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# HIGHLIGHTS



**FY2025 ZOZO, Inc.**

**CONSOLIDATED BUSINESS RESULTS**

# FY2025 HIGHLIGHTS

GMV was below plan. However, EBITDA and profit attributable to owners of the parent met the plan. All reached new record highs.

## Overview

- **Gross Merchandise Value : 666,035 million yen (+8.4%,YoY)**  
Gross Merchandise Value (excluding other GMV) : 646,162 million yen (+12.4%,YoY)
- **Gross Merchandise Value (ZOZOTOWN business+LY Corporation Commerce +BtoB business) 603,917 million yen (+5.1%,YoY)**  
The combined total of the ZOZOTOWN business, LY Corporation Commerce, and the BtoB business achieved plan.  
In the fourth quarter, strong sales during the winter sale event drove solid performance, offsetting the shortfall accumulated through the first three quarters. Meanwhile, LYST fell short of plan due to weakness in the luxury market and changes in U.S. tariff policies, resulting in overall results falling below plan.
- **EBITDA : 76,924 million yen (+10.2%,YoY)**  
Met plan, driven by (i) lower-than-expected logistics-related expense resulting from better-than-expected operational efficiency in warehouses, and (ii) unspent shipping expense resulting from improved economic terms with the delivery outsourcing partner from October 2025, following initiatives to improve delivery efficiency.  
\* EBITDA is calculated as operating profit plus depreciation, amortization of goodwill, and stock compensation expenses.
- **Profit attributable to owners of parent : 47,926 million yen (+5.7%,YoY)**  
Met plan. Despite recording extraordinary losses associated with the decision to discontinue the production business, results were supported by the application of tax credits, including those under the wage increase tax incentive program.

## Results by business segment

- **ZOZOTOWN BUSINESS**
  - Gross Merchandise Value : 516,613 million yen (+5.0%,YoY)
  - Consignment sales : 492,743 million yen (+5.2%,YoY)
  - Outright Purchase / Production & Sales : 2,795 million yen (-24.3%,YoY)
  - USED sales : 21,074 million yen (+7.3%,YoY)
- **LY Corporation Commerce\*** : 78,926 million yen (+13.4%,YoY)
- **LYST** : 42,245 million yen
- **BtoB Business** : 8,377 million yen (-36.1%, YoY)
- **Others\*** : 19,872 million yen
- **Average Order Value** : 8,864 yen (-1.3%,YoY)
- **Average Retail Price** : 3,974 yen (-1.6%,YoY)
- **Advertising business**  
Net sales : 11,884 million yen (+6.0%,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 HIGHLIGHTS

## Profitability

- EBITDA margin (to the total gross merchandise value) : 11.9% (12.1% for FY2024)
  - Factors improving profitability : A decline in the SG&A-to-GMV ratio due to the expansion of the scope of consolidation (mainly in shipping expense, logistics-related expense, commission of payment collection, and rent expense), 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 improved economic terms with the delivery outsourcing partner from October 2025, following initiatives to improve delivery efficiency.
  - Factors worsening profitability : A decline in the gross profit margin due to changes in the business composition associated with the consolidation of LYST, and an increase in the ratio of actual promotion-related expenses.
    - EBITDA margins are calculated by dividing EBITDA by the Gross Merchandise Value (excluding other GMV)

## Topics

- ZOZOTOWN opened a pop-up store in Nagoya for the first time. A limited-time physical store, "ZOZOTOWN NAGOYA," gave visitors a sense of what they want to wear now and this spring. (February 2026).
- The Company entered into a Loan Agreement with Financial Covenants (Commitment Line Agreement). (March 2026)
- Support for "Apps in ChatGPT" was enabled and app connectivity was launched, providing outfit recommendations from "WEAR by ZOZO" and item information from "ZOZOTOWN" seamlessly on ChatGPT. (March 2026)
- A joint research project on textile design technology using mathematics was launched with ZOZO NEXT, Inc. and Keio Research Institute at SFC. (April 2026)
- "All ZOZO AI Readiness Score (AZARS)", the Company's own AI utilization metric, was introduced. (April 2026)
- "Lab-kun, ZOZO's outfit recommendation AI," a LINE official account supporting daily outfit coordination through interactive conversations, was launched. (April 2026)
- ZOZOMATCH, the Company's dating app, will be discontinued as of June 1, 2026 (Monday). (April 2026)
- "ZOZOBASE NARASHINO 3," a new logistics center aimed at achieving approximately 50% labor savings, is scheduled to open.  
Following "ZOZOBASE TSUKUBA 3," the Company will further promote automation, with full-scale operations scheduled to begin in October 2028 (April 2026).
- The Company has acquired all shares of HIGH LINK, INC., which operates "Coloria," a comprehensive fragrance platform, and has made it a wholly owned subsidiary. (April 2026)

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# BUSINESS RESULTS

FY2025 ZOZO, Inc.  
CONSOLIDATED BUSINESS RESULTS



# OVERVIEW OF THE FY2025mm1

(million¥)

	FY2024	FY2025	YoY	Revised target (as of July 31, 2025)	Achievement Rate
Gross Merchandise Value	614,361	666,035	8.4%	673,900	98.8%
Gross Merchandise Value (excluding other GMV)	574,666	646,162	12.4%	653,700	98.8%
Net sales	213,131	228,373	7.2%	231,500	98.6%
Gross profit	198,312	213,000	7.4%	-	-
(% to the Gross Merchandise Value)	34.5%	33.0%	-1.5%	-	-
SG&A	133,556	143,637	7.5%	-	-
(% to the Gross Merchandise Value)	23.2%	22.2%	-1.0%	-	-
Operating profit	64,756	69,366	7.1%	69,200	100.2%
(% to the Gross Merchandise Value)	11.3%	10.7%	-0.6%	10.6%	-
EBITDA	69,788	76,924	10.2%	76,700	100.3%
(% to the Gross Merchandise Value)	12.1%	11.9%	-0.2%	11.7%	-
Ordinary profit	64,888	69,261	6.7%	69,100	100.2%
Profit attributable to owners of parent	45,346	47,926	5.7%	47,800	100.3%

\* 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."

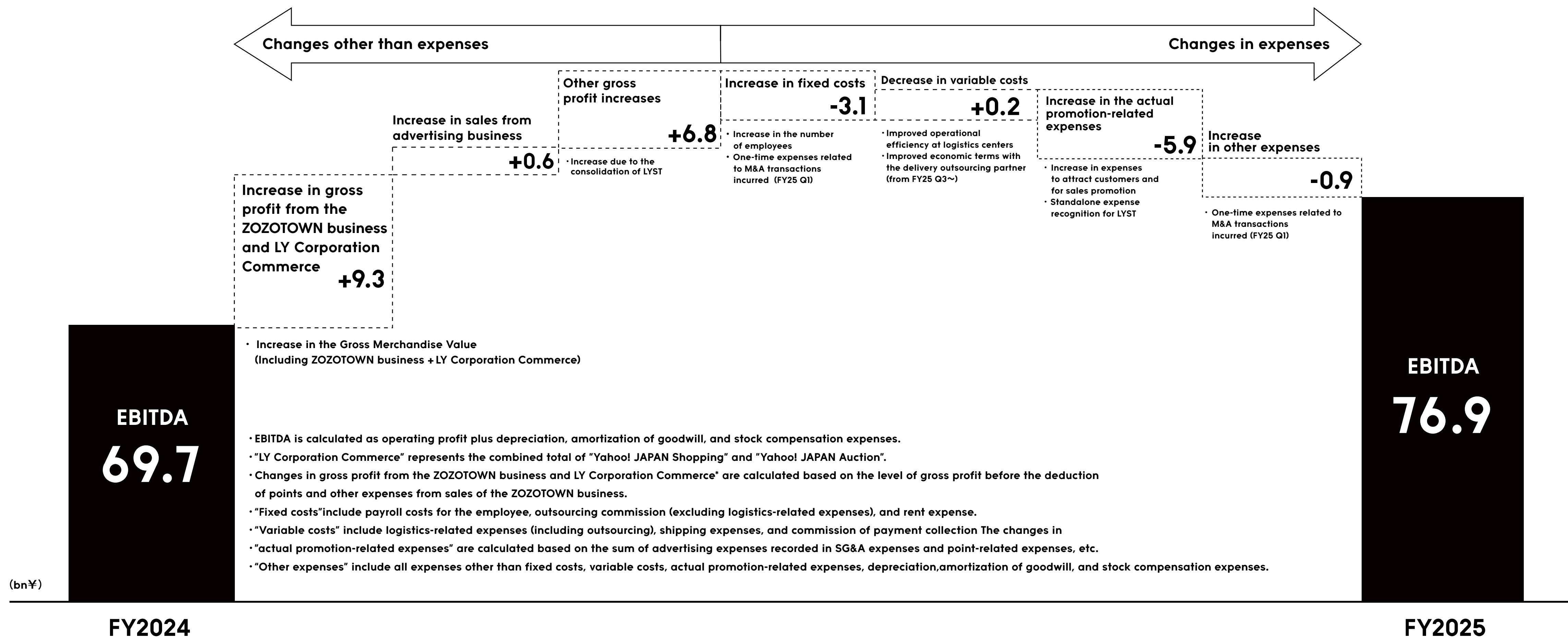
# OVERVIEW OF EACH QUARTER

(million¥)

	FY2024				FY2025			
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q
Gross Merchandise Value	141,885	137,267	182,018	153,190	159,263	153,210	190,499	163,062
Gross Merchandise Value (excluding other GMV)	132,631	128,193	171,089	142,752	149,100	143,587	190,451	163,024
YoY(%)	7.5%	8.3%	8.4%	3.9%	12.4%	12.0%	11.3%	14.2%
Net sales	50,387	48,414	62,274	52,054	54,028	51,220	66,556	56,567
SG&A	31,060	30,477	36,763	35,254	33,845	33,529	38,081	38,178
YoY(%)	14.3%	8.5%	1.2%	12.1%	9.0%	10.0%	3.6%	8.3%
(% to the Gross Merchandise Value)	23.4%	23.8%	21.5%	24.7%	22.7%	23.4%	20.0%	23.4%
Operating profit	15,895	14,580	21,285	12,994	16,920	14,153	23,847	14,444
YoY(%)	0.2%	11.6%	26.9%	-9.6%	6.4%	-2.9%	12.0%	11.2%
(% to the Gross Merchandise Value)	12.0%	11.4%	12.4%	9.1%	11.3%	9.9%	12.5%	8.9%
EBITDA	17,060	15,797	22,562	14,367	18,577	16,175	25,923	16,247
YoY(%)	3.3%	13.9%	25.3%	-9.0%	8.9%	2.4%	14.9%	13.1%
(% to the Gross Merchandise Value)	12.9%	12.3%	13.2%	10.1%	12.5%	11.3%	13.6%	10.0%

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

# INCREASE-DECREASE ANALYSIS OF EBITDA (YoY COMPARISON)



• Increase in the Gross Merchandise Value (Including ZOZOTOWN business + LY Corporation Commerce)

- EBITDA is calculated as operating profit plus depreciation, amortization of goodwill, and stock compensation expenses.
- "LY Corporation Commerce" represents the combined total of "Yahoo! JAPAN Shopping" and "Yahoo! JAPAN Auction".
- Changes in gross profit from the ZOZOTOWN business and LY Corporation Commerce\* are calculated based on the level of gross profit before the deduction of points and other expenses from sales of the ZOZOTOWN business.
- "Fixed costs" include payroll costs for the employee, outsourcing commission (excluding logistics-related expenses), and rent expense.
- "Variable costs" include logistics-related expenses (including outsourcing), shipping expenses, and commission of payment collection. The changes in
- "actual promotion-related expenses" are calculated based on the sum of advertising expenses recorded in SG&A expenses and point-related expenses, etc.
- "Other expenses" include all expenses other than fixed costs, variable costs, actual promotion-related expenses, depreciation, amortization of goodwill, and stock compensation expenses.

# CONSOLIDATED BALANCE SHEET

(million¥)

	<b>FY2024</b> (as of March 31, 2025)	<b>FY2025</b> (as of March 31, 2026)		<b>FY2024</b> (as of March 31, 2025)	<b>FY2025</b> (as of March 31, 2026)
<b>Current assets</b>	<b>147,394</b>	<b>130,314</b>	<b>Current liabilities</b>	<b>79,828</b>	<b>80,672</b>
Cash and deposits	91,486	69,416	Short-term borrowing	20,000	20,000
Merchandise	2,605	3,496	Non-current liabilities	9,262	10,797
<b>Non-current assets</b>	<b>40,415</b>	<b>67,946</b>	<b>Total liabilities</b>	<b>89,090</b>	<b>91,470</b>
Tangible assets	25,447	26,930	Shareholders' equity	98,087	103,042
Intangible assets	3,437	28,589	Treasury stock	-11,581	-11,039
Investments and other assets	11,530	12,425	<b>Total net assets</b>	<b>98,719</b>	<b>106,789</b>
<b>Total assets</b>	<b>187,810</b>	<b>198,260</b>	<b>Total liabilities and net assets</b>	<b>187,810</b>	<b>198,260</b>

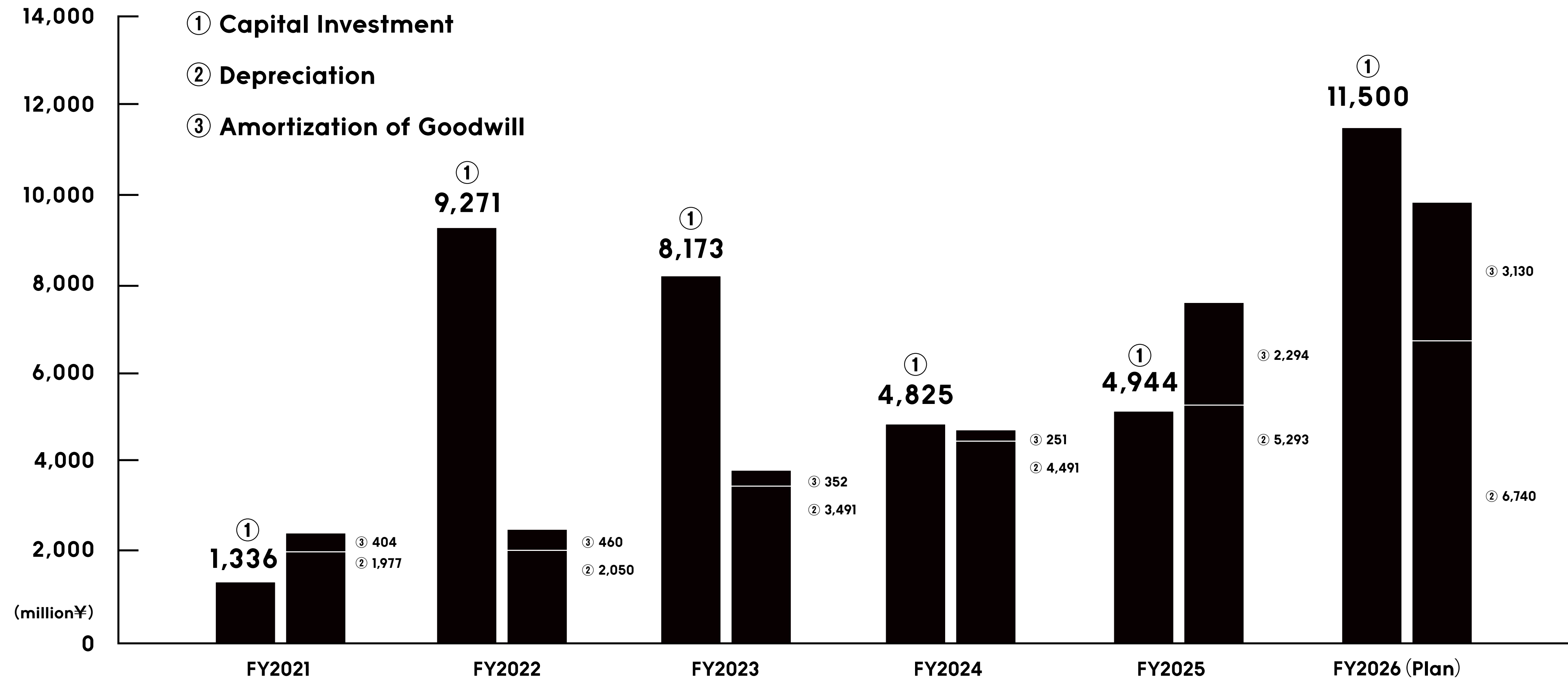
# CASH FLOWS

(million¥)

