



FY2020 ZOZO, Inc. CONSOLIDATED BUSINESS RESULTS

HIGHLIGHTS



FY2020 ZOZO, Inc.
CONSOLIDATED BUSINESS RESULTS

FY2020 HIGHLIGHTS

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Overview

- Gross Merchandise Value : 419,438 million yen (+21.5%,Yoy)
- Operating Profit : 44,144 million yen (+58.3%,Yoy)

Both GMV and operating profit are the highest ever in the company's history

Gross Merchandise Value

○ ZOZOTOWN BUSINESS

- Gross Merchandise Value : 355,761 million yen (+9.5%,Yoy)
 - Consignment Business : 343,828 million yen (+11.3%,Yoy)
 - Purchased Stock Business : 308 million yen (+51.4%,Yoy)
 - ZOZUSED Business : 11,625 million yen (-26.2%,Yoy)

- PayPay Mall : 28,199 million yen (+354.8%,Yoy)
- Private Brand Business : 188 million yen (-85.0%,Yoy)
- MSP Business : 1,260 million yen (+67.6%,Yoy)
- BtoB Business : 22,362 million yen (+85.9%,Yoy)
- Others* : 11,664 million yen
- Average Order Value : 7,991 yen (-3.8%,Yoy)
- Average Retail Price : 3,748 yen (-4.1%,Yoy)

*From 3Q of the current fiscal year, GMV for ZOZO Option stores at PayPay Mall are recorded.

ZOZO Option: Option contracts which enables fashion category stores outside of ZOZOTOWN PayPay Mall, to participate special events produced by ZOZO and enjoy merits such as sales support



FY2020 HIGHLIGHTS

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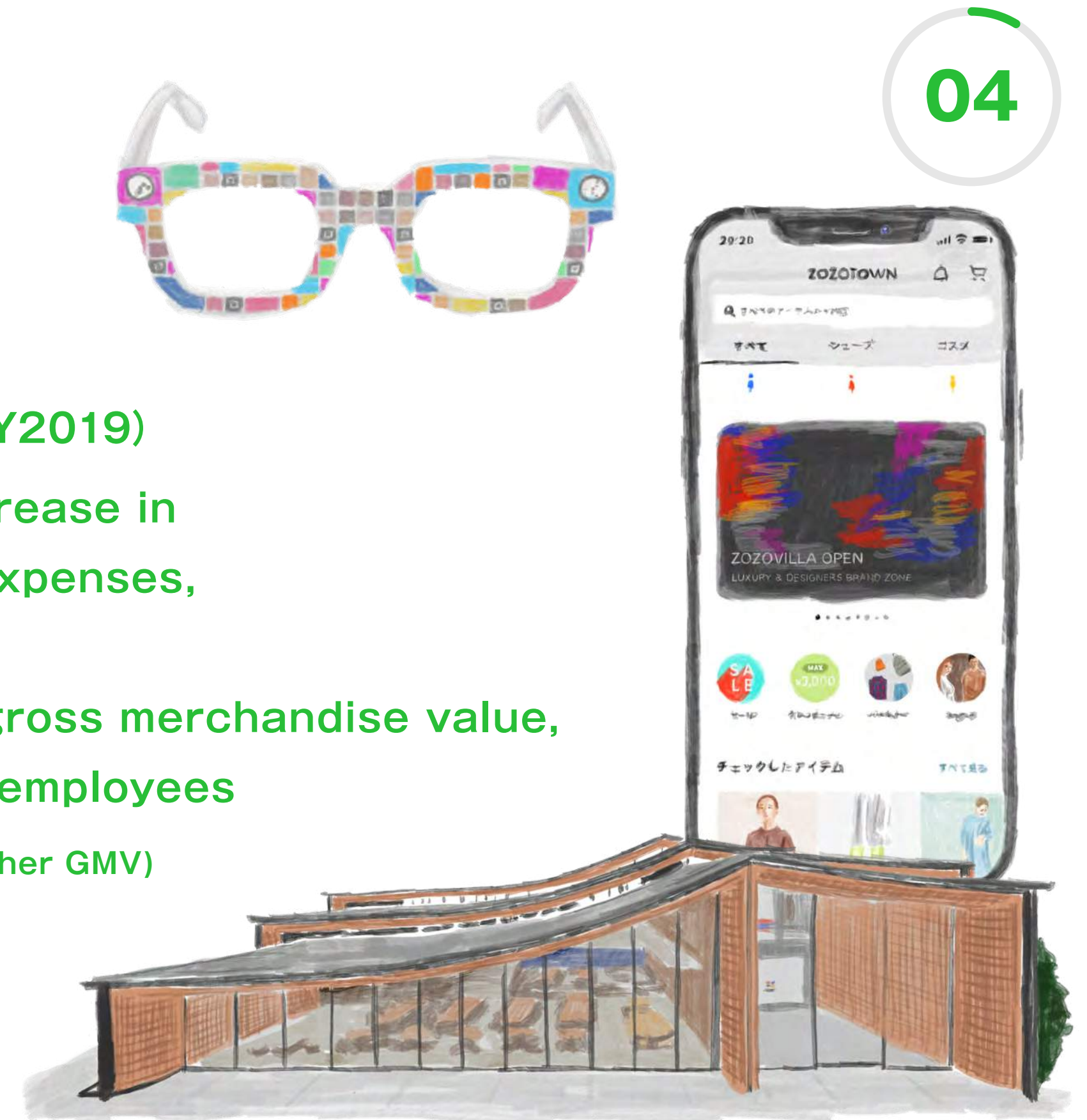
Profitability

- Operating profit margin* (to the total gross merchandise value) : 10.8% (8.1% for FY2019)
 - ・Factors improving profitability : Improvement of gross profit margin due to a decrease in discounting costs such as ZOZOARIGATO etc., a decrease in promotion related expenses, and decreases in PB related costs and on-the spot expenses.
 - ・Factors worsening profitability : An increase in packing and freight ratio to the gross merchandise value, due to decreases in the average order value, and payment of year-end bonus to employees

*Operating profit margin is calculated by operating profit divided by the gross merchandise value (excluding other GMV)

Topic

- Construction of ZOZO's new office at Nishi-Chiba is now completed. Once COVID-19 pandemic is over, a new workstyle of work at the office twice a week/work remotely three-times a week will begin (March 2021)
- Grand opening of "ZOZOCOSME", a mall dedicated for cosmetics, with curated brands both domestic and overseas (March 2021)
- Grand opening of luxury and designers brands zone "ZOZOVILLA", where about 90 brands from both domestic and overseas such as LOEWE, Chloé, Dries Van Noten, etc. are available (March 2021)
- Conclusion of the first affiliation contract of ZOZO with Ms. Momoko Ueda, a professional golf player (March 2021)
- Preorder of ZOZOGLASS, the face color measurement tool, exceeded 900,000 (April 2021)



BUSINESS RESULTS

FY2020 ZOZO, Inc.
CONSOLIDATED BUSINESS RESULTS



OVERVIEW OF THE FY2020

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(million¥)

	FY2019	FY2020	YoY	Target *	Achievement Rate(%)	Revised Plan (as at Jan 29, 2021)	Achievement Rate to Revised Plan(%)
Gross Merchandise Value	345,085	419,438	21.5%	387,300	108.3%	409,000	102.6%
Gross Merchandise Value (excluding other GMV)	345,085	407,774	18.2%	-	-	402,000	101.4%
Net sales	125,517	147,402	17.4%	143,700	102.6%	145,000	101.7%
Gross profit	113,721	140,033	23.1%	-	-	-	-
(%Gross Merchandise Value)	33.0%	34.3%	1.3%	-	-	-	-
SG&A	85,832	95,889	11.7%	-	-	-	-
(%Gross Merchandise Value)	24.9%	23.5%	-1.4%	-	-	-	-
Operating profit	27,888	44,144	58.3%	39,500	111.8%	41,500	106.4%
(%Gross Merchandise Value)	8.1%	10.8%	2.7%	10.2%	-	-	-
Ordinary profit	27,644	44,386	60.6%	39,500	112.4%	41,600	106.7%
Profit attributable to owners of parent	18,804	30,932	64.5%	27,600	112.1%	28,500	108.5%

* %Gross Merchandise Value are represented in percentages after division by gross merchandise value (excluding other GMV)

* The company made a timely disclosure "Notice concerning revision of consolidated business forecast and year-end dividend" on January 29, 2021.

OVERVIEW OF EACH QUARTER

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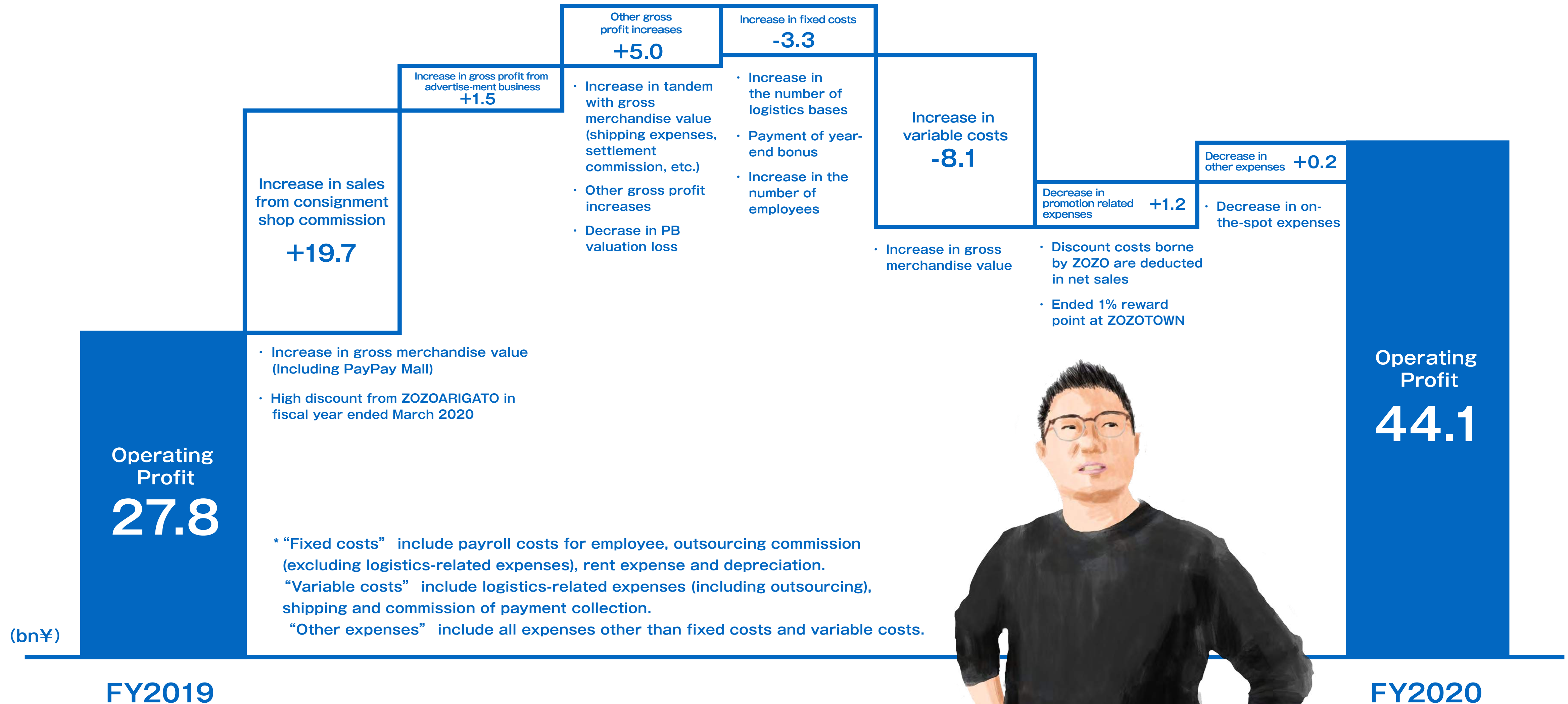
(million¥)

	FY2019				FY2020			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Gross Merchandise Value	79,743	79,845	94,278	91,218	95,330	90,301	118,611	115,194
Gross Merchandise Value (excluding other GMV)	79,743	79,845	94,278	91,218	95,330	90,195	115,247	106,999
YoY (%)	13.1%	12.6%	0.3%	3.2%	19.5%	13.0%	22.2%	17.3%
Net sales	28,197	29,045	34,645	33,629	33,674	32,818	41,987	38,922
SG&A	18,483	20,683	25,382	21,283	21,860	21,571	25,742	26,714
YoY (%)	0.6%	0.6%	18.1%	12.7%	18.3%	4.3%	1.4%	25.5%
(%Gross Merchandise Value)	23.2%	25.9%	26.9%	23.3%	22.9%	23.9%	22.3%	25.0%
Operating profit	7,786	5,467	6,131	8,503	10,423	9,482	13,880	10,358
YoY (%)	32.6%	30.8%	-42.0%	69.3%	33.9%	73.4%	126.4%	21.8%
(%Gross Merchandise Value)	9.8%	6.8%	6.5%	9.3%	10.9%	10.5%	12.0%	9.7%

* %Gross Merchandise Value are represented in percentages after division by gross merchandise value (excluding other GMV)

- Growth acceleration factor of the gross merchandise value : stabilization of new users acquired up to 3Q and an increase of visits by existing users. Positive factors (digital shift) continued to exceed negative factors (lowering demand) of COVID-19.
- Operating profit improving factors : increase of gross profit in tandem with growth of the gross merchandise value, decrease in the number of discount measures, decrease in logistics-related expenses ratio from operation efficiency improvement inside warehouses

INCREASE-DECREASE ANALYSIS OF OPERATING PROFIT(YoY COMPARISON)



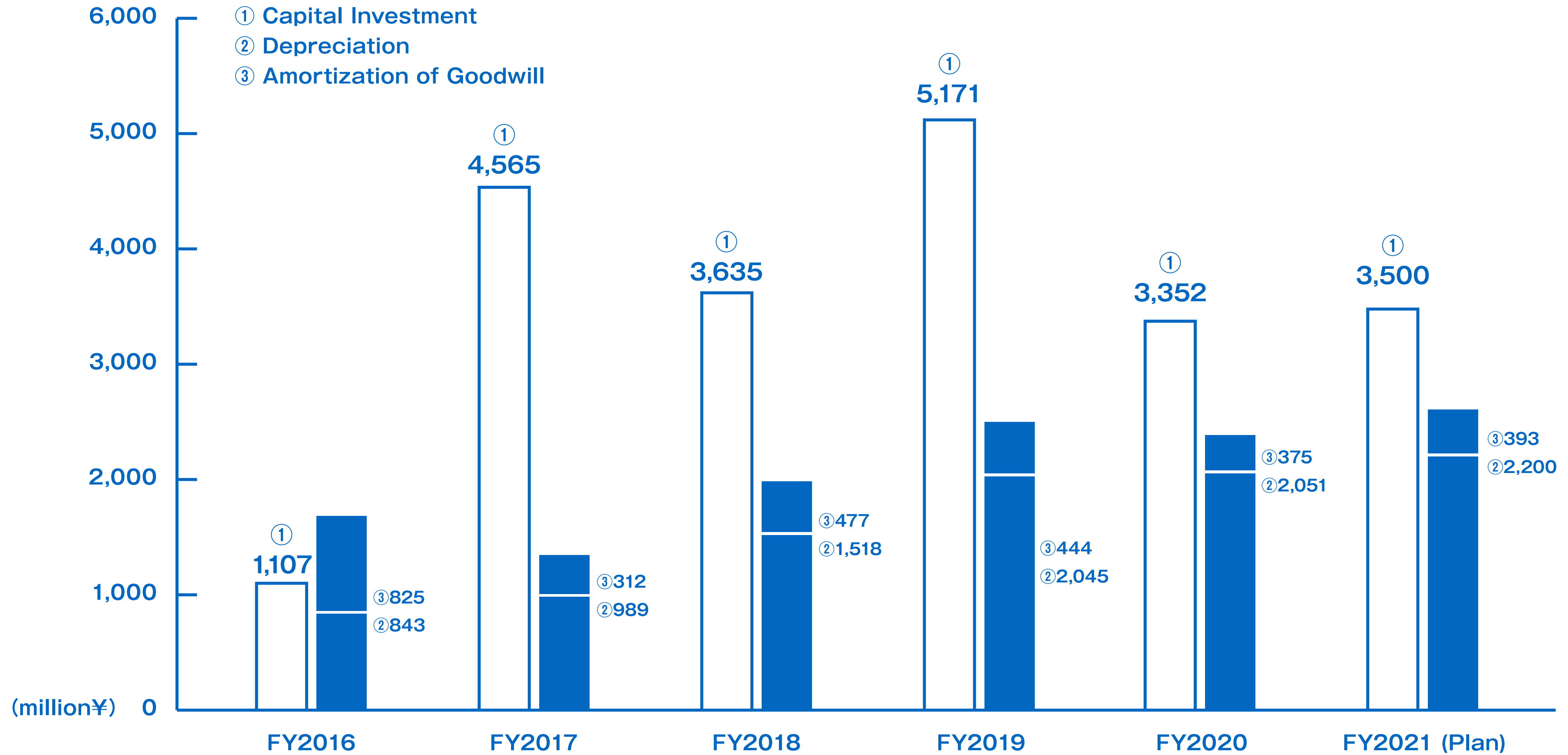
CONSOLIDATED BALANCE SHEET

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(million¥)

