



**FY2024 ZOZO, Inc.
CONSOLIDATED BUSINESS RESULTS**



With an
easy-to-understand
explanation
by CFO Yanagisawa
and VP of IR!

HIGHLIGHTS



While FY2024 brought its share of unpredictable weather and temperature swings, we are pleased to have achieved our full-year targets!





FY2024 HIGHLIGHTS

The Company achieved its full-year targets for GMV, operating profit, and profit attributable to owners of parent, setting new record highs for each.

Overview

- **Gross Merchandise Value : 614,361 million yen (+7.0%,YoY)**
Gross Merchandise Value (excluding other GMV) : 574,666 million yen (+7.0%,YoY)
The Company achieved its GMV target. Despite the ZOZOTOWN business falling short of its target due to a shortage of inventory during the fourth-quarter sale event, this was largely offset by LY Corporation Commerce, which significantly exceeded its target.
- **Operating Profit : 64,756 million yen (+7.8%,YoY)**
The Company achieved its operating profit target, supported by reductions in logistics-related expenses resulting from operational efficiency at warehouses that exceeded initial expectations.
- **Profit attributable to owners of parent : 45,346 million yen (+2.3%,YoY)**
The Company achieved its profit attributable to owners of parent target. Although the growth rate was lower compared to operating profit, this was due to a reactionary decline following the significant tax credits recorded in the previous fiscal year, which were associated with sustainability-related initiatives.

Results by business segment

- **ZOZOTOWN BUSINESS**
Gross Merchandise Value : 491,943 million yen (+5.9%,YoY)
Consignment sales : 468,606 million yen (+6.0%,YoY)
Outright Purchase / Production & Sales : 3,692 million yen (-16.6%,YoY)
USED sales : 19,643 million yen (+8.6%,YoY)
- **LY Corporation Commerce*** : 69,610 million yen (+20.6%,YoY)
- **BtoB Business** : 13,112 million yen (-9.4%,YoY)
- **Others*** : 39,695 million yen
- **Average Order Value** : 8,980 yen (+2.8%,YoY)
- **Average Retail Price** : 4,038 yen (+0.9%,YoY)
- **Advertising business**
Net sales : 11,209 million yen (+15.1%,YoY)

* "LY Corporation Commerce" represents the combined total of "Yahoo! JAPAN Shopping" and "Yahoo! JAPAN Auction".

* From the 2nd quarter of the fiscal year ended March 2021, stores contracting ZOZO option at Yahoo! JAPAN Shopping, ZOZOMO, and ZOZOSUIT (for paid sales) are recorded.

ZOZO Option : Option contracts which enables fashion category stores outside of ZOZOTOWN Yahoo! JAPAN Shopping, to participate in special events produced by ZOZO and get benefits from sales support.

ZOZOMO : The system which enables ZOZOTOWN users to place a layaway order of the merchandise at the physical stores.



FY2024 HIGHLIGHTS

Profitability

- **Operating profit margin (to the total gross merchandise value) : 11.3% (11.2% for FY2023)**
 - **Factors improving profitability : Growth in the advertising business, an improvement in gross profit due to changes in the shipping policy (specifically, an increase in shipping charges borne by customers), a reduction in the logistics-related expense ratio driven by operational improvements at warehouses, and a decrease in “others” expenses due to the reduction of one-time costs.**
 - **Factors worsening profitability : Higher ratio of shipping expenses, higher ratio of payroll and staff costs due to the payment of year-end bonuses in line with the achievement of the initial plan, higher ratio of rent expenses and depreciation due to the new lease of a logistics center.**

*Operating profit margin is calculated by dividing operating profit by the Gross Merchandise Value (excluding other GMV).

Topics

- **The official ZOZO YouTube channel, “niaulab TV by ZOZO,” surpassed 100,000 subscribers. (January 2025)**
- **The Company was selected for the first time for the “A List” in the Climate Change category by CDP, a global non-profit organization focused on environmental disclosure. (February 2025)**
- **The coverage area for the “Same-Day Delivery” service was expanded to include Miyazaki and Kagoshima prefectures, now reaching a total of 40 prefectures. (February 2025)**
- **The Company conducted a stock split and partially amended its Articles of Incorporation accordingly. (April 2025)**
- **The Company announced the acquisition of LYST LTD and its conversion into a subsidiary. (April 2025)**
- **The Company resolved to repurchase shares and cancel treasury shares to achieve a total return ratio target of over 80%. (April 2025)**



DECISION ON SHARE REPURCHASE AND CANCELLATION OF TREASURY SHARES

As for profit return to shareholders, our group has the basic policy for deliberating and implementing profit return by balancing internal reserve through comprehensive consideration of the following: business performance, financial status, future business, and investment plans.

On October 31, 2023, the Company announced a new shareholder return policy: "Our goal is to maintain a total return ratio, including share buybacks, of more than 80% on a 5-year average starting from the fiscal year ended March 2024.

Since then, the Company has continued to consider the acquisition of our own shares, taking into account factors such as stock price trends and market liquidity.

As a result, the Company has decided to repurchase shares on April 30, 2025, in order to achieve our total return ratio target. In addition to this resolution, the Company has decided to cancel a portion of its treasury shares.

① Repurchase of shares

Up to 10 billion yen or 10 million shares to be repurchased on the market

Repurchase period: May 1, 2025 - September 1, 2025 (planned)

② Cancellation of treasury shares

Number of shares to be cancelled: 9,390,171 shares (1.04% of total shares outstanding before cancellation)

Scheduled date of cancellation: May 9, 2025

BUSINESS RESULTS



We will continue to place strong emphasis not only on business growth, but also on delivering returns to our shareholders.





OVERVIEW OF THE FY2024

(million¥)

	FY2023	FY2024	YoY	Target	Achievement Rate(%)
Gross Merchandise Value	574,373	614,361	7.0%	609,200	100.8%
Gross Merchandise Value (excluding other GMV)	536,907	574,666	7.0%	572,200	100.4%
Net sales	197,016	213,131	8.2%	214,400	99.4%
Gross profit	183,147	198,312	8.3%	-	-
(% to the Gross Merchandise Value)	34.1%	34.5%	0.4%	-	-
SG&A	123,067	133,556	8.5%	-	-
(% to the Gross Merchandise Value)	22.9%	23.2%	0.3%	-	-
Operating profit	60,079	64,756	7.8%	64,200	100.9%
(% to the Gross Merchandise Value)	11.2%	11.3%	0.1%	11.2%	-
Ordinary profit	59,764	64,888	8.6%	64,200	101.1%
Profit attributable to owners of parent	44,341	45,346	2.3%	45,200	100.3%

* The percentages are calculated by dividing each item by the Gross Merchandise Value (excluding other GMV).



OVERVIEW OF EACH QUARTER

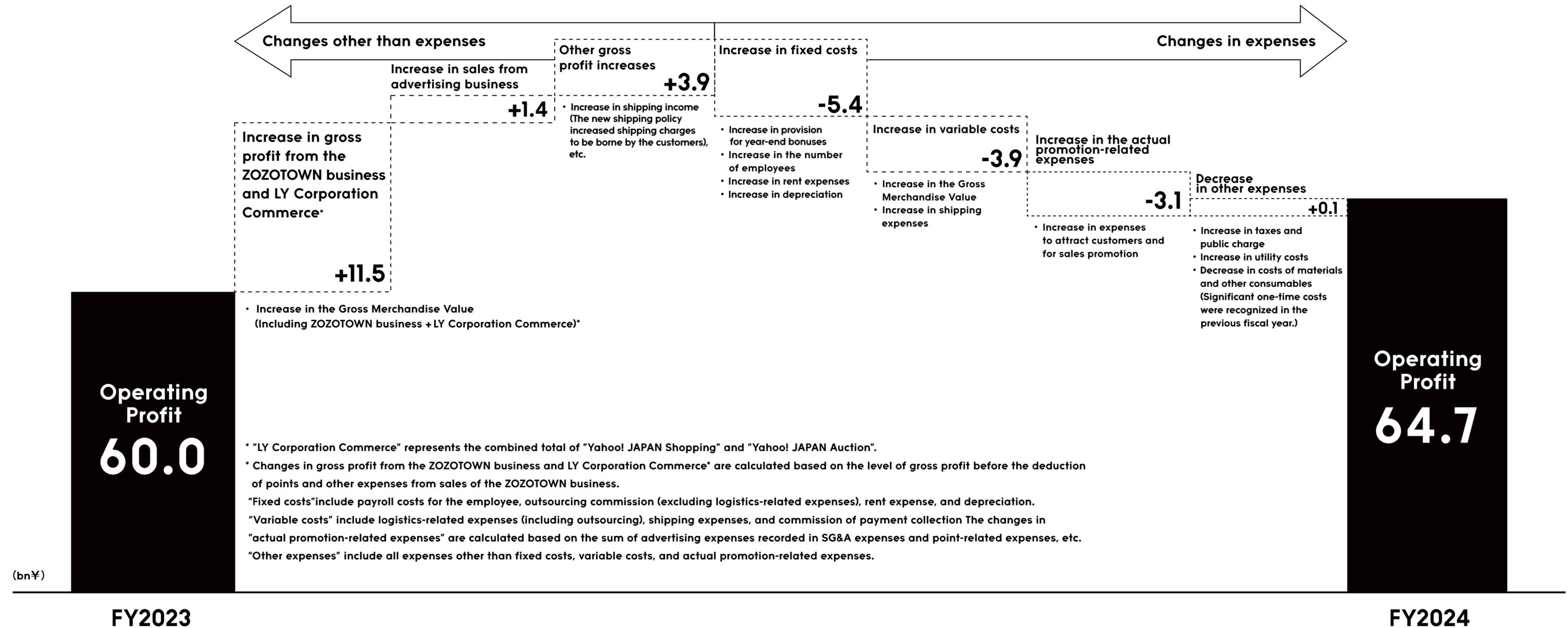
(million¥)

	FY2023				FY2024			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Gross Merchandise Value	131,920	126,870	168,354	147,227	141,885	137,267	182,018	153,190
Gross Merchandise Value (excluding other GMV)	123,327	118,317	157,851	137,411	132,631	128,193	171,089	142,752
YoY (%)	6.4%	6.1%	9.2%	6.4%	7.5%	8.3%	8.4%	3.9%
Net sales	45,871	44,345	57,351	49,448	50,387	48,414	62,274	52,054
SG&A	27,182	28,100	36,332	31,452	31,060	30,477	36,763	35,254
YoY (%)	4.4%	9.5%	16.0%	-1.4%	14.3%	8.5%	1.2%	12.1%
(% to the Gross Merchandise Value)	22.0%	23.8%	23.0%	22.9%	23.4%	23.8%	21.5%	24.7%
Operating profit	15,862	13,068	16,767	14,381	15,895	14,580	21,285	12,994
YoY (%)	10.8%	1.3%	-3.8%	22.0%	0.2%	11.6%	26.9%	-9.6%
(% to the Gross Merchandise Value)	12.9%	11.0%	10.6%	10.5%	12.0%	11.4%	12.4%	9.1%

* The percentages are calculated by dividing each item by the Gross Merchandise Value (excluding other GMV).



INCREASE-DECREASE ANALYSIS OF OPERATING PROFIT (YoY COMPARISON)





CONSOLIDATED BALANCE SHEET

(million¥)

	FY2023 (as of March 31, 2024)	FY2024 (as of March 31, 2025)		FY2023 (as of March 31, 2024)	FY2024 (as of March 31, 2025)
Current assets	123,137	147,394	Current liabilities	68,261	79,828
Cash and deposits	64,747	91,486	Short-term borrowing	20,000	20,000
Merchandise	3,784	2,605	Non-current liabilities	8,856	9,262
Non-current assets	38,724	40,415	Total liabilities	77,117	89,090
Tangible assets	24,660	25,447	Shareholders' equity	84,572	98,087
Intangible assets	2,611	3,437	Treasury stock	-11,627	-11,581
Investments and other assets	11,452	11,530	Total net assets	84,744	98,719
Total assets	161,862	187,810	Total liabilities and net assets	161,862	187,810



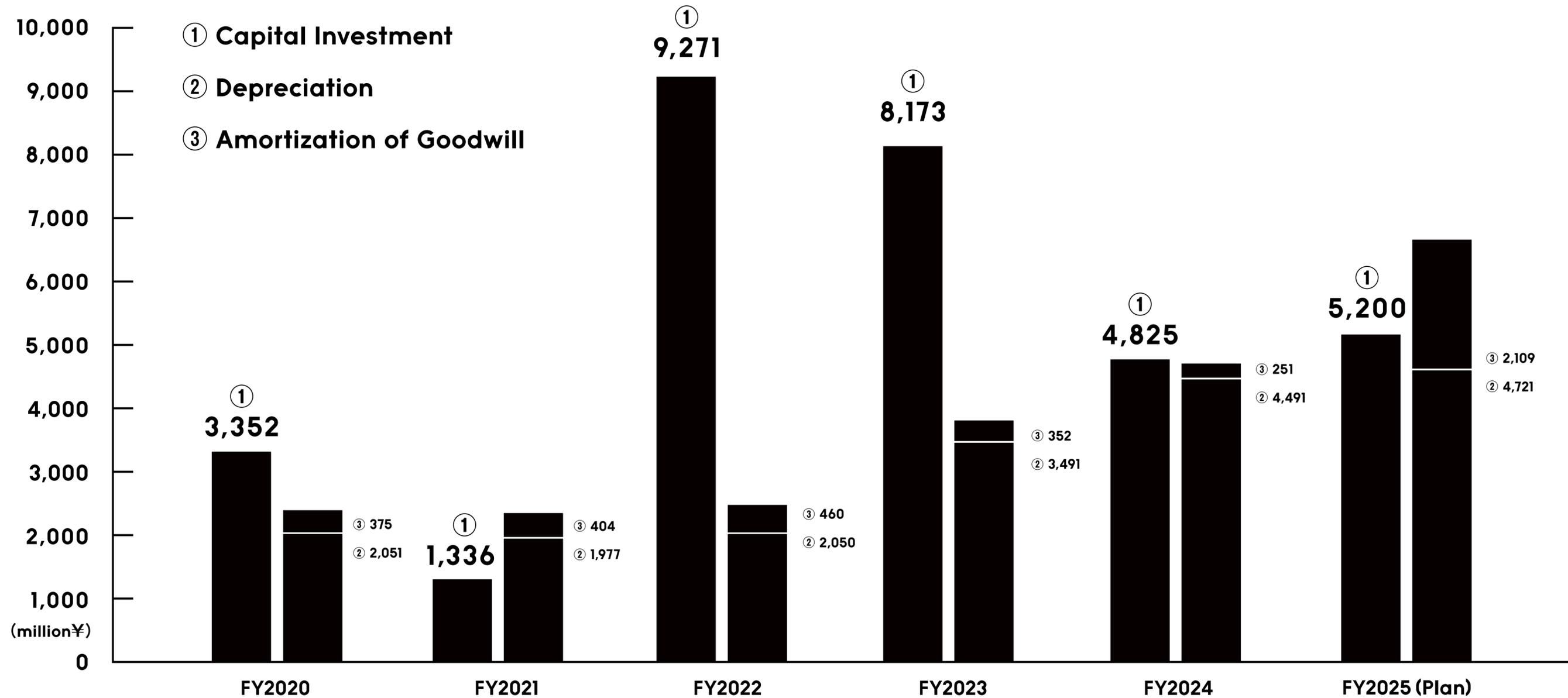
CASH FLOWS

(million¥)

