



July 30, 2020

Dear All,

Notice concerning announcement of consolidated business forecast and dividends forecast for fiscal year ending March 31, 2021

In the “Consolidated Financial Results for the Fiscal Year Ended March 31, 2020 [JGAAP]”, which was announced on April 28, 2020, ZOZO, Inc. (hereinafter, referred to as the “Company”) announced that the consolidated business forecast for the fiscal year ending March 31, 2021 is yet-to-be determined. The Company is now announcing the consolidated business forecast and dividends forecast for the fiscal year ending March 31, 2021 as follows.

1. Consolidated business forecast for the fiscal year ending March 31, 2020 (April 1, 2020 to March 31, 2021)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Per share Net Profit
Previous forecast (A)	Million yen —	Million yen —	Million yen —	Million yen —	Yen —
Forecast announced today (B)	143,700	39,500	39,500	27,600	90.40 yen
Variance in amount (B-A)	—	—	—	—	—
Variance in percentage (%)	—	—	—	—	—
(Ref.) Results for the previous fiscal year (FYE March 31, 2020)	125,517	27,888	27,644	18,804	61.60 yen

(Reason for disclosure)

The business forecast for the fiscal year ending March 31, 2021 has been yet-to-be determined because it was difficult to calculate appropriately and reasonably the impact of the spread of COVID-19 on our business. However, the Company is announcing the business forecast based on the information available at this time and the forecast.

The above projections do not assume a large-scale slowdown in consumption activity caused by the relapse of COVID-19. Actual results may differ materially depending on future trends.

(Reference)

[TABLE 1] Consolidated business forecast

(Unit: million yen)

	Previous consolidated fiscal year (April 1, 2019 to March 31, 2020)		Current consolidated fiscal year (April 1, 2020 to March 31, 2021)		YoY
Gross merchandise value	345,085	(100.0%)	387,300	(100.0%)	12.2%
Net sales	125,517	(36.4%)	143,700	(37.1%)	14.5%
Operating profit	27,888	(8.1%)	39,500	(10.2%)	41.6%
Ordinary profit	27,644	(8.0%)	39,500	(10.2%)	42.9%
Profit attributable to owners of parent	18,804	(5.4%)	27,600	(7.1%)	46.8%

Figures in parentheses are percentages to the gross merchandise value.

[TABLE 2] Merchandise value plan by the Company by business segment

Business segment	Previous consolidated fiscal year (April 1, 2019 to March 31, 2020)		Current consolidated fiscal year (April 1, 2020 to March 31, 2021)		YoY (%)
	Merchandise value (million yen)	Ratio (%)	Merchandise value (million yen)	Ratio (%)	
Consignment shop	308,888	89.4	331,000	85.4	7.2
Purchased stock shop	204	0.1	-	-	-
ZOZOUSUED	15,753	4.6	14,900	3.8	-5.4
PayPay Mall	6,199	1.8	20,000	5.2	222.6
PB business	1,255	0.4	200	0.1	-84.1
MSP business	752	0.2	1,200	0.3	59.6
B2B business	12,032	3.5	20,000	5.2	66.2
Total	345,085	100.0	387,300	100.0	12.2

2. Dividends forecast for the fiscal year ending March 31, 2021

	Annual dividends		
	End of Q2	Year-end	Total
Previous forecast	Yen —	Yen —	Yen —
Forecast announced today	15.00 yen	22.00 yen	37.00 yen
(Ref.) Results for the previous fiscal year (FYE March 31, 2020)	12.00 yen	18.00 yen	30.00 yen

(Reasons for Dividend Forecast)

In line with the announcement of the consolidated business forecast for the fiscal year ending March 31, 2021, the Company announces the dividends forecast as above.

The Company has the basic policy of deliberating and implementing profit return by balancing internal reserve through comprehensive consideration of business performance, financial status, future plans of business and investment. Specifically, the Company sets a consolidated payout ratio target of approximately 40%. For the fiscal year ending March 31, 2021, the Company plans to pay 37 yen per share as full year dividends (15 yen for the interim dividends).

(NOTE) Forecast figures in this document are based on judgments from information available as of the date of the announcement of this document. Actual results may differ from these forecasts due to various uncertainties.

DISCLAIMER:

This document is summary translation of Japanese version. All readers are recommended to refer the original Japanese version for complete information. In the event of any discrepancy, errors and/or omissions, the Japanese version shall prevail.