	FY2019 (as of March 31, 2020)	FY2020 (as of March 31, 2021)		FY2019 (as of March 31, 2020)	FY2020 (as of March 31, 2021)
Current assets	70,429	99,796	Current liabilities	56,126	65,180
Cash and deposits	33,602	61,648	Short-term borrowing	22,000	20,000
Merchandise and finished products	1,664	1,792	Noncurrent liabilities	3,525	4,968
Noncurrent assets	23,756	25,860	Total liabilities	59,651	70,149
Tangible assets	10,493	12,019	Shareholders' equity	34,616	55,651
Intangible assets	2,968	2,915	Treasury stock	-24,412	-24,146
Investments and other assets	10,295	10,925	Total net assets	34,534	55,507
Total assets	94,186	125,656	Total liabilities and net assets	94,186	125,656

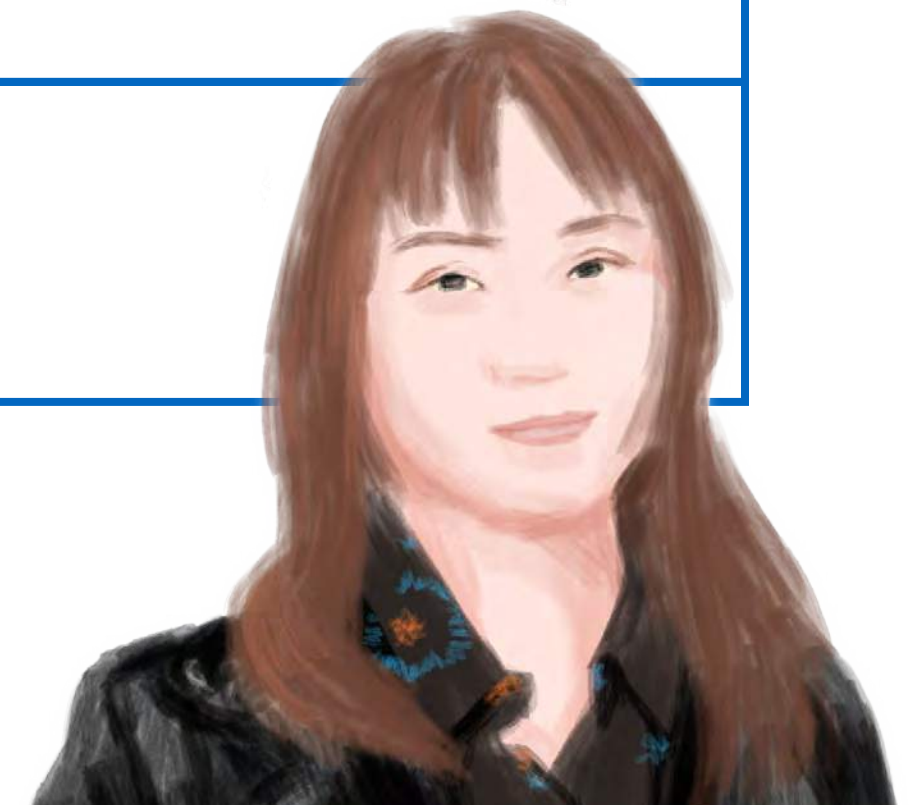
CAPITAL INVESTMENT



CASH FLOWS

(million¥)

	FY2019	FY2020	YoY	Reasons for change
Cash flows from operating activities	24,789	44,790	20,001	
Cash flows from investing activities	-5,987	-4,648	1,339	Acquisition of yutori inc. shares Expenditure from the new office and new logistics bases expansion
Cash flows from financing activities	-6,771	-12,117	-5,346	Repayment of short-term borrowings
Cash and cash equivalents at the end of the year	33,602	61,648	28,045	



CASH FLOWS

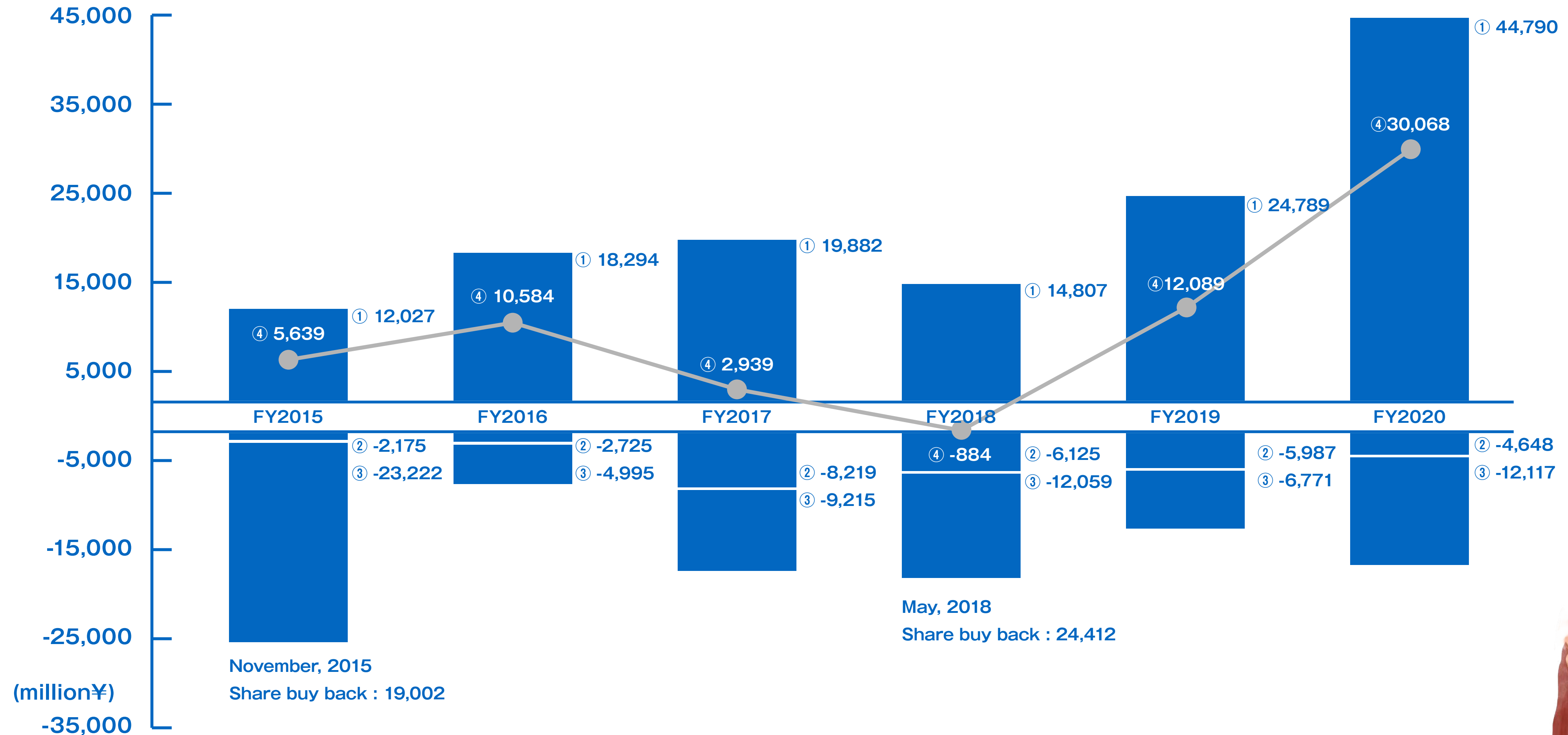
① Cash flows from operating activities

② Cash flows from investing activities

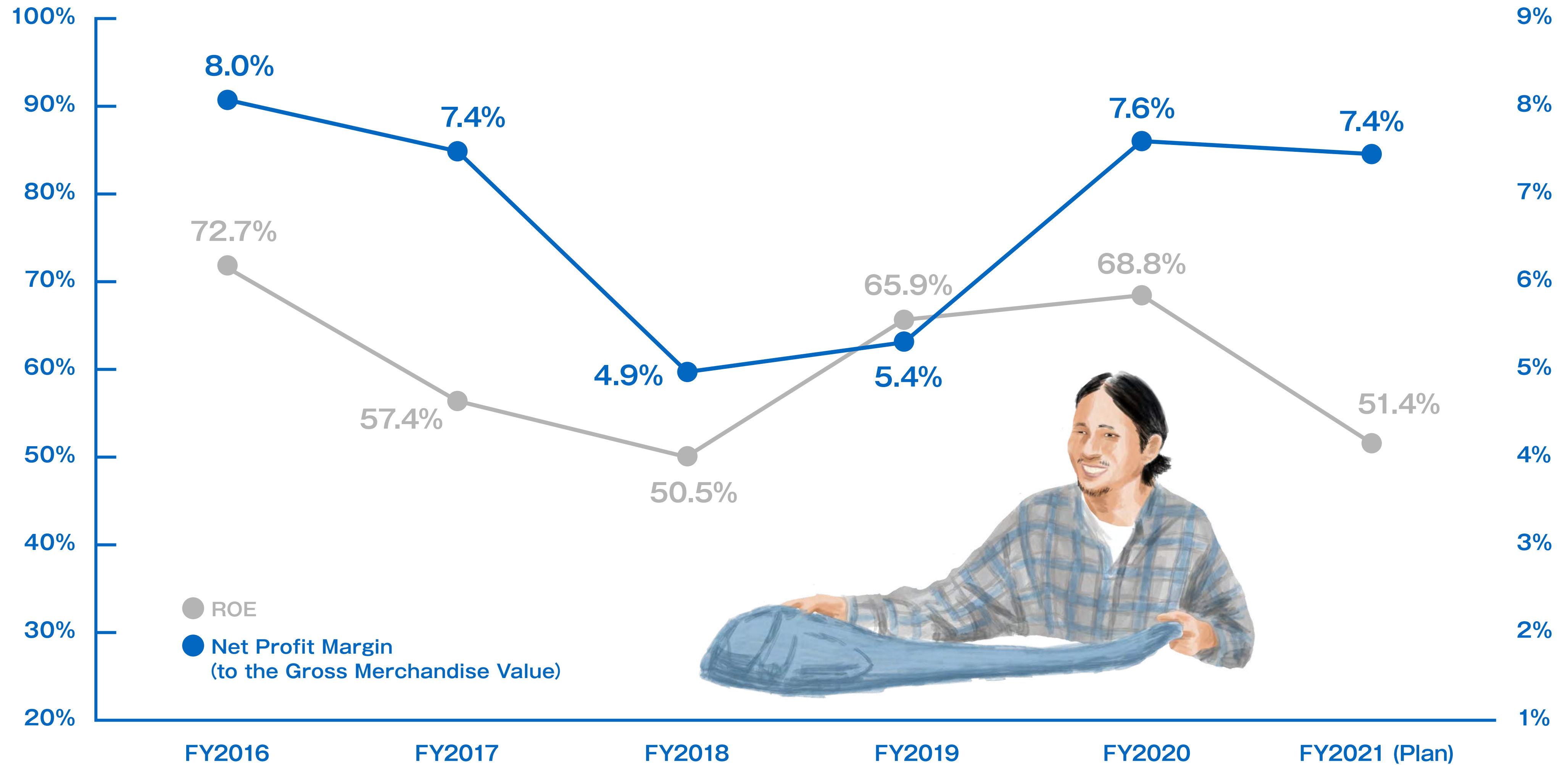
③ Cash flows from financing activities

④ Substantial free cash flows

① + ② - Expenditure from dividends



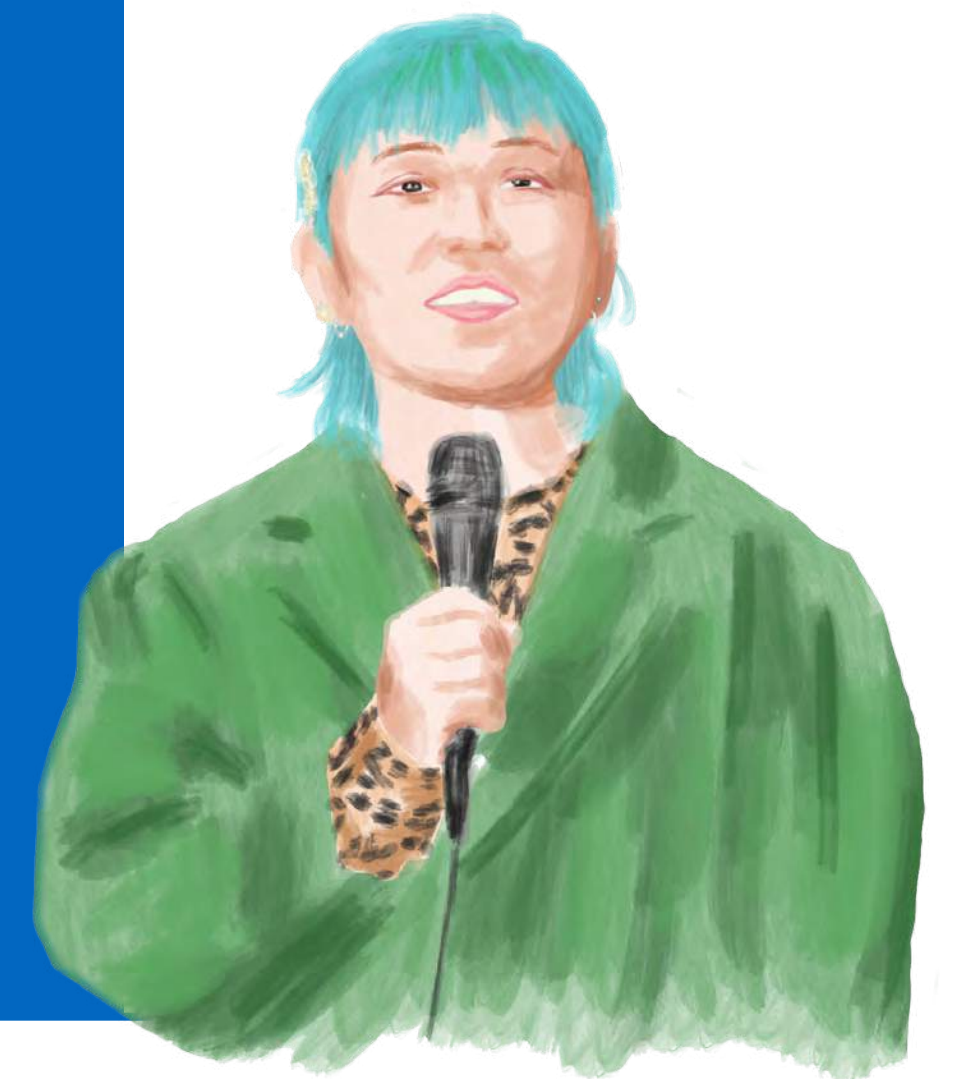
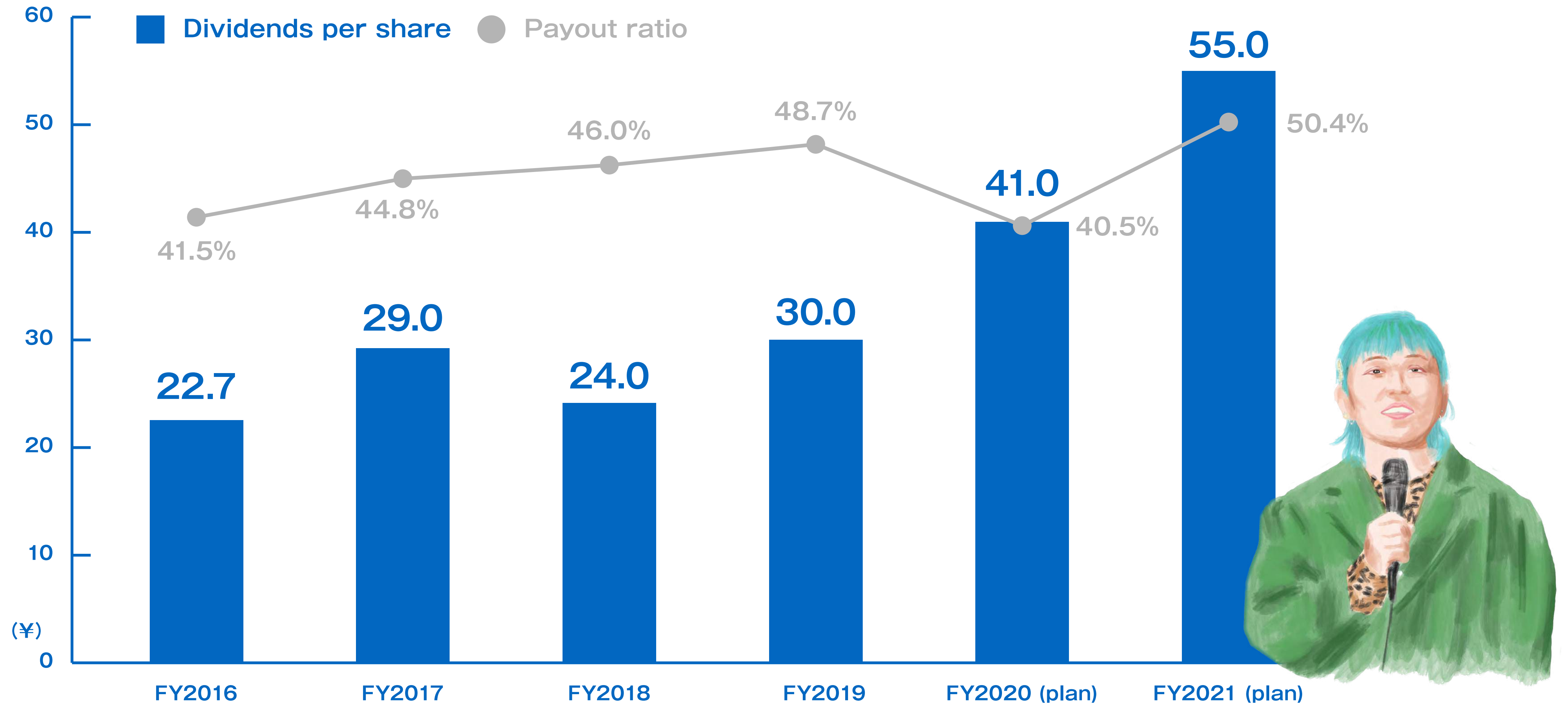
ROE AND NET PROFIT MARGIN