	FY2023	FY2024	YoY	Reason for change
Cash flows from operating activities	42,589	60,114	17,525	<ul style="list-style-type: none"> • Increase in profit before income taxes • Increase in depreciation • Decrease in working capital
Cash flows from investing activities	-9,879	-6,285	3,594	<ul style="list-style-type: none"> • Previous fiscal year: Investment in ZOZOBASE TSUKUBA 3 • Current fiscal year: Investment in DPL Tsukuba Chuo and replacement of equipment at existing logistics centers
Cash flows from financing activities	-37,138	-32,081	5,056	<ul style="list-style-type: none"> • Increase in dividend payments
Cash and cash equivalents at the end of the year	69,748	91,486	21,738	



CAPITAL INVESTMENT



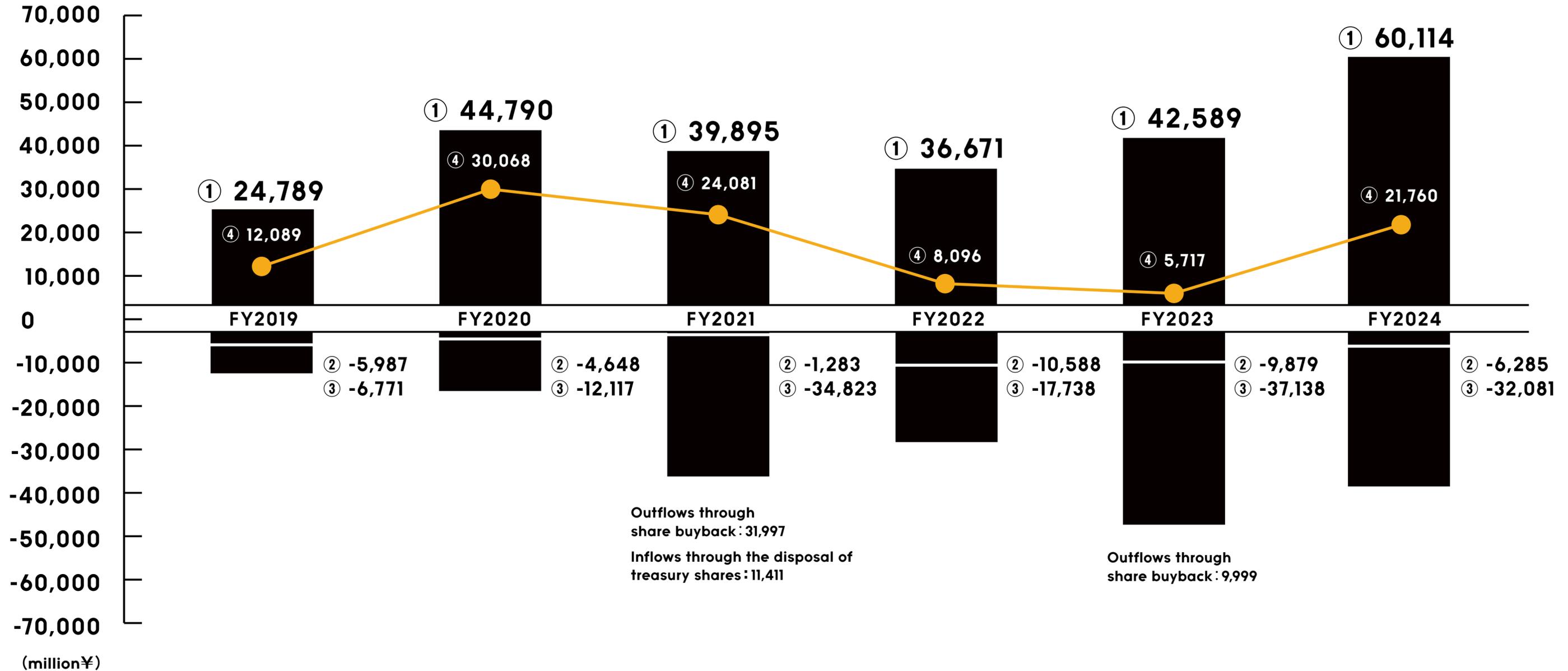
Capital investments for the fiscal year ended March 2025 came in below the initial plan, due to the postponement of certain logistics-related equipment installations. For the fiscal year ending March 2026, we plan to install automation equipment in the receiving sections of a portion of our existing logistics centers. The forecast also reflects the assumption that goodwill amortization related to the consolidation of LYST will begin in May 2025.





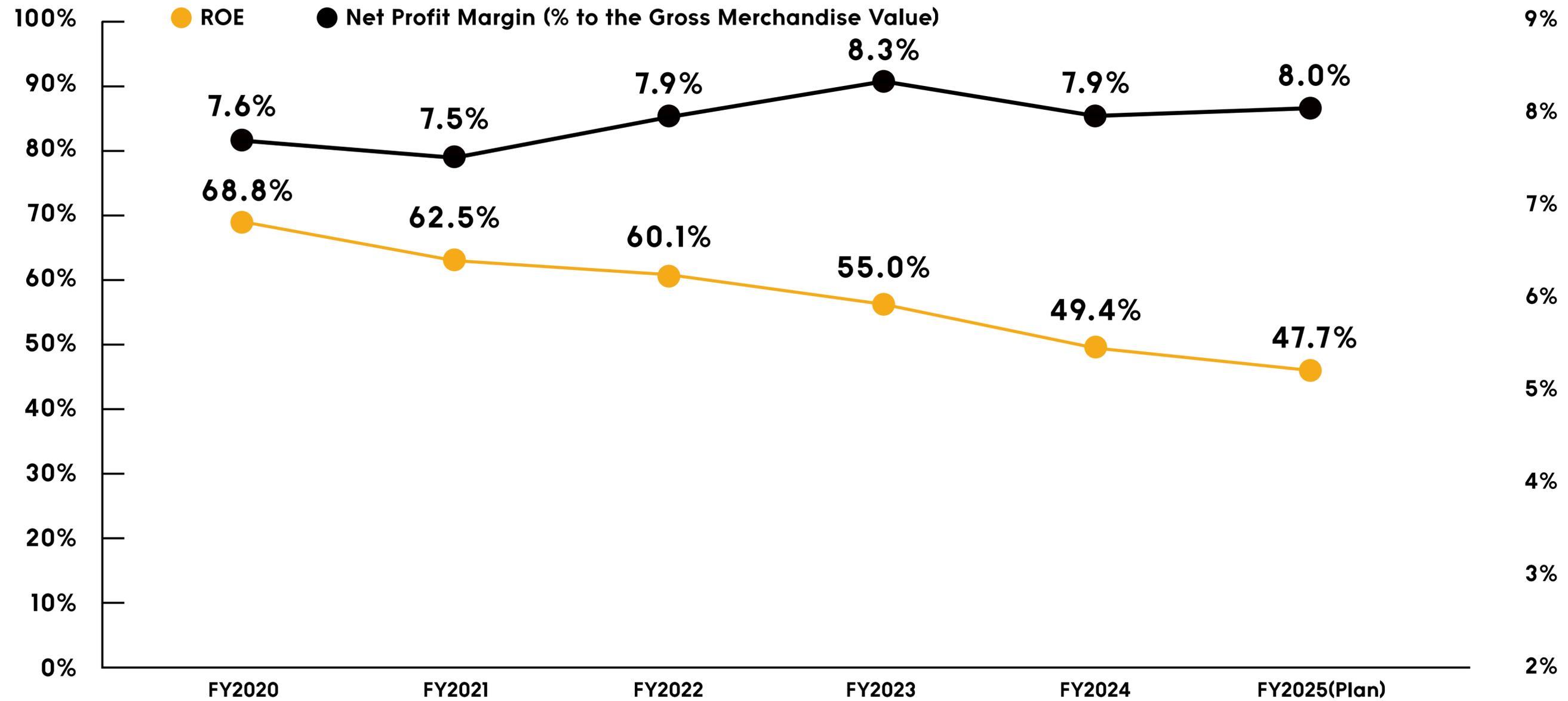
CASH FLOWS

- ① Cash flows from operating activities
- ② Cash flows from investing activities
- ③ Cash flows from financing activities
- ④ Substantial free cash flows
- (① + ② - Expenditure from dividends)





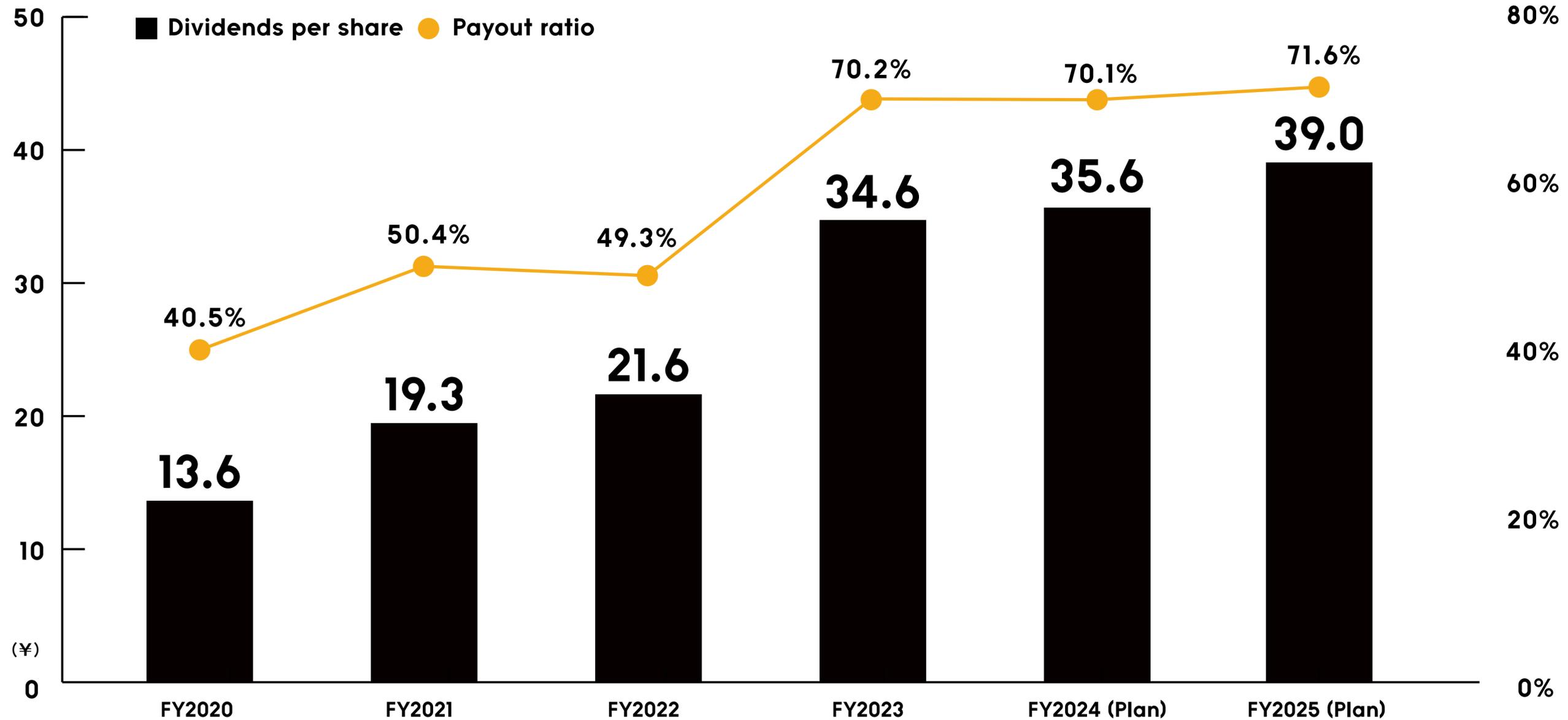
ROE AND NET PROFIT MARGIN



* Net profit margins are calculated by dividing net profit by the Gross Merchandise Value (excluding other GMV).



DIVIDENDS PER SHARE AND PAYOUT RATIO



A stock split was implemented at a ratio of three shares for every one share, effective April 1, 2025. The dividend for the fiscal year ended March 2025 will be based on the number of shares before the split, and the planned dividend per share remains unchanged at ¥107. For the fiscal year ending March 2026, the Company plans to maintain a dividend payout ratio of 70% or higher.

