



1Q FY2025 ZOZO, Inc. CONSOLIDATED BUSINESS RESULTS

P.03 - P.05

HIGHLIGHTS



**1Q FY2025 ZOZO, Inc.
CONSOLIDATED BUSINESS RESULTS**

FY2025 1Q HIGHLIGHTS

Both GMV and EBITDA marked record highs for the first quarter

Overview

- Gross Merchandise Value : 159,263 million yen (+12.2%,YoY)
Gross Merchandise Value (excluding other GMV) : 149,100 million yen (+12.4%,YoY)
Progressing generally in line with the plan. LYST has been consolidated since May 2025. While demand for fashion remains firm, the ZOZOTOWN business slightly underperformed the plan, whereas LY Corporation Commerce exceeded the plan.
- EBITDA : 18,577 million yen (+8.9%,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 : 121,670 million yen (+5.8%,YoY)
- Consignment sales : 116,237 million yen (+6.1%,YoY)
- Outright Purchase / Production & Sales : 834 million yen (-31.7%,YoY)
- USED sales : 4,598 million yen (+7.6%,YoY)

- LY Corporation Commerce* : 17,606 million yen (+22.0%,YoY)
- LYST : 7,562 million yen
- BtoB Business : 2,260 million yen (-28.6%, YoY)
- Others* : 10,162 million yen
- Average Order Value : 8,543 yen (+2.4%,YoY)
- Average Retail Price : 3,744 yen (+1.2%,YoY)
- Advertising business

Net sales : 2,907 million yen (+9.3%,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 1Q HIGHLIGHTS

Profitability

- EBITDA margin (to the total gross merchandise value) : 12.5% (12.9% for FY2024 1Q)
 - 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 expense.
- 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

- The Company donated a total of 13 million yen to Tsukuba City, Miyazaki City, and Chiba University in May 2025 as part of our next-generation support initiatives.(May 2025)
- The Company launched the dating app "ZOZOMATCH". We propose intuitive encounters inspired by fashion that let people imagine each other's values and lifestyle. (June 2025)
- Continued inclusion in major ESG investment indices, including the FTSE4Good Index Series, the FTSE Blossom Japan Index, and the FTSE Blossom Japan Sector Relative Index. (July 2025)
- The "Replacement-discount" (trade-in service) is now available on the ZOZOTOWN Yahoo! JAPAN Shopping Store. (July 2025)
- "ZOZOFES," a fashion × music event to commemorate the 20th anniversary of ZOZOTOWN, is scheduled for October 12-13. (July 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.

① Repurchase of shares

Maximum acquisition amount: Up to 10 billion yen or 10 million shares, to be repurchased through market transactions.

Period of acquisition: May 1, 2025, to September 1, 2025 (Plan)

② Cancellation of treasury shares

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

Scheduled date of cancellation: May 9, 2025

P.07 - P.31

BUSINESS RESULTS

1Q FY2025 ZOZO, Inc.
CONSOLIDATED BUSINESS RESULTS



OVERVIEW OF THE FY2025 1Q

(million¥)

	FY2024 1Q	FY2025 1Q	YoY	Revised target (as of July 31, 2025)	Achievement Rate(%)
Gross Merchandise Value	141,885	159,263	12.2%	673,900	23.6%
Gross Merchandise Value (excluding other GMV)	132,631	149,100	12.4%	653,700	22.8%
Net sales	50,387	54,028	7.2%	231,500	23.3%
Gross profit	46,956	50,765	8.1%	-	-
(% to the Gross Merchandise Value)	35.4%	34.0%	-1.4%	-	-
SG&A	31,060	33,845	9.0%	-	-
(% to the Gross Merchandise Value)	23.4%	22.7%	-0.7%	-	-
Operating profit	15,895	16,920	6.4%	69,200	24.5%
(% to the Gross Merchandise Value)	12.0%	11.3%	-0.7%	10.6%	-
EBITDA	17,060	18,577	8.9%	76,700	24.2%
(% to the Gross Merchandise Value)	12.9%	12.5%	-0.4%	11.7%	
Ordinary profit	15,892	16,638	4.7%	69,100	24.1%
Profit attributable to owners of parent	11,109	11,376	2.4%	47,800	23.8%

* 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."

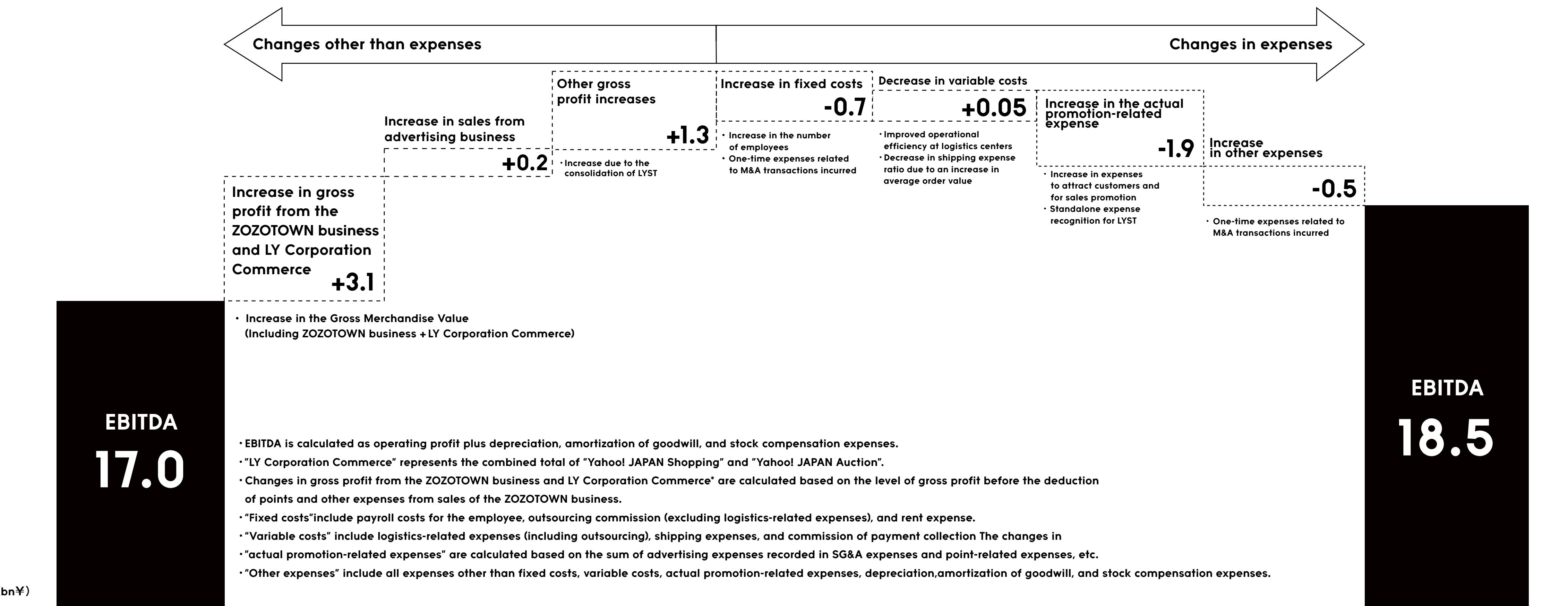
OVERVIEW OF EACH QUARTER

(million¥)

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

* 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

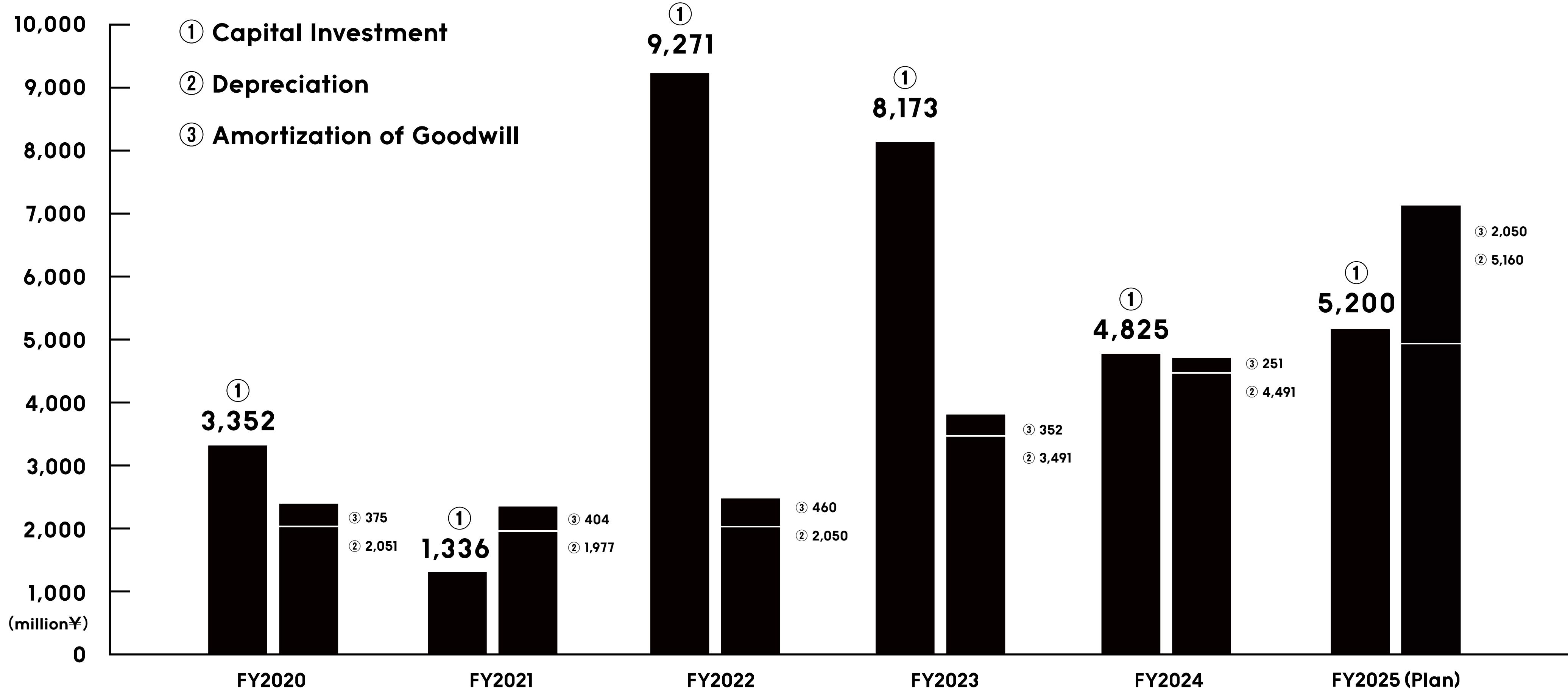
POINT
01

Although cash and deposits decreased by approximately 55.2 billion yen compared to the end of the previous fiscal year, this was primarily due to payments related to the acquisition of LYST and the repurchase of treasury shares. Meanwhile, intangible assets increased by approximately 24.9 billion yen, mainly due to the recognition of goodwill associated with the LYST acquisition.

	FY2024 (as of March 31, 2025)	FY2025 1Q (as of June 30, 2025)		FY2024 (as of March 31, 2025)	FY2025 1Q (as of June 30, 2025)
Current assets	147,394	100,800	Current liabilities	79,828	68,153
Cash and deposits	91,486	36,269	Short-term borrowing	20,000	20,164
Merchandise	2,605	3,127	Non-current liabilities	9,262	11,095
Non-current assets	40,415	66,776	Total liabilities	89,090	79,249
Tangible assets	25,447	27,270	Shareholders' equity	98,087	86,738
Intangible assets	3,437	28,362	Treasury stock	-11,581	-7,780
Investments and other assets	11,530	11,143	Total net assets	98,719	88,327
Total assets	187,810	167,576	Total liabilities and net assets	187,810	167,576