* Net Profit margin are calculated by net profit divided by gross merchandise value (excluding other GMV)

* The company made a timely disclosure "Notice concerning revision of year-end dividend forecast" on April 27, 2021. The numbers in above are the numbers after the revision.

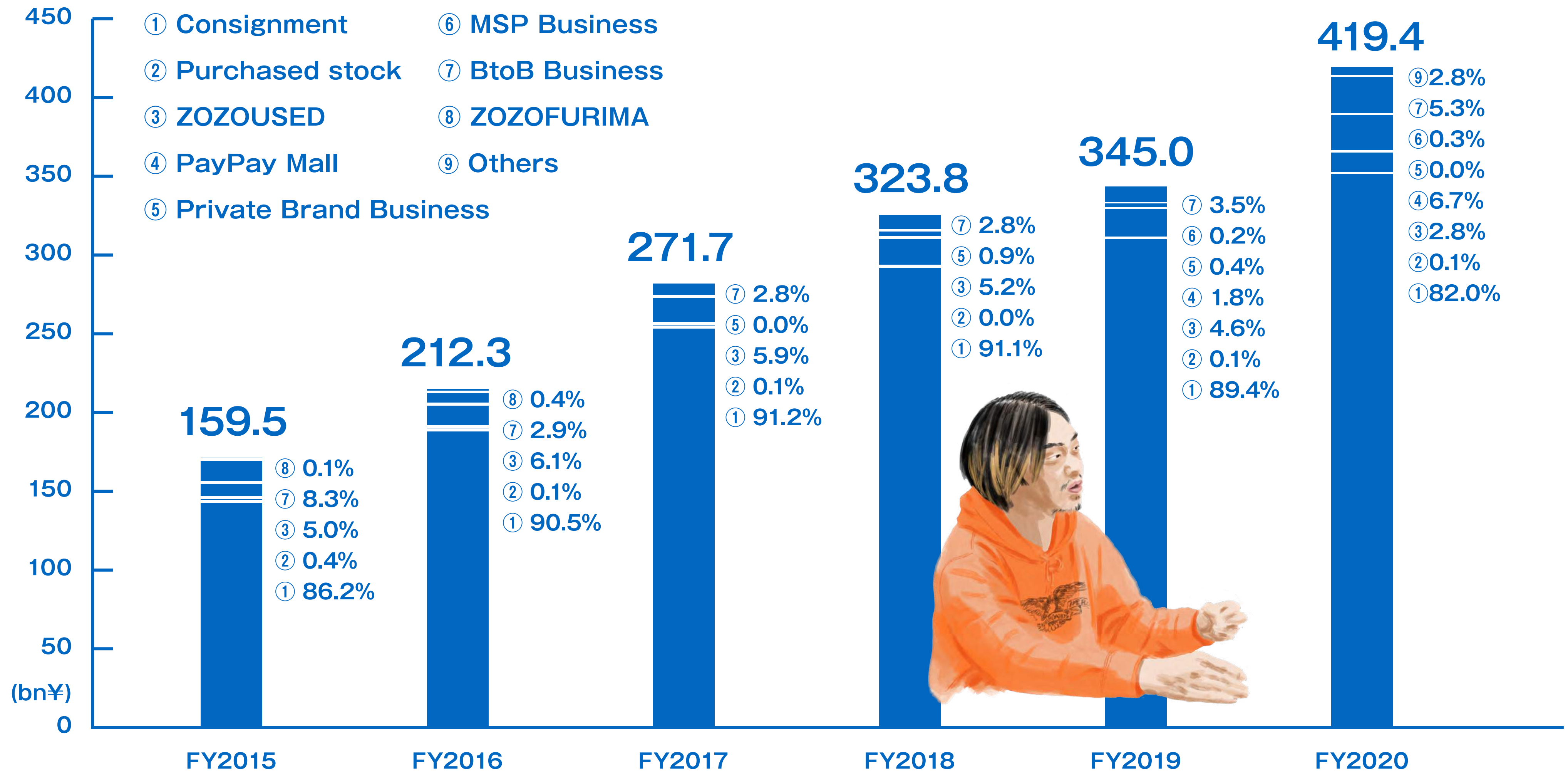
DIVIDENDS PER SHARE AND PAYOUT RATIO



* The company made a timely disclosure "Notice concerning revision of year-end dividend forecast" on April 27, 2021. The numbers in above are the numbers after the revision.

GROSS MERCHANDISE VALUE

Gross merchandise value of new shops opened in FY2020
 ZOZOTOWN Business (purchased stock & consignment) : ¥8.9 billion
 (accounts for 2.5% of the gross merchandise value)

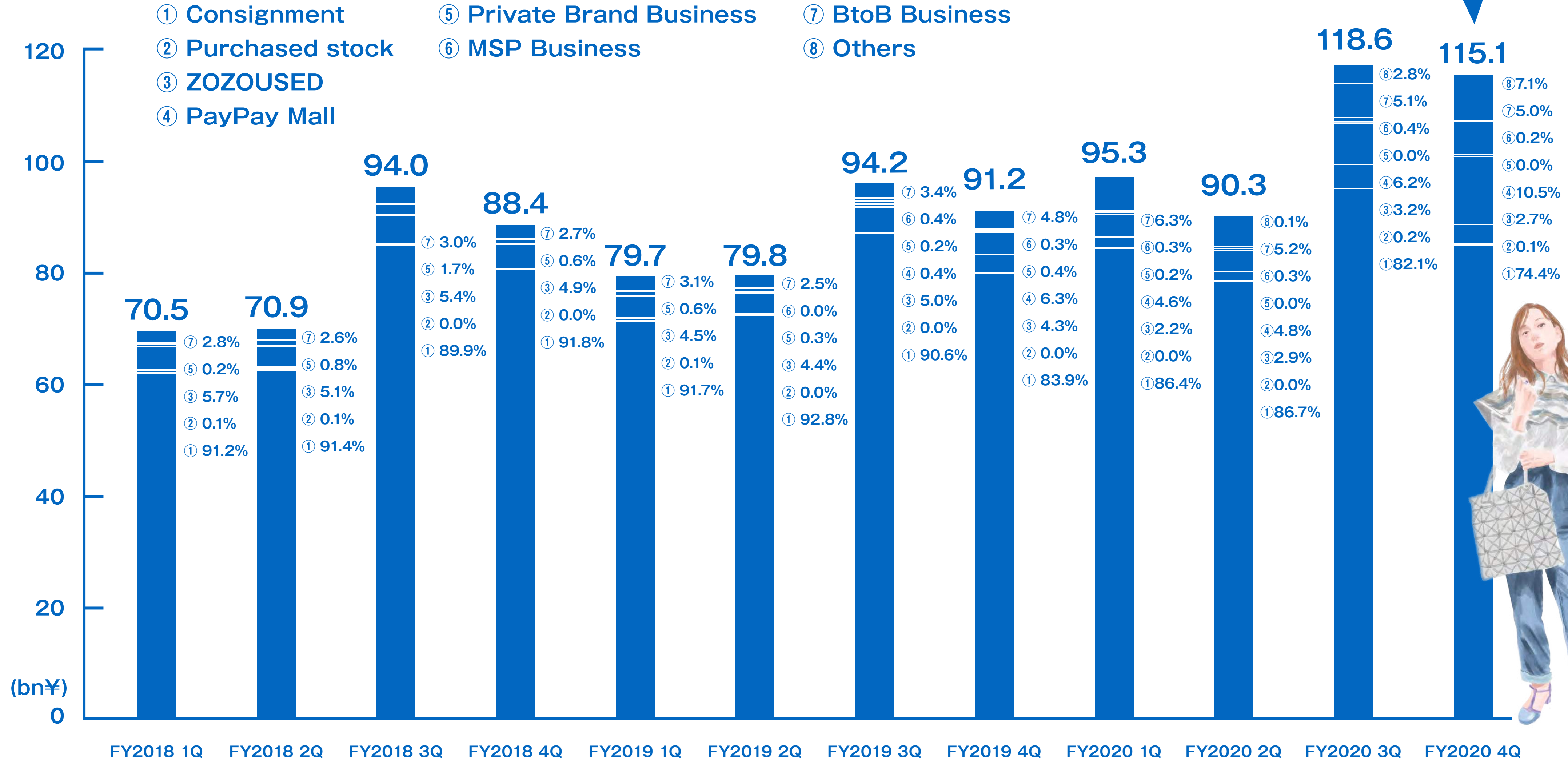


* ZOZO FURIMA Business ended on June 30, 2017.

GROSS MERCHANDISE VALUE(QUARTERLY)

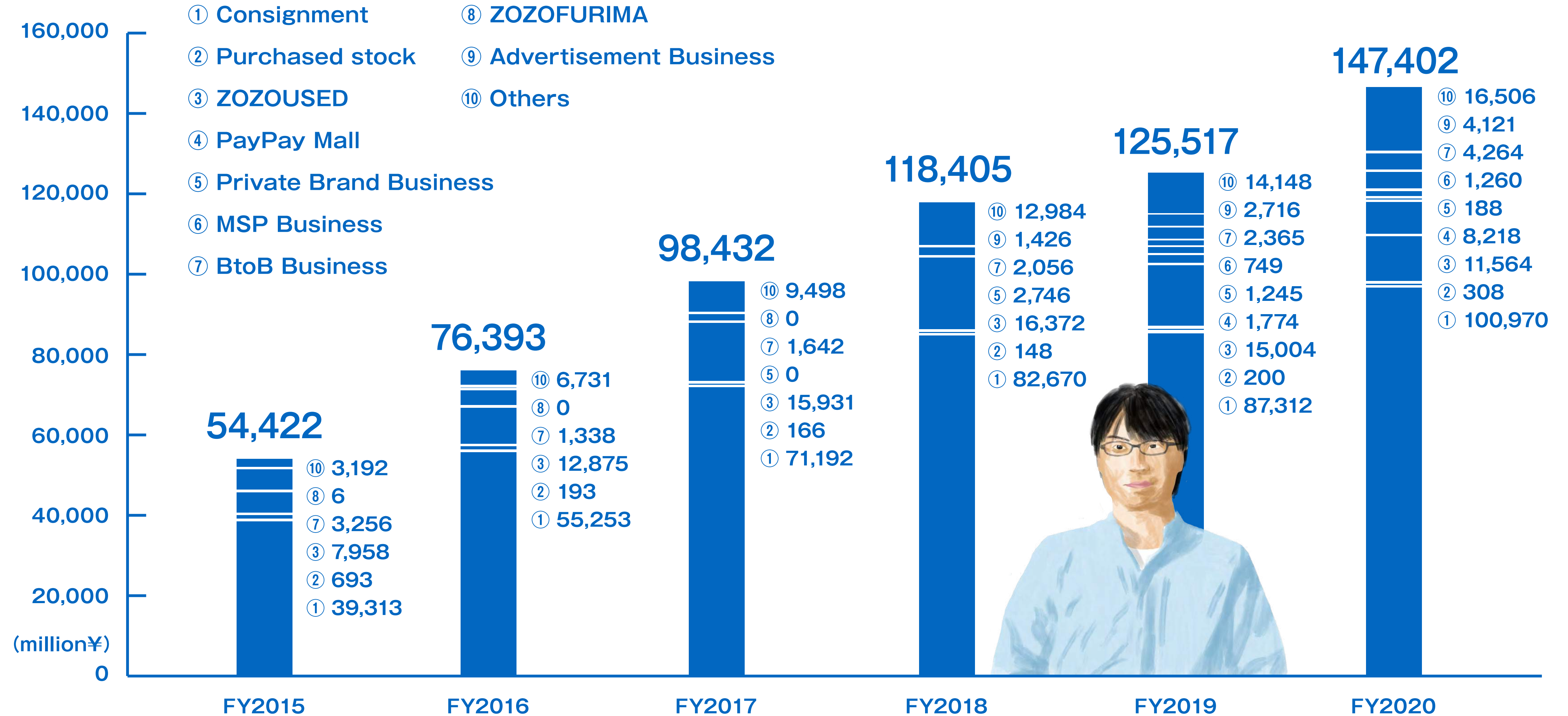
YoY
+17.3%*

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* YoY are calculated with GMV excluding “ ⑧ Others” .

