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From the editors

By integrating and concisely summarizing financial and non-financial information, this report is intended to serve as a tool for communicating the LY Corporation Group's value creation efforts to a wide range of stakeholders, and to facilitate deeper dialogue. Responding to investor feedback, starting with the FY2024 edition, the report is now published in PDF format.

Period covered

April 1, 2024–March 31, 2025

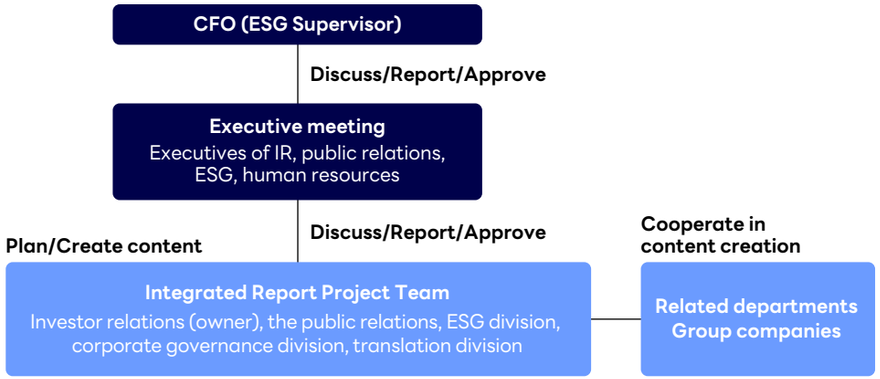
Note: To provide the latest updates on the LY Corporation Group, the report includes information from April 2025 onward, as well as relevant activities prior to the reporting period.

Reference guidelines

- International Integrated Reporting Council (IIRC) framework
- Guidance for Collaborative Value Creation (Ministry of Economy, Trade and Industry of Japan)

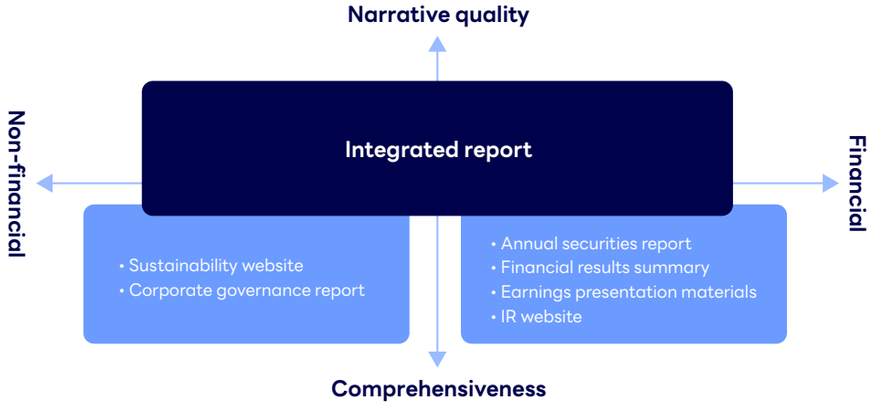
Editorial team

Led by the IR Department, an Integrated Report Project Team comprising the public relations division, ESG division, corporate governance division, and translation division carried out the planning and content production. In the production of content, we also obtain the cooperation of related departments and Group companies. The Project Team confirmed progress and shared information at regular meetings; with consulted and reported to the executives of relevant departments such as IR, public relations, ESG, human resources and Group companies, as necessary; and ultimately obtained approval from the CFO (ESG Supervisor) before issuing the report.



Positioning of the integrated report

The report is designed to help deepen readers' understanding of our business by presenting the overall management strategy in a coherent narrative, including interviews with our leadership.



