



# The 62nd Business Year Business Performance Data Analysis

FYE December 31, 2024 Interim period

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This document contains statements regarding future forecasts of business performance and business plans. Such statements are not guarantees of future performance and involve risks and uncertainties.  
Please note that future performance may differ from the planned figures due to changes in the management environment and other factors. This document is for informational purposes only and the Company is under no obligation to update it with the latest information available at this time.

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# 01

## Company Profile

Company overview

Business flow

# Company overview

Company name	TRUSCO Nakayama Corporation
Founding	May 15, 1959
Representative	Tetsuya Nakayama, President Chairman, Nakayama Visual 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 (Chuo-ku, Osaka City)
Number of offices	94 in total: 89 domestic bases: (2 head offices, 59 domestic sales branches, 28 domestic distribution centers) 5 overseas bases: (Local subsidiaries: Trusco NAKAYAMA CORPORATION (THAILAND) LIMITED, PT. TRUSCO NAKAYAMA INDONESIA, Supplier development office: Germany, Taiwan, Thailand)
Capital stock	5,022,370,000 yen
Listed stock exchange	Prime Market of the Tokyo Stock Exchange (Securities code: 9830)
Number of employees	3,155 (consolidated)
Credit rating	Single A (Rating and Investment Information, Inc.)
Line of business	Wholesale of all kinds of factory auxiliary materials (pro-tools), including working tools, measuring tools, and cutting tools needed in production. The company's mission is to improve the convenience of materials procurement at manufacturing sites through the general catalog "Trusco Orange Book" and the search site "Trusco Orange Book.Com."

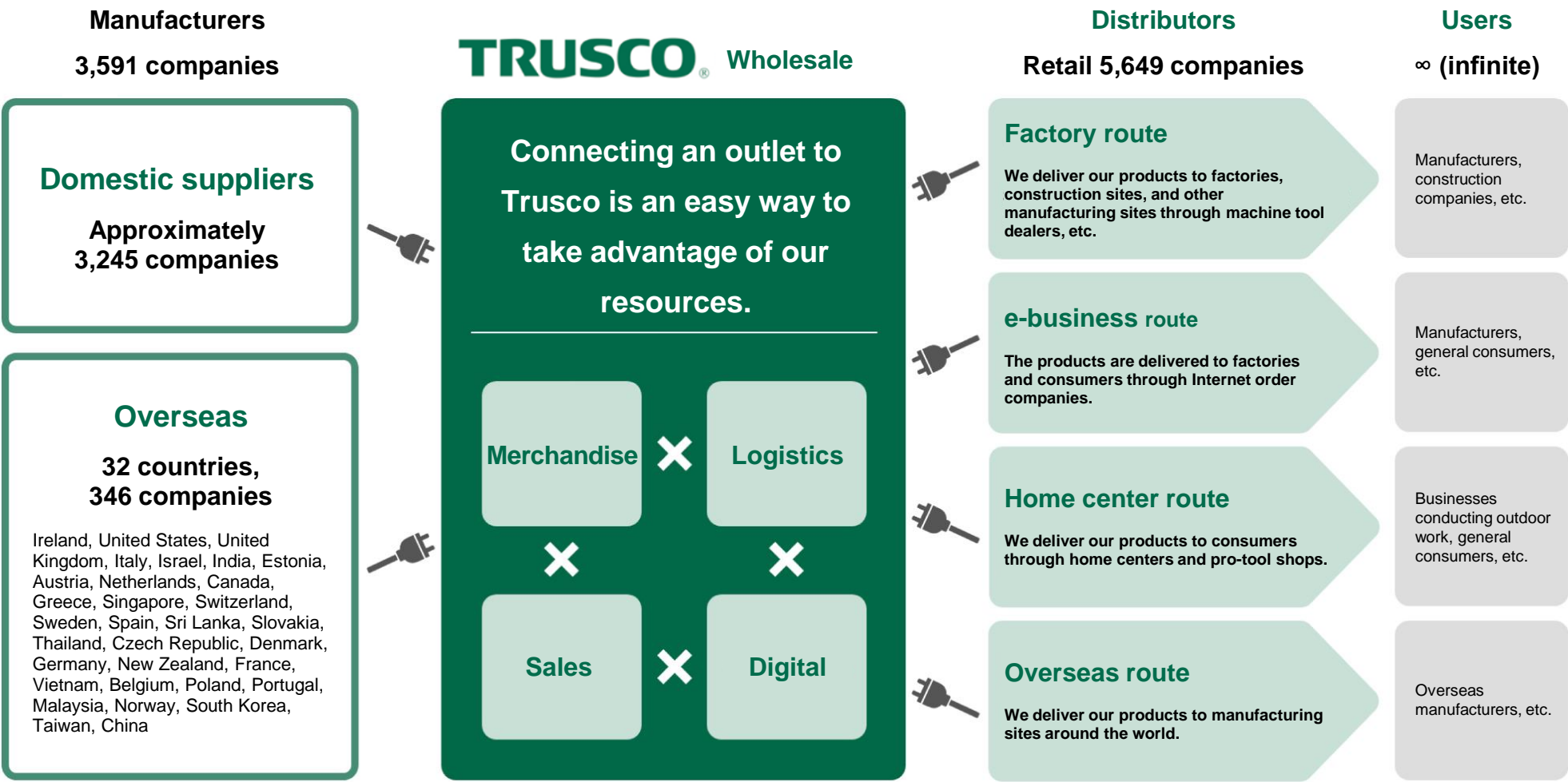
Corporate message

**“GAMBARE!!  
JAPANESE MONODZUKURI”.**



Tokyo Head Office: Trusco Fiorito Bldg.  
(Minato-ku, Tokyo)

# Business flow



# 02

## Company-wide Business Performance

Accounting highlights

[Consolidated] Business performance / plans

[Consolidated] Monthly sales

[Consolidated] Monthly sales by sales route

# Accounting highlights

## Actual results for FYE December 31, 2024 (62nd business year) interim period

Net sales	143,461 million yen (YoY change +9.2%)	Impact of measures that contribute to improved customer convenience and reduced environmental impact, including “Niawase + Yuchoku” (assortment & direct delivery to users), which holds an abundant inventory of approximately 600,000 items and utilizes state-of-the-art distribution equipment
Gross profit	30,201 million yen (YoY change +7.1%)	<ul style="list-style-type: none"><li>• In addition to the impact of increased net sales and progress in purchase price pass-through to selling prices</li><li>• Impact of increased profit margins in sales of inventory items purchased before the price revision (approximately 700 million yen)</li></ul>
Selling, general and administrative expenses (SGA)	20,348 million yen (YoY change +6.9%)	<ul style="list-style-type: none"><li>• Salaries and bonuses (+457 million yen) Impact of monthly achievement incentive payments, increase in part-time employees and hourly wages, etc.</li><li>• Freight and packing expenses (+371 million yen) Impact of increased sales</li><li>• Depreciation (-231 million yen) etc.</li></ul>
Extraordinary loss	183 million yen	<ul style="list-style-type: none"><li>• Recorded a loss due to a review of the stock valuation of capital and business partners</li></ul>
Interim profit attributable to owners of parent	6,745 million yen (YoY change +11.2%)	<ul style="list-style-type: none"><li>• Increased gross profit due to increased sales, progress in price pass-through, and changes in the selling price of inventory purchased before the price revision, resulting in a YoY change of 11.2%.</li></ul>

## Outlook for FYE December 31, 2024 (62nd business year) (Revised budget announced on August 9, 2024)

Net sales	290,000 million yen (YoY change +8.1%)	The full-year budget has been revised to reflect the first-half results
Gross profit	60,269 million yen (YoY change +4.8%)	This reflects the profit boost effect of approximately 300 million yen in the second half of the year due to inventory purchased before the price revision, and an increase in costs (profit reduction) of approximately 750 million yen due to an increase in the number of copies of the comprehensive professional tool catalog "TRUSCO Orange Book" aimed at improving customer convenience.
Selling, general and administrative expenses (SGA)	41,157 million yen (YoY change +5.5%)	There is no change to the second half budget, and the first half has been replaced with actual results.
Ordinary income	19,364 million yen (YoY change +3.7%)	This reflects the above changes.
Profit attributable to owners of parent	15,032 million yen (YoY change +22.5%)	We plan to record extraordinary income (approximately 2,700 million yen) in the second half of the year, and as a result, we plan for profit attributable to owners of the parent to increase 22.5% year on year.



# [Consolidated] Business performance

\*This is compared to the initial budget announced on February 9, 2024.

	Actual results for FYE December 31, 2023 (61st business year)			FYE December 31, 2024 (62nd business year) Interim period results			
	Actual results	Share	Year-on-year change	Actual results	Share	YoY change	Change from budget *
Net sales	268,154 million yen	-	+8.8%	143,461 million yen	-	+9.2%	+3.4%
Gross profit	57,522 million yen	21.5%	+10.3%	30,201 million yen	21.1%	+7.1%	+2.9%
Selling, general and administrative expenses (SGA)	39,003 million yen	14.5%	+4.0%	20,348 million yen	14.2%	+6.9%	+0.0%
(depreciation included in SGA)	6,206 million yen	2.3%	-6.9%	2,926 million yen	2.0%	-7.3%	-3.6%
Operating income	18,519 million yen	6.9%	+26.3%	9,852 million yen	6.9%	+7.6%	+9.3%
Ordinary income	18,669 million yen	7.0%	+23.9%	9,953 million yen	6.9%	+7.4%	+9.3%
Current (interim) profit attributable to owners of parent	12,268 million yen	4.6%	+15.4%	6,745 million yen	4.7%	+11.2%	+8.3%
Current (interim) net income per share	186.05 yen	-	+24.90 yen	102.30 yen	-	+10.31 yen	-
Dividend per share	46.50 yen	-	+6.50 yen	26.00 yen	-	+3 yen	+2 yen
Private brand sales	48,313 million yen	18.0%	+5.3%	25,270 million yen	17.6%	+3.8%	-
Capital expenditures	13,469 million yen	-	-	9,868 million yen	-	-	-

## Points

- **Net sales**  
YoY change +9.2%, Change from initial budget +3.4%  
Increased sales through various initiatives in inventory, logistics, and digital systems
- **Gross profit**  
YoY change +7.1%, Change from initial budget +2.9%  
The impact of increased sales, price pass-through, and sales of inventory purchased at the old price after price revision
- **Gross profit margin**  
-0.4pt YoY, -0.1pt compared to initial budget  
The impact of the price revisions from the previous year reducing profit-boosting effects and the consolidation of commercial distribution
- **Selling, general and administrative expenses (SGA)**  
YoY change +6.9%, Change from initial budget +0.0%  
(Increase) Labor cost, freight and packing expenses, etc.  
(Decrease) Depreciation, etc.
- **Interim profit attributable to owners of parent**  
YoY change +11.2%, Change from initial budget +8.3%  
Impact of being able to control the increase in selling, general and administrative expenses relative to the increase in sales.



# [Consolidated] Management plan

\*This is compared to the initial budget announced on August 9, 2024.

	Plan for FYE December 31, 2024 (62nd business year) Second-half budget*			Plan for FYE December 31, 2024 (62nd business year) Budget*		
	Budget	Share	YoY change	Budget	Share	Year-on-year change
Net sales	146,538 million yen	-	+7.1%	290,000 million yen	-	+8.1%
Gross profit	30,067 million yen	20.5%	+2.5%	60,269 million yen	20.8%	+4.8%
Selling, general and administrative expenses (SGA)	20,808 million yen	14.2%	+4.2%	41,157 million yen	14.2%	+5.5%
(depreciation included in SGA)	3,338 million yen	2.3%	+9.5%	6,265 million yen	2.2%	+0.9%
Operating income	9,259 million yen	6.3%	△1.1%	19,112 million yen	6.6%	+3.2%
Ordinary income	9,410 million yen	6.4%	+0.1%	19,364 million yen	6.7%	+3.7%
Current (quarterly) profit attributable to owners of parent	8,286 million yen	5.7%	+33.6%	15,032 million yen	5.2%	+22.5%
Current (quarterly) net income per share	125.66 yen	-	+31.60 yen	227.96 yen	-	+41.91 yen
Dividend per share	24.00 yen	-	+0.50 yen	50.00 yen	-	+3.50 yen

## Points

### • Net sales

YoY change +8.1%

This has been revised to take into account the better than expected performance in the first half of the year

### • Gross profit

YoY change +4.8%

This reflects the impact of an increase in profit margins (300 million yen) due to a change in the selling price of inventory purchased at the old price, and an increase in costs (reduced profits) of approximately 750 million yen due to an increase in the number of copies of the comprehensive professional tool catalog "TRUSCO Orange Book" aimed at improving customer convenience.

### • Selling, general and administrative expenses (SGA)

YoY change +5.5%

There is no change to the second half budget, and the first half has been replaced with actual results.

### • Profit attributable to owners of parent

YoY change +22.5%

We plan to record an extraordinary profit (approximately 2,700 million yen) in the second half of the year.