	FY2024	FY2025	YoY	Reason for change
Cash flows from operating activities	60,114	52,531	-7,583	Increase in profit before income taxes Increase in payments of corporate income taxes
Cash flows from investing activities	-6,285	-28,897	-22,612	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	-32,081	-45,830	-13,748	Expenditures related to the acquisition of treasury stock
Cash and cash equivalents at the end of the year	91,486	69,422	-22,064	

# CAPITAL INVESTMENT

POINT  
01



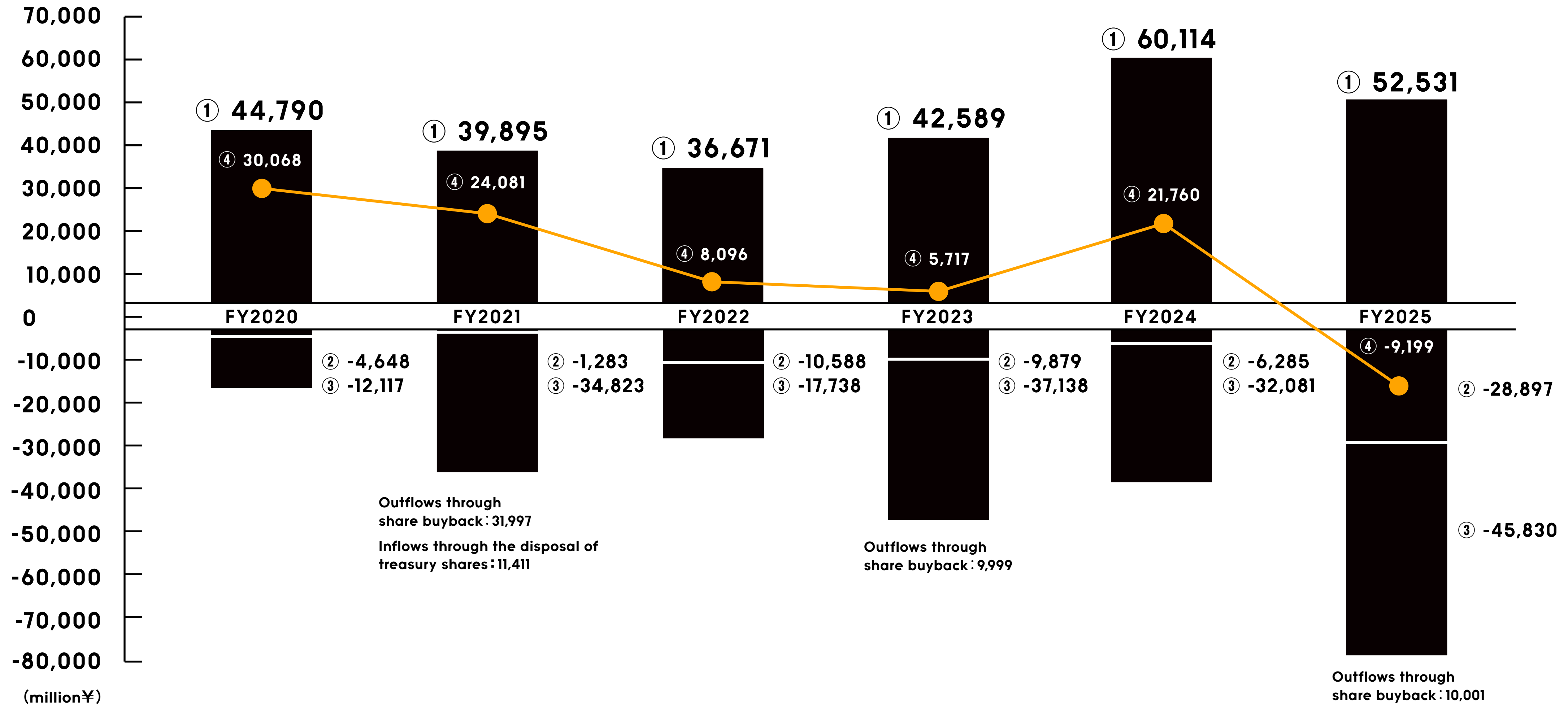
Capital investments for the fiscal year ended March 2026 were largely in line with the plan. For the fiscal year ending March 2027, capital investments are expected to exceed ¥10.0 billion, primarily due to front-loaded cash outflows related to "ZOZOBASE NARASHI-NO 3," which is scheduled to commence operations in the fiscal year ending March 2028. In addition, amortization of goodwill is planned to begin in May 2026 following the consolidation of HIGH LINK, INC. as a subsidiary.



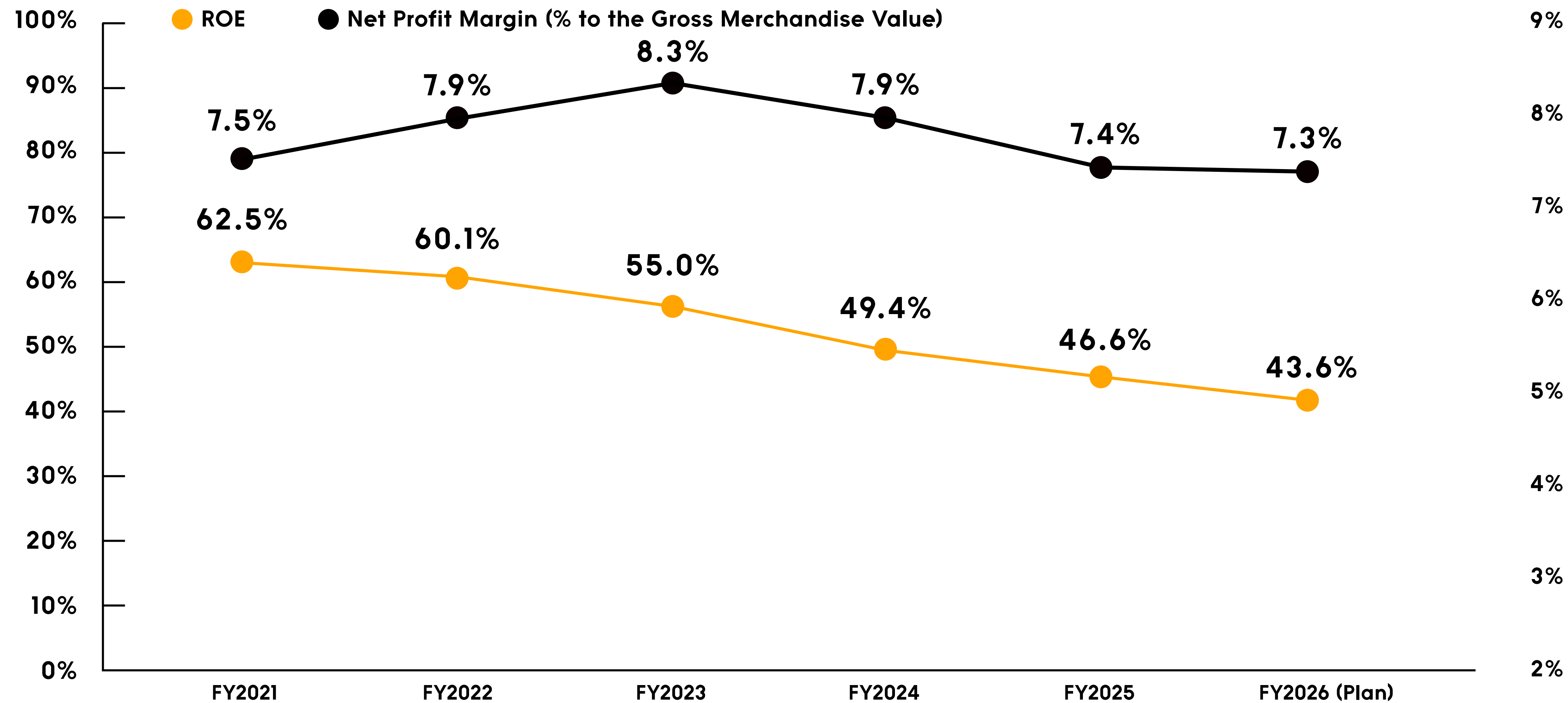
\*Capital investments do not include expenses related to internally developed software (such as personnel costs).

# CASH FLOWS

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

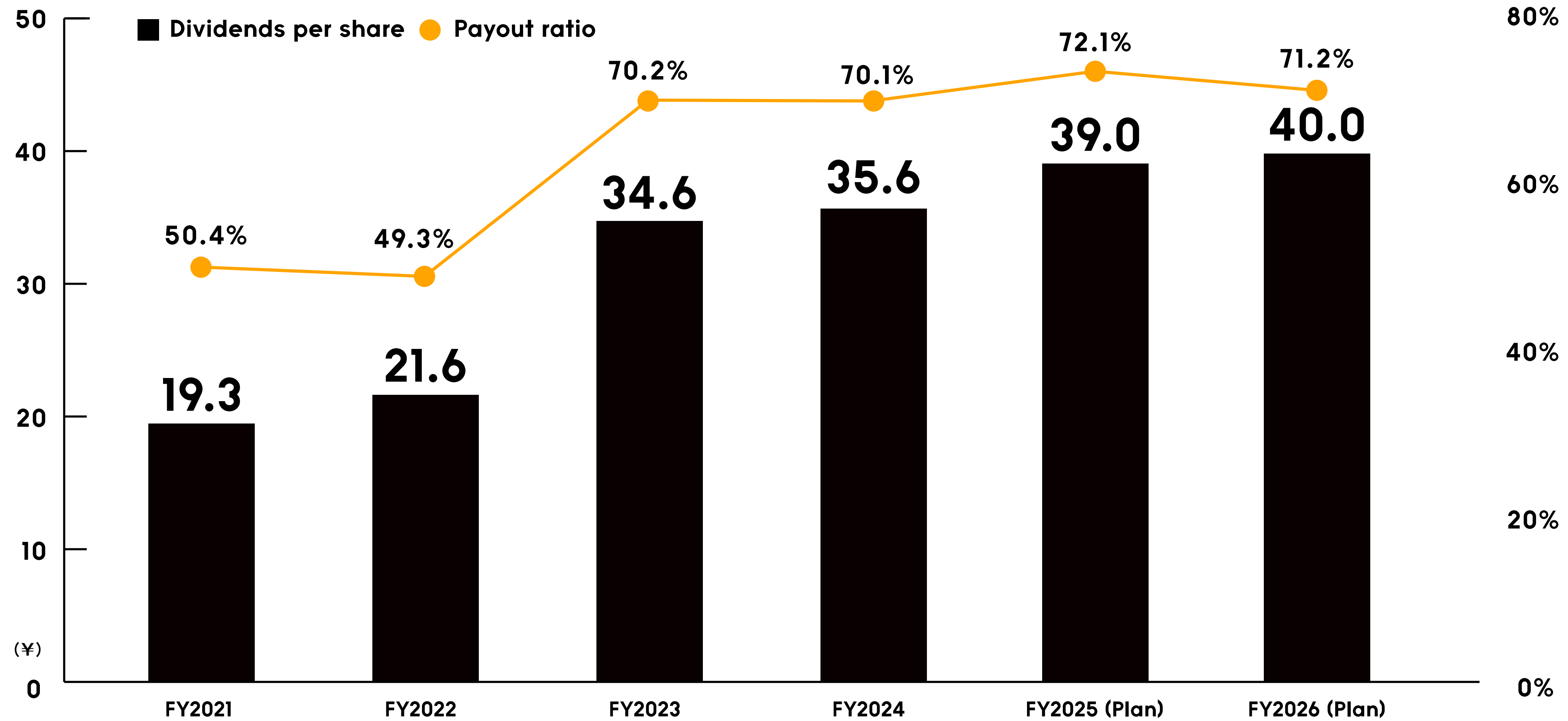


# ROE AND NET PROFIT MARGIN



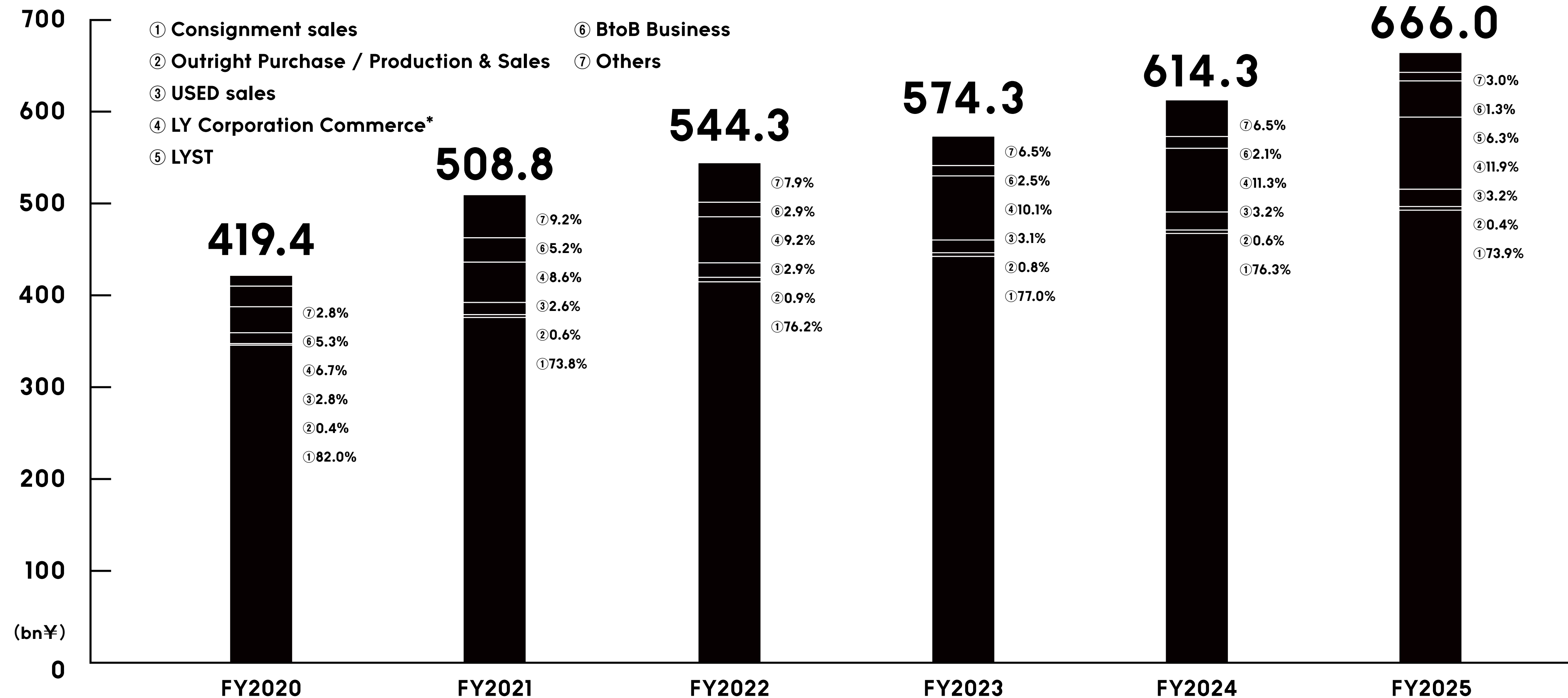
\* Net profit margins are calculated by dividing net profit by the Gross Merchandise Value (excluding other GMV).

