



P.03 - P.05

HIGHLIGHTS



2Q FY2025 ZOZO, Inc.
CONSOLIDATED BUSINESS RESULTS

FY2025 2Q HIGHLIGHTS

Both GMV and EBITDA marked record highs for the semi-annual period.

Overview

- Gross Merchandise Value : 312,473 million yen (+11.9%,YoY)
Gross Merchandise Value (excluding other GMV) : 292,687 million yen (+12.2%,YoY)
Progressing slightly below the plan, due to weaker user demand affected by persistently high temperatures during the second quarter accounting period, although sufficient measures had been taken to ensure inventory supply for the prolonged summer season. While the ZOZOTOWN business fell short of plan, LY Corporation Commerce exceeded expectations.
- EBITDA : 34,753 million yen (+5.8%,YoY)
Progressing slightly above the plan, due to unspent actual promotion-related expenses, lower-than-expected logistics-related expense resulting from better-than-expected operational efficiency in warehouses, and lower-than expected shipping expense driven by a higher-than-expected average order value.

* As of July 31, 2025, we disclosed the "Notice Concerning the Revision of Consolidated Business Forecast For the Fiscal Year Ending March 2026."
* EBITDA is calculated as operating profit plus depreciation, amortization of goodwill, and stock compensation expenses.

Results by business segment

- ZOZOTOWN BUSINESS
 - Gross Merchandise Value : 235,614 million yen (+4.5%,YoY)
 - Consignment sales : 224,964 million yen (+4.8%,YoY)
 - Outright Purchase / Production & Sales : 1,596 million yen (-29.5%,YoY)
 - USED sales : 9,052 million yen (+7.0%,YoY)
- LY Corporation Commerce* : 34,448 million yen (+18.3%,YoY)
- LYST : 18,633 million yen
- BtoB Business : 3,991 million yen (-36.3%, YoY)
- Others* : 19,785 million yen
- Average Order Value : 8,183 yen (-0.2%,YoY)
- Average Retail Price : 3,584 yen (-1.2%,YoY)
- Advertising business
 - Net sales : 5,462 million yen (+4.0%,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.

FY2025 2Q HIGHLIGHTS

Profitability

- EBITDA margin (to the total gross merchandise value) : 11.9% (12.6% for FY2024 2Q)
 - Factors improving profitability : A decline in the SG&A-to-GMV ratio due to the expansion of the scope of consolidation (mainly in shipping expenses, logistics-related expense, commission of payment collection, and rent expenses), a decline in the logistics-related expense ratio driven by improved operational efficiency at warehouses, and a decline in the shipping expense ratio due to an increase in the average order value compared to the same quarter of the previous fiscal year.
 - Factors worsening profitability : A decline in the gross profit margin due to changes in the business composition ratio associated with the consolidation of LYST, and an increase in the ratio of actual promotion-related expenses.
- As of July 31, 2025, we disclosed the “Notice Concerning the Revision of Consolidated Business Forecast For the Fiscal Year Ending March 2026.”
- EBITDA margins are calculated by dividing EBITDA by the Gross Merchandise Value (excluding other GMV)

Topics

- Completion of repurchase of shares. (August 2025)
 - Total number of acquired shares: 6,541,500 shares Total acquisition cost: 9,999,854,450 yen
- FAANS was connected with URBAN RESEARCH CO., LTD.’s proprietary e-commerce website to support more efficient outfit postings. (August 2025)
- “Integrated Report Portal FY2024” was released. (August 2025)
- The Company obtained certification from the Science Based Targets initiative (SBTi) for its greenhouse gas reduction targets. (September 2025)
- The Company introduced ChatGPT Enterprise to all employees and conducted challenge sessions where employees, including officers, created custom GPTs and participated in team-based competitions. (September 2025)
- “ZOZOFES,” a fashion and music festival, was held on October 12 (Sun) and 13 (Mon) at K-Arena Yokohama. The event featured special productions incorporating fashion elements and live performances by renowned artists, making it a highlight of ZOZO’s 20th anniversary celebrations. The anniversary song “the NOISE (Contains a Samples of Into The Night) ” by LE SSERAFIM, YOASOBI, which was released prior to the event as part of the ZOZOTOWN 20th Anniversary project, was also performed live for the first time. (October 2025)
- WEAR’s fashion-focused AI function has evolved with a new “Smart Styling” feature. (October 2025)
- The Company received the highest rating of “AAA” in the MSCI ESG Ratings for the second consecutive year. (October 2025)
- The coverage area for the “Same-Day Delivery” service was expanded to include Okinawa prefecture. (October 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 reserves 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." The following matters were resolved on April 30, 2025, in order to achieve the stated objectives. These have been implemented as planned.

① Repurchase of shares

Total number of acquired shares : 6,541,500 shares

Total acquisition cost : 9,999,854,450 yen

Period of acquisition : May 1, 2025 to July 31, 2025

② Cancellation of treasury shares

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

Cancellation date : May 9, 2025

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BUSINESS RESULTS

2Q FY2025 ZOZO, Inc.

CONSOLIDATED BUSINESS RESULTS



OVERVIEW OF THE FY2025 2Q

(million¥)

	FY2024 2Q	FY2025 2Q	YoY	Revised target (as of July 31, 2025)	Achievement Rate(%)
Gross Merchandise Value	279,153	312,473	11.9%	673,900	46.4%
Gross Merchandise Value (excluding other GMV)	260,824	292,687	12.2%	653,700	44.8%
Net sales	98,801	105,249	6.5%	231,500	45.5%
Gross profit	92,013	98,448	7.0%	-	-
(% to the Gross Merchandise Value)	35.3%	33.6%	-1.7%	-	-
SG&A	61,537	67,374	9.5%	-	-
(% to the Gross Merchandise Value)	23.6%	23.0%	-0.6%	-	-
Operating profit	30,475	31,074	2.0%	69,200	44.9%
(% to the Gross Merchandise Value)	11.7%	10.6%	-1.1%	10.6%	-
EBITDA	32,858	34,753	5.8%	76,700	45.3%
(% to the Gross Merchandise Value)	12.6%	11.9%	-0.7%	11.7%	
Ordinary profit	30,513	30,826	1.0%	69,100	44.6%
Profit attributable to owners of parent	21,130	21,006	-0.6%	47,800	43.9%

* The percentages are calculated by dividing each item by the Gross Merchandise Value (excluding other GMV).
* As of July 31, 2025, we disclosed the "Notice Concerning the Revision of Consolidated Business Forecast For the Fiscal Year Ending March 2026."

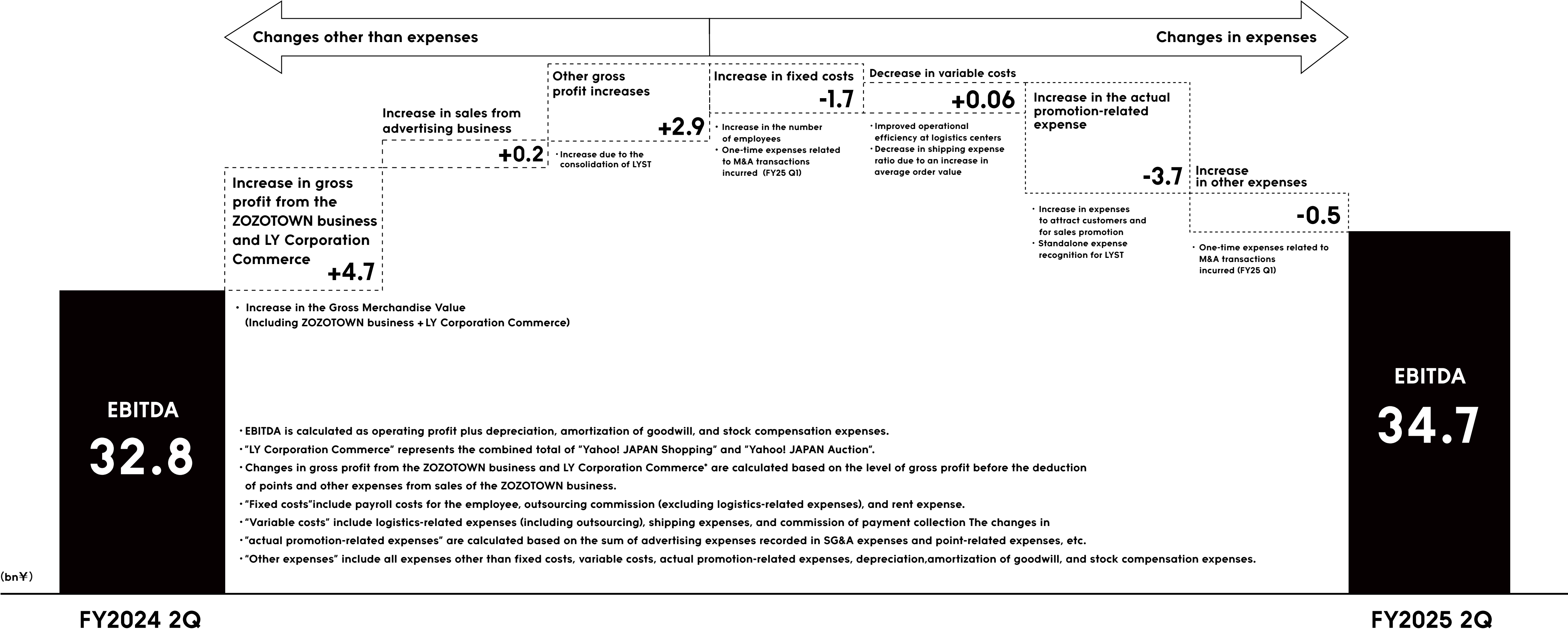
OVERVIEW OF EACH QUARTER

(million¥)

	FY2024				FY2025	
	1Q	2Q	3Q	4Q	1Q	2Q
Gross Merchandise Value	141,885	137,267	182,018	153,190	159,263	153,210
Gross Merchandise Value (excluding other GMV)	132,631	128,193	171,089	142,752	149,100	143,587
YoY (%)	7.5%	8.3%	8.4%	3.9%	12.4%	12.0%
Net sales	50,387	48,414	62,274	52,054	54,028	51,220
SG&A	31,060	30,477	36,763	35,254	33,845	33,529
YoY (%)	14.3%	8.5%	1.2%	12.1%	9.0%	10.0%
(% to the Gross Merchandise Value)	23.4%	23.8%	21.5%	24.7%	22.7%	23.4%
Operating profit	15,895	14,580	21,285	12,994	16,920	14,153
YoY (%)	0.2%	11.6%	26.9%	-9.6%	6.4%	-2.9%
(% to the Gross Merchandise Value)	12.0%	11.4%	12.4%	9.1%	11.3%	9.9%
EBITDA	17,060	15,797	22,562	14,367	18,577	16,175
YoY (%)	3.3%	13.9%	25.3%	-9.0%	8.9%	2.4%
(% to the Gross Merchandise Value)	12.9%	12.3%	13.2%	10.1%	12.5%	11.3%

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

INCREASE-DECREASE ANALYSIS OF EBITDA (YoY COMPARISON)



CONSOLIDATED BALANCE SHEET

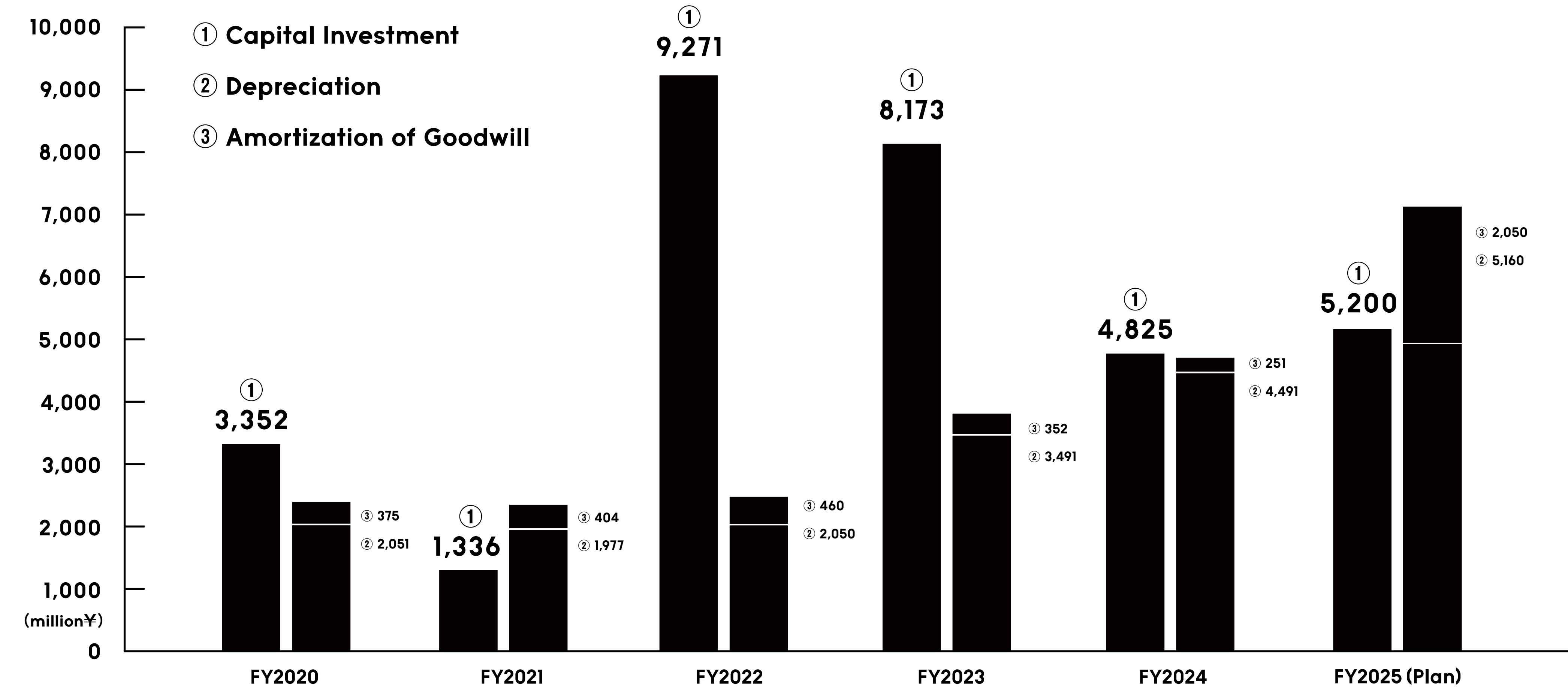
(million¥)