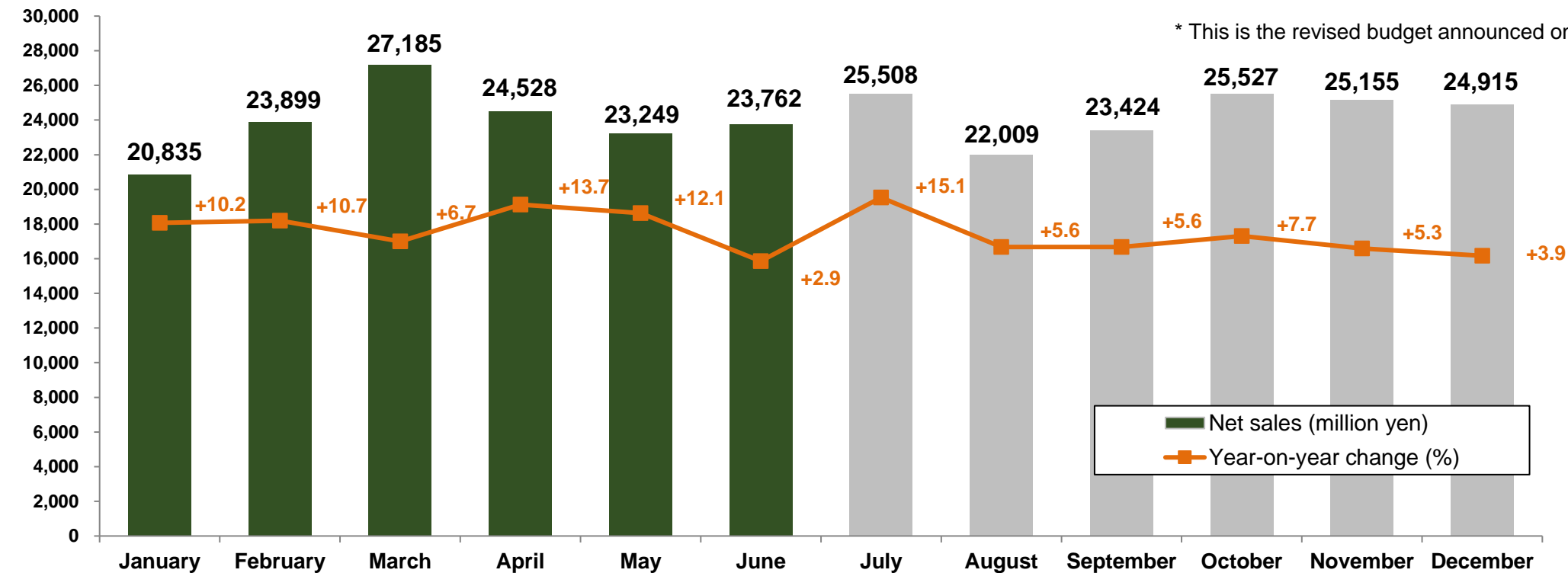
# [Consolidated] Monthly sales

FYE December 31, 2024 (62nd business year)

■ Results (January to June)

■ Budget (July-December)

\* This is the revised budget announced on August 9, 2024.



## Sales per day

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Sales per day (million yen)	1,096	1,257	1,359	1,168	1,107	1,188							-
Year-on-year change (%)	+ 10.2	+10.7	+17.3	+ 8.3	+6.8	+13.2							-
Number of business days (days)	19	19	20	21	21	20	22	21	19	22	20	21	245
Year-on-year change (days)	±0	±0	Δ2	+1	+1	Δ2	+2	Δ1	Δ1	+1	±0	±0	Δ1

Orders are constantly placed for consumables used in factories. As such, we place focus on the sales per day. Our sales increase during the peak periods of March when many companies close their accounts.

# [Consolidated] Monthly sales by sales route

	January	February	March	April	May	June	July	August	September	October	November	December	Total
Number of business days	19	19	20	21	21	20	22	21	19	22	20	21	245
YoY change	±0	±0	△2	+1	+1	△2	+2	△1	△1	+1	±0	±0	△1

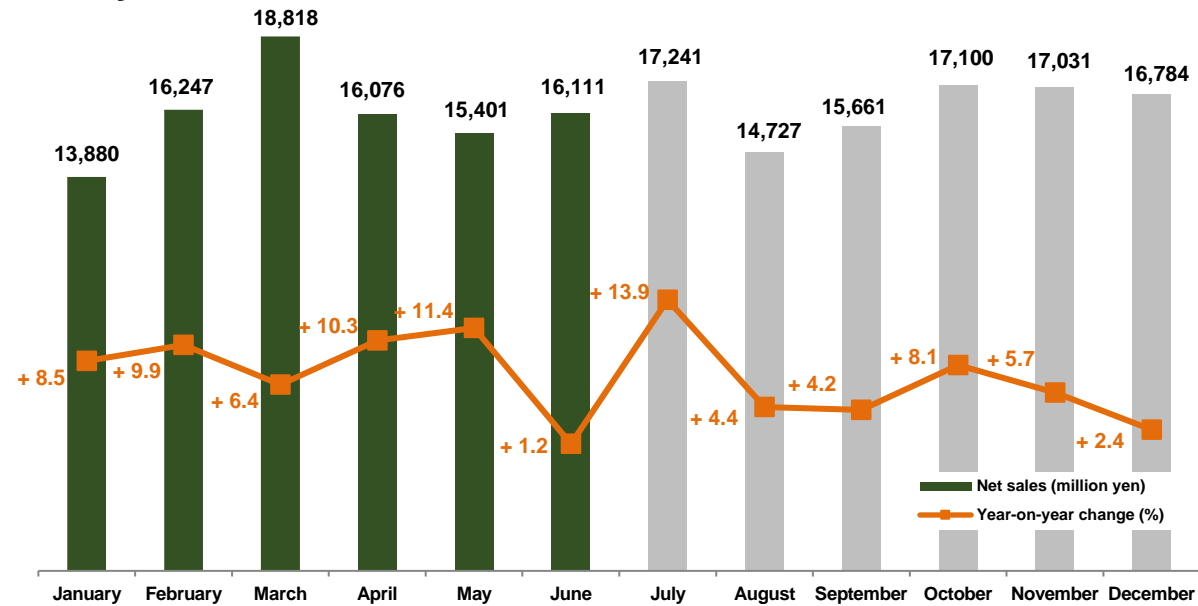
FYE December 31, 2024 (62nd business year)

■ Results (January to June)

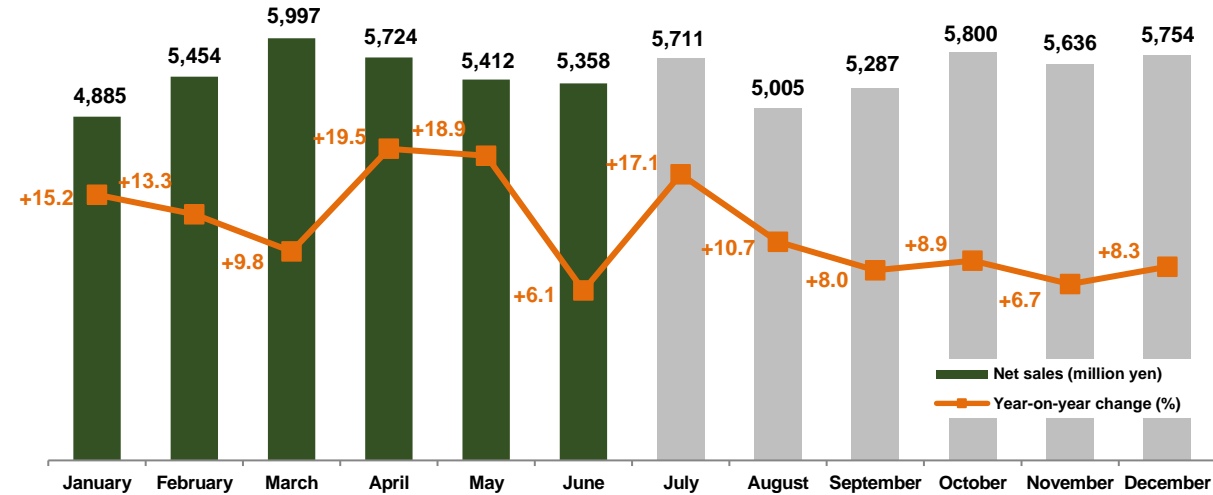
■ Budget (July-December)

\* This is the revised budget announced on August 9, 2024.

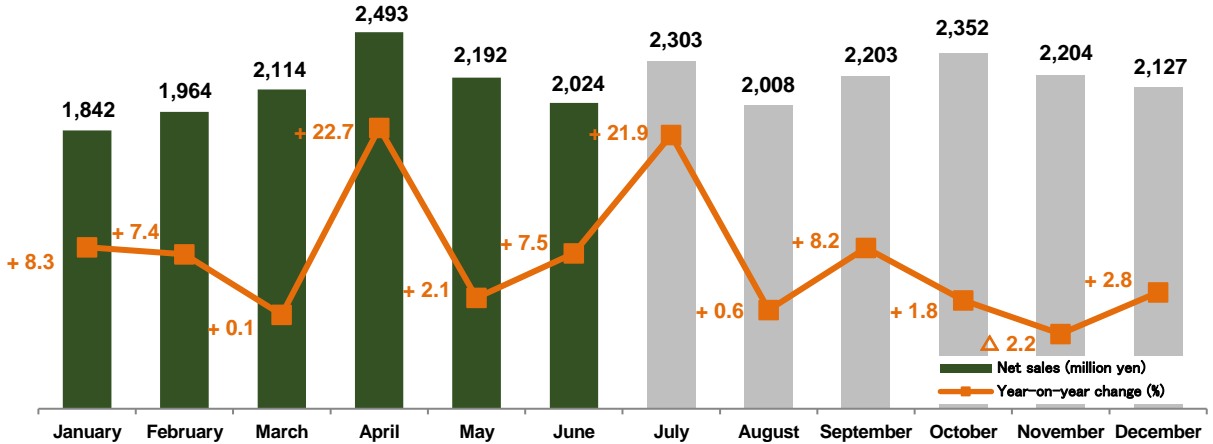
## Factory route



## e-business route



## Home center route



# 03

## Sales Performance

[Consolidated] Business performance / plans by sales route

- Factory route
- e-business route
- Home center route
- Business performance of subsidiaries

[Non-consolidated] Sales by category of goods

[Non-consolidated] Changes in sales by category of goods  
(small category)

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

# [Consolidated] Business performance by sales route

Factory route: Share 67.3% (YoY change +7.7%) e-business route: Share 22.9% (YoY change +13.6%)

Home center route: Share 8.8% (YoY change +7.9%) Overseas route: Share 1.0% (YoY change +23.7%)

	Actual results for FYE December 31, 2023 (61st business year)				FYE December 31, 2024 (62nd business year) Interim period results					
	Net sales			Gross profit margin	Net sales				Gross profit margin	
Sales route	Actual results	Share	Year-on-year change	Actual results	Actual results	Share	YoY change	Change from budget (%)	Actual results	Change from the end of previous fiscal year
Factory route	182,188 million yen	67.9%	+6.8%	21.5%	96,534 million yen	67.3%	+7.7%	+2.5%	20.7%	-0.8%
e-business route	59,121 million yen	22.1%	+14.6%	22.3%	32,833 million yen	22.9%	+13.6%	+6.0%	22.9%	+0.6pt
Home center route	24,260 million yen	9.0%	+9.5%	17.4%	12,631 million yen	8.8%	+7.9%	+3.1%	17.6%	+0.2pt
Overseas route	2,583 million yen	1.0%	+22.5%	34.4%	1,461 million yen	1.0%	+23.7%	+4.9%	34.6%	+0.2pt
Total	268,154 million yen	100.0%	+8.8%	21.5%	143,461 million yen	100.0%	+9.2%	+3.4%	21.1%	-0.4pt

# [Consolidated] Plans by sales route

\* This is the revised budget announced on August 9, 2024.

	Plan for FYE December 31, 2024 (62nd business year) Second-half budget*			Plan for FYE December 31, 2024 (62nd business year) Full-year budget*		
	Net sales			Net sales		
Sales route	Budget	Share	Year-on-year change	Budget	Share	YoY change
Factory route	98,544 million yen	67.2%	+6.4%	195,078 million yen	67.3%	+7.1%
e-business route	33,193 million yen	22.7%	+9.9%	66,026 million yen	22.8%	+11.7%
Home center route	13,197 million yen	9.0%	+5.1%	25,828 million yen	8.9%	+6.5%
Overseas route	1,604 million yen	1.1%	+14.4%	3,065 million yen	1.0%	+18.7%
Total	146,538 million yen	100.0%	+7.1%	290,000 million yen	100.0%	+8.1%

# [Consolidated] Business performance by sales route: (Factory route)

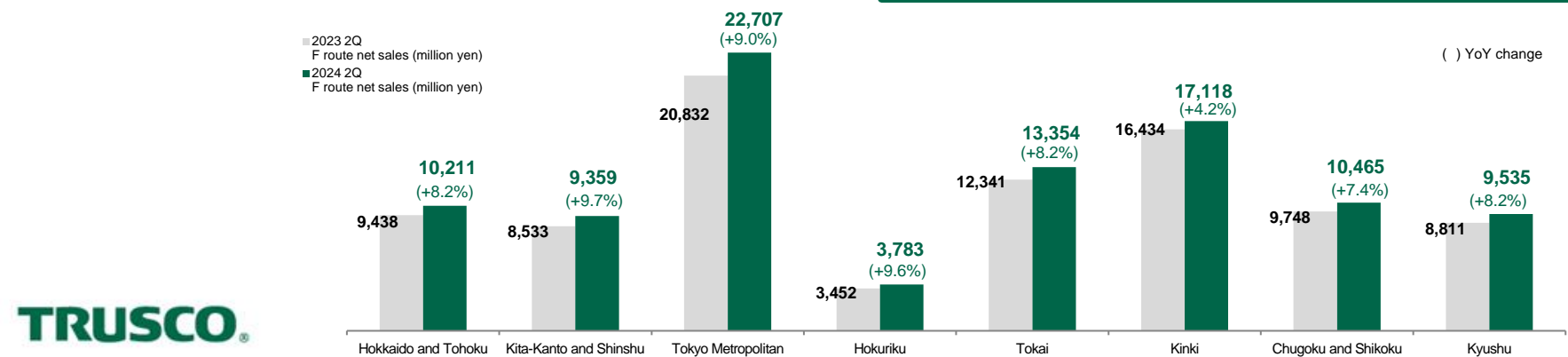
This route delivers our products to factories, construction sites, and other manufacturing sites through machine tool dealers, etc. While business conditions in the manufacturing sector are returning to their pre-pandemic levels, the holding of abundant inventories and the implementation of various initiatives resulted in a YoY change in net sales of +7.7%.