# DIVIDENDS PER SHARE AND PAYOUT RATIO



# GROSS MERCHANDISE VALUE

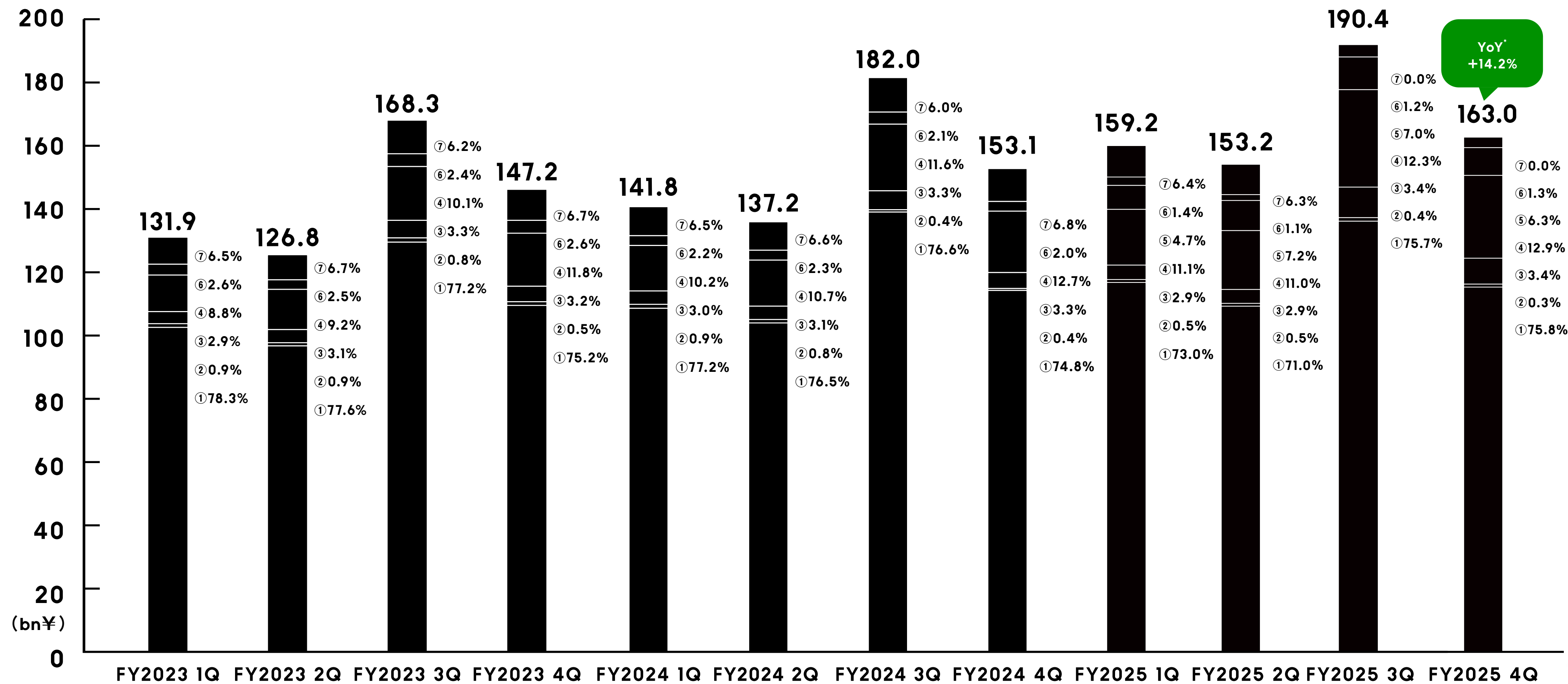
The Gross Merchandise Value of new shops opened in FY2025 (Zozotown Business)  
 FY2025 : 8.2 billion yen (accounts for 1.6% of the Gross Merchandise Value)



\*"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



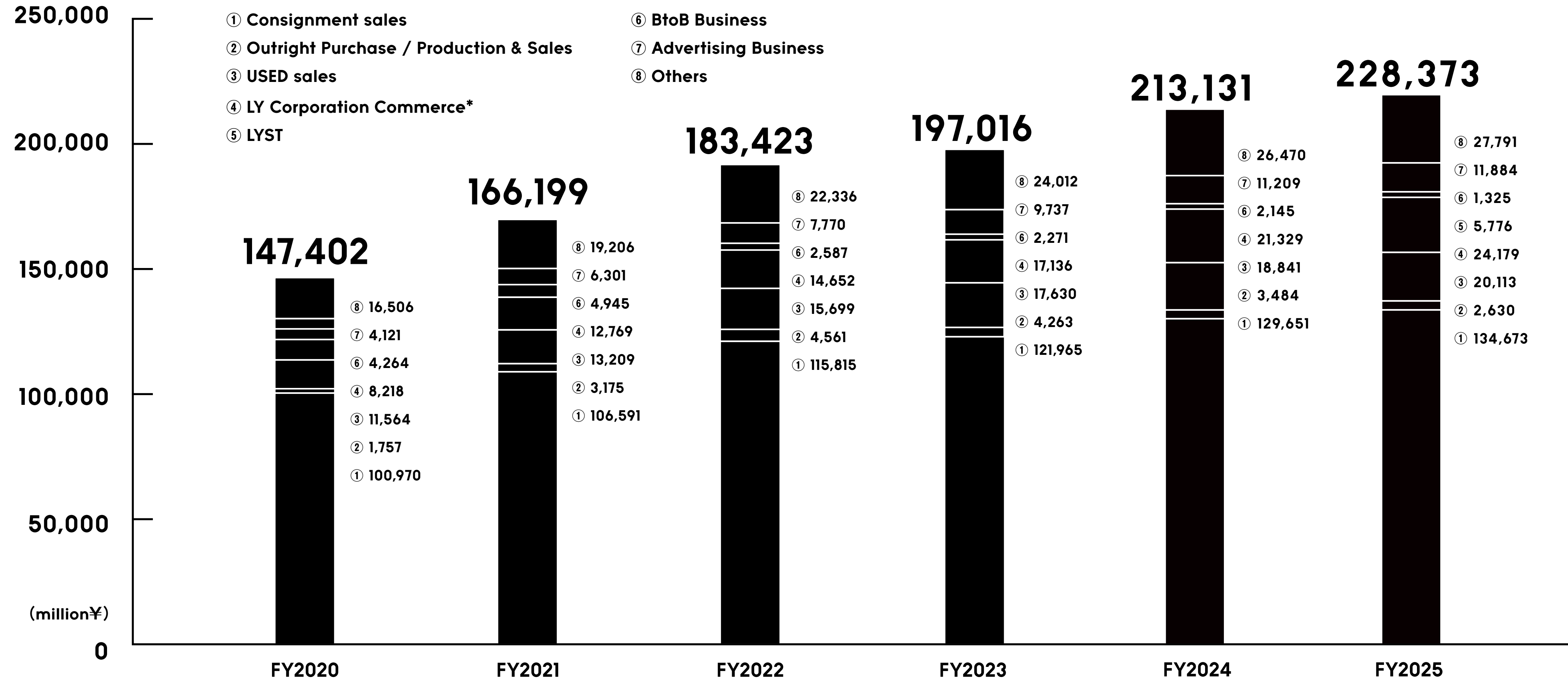
POINT  
02

The ZOZOTOWN business saw strong customer traffic, particularly in January, and, supported by ample sale inventory, performed well during the winter sale event. Enhanced promotions also contributed to sales growth. LY Corporation Commerce also delivered solid growth, driven in part by an increase in the number of days of "Serious ZOZO Festival" compared with the same quarter of the previous year.



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

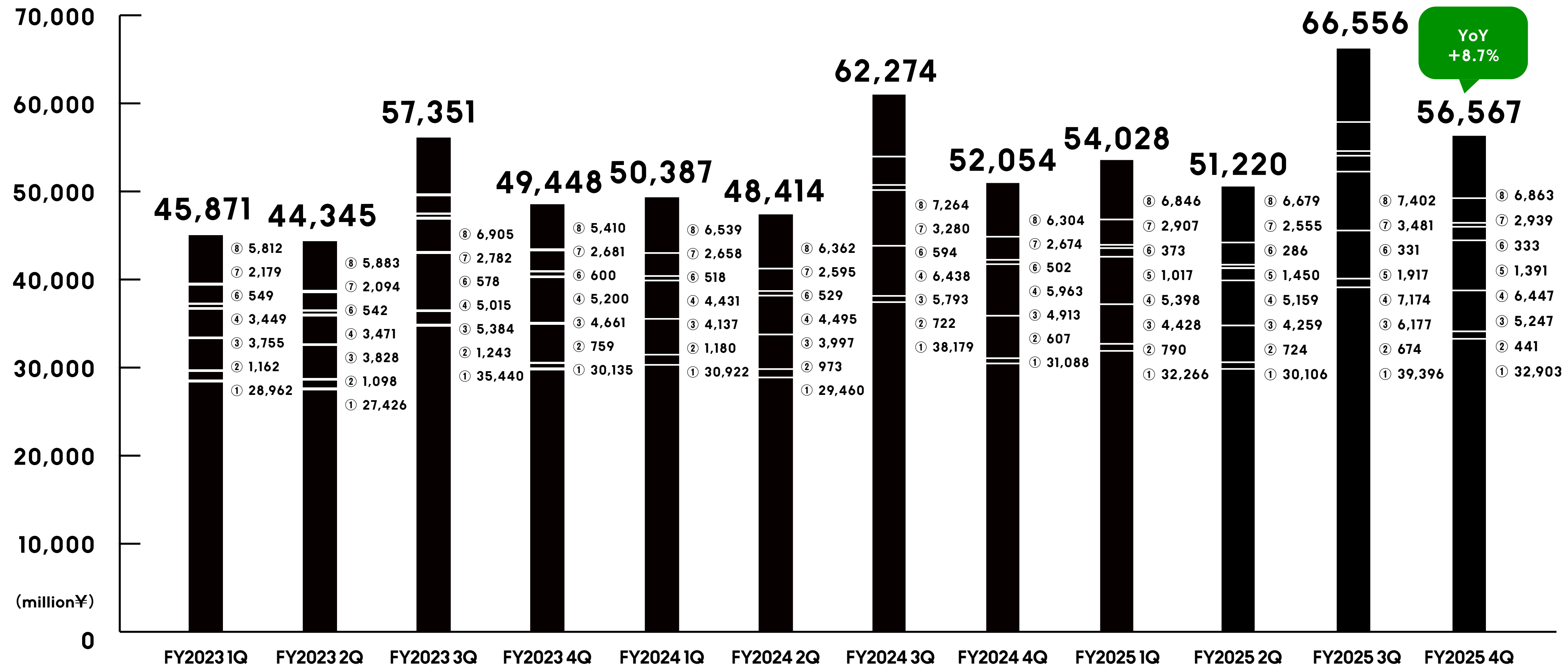
# NET SALES



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

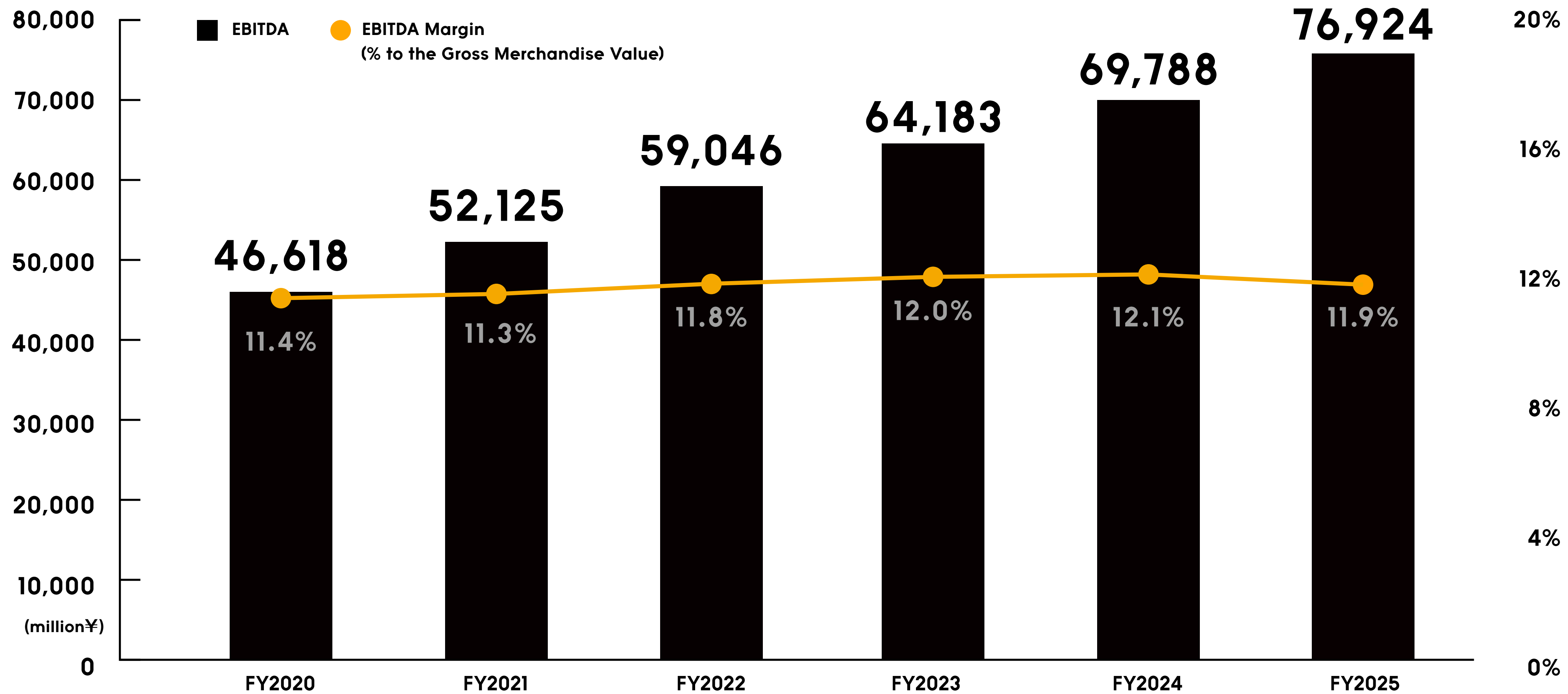
# NET SALES (QUARTERLY)