	FY2024 (as of March 31, 2025)	FY2025 2Q (as of September 30, 2025)		FY2024 (as of March 31, 2025)	FY2025 2Q (as of September 30, 2025)
Current assets	147,394	106,325	Current liabilities	79,828	66,710
Cash and deposits	91,486	53,933	Short-term borrowing	20,000	20,000
Merchandise	2,605	3,559	Non-current liabilities	9,262	10,691
Non-current assets	40,415	66,003	Total liabilities	89,090	77,402
Tangible assets	25,447	27,045	Shareholders' equity	98,087	93,155
Intangible assets	3,437	27,634	Treasury stock	-11,581	-11,039
Investments and other assets	11,530	11,323	Total net assets	98,719	94,926
Total assets	187,810	172,328	Total liabilities and net assets	187,810	172,328

CASH FLOWS

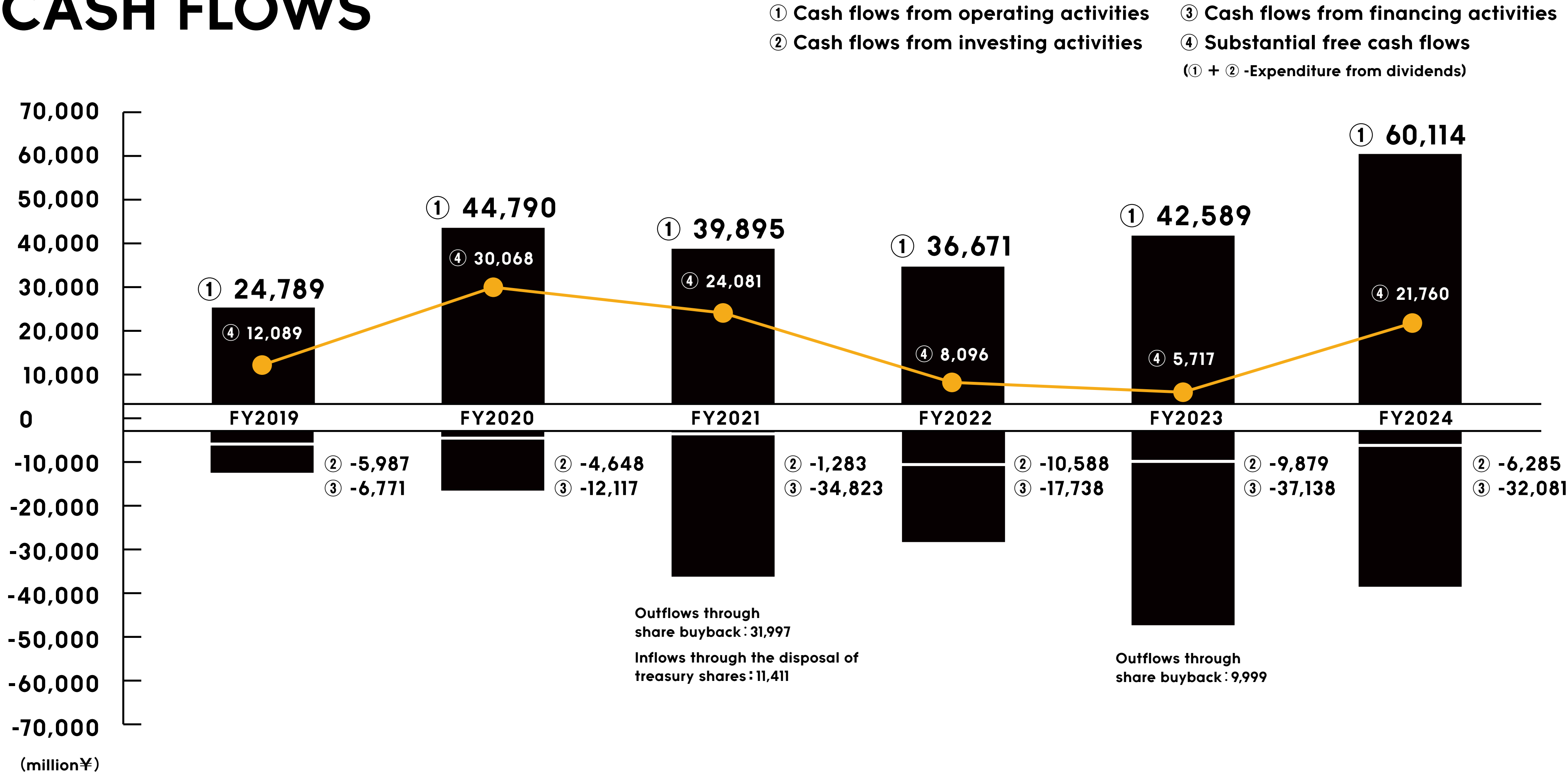
	FY2024 2Q	FY2025 2Q	YoY	Reason for change
Cash flows from operating activities	23,350	17,246	-6,104	Increase in payments of corporate income taxes,etc. Increase in amortization of goodwill due to the consolidation of LYST,etc.
Cash flows from investing activities	-4,091	-25,945	-21,853	Previous fiscal year : Investment in DPL Tsukuba Chuo and replacement of equipment at existing logistics centers Current fiscal year : Expenditures associated with the acquisition of LYST and replacement of equipment at existing logistics centers
Cash flows from financing activities	-16,338	-28,772	-12,434	Expenditures related to the acquisition of treasury stock
Cash and cash equivalents at the end of the quarter	72,651	53,938	-18,712	

CAPITAL INVESTMENT

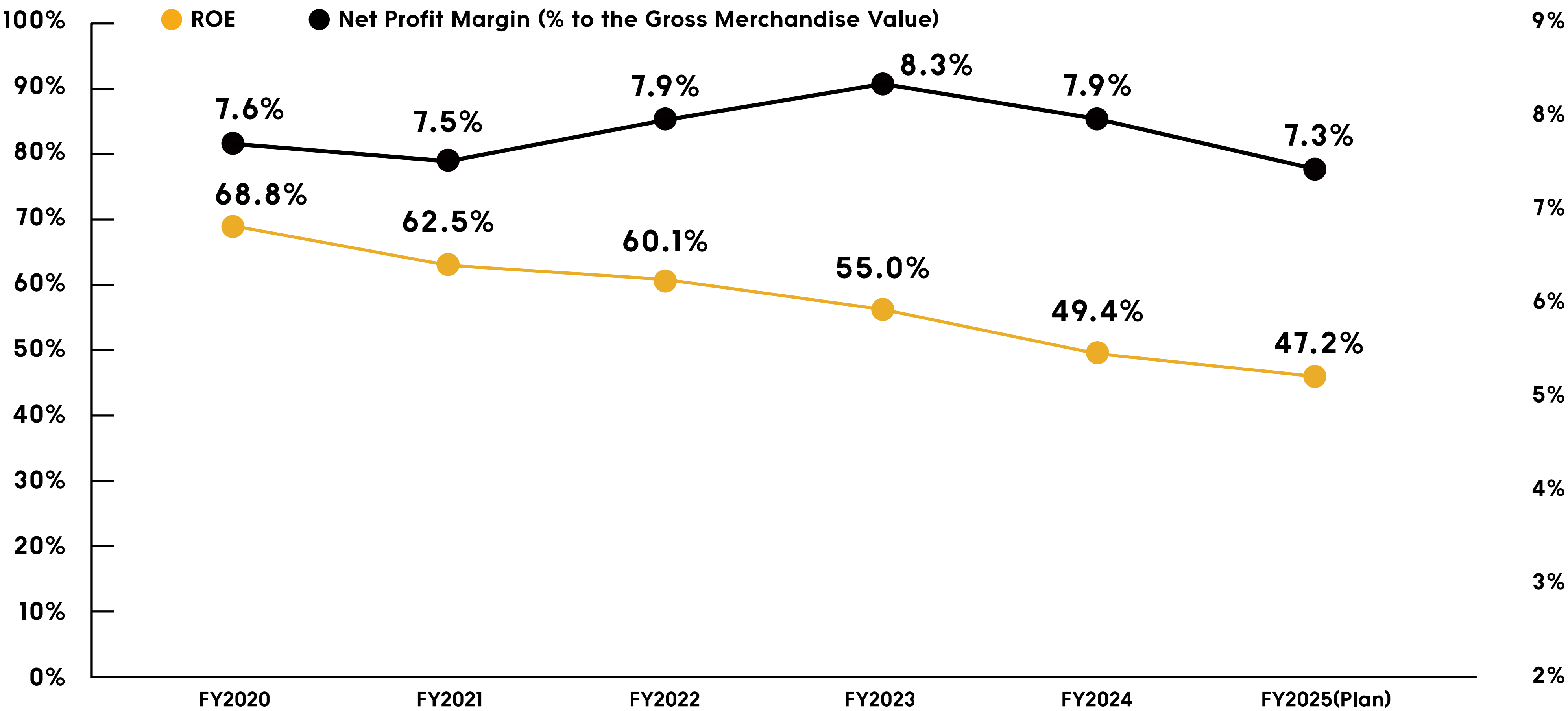


* As of July 31, 2025, we disclosed the “Notice Concerning the Revision of Consolidated Business Forecast For the Fiscal Year Ending March 2026.”

CASH FLOWS

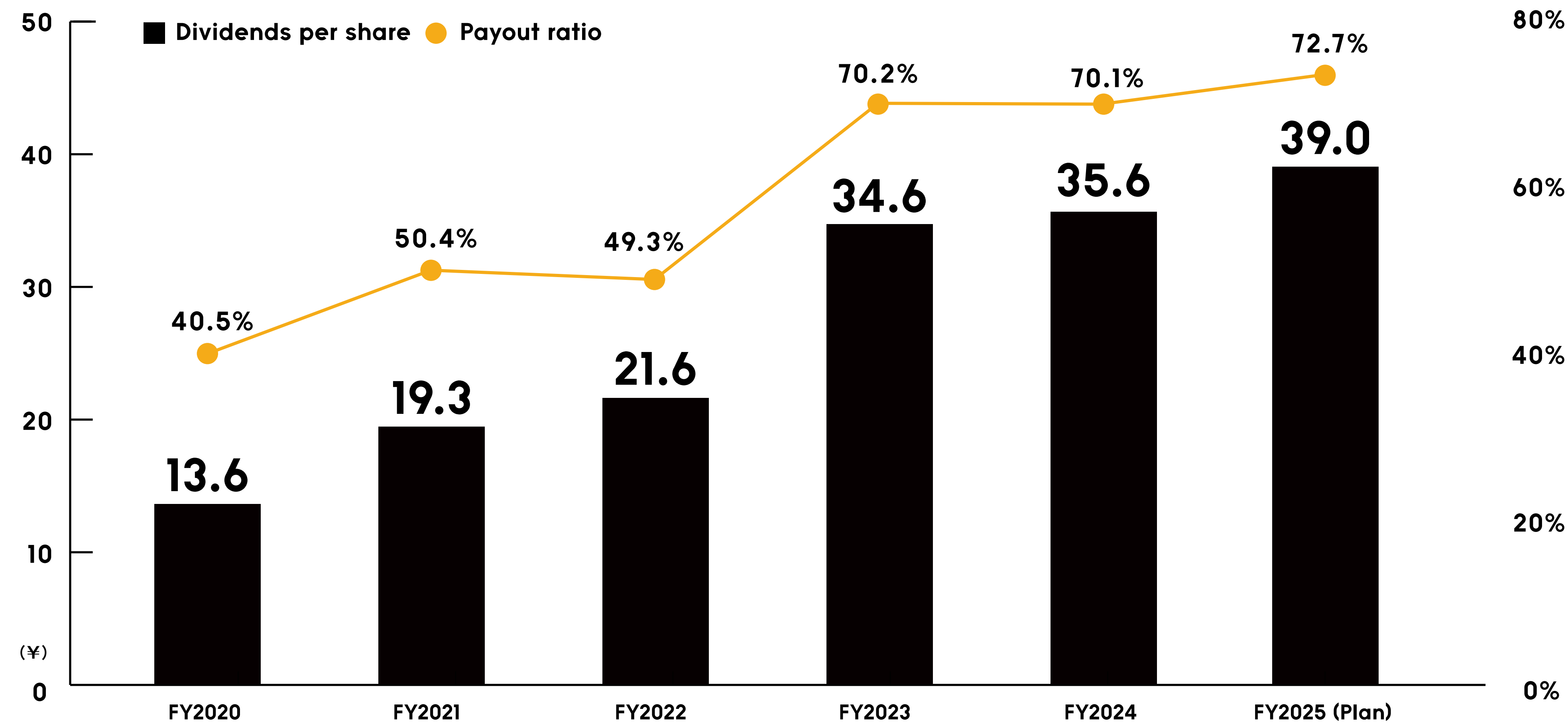


ROE AND NET PROFIT MARGIN



* Net profit margins are calculated by dividing net profit by the Gross Merchandise Value (excluding other GMV).
* As of July 31, 2025, we disclosed the “Notice Concerning the Revision of Consolidated Business Forecast For the Fiscal Year Ending March 2026.”