	Actual results for FYE December 31, 2023 (61st business year)			FYE December 31, 2024 (62nd business year) Interim period results				
	Net sales		Gross profit margin	Net sales			Gross profit margin	
Sales route	Actual results	Share	Actual results	Actual results	Share	YoY change	Actual results	Change from the end of previous fiscal year
Machine tool dealers	90,502 million yen	49.7%	22.2%	47,038 million yen	48.7%	+5.2%	21.3%	-0.9pt
Dealers in welding materials	26,180 million yen	14.4%	20.8%	13,478 million yen	14.0%	+4.7%	20.3%	-0.5pt
Other manufacturing related (Physical chemical, conductor, packaging material dealers, etc.)	30,598 million yen	16.8%	20.1%	16,192 million yen	16.8%	+7.9%	19.4%	-0.7pt
Construction related	34,906 million yen	19.1%	21.6%	19,825 million yen	20.5%	+16.8%	20.7%	-0.9pt
Factory route total	182,188 million yen	100.0%	21.5%	96,534 million yen	100.0%	+7.7%	20.7%	-0.8pt

## Points

- We have also enhanced inventory and logistics at 28 logistics centers and 29 inventory storage branches across the country, thereby improving convenience for clients and consolidating commercial distribution channels .
- We conducted sales activities that also reduced the burden on the environment, such as expanding the installation of "MRO Stockers" and strengthening PR for Niawase + Yuchoku" (assortment & direct delivery to users)," which can significantly reduce logistics costs and labor throughout the supply chain, and our repair service "Naojiro."

- Gross profit margin was down 0.8 points compared to the end of the previous fiscal year due to a decrease in the profit-boosting effect of last year's price revisions and the consolidation of commercial distribution.





# [Consolidated] Business performance by sales route: (e-business route)

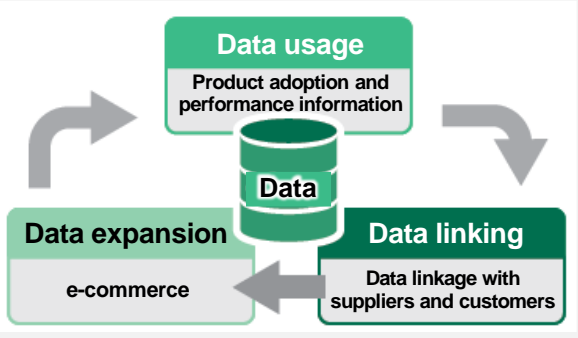
This route delivers our products to manufacturing sites, such as factories and construction sites, and consumers through Internet order companies. Product data and system linkage, as well as logistics processing tailored to customer needs, have improved convenience, resulting in a YoY change in net sales of +13.6%.

Sales route	Actual results for FYE December 31, 2023 (61st business year)			FYE December 31, 2024 (62nd business year) Interim period results				
	Net sales		Gross profit margin	Net sales			Gross profit margin	
	Actual results	Share	Actual results	Actual results	Share	YoY change	Actual results	Change from the end of previous fiscal year
Mail order companies	45,054 million yen	76.2%	21.1%	25,080 million yen	76.4%	+14.2%	21.7%	+0.6pt
Companies participating in Orange Commerce (Trusco's electronic central purchasing system), MRO Stocker	14,066 million yen	23.8%	26.1%	7,752 million yen	23.6%	+11.6%	26.7%	+0.6pt
e-business route total	59,121 million yen	100.0%	22.3%	32,833 million yen	100.0%	+13.6%	22.9%	+0.6pt

## Points

- Logistics processing according to customer needs  
We have strengthened our unique logistics services, such as “Niawase + Yuchoku” (assortment & direct delivery to users)”.
- The development of a product database with approximately 4.57 million items and the strengthening of system linkages have led to an increase in sales, including shorter delivery times and an increase in the number of stock linkage locations.
- Gross profit margin increased +0.6 points compared to the end of the previous fiscal year due to progress being made in pass-through of the increase in purchasing prices resulting from delayed price revisions to sales prices.

## Sales to mail order companies: Sales ratio by industry

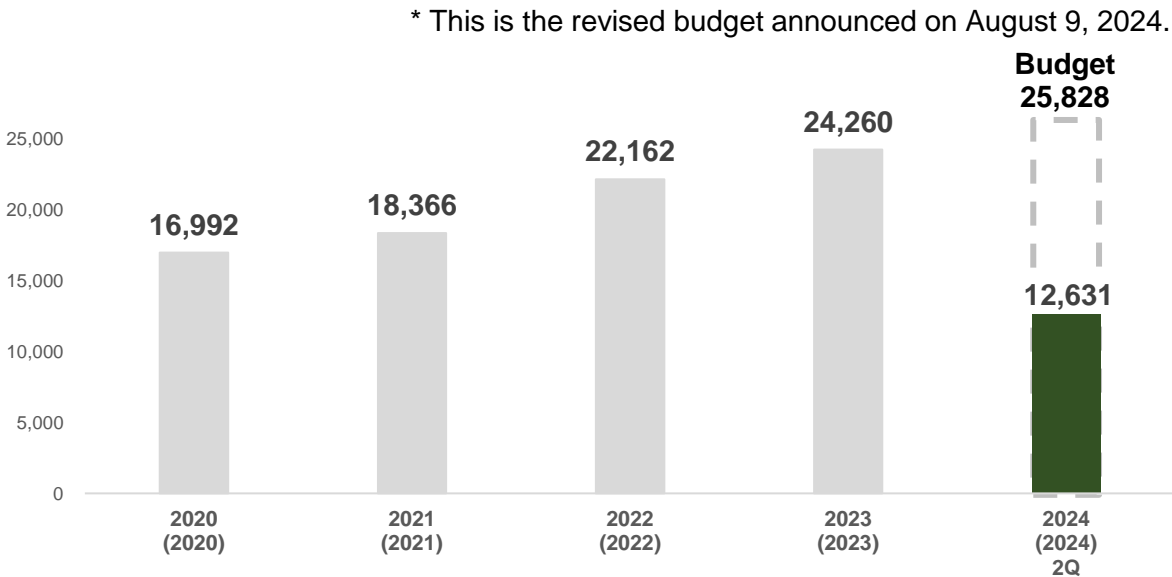


# [Consolidated] Business performance by sales route: (Home center route)

This route delivers our products to consumers through home centers and pro-tool shops. As companies are strengthening their e-commerce businesses, we aggressively proposed services utilizing our inventory of approximately 600,000 items and logistics capabilities, resulting in a YoY change in net sales of +7.9%.

	Actual results for FYE December 31, 2023 (61st business year)		FYE December 31, 2024 (62nd business year) Interim period results			
	Net sales	Gross profit margin	Net sales		Gross profit margin	
	Actual results	Actual results	Actual results	YoY change	Actual results	Change from the end of previous fiscal year
Home Center Route	24,260 million yen	17.4%	12,631 million yen	+7.9%	17.6%	+0.2pt

Change in sales earned via home center route (Unit: million yen)



### Points

- We consolidated commercial distribution channels and acquired a new right to supply products through collaborative efforts between our stores and EC site. In addition, we also saw an increase in sales at pro-tool shops, which are dealers that target professional craftspeople and factory workers who have a high affinity with our company.
- Utilizing the approximately 4.57 million items we have for sale and approximately 600,000 items we have in stock for instant delivery, we worked on measures to continue expanding sales by enhancing the product lineup in our stores and EC site.
- As with the e-business route, the costs were passed through to sales prices, resulting in a gross profit margin of +0.2pt compared to the end of the previous fiscal year.

# [Consolidated] Business performance by sales route: (Business performance of subsidiaries)

We strengthened our sales activities by reviewing inventory items and developing local customers and suppliers.

	Trusco NAKAYAMA CORPORATION (non-consolidated)				Trusco NAKAYAMA CORPORATION (THAILAND) LIMITED				PT. TRUSCO NAKAYAMA INDONESIA			
	FYE December 31, 2024 (62nd business year) Interim period results			Full year budget	FYE December 31, 2024 (62nd business year) Interim period results			Full year budget	FYE December 31, 2024 (62nd business year) Interim period results			Full year budget
	Amount	Share	YoY change	Year-on-year change	Amount	Share	YoY change	Year-on-year change	Amount	Share	YoY change	Year-on-year change
Net sales	143,033 million yen	-	+9.1%	+8.1%	572 million yen	-	+19.6%	+18.8%	324 million yen	-	+25.0%	+22.0%
Gross profit	29,930 million yen	20.9%	+7.0%	+4.7%	150 million yen	26.3%	+21.2%	+19.2%	107 million yen	33.2%	+23.0%	+20.0%
Selling, general and administrative expenses (SGA)	20,177 million yen	14.1%	+6.9%	+5.5%	85 million yen	15.0%	+3.3%	+1.0%	86 million yen	26.7%	+5.2%	+9.9%
Depreciation included in SGA	2,887 million yen	2.0%	-7.4%	+0.9%	11 million yen	1.9%	+0.3%	+9.6%	27 million yen	8.5%	+0.5%	+4.5%
Operating income	9,753 million yen	6.8%	+7.1%	+2.9%	64 million yen	11.3%	+57.1%	+59.8%	20 million yen	6.4%	+309.0%	+81.1%
Ordinary income	9,859 million yen	6.9%	+6.7%	+3.3%	68 million yen	11.9%	+55.1%	+53.1%	25 million yen	7.7%	+272.1%	+58.9%
Current (interim) net income	6,665 million yen	4.7%	+10.4%	+22.1%	68 million yen	11.9%	+55.1%	+22.4%	25 million yen	7.7%	+272.1%	+58.9%

	FYE December 31, 2024 (62nd business year) Interim period results		
		Net sales	Gross profit
Business performance in other overseas regions (Philippines, China, South Korea, etc.)	Actual results	564 million yen	139 million yen
	Rate	-	24.7%
	YoY change	+28.8%	+30.4%

\* This is the revised budget announced on August 9, 2024.

## Points

- By enhancing the development of personal suppliers for local top brands in Thailand, and by reviewing inventory items in Indonesia, we have shortened the delivery lead time and expanded the sales area through transactions with new customers of local companies.
- With regards to sales to other overseas regions, we worked to expand transactions by opening new accounts with EC companies mainly in the Asia-Pacific region.

