–	90.0	225,633	–	198,332	100.0	102.4	–	90.0				
Factory route	170,041	77.1	170,025	77.2	100.5	176,140	76.1	103.6	168,868	–	147,784	74.8	–	74.4	99.3	–	86.9	168,868	–	147,784	74.8	–	74.5	99.3	–	86.9
e-business route	34,492	15.6	34,492	15.7	112.2	38,500	16.6	111.6	39,488	–	34,880	17.5	–	17.6	114.5	–	101.1	39,488	–	34,880	17.5	–	17.6	114.5	–	101.1
Home center route	14,703	6.7	14,702	6.7	109.2	15,300	6.6	104.1	16,092	–	14,875	7.1	–	7.5	109.5	–	101.2	16,092	–	14,875	7.1	–	7.5	109.5	–	101.2
Overseas route	1,437	0.6	1,137	0.4	118.0	1,679	0.7	116.8	1,399	–	1,008	0.6	–	0.5	97.4	–	70.2	1,184	–	793	0.5	–	0.4	104.1	–	69.0
Net sales per day	-	-	937	-	105.0	-	-	-	-	-	-	-	-	-	-	-	-	944	–	829	-	-	100.7	–	88.0	
Sales of PB goods	-	-	43,890	19.9	100.7	-	-	-	-	-	-	-	-	-	-	-	-	44,656	–	39,292	19.8	-	101.7	–	89.0	
Number of business days	-	-	235	-	-5	-	-	-	-	-	-	-	-	-	-	-	-	239	-	-	-	-	-	-	+	
Gross profit	47,034	21.3	46,856	21.3	103.0	49,352	21.3	104.9	48,464	–	42,760	21.5	–	21.5	103.0	–	90.9	48,291	–	42,587	21.4	–	21.5	103.1	–	90.0
Factory route	35,390	20.8	35,390	20.8	100.7	36,480	20.7	103.1	35,249	–	30,986	20.9	–	21.0	99.6	–	87.6	35,249	–	30,986	20.9	–	21.0	99.6	–	87.6
e-business route	8,657	25.1	8,657	25.1	111.9	9,700	25.2	112.0	9,968	–	8,816	25.2	–	25.3	115.1	–	101.8	9,968	–	8,816	25.2	–	25.3	115.1	–	101.8
Home center route	2,577	17.5	2,577	17.5	107.1	2,690	17.6	104.4	2,838	–	2,626	17.6	–	17.7	110.1	–	101.9	2,838	–	2,626	17.6	–	17.7	110.1	–	101.9
Overseas route	409	28.5	230	20.3	118.7	482	28.7	117.8	407	–	330	29.1	–	32.8	99.6	–	80.9	235	–	158	19.8	–	20.0	101.9	–	68.0
Selling, general and administrative expenses	33,237	15.1	32,934	14.9	105.8	36,345	15.7	109.4	35,823	–	35,123	15.9	–	17.7	107.8	–	105.7	35,550	–	34,850	15.8	–	17.6	107.9	–	105.0
Operating income	13,797	6.3	13,921	6.3	96.9	13,007	5.6	94.3	12,640	–	7,636	5.6	–	3.8	91.6	–	55.3	12,741	–	7,737	5.6	–	3.9	91.5	–	55.0
Ordinary income	14,197	6.4	14,302	6.5	97.7	13,257	5.7	93.4	13,000	–	7,996	5.8	–	4.0	91.6	–	56.3	13,095	–	8,091	5.8	–	4.1	91.6	–	56.0
Net income	9,613	4.4	9,715	4.4	99.9	9,012	3.9	93.7	8,952	–	5,499	4.0	–	2.8	93.1	–	57.2	9,035	–	5,583	4.0	–	2.8	93.0	–	57.0
Net income per share	¥145.78	-	¥147.32	-	-¥0.12	¥136.66	-	-¥9.12	¥135.75	–	¥83.39	-	-¥10.3	-	¥62.39	-	-¥62.39	¥137.02	–	¥84.66	-	-	-¥10.30	-	-¥62.6	-
Dividend per share	¥36.50	-	-	-	-	¥34.50	-	-¥2	¥34.00	–	¥21.00	-	-¥2.50	-	¥15.50	-	-¥15.50	-	-	-	-	-	-	-	-	
Issued shares	66,008,744	-	-	-	-	66,008,744	-	-	66,008,744	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Private brand inventory items	50,800	-	-	-	-	57,600	-	113.4	57,600	-	-	-	-	-	113.4	-	-	-	-	-	-	-	-	-	-	
Inventory value	43,653	-	42,781	-	115.6	48,809	-	111.8	48,809	-	-	-	-	-	111.8	-	-	-	-	-	-	-	-	-	-	
Number of employees (incl. executives)	1,656	-	-	-	-	1,695	-	102.4	1,695	-	-	-	-	-	102.4	-	-	-	-	-	-	-	-	-	-	
Number of part-timers	1,128	-	-	-	-	1,148	-	101.8	1,148	-	-	-	-	-	101.8	-	-	-	-	-	-	-	-	-	-	
System order rate	83.1%	-	-	-	-	85.0%	-	-	85.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Inventory hit rate	90.5%	-	-	-	-	91.0%	-	-	91.0%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
ROE	7.5%	-	-	-	-	6.7%	-	-	6.7%	–	4.2%	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Depreciation	4,876	-	-	-	-	6,594	-	135.2	6,515	-	-	-	-	-	133.6	-	-	-	-	-	-	-	-	-	-	