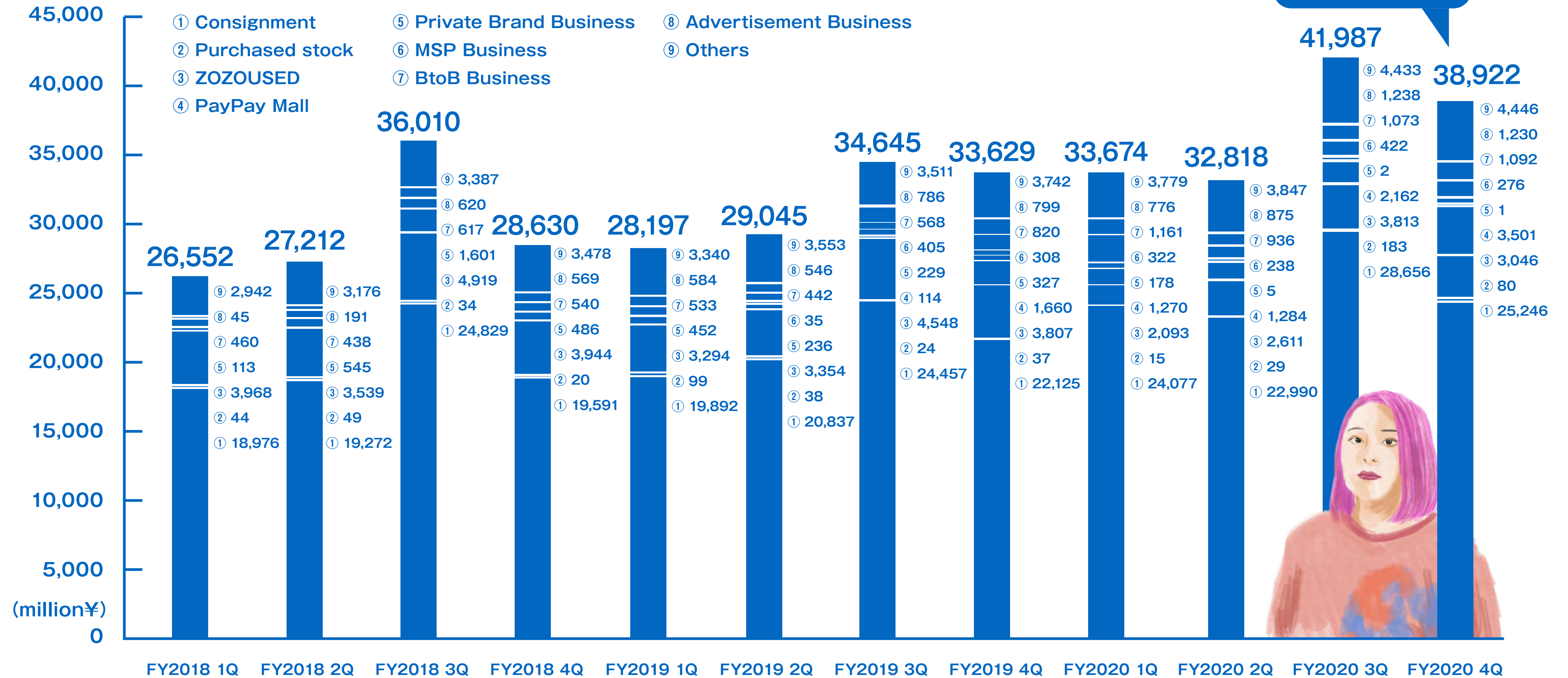
NET SALES



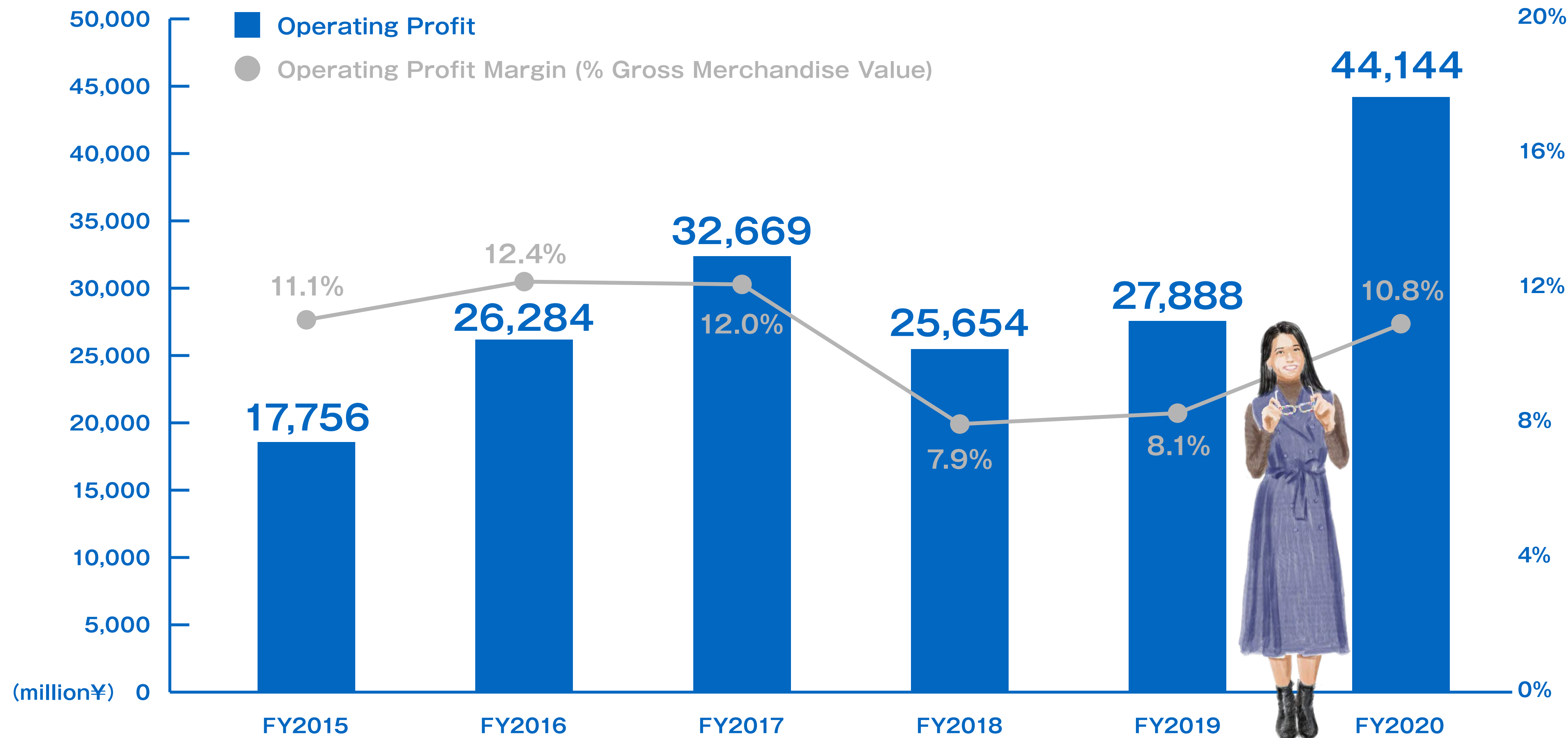
* ZOZO FURIMA Business ended on June 30, 2017.

NET SALES(QUARTERLY)

YoY
+15.7%



OPERATING PROFIT AND OPERATING PROFIT MARGIN



* Operating profit margins are calculated by operating profit divided by gross merchandise value (excluding other GMV)

SELLING, GENERAL AND ADMINISTRATIVE(SG&A) EXPENSES

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(million¥)

	FY2019		FY2020		YOY	Increase decrease factors
	Amount	%Gross Merchandise Value	Amount	%Gross Merchandise Value	%Gross Merchandise Value	
Payroll and staff costs(*)	23,320	6.8%	27,244	6.7%	-0.1%	
Payroll costs for employee	8,417	2.4%	11,058	2.7%	0.3%	Transition of the number of employees on consolidated basis: FY2019 1,158 → FY2020 1,297 / Payment of year-end bonus(4Q)
Logistics-Related Expenses (Including Outsourcing)	14,902	4.3%	16,185	4.0%	-0.3%	Operation efficiency improvements inside warehouses
Outsourcing Commission (Excluding Logistics-Related Expenses)	4,551	1.3%	5,086	1.2%	-0.1%	
Shipping	21,993	6.4%	27,578	6.8%	0.4%	Increase in ratio due to a decrease in the average order value
Commission of Payment collection	9,526	2.8%	10,840	2.7%	-0.1%	
Promotion related expenses	9,344	2.7%	8,101	2.0%	-0.7%	Hold down of promotional/customer attraction activities (First half)
Advertising	4,812	1.4%	5,934	1.5%	0.1%	
Reward points related expenses	4,531	1.3%	2,167	0.5%	-0.8%	Ended 1% reward point (April 2020~) Decrease in the number of reward point programs
Rent expense	5,019	1.5%	5,224	1.3%	-0.2%	Rent start and cancellation of logistics bases. Limited time free-rent of Chiba 5, the logistic base which started its operation from March 2020
Depreciation	2,045	0.6%	2,051	0.5%	-0.1%	Undepreciated expense of the old office was recorded as extraordinary loss in Q4
Amortization of goodwill	444	0.1%	375	0.1%	0.0%	
Stock Compensation Expenses	-109	0.0%	47	0.0%	0.0%	
Others	9,695	2.8%	9,338	2.3%	-0.5%	Decrease in on-the-spot expenses
Total SG&A	85,832	24.9%	95,889	23.5%	-1.4%	

* Payroll includes directors' remuneration, employee salaries, bonus, legal welfare expenses, welfare expenses, retirement benefits cost, provision for employee bonus, expenses of company pension premium, subcontracting payroll, a portion of expenses at logistics centers operation. "Employee" includes directors and employees, "Logistics-Related Expenses" includes part-timers, dispatched workers(subcontracting payroll) and substantial personnel expenses within outsourcing commission of staff working for logistics operations.
* Numbers of % Gross Merchandise Value are calculated by each expense divided by gross merchandise value (excluding other GMV).

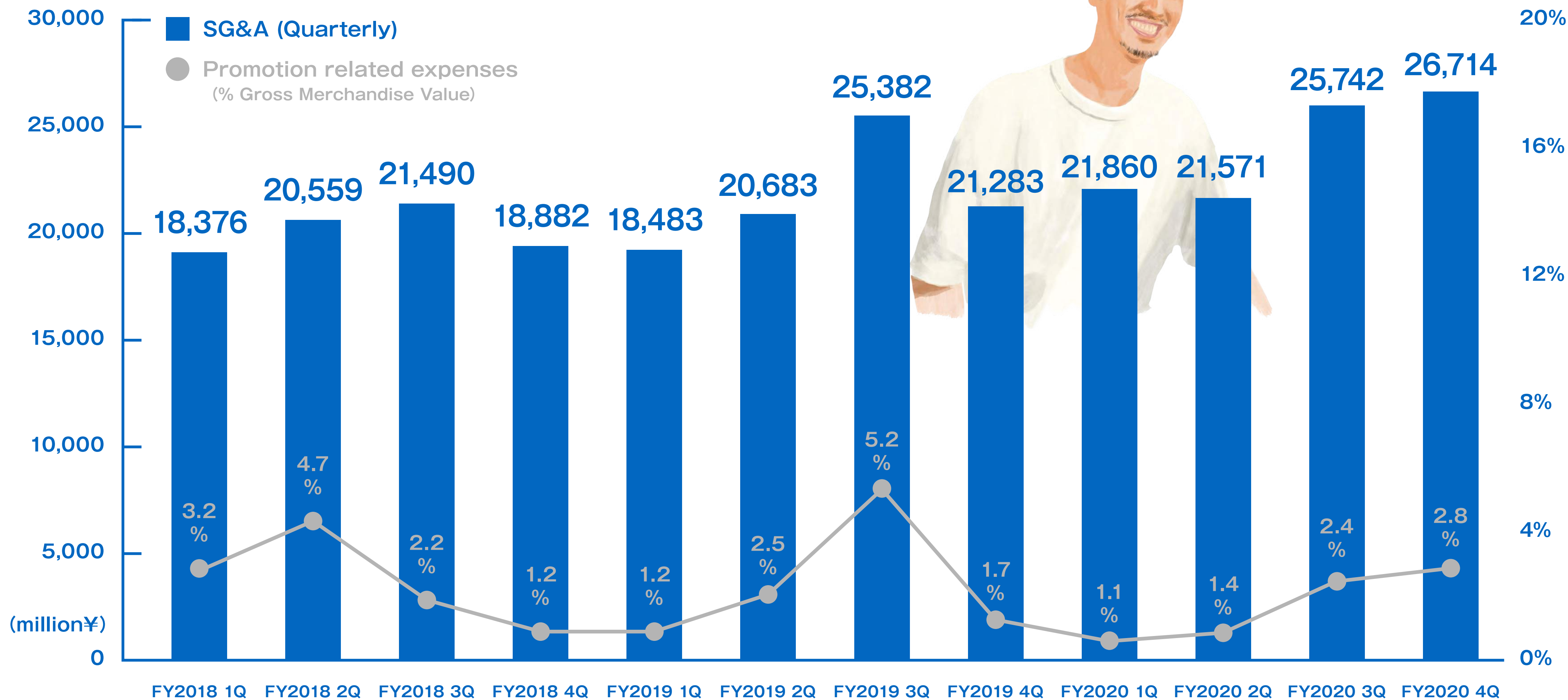


OPERATING PROFIT AND OPERATING PROFIT MARGIN (QUARTERLY)



* Operating profit margins are calculated by operating profit divided by gross merchandise value (excluding other GMV)

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



※ Promotion related expenses ratios are calculated by related items divided by gross merchandise value (excluding other GMV).

OVERVIEW OF SG&A BY EACH QUARTER

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(million¥)