# [Non-consolidated] Sales by category of goods

FYE December 31, 2024 (62nd business year) Interim period results

(Unit: million yen, %)

Category of goods (large category)	Medium category	Trusco's sales	Share	YoY change	Gross profit margin	Category of goods (large category)	Medium category	Trusco's sales	Share	YoY change	Gross profit margin
1. Cutting tools	Cutting tools total	4,357	3.1	+6.1	16.1	6. Environmental safety equipment	Environmental safety equipment total	26,718	18.7	+15.8	22.4
	① Cutting tools	2,323	1.7	-	11.9		㉕ Protective equipment	13,892	9.7	-	23.9
	② Drilling and thread cutting tools	2,034	1.4	-	21.0		㉖ Safety goods	6,016	4.2	-	25.1
2. Production processing goods	Production processing goods total	10,690	7.5	+11.0	15.7		㉗ Environment improvement goods	1,220	0.9	-	18.7
	③ Measurement equipment	5,967	4.2	-	14.7		㉘ Air conditioning goods	2,865	2.0	-	15.2
	④ Mechatronics	2,103	1.5	-	15.7		㉙ Disaster and crime prevention goods	1,617	1.1	-	19.9
	⑤ Tools for machine tools	1,234	0.9	-	25.4		㉚ Closets and exterior goods	1,105	0.8	-	16.2
	⑥ Electronic machinery	1,385	1.0	-	11.1	7. Distribution and storage equipment	Distribution and storage equipment total	14,482	10.1	+2.7	22.2
							㉛ Loading goods	4,156	2.9	-	18.0
3. Construction goods	Construction goods total	16,619	11.6	+8.4	21.4		㉜ Conveyors	519	0.4	-	16.1
	⑦ Hydraulic tools	1,139	0.8	-	12.1		㉝ Transportation goods	5,447	3.8	-	22.0
	⑧ Pumps	1,956	1.4	-	17.0		㉞ Containers and vessels	2,216	1.5	-	28.3
	⑨ Welding equipment	1,451	1.0	-	16.9		㉟ Steel shelves	2,142	1.5	-	26.2
	⑩ Painting and interior goods	1,508	1.1	-	26.5	8. Research management equipment	Research management equipment total	5,618	3.9	+3.6	22.7
	⑪ Civil engineering and building goods	1,354	0.9	-	15.0		㊱ Tool wagons	482	0.3	-	27.7
	⑫ Ladders and stepladders	2,054	1.4	-	21.9		㊲ Storage and management goods	713	0.5	-	29.6
	⑬ Piping and materials of electronic equipment	2,604	1.8	-	22.6		㊳ Work benches	856	0.6	-	30.7
	⑭ Component, hardware, and building materials	4,550	3.2	-	26.5		㊴ Stainless goods	1,101	0.8	-	18.7
							㊵ Research and development- related goods	2,464	1.7	-	18.8
4. Work supply	Work supply total	26,444	18.5	+5.6	21.9	9. Office and housing facility equipment	Office and housing facility equipment total	13,209	9.2	+14.9	22.5
	⑮ Cutting goods	802	0.6	-	22.3		㊶ Cleaning utensils	3,784	2.6	-	20.9
	⑯ Grinding and polishing goods	4,032	2.8	-	23.8		㊷ Stationery	1,721	1.2	-	19.6
	⑰ Chemical products	14,163	9.9	-	20.6		㊸ Office miscellaneous goods	1,817	1.3	-	27.4
	⑱ Factory miscellaneous goods	2,341	1.6	-	16.3		㊹ Electric appliances	2,068	1.4	-	22.5
	⑲ Packing and binding goods	3,383	2.4	-	30.7		㊺ OA business machinery	1,355	0.9	-	24.7
	㉀ Casters	1,716	1.2	-	17.9		㊻ Office furniture	2,300	1.6	-	22.2
							㊼ Interior goods	160	0.1	-	19.4
5. Hand tool	Hand tool total	24,294	17.0	+9.4	18.9	10. Others	㊽ Entire company	598	0.4	-6.9	27.3
	㉁ Electric power tools and accessories	7,460	5.2	-	14.0		Total	143,033	100.0	+9.1	20.9
	㉂ Pneumatic tools and accessories	3,673	2.6	-	17.4						
	㉃ Tools for manual work	11,938	8.3	-	21.4						
	㉄ Tool boxes	1,221	0.9	-	28.4						

## Points

Sales increased mainly in product groups related to factory operations

• Environmental safety equipment  
YoY change +15.8%

Sales of safety shoes and seasonal products increased

• Office and housing facility equipment  
YoY change +14.9%

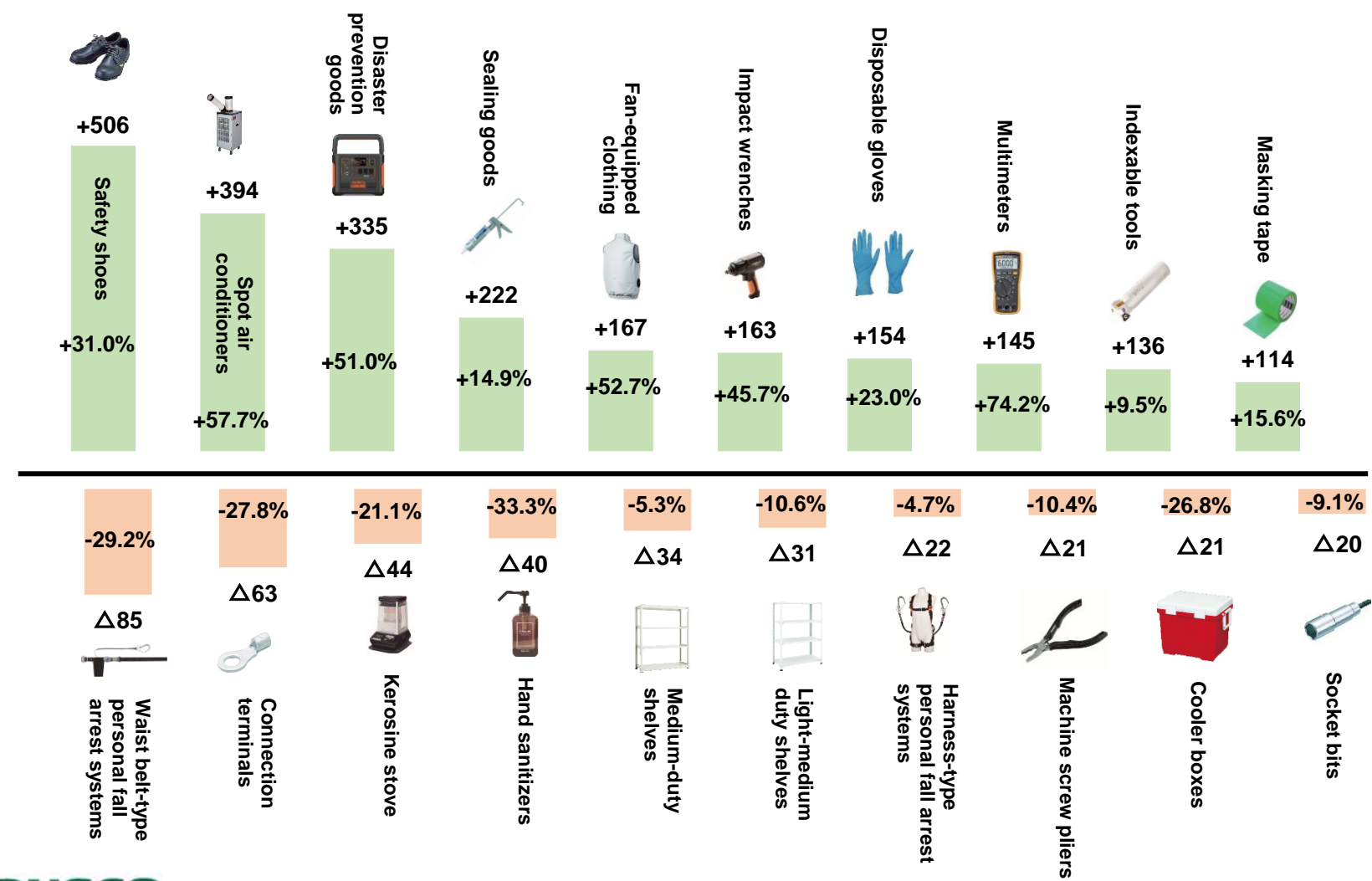
Sales of office-related products such as cleaning utensils increased

• Production processing goods  
YoY change +11.0%

Sales of measurement related equipment in particular increased

# [Non-consolidated] Changes in sales by category of goods (small category)

FYE December 31, 2024 (62nd business year) Interim period results (unit: million yen, %)



## Points



As a result of strengthening our collaboration with suppliers, we have seen an increase in sales of safety shoes, disaster prevention goods as disaster prevention measures, and spot air conditioners as a countermeasure against heat stroke.



Demand for fall prevention equipment slowed due to changes to the law, and sales of kerosene stoves decreased due to the warm winter. When there was a continued shortage of connection terminals in the market, the demand concentrated at our company, which had inventory, subsided.

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

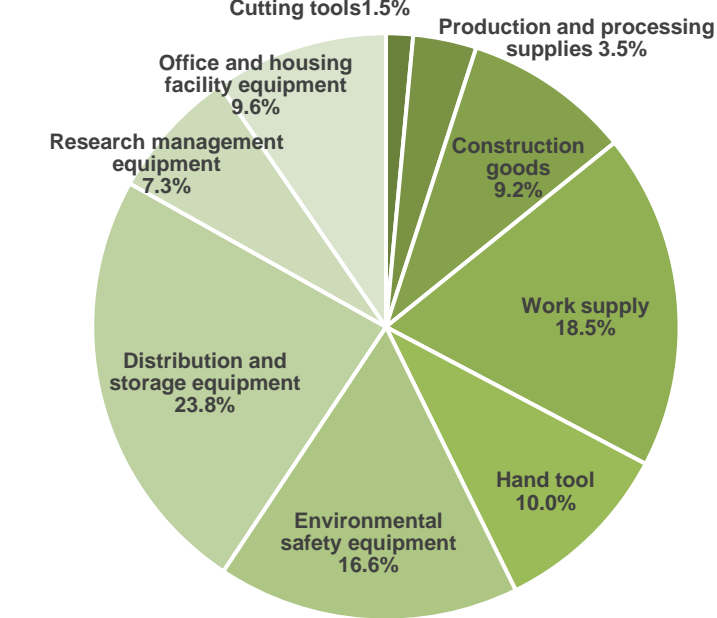
The sales composition of private brand "TRUSCO" is on a declining trend due to the differing growth rates between our private brand products and national brand products. However, we are actively enhancing our efforts to expand the sales of private brand products by refining and improving them.

■ Sales by sales route and category of goods Unit (million yen)

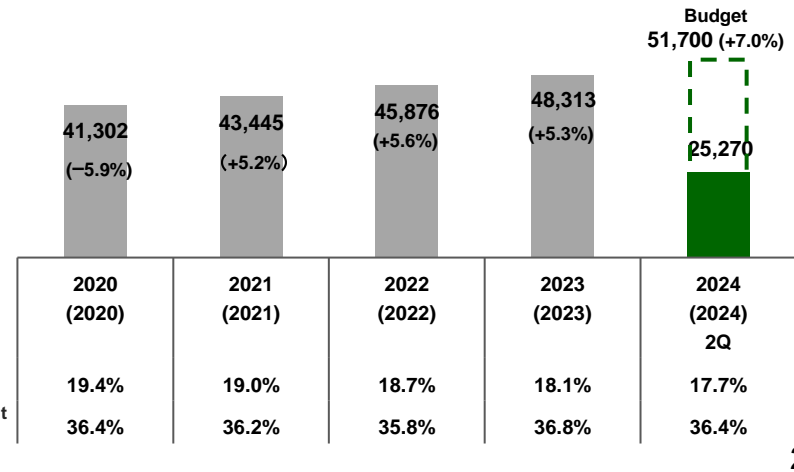
	Entire company		Factory		e-business		Home center	
	Share: 17.7 % Gross profit margin : 36.4 %		Share: 18.2 % Gross profit margin : 36.8 %		Share: 21.2 % Gross profit margin : 36.1 %		Share: 4.4 % Gross profit margin : 28.2 %	
	Net sales	YoY change	Net sales	YoY change	Net sales	YoY change	Net sales	YoY change
Total	25,270	+3.8%	17,557	+2.6%	6,963	+6.3%	556	+6.0%
Cutting tools	376	+0.9%	271	+1.5%	66	+4.0%	32	-12.1%
Production processing goods	882	+1.4%	615	-0.0%	243	+4.8%	9	+8.6%
Construction goods	2,330	+4.7%	1,559	+2.6%	717	+8.9%	34	+12.4%
Work supply	4,680	+6.3%	3,555	+6.0%	1,040	+7.2%	45	+5.3%
Hand tool	2,523	+3.7%	1,733	+2.7%	693	+6.3%	58	+4.9%
Environmental safety equipment	4,203	+11.2%	3,007	+9.6%	1,071	+15.1%	111	+14.9%
Distribution and storage equipment	6,008	+1.1%	4,023	-0.6%	1,702	+4.0%	244	+3.2%
Research management equipment	1,842	-2.7%	1,219	-5.7%	596	+2.0%	7	+161.4%
Office and housing facility equipment	2,422	+0.3%	1,571	-0.4%	832	+1.6%	12	-4.0%



■ Private brand product share in net sales as of the end of June 30, 2024



■ Trend in sales of private brand products (unit: million yen) ( ) YoY change



Share  
Gross profit  
margin

2020 (2020)	2021 (2021)	2022 (2022)	2023 (2023)	2024 (2024) 2Q
19.4%	19.0%	18.7%	18.1%	17.7%
36.4%	36.2%	35.8%	36.8%	36.4%

# 04

## Financial and Other Performances

[Consolidated] Selling, general and administrative expenses (SGA)

[Consolidated] Details of selling, general and administrative expenses (SGA)

[Consolidated] Financial statements and financial indicators

[Consolidated] Capital expenditures

Future capital investment plans

[Consolidated] Quarterly business performance and budget (quarterly)

[Consolidated] Quarterly business performance and budget (cumulative)



# [Consolidated] Selling, general and administrative expenses (SGA)

Freight and packing expenses increased due to an increase in shipment volume, and salaries and bonuses increased due to payment of achievement incentives, while selling, general and administrative expenses increased by 6.9% year on year due to decreases in depreciation, etc.