CAPITAL INVESTMENT



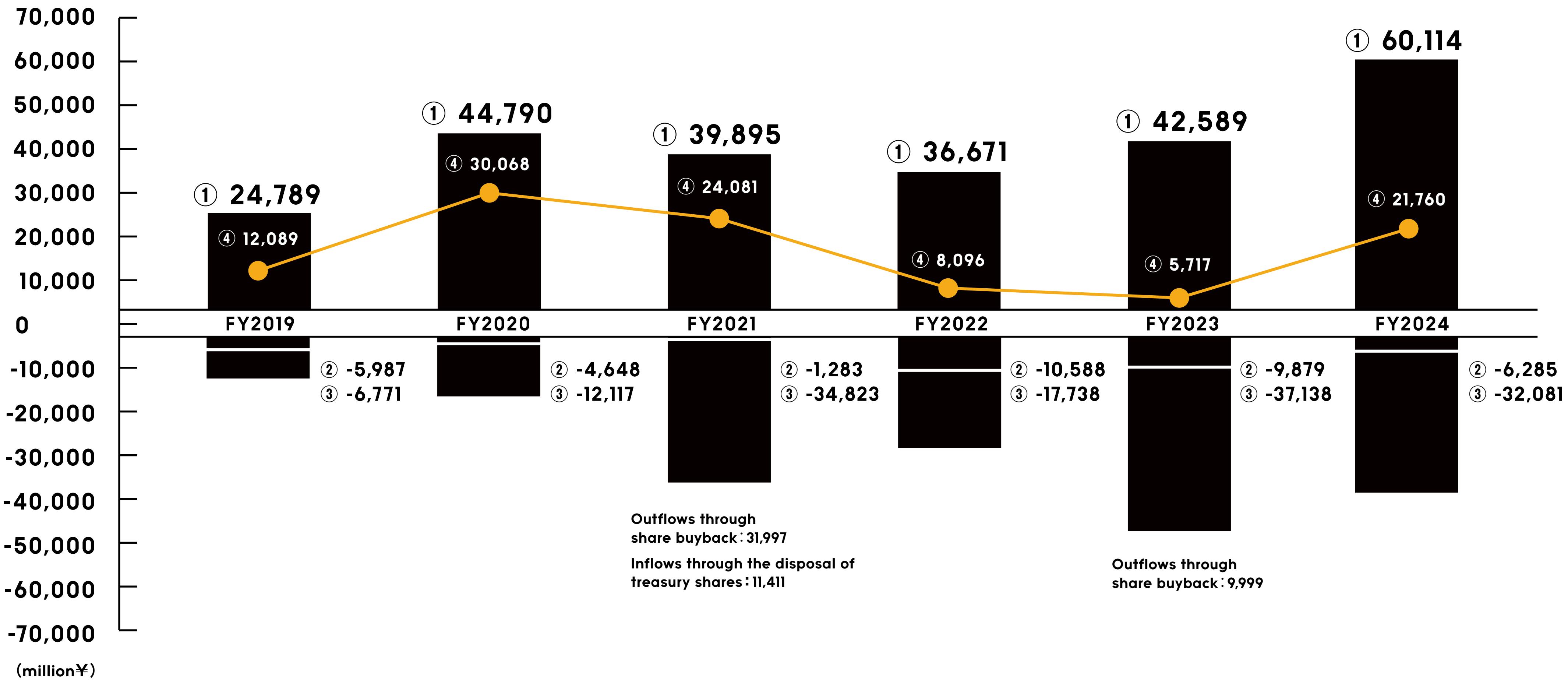
We disclosed a revised plan as of July 31, 2025, reflecting the consolidation of LYST's business plan and progress in the Purchase Price Allocation (PPA) process. Accordingly, the previously announced figures for depreciation and amortization of goodwill for the fiscal year ending March 2026 have also been revised.



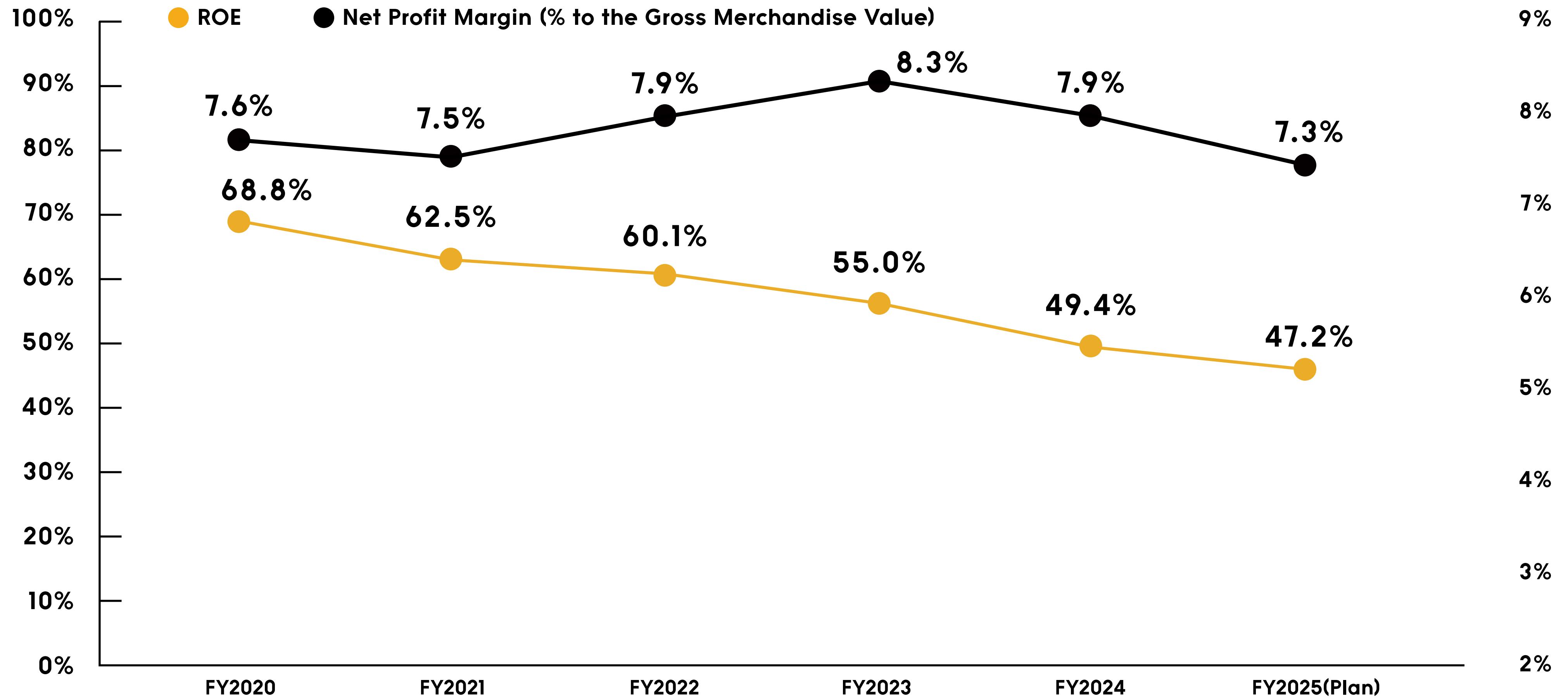
* As of July 31, 2025, we disclosed the "Notice Concerning the Revision of Consolidated Business Forecast For the Fiscal Year Ending March 2026."

CASH FLOWS

- 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)



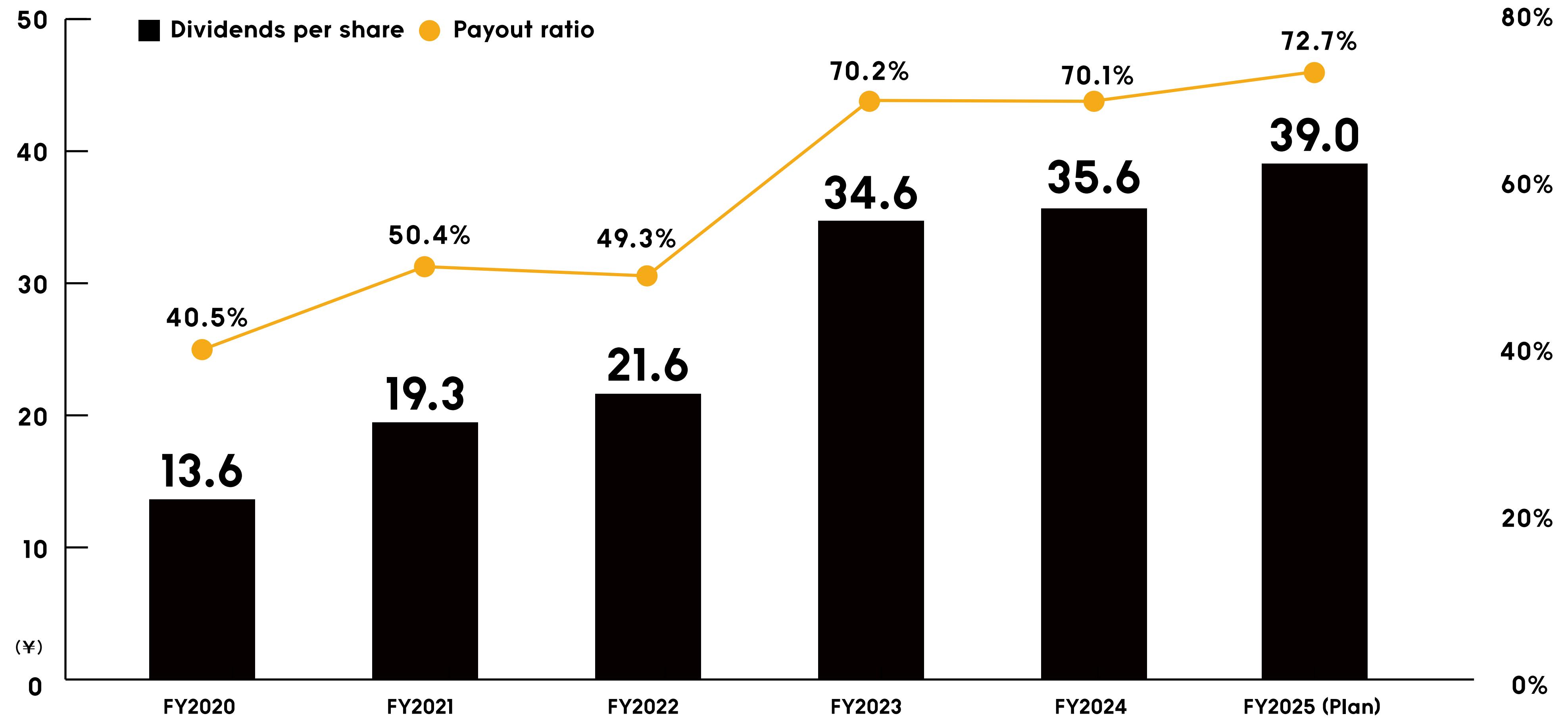
ROE AND NET PROFIT MARGIN



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

* 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



POINT
03

We disclosed a revised plan as of July 31, 2025, reflecting the consolidation of LYST's business plan and progress in the Purchase Price Allocation (PPA) process. There is no change to the annual dividend forecast previously announced on April 30, 2025.

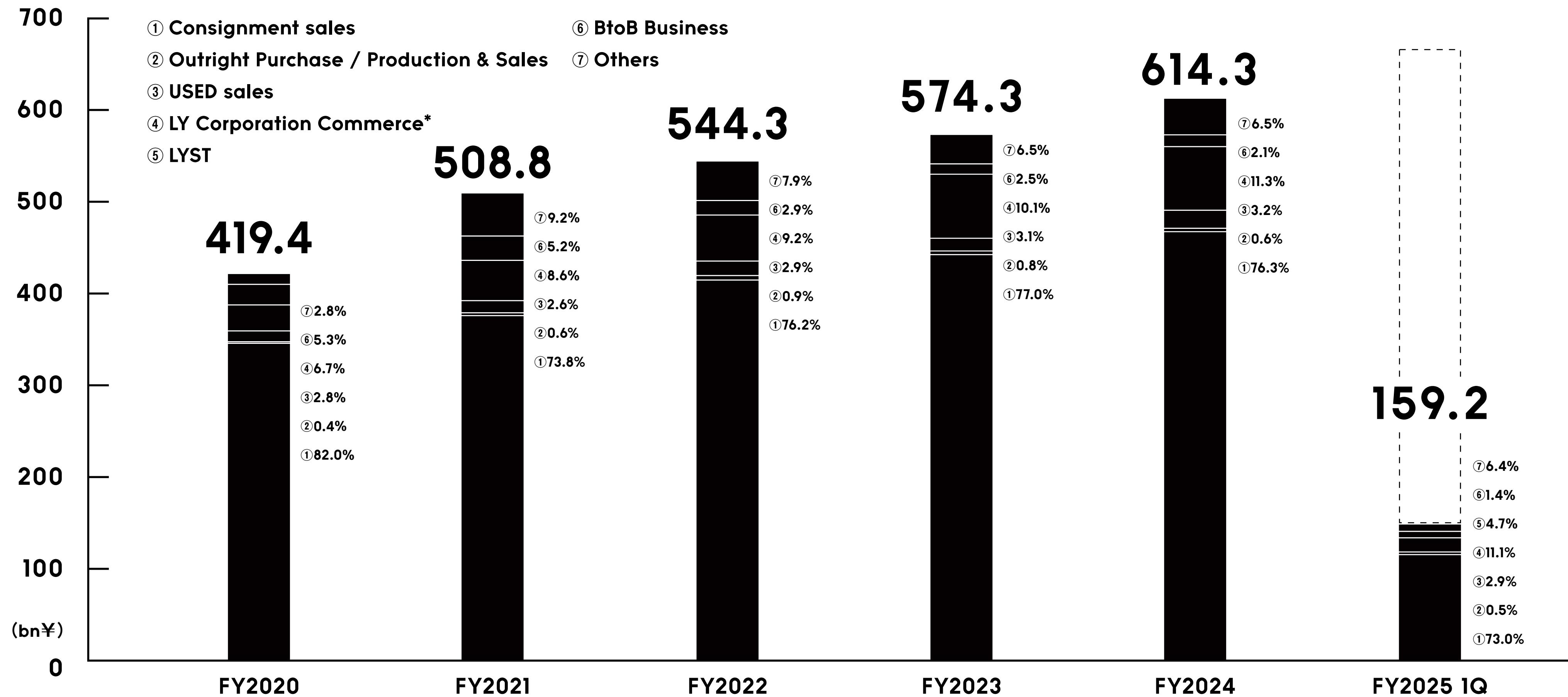


* As of July 31, 2025, we disclosed the "Notice Concerning the Revision of Consolidated Business Forecast For the Fiscal Year Ending March 2026."