This management plan represents the estimation the Company made when this material was prepared. The Company does not guarantee the accuracy of information contained herein. Actual business performance and results may differ from the forecast due to various factors.

Reference 3: [Consolidated] Quarterly plan for FYE December 31, 2020

I Fiscal year ending December 31, 2020 [Quarterly]

Unit: million yen, %

		1 st Quarter (+1 day)			2 nd Quarter (+2 day)			3 rd Quarter (+1 day)			4 th Quarter (±0 day)		
		Budget	Share against net sales	YoY Change	Budget	Share against net sales	YoY Change	Budget	Share against net sales	YoY Change	Budget	Share against net sales	YoY Change
Net sales	Budget	56,960	100.0	+2.1	57,114	100.0	+6.2	57,421– 44,771	100.0	+4.7– -18.4	60,014– 45,363	100.0	+6.7– -19.4
	Actual results	57,493	100.0	+3.1	50,919	100.0	-5.3						
Gross profit	Budget	12,258	21.5	+2.2	12,485	21.9	+6.3	11,748– 9,163	20.5	+4.1– -18.8	12,821– 9,702	21.4	+6.8– -19.2
	Actual results	12,556	21.8	+4.7	11,338	22.3	-3.4						
Selling, general and administrative expenses	Budget	9,209	16.2	+9.9	8,899	15.6	+6.0	9,054– 8,713	15.8– 19.5	+5.1– +9.3	9,035– 8,676	15.1– 19.1	+10.5– +6.2
	Actual results	9,218	16.0	+10.0	8,514	16.7	+1.4						
Operating income	Budget	3,048	5.4	-15.7	3,587	6.3	+7.2	2,693– 449	4.7– 1.0	-10.2– -85.0	3,785– 1,025	6.3– 2.3	-1.3– -73.3
	Actual results	3,337	5.8	-7.7	2,824	5.5	-15.6						
Ordinary income	Budget	3,110	5.5	-15.3	3,648	6.4	+6.4	2,748– 504	4.8– 1.1	-10.7– -83.6	3,851– 1,091	6.4– 2.4	-4.2– -72.8
	Actual results	3,384	5.9	-7.8	3,015	5.9	-12.1						
Net income	Budget	2,117	3.7	-15.5	2,478	4.3	+7.7	1,895– 347	3.3– 0.8	-8.4– -83.2	2,723– 818	4.5– 1.8	-0.5– -70.1
	Actual results	2,321	4.0	-7.4	2,012	4.0	-12.6						

I Fiscal year ending December 31, 2020 [Cumulative]