(Unit: million yen) ( ) YoY change

FYE December 31, 2024  
(62nd business year)

Interim period

**20,348**  
(+6.9%)

Other

**+447**

Depreciation

**-231**

Provision for  
bonuses

**+273**

Freight and  
packing expenses

**+371**

Salary and  
bonus

**+457**

FYE December 31, 2023  
(61st business year)  
Interim period

**19,031**

**Selling, general and administrative expenses 20,348 million yen  
+1,317 million yen**

- Salaries and bonuses +457 million yen: Impact of achievement incentive payments, increased labor costs for part-time workers due to increased sales
- Freight and packing expenses +371 million yen impact of increased shipping volumes  
\* Freight expenses associated with the User Direct Shipment Service are paid by customers.
- Provision for bonuses: +273 million yen: Performance bonus provision recorded
- Depreciation: -231 million yen, due to expiration of amortization period of software
- Other +447 million yen: Increase in commission fees due to system operation, etc.

# [Consolidated] Details of selling, general and administrative expenses (SGA)

\* This is the revised budget announced on August 9, 2024.  
(Unit: million yen, %)

		FYE December 31, 2023 (61st business year)		FYE December 31, 2024 (62nd business year) Interim period				2024 (62nd business year) Full-year Budget	Full year budget and YoY change in performance
		Actual results	Share in net sales	Actual results	Share in net sales	Change from previous period	YoY change		
No.									
1	Salary and bonus	13,451	5.0	6,798	4.7	+457	+7.2	14,196	+5.5
2	Freight and packing expenses	8,261	3.1	4,410	3.1	+371	+9.2	8,967	+8.5
3	Depreciation	6,206	2.3	2,926	2.0	-231	-7.3	6,265	+0.9
4	Commission fee	2,504	0.9	1,510	1.1	+223	+17.3	3,005	+20.0
5	Welfare expense	2,553	1.0	1,323	0.9	+108	+8.9	2,648	+3.7
6	Taxes and dues	1,372	0.5	719	0.5	+48	+7.3	1,411	+2.8
7	Provision for bonuses	683	0.3	548	0.4	+273	+99.2	538	-21.3
8	Advertising expenses	587	0.2	312	0.2	+2	+0.8	590	+0.4
9	Supplies expenses	532	0.2	298	0.2	+6	+2.2	565	+6.2
10	Traveling expenses and transportation expenses	564	0.2	295	0.2	+6	+2.4	578	+2.4
11	Utilities expenses	473	0.2	223	0.2	-14	-6.0	498	+5.1
12	Communication expenses	424	0.2	211	0.1	-0	-0.1	425	+0.2
13	Promotion expenses	252	0.1	186	0.1	+18	+10.7	277	+9.5
14	Remuneration paid to directors	442	0.2	157	0.1	+9	+6.1	448	+1.2
15	Vehicle expenses	284	0.1	151	0.1	+2	+1.8	299	+5.2
16	Leasehold and office rents	347	0.1	148	0.1	-33	-18.4	302	-13.1
17	Entertainment expenses	139	0.1	51	0.0	-18	-26.7	79	-43.3
18	Other	-77	0.0	72	0.1	+88	-	66	-
Total		39,003	14.5	20,348	14.2	+1,317	+6.9	41,157	+5.5

# [Consolidated] Financial statements and financial indicators

## Balance Sheet

FYE December 31, 2024 (62nd business year) Interim period (unit: million yen)

Item	Amount	Item	Amount
Assets		Liabilities	
Current assets		Current liabilities	
Cash and deposits	40,768	Accounts payable - trade	20,060
Accounts receivable	34,697	Short-term borrowings	10,000
Electronically recorded monetary claims - operating	2,784	Long-term borrowings scheduled to be repaid within one year	1,500
Merchandise	54,707	Accounts payable - other	2,469
Other	1,138	Income taxes payable	3,089
Allowance for doubtful accounts	-1	Provision for bonuses	552
<b>Total current assets</b>	<b>134,095</b>	Provision for bonuses for directors (and other officers)	66
Non-current assets		Other	1,875
Property, plant and equipment		<b>Total current liabilities</b>	<b>39,613</b>
Buildings (net amount)	46,638	Non-current liabilities	
Machinery and equipment (net amount)	6,208	Long-term borrowings	45,000
Tools, furniture and fixtures (net amount)	1,344	Provision for retirement benefits for directors (and other officers)	151
Land	39,926	Long-term guarantee deposits	2,746
Construction in progress	15,405	Other	2
Other (net amount)	1,880	<b>Total non-current liabilities</b>	<b>47,900</b>
<b>Total tangible non-current assets</b>	<b>111,402</b>	<b>Total liabilities</b>	<b>87,513</b>
Intangible assets		Net assets	
Software	3,386	Shareholders' equity	
Other	1,416	Capital stock	5,022
<b>Total intangible non-current assets</b>	<b>4,803</b>	Capital surplus	4,711
Investments and other assets		Retained earnings	155,494
Investment securities	2,671	Treasury shares	- 83
Deferred tax assets	387	<b>Total shareholders' equity</b>	<b>165,145</b>
Deferred tax assets for land revaluation	155	Accumulated other comprehensive income	
Other	555	Valuation difference on available-for-sale securities	859
Allowance for doubtful accounts	- 132	Revaluation reserve for land	-353
<b>Total investments and other assets</b>	<b>3,637</b>	Foreign currency translation adjustment	775
<b>Total non-current assets</b>	<b>119,844</b>	Accumulated other comprehensive income total	1,281
		<b>Total net assets</b>	<b>166,426</b>
<b>Total assets</b>	<b>253,940</b>	<b>Liabilities / Total net assets</b>	<b>253,940</b>

We promote "Ownership Management," believing that owning our own distribution centers, branch office buildings, data centers, and vehicles, which are the main arteries of corporate management, will bring the greatest benefits.



## Statement of cash flows

(Unit: million yen)

	FYE December 31, 2023 (61st business year) Interim period	FYE December 31, 2024 (62nd business year) Interim period	Change
Cash flows from operating activities	6,296	2,599	-3,696
Cash flows from investing activities	-5,148	-10,123	-4,975
Cash flows from financing activities	-1,548	4,950	6,499
Effect of exchange rate change on cash and cash equivalents	85	40	-44
Net increase (decrease) in cash and cash equivalents	-315	-2,532	-2,216
Cash and cash equivalents at beginning of period	39,400	43,085	3,684
Cash and cash equivalents at end of period	39,085	40,553	1,468

## Equity ratio

	FYE December 31, 2023 (61st business year)	FYE December 31, 2024 (62nd business year) Interim period	Change (pt)
Equity ratio	65.6%	65.5%	-0.1

## Other financial indicators

	FYE December 31, 2022 (60th business year)	FYE December 31, 2023 (61st business year)	Change (pt)
ROA (Return on Assets)	6.7%	7.9%	+1.2pt
ROE (Return on Equity)	7.2%	7.9%	+0.7pt

### <Our Approach to ROE>

We believe it is important to expand profits and ensure long-term, stable increase by making continuous investments to enhance corporate value. We believe that ROE should increase as a result of our business where we place importance on improving the convenience of our customers.

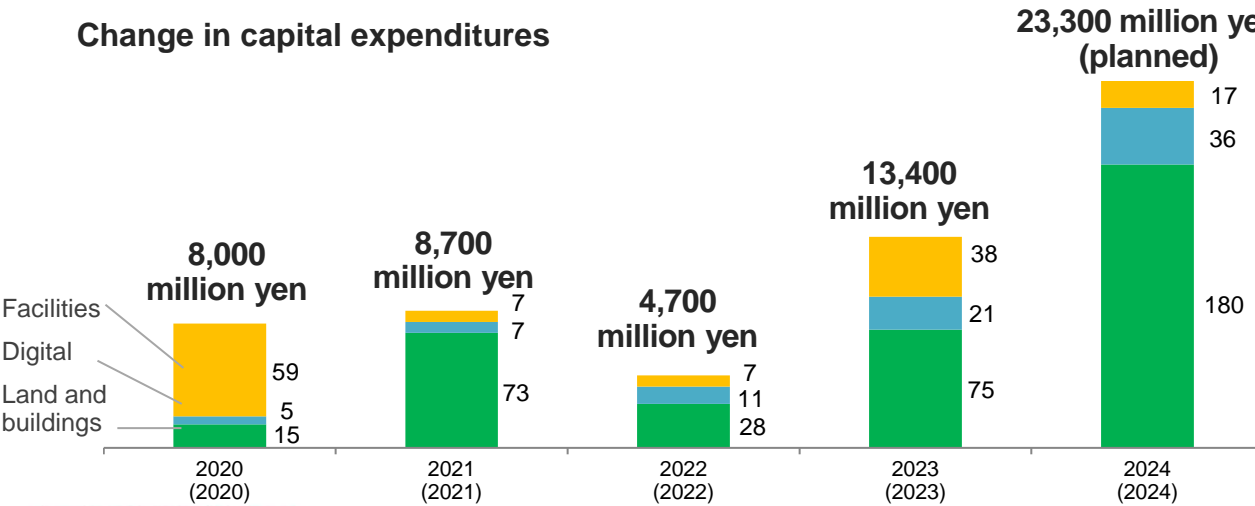
# [Consolidated] Capital expenditures

## Actual and major capital expenditures

(Unit: million yen)

Details of major capital expenditures in 2024		Major capital investments: 2Q investment results	Actual investment in FY 2024 2Q Total	2024 Investment plan
Facilities	Renovation of TRUSCO Central Building (Osaka Head Office) (total investment planned: approx. 100 million yen)	133	930	1,707
	Planet Saitama “Skypod” introduced (total investment amount: approx. 1,000 million yen)	360		
Digital	Enhancement of product database “Sterra” (Planned total investment amount: approx. 1,300 million yen)	118	1,091	3,600
Land and buildings	Planet Aichi new construction project (Planned total investment amount: approx. 20,000 million yen)	5,808	7,846	18,078
	Renovation of TRUSCO Central Building (Osaka Head Office) (total investment planned: approx. 1,100 million yen)	645		
	Acquired land in Suzaka City, Nagano Prefecture (total planned investment: approx. 900 million yen)	929		
	Planet Saitama tent warehouse construction (total planned investment: approx. 500 million yen)	223		
	Planet Niigata New Construction Project (total investment planned: approx. 16,600 million yen)	—		
Capital expenditures			9,868	23,385

## Change in capital expenditures



### <Capital expenditures>

- The investment amount may fluctuate as the planned amount of capital expenditures includes expenses for projects at the planning stage.
- The figures for the 62nd business year (2024) represent values on a cash-out basis.

### <Regarding depreciation expenses>

- Depreciation after the operation of Planet Aichi (total investment of 30,000 million yen) and Planet Niigata (total investment of 18,000 million yen) in the 64th business year (2026) is expected to be approximately JPY 10,000 million yen in the 65th business year (2027).

# Future capital investment plans

## Planet Aichi



[Location]	Nagoya 19 Block 1 to 39-4 Kitanagoya City, Aichi Prefecture, etc.
[Access]	Approximately 2.5 km from Nishiharu Station on the Meitetsu Inuyama Line (9 minutes by car)
[Site area]	41,634 m <sup>2</sup>
[Total floor area]	88,579 m <sup>2</sup>
[Building structure]	Composite structure (RC columns and Steel beams), seismic isolation structure
[Number of floors]	Warehouse: 4 floors, Office: 4 floors
[Number of items stored]	1 million items [Number of lines shipped] 100,000 lines/day
[Building completion date]	January 2025 (planned)
[Shipping start]	July 2026 (planned)
[Total investment amount]	Land and buildings: Approximately 20,000 million yen, Facilities: Approximately 10,000 million yen



## Planet Niigata



[Location]	431-2 Matsubashi-shimo-dachi, Fukushima-shinden, Sanjo-shi, Niigata Prefecture
[Access]	7km from Tsubame-Sanjo Station on the Joetsu Shinkansen (15 minutes by car)
[Site area]	26,300 m <sup>2</sup>
[Total floor area]	47,010 m <sup>2</sup>
[Building structure]	Composite structure (RC columns and Steel beams), seismic isolation structure, snow melting device
[Number of floors]	Warehouse: 4 floors, Office: 3 floors
[Number of items stored]	160,000 items [Number of lines shipped] 35,000 lines/day
[Building construction start]	August 2024 [Building construction completion] February 2026 (planned)
[Shipping start]	September 2026 (planned)
[Total investment amount]	Land and buildings: Approximately 16,600 million yen, Facilities: Approximately 1,400 million yen



# [Consolidated] Quarterly business performance and budget (quarterly)

FYE December 31, 2024 (62nd business year) Interim period [Quarterly]

(Unit: million yen)

		1st Quarter (-2 days)			2nd Quarter (±0 day)			3rd Quarter (±0 day)			4th Quarter (+1 day)		
		Budget and actual results	Share	YoY change	Budget and actual results	Share	YoY change	Budget	Share	YoY change	Budget	Share	YoY change
Net sales	Budget	69,035	100.0	+4.6	69,733	100.0	+6.6	70,941	100.0	+8.8	75,597	100.0	+5.6
	Actual results	71,921	100.0	+9.0	71,540	100.0	+ 9.4	-	-	-	-	-	-
Gross profit	Budget	14,273	20.7	+7.8	15,086	21.6	+0.9	14,680	20.7	+ 9.4	15,387	20.4	- 3.3
	Actual results	14,811	20.6	+11.9	15,390	21.5	+2.9	-	-	-	-	-	-
Selling, general and administrative expenses (SGA)	Budget	10,003	14.5	+7.3	10,339	14.8	+6.5	10,164	14.3	+ 8.0	10,644	14.1	+0.8
	Actual results	9,814	13.6	+5.3	10,534	14.7	+ 8.5	-	-	-	-	-	-
Operating income	Budget	4,270	6.2	+9.0	4,747	6.8	-9.4	4,516	6.4	+12.7	4,743	6.3	- 11.5
	Actual results	4,997	6.9	+27.6	4,855	6.8	-7.3	-	-	-	-	-	-
Ordinary income	Budget	4,306	6.2	+8.4	4,800	6.9	-9.4	4,565	6.4	+15.7	4,845	6.4	- 11.2
	Actual results	5,065	7.0	+27.5	4,888	6.8	-7.7	-	-	-	-	-	-
Quarterly / Interim / Current profit attributable to owners of parent	Budget	2,945	4.3	+10.1	3,282	4.7	-3.2	3,126	4.4	+15.7	5,160	6.8	+47.4
	Actual results	3,512	4.9	+31.3	3,233	4.5	- 4.6	-	-	-	-	-	-

\* The budgets for the first and second quarter are based on the budget at the beginning of the period, and the budgets for the third and fourth quarter are based on the revised budget announced on August 9, 2024.