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

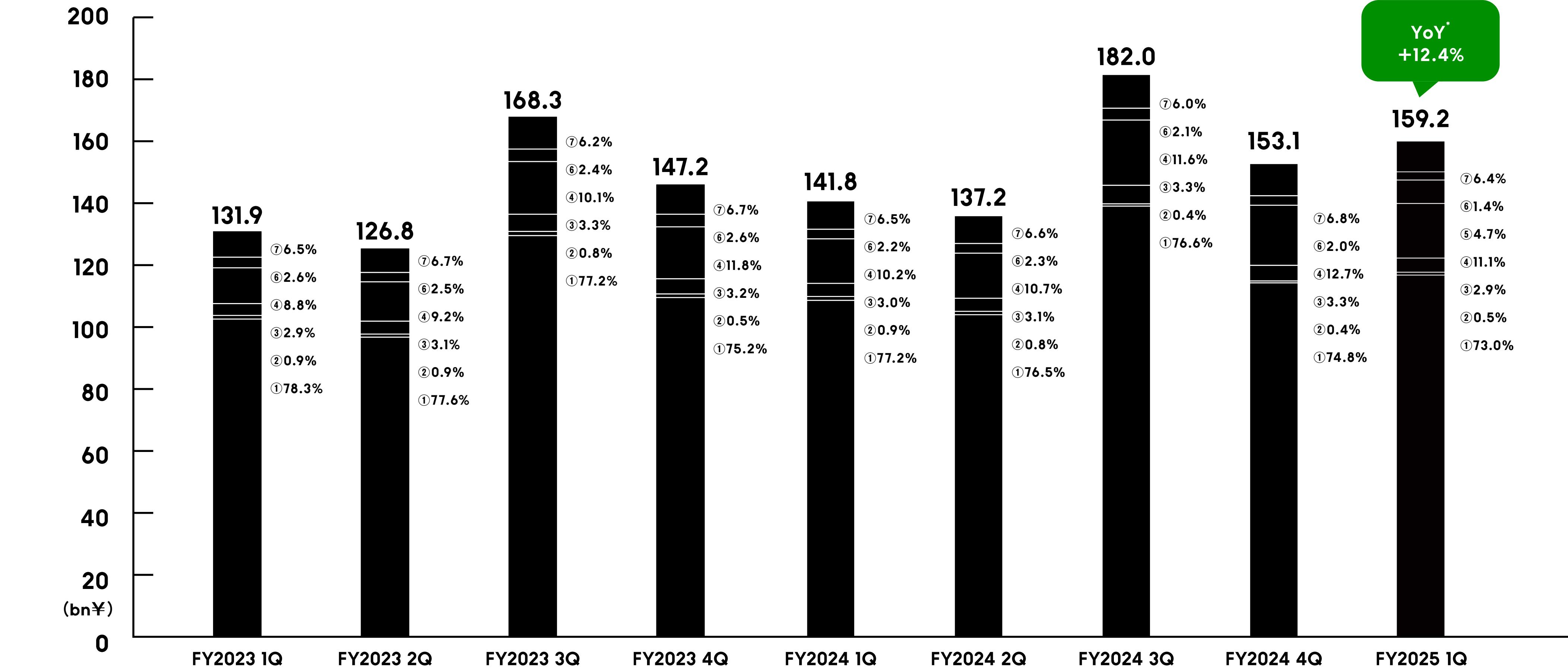
GROSS MERCHANDISE VALUE

The Gross Merchandise Value of new shops opened in FY2025 1Q (ZOZOTOWN Business)
FY2025 1Q : 0.4 billion yen (accounts for 0.3% of the Gross Merchandise Value)



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

GROSS MERCHANDISE VALUE (QUARTERLY)



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

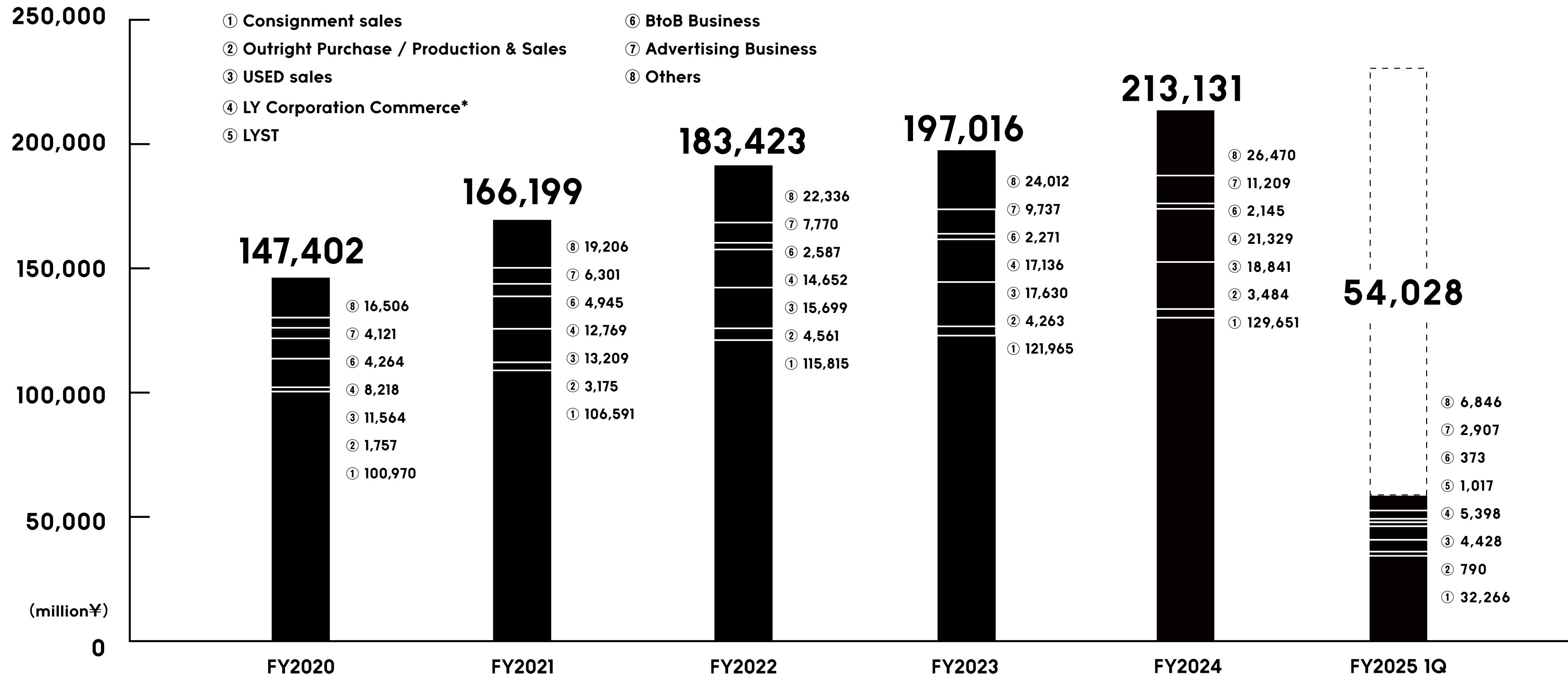
* YoY is the comparison of GMV excluding "⑦ Others"

POINT
04

LYST has been consolidated since May 2025. Progress in LY Corporation Commerce has exceeded the plan, primarily driven by an increased number of "Serious ZOZO Festival" events compared to the same period of the previous year.