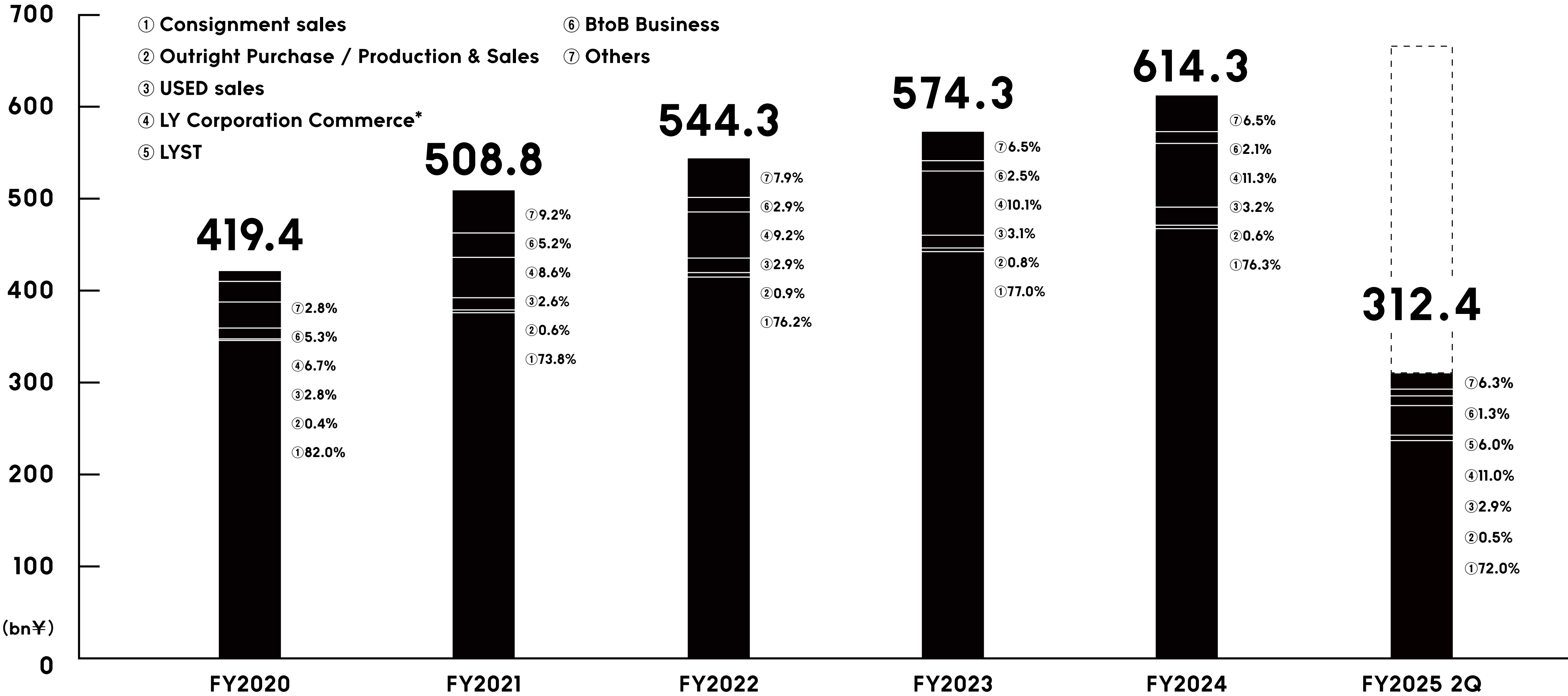
DIVIDENDS PER SHARE AND PAYOUT RATIO



* As of July 31, 2025, we disclosed the “Notice Concerning the Revision of Consolidated Business Forecast For the Fiscal Year Ending March 2026.”
* The Company implemented a three-for-one stock split effective April 1, 2025. Dividend per share is presented on a post-stock-split basis.

GROSS MERCHANDISE VALUE

The Gross Merchandise Value of new shops opened in FY2025 2Q (ZOZOTOWN Business)
FY2025 2Q :1.4 billion yen (accounts for 0.6% 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

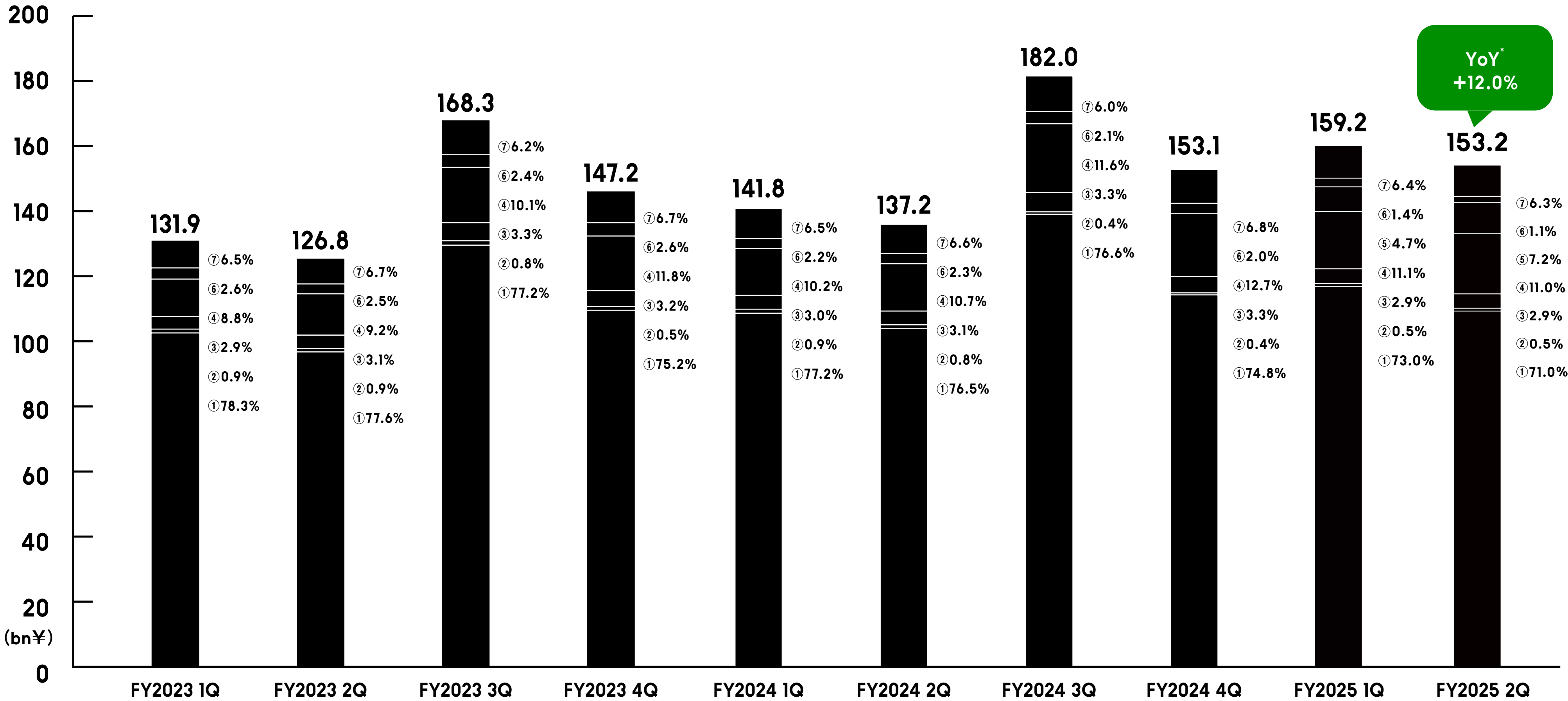
② Outright Purchase / Production & Sales

③ USED sales

④ LY Corporation Commerce*
- ⑤ LYST

⑥ BtoB Business

⑦ Others

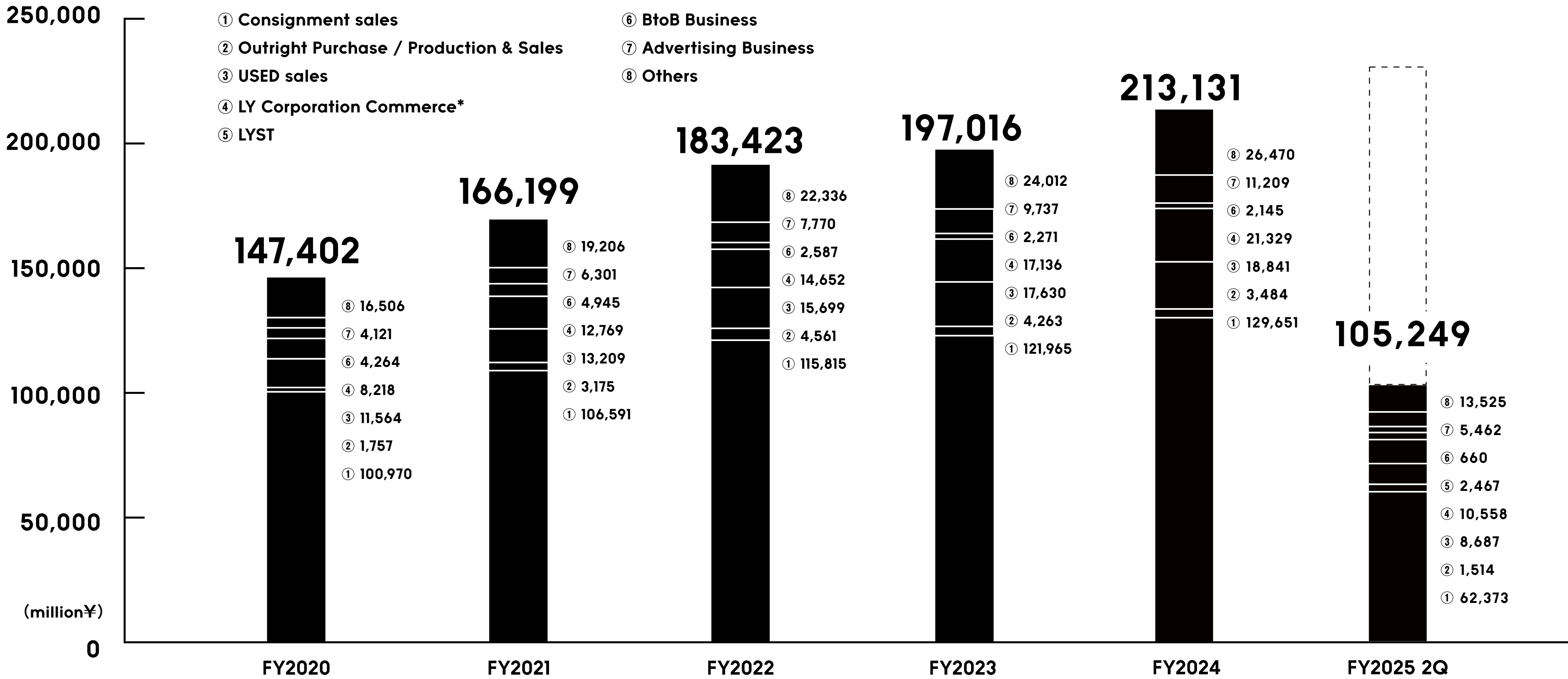


*"LY Corporation Commerce" represents the combined total of "Yahoo! JAPAN Shopping" and "Yahoo! JAPAN Auction".
* YoY is the comparison of GMV excluding "⑦ Others"

POINT
01

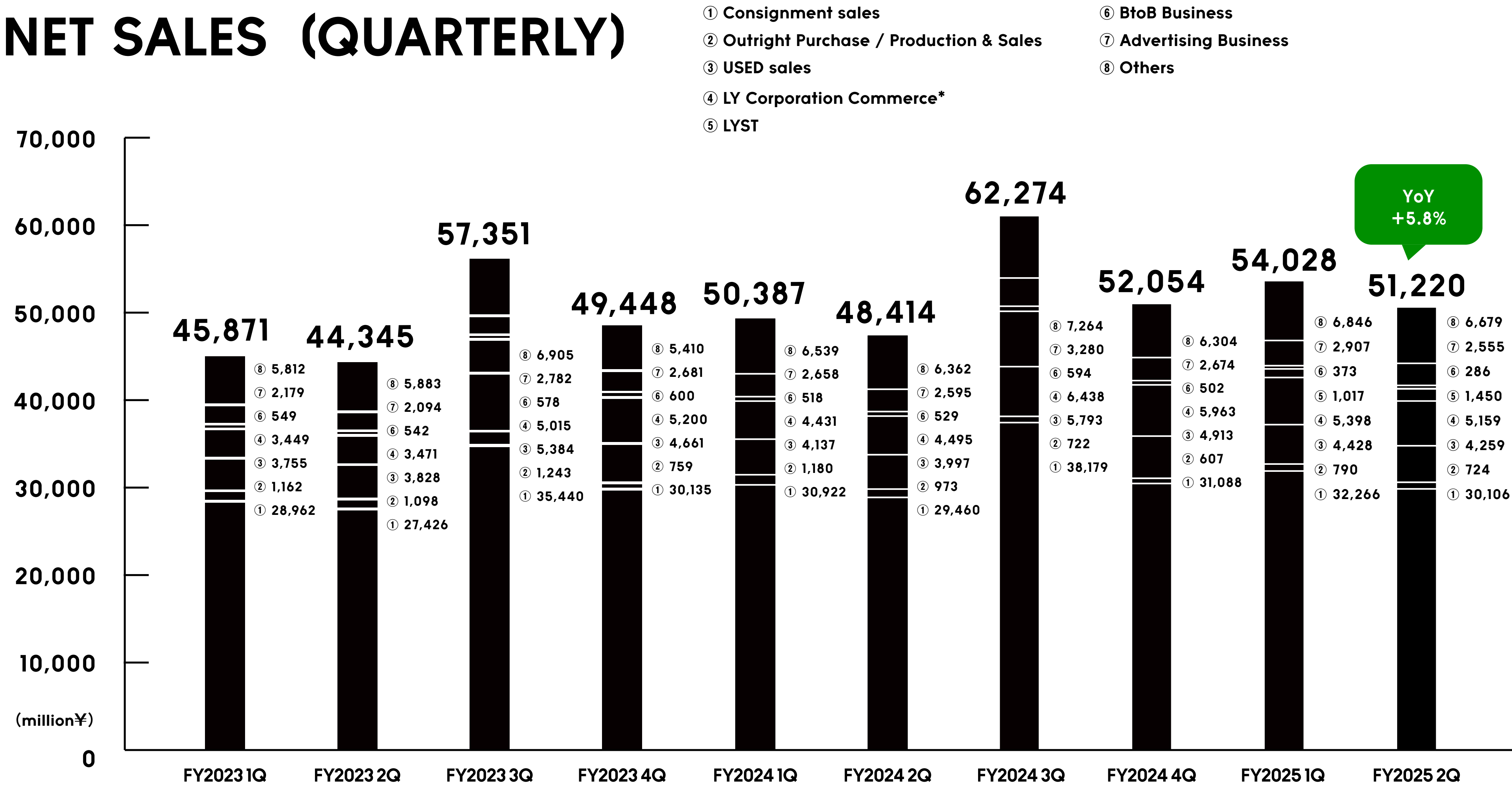
The ZOZOTOWN business fell short of the plan, mainly due to weaker user demand caused by persistently high temperatures, particularly in September. In the same month, the impact of promotional measures on LY Corporation Commerce was limited, as the timing of the "Serious ZOZO Festival" overlapped with the last-minute surge in "Furusato Nozei" (hometown tax donation) campaigns. However, strong performance in July and August offset the shortfall, and LY Corporation Commerce ended slightly above the plan.