# [Consolidated] Quarterly business performance and budget (cumulative)

FYE December 31, 2024 (62nd business year) Interim period [Cumulative]

(Unit: million yen)

		1st Quarter (-2 days)			2nd quarter (-2 days)			3rd quarter (-2 days)			Full year (-1 day)		
		Budget and actual results	Share	YoY change	Budget and actual results	Share	YoY change	Budget	Share	YoY change	Budget	Share	Year-on-year change
Net sales	Budget	69,035	100.0	+4.6	138,768	100.0	+5.6	214,403	100.0	+9.1	290,000	100.0	+ 8.1
	Actual results	71,921	100.0	+9.0	143,461	100.0	+9.2	-	-	-	-	-	-
Gross profit	Budget	14,273	20.7	+7.8	29,359	21.2	+4.2	44,882	20.9	+ 7.9	60,269	20.8	+4.8
	Actual results	14,811	20.6	+11.9	30,201	21.1	+7.1	-	-	-	-	-	-
Selling, general and administrative expenses (SGA)	Budget	10,003	14.5	+7.3	20,342	14.7	+6.9	30,513	14.2	+ 7.3	41,157	14.2	+ 5.5
	Actual results	9,814	13.6	+5.3	20,348	14.2	+6.9	-	-	-	-	-	-
Operating income	Budget	4,270	6.2	+9.0	9,017	6.5	-1.5	14,369	6.7	+9.2	19,112	6.6	+3.2
	Actual results	4,997	6.9	+27.6	9,852	6.9	+7.6	-	-	-	-	-	-
Ordinary income	Budget	4,306	6.2	+8.4	9,106	6.6	-1.8	14,519	6.8	+9.9	19,364	6.7	+3.7
	Actual results	5,065	7.0	+27.5	9,953	6.9	+7.4	-	-	-	-	-	-
Quarterly / Interim / Current profit attributable to owners of parent	Budget	2,945	4.3	+10.1	6,227	4.5	+2.7	9,872	4.6	+ 12.6	15,032	5.2	+22.5
	Actual results	3,512	4.9	+31.3	6,745	4.7	+11.2	-	-	-	-	-	-

\* The budgets for the first and second quarter are based on the budget at the beginning of the period, and the budgets for the third and fourth quarter are based on the revised budget announced on August 9, 2024.



# 05

## Management Plan

[Consolidated] Full-year Management plan for the 62nd business year

[Consolidated] 62nd Business Year Management plan by sales route

Vision

- Medium-term management ability targets -

# [Consolidated] Full-year Management plan for the 62nd business year

Regarding net sales, the full-year budget has been revised to reflect the results of the first half of the year.

Gross profit has been revised as follows, taking into account the impact of a 300 million yen profit increase due to a change in the selling price of inventory purchased at the old price in the second half budget, as well as the increase in costs due to an increase in the number of copies of the comprehensive professional tool catalog "TRUSCO Orange Book" aimed at improving customer convenience.

## I Plan for FYE December 2024 (62nd business year)

\*This is the revised budget announced on August 9, 2024.

	FYE December 31, 2024 (62nd business year) initial budget	Share	FYE December 31, 2024 (62nd business year) revised budget	Share	Year-on-year change
Net sales	284,710 million yen	—	290,000 million yen	—	+8.1%
Gross profit	59,760 million yen	21.0%	60,269 million yen	20.8%	+4.8%
Selling, general and administrative expenses (SGA)	41,150 million yen	14.5%	41,157 million yen	14.2%	+5.5%
(Depreciation included in SGA)	6,375 million yen	2.2%	6,265 million yen	2.2%	+0.9%
Operating income	18,610 million yen	6.5%	19,112 million yen	6.6%	+3.2%
Ordinary income	18,850 million yen	6.6%	19,364 million yen	6.7%	+3.7%
Profit attributable to owners of parent	14,740 million yen	5.2%	15,032 million yen	5.2%	+22.5%
Dividend per share	49 yen	—	50.00 yen	—	+3.50 yen

# [Consolidated] 62nd Business Year Management plan by sales route

Regarding net sales, the full-year budget has been revised to reflect the results of the first half of the year.

Plans by sales route for the fiscal year ending December 2024 (62nd business year) \*This is a revised budget announced on August 9, 2024.

	FYE December 31, 2024 (62nd business year) initial budget	Share	FYE December 31, 2024 (62nd business year) revised budget	Share	Year-on- year change
Factory route	192,288 million yen	67.5%	195,078 million yen	67.3%	+7.1%
e-business route	64,025 million yen	22.5%	66,026 million yen	22.8%	+11.7%
Home center route	25,400 million yen	8.9%	25,828 million yen	8.9%	+6.5%
Overseas route	2,997 million yen	1.1%	3,065 million yen	1.0%	+18.7%
Total	284,710 million yen	100.0%	290,000 million yen	100.0%	+8.1%

# Vision - Medium-term management ability targets -

## 1. We want to be a company that can hold 1 million items in inventory by 2030.

- The number of items in stock at end of 2023 was 590,000 items, and Planet Aichi will be operational in July 2026 with the capacity to hold 1 million items.



## 2. We want to be a company that can take orders 24 hours a day and ship 365 days a year.

- From 2019, we will start accepting orders 24 hours a day at Trusco Orange Book.Com.  
Available for shipping other than on Sundays

## 3. We want to be a company without product shortages, incorrect orders, or incorrect shipments.

- At the same time as expanding the number of items in stock, we implemented inventory management using the "ZAICON3" inventory management system, which predicts and calculates the required number of products in stock based on sales results.  
Inventory shipping rate is 92.1% (+0.4pt compared to previous year)
- Reduced incorrect orders due to improved system order rate of 87.1% (+1.9pt compared to previous year)
- Introduced material handling equipment such as GAS (gate type sorting system), and the misplacement rate was 0.022% (1 in 5,000 lines)

**TRUSCO**

## 4. We want to be a company without inventory work.

- At locations where free-location is introduced (9 locations including Planet Saitama and Planet Osaka), a system has been introduced whereby inventories are taken at the same time as receiving and shipping operations, thereby simplifying the closing of inventories.

## 5. We want to be a company that can ship directly to users without stress, even if we are a wholesaler.

- I-Pack [high-speed automated packing and shipping line] introduced at Planet Saitama, Planet Osaka, Planet Tokai and Planet Tohoku, with an annual turnover of 29,700 million yen and 4.86 million units shipped directly to users.

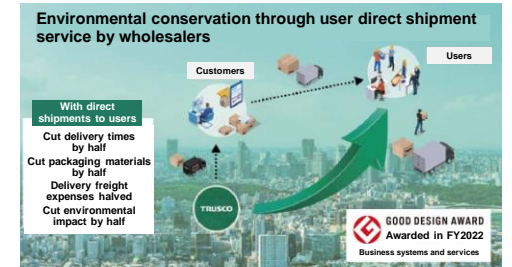
- 2024 direct shipments to users

Net sales target:

35,600 million yen

Target number of shipments:

6.2 million



## 6. We want to be a company that can respond to quotations instantly.

- The overwhelming speed of the automatic response speed of the AI-based estimation system "Swift Estimator" has been well received and its use has increased, with 2.4 million estimates (27.6% of all estimates) being automatically generated in 2023.

All figures are FY 2023 actual results

33

# Vision - Medium-term management ability targets -

## 7. We want to be a company that can achieve the "fastest," "shortest," and "best" deliveries in the industry.

- Introduced 1,203 MRO stockers (+428 compared to the previous year) to achieve the ultimate immediate delivery with a delivery time of 0 days.
- Achieve the best and most diverse delivery formats, such as user direct shipment services and customer product pick-up services.



## 8. We want to be a company with the smallest possible environmental impact.

- “Niawase + Yuchoku” (assortment & direct delivery to users) reduces environmental impact by half, delivery time by half, packaging materials by half, shipping costs by half, and workload by half

## 9. We want to be a company that is active in recycling, reuse, and returnables.

- Since 1998, we have been operating the repair workshop "Naojiro", with sales of 2,200 million yen in 2023 (+21.2% compared to the previous year)
- Developed private brand products with low environmental impact, such as reusable packaging materials and return cushions.

## 10. We want to be a platform operator that supports Japanese manufacturing.

- In 2024, the “Sterra” product database will be renewed to hold product data for more than 10 million items.
- We are building an EC site where users can easily find and purchase the products they need

## 11. We want to be a company that can rewrite the conventional thought, customs, set theories, and playbook of the industry.

- Planning inventory expansion strategies, strengthening “Niawase + Yuchoku” (assortment & direct delivery to users), ownership management, abolishing bills, rival partnership strategies, etc.

# 06

## Various key indicators

Merchandise

Logistics

Sales

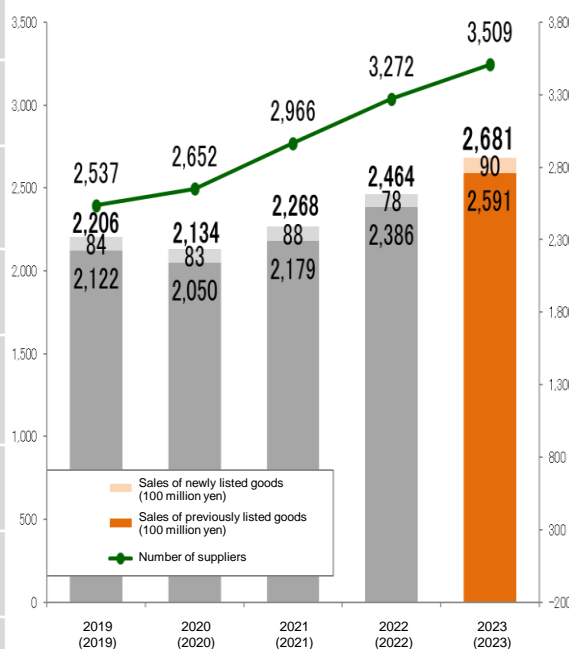
Digital

Human resources

# Key indicators (goods)

Key indicators		FYE December 31, 2023 (61st business year)	FYE December 31, 2024 (62nd business year) Interim period	Plan for FYE December 31, 2024 (62nd business year)
Merchandise	Number of items in inventory	593,554	606,160	625,000
	Total inventory (10,000) [Non-consolidated]	5,693	5,858	5,900
	Inventories (100 million yen)	508	547	553
	Total number of suppliers	3,509	3,591	3,709
	Of these, number of overseas suppliers (companies)	337	346	357
	New inventory sales (million yen)	12,161	3,705	13,513
	New merchandise sales composition ratio (last 3 years) (%)	13.2	—	13.7
	Private brand net sales (million yen)	48,313	25,270	51,700
	Number of items listed in Trusco Orange Book* (items)	369,000	—	388,000
	No. of items featured on Trusco Orange Book.Com (Free site) (Items)	4,108,818	4,578,509	5,400,000

[Non-consolidated] Change in sales of newly listed goods on Trusco Orange Book.Com in company-wide sales