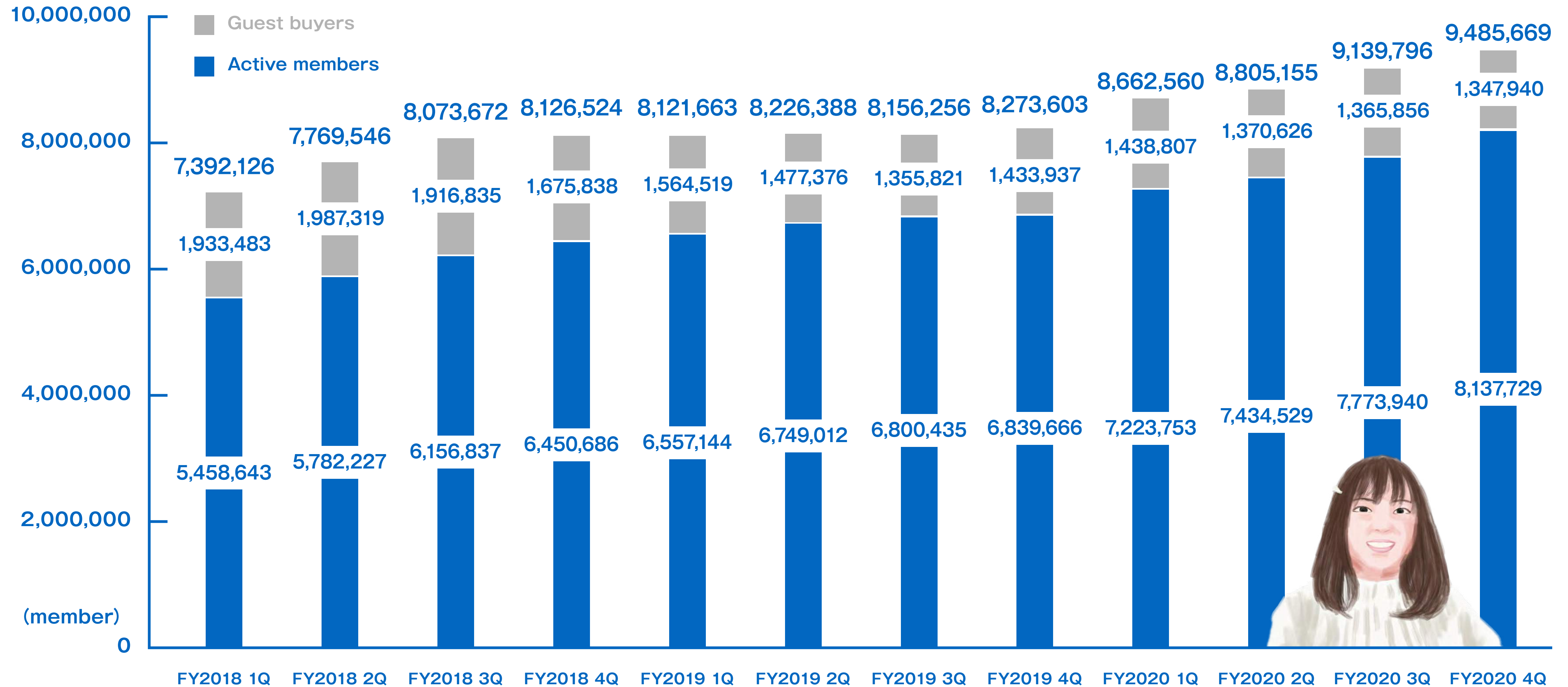
	FY2019								FY2020							
	1Q		2Q		3Q		4Q		1Q		2Q		3Q		4Q	
	Amount	%Gross Merchandise Value	Amount	%Gross Merchandise Value	Amount	%Gross Merchandise Value	Amount	%Gross Merchandise Value	Amount	%Gross Merchandise Value	Amount	%Gross Merchandise Value	Amount	%Gross Merchandise Value	Amount	%Gross Merchandise Value
Payroll and staff costs(*)	5,219	6.5%	5,515	6.9%	6,493	6.9%	6,091	6.7%	6,465	6.8%	6,294	7.0%	6,639	5.8%	7,844	7.3%
Payroll costs for employee	1,940	2.4%	2,017	2.5%	2,307	2.4%	2,152	2.4%	2,409	2.5%	2,484	2.8%	2,497	2.2%	3,666	3.4%
Logistics-Related Expenses (Including Outsourcing)	3,278	4.1%	3,498	4.4%	4,185	4.4%	3,939	4.3%	4,056	4.3%	3,809	4.2%	4,141	3.6%	4,177	3.9%
Outsourcing Commission (Excluding Logistics-Related Expenses)	1,023	1.3%	1,112	1.4%	1,182	1.3%	1,233	1.4%	1,197	1.3%	1,149	1.3%	1,320	1.1%	1,418	1.3%
Shipping	5,011	6.3%	5,511	6.9%	5,661	6.0%	5,808	6.4%	6,655	7.0%	6,542	7.3%	7,195	6.2%	7,185	6.7%
Commission of Payment collection	2,243	2.8%	2,286	2.9%	2,550	2.7%	2,445	2.7%	2,561	2.7%	2,464	2.7%	3,078	2.7%	2,734	2.6%
Promotion related expenses	927	1.2%	1,994	2.5%	4,866	5.2%	1,556	1.7%	1,075	1.1%	1,279	1.4%	2,779	2.4%	2,967	2.8%
Advertising	378	0.5%	339	0.4%	3,571	3.8%	524	0.6%	619	0.7%	855	0.9%	2,230	1.9%	2,228	2.1%
Reward points related expenses	548	0.7%	1,655	2.1%	1,294	1.4%	1,032	1.1%	455	0.5%	424	0.5%	548	0.5%	739	0.7%
Rent expense	1,169	1.5%	1,203	1.5%	1,335	1.4%	1,310	1.4%	1,232	1.3%	992	1.1%	1,515	1.3%	1,484	1.4%
Depreciation	442	0.6%	412	0.5%	555	0.6%	635	0.7%	553	0.6%	450	0.5%	497	0.4%	548	0.5%
Amortization of goodwill	140	0.2%	139	0.2%	82	0.1%	82	0.1%	81	0.1%	93	0.1%	99	0.1%	100	0.1%
Stock Compensation Expenses	-6	0.0%	-93	-0.1%	-3	0.0%	-5	0.0%	0	0.0%	17	0.0%	13	0.0%	15	0.0%
Others	2,312	2.9%	2,601	3.3%	2,658	2.8%	2,123	2.3%	2,035	2.1%	2,285	2.5%	2,602	2.3%	2,414	2.3%
Total SG&A	18,483	23.2%	20,683	25.9%	25,382	26.9%	21,283	23.3%	21,860	22.9%	21,571	23.9%	25,742	22.3%	26,714	25.0%

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

* Numbers of % Gross Merchandise Value are calculated by each expense divided by 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

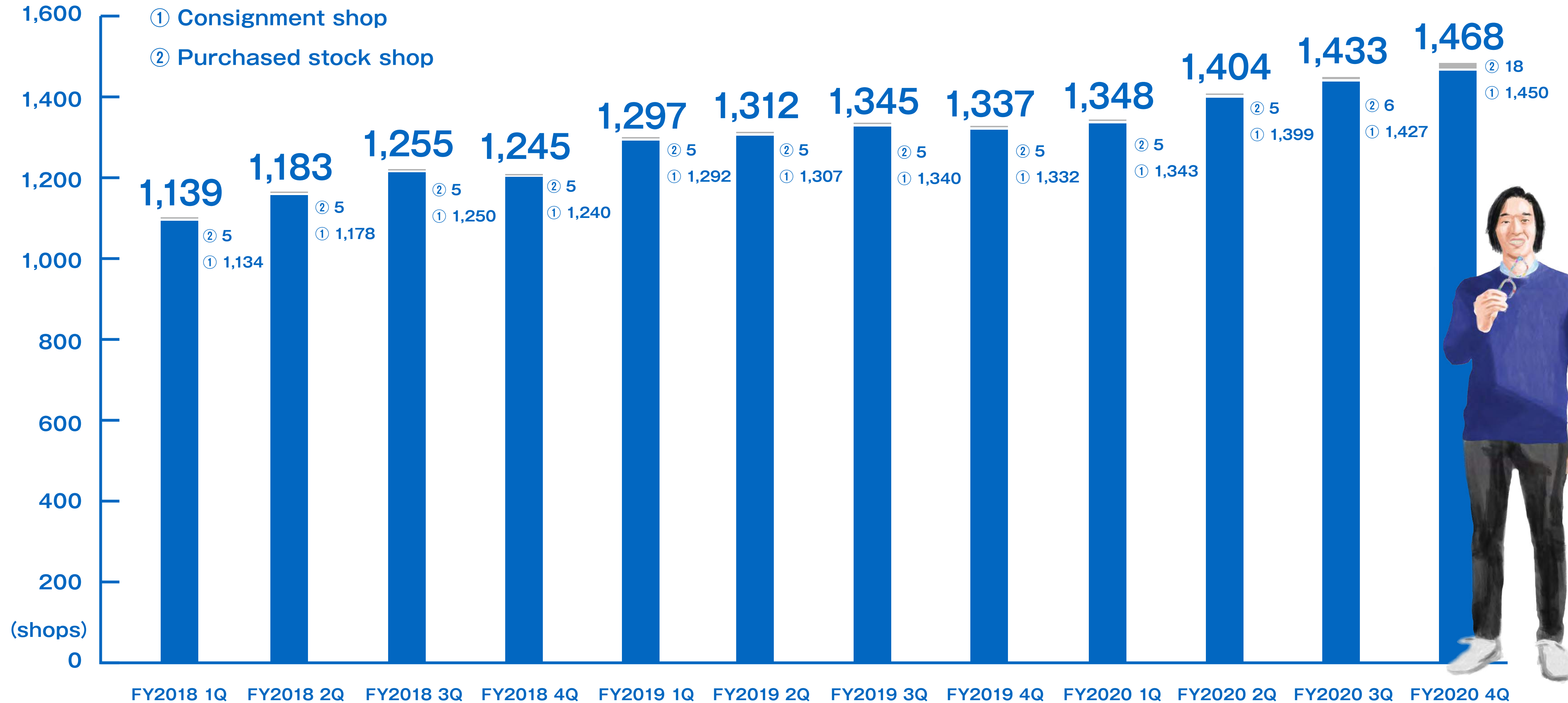


* Excluding the users only purchased the body measurement device "ZOSUIT" "ZOMAT" and "ZOGLASS"

* PayPay Mall is not included



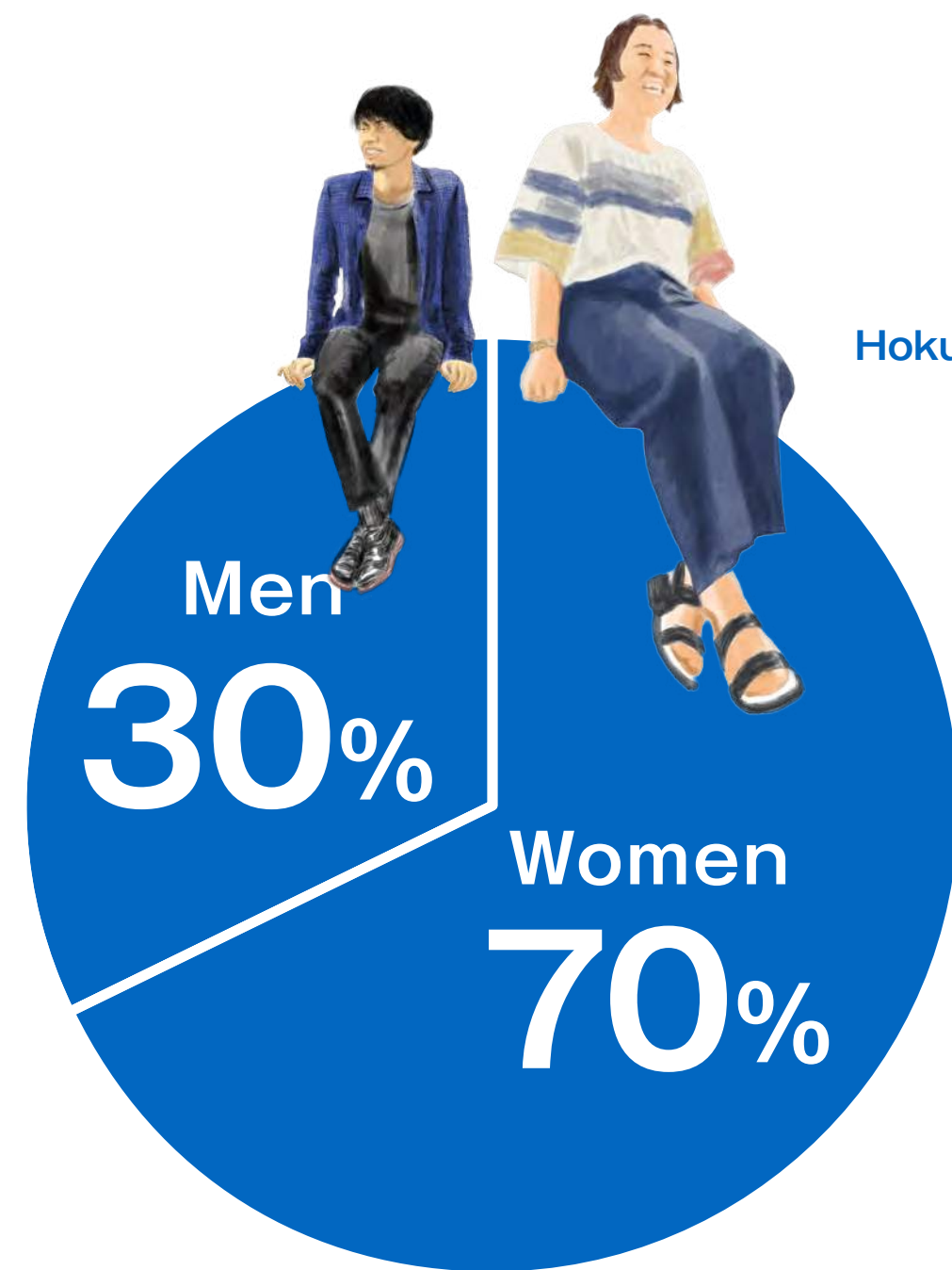
NUMBER OF SHOPS ON ZOZOTOWN



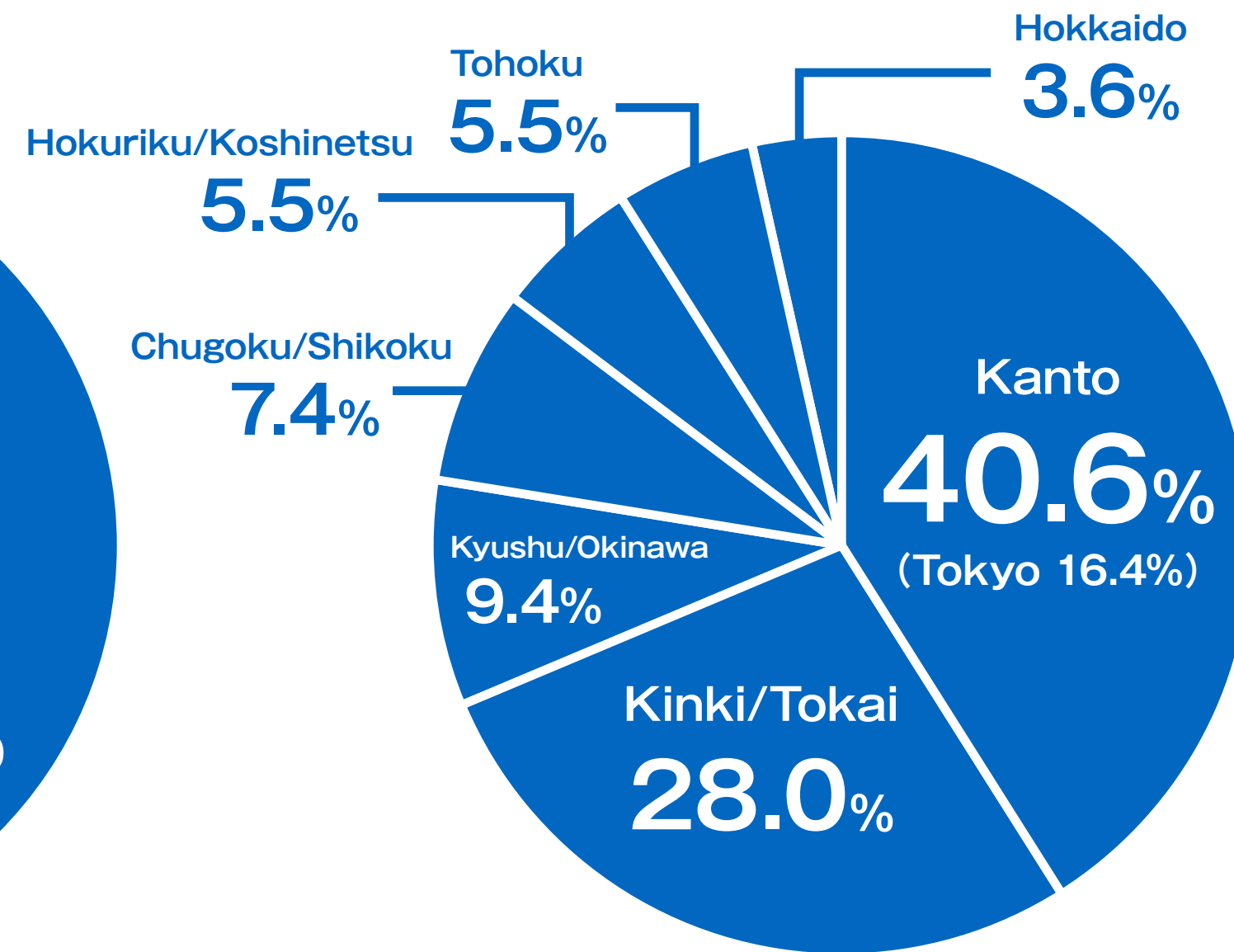
* Shops of the private brand "ZOZO" and "Multi-Size" are not included to the number of shops