NET SALES



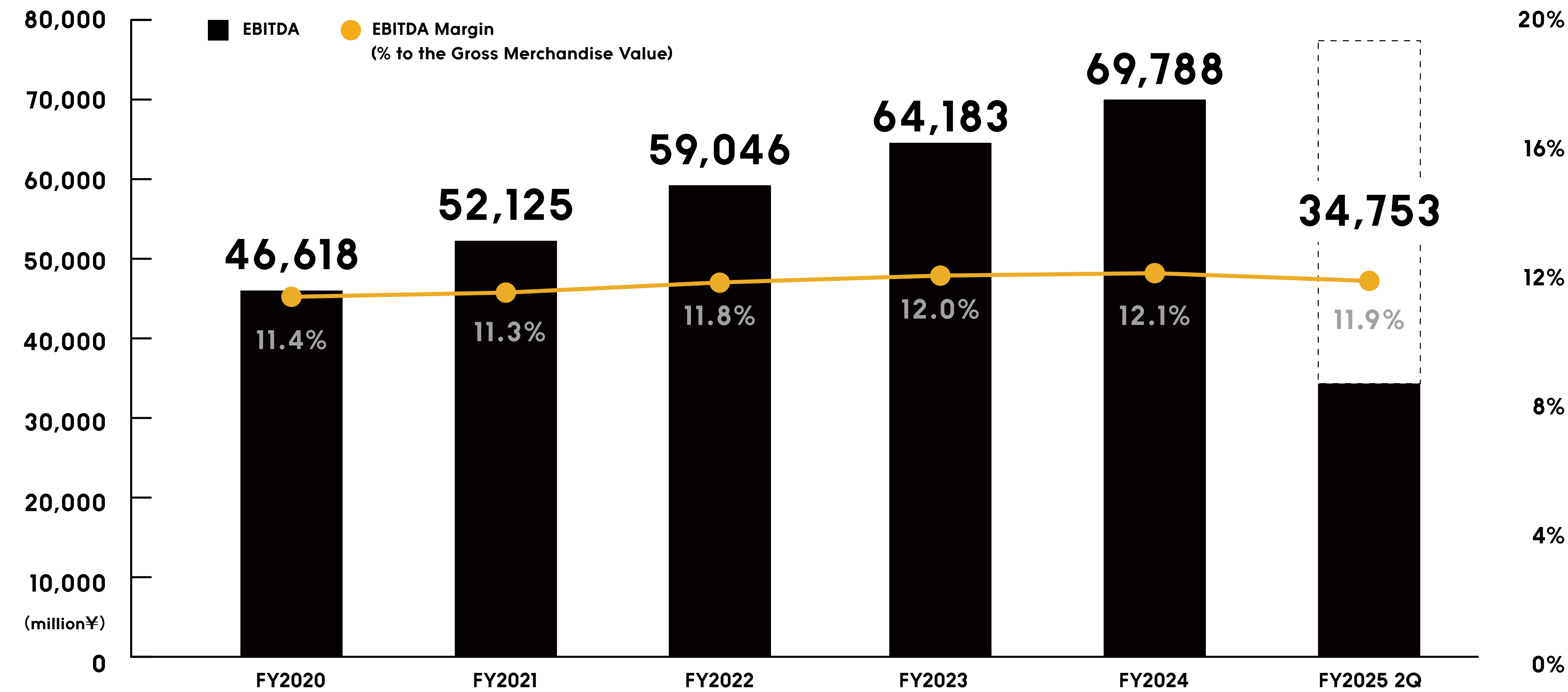
* "LY Corporation Commerce" represents the combined total of "Yahoo! JAPAN Shopping" and "Yahoo! JAPAN Auction".

NET SALES (QUARTERLY)



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

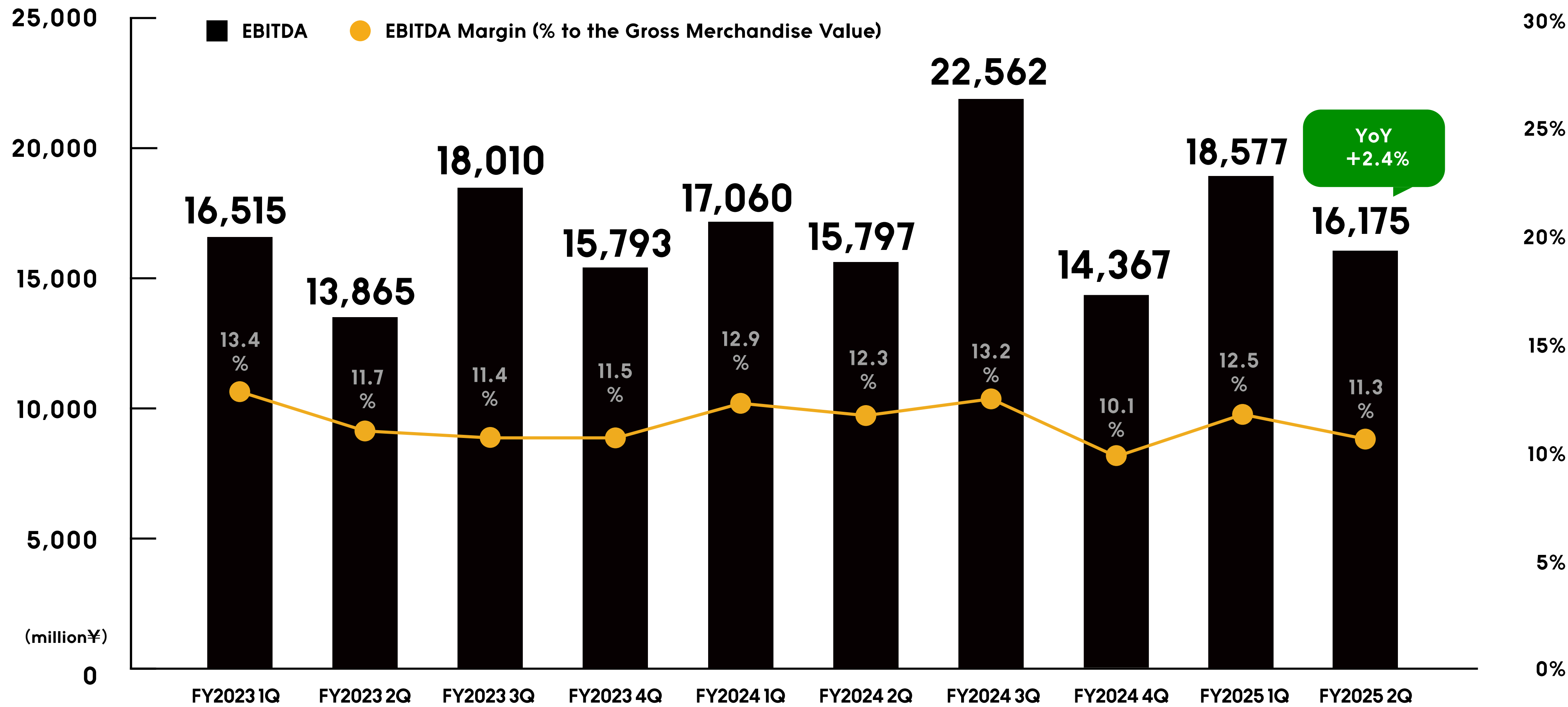
EBITDA AND EBITDA MARGIN



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

* EBITDA margins are calculated by dividing EBITDA by the Gross Merchandise Value (excluding other GMV)

EBITDA AND EBITDA MARGIN (QUARTERLY)



* EBITDA is calculated as operating profit plus depreciation, amortization of goodwill, and stock compensation expenses.
* EBITDA margins are calculated by dividing EBITDA by the Gross Merchandise Value (excluding other GMV)

POINT
02

In the second quarter, both GMV and gross profit fell short of the plan, while EBITDA ended above the plan, mainly due to unsent actual promotion-related expenses and lower logistics-related expenses. The unsent portion of actual promotion-related expenses is planned to be utilized in and after the third quarter.

SELLING, GENERAL AND ADMINISTRATIVE(SG&A) EXPENSES

○The consolidation of LYST led to an increase in total GMV, resulting in lower SG&A-to-GMV ratio for certain SG&A items that are limited in amount at LYST on a standalone basis.

○This primarily contributed to a decline in the ratios of shipping expenses, logistics-related expenses, commission of payment collection, and rent expenses.

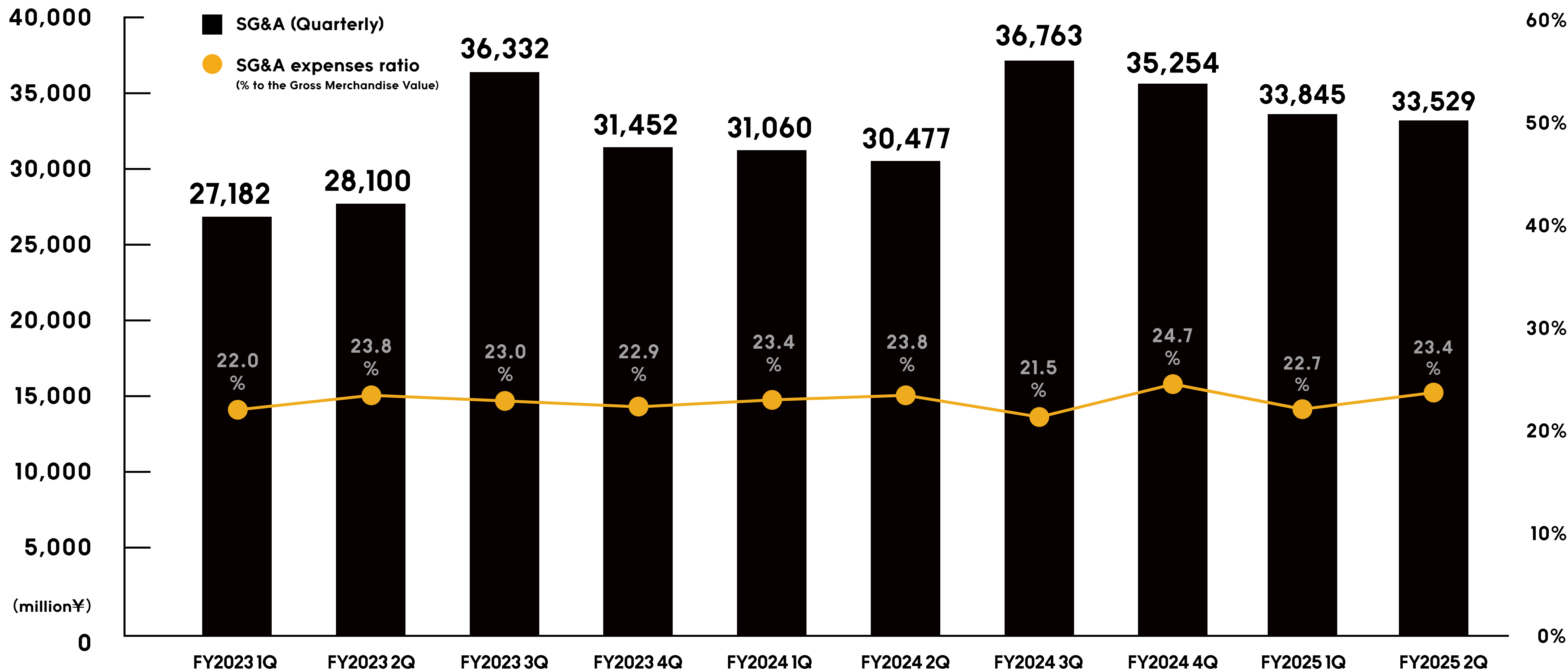
(million¥)

	FY2024 2Q		FY2025 2Q		YoY	Increase / decrease factors
	Amount	% to the Gross MerchandiseValue	Amount	% to the Gross MerchandiseValue	% to the Gross MerchandiseValue	
Payroll and staff costs*	16,100	6.2%	16,437	5.6%	-0.6%	
Payroll costs for employee	7,346	2.8%	8,371	2.9%	0.1%	Transition of the number of employees on a consolidated basis: FY2024 2Q 1,745 → FY2025 2Q 1,915 Increase in headcount associated with the consolidation of LYST since May 2025
Logistics-Related Expenses (Including Outsourcing)	8,753	3.4%	8,066	2.8%	-0.6%	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)	3,442	1.3%	4,118	1.4%	0.1%	One-time recognition of M&A-related expenses (FY25 Q1)
Shipping	17,968	6.9%	18,454	6.3%	-0.6%	Cost ratio declined due to an increase in the average order value (for the first half) compared to the same period of the previous fiscal year
Commission of Payment collection	6,063	2.3%	6,202	2.1%	-0.2%	
Advertising	4,842	1.9%	7,103	2.4%	0.5%	Increase in web advertising costs for ZOZOTOWN and commencement of expense recognition for LYST
Rent expense	4,234	1.6%	4,322	1.5%	-0.1%	
Depreciation	2,110	0.8%	2,528	0.9%	0.1%	Increase due to the acquisition of LYST
Amortization of goodwill	125	0.0%	1,006	0.3%	0.3%	Increase due to the acquisition of LYST
Stock Compensation Expenses	146	0.1%	144	0.0%	-0.1%	
Others	6,502	2.5%	7,056	2.4%	-0.1%	One-time recognition of M&A-related expenses (FY25 Q1)
Total SG&A	61,537	23.6%	67,374	23.0%	-0.6%	

* 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)



* SG&A expenses ratio are calculated by dividing SG&A expenses by the Gross Merchandise Value (excluding other GMV)

OVERVIEW OF SG&A BY EACH QUARTER

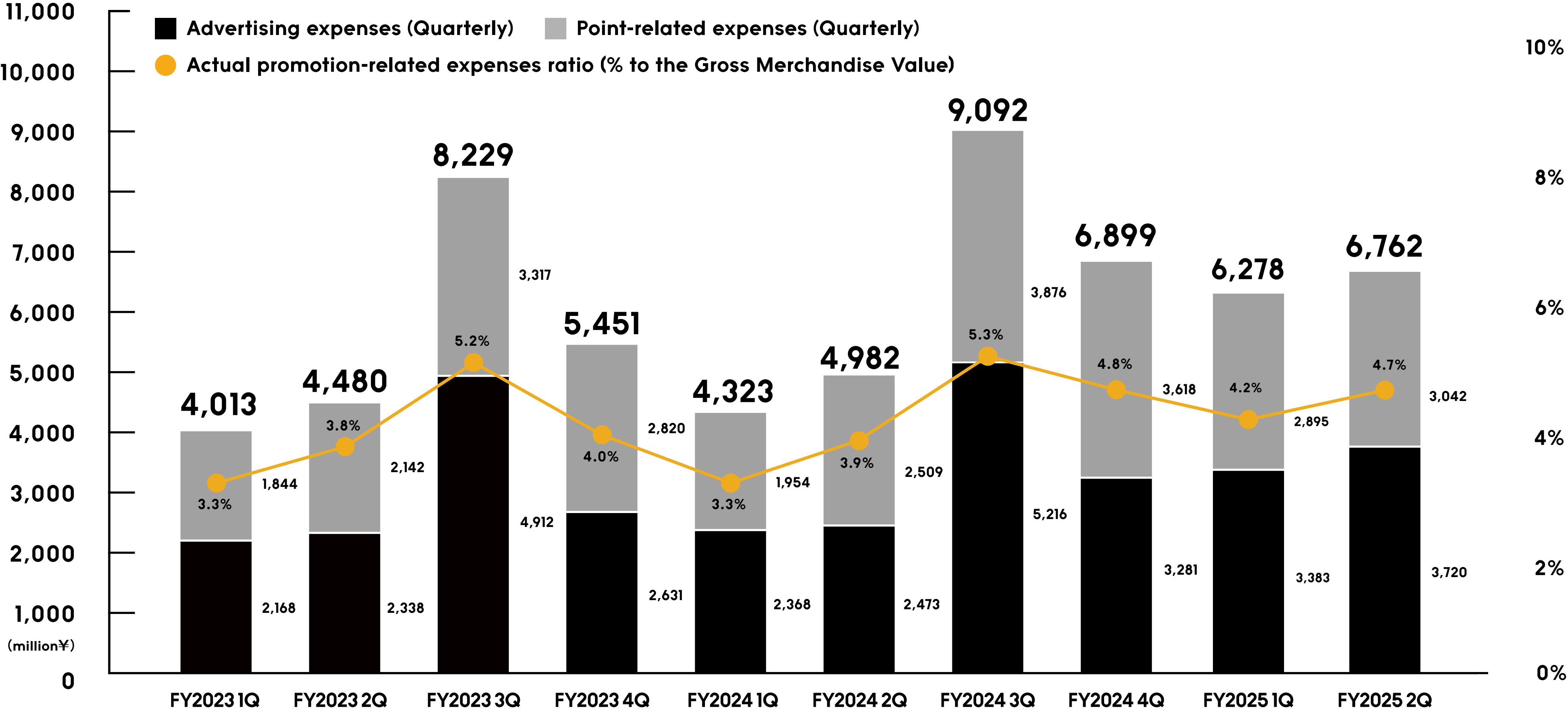
(million¥)