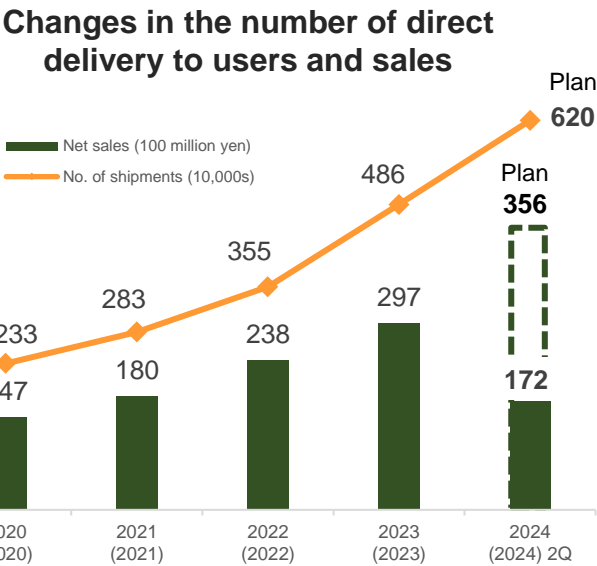


\* Includes the number of QR code scans to visit Trusco Orange Book.Com

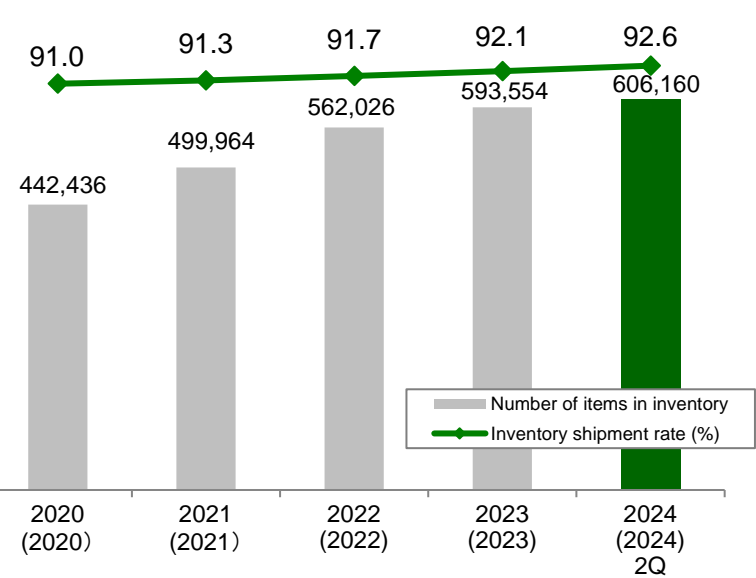


# Key indicators (logistics)

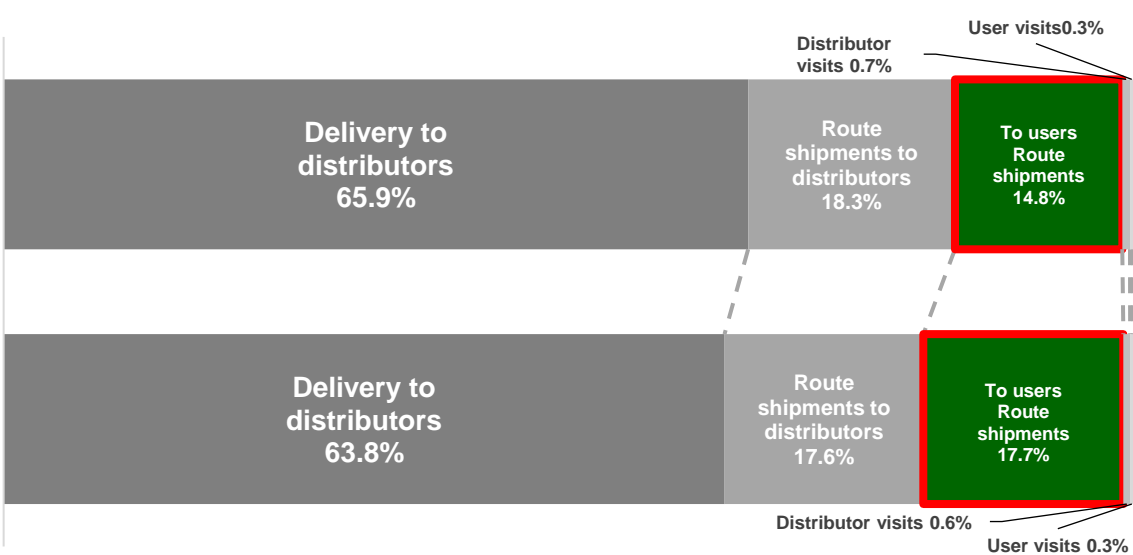
Key indicators		FYE December 31, 2023 (61st business year)	FYE December 31, 2024 (62nd business year) Interim period	Plan for FYE December 31, 2024 (62nd business year)
Logistics	Inventory shipment rate (%)	92.1	92.6	92.5
	No. of direct shipments to users (10,000s)	486	284	620
	No. of direct shipments to users (10,000s)	598	350	760



Changes in number of inventory items and inventory shipment rate (instant delivery rate)



Share by Delivery Category (by number of shipments)



## -Advantages of Yuchoku-

- Cut delivery times by half, cut shipping load by half
- Cut workload by half, cut packing materials by half
- Cut environmental impact by half

## I-Pack® [High-speed automated packaging and shipping line]

Shipping capacity: 720 cs/h per line, approx. 24 workers

I-Pack introduced to: Tohoku, Saitama (3 lines), Tokai, Osaka 6 lines in total

\*One line is scheduled to be introduced to Planet Higashi Kanto in 2025.

# Key indicators (logistics)

Key indicators		FYE December 31, 2023 (61st business year)	FYE December 31, 2024 (62nd business year) Interim period	Plan for FYE December 31, 2024 (62nd business year)
Logistics	Number of chartered vehicle deliveries	153	153	137
	Number of own company deliveries	123	123	140
	Rate of own company deliveries (%)	44.6	44.6	50.5
	Delivery lead time *	19 hours 13 minutes 43 seconds	18 hours 54 minutes 18 seconds	—
	Labor cost per incoming/outgoing shipment	117	119	115

\* Companywide, including primary + secondary provision and beyond, average of morning and afternoon deliveries

**Delivery service and internal transportation service: Number of units:**  
Interim period of December 2024 (62nd business year)

	No. of units	Change from the end of previous fiscal year
<b>Total number of deliveries</b>	<b>276</b>	<b>±0</b>
Chartered vehicle delivery service (contracted delivery service)	153	±0
Own company delivery service	123	±0
<b>Internal transportation service</b>	<b>31</b>	<b>±0</b>
Chartered vehicle delivery service (contracted delivery service)	26	±0
Own company delivery service	5	±0
<b>Delivery service and internal delivery service Total</b>	<b>307</b>	<b>±0</b>

## Delivery

We are reviewing delivery and internal transportation services to optimize the number of units by streamlining delivery routes and internal movement of inventory. By expanding inventory at our logistics centers and inventory storage branches, we are able to shorten delivery lead times. We are also increasing the number of own company delivery services (delivery by the Company's employees) to improve customer service. The current own company delivery rate is **44.6%**. We plan to increase this to 50.5% in 2024.

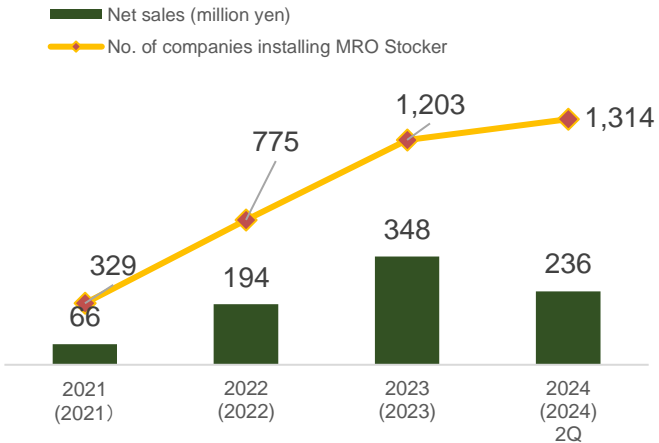
## [Non-consolidated] Changes in inventory disposal and inventories

	2019 (57th business year)	2020 (58th business year)	2021 (59th business year)	2022 (60th business year)	2023 (61st business year)
Inventory disposal (million yen)	42	50	55	65	67
Inventories (100 million yen)	427	406	416	441	494
Disposal rate (%)	0.10	0.12	0.13	0.15	0.14

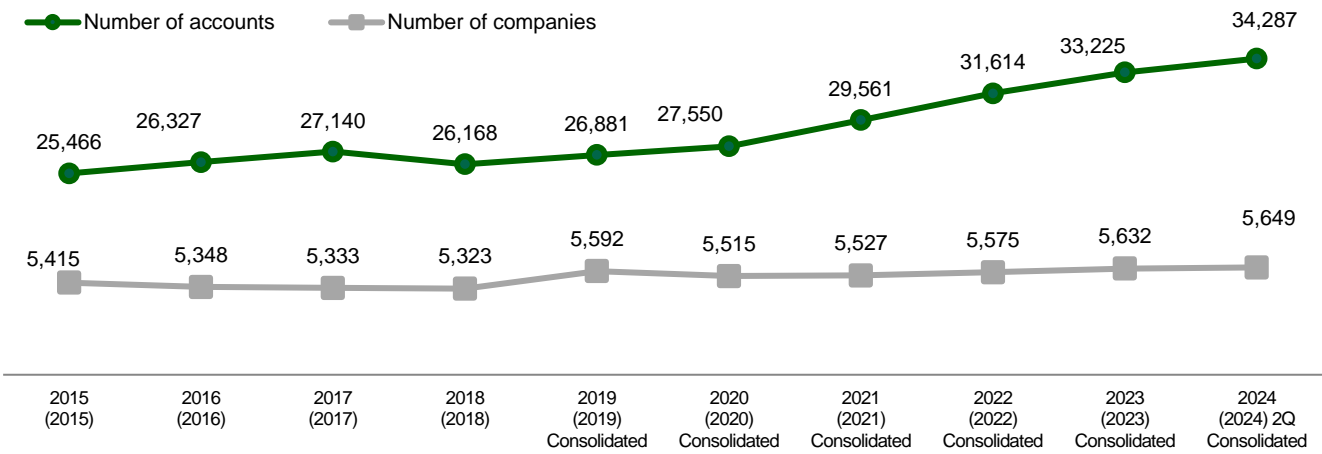
# Key indicators (sales)

Key indicators		FYE December 31, 2023 (61st business year)	FYE December 31, 2024 (62nd business year) Interim period	Plan for FYE December 31, 2024 (62nd business year)
Sales	Number of corporate clients	5,632	5,649	5,680
	Number of client accounts	33,225	34,287	34,700
	No. of companies adopting MRO Stocker	1,203	1,314	1,430
	No. of companies connected to Orange Commerce	2,447	2,547	2,670
	Number of sales (millions)	228	117	240

Trends in the number of MRO stockers installed and sales



[Consolidated] Change in number of sales accounts and companies



– Benefits –

- Management cost 0 yen
- Delivery 0 min
- Waste 0 pcs

# Key indicators (digital)

Key indicators		FYE December 31, 2023 (61st business year)	FYE December 31, 2024 (62nd business year) Interim period	Plan for FYE December 31, 2024 (62nd business year)
Digital	System order rate (%) *1	87.1	88.0	88.0
	Rate of automated quotations (%) *2	27.6	30.4	31.0
	Rate of online quotation requests (%)	47.3	49.5	49.0

\*1 Total number of orders ( January to June 2024): 21.53 million

\*2 Estimated total number of lines ( January to June 2024): 4.49 million

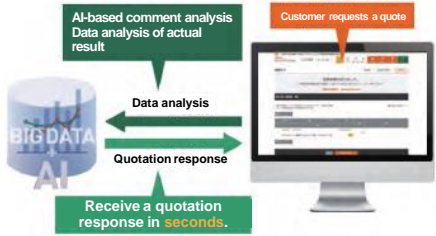
Since launching our Internet ordering system "Web Trusco" in 2002, we have been automating ordering. Additionally, starting with the launch of our core system "Paradise 3" in 2020, we are striving to improve convenience with the aim of automating all tasks that can be automated in the supply chain.

## System order rate (as of the end of June 2024)

Order type	Number of orders (thousand)	Line share	Change in line share from previous fiscal year (pt)	Order price (million yen)	Price share	Change in price share from previous fiscal year (pt)
Trusco Orange Book.Com (For retailers and users) Internet orders	8,236	38.3%	-0.5	62,287	43.5%	+0.3
TRUSCO EDI Data linkage with distributor ordering system	5,339	24.8%	+1.9	21,555	15.1%	+1.1
Orange Commerce Linkage with users' purchasing system	626	2.9%	+0.3	4,742	3.3%	+0.3
EOS Home center electronic ordering system	4,742	22.0%	±0	11,432	8.0%	-0.1
Total	18,945	88.0%	+1.7	100,017	69.9%	+1.6

### AI-based estimation system "Swift Estimator" [Automated estimate rate: 22.6%]

**Automated quotations with AI**  
One of our challenges is how to respond quickly to the average of 30,000 quotation requests we receive from our clients each day. In response, the company introduced "Swift Estimator," an AI-based automatic quotation response system, to promote the automation of quotations through special price optimization that automatically calculates appropriate prices for products on a regular basis based on actual orders and quotations. This has led to an improvement in the speed of response to customers (minimum 5 seconds).



# Key indicators (human resources)

## Number of employees [consolidated]

As of the end of June 2024 (unit: persons)

	Female	Male	Total	YoY change
Executives	1	11	12	±0
Executive officers	0	5	5	+5
Career (overseas and domestic)	169	400	569	-19
Digital career	0	0	0	±0
Logistics career	0	1	1	±0
Carrier (regional)	26	24	50	+33
Specialist	10	12	22	-4
Area	289	274	563	△38
Expert	1	0	1	±0
Logistics area	3	30	33	+6
Logistics	112	274	386	+30
Contract employees	0	52	52	+12
Overseas subsidiaries	20	22	42	±0
Seconded to health insurance association	2	0	2	±0
Seconded staff from the Nakayama Foundation	0	1	1	±0
Employee total	632	1,095	1,727	+25
Part-time employees	1,038	378	1,416	+78
Total	1,671	1,484	3,155	+103

Share of female employees: 36.1%, Number of female sales staff members: 38, Female employees in career-track positions: 28.2%  
\*The number of part-time employees represents the actual number of such workers under employment.