ACTIVE MEMBER DISTRIBUTION

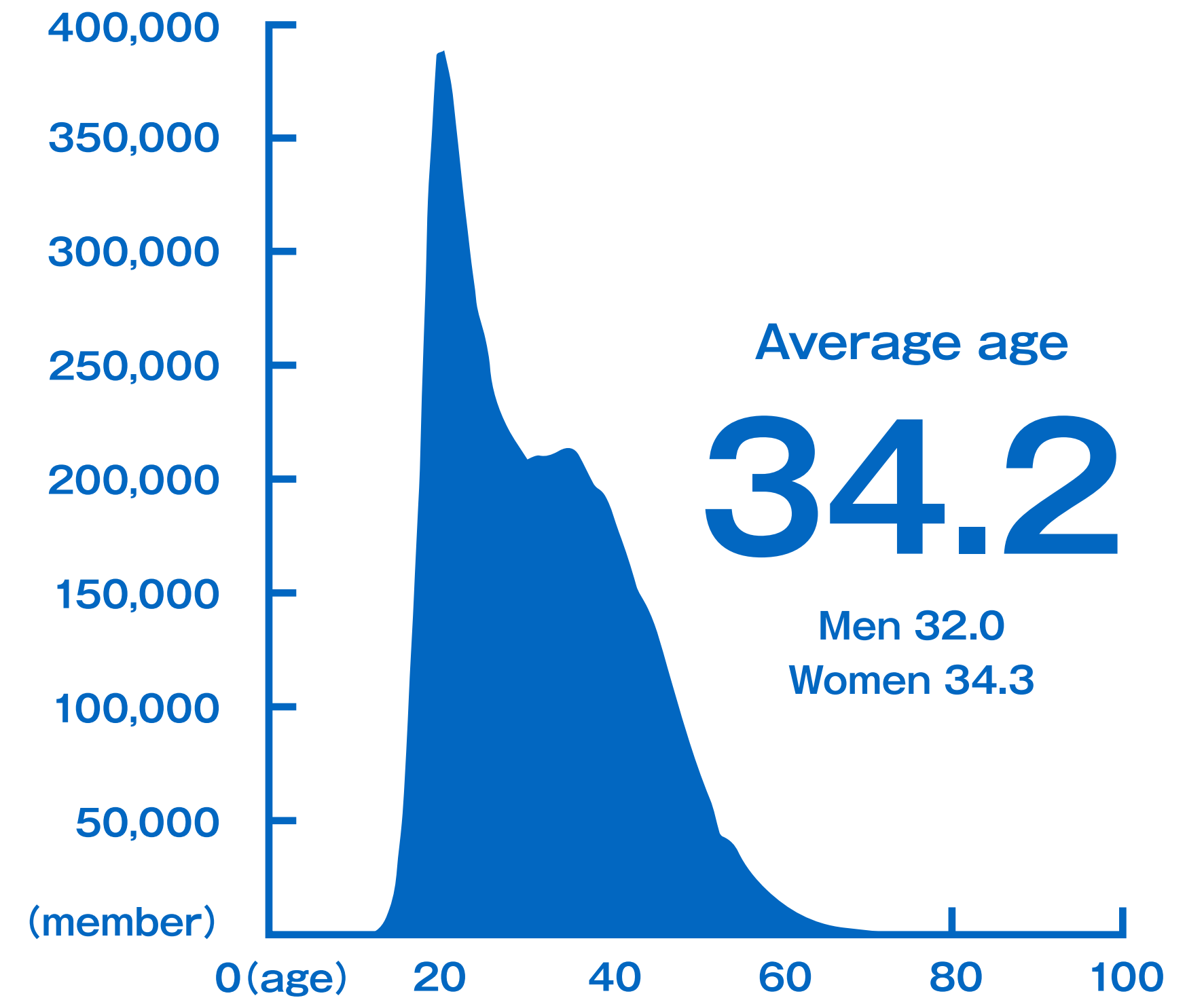
Gender ratio



Geographical distribution

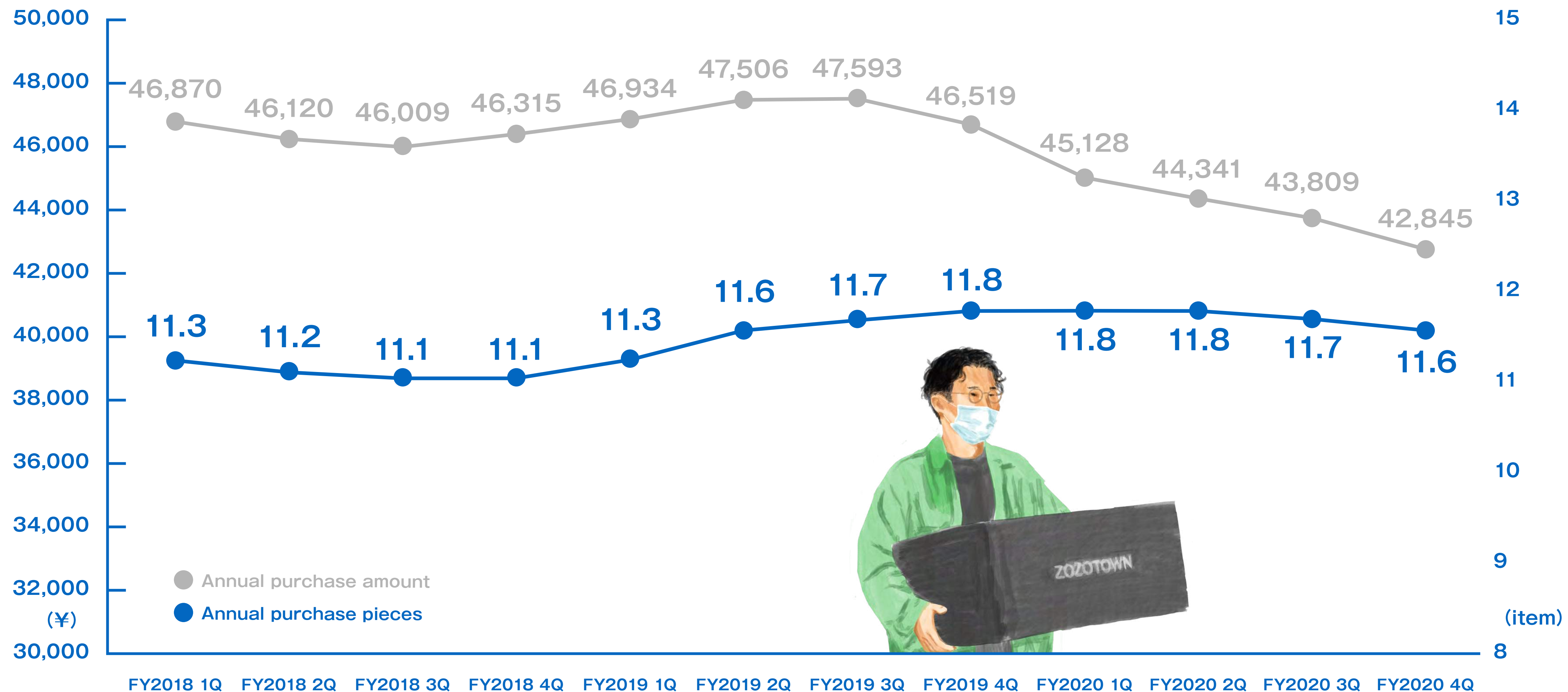


Age distribution



* PayPay Mall is not included

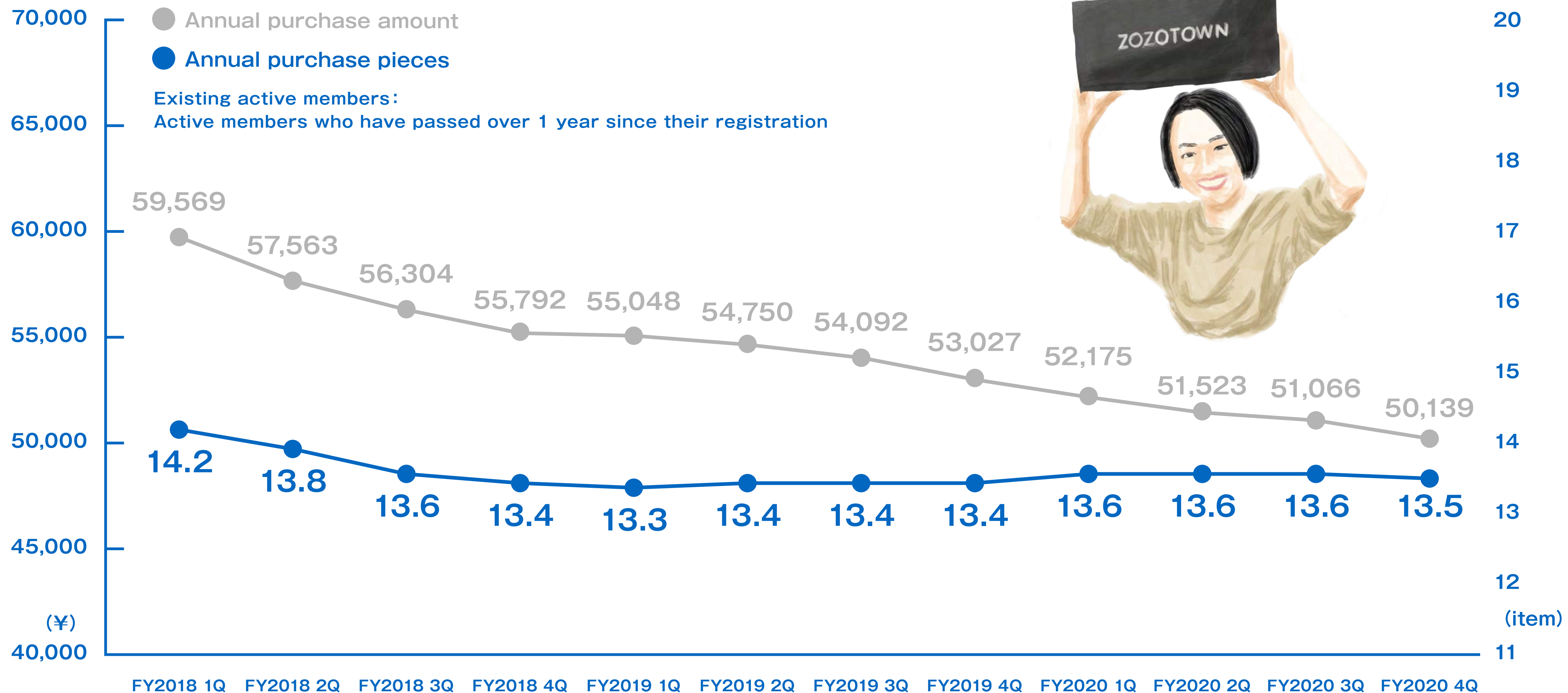
ANNUAL PURCHASE AMOUNT AND PIECES PER ACTIVE MEMBER



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

* PayPay Mall is not included

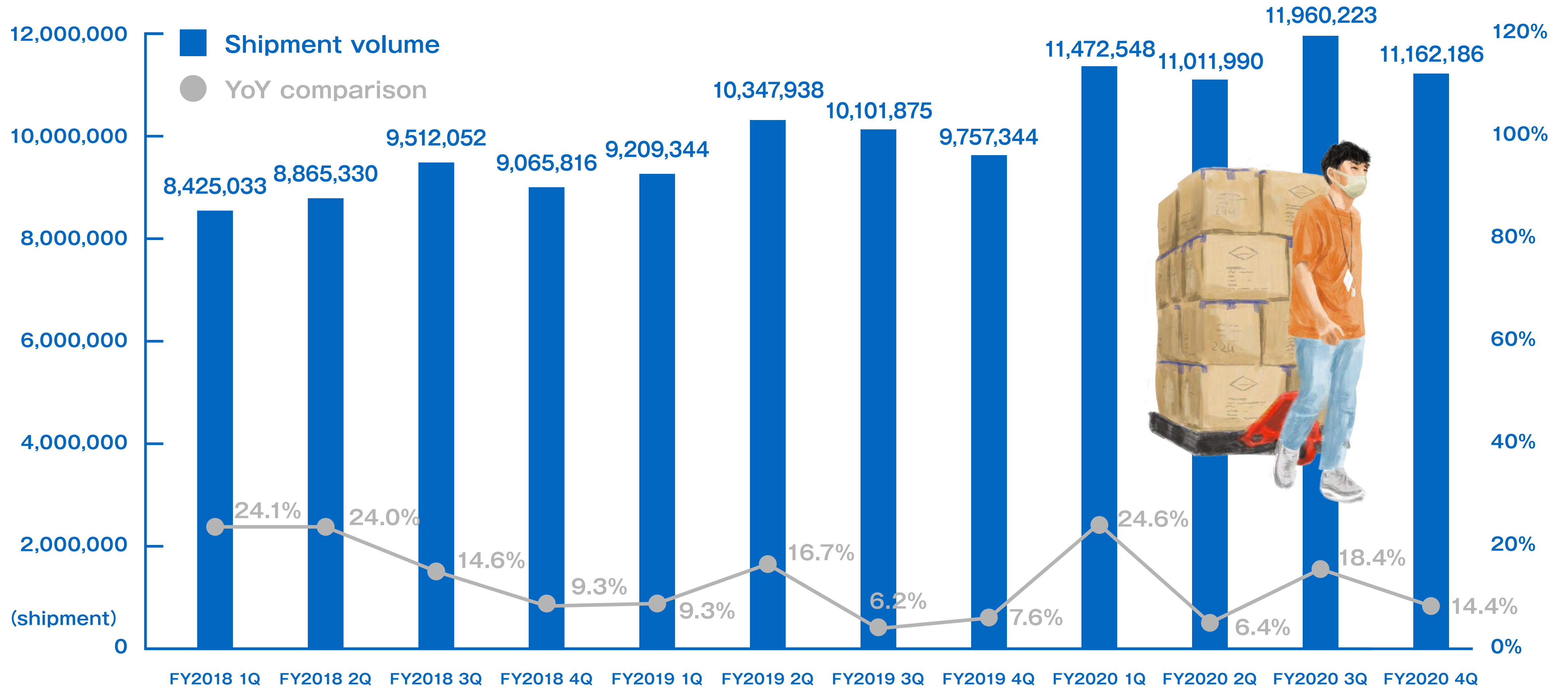
ANNUAL PURCHASE AMOUNT AND PIECES PER EXISTING ACTIVE MEMBER



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

* PayPay Mall is not included

NUMBER OF SHIPMENTS



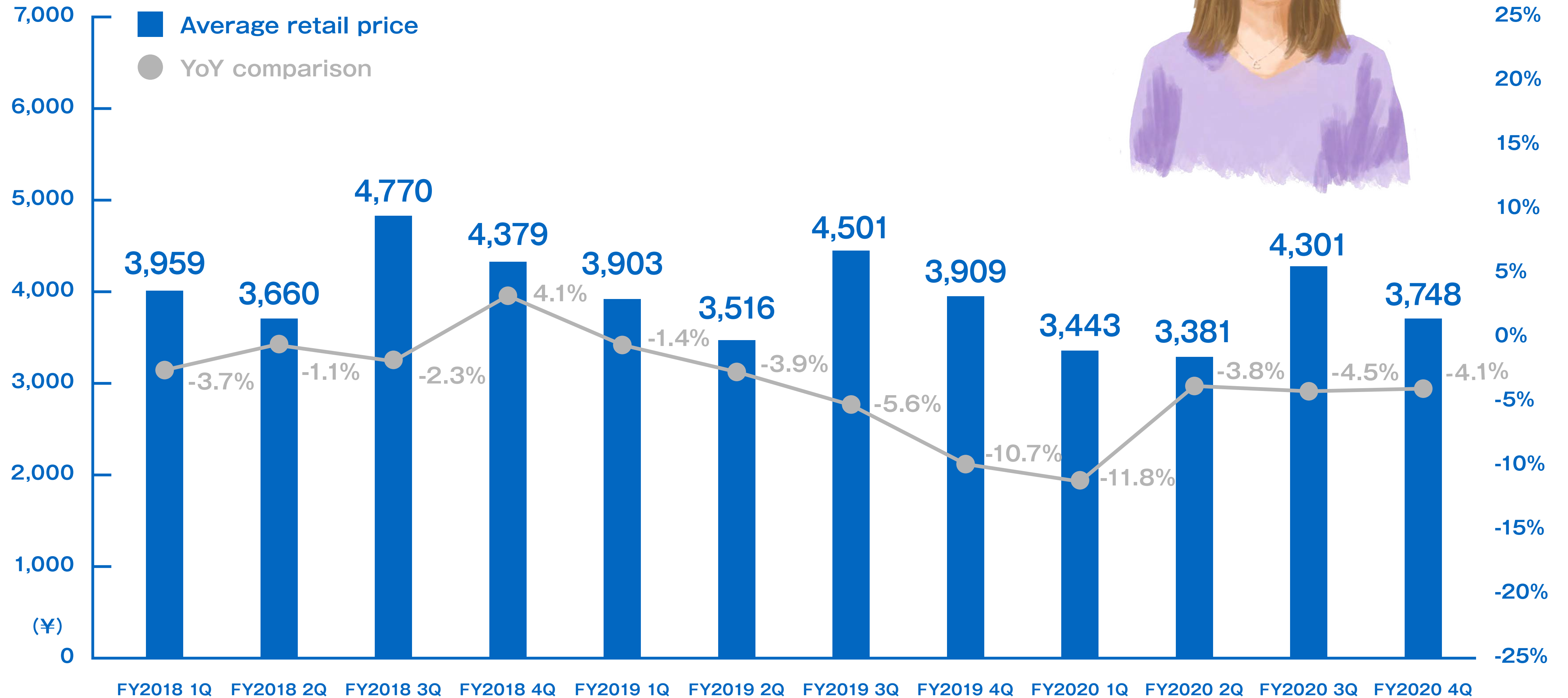
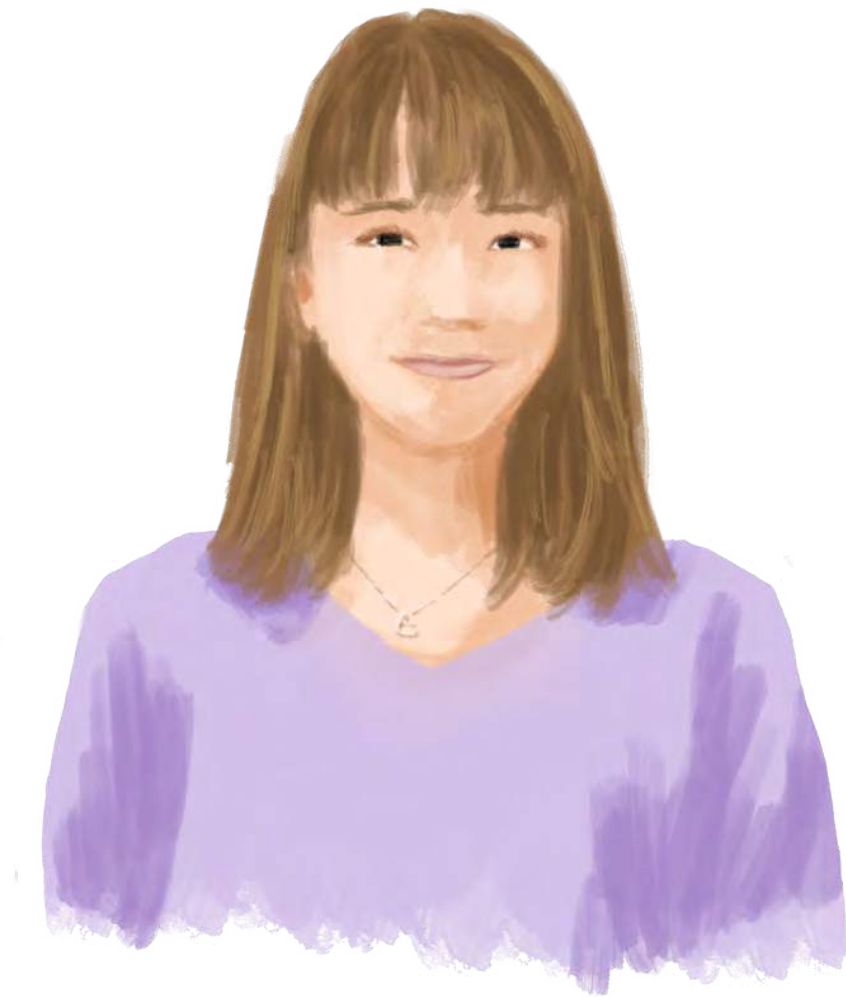
* Excluding the users only purchased the body measurement device "ZOZOSUIT" "ZOZOMAT" and "ZOZOGLASS" * PayPay Mall is not included

* The numbers of shipments are the combined results of the ZOZOTOWN business, the PB business and the MSP business

AVERAGE RETAIL PRICE

Average retail price =
Gross Merchandise Value / Number of pieces

30



* The numbers of average retail price are averages calculated from combined results of the ZOZOTOWN business, the PB business and the MSP business

* PayPay Mall is not included

AVERAGE ORDER VALUE

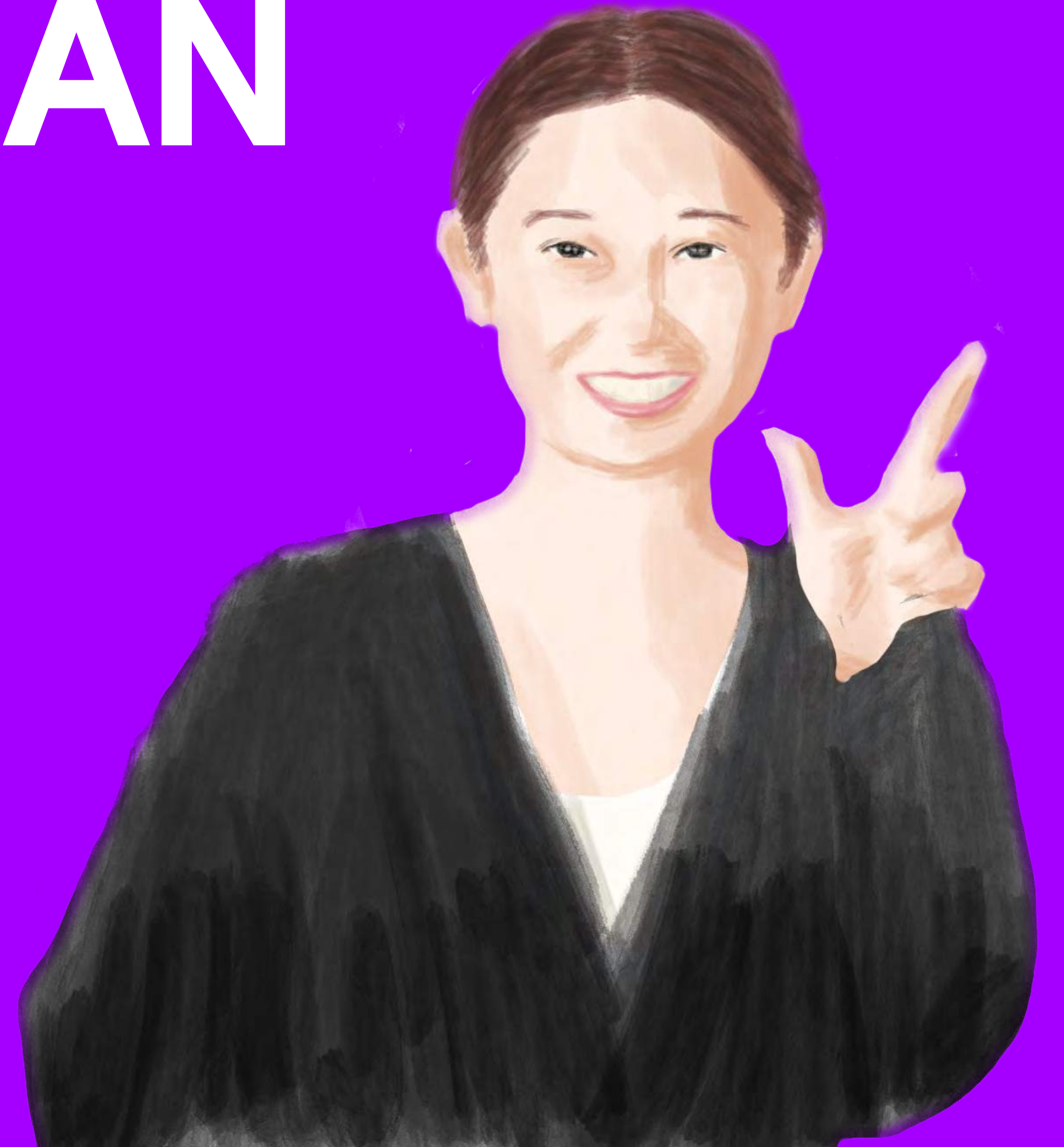
Average order value = Gross Merchandise Value / Number of shipments



* The numbers of Average Order Value are averages calculated from combined results of the ZOZOTOWN business, the PB business and the MSP business

* PayPay Mall is not included

BUSINESS PLAN FOR FY2021



FY2020 ZOZO, Inc.
CONSOLIDATED BUSINESS RESULTS

CONSOLIDATED BUSINESS FORCAST AND DIVIDEND FORECAST FOR FY2021

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	FY2021 Plan*	YoY
Gross Merchandise Value	472.8 billion yen	12.7%
Gross Merchandise Value (excluding other GMV)	450.4 billion yen	10.5%
Net sales	162.6 billion yen	10.3%