- ① Consignment sales
- ② Outright Purchase / Production & Sales
- ③ USED sales
- ④ LY Corporation Commerce\*
- ⑤ LYST
- ⑥ BtoB Business
- ⑦ Advertising Business
- ⑧ Others



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

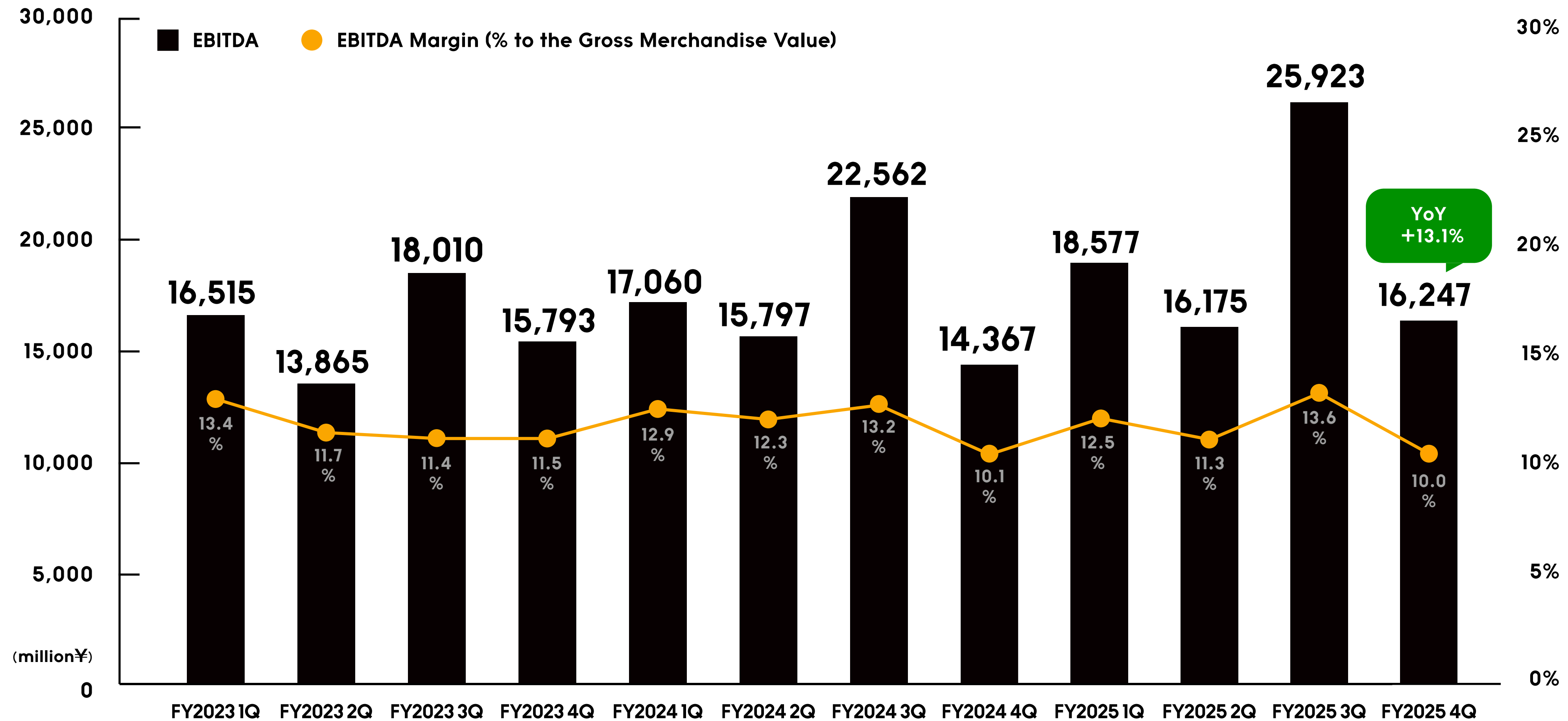
# EBITDA AND EBITDA MARGIN



\* 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  
03

In the fourth quarter, customer attraction and sales promotions were strengthened to meet the customer plan, and as a result, actual promotion-related expenses exceeded the full-year plan, resulting in a decline in the EBITDA margin compared with the same quarter of the previous year.



# 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¥)

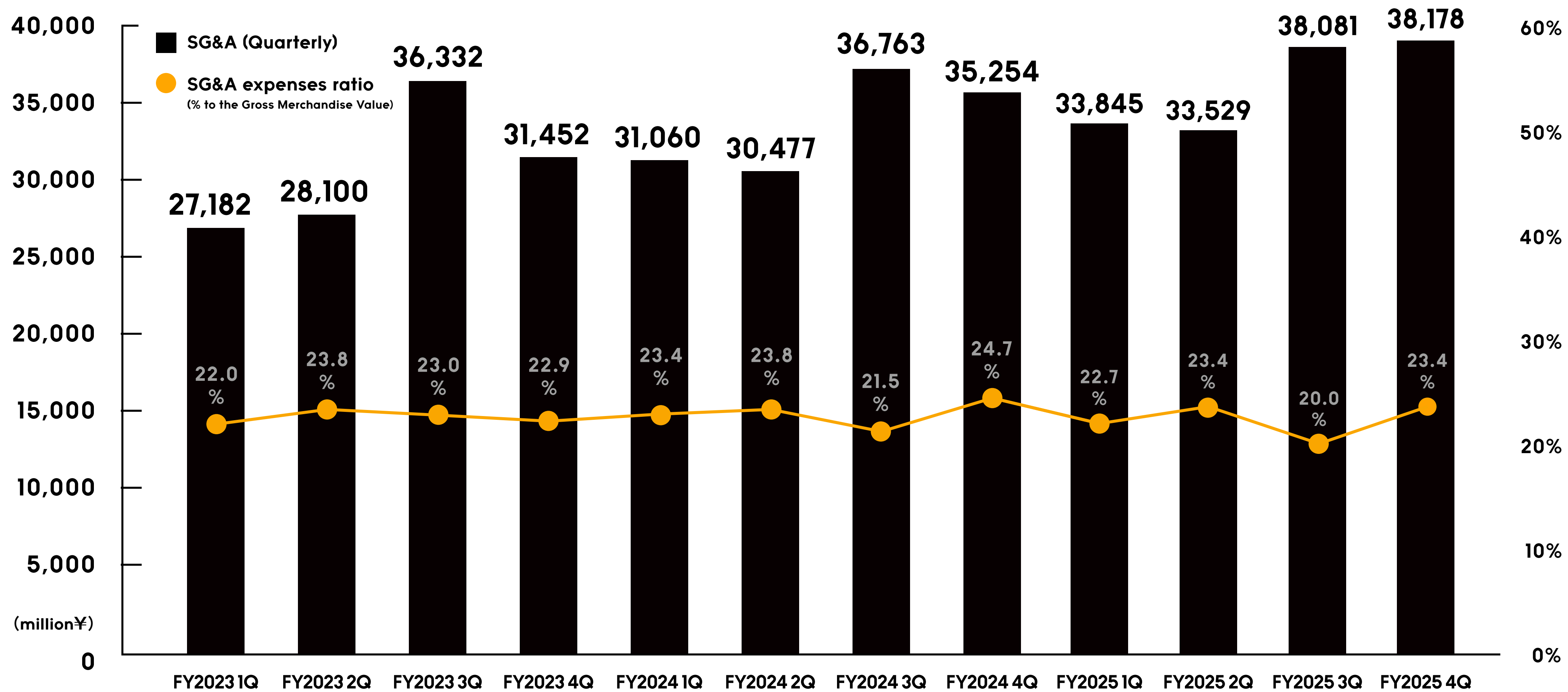
	FY2024		FY2025		YoY	Increase / decrease factors
	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value	% to the Gross Merchandise Value	
Payroll and staff costs	34,937	6.1%	35,837	5.5%	-0.6%	
Payroll costs for employee	16,634	2.9%	18,654	2.9%	0.0%	Transition of the number of employees on a consolidated basis: FY24 1,738 → FY25 1,876 Increase in headcount associated with the consolidation of LYST since May 2025
Logistics-Related Expenses (Including Outsourcing)	18,302	3.2%	17,182	2.7%	-0.5%	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)	7,582	1.3%	8,567	1.3%	0.0%	One-time recognition of M&A-related expenses (FY25 Q1)
Shipping	37,363	6.5%	37,861	5.9%	-0.6%	Cost ratio declined due to improved economic terms with the delivery outsourcing partner from October 2025, following initiatives to improve delivery efficiency.
Commission of Payment collection	13,127	2.3%	13,458	2.1%	-0.2%	
Advertising	13,340	2.3%	17,107	2.6%	0.3%	(FY24) Recorded sponsorship expense related to the PGA TOUR (FY25) Increase in web advertising costs for ZOZOTOWN and commencement of expense recognition for LYST
Rent expense	8,478	1.5%	8,628	1.3%	-0.2%	
Depreciation	4,491	0.8%	5,293	0.8%	0.0%	Increase due to the acquisition of LYST
Amortization of goodwill	251	0.0%	2,294	0.4%	0.4%	Increase due to the acquisition of LYST
Stock Compensation Expenses	288	0.1%	-29	0.0%	-0.1%	
Others	13,693	2.4%	14,617	2.3%	-0.1%	One-time recognition of M&A-related expenses (FY25 Q1)
<b>Total SG&amp;A</b>	<b>133,556</b>	<b>23.2%</b>	<b>143,634</b>	<b>22.2%</b>	<b>-1.0%</b>	

\* 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)

POINT  
 04



The SG&A expense ratio declined compared with the same quarter of the previous year, primarily due to the impact of the consolidation of LYST and a reduction in the cost ratios of shipping and logistics-related expense. In addition, a year-end bonus has been approved following the achievement of the full-year targets for operating profit and EBITDA.



\* 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

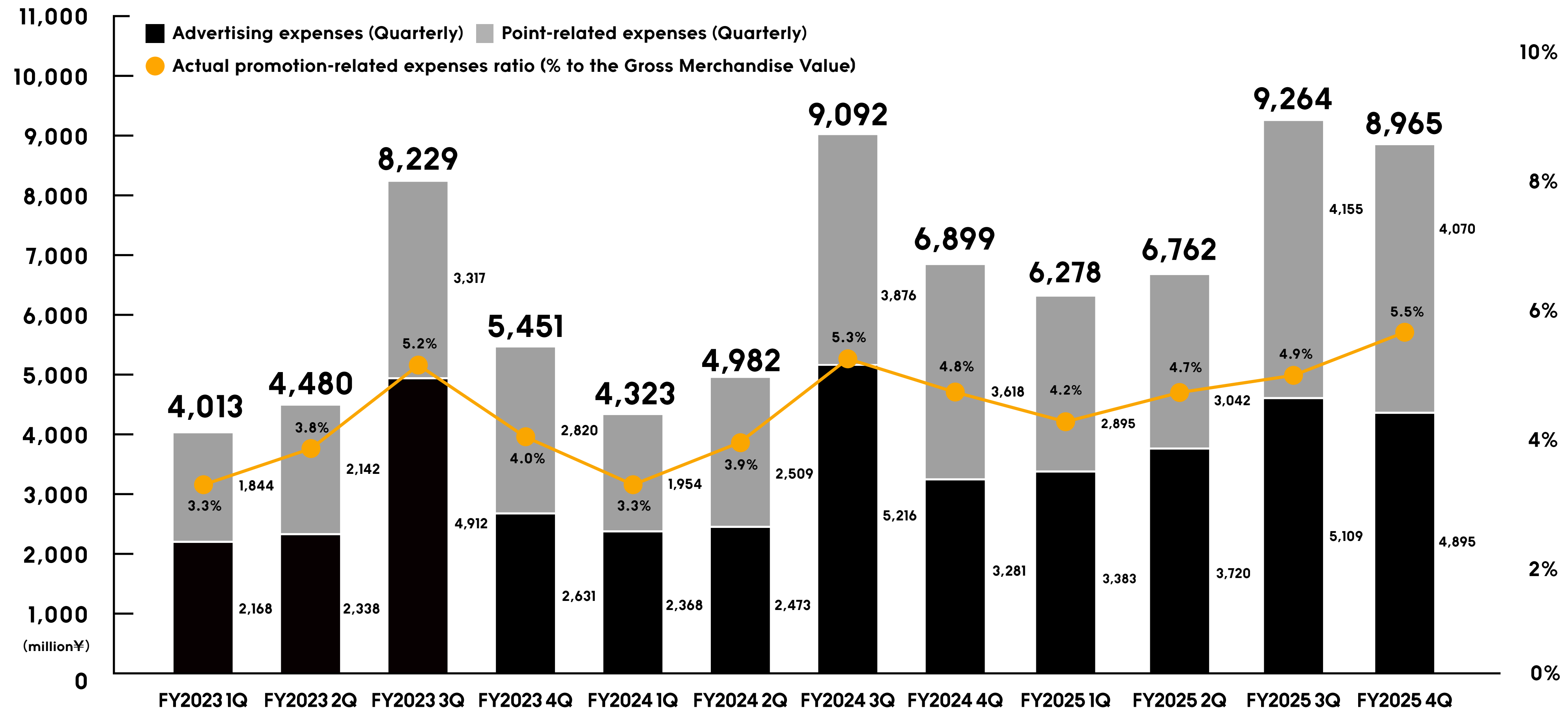
(million¥)

	FY2024								FY2025							
	1Q		2Q		3Q		4Q		1Q		2Q		3Q		4Q	
	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value	Amount	% to the Gross Merchandise Value
<b>Payroll and staff costs</b>	8,267	6.2%	7,833	6.1%	8,413	4.9%	10,423	7.3%	8,224	5.5%	8,213	5.7%	8,734	4.6%	10,664	6.5%
Payroll costs for employee	3,745	2.8%	3,601	2.8%	3,628	2.1%	5,659	4.0%	4,119	2.8%	4,252	3.0%	4,189	2.2%	6,093	3.7%
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%	4,545	2.4%	4,571	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%	2,087	1.1%	2,360	1.4%
<b>Shipping</b>	9,087	6.9%	8,881	6.9%	10,391	6.1%	9,003	6.3%	9,336	6.3%	9,118	6.4%	10,231	5.4%	9,175	5.6%
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%	3,925	2.1%	3,330	2.0%
<b>Advertising</b>	2,368	1.8%	2,473	1.9%	5,216	3.0%	3,281	2.3%	3,383	2.3%	3,720	2.6%	5,109	2.7%	4,895	3.0%
<b>Rent expense</b>	2,120	1.6%	2,114	1.6%	2,119	1.2%	2,123	1.5%	2,156	1.4%	2,165	1.5%	2,153	1.1%	2,151	1.3%
<b>Depreciation</b>	1,032	0.8%	1,077	0.8%	1,143	0.7%	1,238	0.9%	1,194	0.8%	1,333	0.9%	1,383	0.7%	1,381	0.8%
Amortization of goodwill	62	0.0%	62	0.0%	62	0.0%	62	0.0%	391	0.3%	615	0.4%	619	0.3%	668	0.4%
Stock Compensation Expenses	69	0.1%	77	0.1%	71	0.0%	71	0.0%	71	0.0%	73	0.1%	73	0.0%	-247	-0.2%
<b>Others</b>	3,212	2.4%	3,289	2.6%	3,581	2.1%	3,609	2.5%	3,770	2.5%	3,285	2.3%	3,762	2.0%	3,797	2.3%
<b>Total SG&amp;A</b>	<b>31,060</b>	<b>23.4%</b>	<b>30,477</b>	<b>23.8%</b>	<b>36,763</b>	<b>21.5%</b>	<b>35,254</b>	<b>24.7%</b>	<b>33,845</b>	<b>22.7%</b>	<b>33,529</b>	<b>23.4%</b>	<b>38,081</b>	<b>20.0%</b>	<b>38,178</b>	<b>23.4%</b>

\* 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



**POINT 05**

The ratio of actual promotion-related expenses to GMV for the fiscal year was 4.8%, slightly exceeding the full-year plan. In the fourth quarter, in order to achieve the GMV plan, the Company utilized expenses that had remained unspent through the third quarter and incurred additional expenses. As a result, the combined total of the ZOZOTOWN business and LY Corporation Commerce met the plan. For the next fiscal year, the budget is set at a similar ratio to the previous fiscal year.