	FY2024								FY2025			
	1Q		2Q		3Q		4Q		1Q		2Q	
	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(*)	8,267	6.2%	7,833	6.1%	8,413	4.9%	10,423	7.3%	8,224	5.5%	8,213	5.7%
Payroll costs for employee	3,745	2.8%	3,601	2.8%	3,628	2.1%	5,659	4.0%	4,119	2.8%	4,252	3.0%
Logistics-Related Expenses (Including Outsourcing)	4,521	3.4%	4,232	3.3%	4,785	2.8%	4,763	3.3%	4,105	2.8%	3,960	2.8%
Outsourcing Commission (Excluding Logistics-Related Expenses)	1,740	1.3%	1,702	1.3%	1,872	1.1%	2,267	1.6%	2,106	1.4%	2,012	1.4%
Shipping	9,087	6.9%	8,881	6.9%	10,391	6.1%	9,003	6.3%	9,336	6.3%	9,118	6.4%
Commission of Payment collection	3,099	2.3%	2,964	2.3%	3,891	2.3%	3,172	2.2%	3,210	2.2%	2,991	2.1%
Advertising	2,368	1.8%	2,473	1.9%	5,216	3.0%	3,281	2.3%	3,383	2.3%	3,720	2.6%
Rent expense	2,120	1.6%	2,114	1.6%	2,119	1.2%	2,123	1.5%	2,156	1.4%	2,165	1.5%
Depreciation	1,032	0.8%	1,077	0.8%	1,143	0.7%	1,238	0.9%	1,194	0.8%	1,333	0.9%
Amortization of goodwill	62	0.0%	62	0.0%	62	0.0%	62	0.0%	391	0.3%	615	0.4%
Stock Compensation Expenses	69	0.1%	77	0.1%	71	0.0%	71	0.0%	71	0.0%	73	0.1%
Others	3,212	2.4%	3,289	2.6%	3,581	2.1%	3,609	2.5%	3,770	2.5%	3,285	2.3%
Total SG&A	31,060	23.4%	30,477	23.8%	36,763	21.5%	35,254	24.7%	33,845	22.7%	33,529	23.4%

* 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).

ACTUAL PROMOTION-RELATED EXPENSES

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



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

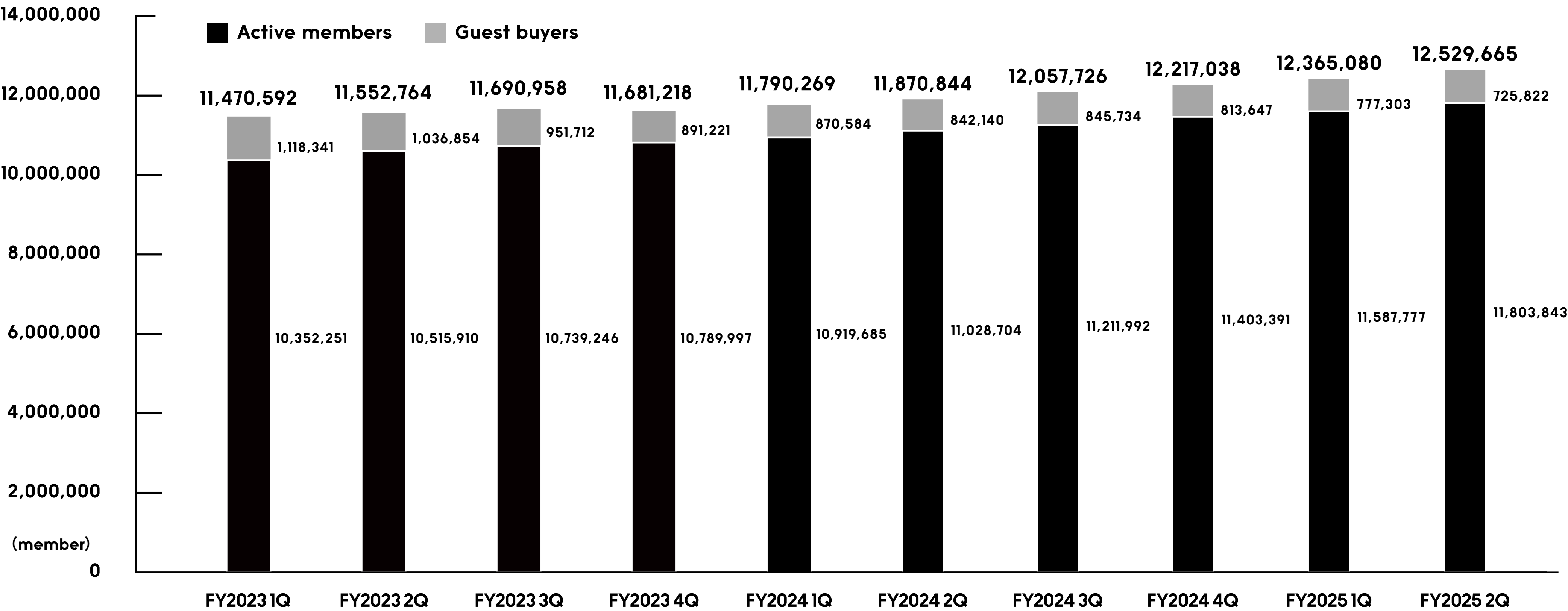
POINT
03

The year-on-year increase was mainly due to higher advertising expenses resulting from active investment in web advertisements and the consolidation impact of LYST, as well as an increase in point-related expenses driven by initiatives to re-engage inactive members and the increased frequency of free-shipping measures. The full-year budget for actual promotion-related expenses in the current fiscal year is 4.7% of GMV, 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



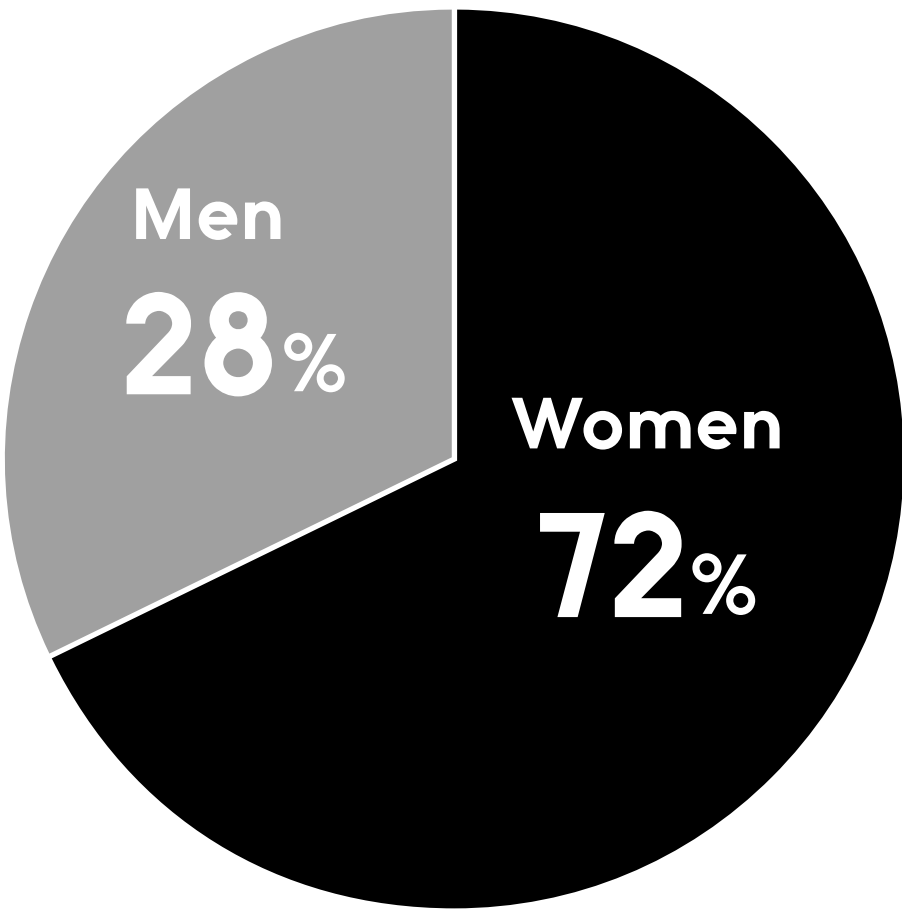
* The results are only from the ZOZOTOWN business. LY Corporation Commerce, LYST and BtoB Business are not included.
* Excluding the users who only purchased the body measurement device “ZOZOSUIT” “ZOZOMAT” and “ZOZOGLASS”.

POINT
04

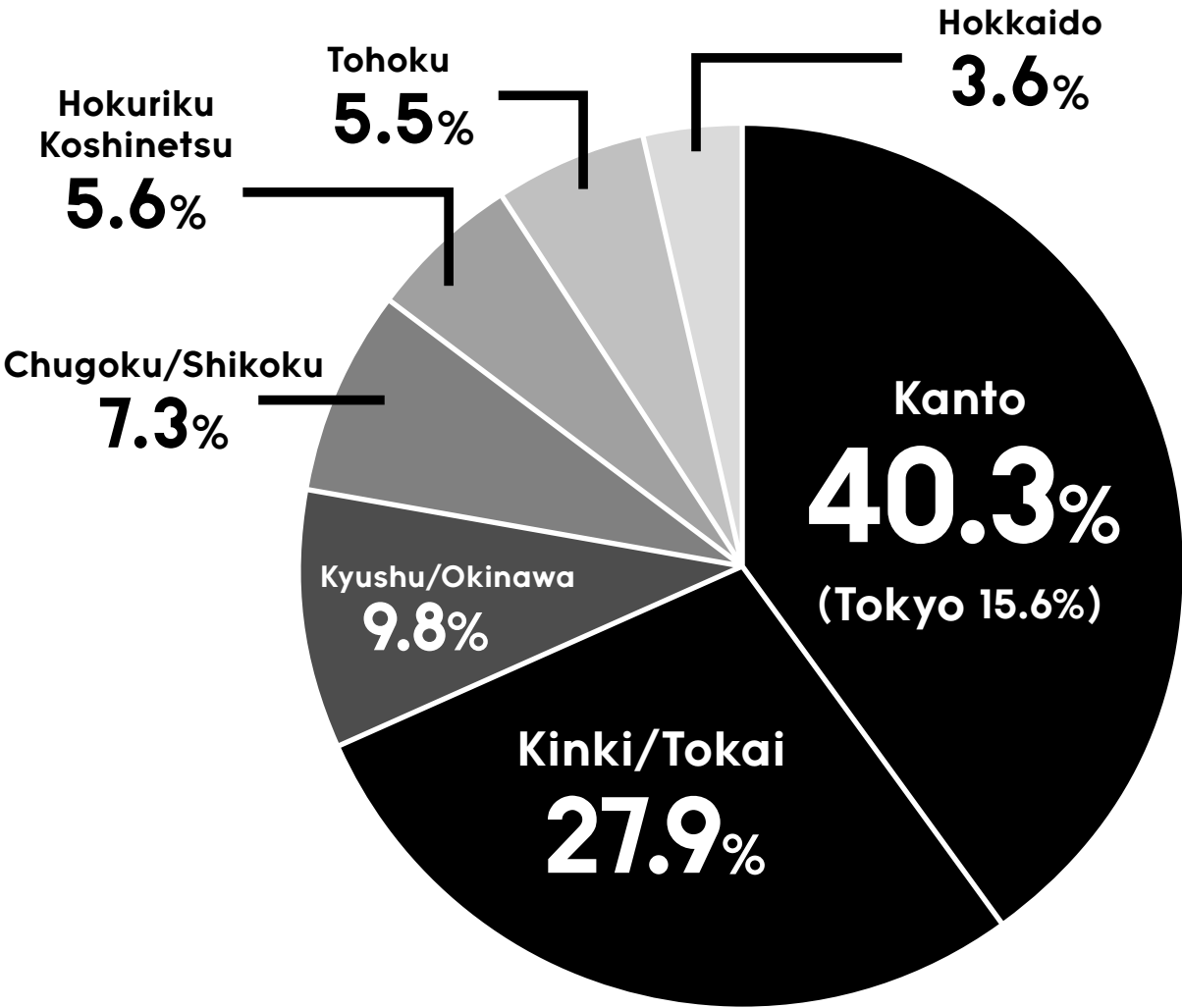
New member acquisition has been progressing steadily through web advertisements and initiatives within ZOZOTOWN. In particular, investment in web advertising has increased year on year to strengthen customer acquisition. In addition, initiatives to re-engage inactive members have been successful, leading to a steady increase in reactivated members.