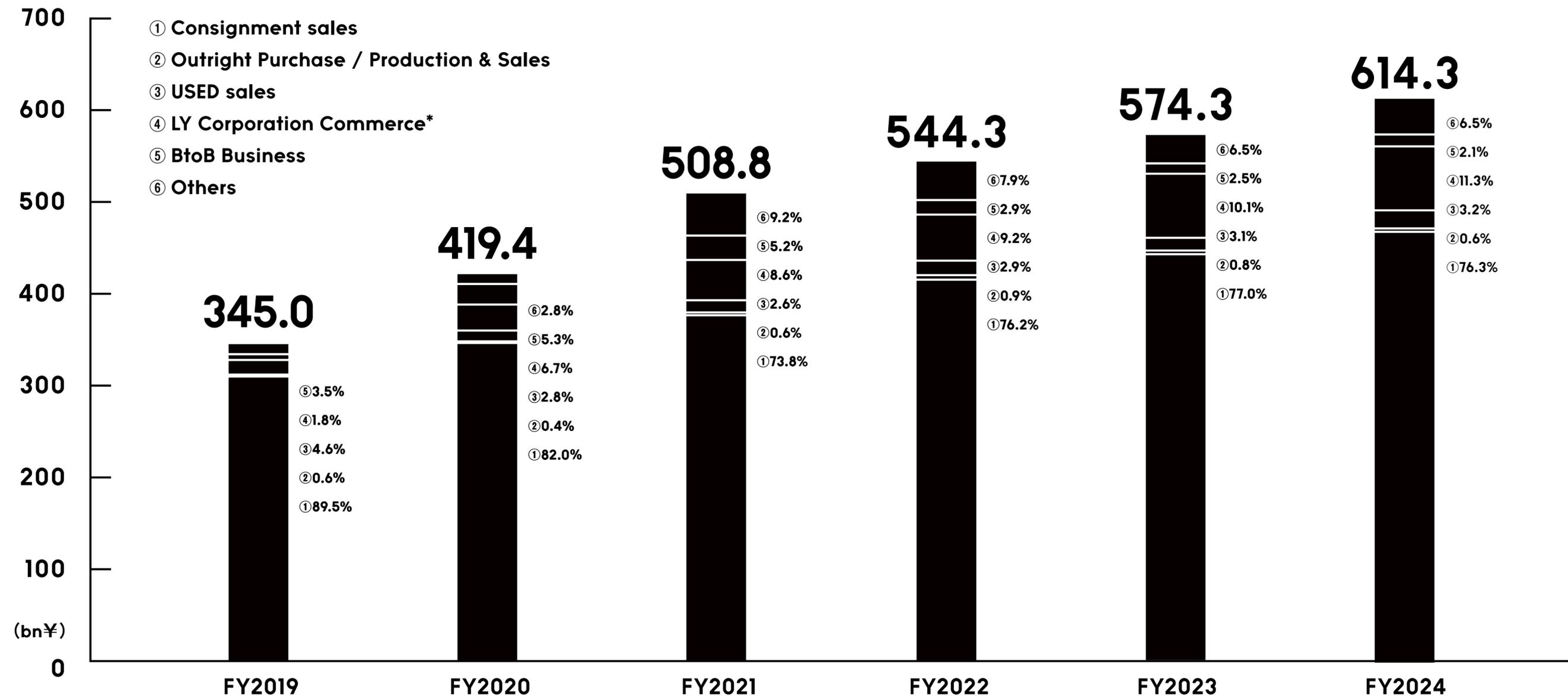


*The Company implemented a three-for-one stock split effective April 1, 2025. Dividend per share is presented on a post-stock-split basis. Without considering the stock split, the forecasted dividend per share for the fiscal year ended March 31, 2025, is ¥107.0, and for the fiscal year ending March 31, 2026, is ¥117.0.



GROSS MERCHANDISE VALUE

The Gross Merchandise Value of new shops opened in FY2024 (ZOZOTOWN Business)
 FY2024 : 5.2 billion yen (accounts for 1.1% of the Gross Merchandise Value)

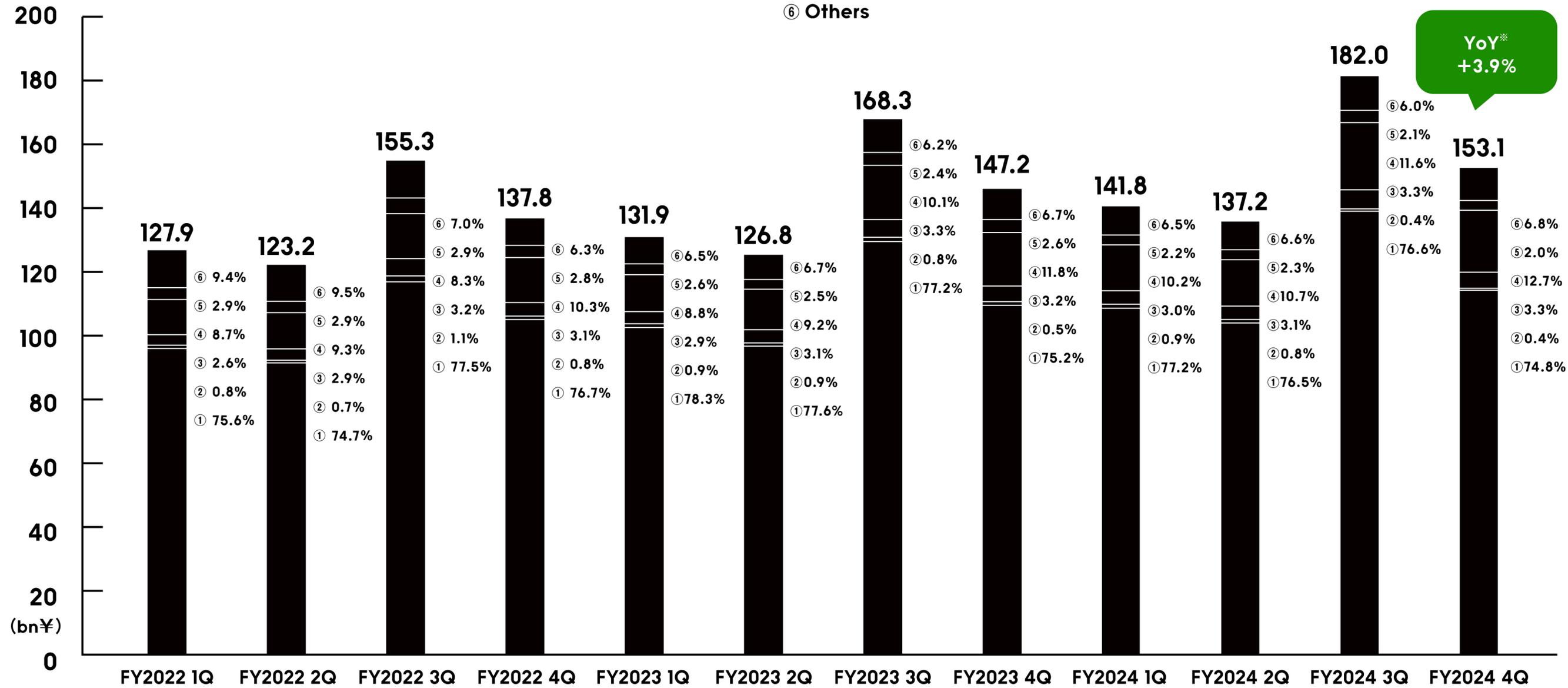


*"LY Corporation Commerce" represents the combined total of "Yahoo! JAPAN Shopping" and "Yahoo! JAPAN Auction".



GROSS MERCHANDISE VALUE (QUARTERLY)

- ① Consignment sales
- ② Outright Purchase / Production & Sales
- ③ USED sales
- ④ LY Corporation Commerce*
- ⑤ BtoB Business
- ⑥ Others



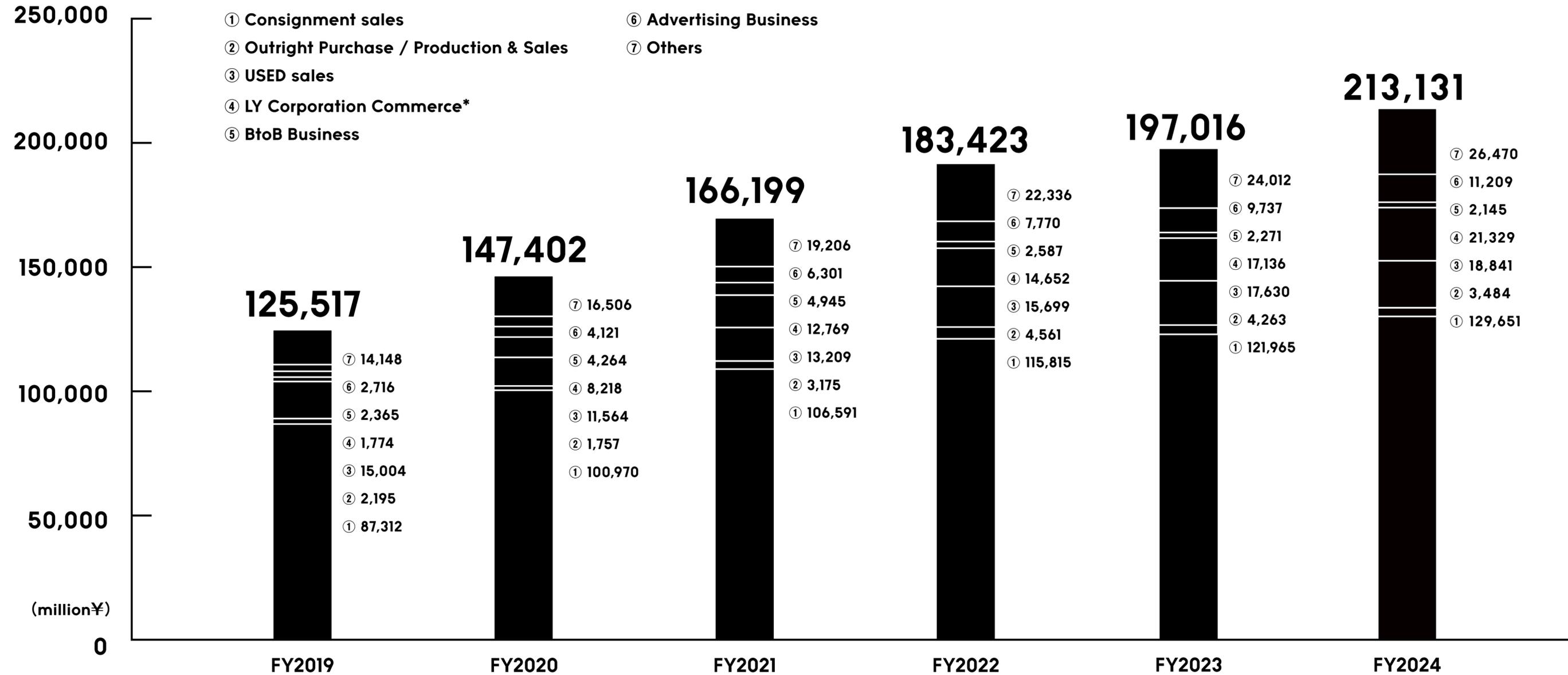
In the fourth quarter, many brands faced challenges due to a shortage of sale inventory during the January-February sale period, which also impacted our performance. As a result, our year-over-year growth rate declined compared to the same period of the previous fiscal year.



*"LY Corporation Commerce" represents the combined total of "Yahoo! JAPAN Shopping" and "Yahoo! JAPAN Auction".
 * YoY is the comparison of GMV excluding "⑥ Others"



NET SALES

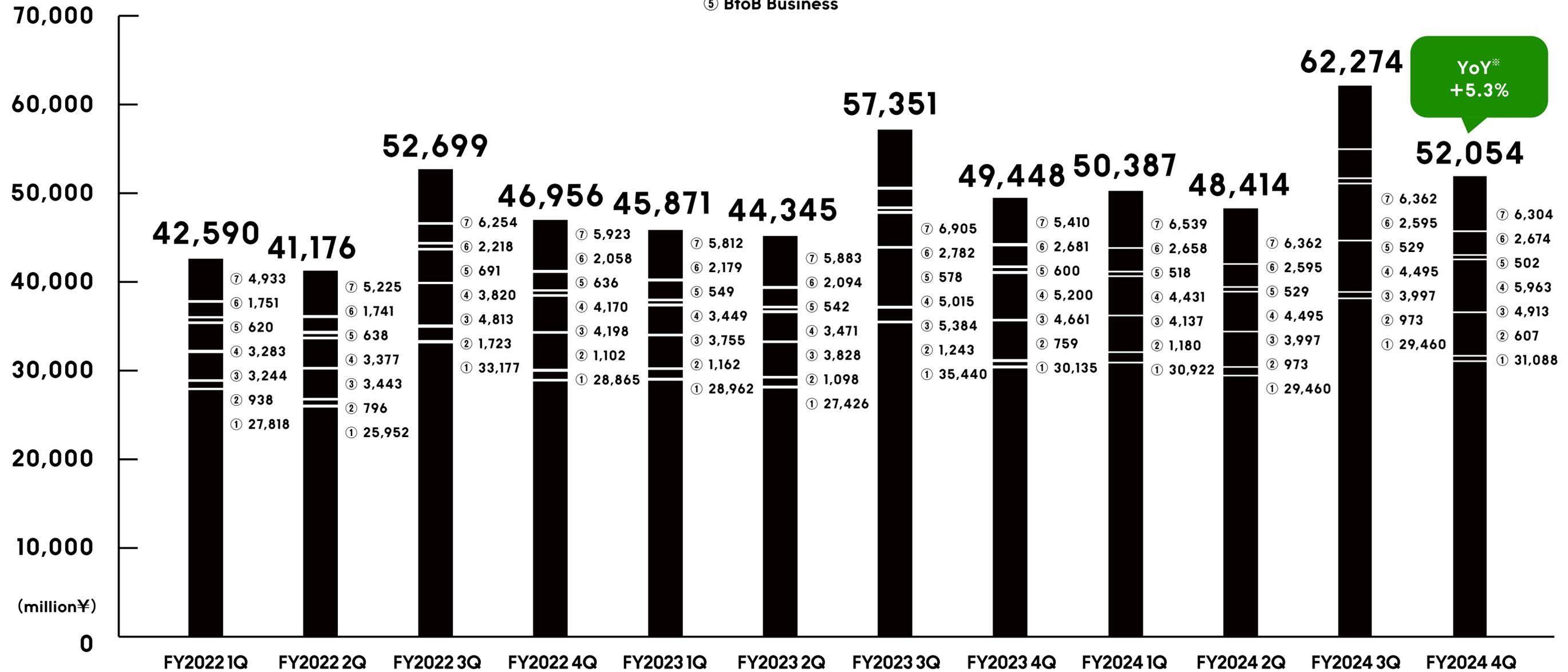


*"LY Corporation Commerce" represents the combined total of "Yahoo! JAPAN Shopping" and "Yahoo! JAPAN Auction".