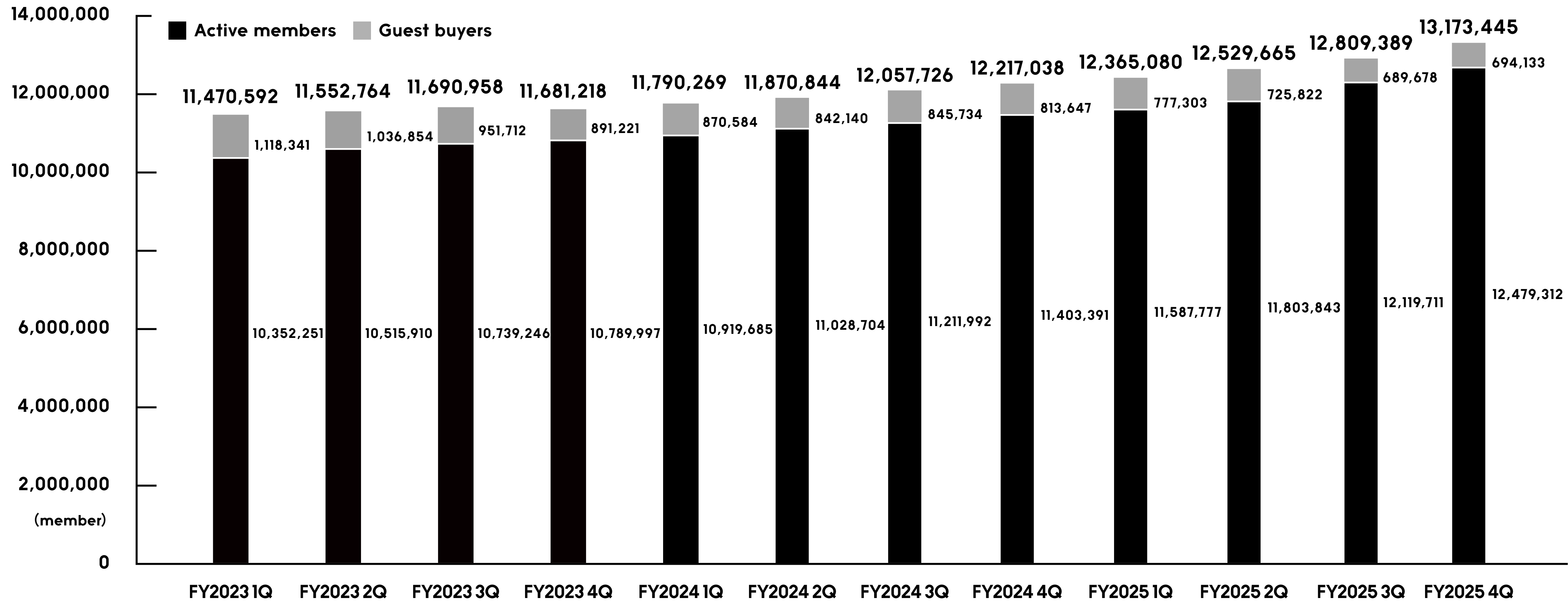
\* The actual promotion-related expenses ratio is calculated by dividing the actual promotion-related expenses by the Gross Merchandise Value (excluding other GMV)

# NUMBER OF TOTAL BUYERS

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

Guest buyers = Total number of guest purchases within a year

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



**POINT 06**  
 The acquisition of new members through web advertising and initiatives within ZOZOTOWN progressed steadily. Increased investment in web advertising and referral campaigns compared with the same quarter of the previous year contributed to the growth in new members. While initiatives to re-engage inactive members were also effective, leading to increased activation of inactive members. New member acquisition remained strong in every quarter of the fiscal year, resulting in a significant increase in the number of annual buyers.

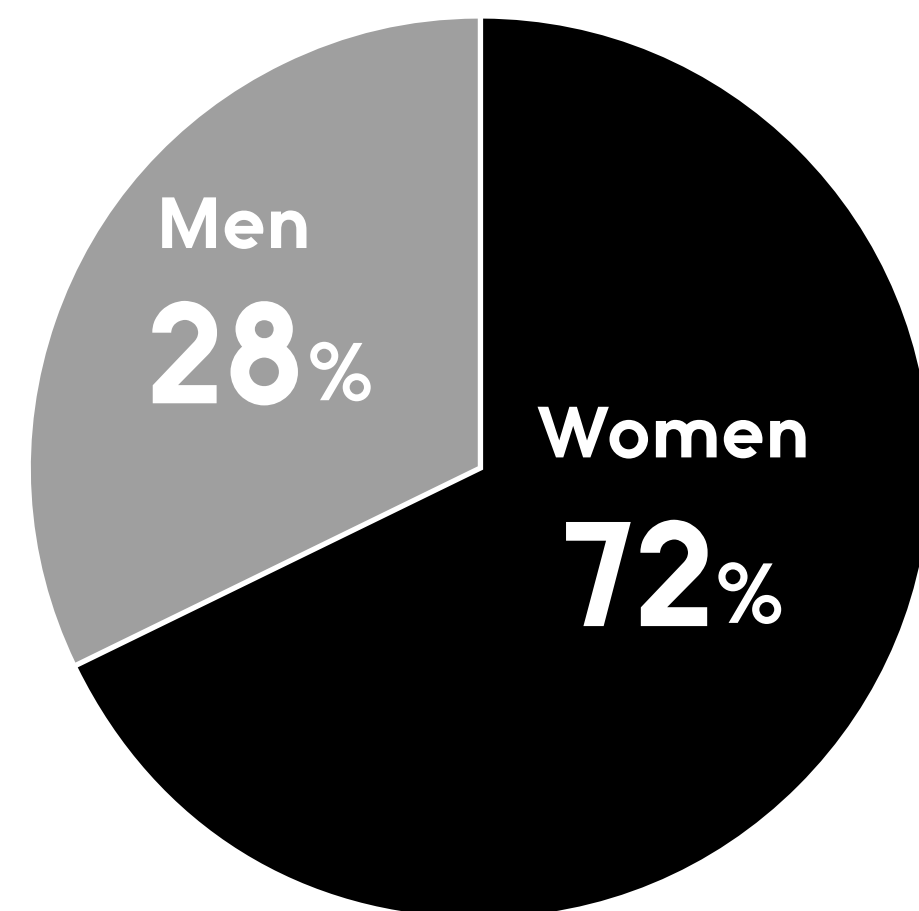


\* The results are only from the ZOZOTOWN business. LY Corporation Commerce, LYST and BtoB Business are not included.

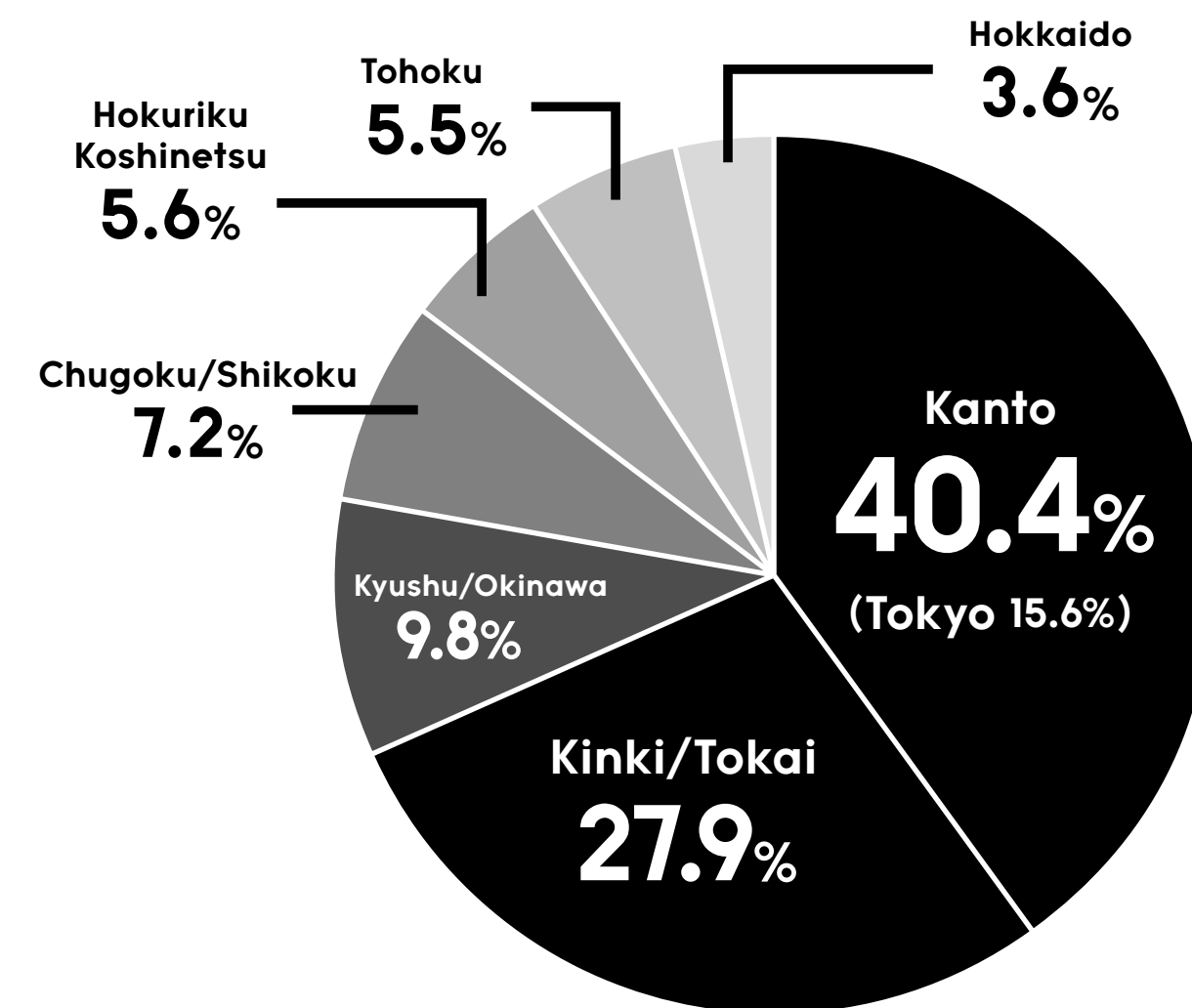
\* Excluding the users who only purchased the body measurement device "ZOZOSUIT" "ZOZOMAT" and "ZOZOGLASS".