ACTIVE MEMBER DISTRIBUTION

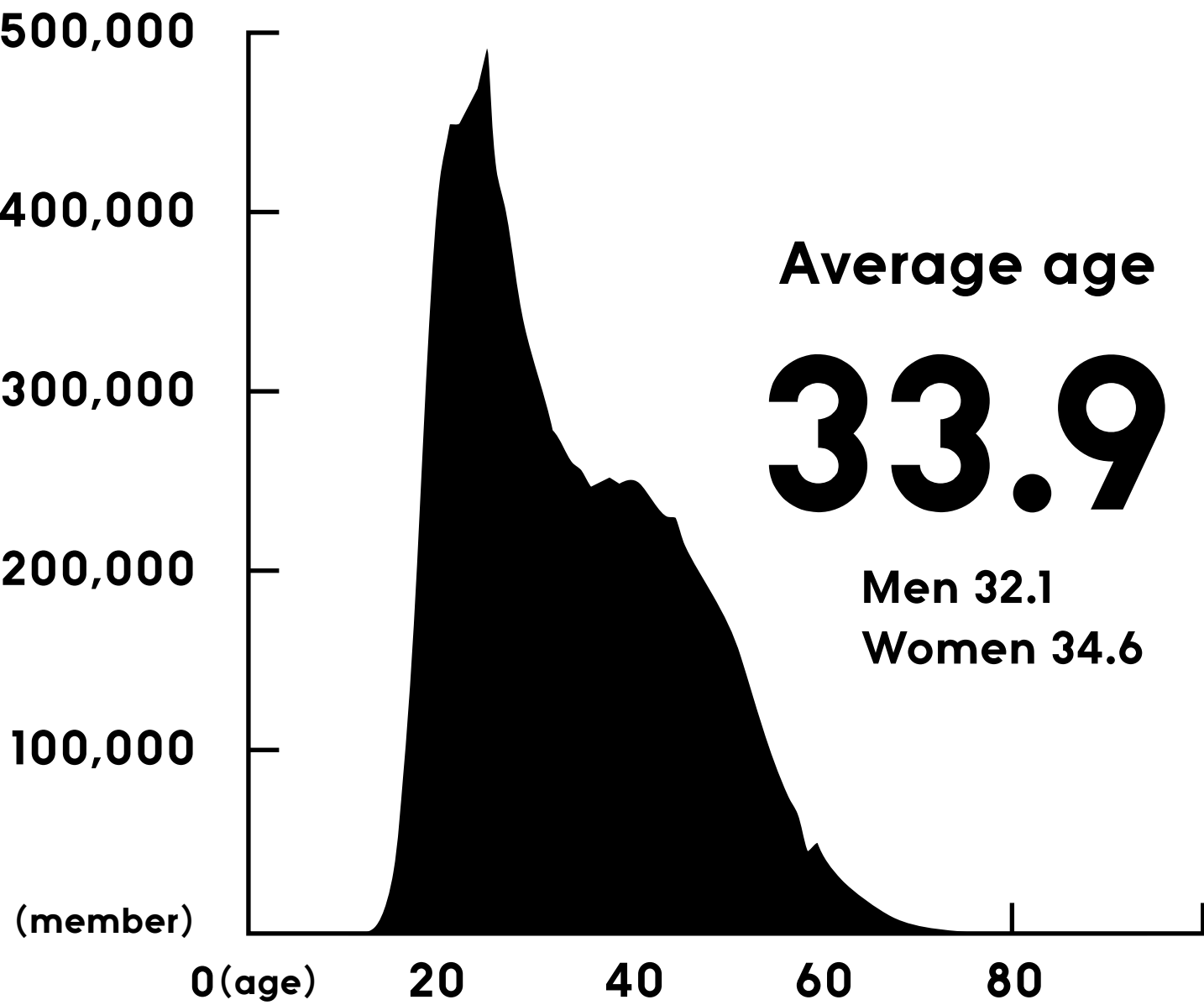
Gender ratio



Geographical distribution

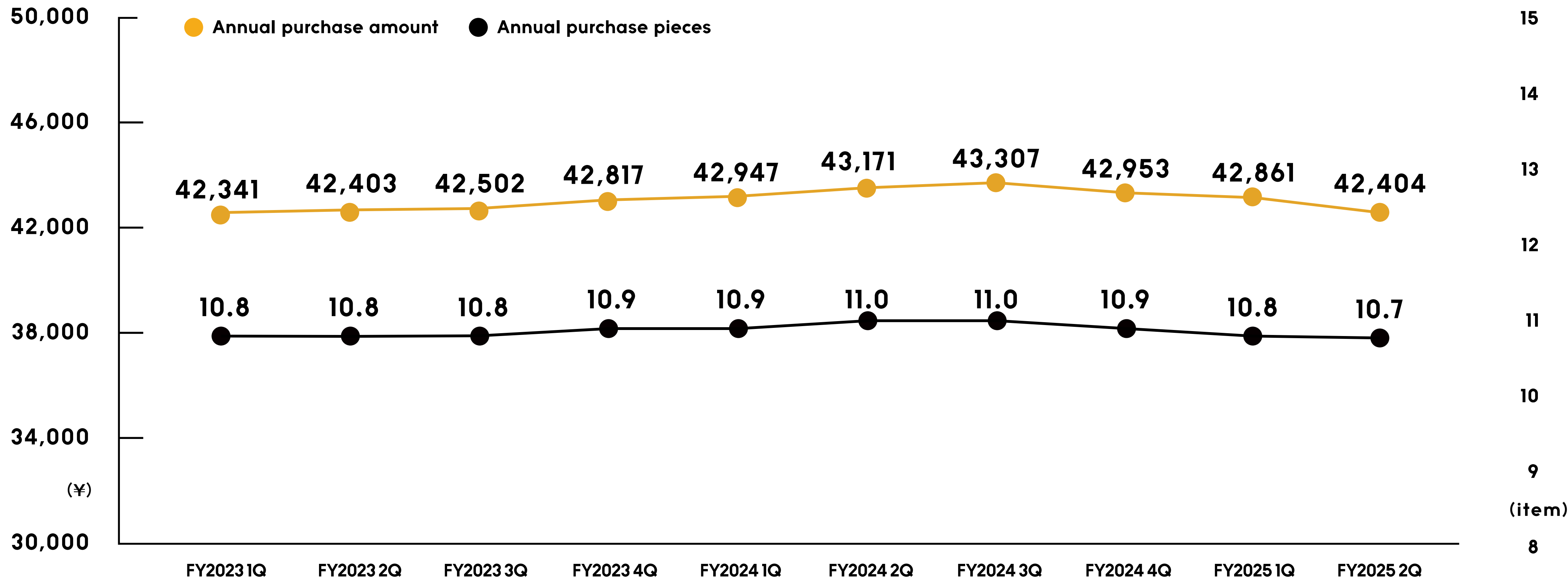


Age distribution



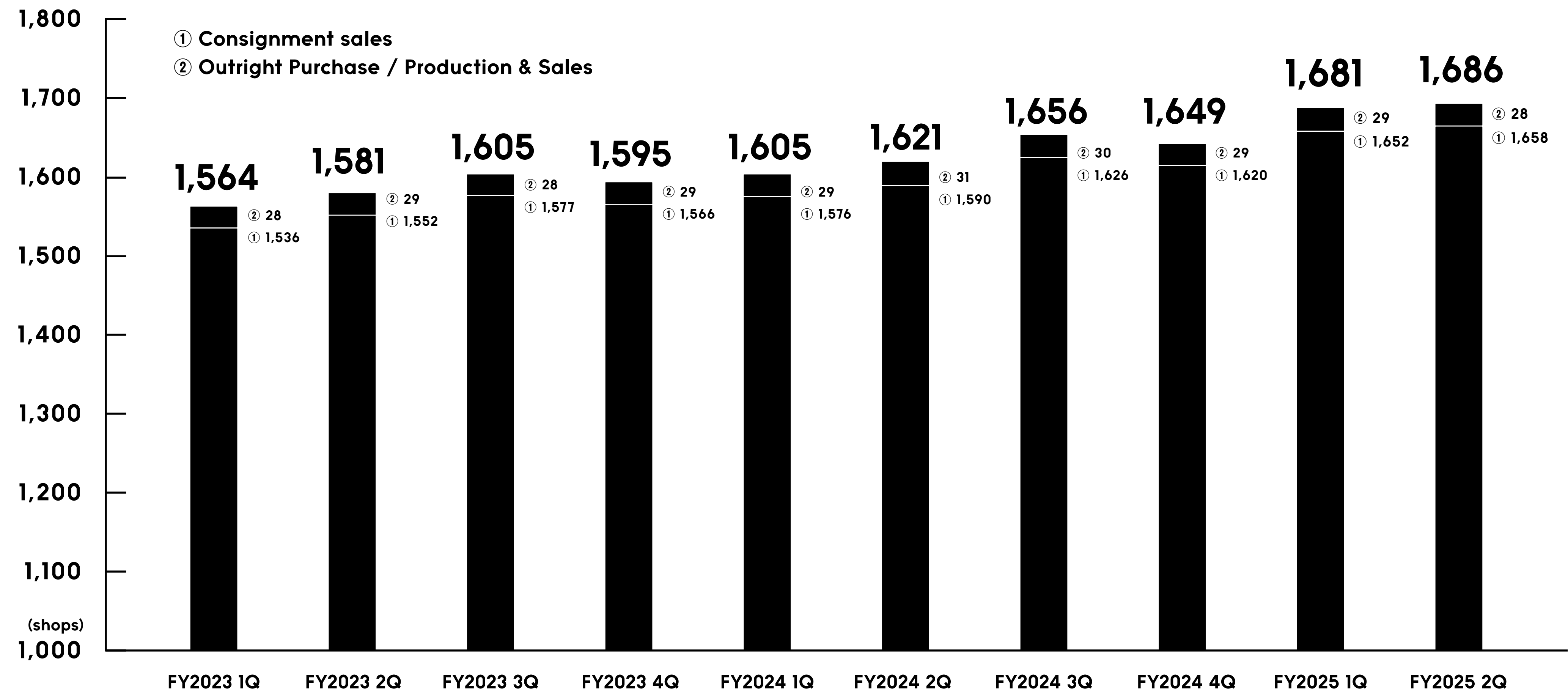
* The shown data on Active Member Distribution is only based on the numbers from the ZOZOTOWN business. LY Corporation Commerce, LYST and BtoB Business are not included.

ANNUAL PURCHASE AMOUNT AND PIECES PER ACTIVE MEMBER



* The results are only from the ZOZOTOWN business. LY Corporation Commerce, LYST and BtoB Business are not included.
* Excluding the users who only purchased the body measurement device “ZOZOSUIT” “ZOZOMAT” and “ZOZOGLASS”.

NUMBER OF SHOPS ON ZOZOTOWN

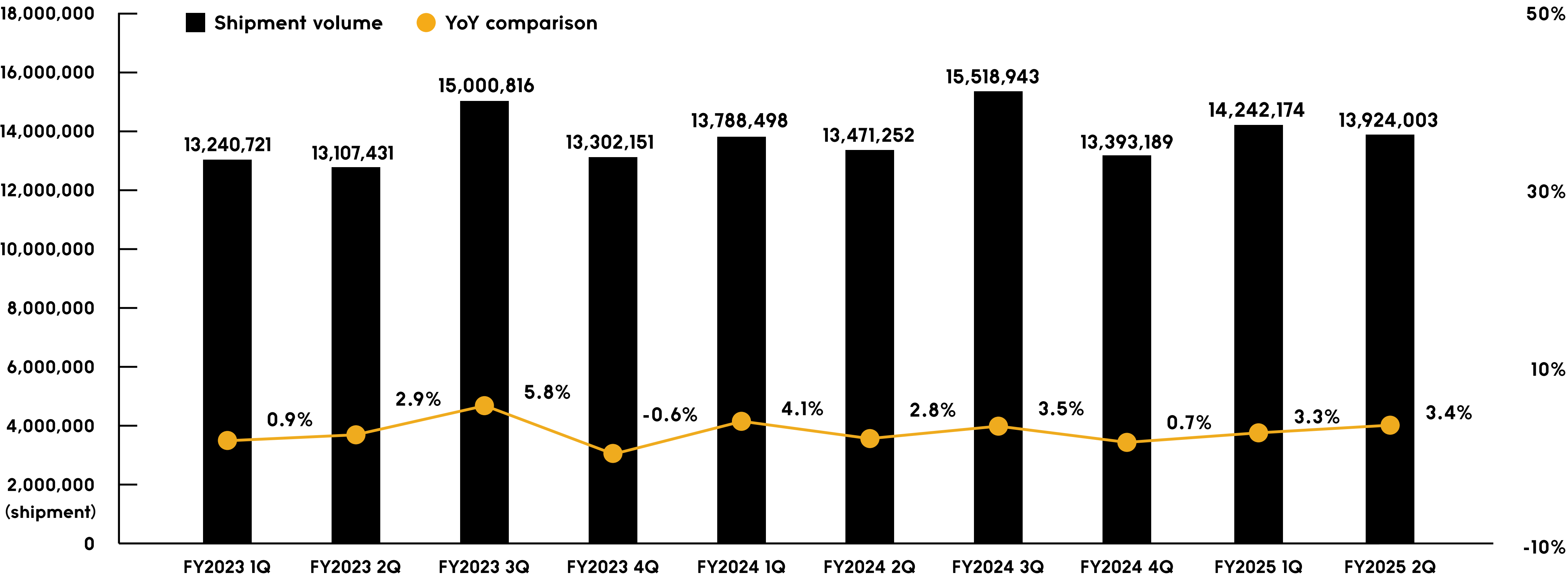


New store openings with a diverse lineup across a wide range of categories have continued, showing steady progress against the plan.