NET SALES (QUARTERLY)

- ① Consignment sales
- ② Outright Purchase / Production & Sales
- ③ USED sales
- ④ LY Corporation Commerce*
- ⑤ BtoB Business
- ⑥ Advertising Business
- ⑦ Others

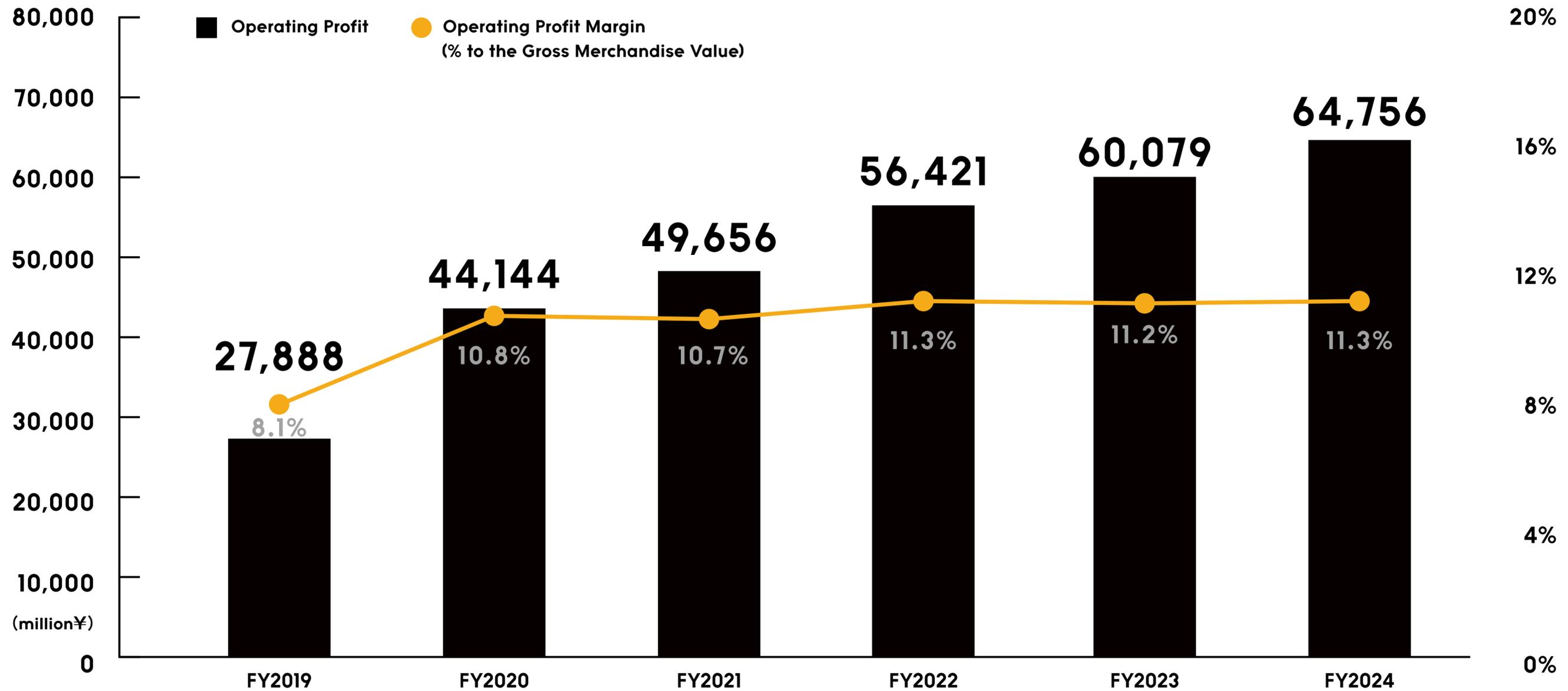


YoY*
+5.3%

*"LY Corporation Commerce" represents the combined total of "Yahoo! JAPAN Shopping" and "Yahoo! JAPAN Auction".



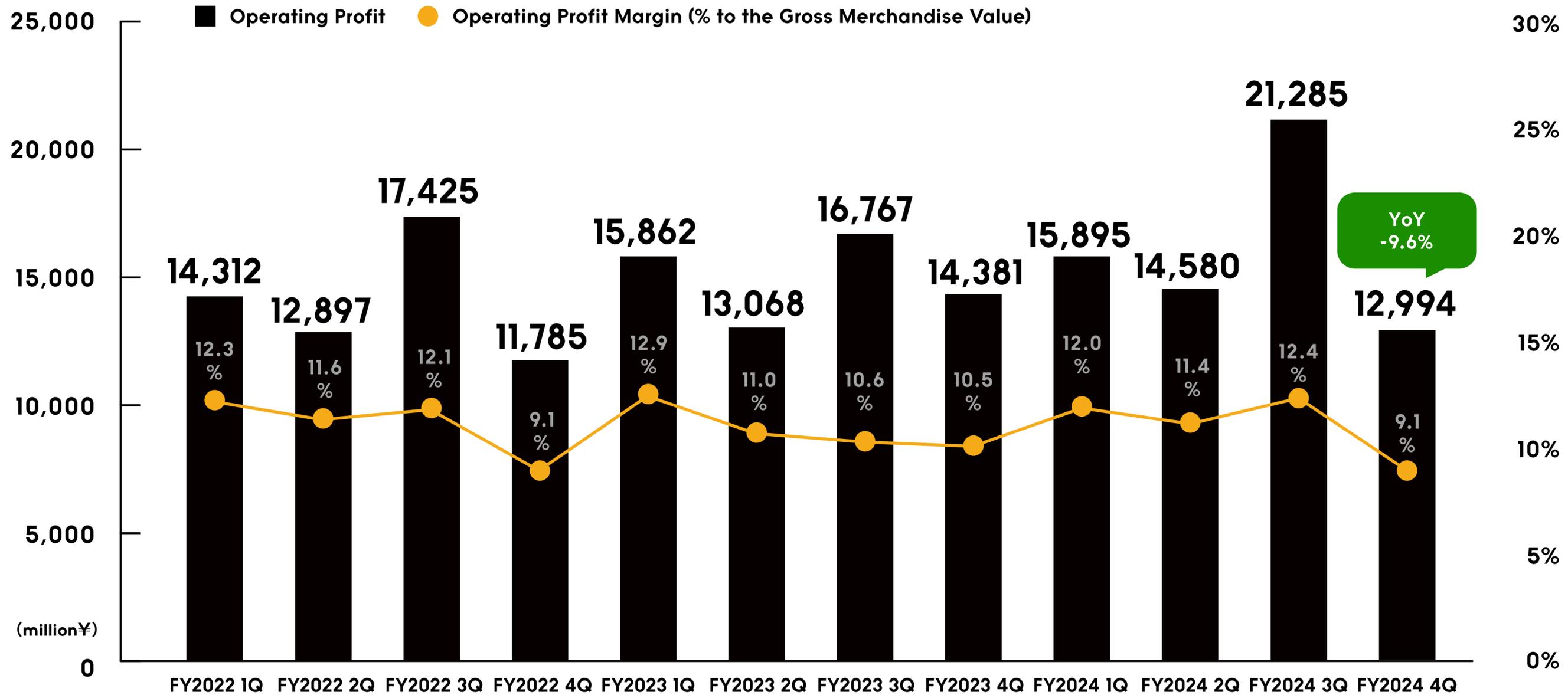
OPERATING PROFIT AND OPERATING PROFIT MARGIN



* Operating profit margins are calculated by dividing operating profit by the Gross Merchandise Value (excluding other GMV)



OPERATING PROFIT AND OPERATING PROFIT MARGIN (QUARTERLY)



In the fourth quarter, we actively invested in promotional expenses that had not been fully spent as planned by the end of the third quarter, in order to support sales and ensure achievement of the full-year GMV target. Operating profit declined year over year, primarily due to the decision to pay year-end bonuses exceeding the previous year's level, following the achievement of both GMV and operating profit targets.

YoY
-9.6%



* Operating profit margins are calculated by dividing operating profit by the Gross Merchandise Value (excluding other GMV)



SELLING, GENERAL AND ADMINISTRATIVE(SG&A) EXPENSES

(million¥)

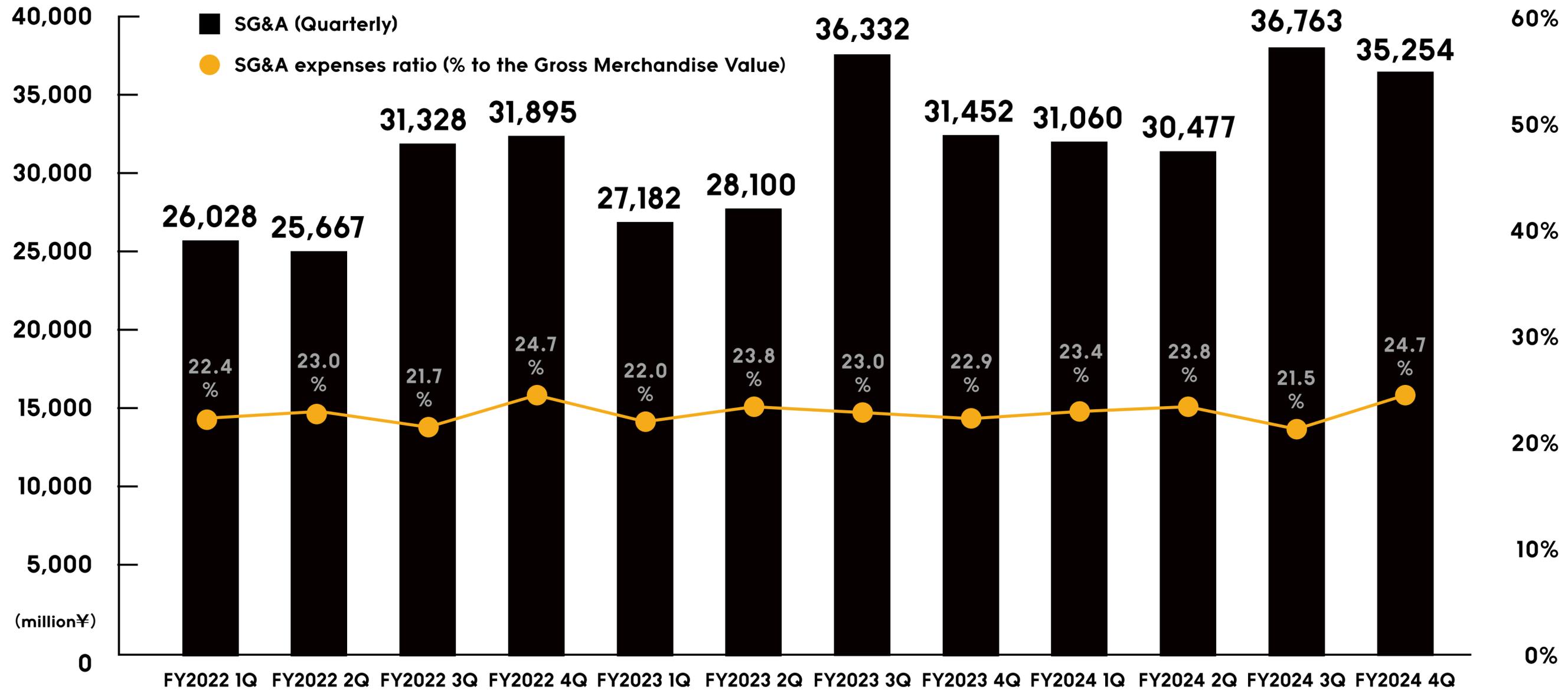
	FY2023		FY2024		YoY	Increase / decrease factors
	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value	% to the Gross Merchandise Value	
Payroll and staff costs(*)	33,357	6.2%	34,937	6.1%	-0.1%	
Payroll costs for employee	14,300	2.7%	16,634	2.9%	0.2%	Transition of the number of employees on consolidated basis: FY2023 4Q 1,681 → FY2024 4Q 1,738 Increase in year-end bonus payments
Logistics-Related Expenses (Including Outsourcing)	19,056	3.5%	18,302	3.2%	-0.3%	(Previous fiscal year) Decline in operational efficiency due to strained inventory storage conditions. (Current fiscal year) Improved operational efficiency resulting from better inventory storage conditions and cost reductions achieved through the implementation of equipment designed for labor-saving.
Outsourcing Commission (Excluding Logistics-Related Expenses)	6,615	1.2%	7,582	1.3%	0.1%	
Shipping	33,439	6.2%	37,363	6.5%	0.3%	Increase in the cost ratio due to a rise in shipping fees by YAMATO TRANSPORT CO., LTD. starting from April 1, 2024.
Commission of Payment collection	12,360	2.3%	13,127	2.3%	0.0%	
Advertising	12,050	2.2%	13,340	2.3%	0.1%	
Rent expense	7,332	1.4%	8,478	1.5%	0.1%	Increase in the number of logistics centers (Increase in expenses related to ZOZOBASE TSUKUBA 3, which was leased from March 2023, and DPL Tsukuba Chuo, which was leased from April 2024)
Depreciation	3,491	0.7%	4,491	0.8%	0.1%	Increase in the number of logistics centers
Amortization of goodwill	352	0.1%	251	0.0%	-0.1%	
Stock Compensation Expenses	260	0.0%	288	0.1%	0.1%	
Others	13,808	2.6%	13,693	2.4%	-0.2%	(Previous Year) A significant one-time cost for equipment and related items at our large logistics center, ZOZOBASE TSUKUBA 3.
Total SG&A	123,067	22.9%	133,556	23.2%	0.3%	

* Payroll includes directors' remuneration, employee salaries, bonuses, legal welfare expenses, welfare expenses, retirement benefits cost, provision for employee bonuses, expenses of company pension premium, subcontracting payroll, a portion of expenses at logistics centers operation. "Employee" includes directors, full-time employees and personnel engaged in operations other than logistics operation, "Logistics-Related Expenses" includes part-timers, dispatched workers(subcontracting payroll) and substantial personnel expenses within outsourcing commission of staff working for logistics operations.