# ACTIVE MEMBER DISTRIBUTION

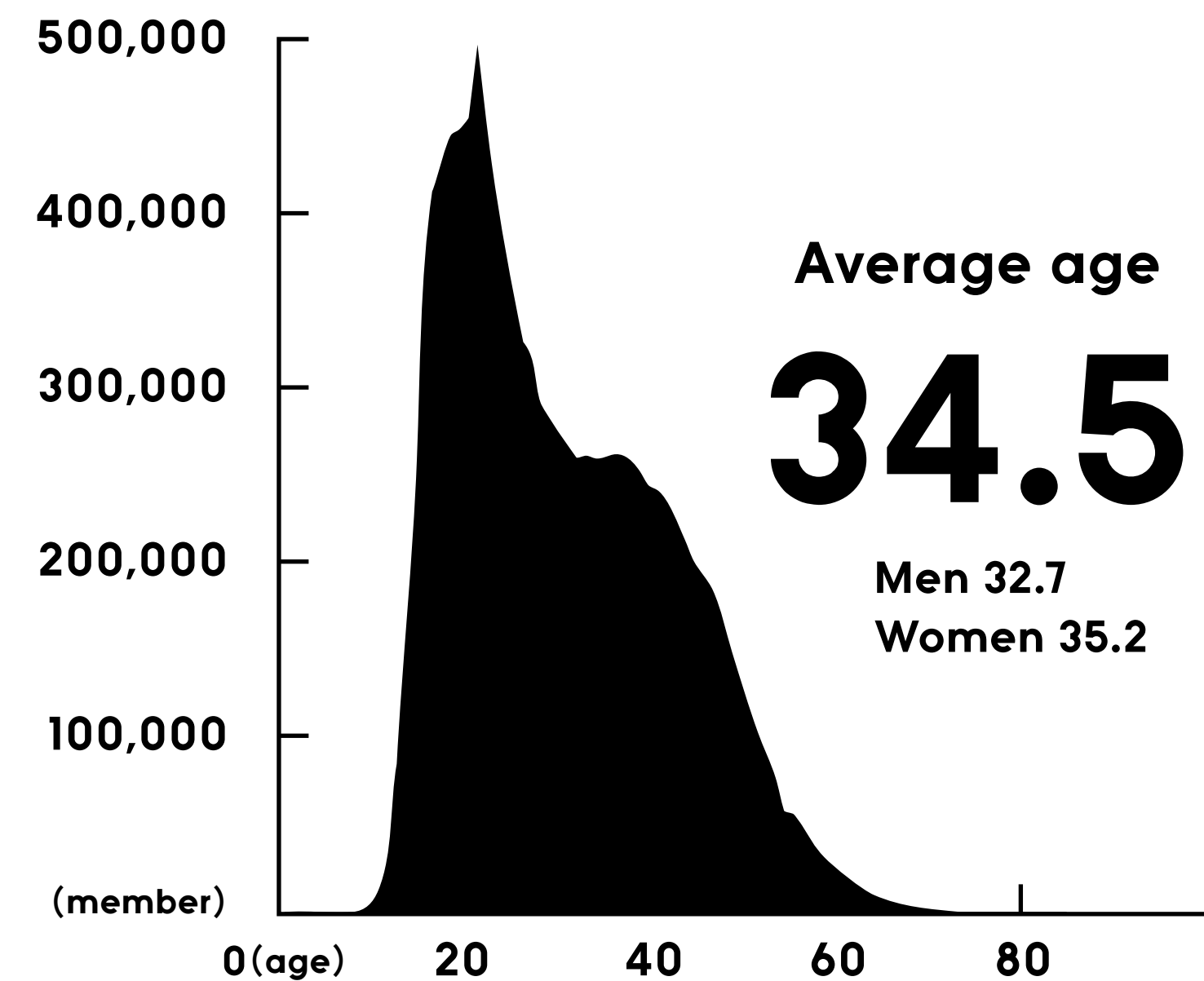
## Gender ratio



## Geographical distribution

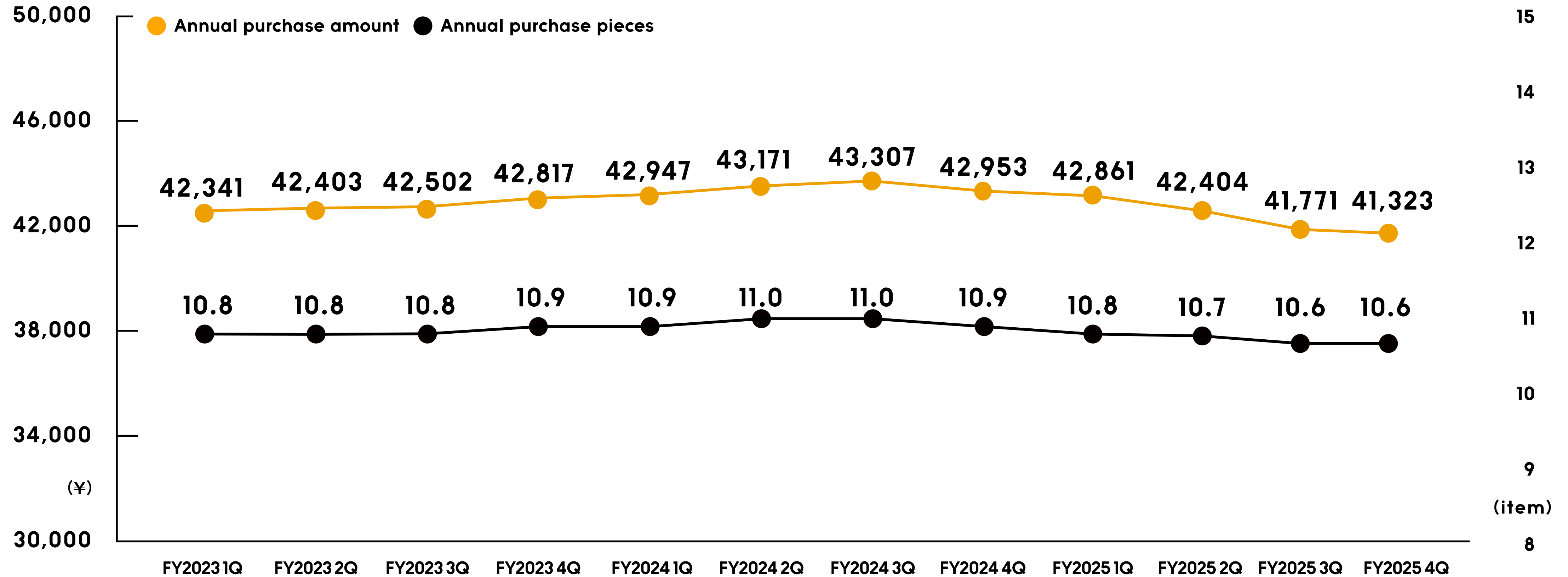


## Age distribution



\* 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.

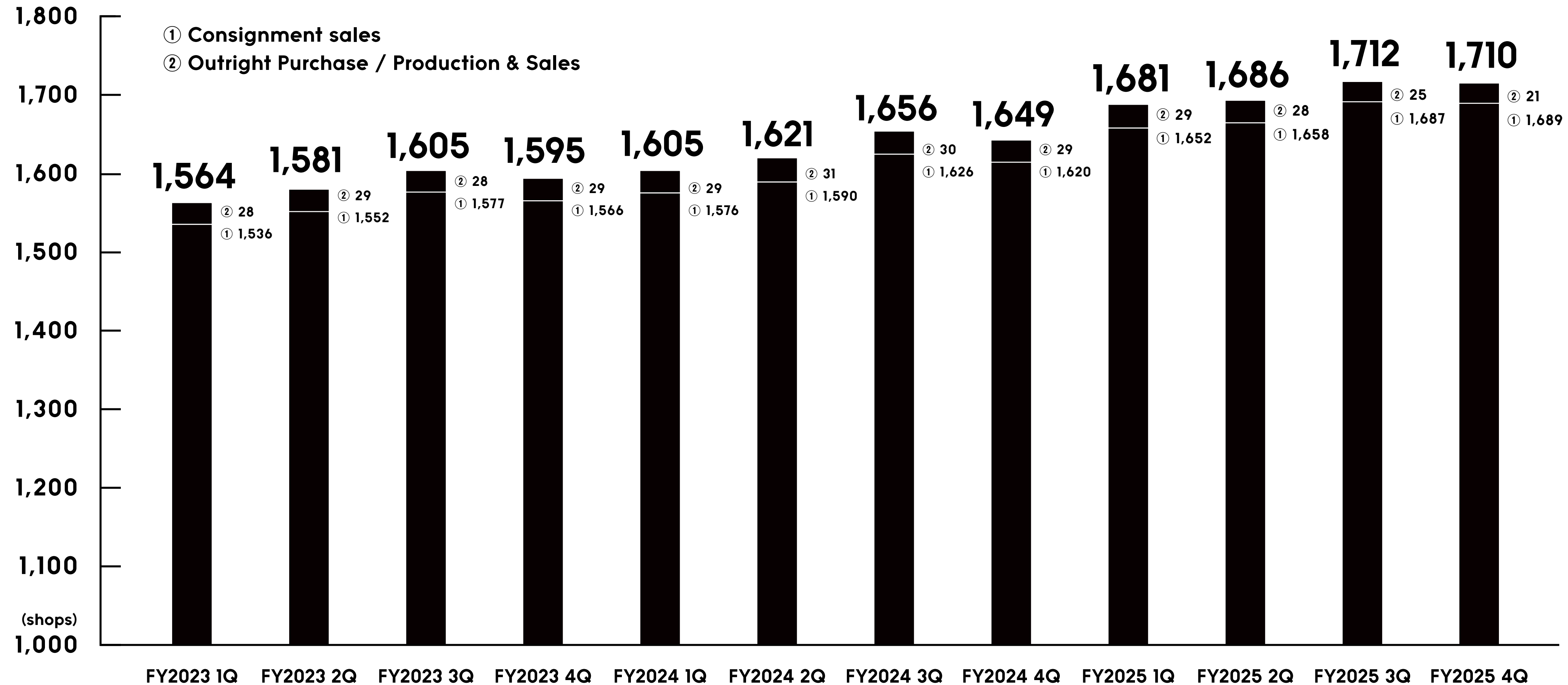
# ANNUAL PURCHASE AMOUNT AND PIECES PER ACTIVE MEMBER



\* 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



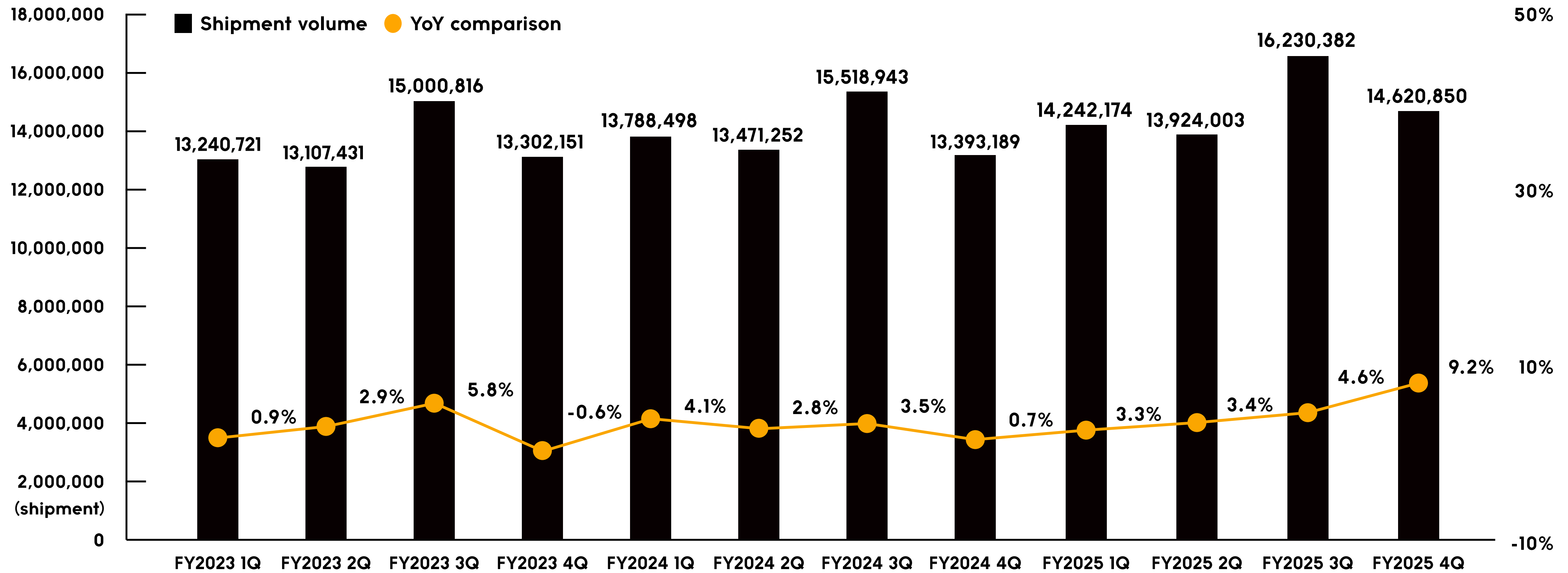
The number of shops declined quarter-on-quarter due to a high number of the shop closures resulting from brand discontinuations. However, new shop openings for the fiscal year progressed largely in line with plan. We aim for a similar level of new shop openings in the next fiscal year.

POINT  
07



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

# NUMBER OF SHIPMENTS

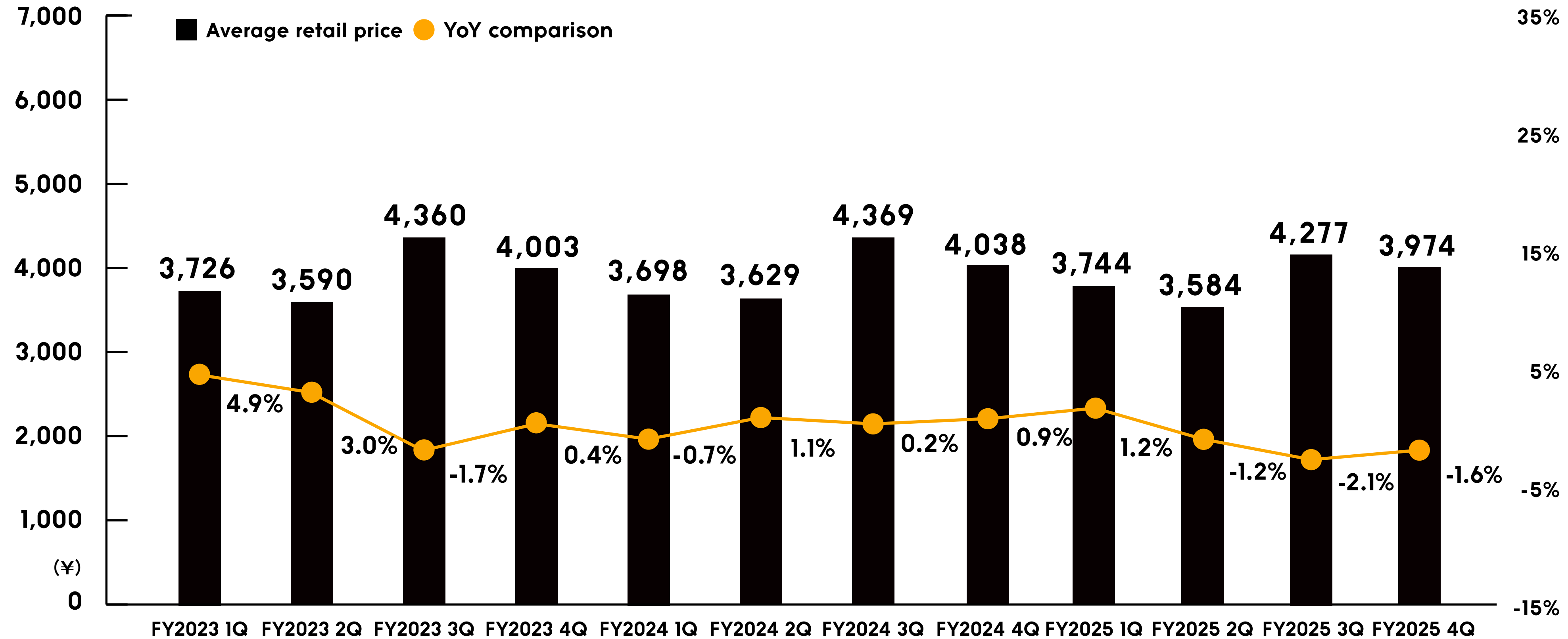


\* The results are only from the ZOZOTOWN business. LY Corporation Commerce, LYST and BtoB Business are not included.

\* 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".