Operating profit	47.8 billion yen	8.3%
Operating Profit Margin (% Gross Merchandise Value)	10.6%	—
Ordinary profit	47.8 billion yen	7.7%
Profit attributable to owners of parent	33.3 billion yen	7.7%
Net profit per share	109.05 yen	—
Estimated dividends per share (Plan)	55 yen	—

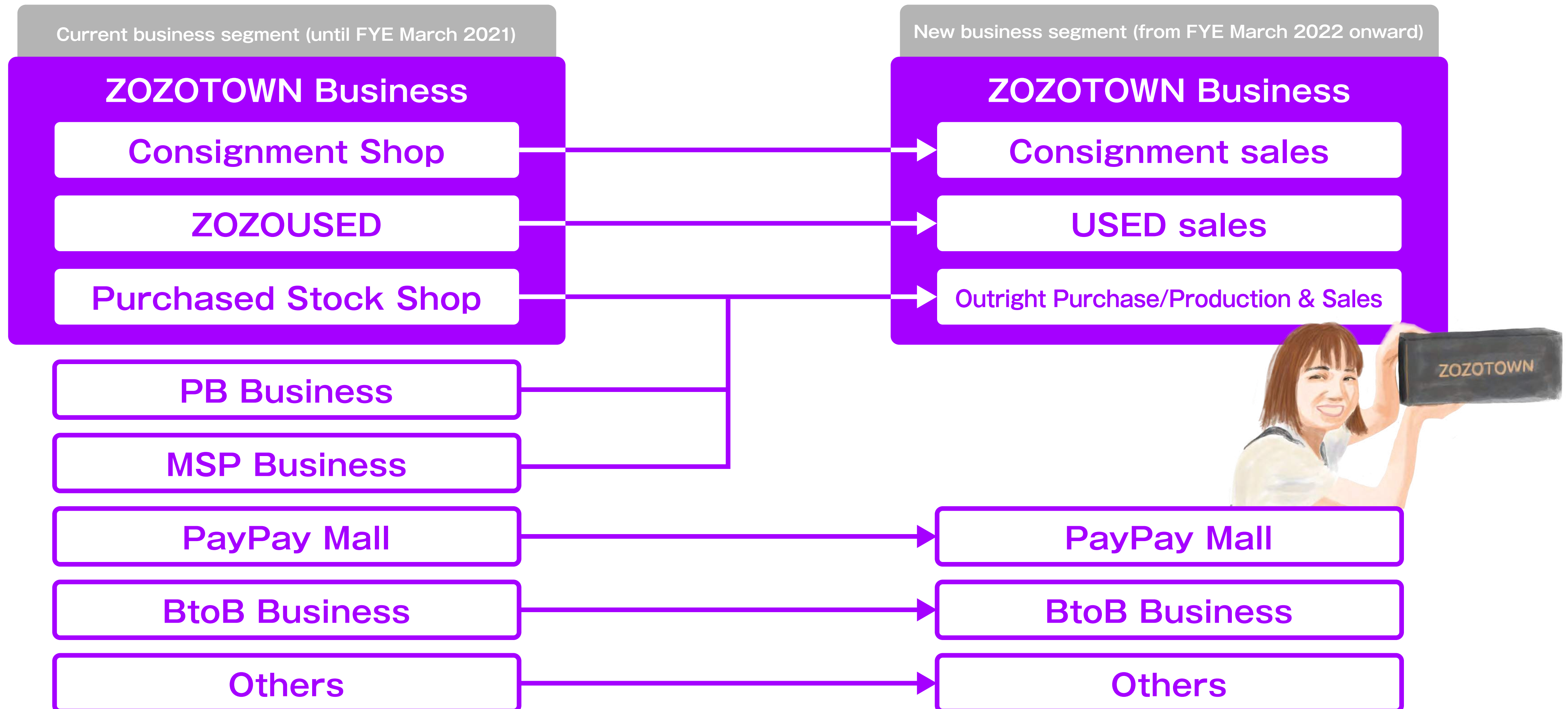
* Operating profit margin is calculated by operating profit divided by gross merchandise value (excluding other GMV)

* The revenue recognition standard has been changed from fiscal year ending March 2022.

Previously, reward point related expenses were recorded as SG&A, but the expenses will be deducted from each businesses' net sales.

CHANGES IN BUSINESS SEGMENT

We will disclose the gross merchandise value and net sales in the following business segment from the fiscal year ending March 2022. In addition, we will retrospectively reclassify and disclose the results for the fiscal year ended March 31, 2021 and earlier.



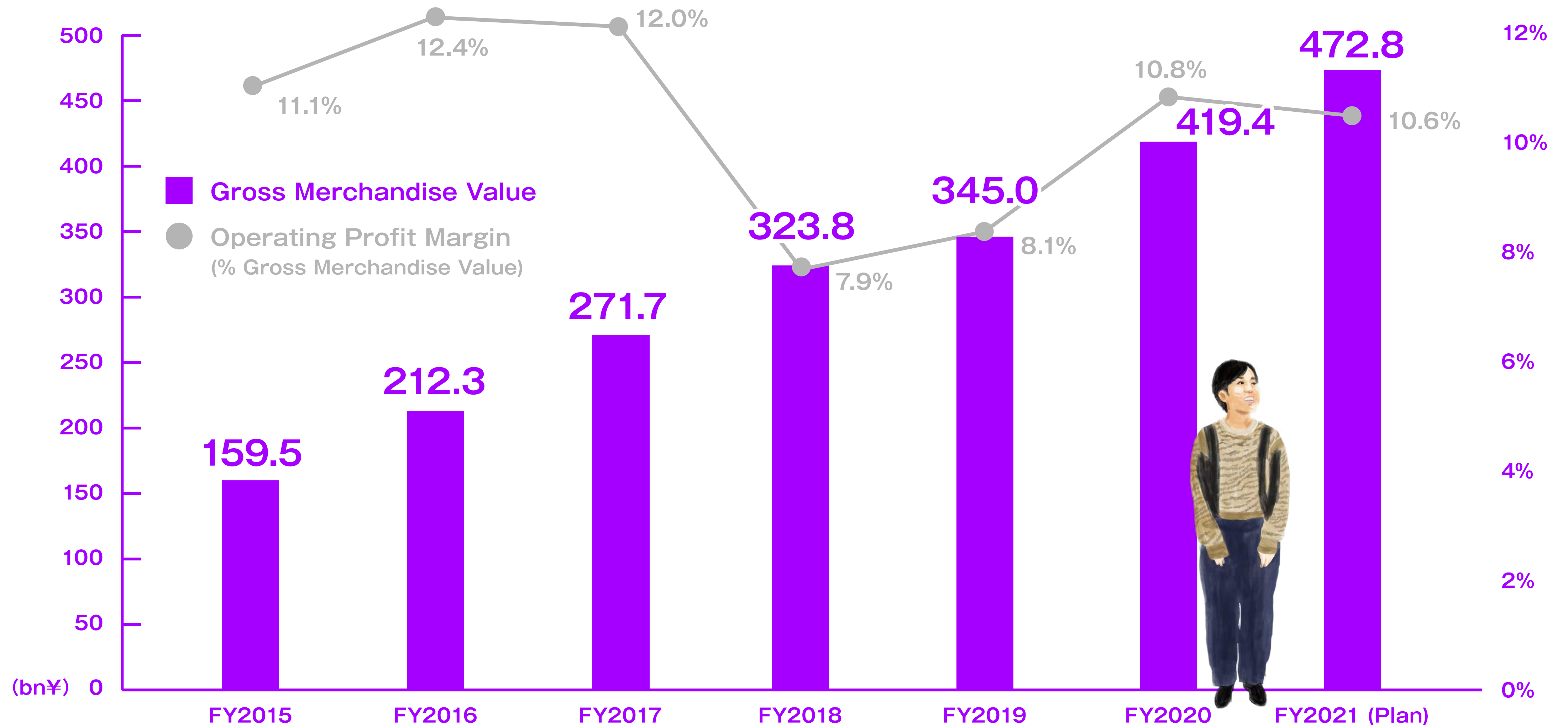
FY2021 TARGET BY BUSINESS SEGMENT

	Target for Gross Merchandise Value	YoY
ZOZOTOWN Business	393.4 billion yen	+10.1%
Outright Purchase/Production & Sales	3.6 billion yen	+104.7%
Consignment sales	378.0 billion yen	+9.9%
USED sales	11.8 billion yen	+1.5%
PayPay mall	33.0 billion yen	+17.0%
BtoB Business	24.0 billion yen	+7.3%
Gross Merchandise Value (excluding other GMV)	450.4 billion yen	+10.5%
Others	22.4 billion yen	+92.0%
Gross Merchandise Value	472.8 billion yen	+12.7%



	Target for Net Sales	YoY
Advertisement Business	4.9 billion yen	+19.0%

GROSS MERCHANDISE VALUE & OPERATING PROFIT MARGIN



* Operating profit margins are calculated by operating profit divided by gross merchandise value (excluding other GMV)

REFERENCE DATA



FY2020 ZOZO, Inc.
CONSOLIDATED BUSINESS RESULTS

CORPORATE PHILOSOPHY



Inspire the world. Deliver joy every day.