* The percentages to the Gross Merchandise Value are calculated by dividing each expense by the Gross Merchandise Value (excluding other GMV).



SELLING, GENERAL AND ADMINISTRATIVE (SG&A) EXPENSES (QUARTERLY)



In the fourth quarter, the ratio of payroll and staff costs to GMV increased year over year, primarily due to the payment of year-end bonuses that exceeded the previous year's level. In addition, the ratio of outsourcing commission to GMV also rose, reflecting costs related to the acquisition of LYST.



* Operating profit margins are calculated by dividing operating profit by the Gross Merchandise Value (excluding other GMV)



OVERVIEW OF SG&A BY EACH QUARTER

(million¥)

	FY2023								FY2024							
	1Q		2Q		3Q		4Q		1Q		2Q		3Q		4Q	
	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value
Payroll and staff costs(*)	7,562	6.1%	7,731	6.5%	9,248	5.9%	8,815	6.4%	8,267	6.2%	7,833	6.1%	8,413	4.9%	10,423	7.3%
Payroll costs for employee	3,353	2.7%	3,413	2.9%	3,523	2.2%	4,009	2.9%	3,745	2.8%	3,601	2.8%	3,628	2.1%	5,659	4.0%
Logistics-Related Expenses (Including Outsourcing)	4,208	3.4%	4,317	3.6%	5,724	3.6%	4,806	3.5%	4,521	3.4%	4,232	3.3%	4,785	2.8%	4,763	3.3%
Outsourcing Commission (Excluding Logistics-Related Expenses)	1,591	1.3%	1,585	1.3%	1,685	1.1%	1,752	1.3%	1,740	1.3%	1,702	1.3%	1,872	1.1%	2,267	1.6%
Shipping	7,920	6.4%	7,880	6.7%	9,302	5.9%	8,337	6.1%	9,087	6.9%	8,881	6.9%	10,391	6.1%	9,003	6.3%
Commission of Payment collection	2,921	2.4%	2,777	2.3%	3,598	2.3%	3,061	2.2%	3,099	2.3%	2,964	2.3%	3,891	2.3%	3,172	2.2%
Advertising	2,168	1.8%	2,338	2.0%	4,912	3.1%	2,631	1.9%	2,368	1.8%	2,473	1.9%	5,216	3.0%	3,281	2.3%
Rent expense	1,568	1.3%	1,880	1.6%	1,969	1.2%	1,914	1.4%	2,120	1.6%	2,114	1.6%	2,119	1.2%	2,123	1.5%
Depreciation	522	0.4%	626	0.5%	1,062	0.7%	1,279	0.9%	1,032	0.8%	1,077	0.8%	1,143	0.7%	1,238	0.9%
Amortization of goodwill	96	0.1%	96	0.1%	96	0.1%	62	0.0%	62	0.0%	62	0.0%	62	0.0%	62	0.0%
Stock Compensation Expenses	33	0.0%	74	0.1%	83	0.1%	69	0.1%	69	0.1%	77	0.1%	71	0.0%	71	0.0%
Others	2,797	2.3%	3,110	2.6%	4,373	2.8%	3,527	2.6%	3,212	2.4%	3,289	2.6%	3,581	2.1%	3,609	2.5%
Total SG&A	27,182	22.0%	28,100	23.8%	36,332	23.0%	31,452	22.9%	31,060	23.4%	30,477	23.8%	36,763	21.5%	35,254	24.7%

* Payroll includes directors' remuneration, employee salaries, bonuses, legal welfare expenses, welfare expenses, retirement benefits cost, provision for employee bonuses, expenses of company pension premium, subcontracting payroll, a portion of expenses at logistics centers operation.

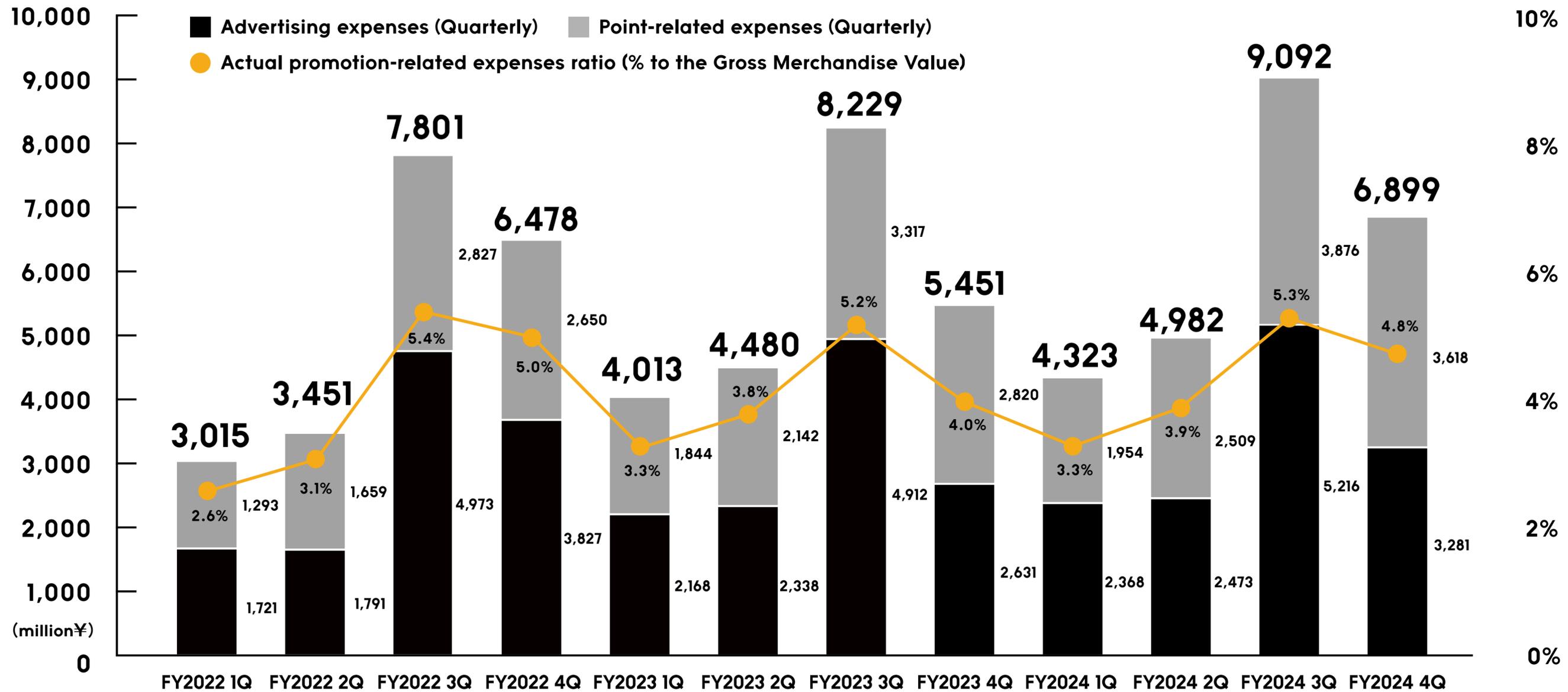
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* The percentages to the Gross Merchandise Value are calculated by dividing each expense by the Gross Merchandise Value (excluding other GMV).



ACTUAL PROMOTION-RELATED EXPENSES

Actual promotion-related expenses: The sum of advertising expenses and point-related expenses



For the full fiscal year, the ratio of actual promotion-related expenses to GMV came in at 4.4%, slightly exceeding the initial plan. This was due to the active investment of unspent promotional budget from the first three quarters in the fourth quarter to support sales. Compared to the same period of the previous year, the main drivers of the increase were increased investment in web advertising and free-shipping measures.



* The actual promotion-related expenses ratio is calculated by dividing the actual promotion-related expenses by the Gross Merchandise Value (excluding other GMV)

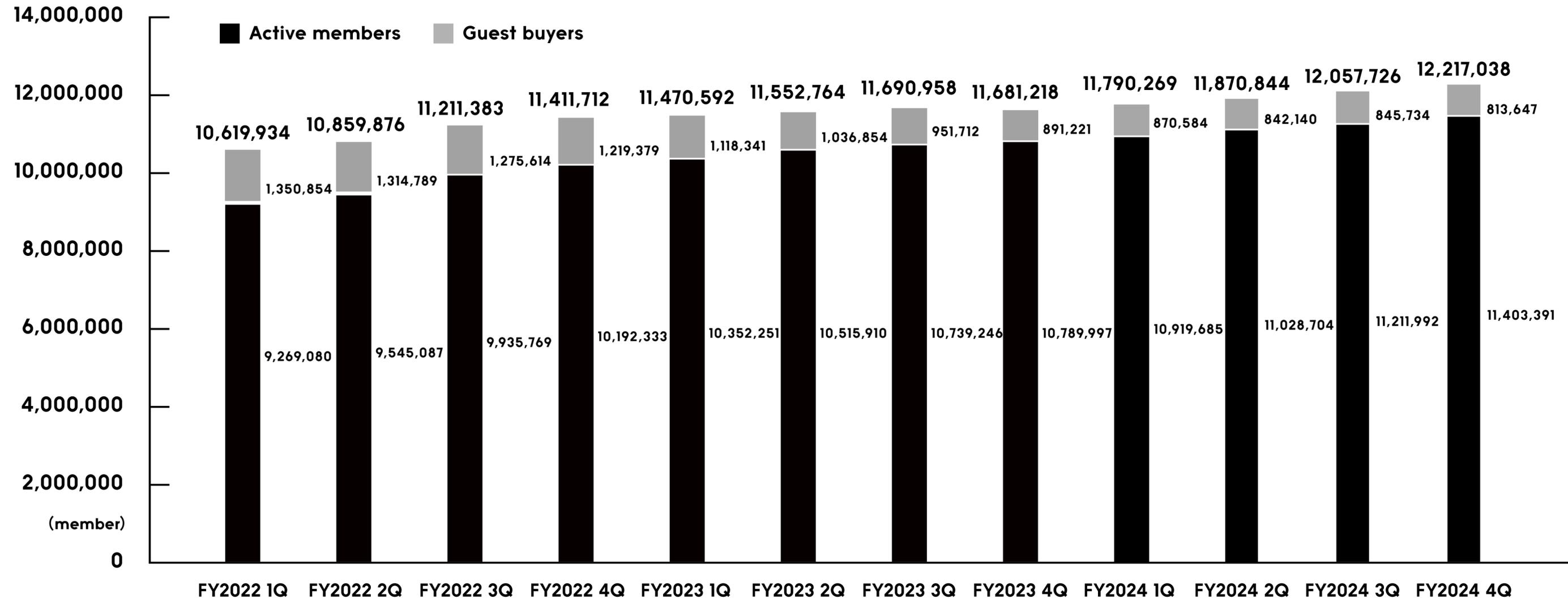


NUMBER OF TOTAL BUYERS

Number of total buyers = Active members and guest buyers who made at least one purchase within a year

Guest buyers = Total number of guest purchases within a year

Active members = Members who have made at least one purchase within a year



In January and February, new member acquisition was challenging due to factors such as a shortage of sale inventory. However, from March onward, acquisition improved, supported by active promotional efforts including web advertising and rising demand for spring/summer items.



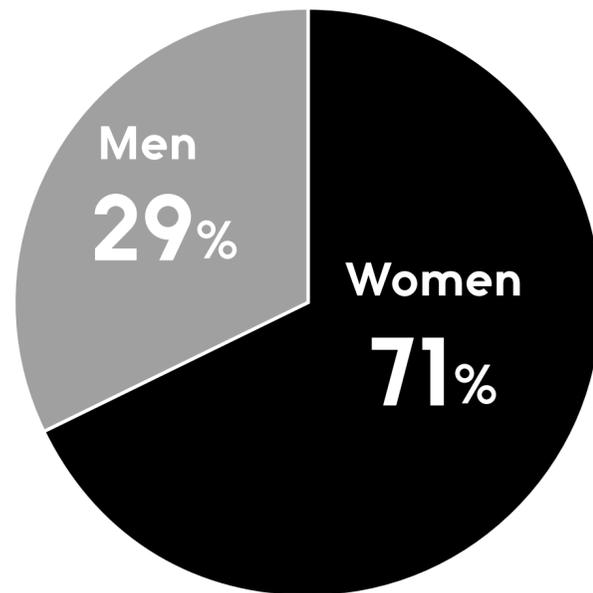
* The results are only from the ZOZOTOWN business. LY Corporation Commerce is not included.

* Excluding the users who only purchased the body measurement device "ZOZOSUIT" "ZOZOMAT" and "ZOZOGLASS".