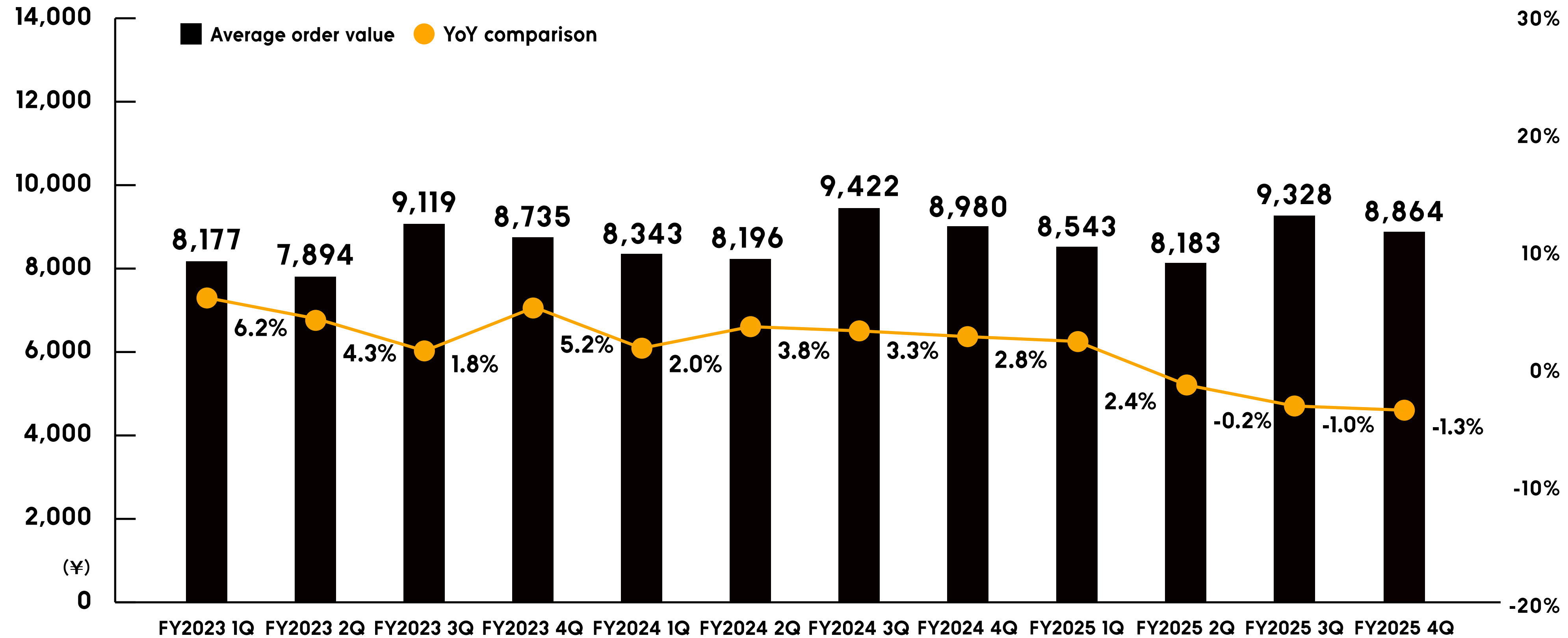
POINT  
08

While increases in the list prices of new items have subsided and price levels remained in line with the previous year, the average retail price declined due to an increase in the proportion of sale items.



# AVERAGE ORDER VALUE

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



POINT  
 09

Although the number of items per order increased due to a rise in the attach rate accompanying an increase in the proportion of sale items, the impact of the decline in the average retail price outweighed this, resulting in a decrease in the average order value. In addition, regarding the free-shipping measure for orders of ¥12,000 or more, while the level of investment was lower than the same quarter of the previous year, it was implemented effectively, with no negative impact on the number of items per order.



\* 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".

# BUSINESS PLAN FOR FY2026



FY2025 ZOZO, Inc.

CONSOLIDATED BUSINESS RESULTS

## **CHANGE IN KEY DISCLOSURE INDICATOR**

**The Company group adopted EBITDA as a management indicator to present its underlying earnings power by excluding the impact of amortization of goodwill and other amortization related to M&A.**

**At the same time, the Company group consistently makes capital investments in logistics centers and investments in internally developed software. In this context, the Company group recognizes that depreciation and amortization associated with these investments are essential costs for business operations.**

**In light of this, and in order to more appropriately present the Company group's underlying earnings power in a manner that reflects its actual business conditions, the Company group has decided to adopt "Adjusted EBITA" as a new indicator, under which adjustments are limited to amortization of goodwill and intangible assets arising from M&A, as well as acquisition-related costs.**

# CONSOLIDATED EARNINGS FORECAST AND DIVIDEND FORECAST FOR FY2026

- Gross Merchandise Value (excluding Other GMV) is expected to increase by 5.0% YoY, and Adjusted EBITA by 7.2% YoY.
- HIGH LINK, INC. is scheduled to be consolidated from May 2026, and the estimated impact has already been incorporated into this plan.
- HIGH LINK, INC.'s Gross Merchandise Value and net sales are scheduled to be recorded under the "Others" segment.
- For the fiscal year ending March 31, 2027, disclosure of Gross Merchandise Value (excluding Other GMV) will be continued.  
\*This is due to the continued impact of the inclusion of GMV from ZOZO option contract stores on Yahoo! JAPAN Shopping through the end of September 2025.
- From the fiscal year ending March 31, 2028 onward, disclosure of Gross Merchandise Value (excluding Other GMV) is scheduled to be discontinued.

	Target for Gross Merchandise Value	YoY
Gross Merchandise Value	679.6 billion yen	2.0%
Gross Merchandise Value (excluding other GMV)	678.6 billion yen	5.0%
Net sales	241.9 billion yen	5.9%
Operating profit	74.4 billion yen	7.3%
Operating Profit Margin (% to the Gross Merchandise Value)	11.0 %	-
Adjusted EBITA	77.9 billion yen	7.2%
Adjusted EBITA Margin (% to the Gross Merchandise Value)	11.5 %	-
Ordinary profit	74.4 billion yen	7.4%
Profit attributable to owners of parent	49.7 billion yen	3.7%
Net profit per share	56.20 yen	-
Estimated dividends per share (Plan)	40.0 yen	-

\* Adjusted EBITA is calculated as operating profit + amortization of goodwill (including amortization of intangible assets recognized through purchase price allocation (PPA)) + M&A-related expenses (including advisory fees and due diligence costs).

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

## FY2026 TARGET BY BUSINESS SEGMENT

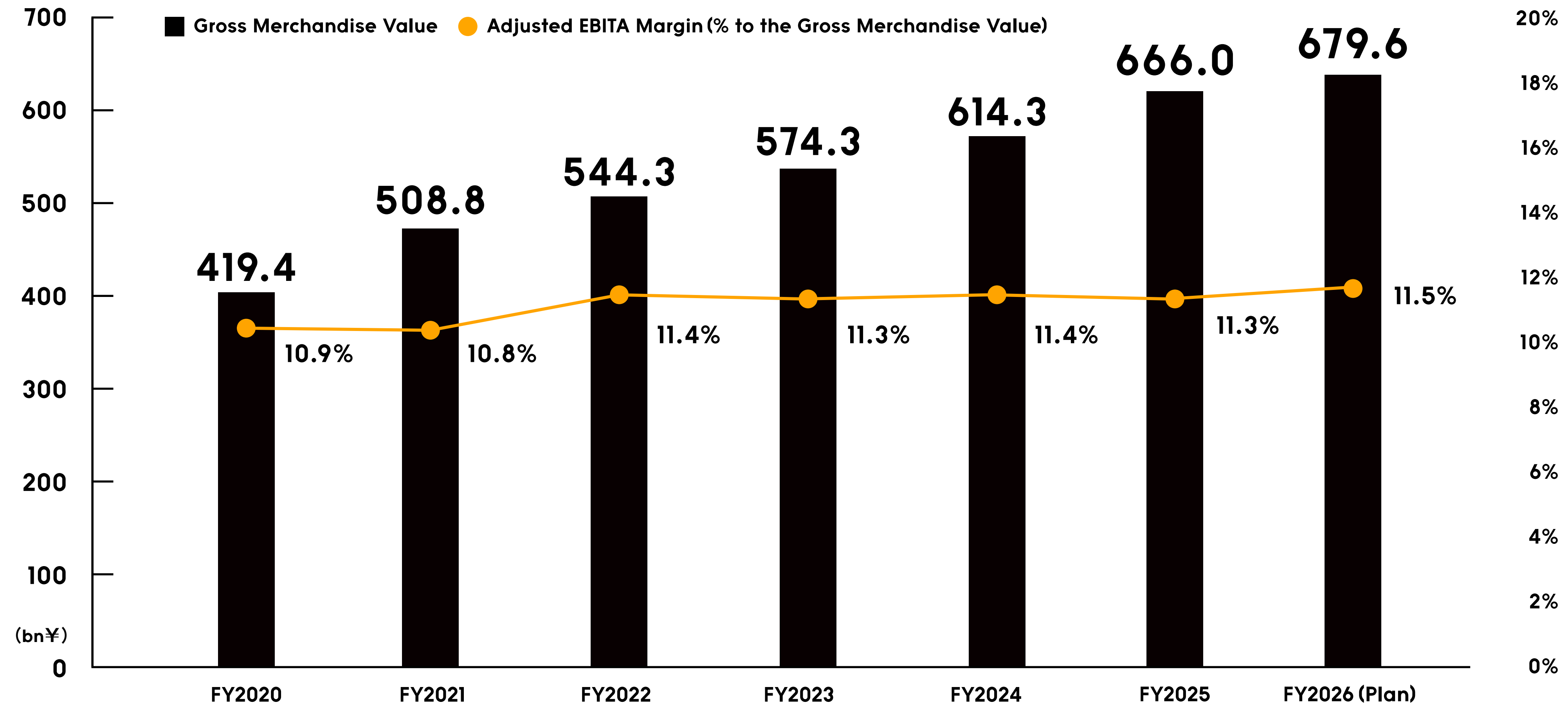
- HIGH LINK, INC. is scheduled to be consolidated from May 2026, and the estimated impact has already been incorporated into this plan.
- HIGH LINK, INC.'s Gross Merchandise Value and net sales are scheduled to be recorded under the "Others" segment.

	Target for Gross Merchandise Value	YoY
<b>ZOZOTOWN Business</b>	<b>538.4 billion yen</b>	<b>4.2%</b>
Outright Purchase/Production & Sales	3.2 billion yen	14.5%
Consignment sales	512.7 billion yen	4.1%
USED sales	22.5 billion yen	6.8%
<b>LY Corporation Commerce*</b>	<b>86.6 billion yen</b>	<b>9.7%</b>
<b>LYST</b>	<b>46.5 billion yen</b>	<b>10.1%</b>
<b>BtoB Business</b>	<b>7.1 billion yen</b>	<b>-15.3%</b>
<b>Gross Merchandise Value</b> (excluding other GMV)	<b>678.6 billion yen</b>	<b>5.0%</b>
<b>Others</b>	<b>1.0 billion yen</b>	<b>-95.0%</b>
<b>Gross Merchandise Value</b>	<b>679.6 billion yen</b>	<b>2.0%</b>

	Target for Net Sales	YoY
<b>Advertising business</b>	<b>11.9 billion yen</b>	<b>0.1%</b>

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

# GROSS MERCHANDISE VALUE & ADJUSTED EBITA MARGIN

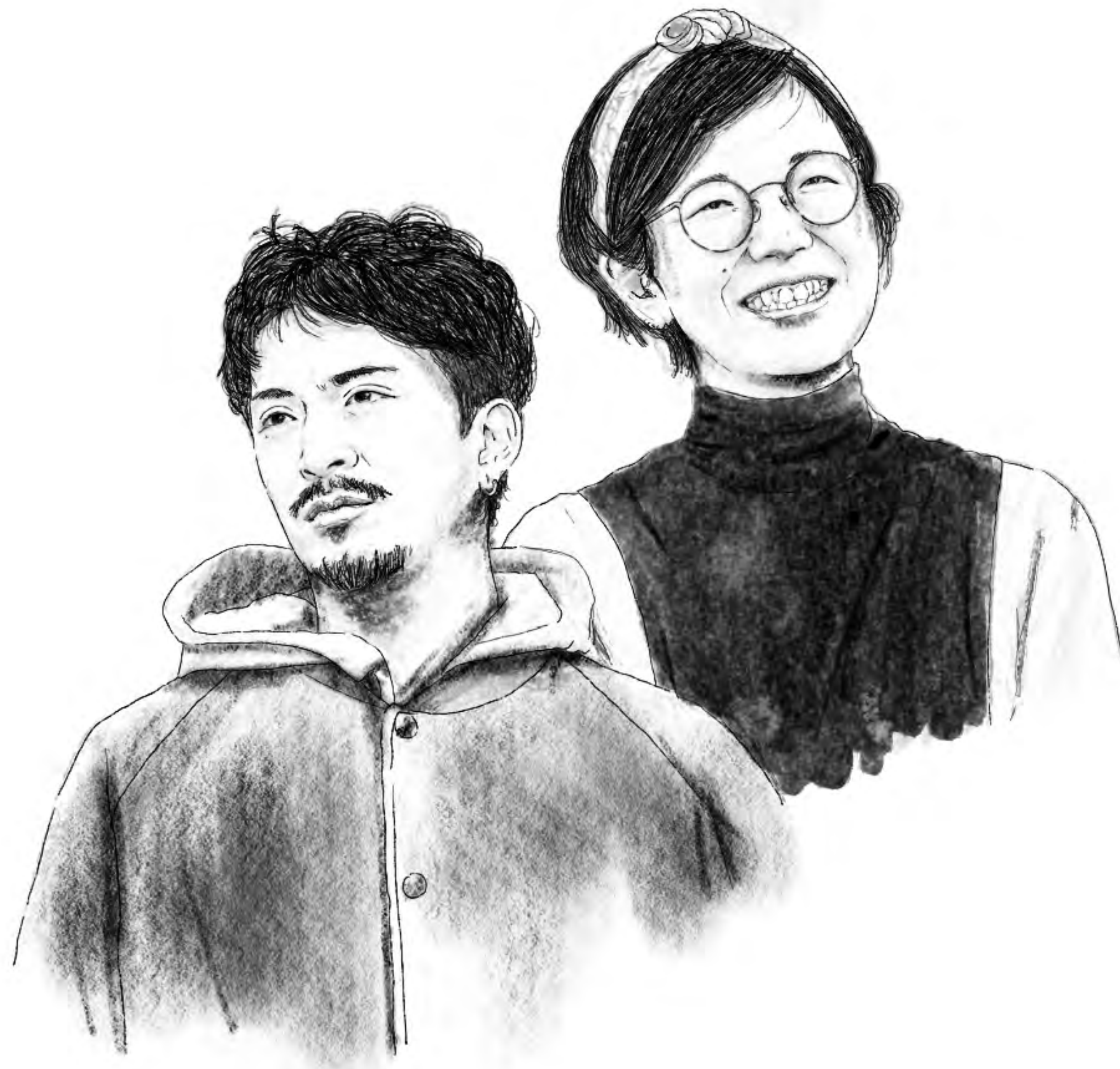


\* Adjusted EBITA is calculated as operating profit + amortization of goodwill (including amortization of intangible assets recognized through purchase price allocation (PPA)) + M&A-related expenses (including advisory fees and due diligence costs).

\* Adjusted EBITA margin are calculated by dividing Adjusted EBITA by the Gross Merchandise Value (excluding other GMV).

P.38 - P.43

# REFERENCE DATA



FY2025 ZOZO, Inc.