Unit: million yen, %

		1 st Quarter (+1 day)			2 nd Quarter (+3 day)			3 rd Quarter (+4 day)			4 th Quarter (±4 day)		
		Budget	Share against net sales	YoY Change	Budget	Share against net sales	YoY Change	Budget	Share against net sales	YoY Change	Budget	Share against net sales	YoY Change
Net sales	Budget	56,960	100.0	+2.1	114,074	100.0	+4.1	165,835– 153,185	100.0	+0.9– -6.8	225,849– 198,548	100.0	+2.3– -10.0
	Actual results	57,493	100.0	+3.1	108,413	100.0	-1.1						
Gross profit	Budget	12,258	21.5	+2.2	24,743	21.7	+4.2	35,643– 33,058	21.5– 21.6	+1.8– -5.6	48,464– 42,760	21.5	+3.0– -9.1
	Actual results	12,556	21.8	+4.7	23,894	22.0	+0.7						
Selling, general and administrative expenses	Budget	9,209	16.2	+9.9	18,108	15.9	+7.9	26,788– 26,447	16.2– 17.3	+6.9– +5.5	35,823– 35,123	15.9– 17.7	+7.8– +5.7
	Actual results	9,218	16.0	+10.0	17,733	16.4	+5.7						
Operating income	Budget	3,048	5.4	-15.7	6,635	5.8	-4.7	8,855– 6,611	5.3– 4.3	-11.1– -33.6	12,640– 7,636	5.6– 3.8	-8.4– -44.7
	Actual results	3,337	5.8	-7.7	6,161	5.7	-11.5						
Ordinary income	Budget	3,110	5.5	-15.3	6,758	5.9	-4.8	9,149– 6,905	5.5– 4.5	-10.1– -32.2	13,000– 7,996	5.8– 4.0	-8.4– -43.7
	Actual results	3,384	5.9	-7.8	6,400	5.9	-9.9						
Net income	Budget	2,117	3.7	-15.5	4,595	4.0	-4.4	6,229– 4,681	3.8– 3.1	-9.4– -31.9	8,952– 5,499	4.0– 2.8	-6.9– -42.8
	Actual results	2,321	4.0	-7.4	4,333	4.0	-9.9						

Reference (4): Company data

■ Number of employees [Consolidated] as of the end of June 2020

	Females	Males	Total	YoY Change
Executives	1	11	12	±0
Executive officers	0	2	2	-1
Career	196	443	639	-2
Area	267	304	571	+3
Support	27	3	30	-2
Specialist	16	14	30	-2
Logistics	78	274	352	+6
Contract employees	1	35	36	+7
Overseas subsidiaries	20	22	42	+2
Seconded to health insurance association	1	1	2	±0
Seconded to Nakayama Visually Impaired Welfare Foundation	0	0	0	-1
Full-time employees subtotal (including executives)	606	1,098	1,704	+10
Part-time employees	842	283	1,125	+6
Total	1,449	1,392	2,841	+16

Share of female employees: 35.6%, Number of female sales staff members: 76
 Females in career-track positions account for 32.3% of all female employees (whereas such males account for 40.3% of all males).

* The number of part-time employees represents the actual number of such workers under employment.

■ Numbers of incoming and outgoing employees * Excluding part-time employees Unit: % (for turnover ratio)

	2016 [Non-consolidated]		2017 [Non-consolidated]		2018 [Non-consolidated]		2019 [Consolidated]		End of June 2020 [Consolidated]	
	Females	Males	Females	Males	Females	Males	Females	Males	Females	Males
No. of employees	512	959	510	1,004	557	1,051	585	1,071	580	1,062
	1,471		1,514		1,608		1,656		1,642	
No. of incoming employees	70	33	59	67	63	72	52	57	40	44
	103		126		135		109		84	
No. of outgoing employees	20	18	18	18	20	26	42	44	19	18
	38		36		46		86		37	
Turnover ratio	3.8	1.8	3.4	1.8	3.5	2.4	6.7	3.9	3.2	1.7
	2.5		2.3		2.8		4.9		2.2	

■ Amount irrecoverable due to bankruptcy

Unit: 10 thousand yen

	2015	2016	2017	2018	2019	2020 1H
Amount irrecoverable	0	35	0	4	0	0

* The accounting period for FY2014 had nine months.

	Average age			Average annual income			
	Females	Males	Total	Career	Area	Logistics	Total
2019	31.3	42	38.2	758	642	492	655
2018	30.9	42.1	38.2	804	680	520	701
2017	30.7	42.7	38.6	805	696	541	715
2016	30.6	43.5	39.3	757	651	519	674
2015	30.9	43.3	39.6	727	630	535	660

* The total average annual income includes executive officers and excludes financial bonds provided as retirement benefits.

* The payment of performance-based bonuses commenced in FY2014.

In 2019, they were discontinued, and bonuses decreased.

* Consolidated accounting has been applied to the fiscal year ended Dec. 2019 and later fiscal years. From the fiscal year ended Dec. 2019 onwards, the average age figure is on a consolidated basis, whereas all the average annual income figures are on a non-consolidated basis.

■ Number of bases [Consolidated]

as of the end of June 2020

Head offices	2
Branches	68
Distribution centers	17
Overseas bases	3
Stock centers	9
Total	99

■ Changes in inventory disposal and inventories

	2015	2016	2017	2018	2019
Inventory disposal (million yen)	50	32	41	39	42
Inventories (100 million yen)	250	290	318	370	427
Disposal rate (%)	0.20	0.11	0.13	0.11	0.10