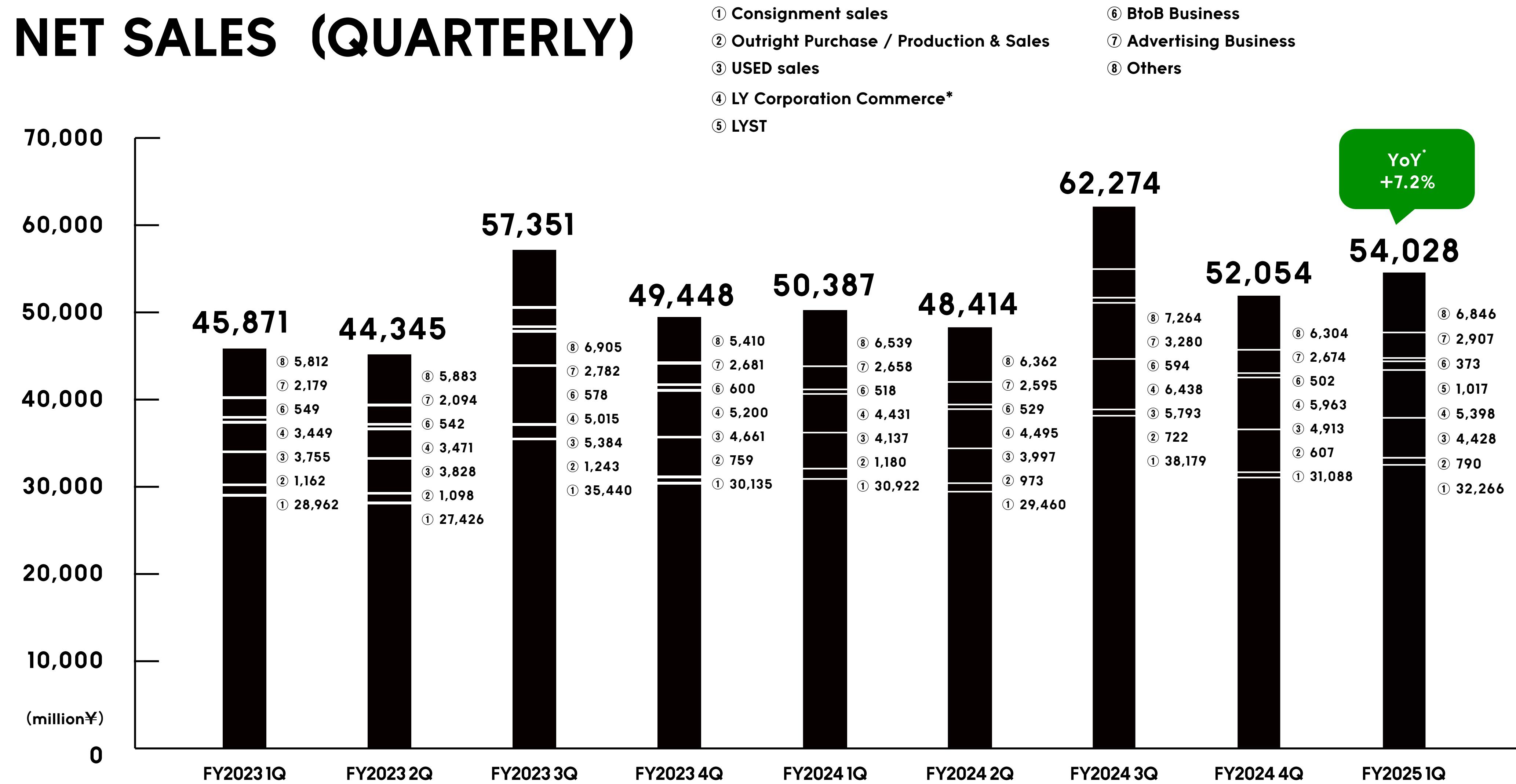


NET SALES



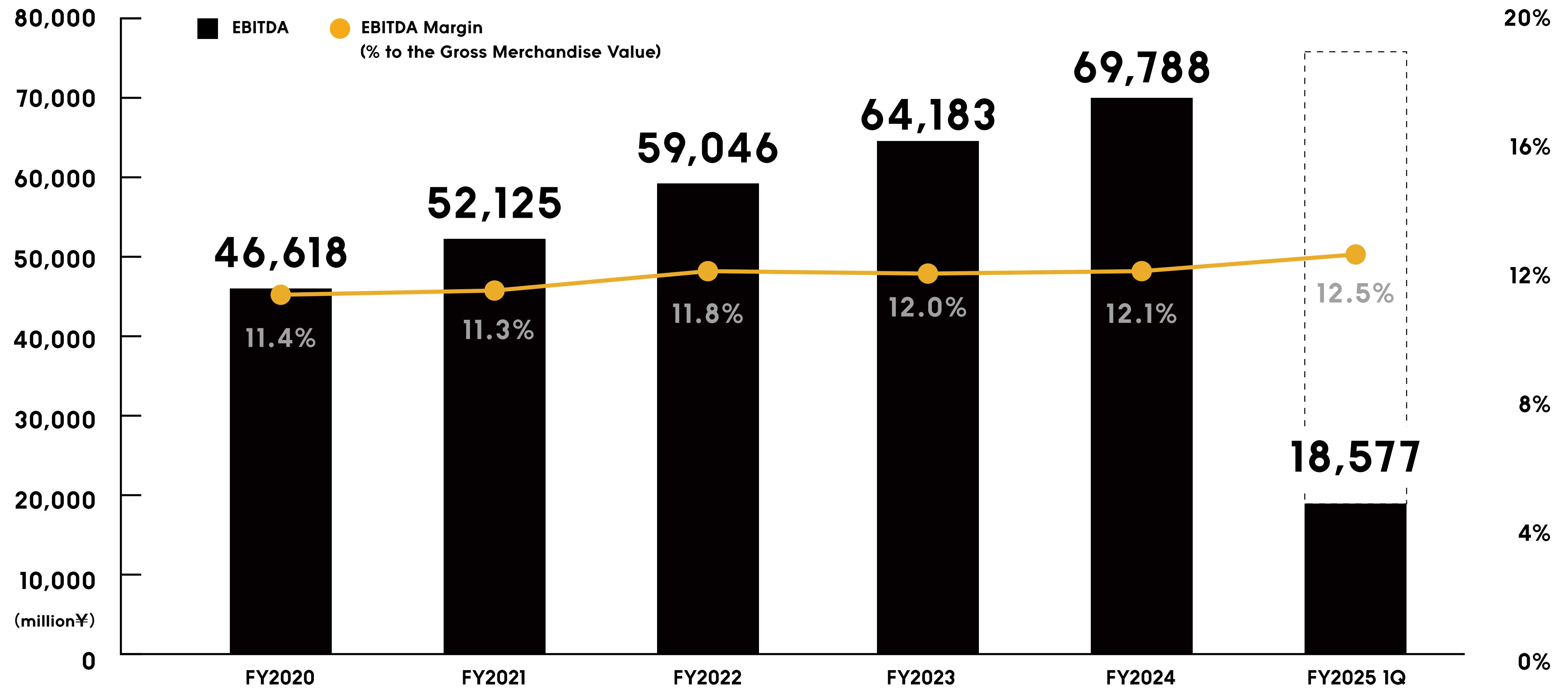
* "LY Corporation Commerce" represents the combined total of "Yahoo! JAPAN Shopping" and "Yahoo! JAPAN Auction".

NET SALES (QUARTERLY)



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

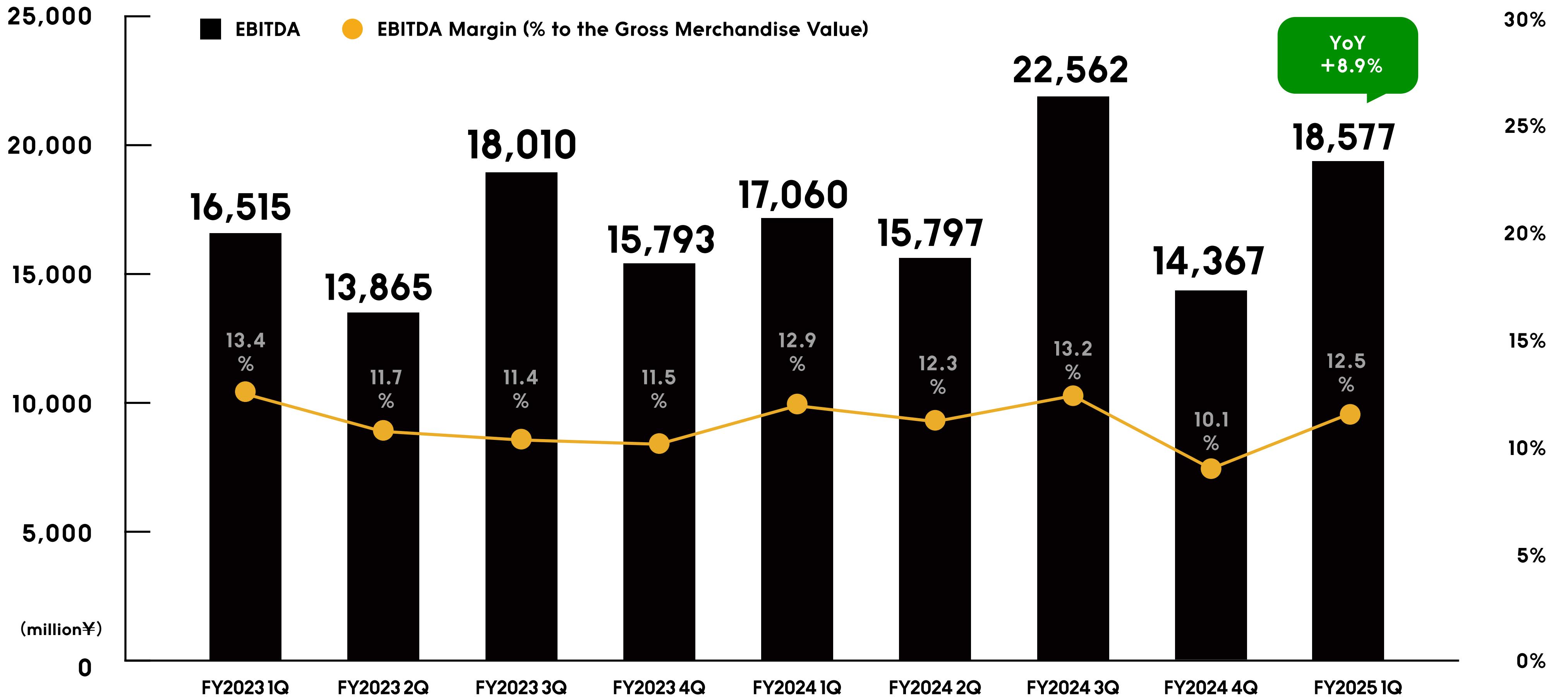
EBITDA AND EBITDA MARGIN



* 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
05

From the current fiscal year, we have begun disclosing EBITDA and EBITDA margin (% of GMV) as key profit indicators. Compared to the plan, actual promotion-related expenses, logistics-related expenses, and shipping expenses were lower than assumed. However, the unspent portion of actual promotion-related expenses is scheduled to be used from the second quarter onward.



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.

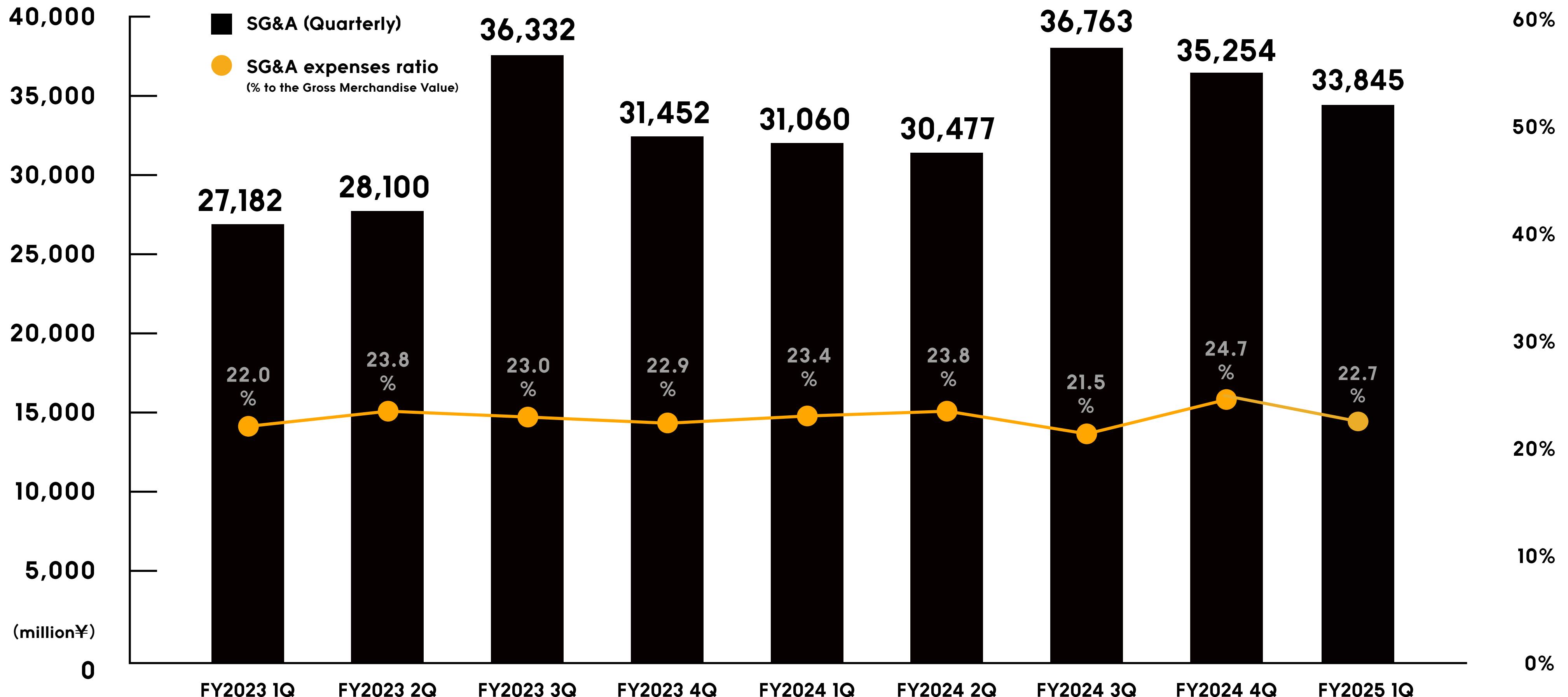
(million¥)

	FY2024 1Q		FY2025 1Q		YoY	Increase / decrease factors
	Amount	% to the Gross MerchandiseValue	Amount	% to the Gross MerchandiseValue		
Payroll and staff costs*	8,267	6.2%	8,224	5.5%	-0.7%	
Payroll costs for employee	3,745	2.8%	4,119	2.8%	0.0%	Transition of the number of employees on a consolidated basis: FY2024 1Q 1,760 → FY2025 1Q 1,900 Increase in headcount associated with the consolidation of LYST since May 2025
Logistics-Related Expenses (Including Outsourcing)	4,521	3.4%	4,105	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)	1,740	1.3%	2,106	1.4%	0.1%	One-time recognition of M&A-related expenses
Shipping	9,087	6.9%	9,336	6.3%	-0.6%	Cost ratio declined due to an increase in the average order value compared to the same quarter of the previous fiscal year
Commission of Payment collection	3,099	2.3%	3,210	2.2%	-0.1%	
Advertising	2,368	1.8%	3,383	2.3%	0.5%	Increase in web advertising costs for ZOZOTOWN and commencement of expense recognition for LYST
Rent expense	2,120	1.6%	2,156	1.4%	-0.2%	
Depreciation	1,032	0.8%	1,194	0.8%	0.0%	
Amortization of goodwill	62	0.0%	391	0.3%	0.3%	Increase due to the acquisition of LYST
Stock Compensation Expenses	69	0.1%	71	0.0%	-0.1%	
Others	3,212	2.4%	3,770	2.5%	0.1%	One-time recognition of M&A-related expenses
Total SG&A	31,060	23.4%	33,845	22.7%	-0.7%	

* 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. "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

	FY2024								(million¥)	
	1Q		2Q		3Q		4Q		1Q	
	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%
Payroll costs for employee	3,745	2.8%	3,601	2.8%	3,628	2.1%	5,659	4.0%	4,119	2.8%
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%
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%
Shipping	9,087	6.9%	8,881	6.9%	10,391	6.1%	9,003	6.3%	9,336	6.3%
Commission of Payment collection	3,099	2.3%	2,964	2.3%	3,891	2.3%	3,172	2.2%	3,210	2.2%
Advertising	2,368	1.8%	2,473	1.9%	5,216	3.0%	3,281	2.3%	3,383	2.3%
Rent expense	2,120	1.6%	2,114	1.6%	2,119	1.2%	2,123	1.5%	2,156	1.4%
Depreciation	1,032	0.8%	1,077	0.8%	1,143	0.7%	1,238	0.9%	1,194	0.8%
Amortization of goodwill	62	0.0%	62	0.0%	62	0.0%	62	0.0%	391	0.3%
Stock Compensation Expenses	69	0.1%	77	0.1%	71	0.0%	71	0.0%	71	0.0%
Others	3,212	2.4%	3,289	2.6%	3,581	2.1%	3,609	2.5%	3,770	2.5%
Total SG&A	31,060	23.4%	30,477	23.8%	36,763	21.5%	35,254	24.7%	33,845	22.7%