CONSOLIDATED BUSINESS RESULTS

## STATISTICS OF ZOZO

NUMBER OF EMPLOYEES

**1,876**

(Average age 34.7 years old)

NUMBER OF SHAREHOLDERS

**20,151**

NUMBER OF BRANDS HANDLED

**11,247**

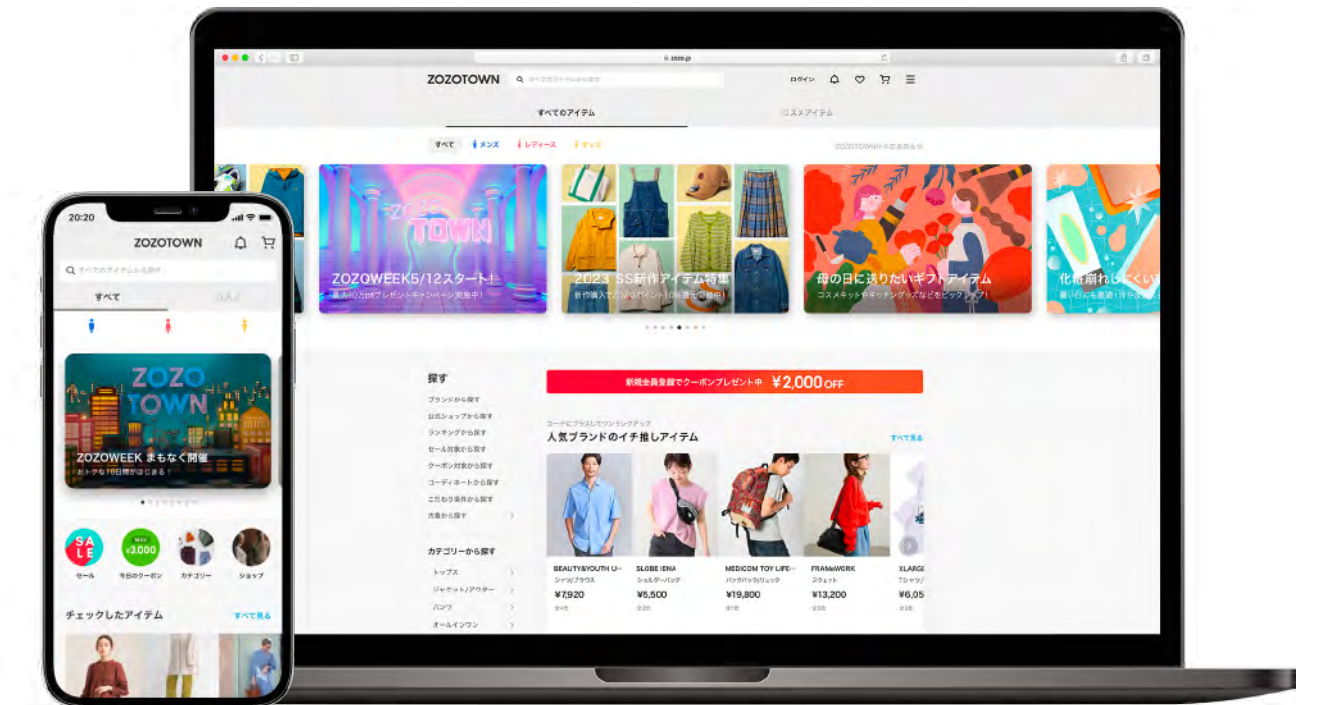
ZOZOTOWN TOTAL BUYERS

**13.1 million**  
(1 year basis)

# MAJOR SERVICES

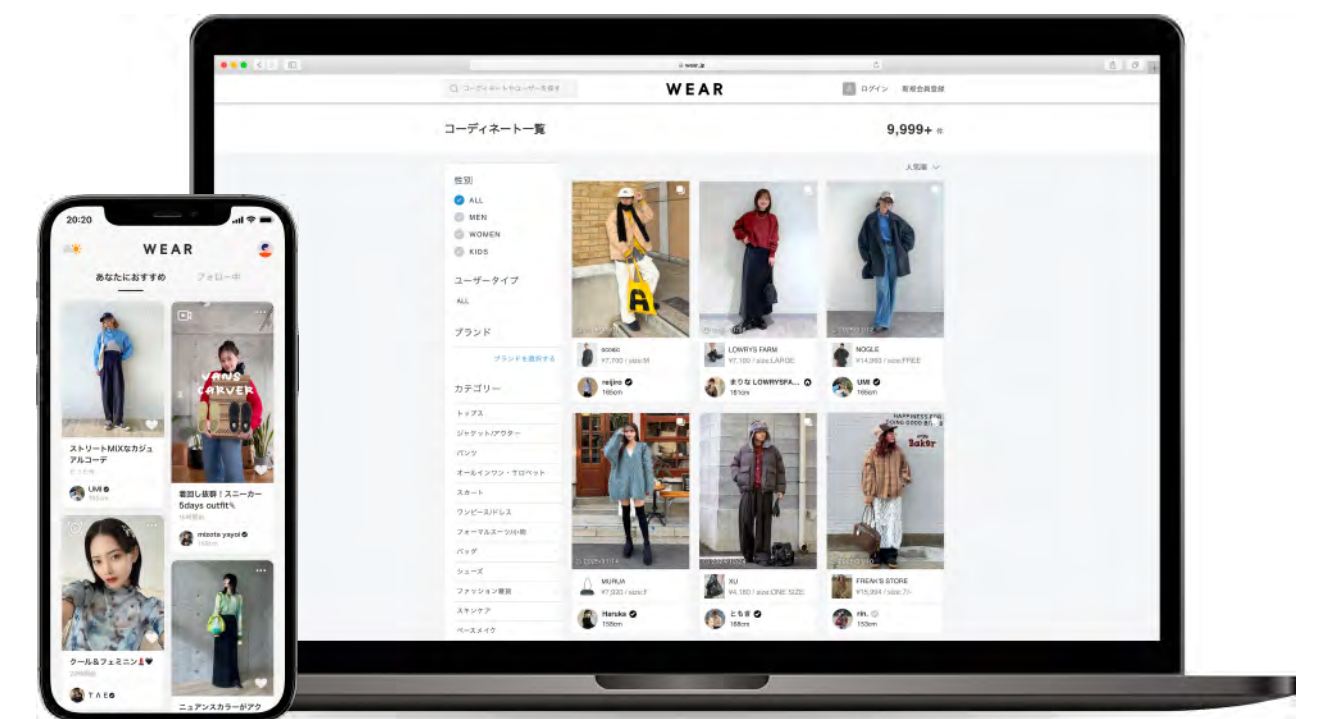
## ZOZOTOWN The largest fashion e-commerce website in Japan

- The Company offers 11,247 brands across 1,710 stores, with more than 1.38 million items available at any given time. On average, 3,100 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 20 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
<b>Overview</b>	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
<b>Number of shops</b>	1,710 (As of March 31, 2026)	1,593 (As of March 31, 2026)
<b>Selling items</b>	Full line-up	Freely selected by each shop
<b>Detail of consignment</b>	All the operations needed for EC business such as shooting, measurement, logistics, customer support, operation support etc.	Same as the left
<b>Original services provided</b>	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
<b>Payment methods</b>	Credit cards, cash on delivery, convenience store payment, deferred payment, PayPay	PayPay, credit cards, cash on delivery
<b>Reward points</b>	No ZOZO point of 5% of product price (excluding tax) will be granted only for ZOZOCARD	PayPay points based on PayPay campaign
<b>Revenue</b>	Commission rate stipulated in each contract with brands  330 yen (including tax)	Same as the left (Commission rate is same as ZOZOTOWN)
Consignment sales commission from brands		Same as the left
Shipping revenue from customers		
<b>Expenses borne by ZOZO</b>	NO	Yes (rate is undisclosed)
Shop opening commission	YES	No (yes for only cash on delivery)
Payment collection commission	YES	No
Customer attraction cost	YES	No
Reward points cost		

# BUSINESS MODEL

## ZOZOTOWN Business

### ○ Outright Purchase / Production & Sales

We currently operate 21 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 1,689 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

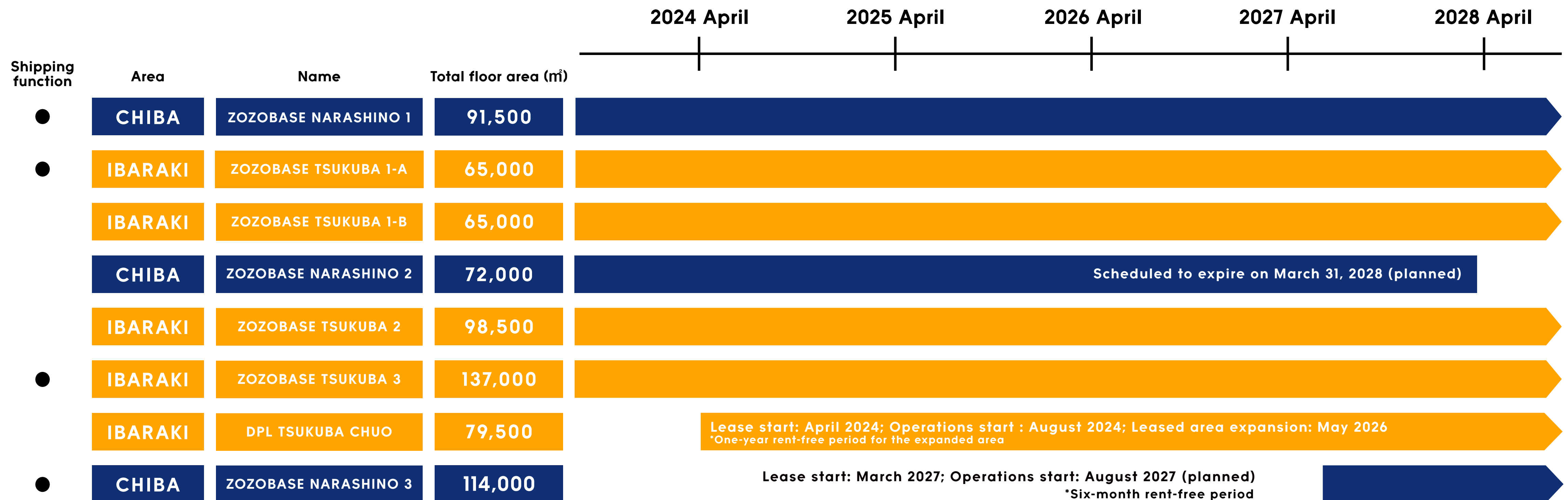
## BtoB Business

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



# 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.

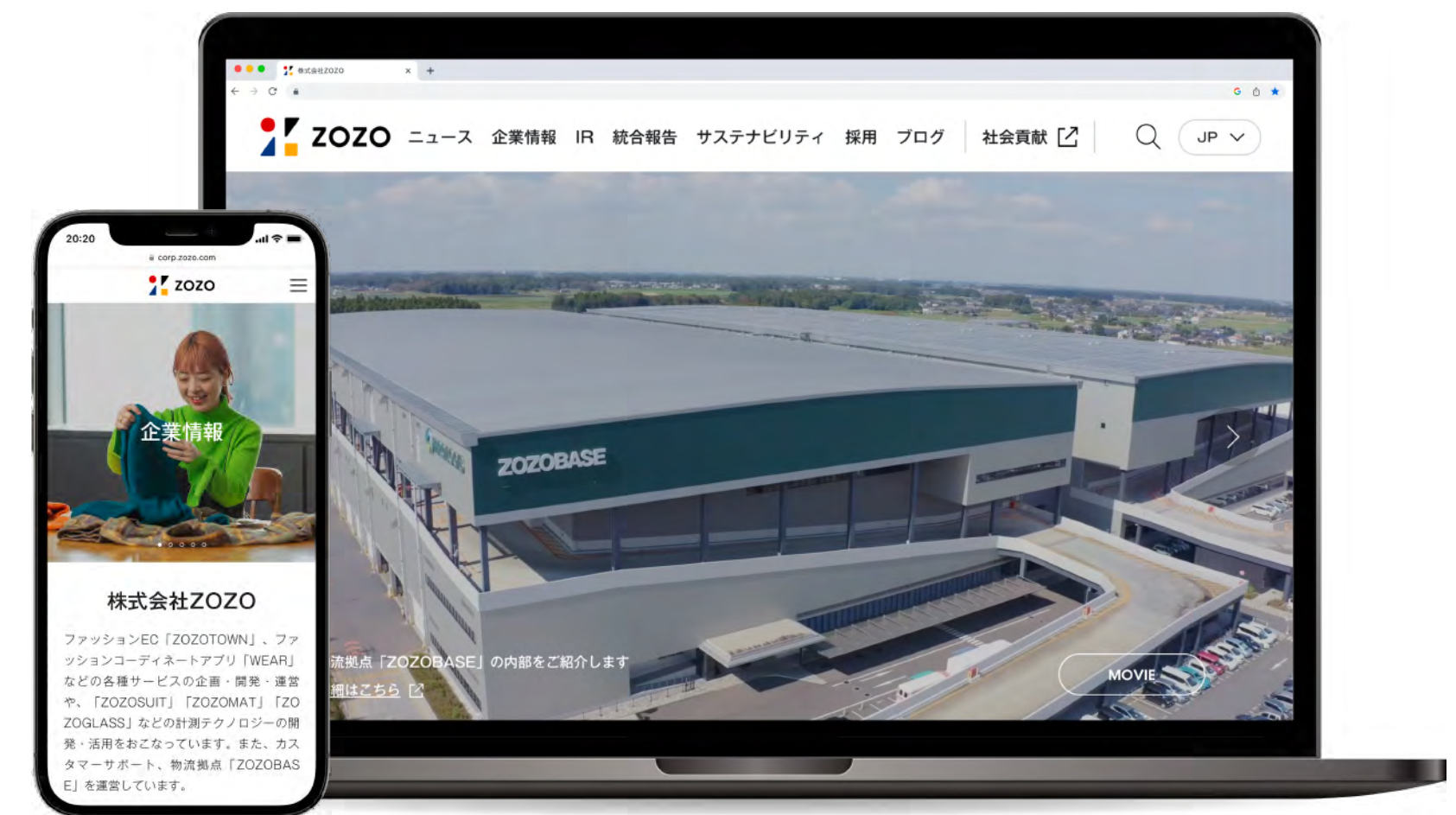
ESG/CSR    ... We are introducing our initiatives on ESG/CSR

- 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 earnings forecast 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 all those who always support ZOZO,

I have been in charge of designing our earnings materials, and before I knew it, we are now in the fourth quarter.

Together with members who embody ZOZO-ism, I have been taking on the challenge of fully automating all pages of our earnings materials.

As a result, we have achieved automation of graph and table pages, and we are now close to completing the process.

However, it is possible that in a few years, AI may automate everything.

Just a few years ago, it took hours to remove backgrounds from images, but now it only takes seconds.

I feel that AI has become an indispensable presence, supporting the efficiency of our daily operations.

If AI continues to evolve at this pace, we may even see companies managed entirely by AI in the future.

The ZOZO Group has 1,876 employees.

Each and every one of them has their own will, individuality, and passion.

The accumulation of these elements shapes ZOZO's services and value, and continues to support our growth today.

If a company were to be operated solely by AI, would there be

“joy,” “hunger,” or “passion” within it?

It would likely be difficult to feel the moments when human emotions move, or the stories behind them.

That is why, no matter how much AI evolves,

ZOZO will continue to value “people.”

It is people who shop on ZOZOTOWN, and people who feel excitement and enjoyment through the experience.

We, too, want to continue creating work that moves people's hearts—with our own hearts.

For example, when choosing a book, many of us are naturally drawn to one written by a person rather than by AI.

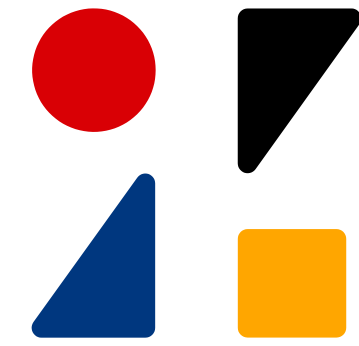
Perhaps it is because such works carry the author's real experiences, thoughts, and authenticity.

That is why at ZOZO, we aim to go beyond efficiency and accuracy,

and continue to create services and products that convey human passion and experience—values with real warmth behind them.

“Inspire the world. Deliver joy every day.”





**ZOZO**