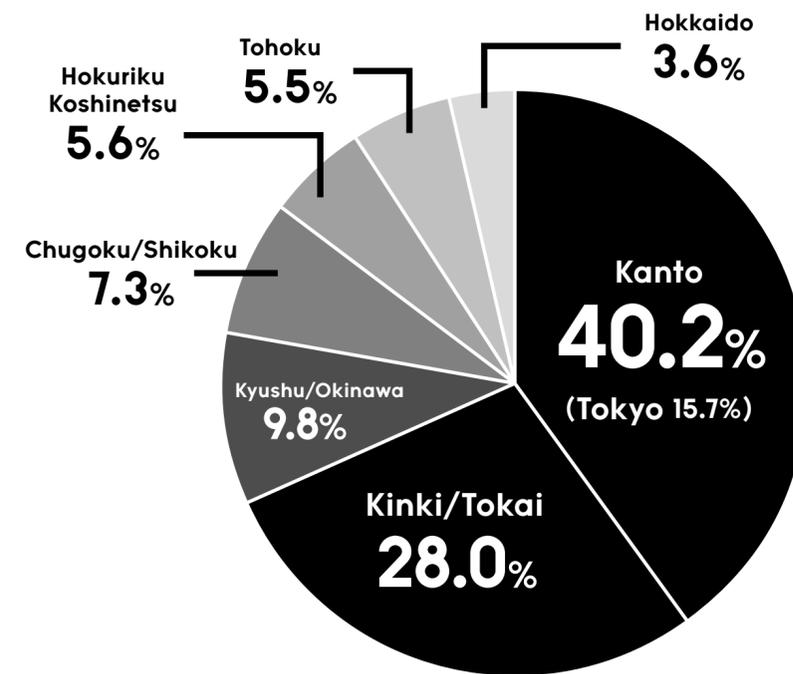


ACTIVE MEMBER DISTRUBUTION

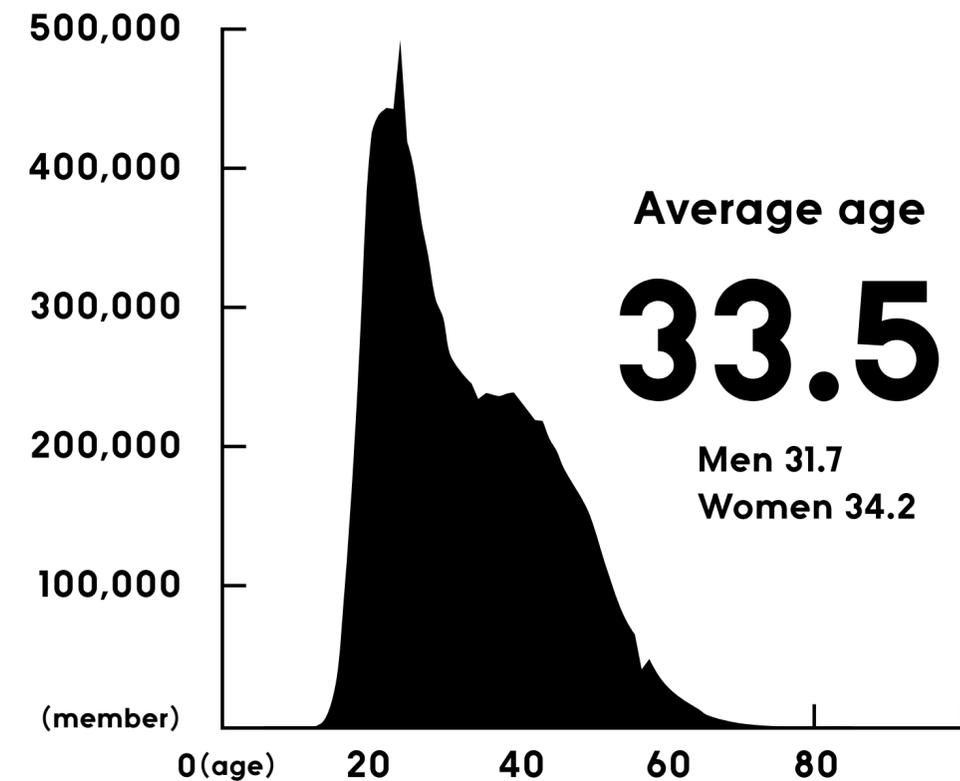
Gender ratio



Geographical distribution



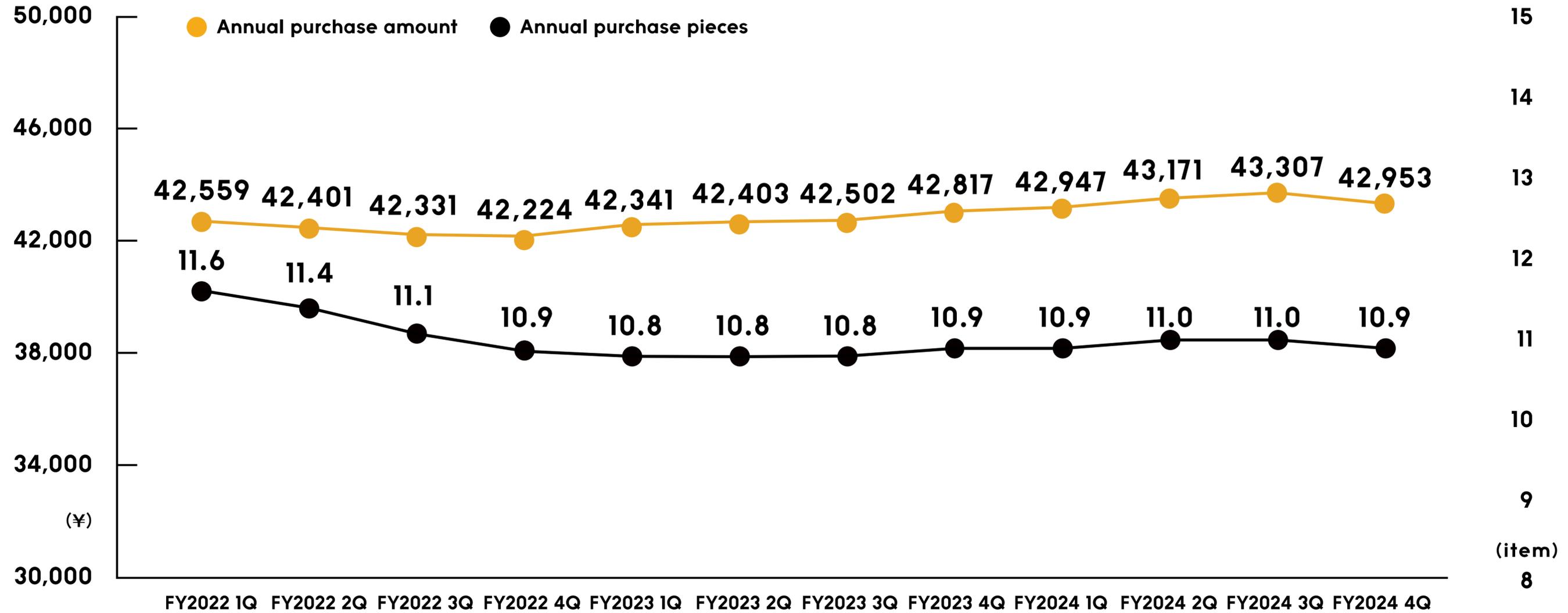
Age distribution



* The shown data on Active Member Distribution is only based on the numbers from the ZOZOTOWN business. LY Corporation Commerce is not included.



ANNUAL PURCHASE AMOUNT AND PIECES PER ACTIVE MEMBER

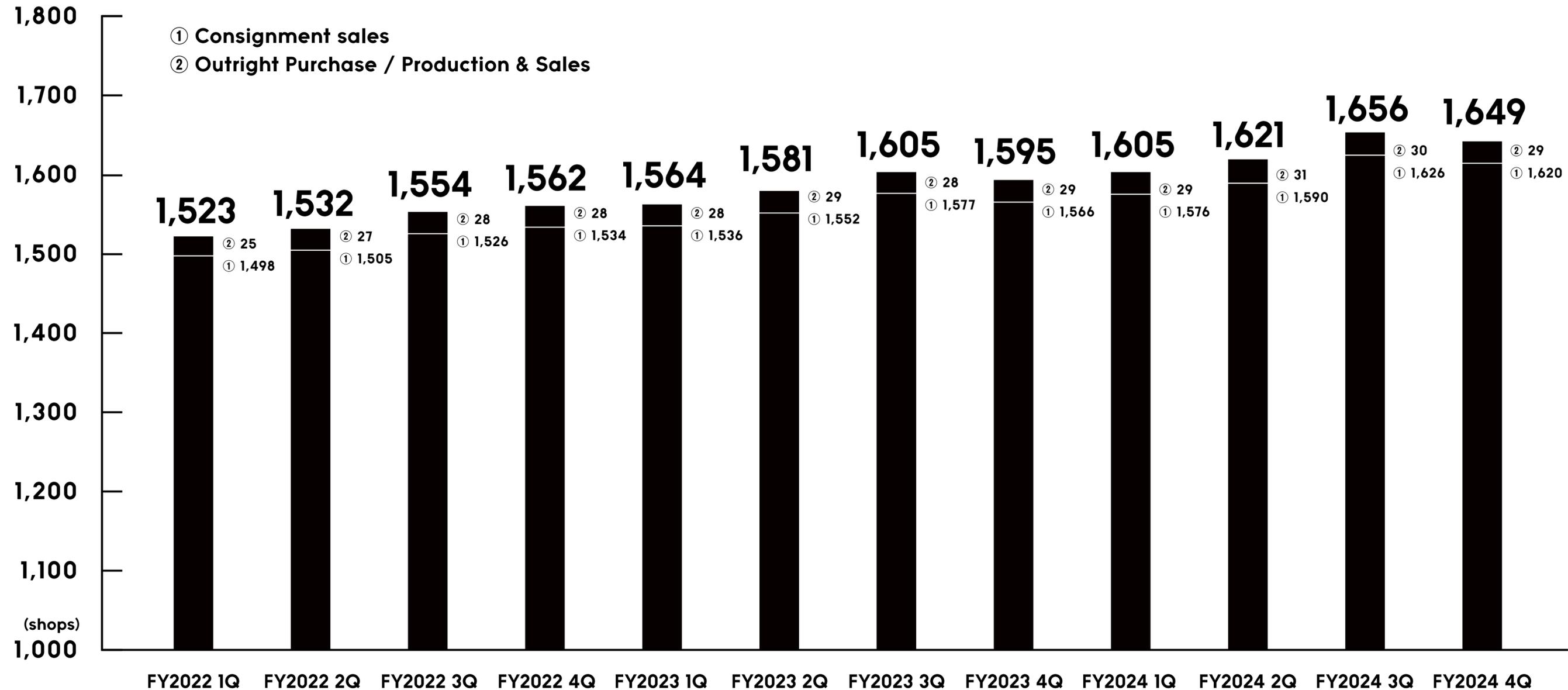


* The results are only from the ZOZOTOWN business. LY Corporation Commerce is not included.

* Excluding the users who only purchased the body measurement device "ZOZOSUIT" "ZOZOMAT" and "ZOZOGLASS".



NUMBER OF SHOPS ON ZOZOTOWN



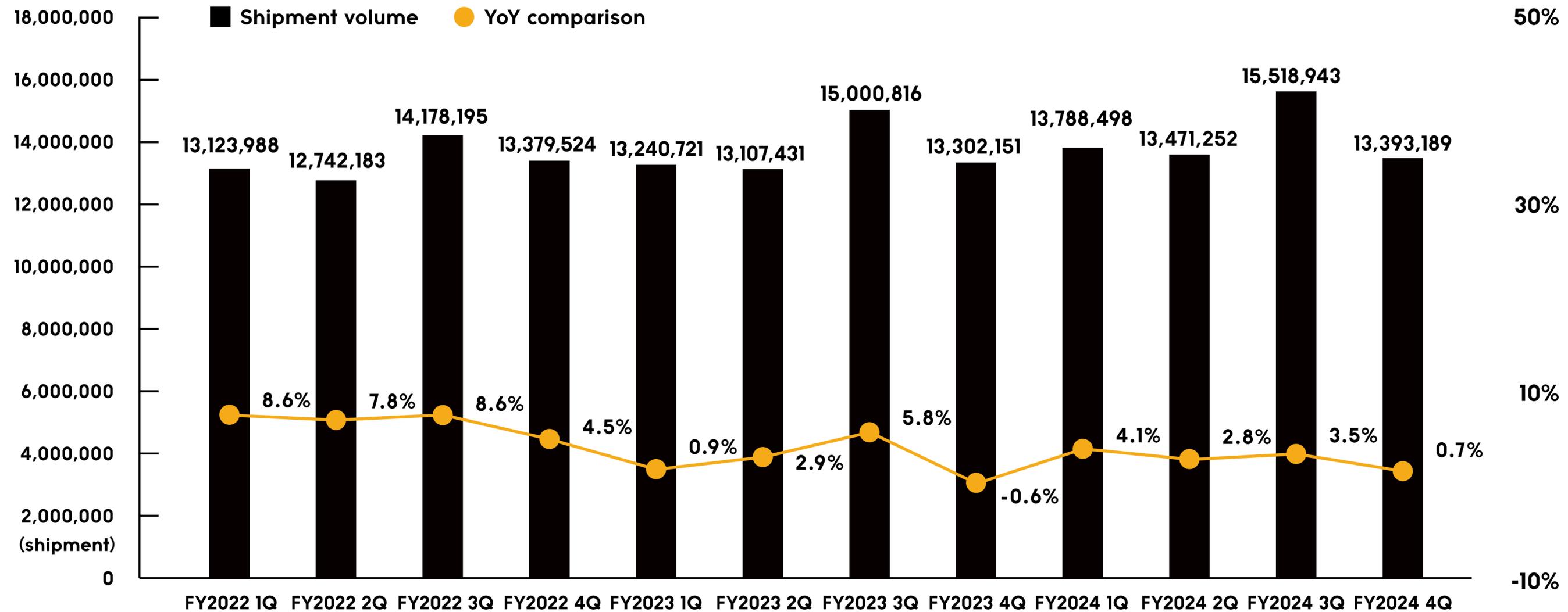
For the full fiscal year, the number of new shop openings met the initial plan. However, in the fourth quarter, the total number of shops declined compared to the previous quarter due to an increase in shop closures resulting from brand terminations and other factors.



* Shops of the private brand "ZOZO" and "Multi-Size" are not included to the number of shops.



NUMBER OF SHIPMENTS



* The results are only from the ZOZOTOWN business. LY Corporation Commerce is not included.