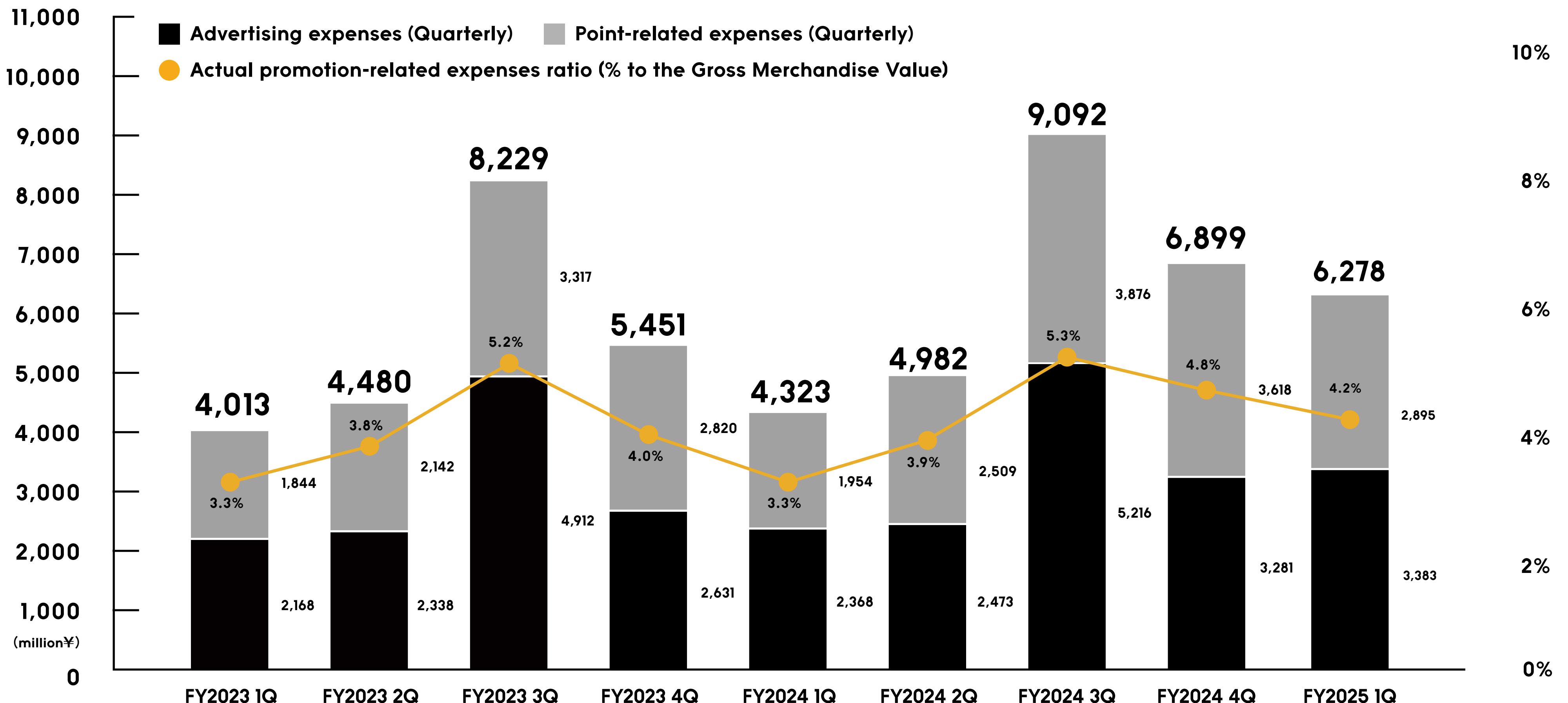
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"Employee" includes directors, full-time employees and personnel engaged in operations other than logistics operation, "Logistics-Related Expenses" includes part-timers, dispatched workers(subcontracting payroll) and substantial personnel expenses 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



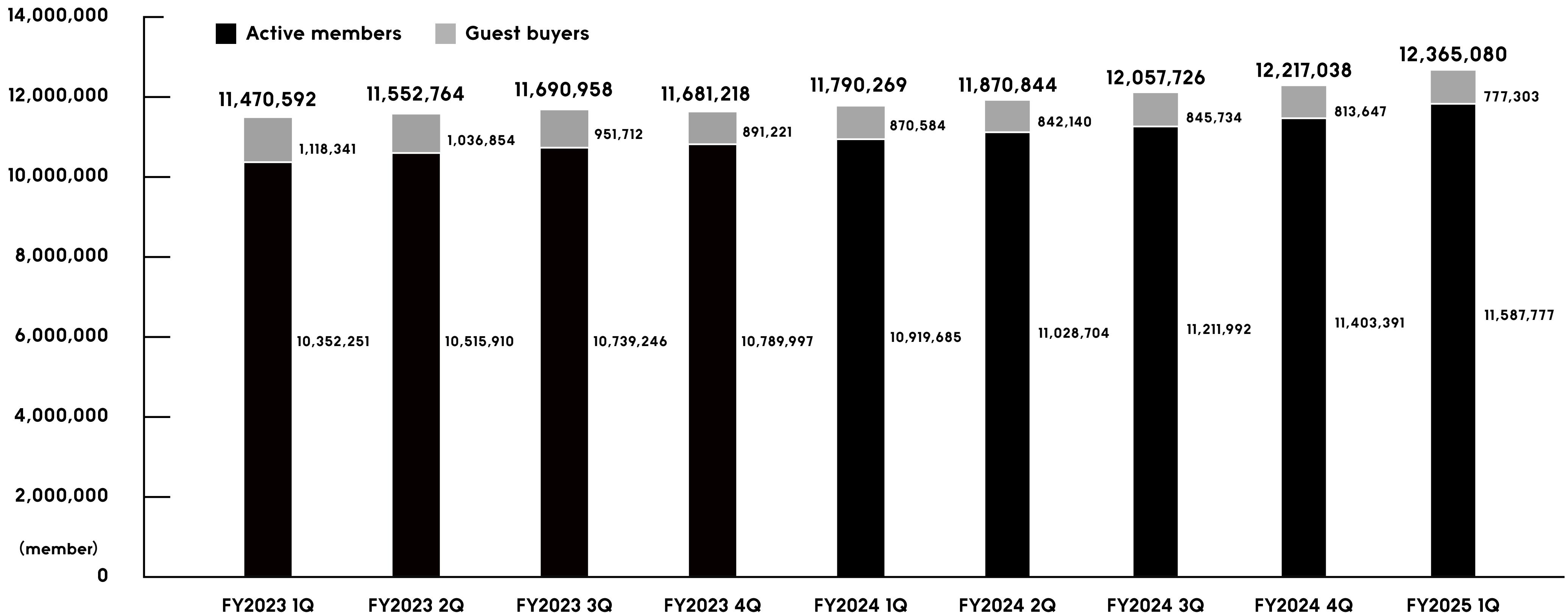
* The actual promotion-related expenses ratio is calculated by dividing the actual promotion-related expenses by the Gross Merchandise Value (excluding other GMV)

POINT
06

Following the consolidation of LYST, the budget for actual promotion-related expenses for the fiscal year ending March 2026 has been revised to 4.7% of Gross Merchandise Value (excluding other GMV). Compared to the ZOZOTOWN business and other businesses, LYST has a higher ratio of advertising expenses to GMV.



NUMBER OF TOTAL BUYERS



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

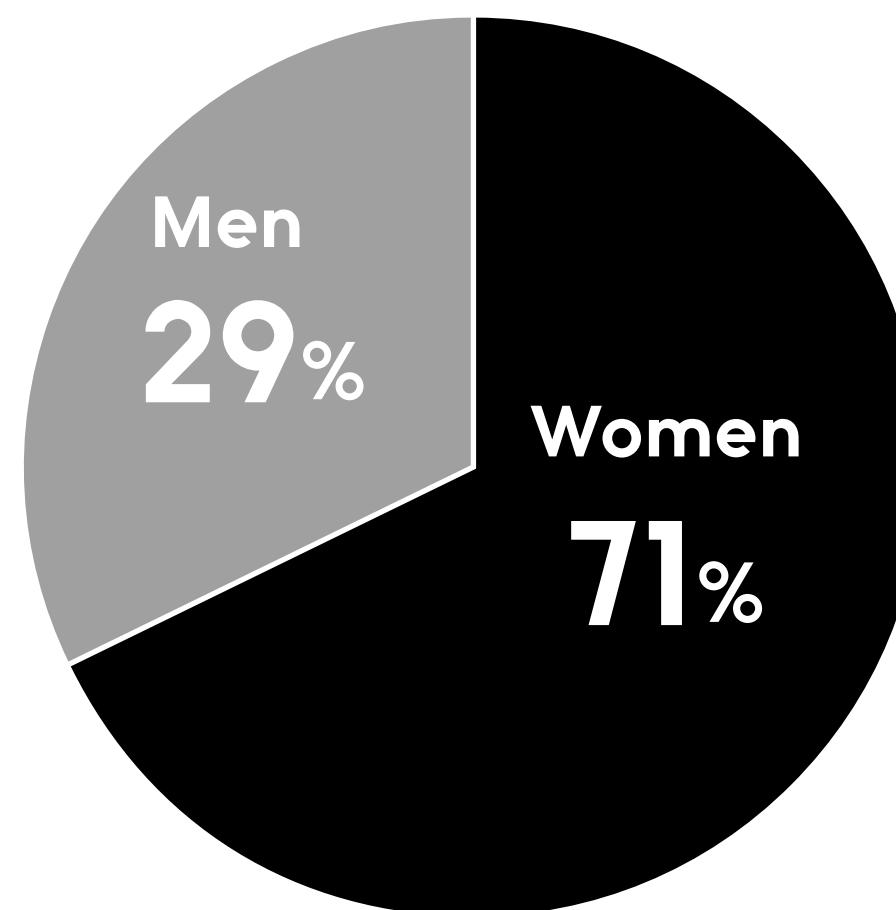
* Excluding the users who only purchased the body measurement device "ZOZOSUIT" "ZOZOMAT" and "ZOZOGLOSS".

New member acquisition through web advertising and on-site initiatives within ZOZOTOWN is progressing well. In particular, investment in web advertising increased compared to the same period of the previous year, strengthening customer attraction efforts. As a result, our campaigns targeting specific segments proved effective, delivering a higher return on investment than in the prior year.