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

NUMBER OF SHIPMENTS

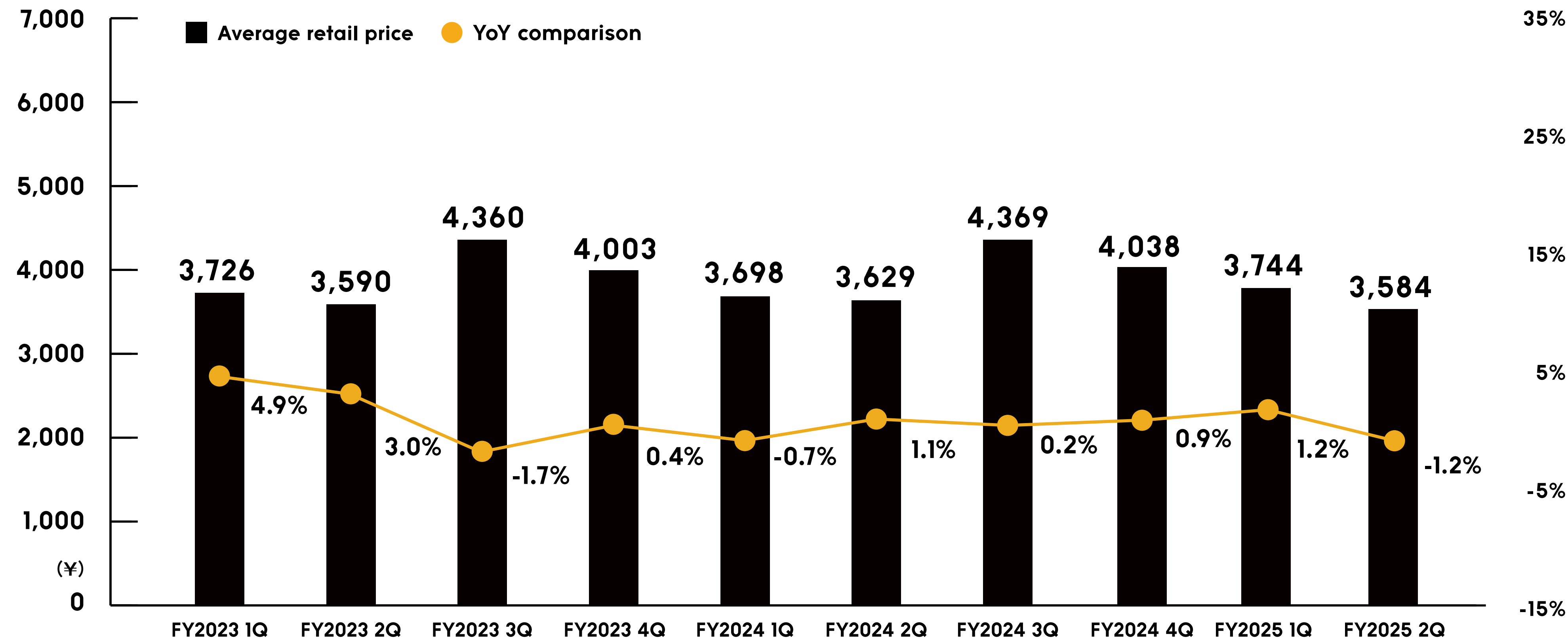


* The results are only from the ZOZOTOWN business. LY Corporation Commerce, LYST and BtoB Business are not included.

* 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



* The results are only from the ZOZOTOWN business. LY Corporation Commerce, LYST and BtoB Business are not included.

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

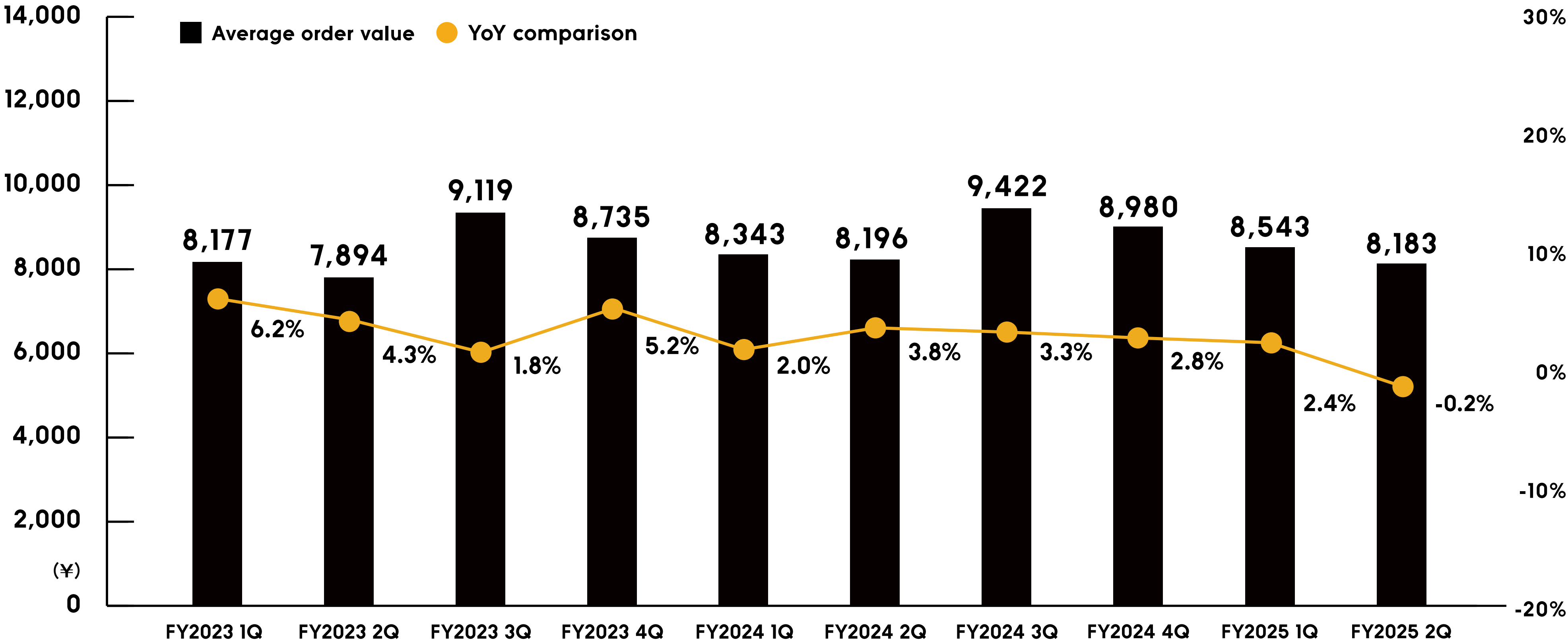
POINT
06

Among new merchandise, the hikes in list prices by brands have stabilized. Meanwhile, the ratio of discounted items during the summer sale event increased due to the longer sale period compared with the same period of the previous year, resulting in a decline in the average retail price.



AVERAGE ORDER VALUE

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



* The results are only from the ZOZOTOWN business. LY Corporation Commerce, LYST and BtoB Business are not included.

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

The number of times the free-shipping measures for purchases of 12,000 yen or more were implemented increased compared with the same quarter of the previous year, leading to a rise in combined purchases. However, the impact of the decline in the average retail price outweighed this increase, resulting in a slight decrease in the average order value.



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BUSINESS PLAN FOR FY2025



2Q FY2025 ZOZO, Inc.

CONSOLIDATED BUSINESS RESULTS

CONSOLIDATED BUSINESS FORECAST AND DIVIDEND FORECAST FOR FY2025

- Gross Merchandise Value (excluding other GMV) is expected to increase by 13.8% year over year, and EBITDA by 9.9%.
- LYST has been consolidated since May 2025, and on July 31, 2025, we disclosed a revised plan reflecting the consolidation of LYST’s business plan and progress in the Purchase Price Allocation (PPA) process.
- To better reflect the actual earning power after the consolidation of LYST, we have begun disclosing EBITDA and EBITDA margin as key performance indicators.
- Regarding “other GMV,” the inclusion of GMV from stores using “ZOZO Option” on Yahoo! JAPAN Shopping has ended at the end of the first half of the current fiscal year.
- Accordingly, from the fiscal year ending March 2027 onward, we plan to discontinue disclosing GMV (excluding other GMV).

	Previous forecast (as of April 30, 2025)		Revised forecast (as of July 31, 2025)			
	FY2025 Plan	YoY	FY2025 Plan	Changes from the previous forecast	YoY	
Gross Merchandise Value	623.6 billion yen	1.5%	673.9 billion yen	+50.3 billion yen	9.7%	
Gross Merchandise Value (excluding other GMV)	603.4 billion yen	5.0%	653.7 billion yen	+50.3 billion yen	13.8%	
Net sales	224.1 billion yen	5.1%	231.5 billion yen	+7.4 billion yen	8.6%	
Operating profit	69.8 billion yen	7.8%	69.2 billion yen	-0.6 billion yen	6.9%	
Operating Profit Margin (% to the Gross Merchandise Value)	11.6 %	-	10.6 %	-1.0 %	-	
EBITDA	76.9 billion yen	10.2%	76.7 billion yen	-0.2 billion yen	9.9%	
EBITDA Margin (% to the Gross Merchandise Value)	12.7 %	-	11.7 %	-1.0 %	-	
Ordinary profit	69.8 billion yen	7.6%	69.1 billion yen	-0.7 billion yen	6.5%	
Profit attributable to owners of parent	48.5 billion yen	7.0%	47.8 billion yen	-0.7 billion yen	5.4%	
Net profit per share	54.44 yen	-	53.66 yen	-	-	
Estimated dividends per share (Plan)	39.0 yen	-	39.0 yen	-	-	

* As of July 31, 2025, we disclosed the “Notice Concerning the Revision of Consolidated Business Forecast For the Fiscal Year Ending March 2026.”
*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

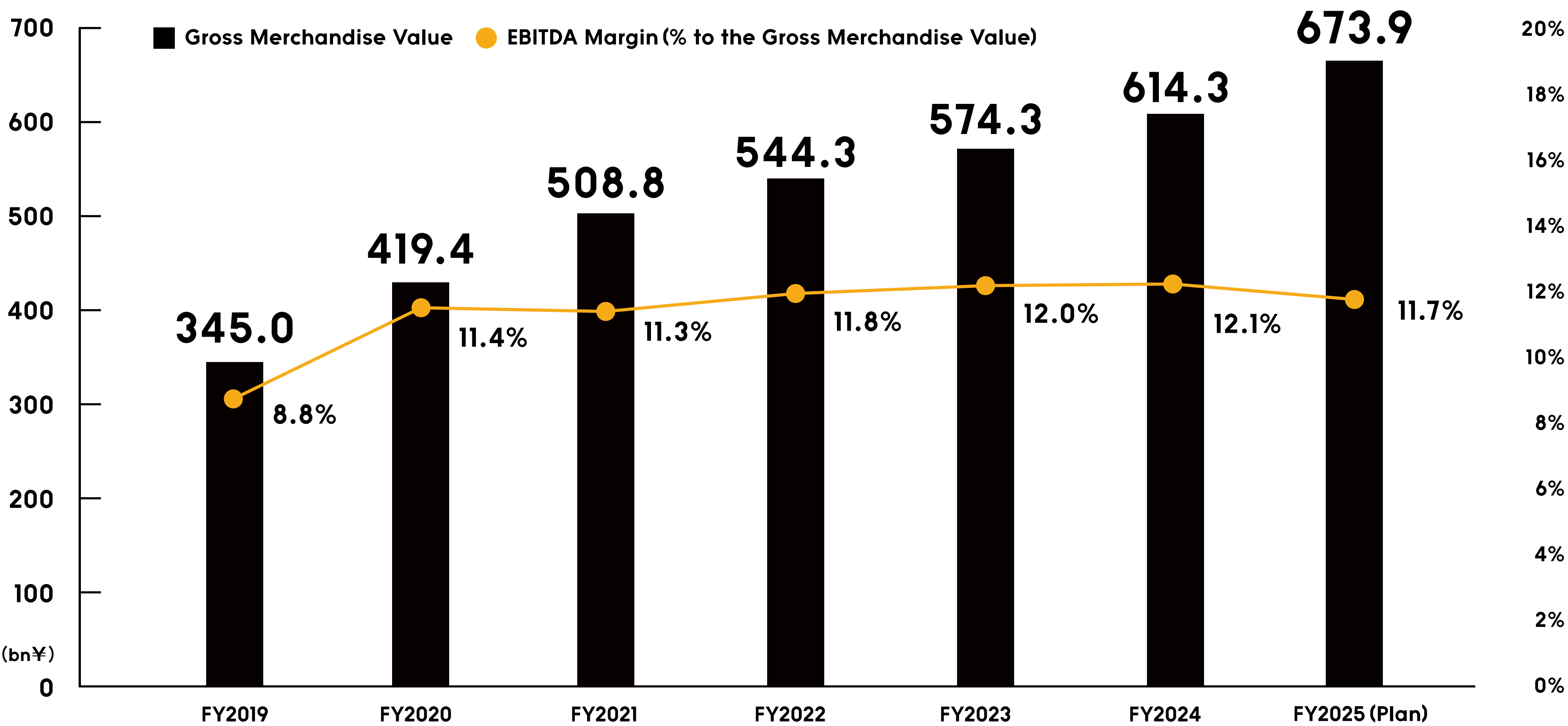
- LYST has been consolidated since May 2025, and on July 31, 2025, we disclosed a revised plan reflecting the consolidation of LYST’s business plan and progress in the Purchase Price Allocation (PPA) process.
- Regarding “other GMV,” the inclusion of GMV from stores using “ZOZO Option” on Yahoo! JAPAN Shopping has ended at the end of the first half of the current fiscal year.
- Accordingly, other GMV is expected to decline compared to the previous fiscal year; however, the impact on revenue is expected to be limited.

	Target for Gross Merchandise Value (as of July 31, 2025)		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%
LYST	50.3	billion yen	-
BtoB Business	8.5	billion yen	-35.2%
Gross Merchandise Value (excluding other GMV)	653.7	billion yen	13.8%
Others	20.2	billion yen	-49.1%
Gross Merchandise Value	673.9	billion yen	9.7%

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

* As of July 31, 2025, we disclosed the “Notice Concerning the Revision of Consolidated Business Forecast For the Fiscal Year Ending March 2026.”
* “LY Corporation Commerce” represents the combined total of “Yahoo! JAPAN Shopping” and “Yahoo! JAPAN Auction”.

GROSS MERCHANDISE VALUE & EBITDA MARGIN



* As of July 31, 2025, we disclosed the “Notice Concerning the Revision of Consolidated Business Forecast For the Fiscal Year Ending March 2026.”
* EBITDA is calculated as operating profit plus depreciation, amortization of goodwill, and stock compensation expenses.
* EBITDA margin are calculated by dividing EBITDA by the Gross Merchandise Value (excluding other GMV).