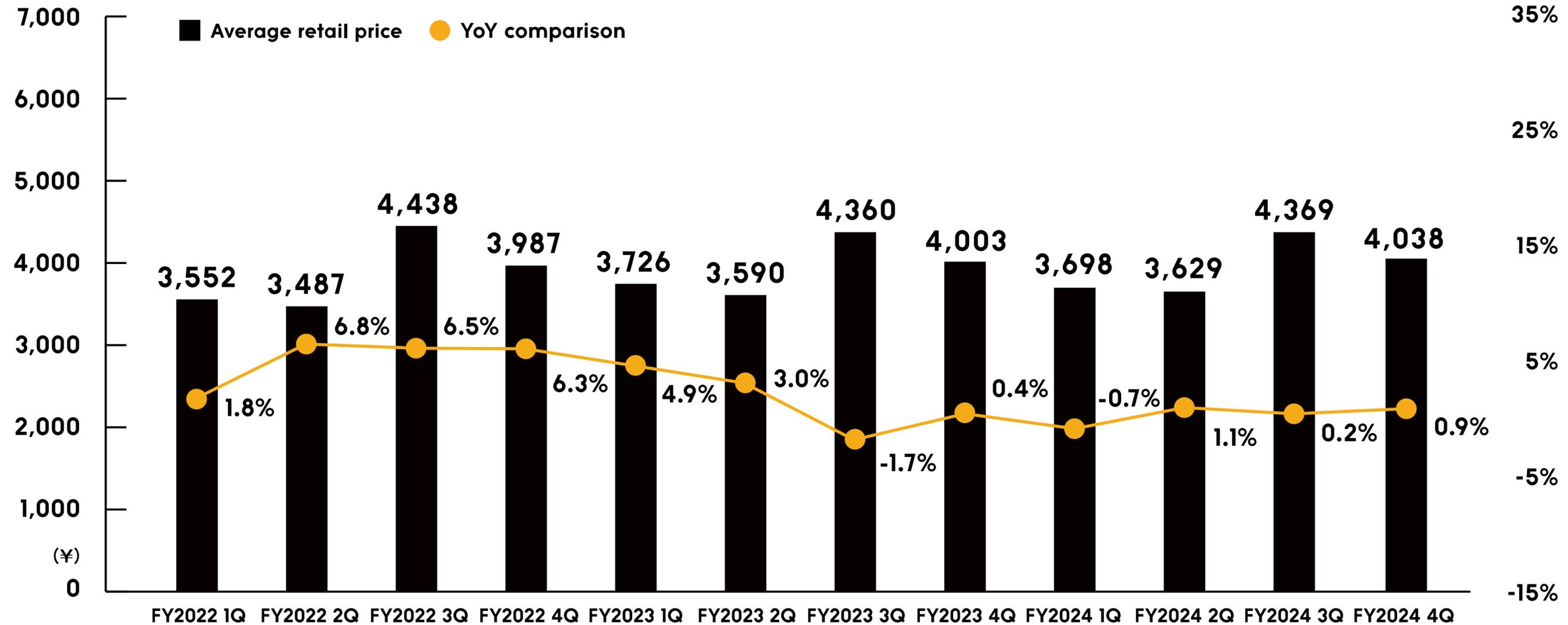
* Excluding the users who only purchased the body measurement device "ZOZOSUIT" "ZOZOMAT" and "ZOZOGLASS".



AVERAGE RETAIL PRICE

Average retail price

= Gross Merchandise Value of the ZOZOTOWN Business / Number of pieces shipped



During the January-February sale period, many brands experienced a shortage of sale inventory, resulting in a lower ratio of items offered on sale compared to the same period of the previous fiscal year. As a result, the average retail price was positively impacted and showed a slight year-over-year increase.



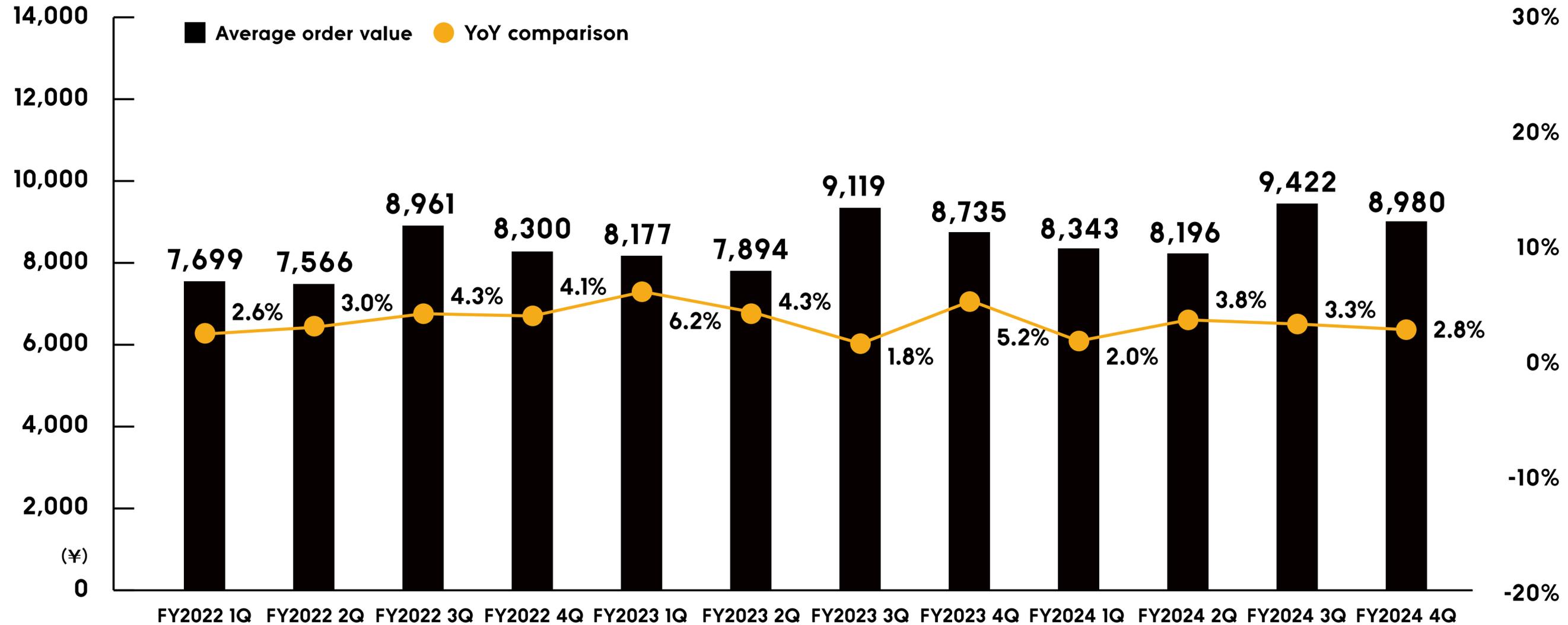
* The results are only from the ZOZOTOWN business. LY Corporation Commerce is not included.

* Excluding the users who only purchased the body measurement device "ZOZOSUIT" "ZOZOMAT" and "ZOZOGLASS".



AVERAGE ORDER VALUE

Average order value
= Gross Merchandise Value of the ZOZOTOWN Business / Number of shipments



Average order value continued to increase, driven by an increase in combined purchases, etc. This was due to a higher number of days offering our well-received free-shipping measures for purchases of ¥12,000 or more, compared to the previous fiscal year.



* The results are only from the ZOZOTOWN business. LY Corporation Commerce is not included.

* Excluding the users who only purchased the body measurement device "ZOZOSUIT" "ZOZOMAT" and "ZOZOGLASS".

BUSINESS PLAN FOR FY2025



As I enter my 20th year at ZOZO, I've found a new and exciting challenge in the acquisition of LYST. I'm truly looking forward to what lies ahead!





CONSOLIDATED BUSINESS FORECAST AND DIVIDEND FORECAST FOR FY2025

- Gross Merchandise Value (excluding other GMV) is expected to increase by 5.0% year over year, and EBITDA is projected to rise by 10.2%.
- To more clearly reflect the actual earning power after the consolidation of LYST LTD, we have begun disclosing EBITDA and EBITDA margin as key performance indicators.
- The standalone performance impact of LYST LTD is currently under review and is not reflected in the current forecast. Once the review is complete, we plan to promptly revise and disclose updated figures.
- Regarding Gross Merchandise Value in the “Others” segment, the recognition of GMV from ZOZO Option contract stores on Yahoo! JAPAN Shopping will end in the first half of the current fiscal year.
- Accordingly, starting from FY2026, we plan to discontinue the disclosure of Gross Merchandise Value. (excluding other GMV)

	FY2025 Plan	YoY
Gross Merchandise Value	623.6 billion yen	1.5%
Gross Merchandise Value (excluding other GMV)	603.4 billion yen	5.0%
Net sales	224.1 billion yen	5.1%
Operating profit	69.8 billion yen	7.8%
Operating Profit Margin (% to the Gross Merchandise Value)	11.6 %	-
EBITDA	76.9 billion yen	10.2%
EBITDA Margin (% to the Gross Merchandise Value)	12.7 %	-
Ordinary profit	69.8 billion yen	7.6%
Profit attributable to owners of parent	48.5 billion yen	7.0%
Net profit per share	54.44 yen	-
Estimated dividends per share (Plan)	39.0 yen	-

* EBITDA is calculated as operating profit plus depreciation, amortization of goodwill, and stock compensation expenses.

* Operating profit margin and EBITDA margin are calculated by dividing operating profit and EBITDA by the Gross Merchandise Value (excluding other GMV).

* The Company implemented a three-for-one stock split effective April 1, 2025. Dividend per share is presented on a post-stock-split basis.



FY2025 TARGET BY BUSINESS SEGMENT

- The standalone performance impact of LYST LTD is currently under review and is not reflected in the current forecast. Once the review is complete, we plan to promptly revise and disclose updated figures.
- Regarding Gross Merchandise Value in the “Others” segment, the recognition of GMV from ZOZO Option contract stores on Yahoo! JAPAN Shopping will end in the first half of the current fiscal year.
- As a result, the “Others” segment is expected to decline from the previous year, but the impact on overall earnings will be limited.

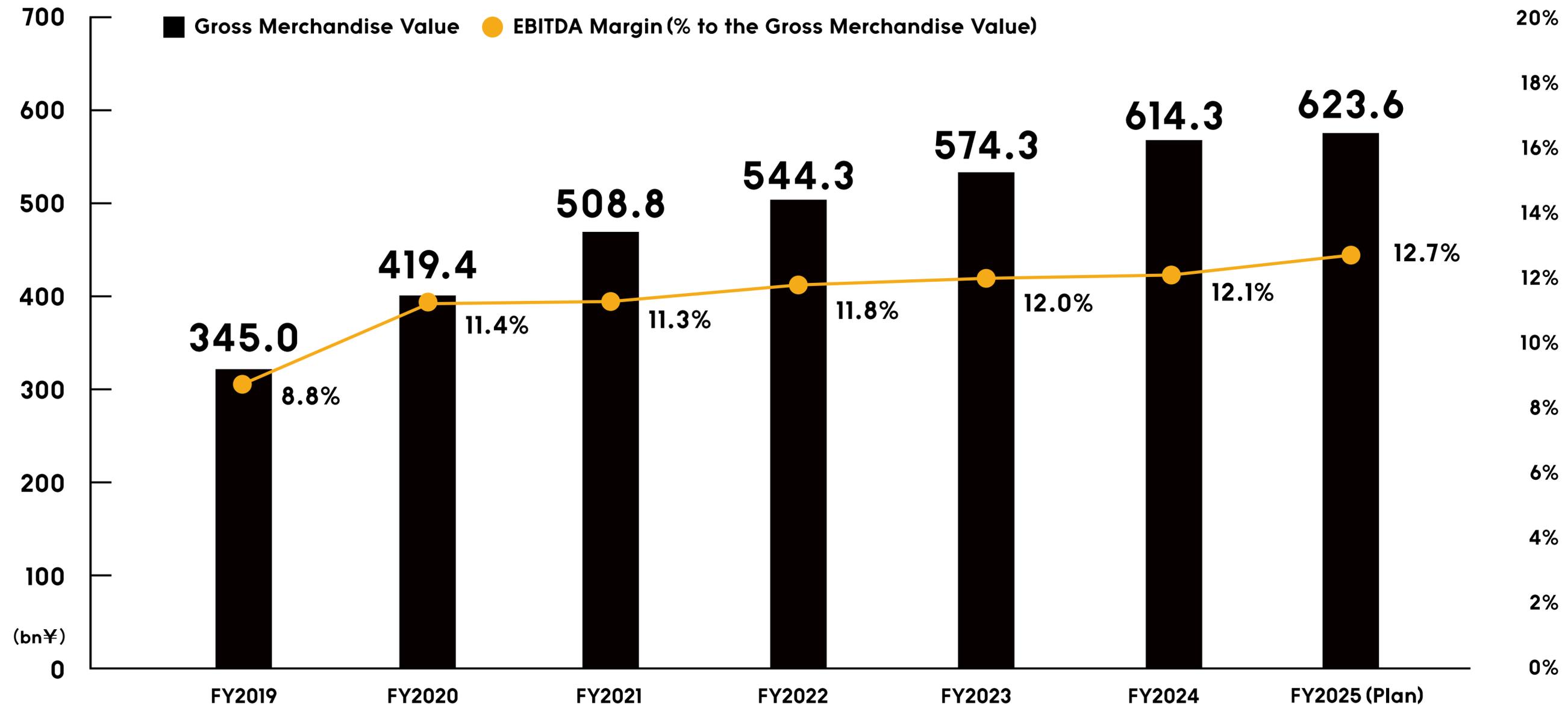
	Target for Gross Merchandise Value	YoY
ZOZOTOWN Business	518.8 billion yen	5.5%
Outright Purchase/Production & Sales	4.1 billion yen	11.1%
Consignment sales	493.7 billion yen	5.4%
USED sales	21.0 billion yen	6.9%
LY Corporation Commerce*	76.1 billion yen	9.3%
BtoB Business	8.5 billion yen	-35.2%
Gross Merchandise Value (excluding other GMV)	603.4 billion yen	5.0%
Others	20.2 billion yen	-49.1%
Gross Merchandise Value	623.6 billion yen	1.5%

	Target for Net Sales	YoY
Advertising business	11.5 billion yen	2.6%

* “LY Corporation Commerce” represents the combined total of “Yahoo! JAPAN Shopping” and “Yahoo! JAPAN Auction”.



GROSS MERCHANDISE VALUE & EBITDA MARGIN



* EBITDA is calculated as operating profit plus depreciation, amortization of goodwill, and stock compensation expenses.

* Operating profit margin and EBITDA margin are calculated by dividing operating profit and EBITDA by the Gross Merchandise Value (excluding other GMV).

* The Company announced the decision to acquire all shares of LYST LTD. (making it a subsidiary) on April 9, 2025. However, the impact of LYST's standalone performance has not been reflected in the consolidated business forecast for the fiscal year ending March 31, 2026. Once the detailed examination of the subsidiary's impact is completed, we plan to promptly make the appropriate disclosure.