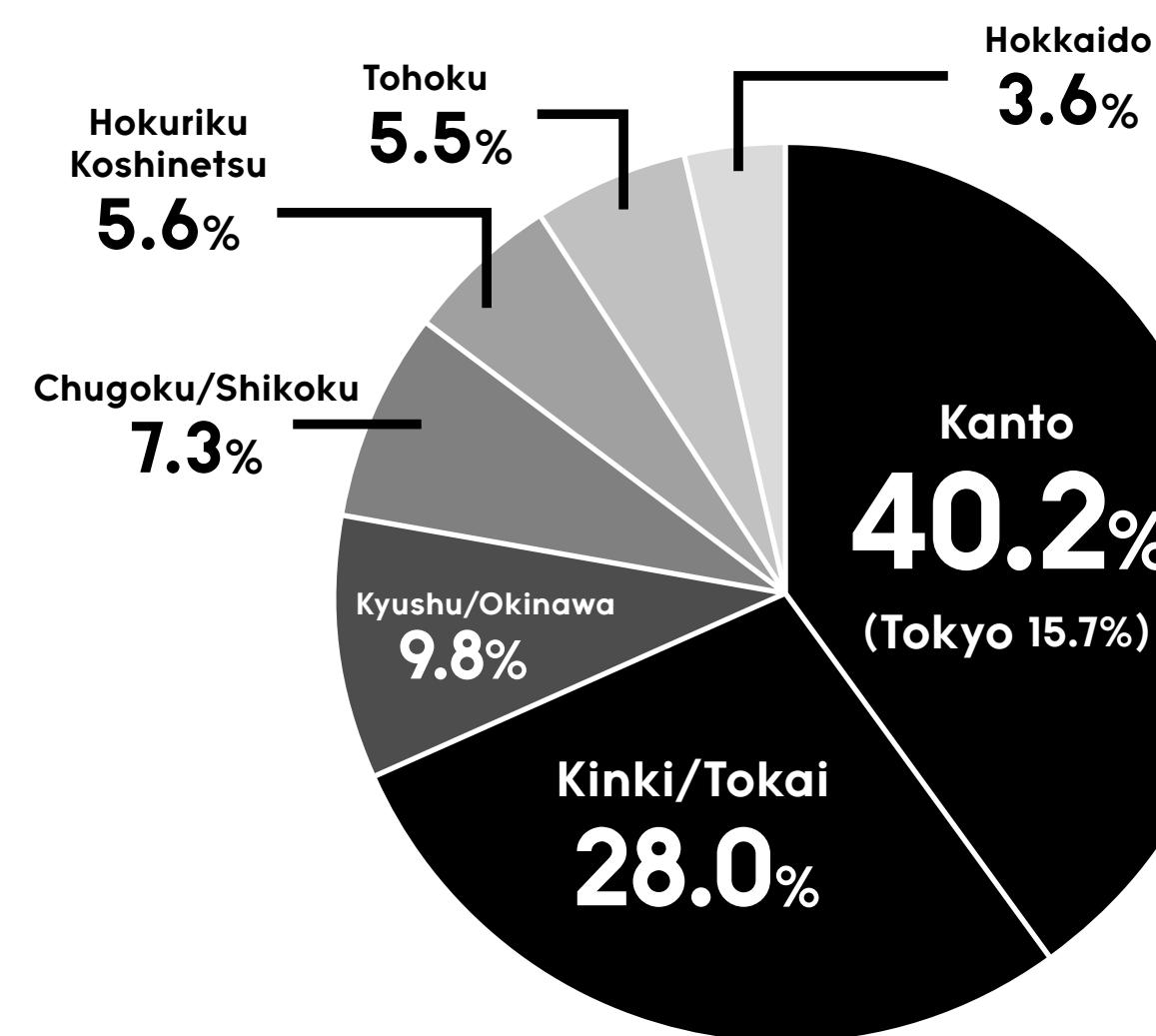


ACTIVE MEMBER DISTRIBUTION

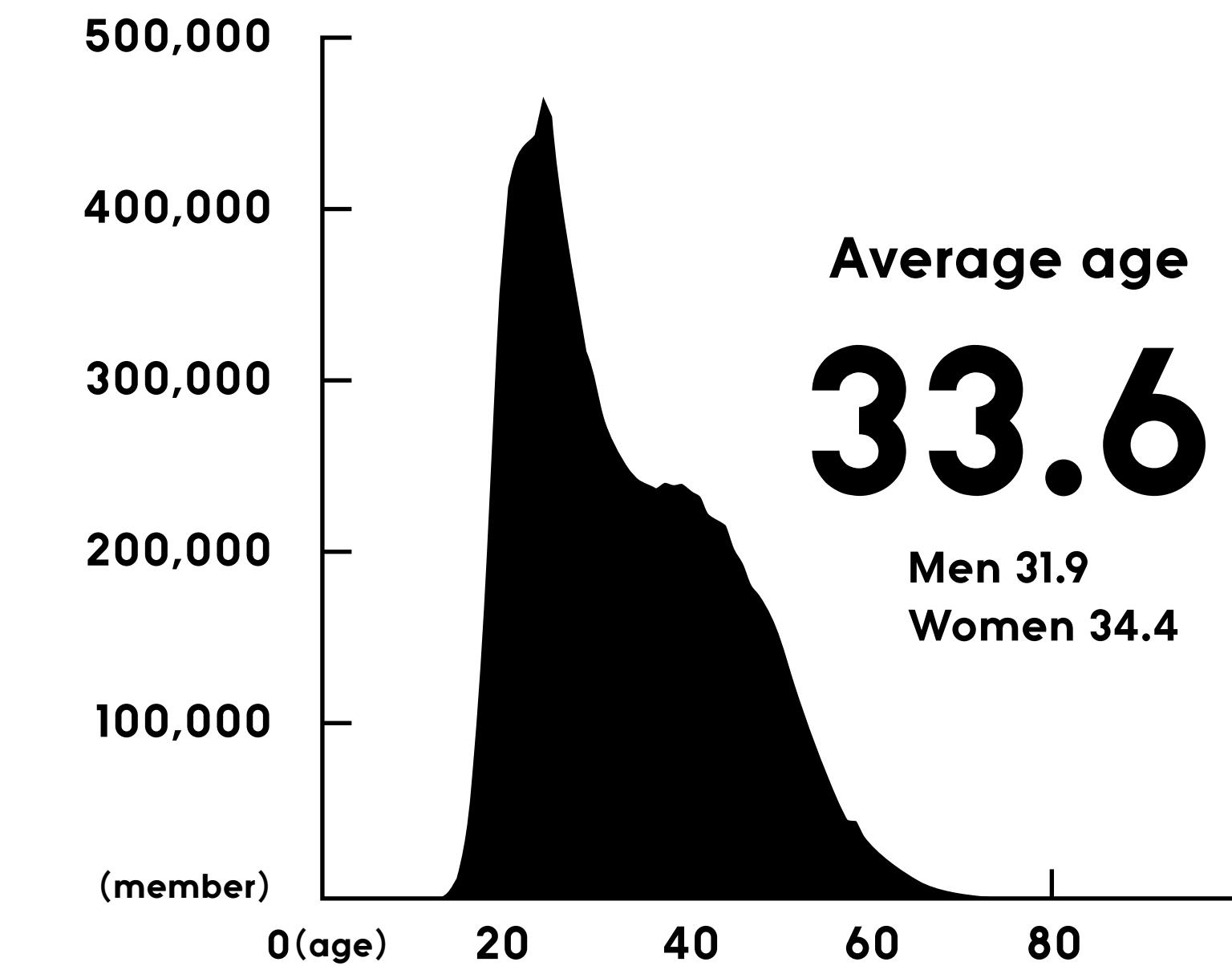
Gender ratio



Geographical distribution

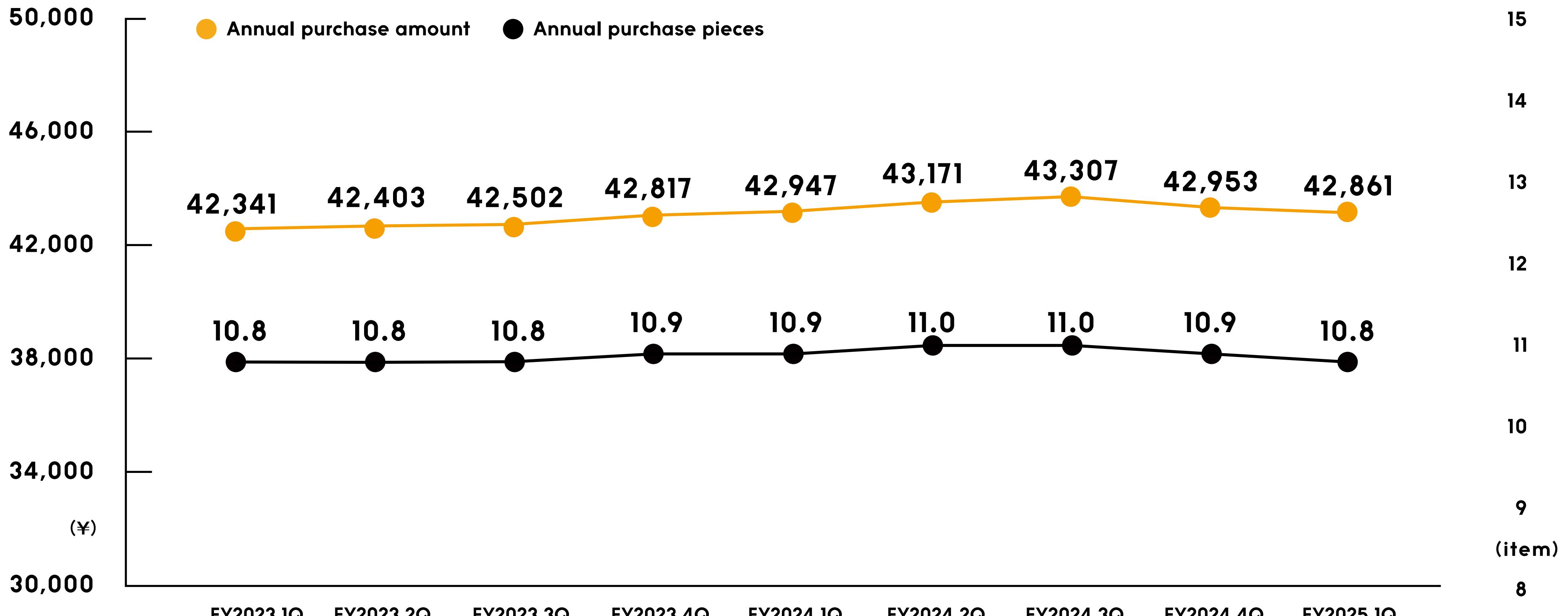


Age distribution



* 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.

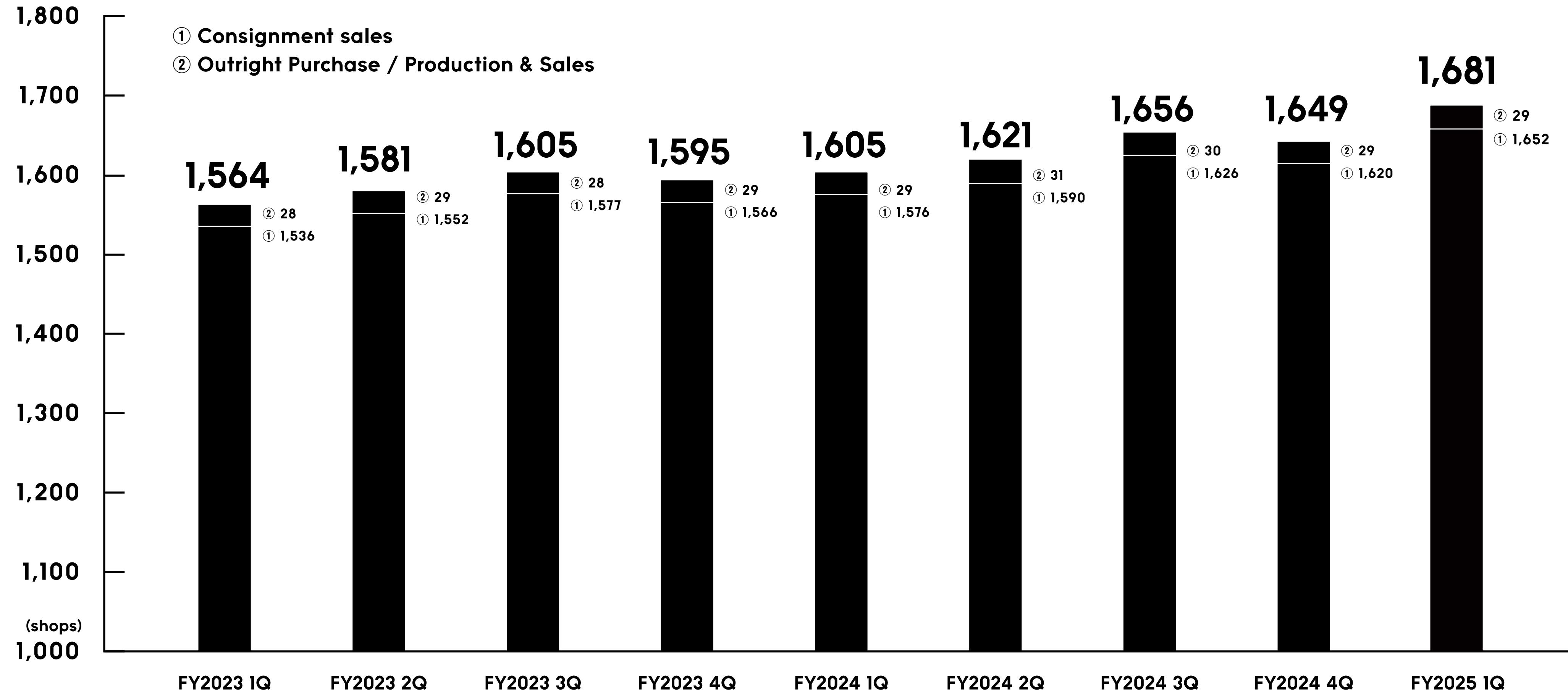
ANNUAL PURCHASE AMOUNT AND PIECES PER ACTIVE MEMBER



* 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 "ZOZOGLOSS".

NUMBER OF SHOPS ON ZOZOTOWN

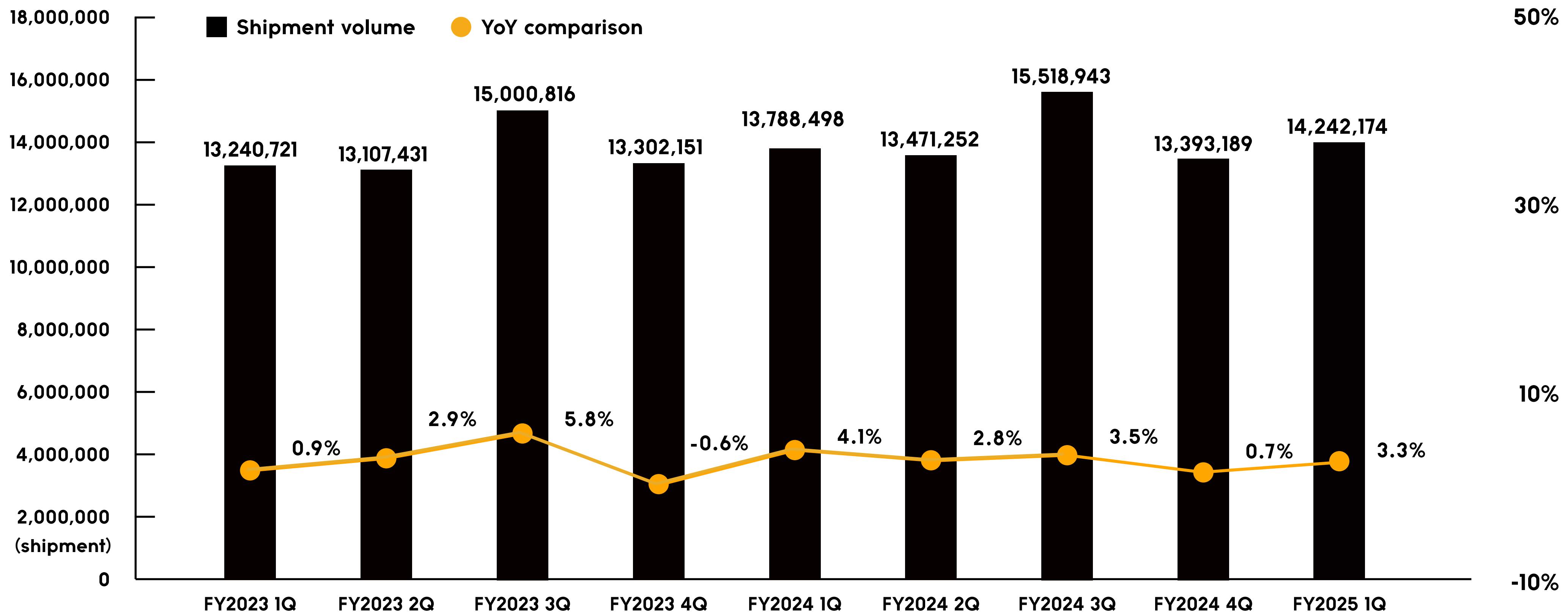


New shop openings continue across a wide range of categories, offering a diverse and varied lineup.