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REFERENCE DATA

2Q FY2025 ZOZO, Inc.
CONSOLIDATED BUSINESS RESULTS



STATISTICS OF ZOZO

NUMBER OF EMPLOYEES

1,915

(Average age 34.3 years old)

NUMBER OF SHAREHOLDERS

13,441

NUMBER OF BRANDS HANDLED

9,215

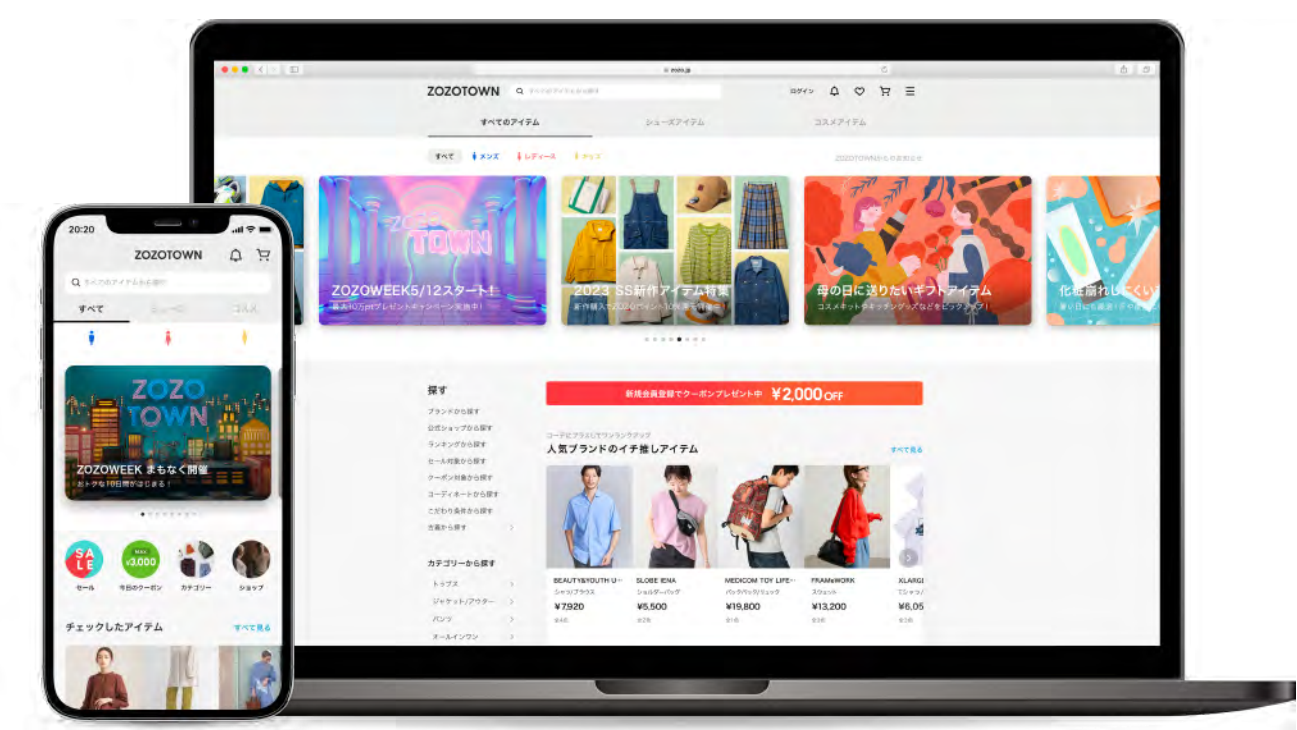
ZOZOTOWN TOTAL BUYERS

12.5 million
(1 year basis)

MAJOR SERVICES

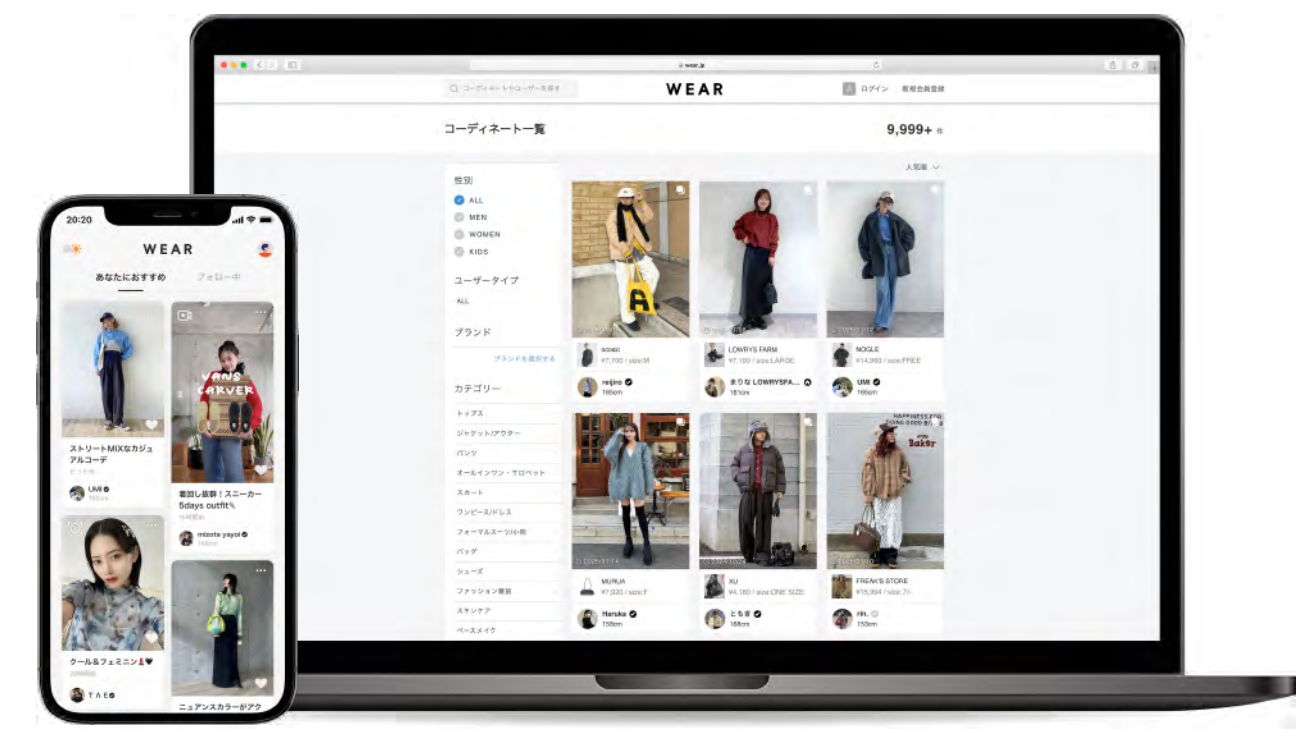
ZOZOTOWN The largest fashion e-commerce website in Japan

- The Company offers 9,215 brands across 1,686 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 19 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	1,686 (As of September 30, 2025)	1,568 (As of September 30, 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, Replacement-discount, 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	Same as the left
Expenses borne by ZOZO	Shop opening commission	Yes (rate is undisclosed)
	Payment collection commission	No (yes for only cash on delivery)
	Customer attraction cost	No
	Reward points cost	No

BUSINESS MODEL

ZOZOTOWN Business

○ Outright Purchase / Production & Sales

We currently operate 28 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 1,658 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.
• 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".

LYST

The business model is based on a performance-based commission structure,
under which LYST earns fees from partner brands whose products are listed on the fashion
shopping platform "Lyst."
Sales = Gross merchandise value via Lyst × commission rate

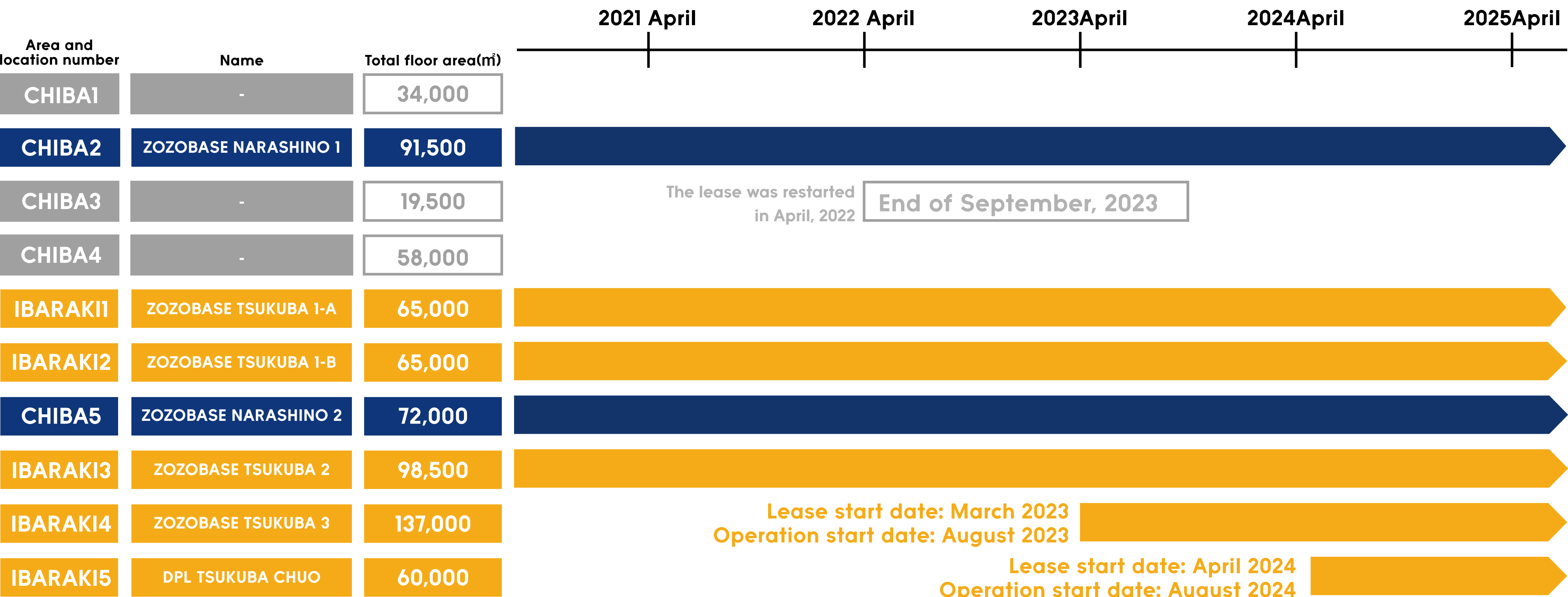
BtoB Business

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 29 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.

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

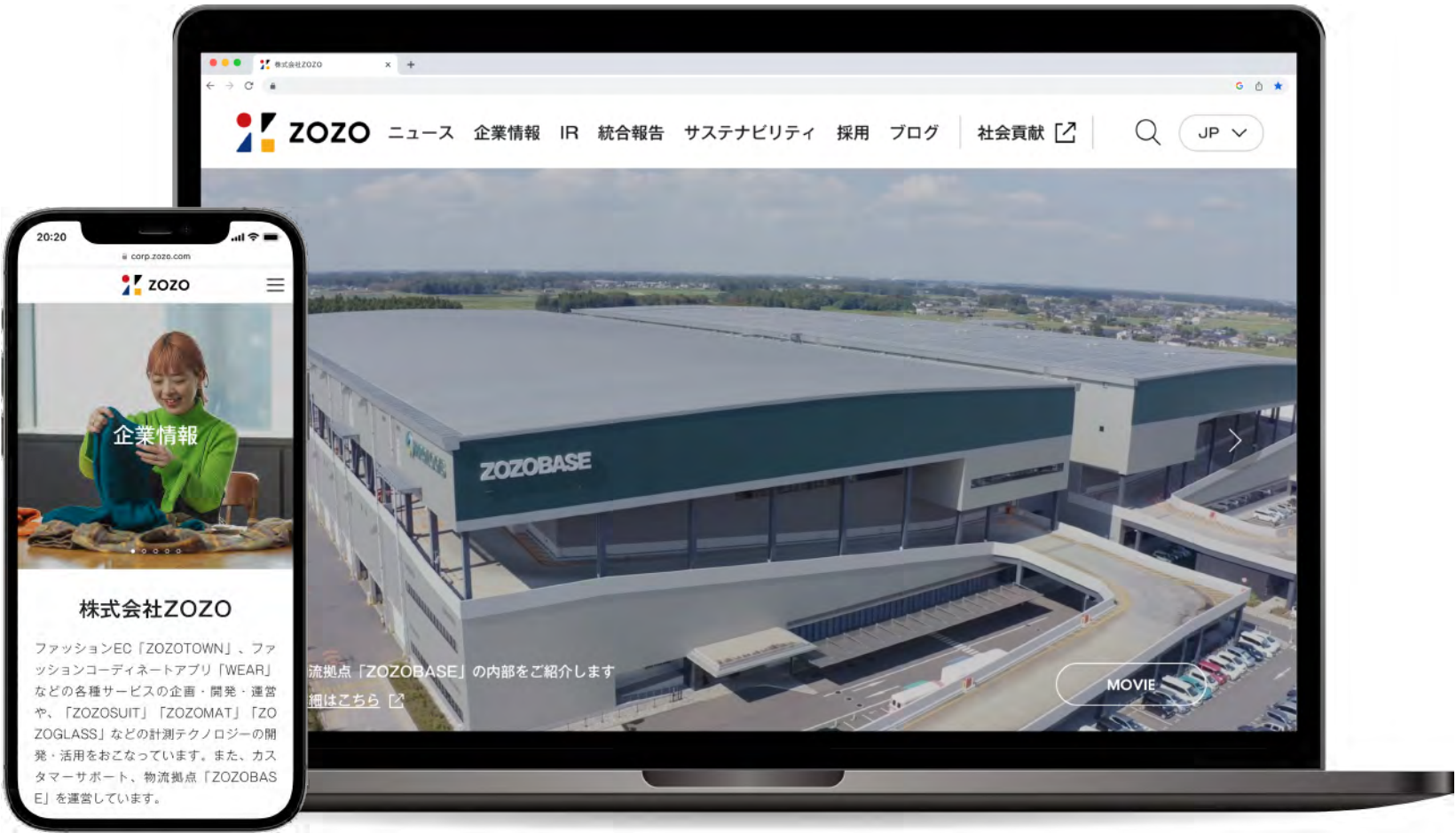
ESG/CSR ... We are introducing our initiatives on ESG/CSR

- ESG Data
- External Evaluation

Subscription of IR Mail

By registering your email address with our IR Mail service, we will send you information related to our IR, such as the latest news releases. If you wish to register, please access the following link.

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.**

To everyone who always supports ZOZO,

Hello, this is Hamaoka from the Branding Design Department, Corporate Identity Division.

Lately, I've been thinking a lot about how we can make our financial results materials even better.

In our previous materials, we tried to express the "warmth of our employees" and the "passion behind their work" through hand-drawn illustrations — something that uniquely reflects "ZOZO-ism."

But I feel that "ZOZO-ism" is more than just that.

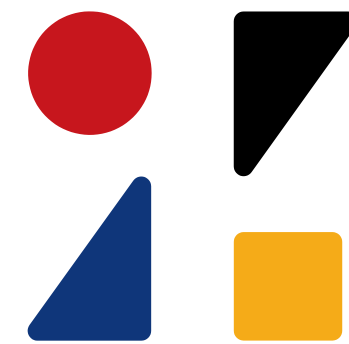
When we're bound by what's considered "normal," like "presentation materials should always be in PDF"
or "this is how it's supposed to be,"
it becomes harder to come up with new ideas.

Of course, making small improvements step by step is important,
but sometimes, by daring to change the form itself,
new ways of thinking and expressing can emerge.

At ZOZO, there are so many people who are trying to redefine what's considered "normal."
I believe that creating something together with such colleagues
is the true essence of "ZOZO-ism."

Someday, I hope we can all come together
to create ideas that gently reshape the meaning of "normal."





ZOZO