REFERENCE DATA



My child has just started attending daycare. The time I spend walking to daycare while carrying my child is pure happiness — but lately, my child has gotten heavier, and by the time we arrive, I'm sweating like it's summer, even though it's spring. For now, I think I'll be facing a very happy dilemma each morning: choosing between the joy of spending more time walking together, or the joy of not breaking a sweat by switching to a bicycle.





STATISTICS OF ZOZO

NUMBER OF EMPLOYEES

1,738

(Average age 34.2 years old)

NUMER OF SHAREHOLDERS

10,210

NUMBER OF BRANDS HANDLED

9,049

ZOZOTOWN TOTAL BUYERS

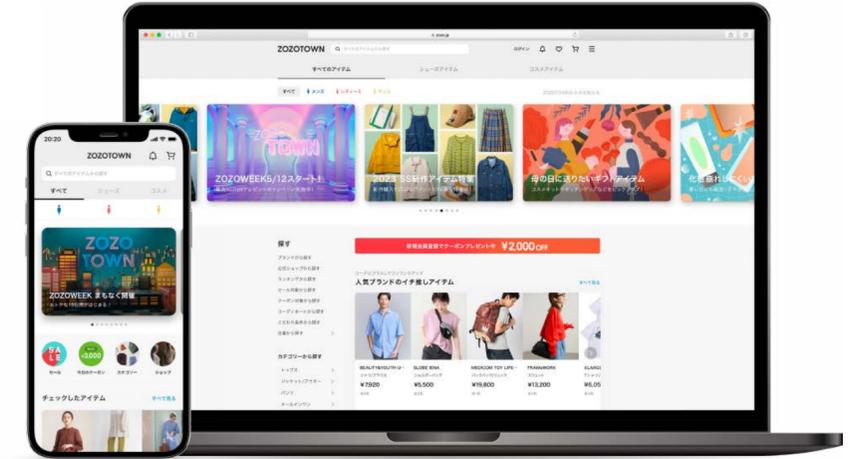
12.2 million
(1 year basis)



MAJOR SERVICES

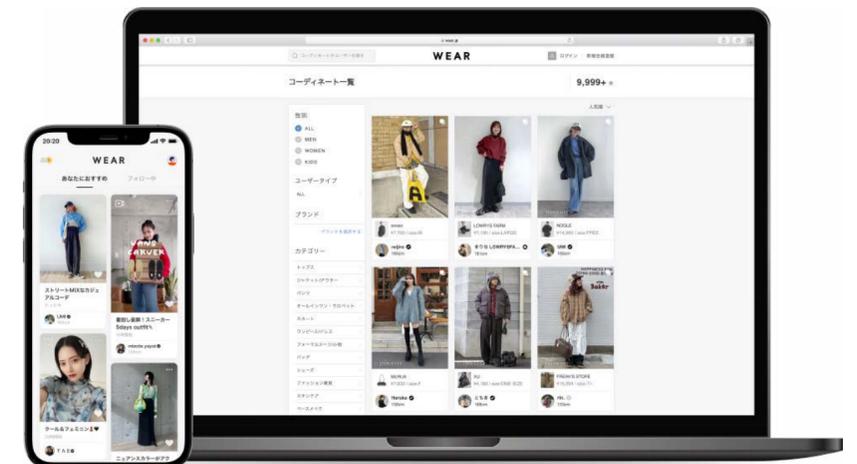
ZOZOTOWN The largest fashion e-commerce website in Japan

- The Company offers 9,049 brands across 1,649 stores, with more than 1.07 million items available at any given time. On average, 2,700 new items are added every day.
- All functions from systems design to fulfillment are built in-house.
- Same-day delivery service, gift-wrapping service, deferred payment, etc., are available.
- The ZOZOTOWN store was opened on Yahoo! JAPAN Shopping, which is operated by LY Corporation. Additionally, the ZOZOUSED store has been opened on Yahoo! JAPAN Auction since March 2024.



WEAR by ZOZO The largest outfit-sharing app in Japan

- Users can search for outfits that align with their preferences and the latest trends through AI-driven analysis of user posts across various genres. Additionally, fashion know-how videos, makeup posts, and a full AR makeup function provide a wealth of fashion-related information, including makeup tips.
- "WEARISTA," the fashionista officially certified by WEAR, is an influencer who proposes easy-to-reference outfits and brings more excitement to the fashion industry.
- Over 18 million downloads have been achieved, and now it is expanding globally.





DIFFERENCES BETWEEN ZOZOTOWN AND ZOZOTOWN STORE ON Yahoo! JAPAN Shopping

	ZOZOTOWN	ZOZOTOWN Yahoo! JAPAN Shopping store
Overview	One of the largest fashion e-commerce websites in Japan providing original services specialized in fashion	E-commerce website for wide range of users also expecting cross-category shopping other than the fashion category
Number of shops	1,649 (As of March 31, 2025)	1,526 (As of March 31, 2025)
Selling items	Full line-up	Freely selected by each shop
Detail of consignment	All the operations needed for EC business such as shooting, measurement, logistics, customer support, operation support etc.	Same as the left
Original services provided	Deferred payment, Replacement-discount, same-day delivery, preorder, ZOZOCARD, brand coupons, gift-wrapping service, image search function, ZOZOMAT, ZOZOGLASS etc.	Brand coupons, same-day delivery, preorder
Payment methods	Credit cards, cash on delivery, convenience store payment, deferred payment, PayPay	PayPay, credit cards, cash on delivery
Reward points	No ZOZO point of 5% of product price (excluding tax) will be granted only for ZOZOCARD	PayPay points based on PayPay campaign
Revenue	Consignment sales commission from brands	Same as the left (Commission rate is same as ZOZOTOWN)
	Shipping revenue from customers	330 yen (including tax)
Expenses borne by ZOZO	Shop opening commission	NO
	Payment collection commission	YES
	Customer attraction cost	YES
	Reward points cost	YES



BUSINESS MODEL

ZOZOTOWN Business

○ Outright Purchase / Production & Sales

We currently operate 29 stores on ZOZOTOWN.

In addition to purchasing inventory from brand manufacturers, we also manufacture and sell merchandise by utilizing the planning abilities of influencers such as brand manufacturers and celebrities.

Sales = Gross merchandise value generated by each store

○ Consignment Sales

We operate 1,620 shops as a consignment business, which allows us to carry a certain amount of products from various brands while minimizing inventory risk.

Sales = Gross merchandise value of each store × commission rate

○ USED Sales

We offer a second-hand business by purchasing used fashion products from our users.

Sales = Gross merchandise value

LY Corporation Commerce*

We opened ZOZOTOWN store on Yahoo! JAPAN Shopping* which is operated by LY Corporation.

ZOZOUSED has opened a store on Yahoo! Auctions since March 2024.

Sales = Gross merchandise value of each store × commission rate

• For consignment sales merchandise

Sales = Gross merchandise value of each store × commission rate

• For ZOZOUSED merchandise

Sales = Gross merchandise value

*"LY Corporation Commerce" represents the combined total of "Yahoo! JAPAN Shopping" and "Yahoo! JAPAN Auction".

BtoB Business

We assist in developing and operating online shops and managing logistics operations on behalf of some brands that have stores on ZOZOTOWN.

We currently provide back-end service to 32 stores.

• In the case of providing all services from website development and operation to logistics operations, etc.

Sales = Gross merchandise value of these online shop × Commission rate

• In the case of providing logistics operations service but not website development and operation services

Sales = Commission fee based on the number of shipments and items

Both of the above sales include other sales such as initial shop opening commission, shipping fee etc.

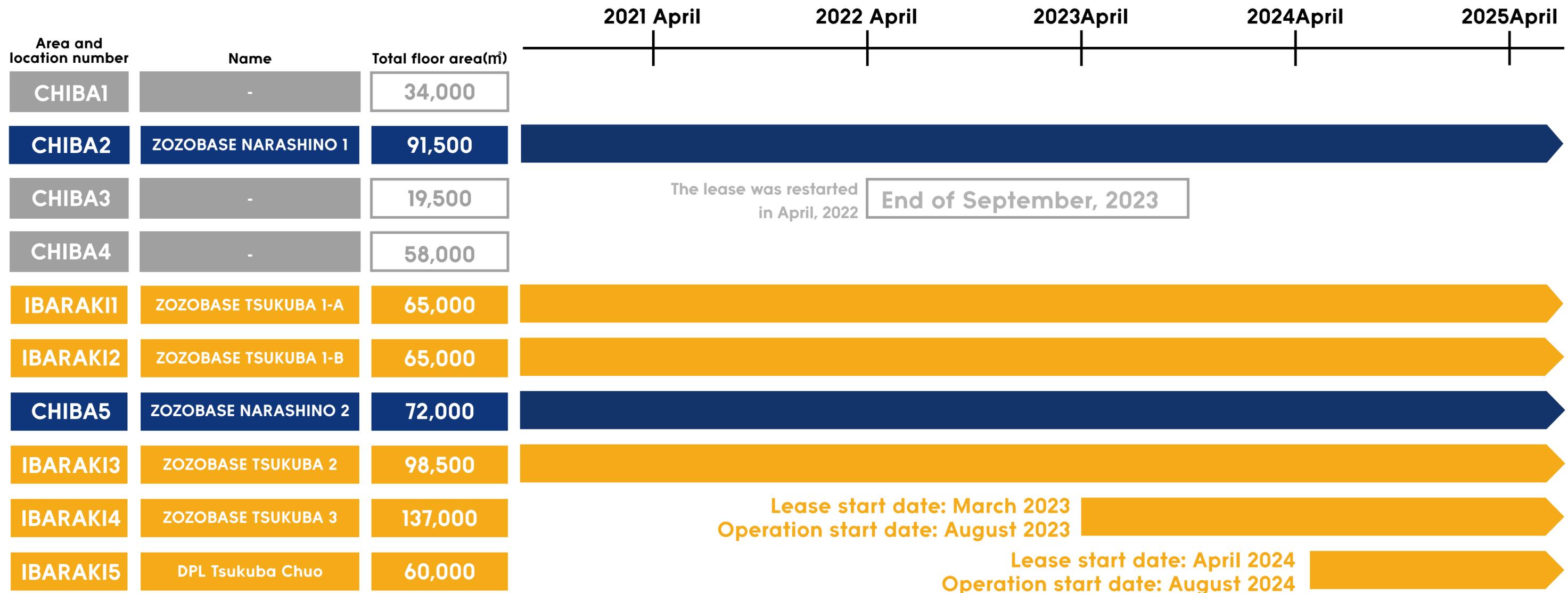
Advertising Business

The advertising business will generate advertising income from client companies, including brands, by utilizing the user base of ZOZOTOWN and WEAR by ZOZO to provide advertising spots.

Sales = Advertisement income



LOGISTICS BASES EXPANSION PLAN



CHIBA2, IBARAKI1 and IBARAKI4 are warehouses with shipping function.



APPENDIX

Our corporate website The information below is available on our corporate website.

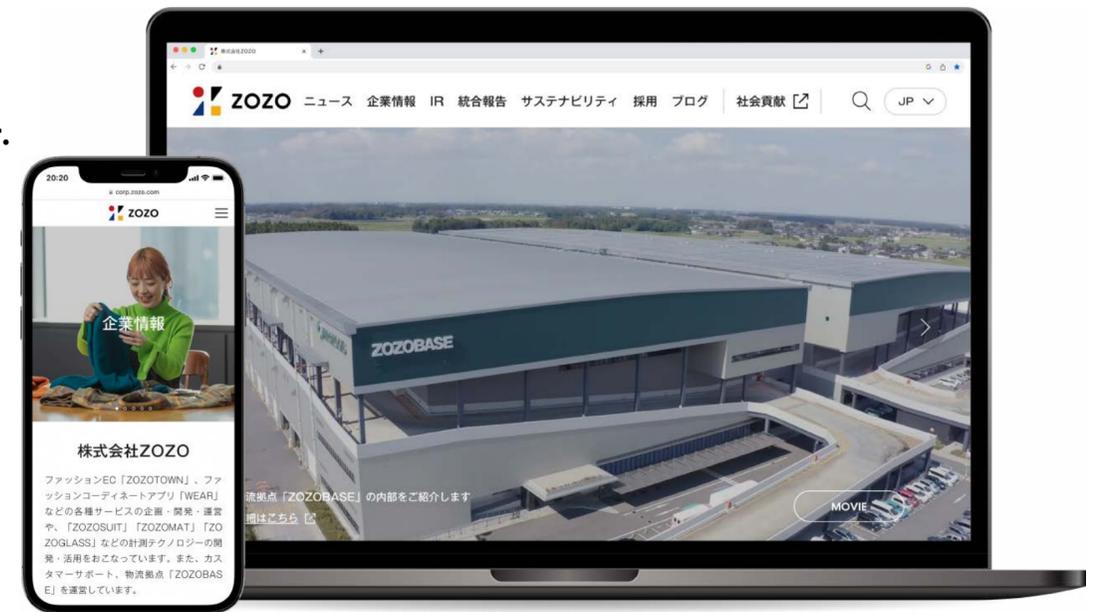
IR News ... The latest IR information is posted in a timely manner.

Financial Highlights ... Past financial data is available. Data can be downloaded in excel format.

Integrated Report Portal ... We are disclosing integrated data on financial and non-financial information.

ESG/CSR ... We are introducing our initiatives on ESG/CSR

- ESG Data
- External Evaluation



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IR Mail Subscription



This material has been created solely for the purpose of introducing the company's business activities and not for soliciting investments.

The business forecasts and future outlook described in this material are based on information currently available.

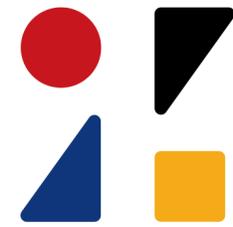
Please note that the forecast includes uncertainties such as sudden changes, and actual results may differ.

Postscript

**The design of our financial results presentation materials,
which has been well received by investors,
will be updated starting with the new fiscal year.**

**Thank you for your support
over the past two years!**





ZOZO