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

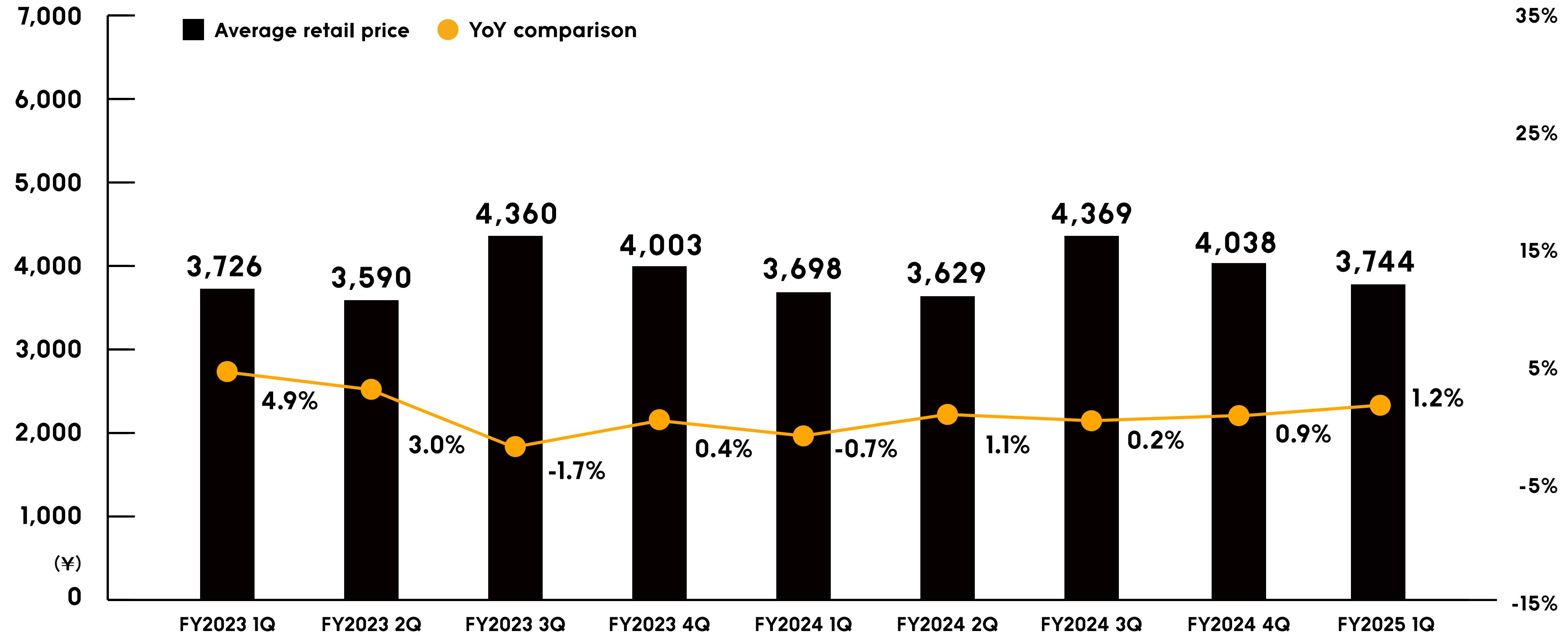
NUMBER OF SHIPMENTS



* 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 "ZOZOGLOSS".

AVERAGE RETAIL PRICE



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

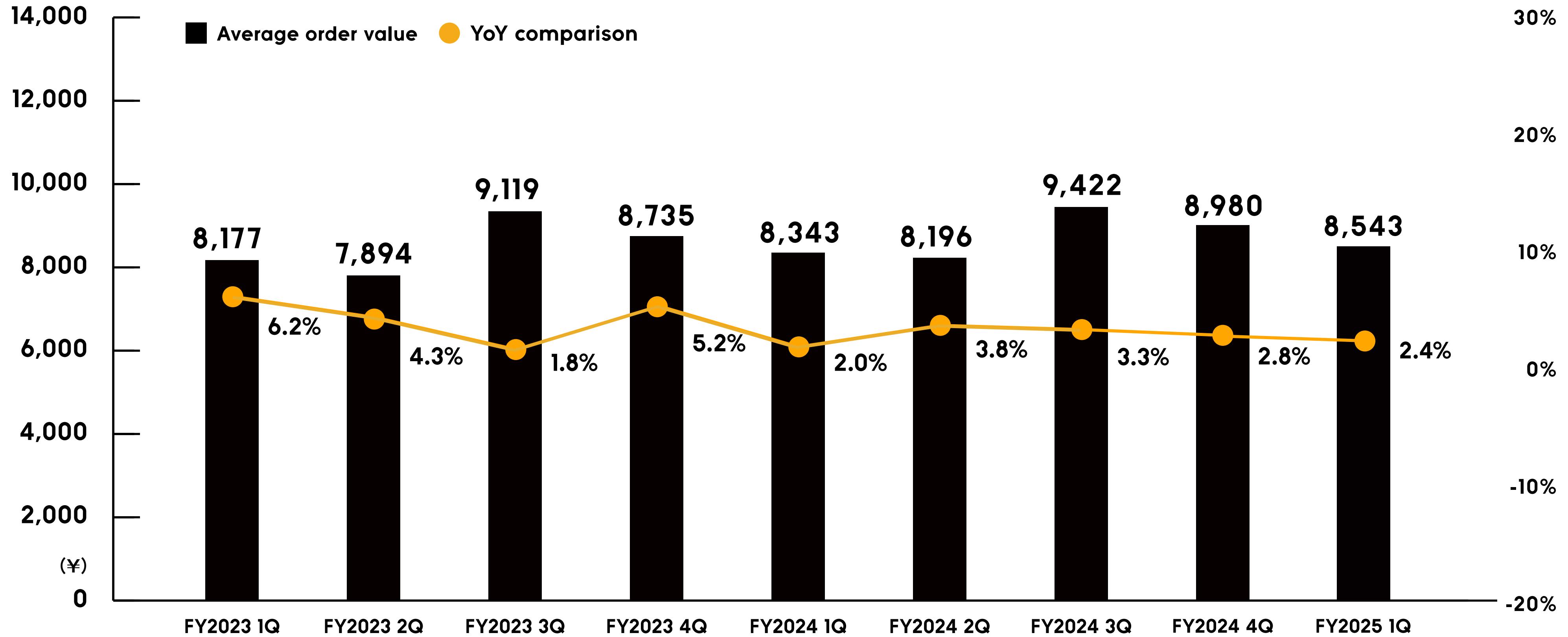
* Excluding the users who only purchased the body measurement device "ZOZOSUIT" "ZOZOMAT" and "ZOZOGLOSS".

POINT
09

The average retail price increased, mainly due to a higher sales composition of higher-priced items such as spring outerwear compared to the same period of the previous year, as well as a decline in the average discount rate on sale items. For new merchandise, the upward trend in list prices by brands has largely stabilized.



AVERAGE ORDER VALUE



* 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 "ZOZOGLOSS".

POINT
10

The average order value continued to increase, driven by an increase in combined purchases following an increase in the number of free-shipping measures for orders of 12,000 yen or more compared to the same period of the previous fiscal year.



P.33 - P.35

BUSINESS PLAN FOR FY2025



**1Q 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 is scheduled to end by 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	-6.0 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	-2.0 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	-7.0 billion yen	6.5%
Profit attributable to owners of parent	48.5 billion yen	7.0%	47.8 billion yen	-7.0 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 is scheduled to end by 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.

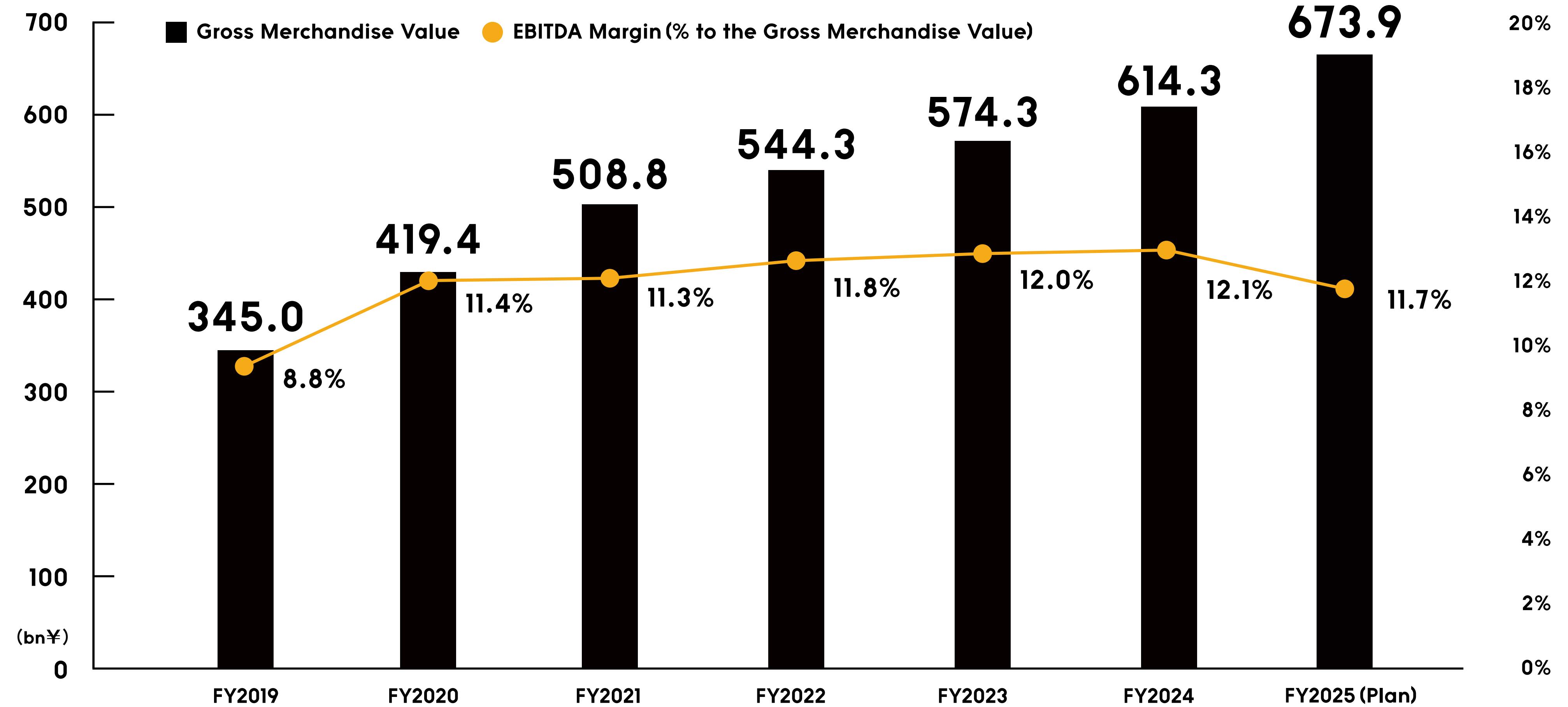
	Target for Gross Merchandise Value (as of July 31, 2025)	YoY
ZOZOTOWN Business	518.8 billion yen	5.5%
Outright Purchase/Production & Sales	4.1 billion yen	11.1%
Consignment sales	493.7 billion yen	5.4%
USED sales	21.0 billion yen	6.9%
LY Corporation Commerce*	76.1 billion yen	9.3%
LYST	50.3 billion yen	-
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).

