



May 19, 2021

Dear All,

**Notice Concerning Dividends of Surplus**

ZOZO, Inc. (hereinafter, referred to as the “Company”) made a resolution at the Board of Directors held on May 19, 2021, to submit a proposal of the dividends of surplus with the record date of March 31, 2021 to the Company’s 23<sup>rd</sup> Ordinary General Meeting of Shareholders, scheduled on June 25, 2021.

1. Details of dividends

	Amount resolved	Most recent dividend forecast (announced on April 27, 2021)	Dividends paid for preceding fiscal year (FYE March 31, 2020)
Record Date	March 31, 2021	Same as on the left	March 31, 2020
Dividend per share	26.00 yen	Same as on the left	18.00 yen
Total dividends	7,939 million yen	-	5,495 million yen
Effective date	June 28, 2021	-	June 30, 2020
Cash dividends	Retained earnings	-	Retained earnings

2. Reason

The Company recognizes that maximization of shareholders profit is one of the management objectives, and in regard with profit return to shareholders, the Company has the basic policy for deliberating and implementing profit return by balancing internal reserve through comprehensive consideration of business performance, financial status, future plans of business and investment. For the current consolidated fiscal year, a year-end dividend will be 26.00 yen per share, based on a consolidated dividend payout ratio target of 40%. Also, as of April 27, 2021, the Company changed its dividend policy and decided to raise the consolidated dividend payout ratio target from 40% to 50%. Therefore, we plan to pay an annual dividend of 55 yen per share for the next fiscal year, based on a payout ratio of 50%.

(Reference) Breakdown of annual dividends

Record date	Dividend per share (yen)		
	End of Q2	Year-end	Annual
Forecasts for FYE March 31, 2022	22.00	33.00	55.00
Results for FYE March 31, 2021	15.00	26.00	41.00
Results for FYE March 31, 2020	12.00	18.00	30.00

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