## Average age and annual income

	Average age (years)			Average annual income (10,000 yen)			
	Female	Male	Entire company	Career	Area	Logistics	Entire company
2023 (2023)	33.2	43.4	39.9	775	627	526	662
2022 (2022)	33.0	43.4	39.8	771	633	494	661
2021 (2021)	32.8	43.2	39.6	724	596	456	615
2020 (2020)	32.1	41.9	38.4	721	601	461	619
2019 (2019)	31.3	42.0	38.2	758	642	492	655

\* Average annual income includes executive officers and retirement benefits. Amount excluding "Financial Bonds."  
\* 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 nonconsolidated basis.  
\* The average annual income for 2022 includes the temporary bonus paid to support living expenses due to the soaring costs of goods.  
\* The average annual income for 2023 does not include the temporary bonus. The average annual salary including temporary bonuses is 7.07 million yen.

## Numbers of incoming and outgoing employees [Consolidated]

	2020		2021		2022		2023		End of June 2024	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
No. of employees	589	1,085	571	1,061	577	1,062	589	1,072	632	1,095
	1,674		1,632		1,639		1,661		1,727	
No. of incoming employees	41	46	26	25	47	51	59	64	55	56
	87		51		98		123		111	
No. of outgoing employees	37	33	45	45	39	44	49	49	14	31
	70		90		83		98		45	
Turnover ratio (%)	5.9	3.0	7.3	4.1	6.3	4.0	7.7	4.4	2.2	2.8
	4.0		5.2		4.8		5.6		2.5	

# 07

## ESG Information

TRUSCO's "Gentleness for the Future" Project

Sustainability indicators

Relationship with society & corporate governance

# Trusco's "Gentleness for the Future" Project

## Trusco's "Gentleness for the Future" Project

We have been making various environmental efforts under our environmental philosophy "Gentleness for the Future" since 1998, based on our desire "to be a global environment-friendly company so that our small efforts will lead to great compassion for the future."

The idea of connecting the global community to the future has been ingrained in the company for more than 25 years before the term "sustainability" became popular.

Until now, "Gentleness for the Future" has only referred to the environment. From now on, as part of Trusco's "Gentleness for the Future" Project, we will work toward the future of people and society, including the global environment.



Scan here for details

## "Gentleness for the Future" Basic Policy - TSV

Under the motto, "Business must serve people and society," the Company will create both social value and corporate value (TSV\*) through its businesses to help resolve social issues and build sustainable local communities.

\* The term TSV was created by combining Trusco and Creating Shared Value (CSV).

**Based on this basic policy, we will continue our efforts toward the future of people and society.**



# Sustainability indicators

## CO<sub>2</sub> emissions (as of the end of 2023)

CO<sub>2</sub> emissions from fuel use (Scope 1) **2,284t-co<sub>2</sub>** / CO<sub>2</sub> emissions from electricity use (Scope 2) **6,900t-co<sub>2</sub>**

CO<sub>2</sub> emissions in the supply chain (Scope 3 \* ) **1,791,867t-co<sub>2</sub>** \* Only Scope 3 results are for 2022.















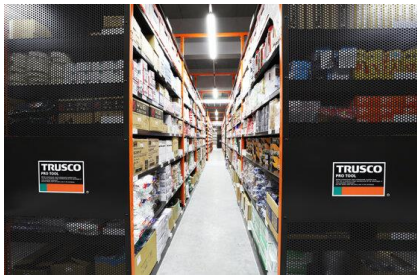
### CO<sub>2</sub> emission reduction through various services:

**Annual CO<sub>2</sub> emission reduction 15,829t-co<sub>2</sub>**



Workshop  
**Naojiro**

	Reduction (t-co <sub>2</sub> )	Reduction calculation formula
Niawase (assortment) and direct shipping to users	2,549	 +  +  Packaging material usage halved    Packaging material waste halved    Delivery frequency halved
MRO Stocker	4,816	 +  Delivery frequency reduced    No purchasing
Repair workshop "Naojiro"	2,469	 -  Emissions from new purchases    Emissions when repaired with "Naojiro"
Fixed cost logistics (fixed route deliveries)	4,461	 +  +  No packaging materials used    No packaging material waste    Delivery distance reduced
Wide range of inventory	1,534	 -  Emissions when each shipment is made from a supplier to a distributor    Emissions when shipped in bulk as Trusco inventory



# Sustainability indicators

TRUSCO power generation installations: at 19 locations

Annual solar power generation in 2023 2,687,468kWh

\* Equivalent to the annual electricity consumption of about 600 households  
(From the Ministry of the Environment's website Survey on the Actual Conditions of Carbon Dioxide Emissions from Residential Sector")

Renewable energy power self-sufficiency 16.7%

## Environmental measures for Trusco's products

In product planning and development for our own brand "Trusco," we have established environmental standards such as "resource saving," "reducing waste," and "long-lasting use," and are promoting environmentally friendly product development from all aspects, from product design to product use and disposal.



**Trusco double roll tape**  
**Product number: GNT5050E etc.**

50M duct tape with a small core. It can be used twice as much, but the storage space is halved. It is a tape that can be used twice as long, reduces replacement by half, reduces waste by half, and contributes to protecting the environment.



## Workshop Naojiro

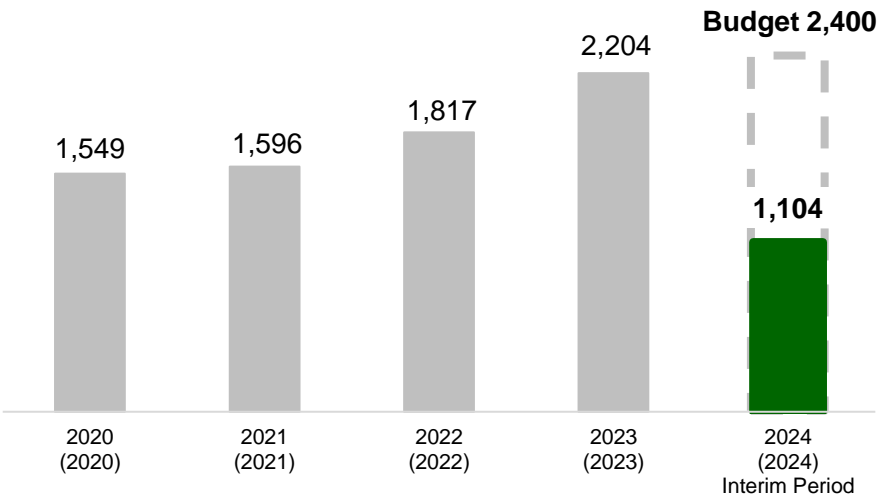
### Role of repair workshop "Naojiro"

It is a service that maintains the safety and precision essential for pro tools, and aims to reduce the environmental impact and contribute to cost reduction by allowing familiar tools and equipment to be used for a long time. In January 2022, the Company will relaunch its Naojiro section to popularize and enhance this service.

### 8 services of repair workshop "Naojiro"

Repair	Regrinding	Calibration	Reuse
Processing	Maintenance	Assembly	Construction and installation

### Sales of repair workshop "Naojiro" (unit: million yen)



# Relationship with society & corporate governance

## “Trusco Unknown Gulliver”, TV program provided by a single company

This is a program provided by a single company that conveys our company's desire to "give pride and vitality to Japan by presenting world-class Japanese companies." In each episode, the ways and ideas of a Japanese company are presented.



Started in 2017

## Donations to the NGO Peshawar-kai

Started in 2020

In Afghanistan, where there is an ongoing drought, we are donating to support the Peshawar-kai, which engages in comprehensive rural reconstruction projects with the idea that “one irrigation canal will do more good than 100 doctors”.



The late Dr. Tetsu Nakamura with Afghan workers

## Open judge system for promotion (OJS = 360 degree evaluation)

This is a system in which all employees who know candidates for promotion to senior manager or above are evaluated, and the results are reflected in promotions and other personnel actions. (Implemented once a year)

Method	Result
Promotion is judged by a mark of ○ or ×	If the approval rating is 80% or higher and the minimum number of votes is met, the candidate will be promoted.

Started in 2001

## Board of directors meeting (management meeting)

Decisions are made at the board of directors meeting, which is generally held once a month. In order to ensure a broader perspective and transparency, we seek the opinions of a wide range of participants, including executive officers and general managers.



Board of directors meeting (management meeting)

# 08

## Reference Information

Stock information

Index comparison in the industry

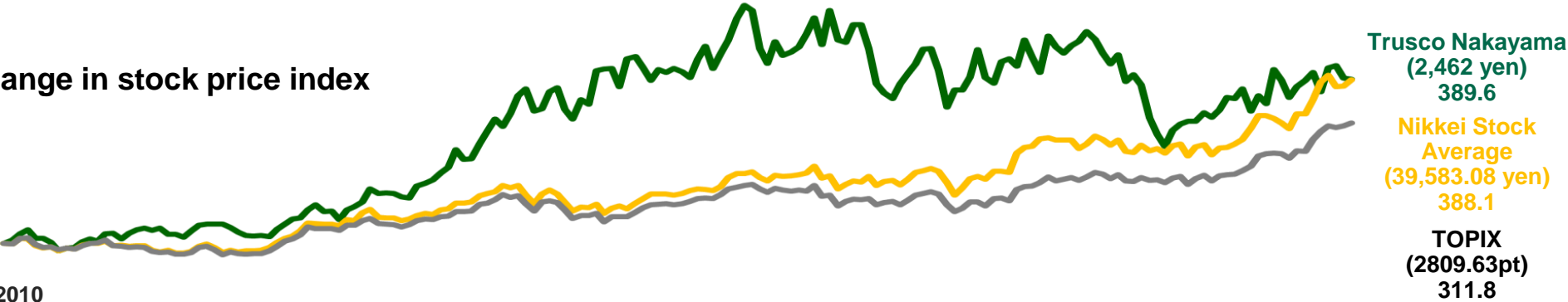
The Company's sales index and industrial  
production index

# Stock information

## Shareholder Information (Unit: persons)

	2021 (2021) End of December	2022 (2022) End of June	2022 (2022) End of December	2023 (2023) End of June	2023 (2023) End of December	2024 (2024) End of June
Shareholders total	14,406	16,212	15,466	15,111	14,798	14,225
Holder of share	13,527	15,190	14,436	13,798	13,534	13,004
Holder of shares less than one unit	878	1,021	1,029	1,312	1,263	1,220
Treasury shares	1	1	1	1	1	1
Financial institutions and securities companies	61	59	55	53	54	51
Domestic corporations	533	546	540	542	535	519
Overseas corporations, etc.	203	212	222	217	213	211
Individuals and others	13,608	15,394	14,648	14,298	13,995	13,443
Treasury shares	1	1	1	1	1	1

## Change in stock price index



Wednesday, July 31, 2024

The Company's Stock  
Closing price  
2,445 yen

Nikkei Stock Average  
Closing Price  
39,101.82 yen

TOPIX  
2,794.26pt

Movements of each indicator are quantified with the figures in January 2010 set as 100.

June 2024



# Index comparison in the industry

Performance of trading companies and direct sales companies (listed companies) in the same industry

## [Wholesale]

		Closing month				Market capitalization (100 million yen)
				Net sales (million yen)	Year-on-year change	
YAMAZEN CORPORATION	2024	March	Actual results	506,866	-3.9	1,485
YUASA TRADING CO.,LTD.	2024	March	Actual results	526,569	+4.3	1,244
Trusco Nakayama Corporation	2023	December	Actual results	268,154	+8.8	1,613
NICHIDEN Corporation	2024	March	Actual results	126,912	-3.6	1,076
MARUKA FURUSATO CORPORATION	2023	December	Actual results	172,980	+6.5	589
NaITO Co., Ltd.	2024	February	Actual results	44,064	-0.9	81
SUGIMOTO & CO., LTD.	2024	March	Actual results	46,636	+2.4	335
Total of 7 companies		-		1,692,181	-	-

Trading companies in the machine tools industry include the companies shown on the left, but they operate differently in the wholesale and retail sectors, and each handles different core products.  
The Company does not handle large machinery such as machine tools, and mainly handles consumables.

## [Retail]

		Closing month				Market capitalization (100 million yen)
				Net sales (million yen)	Year-on-year change	
MISUMI Group Inc.	2024	March	Actual results	367,649	-1.5	6,202
MonotaRO Co.,Ltd.	2023	December	Actual results	254,286	+12.5	9,402
Total of 2 companies		-		621,935	-	-

- \* For companies that announce consolidated accounting, figures for consolidated accounting are shown.
- \* All figures represent actual results and forecasts announced as of August 5, 2024.
- \* Market capitalization is based on the closing price on July 31, 2024.

# The Company's sales index and industrial production index

Changes in the Company's sales index and industrial production index