P.37 - P.42

REFERENCE DATA

1Q FY2025 ZOZO, Inc.
CONSOLIDATED BUSINESS RESULTS



STATISTICS OF ZOZO

NUMBER OF EMPLOYEES

1,900

(Average age 34.1 years old)

NUMBER OF SHAREHOLDERS

10,791

NUMBER OF BRANDS HANDLED

9,208

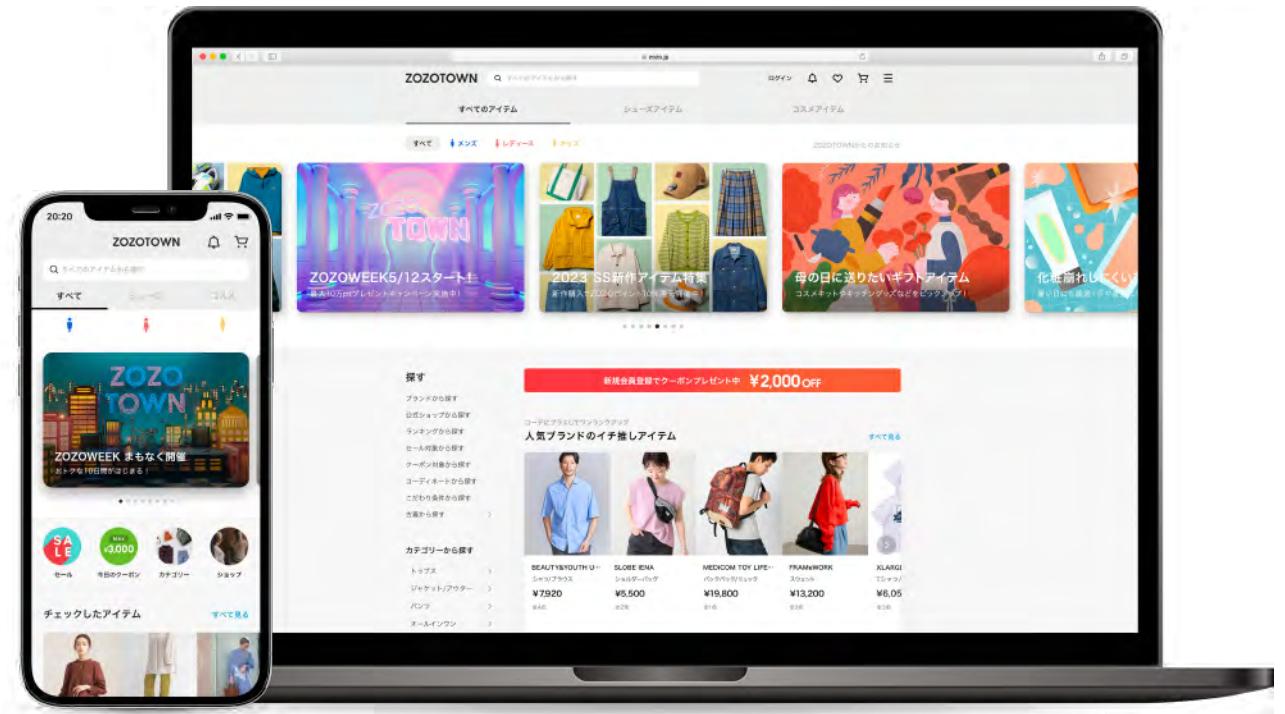
ZOZOTOWN TOTAL BUYERS

12.3 million
(1 year basis)

MAJOR SERVICES

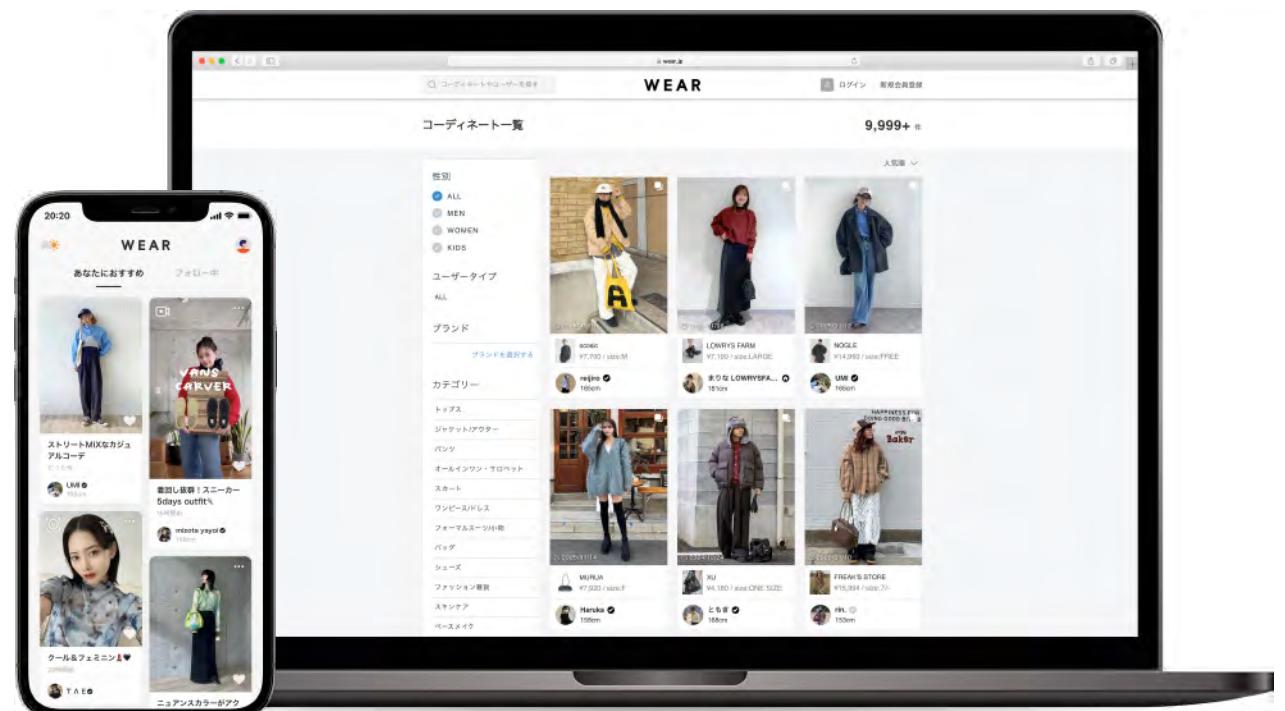
ZOZOTOWN The largest fashion e-commerce website in Japan

- The Company offers 9,208 brands across 1,681 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	1,681 (As of June 30, 2025)	1,558 (As of June 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, ZOZOGLOSS 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	Commission sales commission from brands Shipping revenue from customers	Commission rate stipulated in each contract with brands 330 yen (including tax)	Same as the left (Commission rate is same as ZOZOTOWN) Same as the left
Expenses borne by ZOZO	Shop opening commission Payment collection commission Customer attraction cost Reward points cost	NO YES YES YES	Yes (rate is undisclosed) No (yes for only cash on delivery) No No

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 1,652 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 33 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

Area and location number	Name	Total floor area(m ²)	2021 April	2022 April	2023 April	2024 April	2025 April
CHIBA1	-	34,000					
CHIBA2	ZOZOBASE NARASHINO 1	91,500					
CHIBA3	-	19,500					
CHIBA4	-	58,000					
IBARAKI1	ZOZOBASE TSUKUBA 1-A	65,000					
IBARAKI2	ZOZOBASE TSUKUBA 1-B	65,000					
CHIBA5	ZOZOBASE NARASHINO 2	72,000					
IBARAKI3	ZOZOBASE TSUKUBA 2	98,500					
IBARAKI4	ZOZOBASE TSUKUBA 3	137,000					
IBARAKI5	DPL TSUKUBA CHUO	60,000					

The lease was restarted in April, 2022

End of September, 2023

Lease start date: March 2023
Operation start date: August 2023

Lease start date: April 2024
Operation start date: August 2024

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.

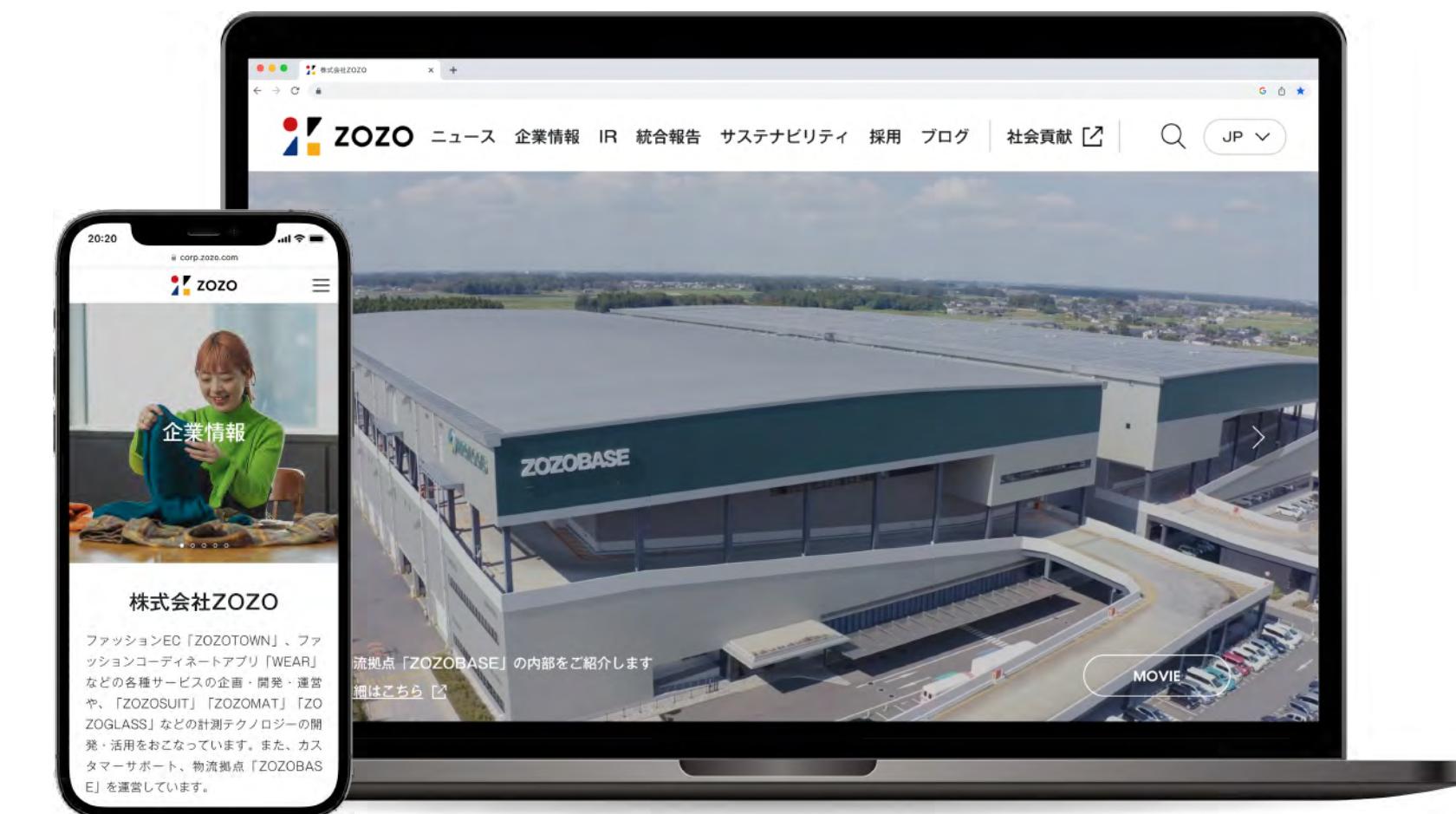
ESG/CSR ... We are introducing our initiatives on ESG/CSR

- 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 continues to support ZOZO,

This briefing material was created by Hamaoka from the Branding Design Department.

In an age where AI can easily generate portrait illustrations,
we have deliberately chosen to draw by hand.

Because this is a piece that connects us with those who support us,
we wanted it to reflect the people behind ZOZO.

Every line, every blurred expression, and every imperfect margin was drawn with care—
using methods only we can create.

We believe that what gives a company its character is,
ultimately, the people behind it.

It's something simple—but deeply important—
and we hope that this comes through, even just a little, in the design of this piece.

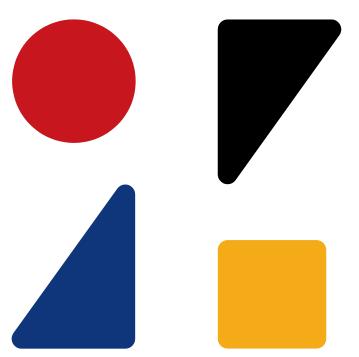
And if, after seeing this, you find yourself thinking,
“Maybe I'd like a hand-drawn portrait in my own deck someday,”
please don't hesitate to reach out.

Hamaoka from ZOZO would be more than happy to add a personal touch to your materials.

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

Shunri Hamaoka





zozo