STATISTICS OF ZOZO

EMPLOYEES

1,297

(Average age 33.0 years old)

SHARE HOLDERS

16,374

NUMBER OF BRANDS HANDLED

8,227

ZOZOTOWN TOTAL BUYERS

(1 year basis)

9.48 million



MAJOR SERVICES

ZOZOTOWN Japan's Largest Online Retailer of Apparel and Accessories

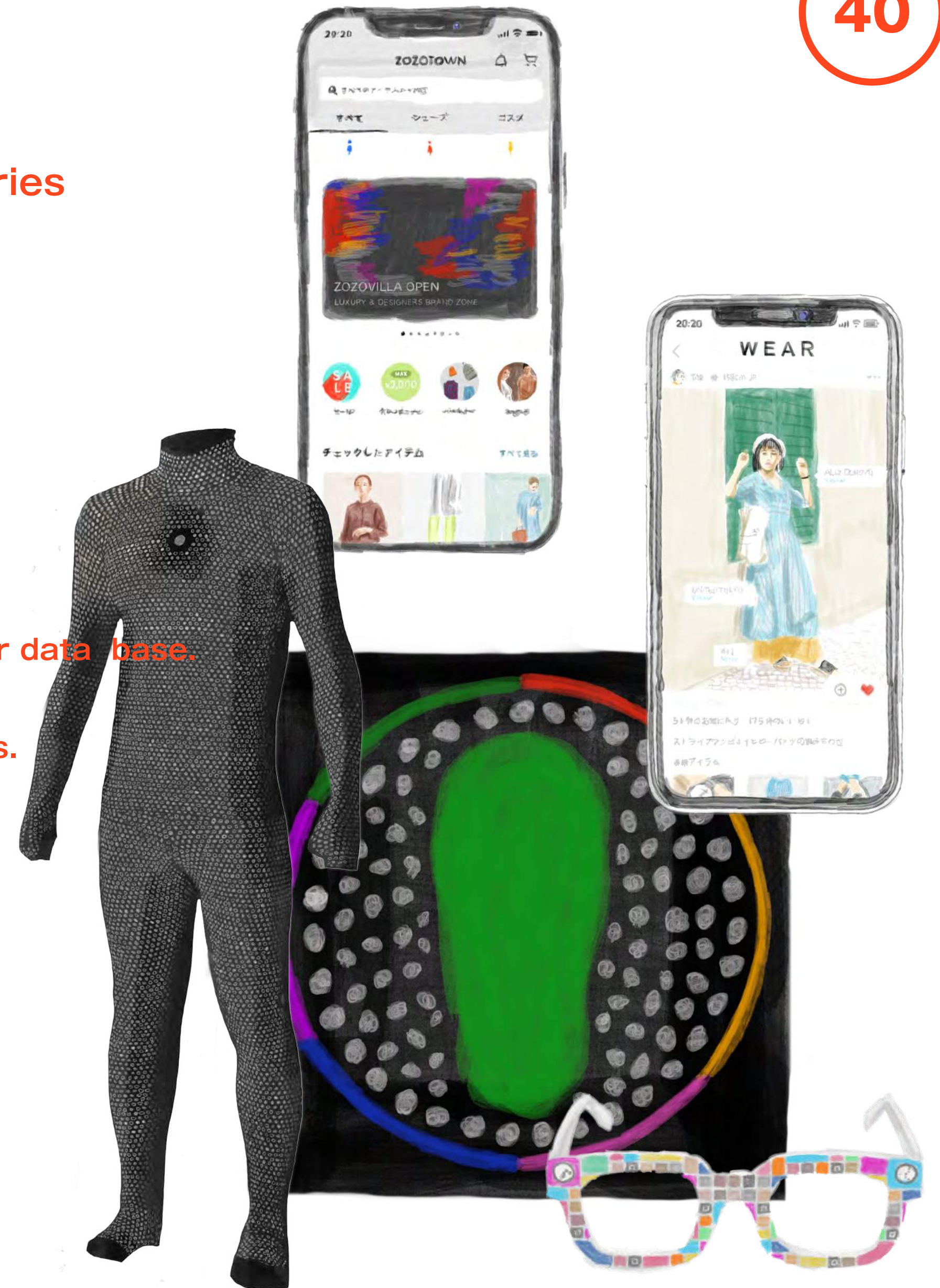
- 1,468 stores offering 8,227 brands.
- At any given time, more than 830,000 items are available with an average of 2,900 new items added everyday.
- Systems, design, to fulfillment, all functions are built in house.
- Same-day delivery service/Gift-wrapping service/Deferred payment etc.
- Opened ZOZOTOWN shop on PayPay Mall which is operated by Yahoo Japan Corporation.

WEAR Japan's largest fashion coordination app

- When uploading coordinate pictures, tag each item worn in the look, using information on our data base. The systems allows anyone to search for coordinates and items by various queries.
- Official users who we call WEARISTAs, include popular models, singers, actors and actresses.
- Over 15.0 million downloads
- Now available in all geographic areas.

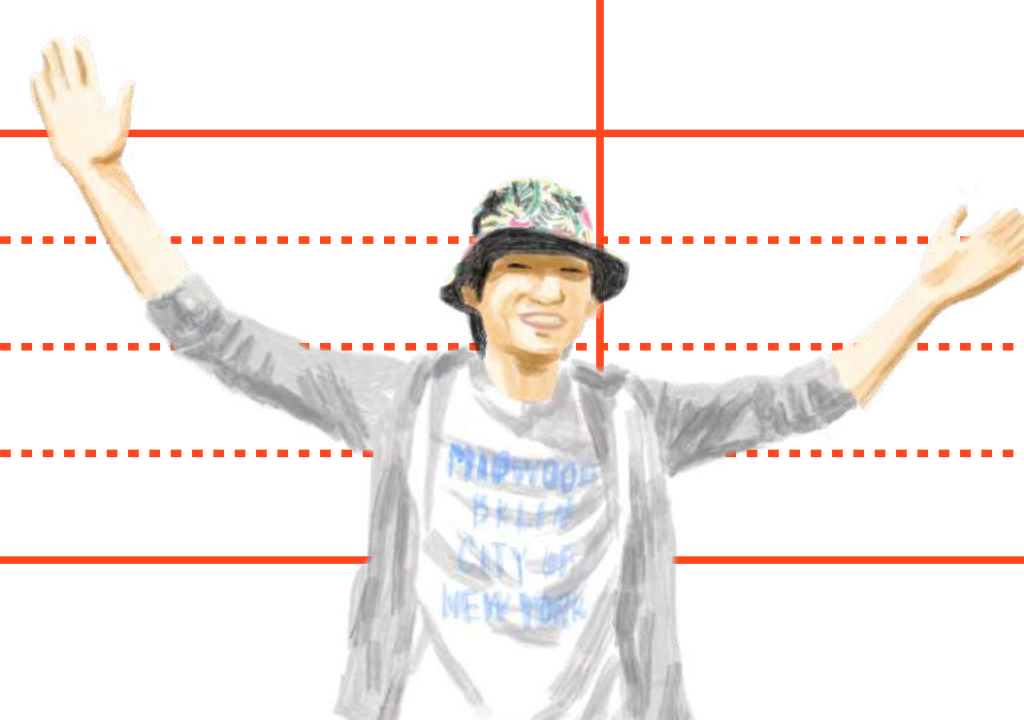
Private Brand "ZOZO"

- Operates in ZOZOTOWN.
- The brand offers basic items based on individual customer's body size.
- Depending on characteristics of items, sizes are available in either multi-sized or custom made.



DIFFERENCES BETWEEN ZOZOTOWN AND ZOZOTOWN SHOP ON PAYPAY MALL

	ZOZOTOWN	ZOZOTOWN PayPay Mall Shop
Overview	One of the largest fashion e-commerce sites in Japan providing original services specialized in fashion	E-commerce site for wide range of users also expecting cross-category shopping other than the fashion category
Number of shops	1,468 (As of March 31, 2021)	1,307 (As of March 31, 2021)
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, ZOZO Trade-in, 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, LINEPay, 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 bonus points or T points based on PayPay campaign
Revenue	Consignment sales commission from brands	Commission rate stipulated in each contract with brands
	Shipping revenue from customers	210 yen (including tax)
Expenses bear by ZOZO	Shop opening commission	No
	Payment collection commission	Yes
	Customer attraction cost	Yes
	Reward points cost	Yes



BUSINESS MODEL

ZOZOTOWN Business

○ Consignment

We operate 1,450 shops as consignment businesses.
This business model allows us to carry a certain amount of products from the brands, while giving us low inventory risk.
Sales = Gross merchandise value*(1) of each store × commission rate

○ Purchased Stock

We operate 18 stores within ZOZOTOWN, which offer products we purchase from brands.
Sales = Gross merchandise value*(1) generated by each store

○ ZOZOUSED Business

We purchase used fashion products from our users, and resell them as a second-hand business.
Sales = Gross merchandise value*(1) of purchase stock + Consignment commission of marketplace*(2)



PayPay Mall

Opened ZOZOTOWN shop on PayPay Mall which is operated by Yahoo Japan Corporation.
Sales = Gross merchandise value of each store × commission rate

*(1) The amounts of gross merchandise value of ZOZOTOWN Business and PB Business for calculating net sales are amounts after deduction of discounts borne by the company

*(2) Sales of marketplace form ended February 29, 2020

Private Brand Business



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Under the brand name “ZOZO”, it manufactures and sells basic items based on individual customer’s body size. Using data measured by the body measurement device “ZOSUIT” which developed in-house, and sell items at ZOZOTOWN.
Sales = Gross merchandise value*(1) of private brand items

MSP Business

Manufacture and sell a portion of items from shops with strong user demands, by leveraging the know-how of manufacturing clothes in a variety of sizes which gathered in the company, sales capability and planning ability of shops on ZOZOTOWN.
Sales = Gross merchandise value of MSP items

BtoB Business

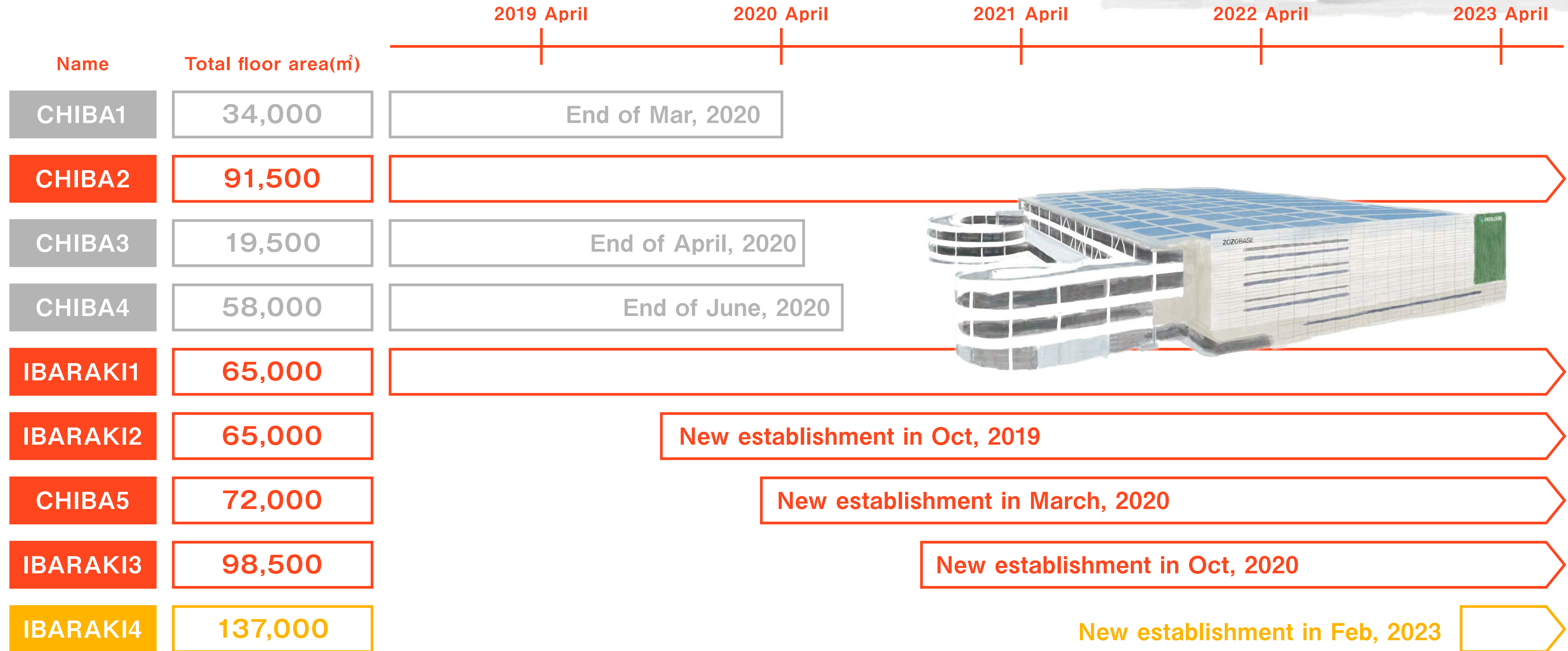
We help develop and operate online shops on behalf of various brands, such as “United Arrows”. We currently provide back-end service to 53 stores.
Sales = Gross merchandise value of these online shops x commission rate

* Above sales includes other sales such as initial shop opening commission, shipping income etc.

Advertisement Business

Advertisement business will gain advertisement income from client companies including brands by providing advertisement spots utilizing the user base of ZOZOTOWN and WEAR.
Sales = Advertisement income

LOGISTICS BASES EXPANSION PLAN



CHIBA2 and IBARAKI1 are warehouses with shipping function and IBARAKI4 will also have the function in the future.

APPENDIX

Introduction of IR website <https://corp.zozo.com/en/ir-info/>

Information below are available at our IR website.

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

<https://corp.zozo.com/en/ir/>

ESG ... Introducing our initiatives on ESG.

<https://corp.zozo.com/en/ir-info/management-policy/esg/>

Financial Highlights ... Financials for the past 3 years are available.
Data can be downloaded in both PDF and excel format.

<https://corp.zozo.com/en/ir-info/financial-highlights/>

Introduction of IR Mail

By registering your email address to our IR Mail,
we will send you information pertain to our IR such as latest news releases.

If you wish to register, please make access to the following link.

* News and information will be sent through the service provided by Magical Pocket Corporation.

IR Mail Subscription <https://corp.zozo.com/ir-info/mail-magazine/>



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

**The business forecasts and the future outlook described in the material
is based on information currently available.**

**The forecast includes uncertainties such as sudden changes,
therefore actual results may differ.**



ZOZO