Notes

Definitions of key financial indicators

- Adjusted EBITDA: Operating income + depreciation and amortization ± EBITDA adjustment items
- Depreciation and amortization: Depreciation expense, right-of-use asset depreciation, etc.
- EBITDA adjustment items: Gains/losses on non-recurring and non-cash transactions within operating revenue and expenses (loss on retirement of fixed assets, impairment losses, stock compensation expenses, gain on remeasurement relating to business combinations, other transactions with undetermined cash outflows (one-time provisions, etc.), etc.). Includes gains/losses on sales of shares held by certain funds.
- Adjusted EPS : Adjusted net income /average number of common stocks outstanding during the period
  Adjusted net income: Net income attributable to owners of the parent ± EPS adjustment items ± tax equivalent on some EPS adjustment items
- EPS adjustment items: ± EBITDA adjustment items + amortization of identifiable intangible assets from business combinations ± non-recurring items in non-operating income/expenses

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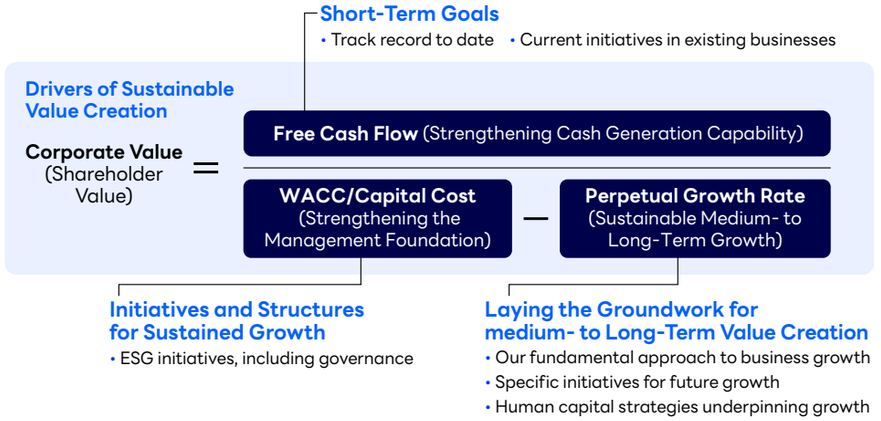
Message from the Editorial Team

Highlights of the 2024 Integrated Report

Following the release of our FY2023 Integrated Report Portal in October 2024, we conducted interviews with 13 representatives from 11 institutional investors to gather their feedback and identify areas for improvement. Based on their valuable input, we have made several improvements in this year's report:

- We have changed the disclosure format from a website to a PDF to help readers more easily grasp the overall narrative.
- The report is structured around our enterprise value formula, enabling readers to better understand how each initiative contributes to value creation.
- We have expanded management message sections, allowing executives to share their perspectives in their own words and making our initiatives more relatable.
- The report highlights our multifaceted approach to embracing the paradigm shift brought about by generative AI and our efforts to leverage AI for enhanced corporate value.

Enterprise value formula (investor perspective)



Browse by category

Management messages	Medium- to long- term growth strategies	Financial strategy and performance trends	AI-related initiatives and their impact on corporate value	Sustainability initiatives and ESG-related efforts	Governance initiatives and organizational oversight structure
• CEO Message (p. 7) • CFO Message (p. 19) • CPO Message (p. 33)	• CEO Message (p. 7) • Growth Strategy (p. 18) • Feature: Cross-Use and Ecosystem Growth (p. 31) • CPO Message (p. 33) • Evolution of LINE App (p. 36)	• CFO Message (p. 19) • Track Record (p. 23) • Business Overview (p. 24) • Financial Data (p. 57)	• CPO Message (p. 33) • Generative AI Executive Message (p. 37) • CDO Message (p. 39)	• Revision of Material Topics (p. 15) • Enhancement of Human Capital (p. 40) • Sustainability Corporate Officer Message (p. 44)	• Feature: Roundtable with Outside Directors (p. 10) • Corporate Governance System (p. 50) • CISO Message (p. 56)

Disclaimer on forward-looking statements, etc.

All forward-looking statements appearing in this document, including but not limited to forecasts, estimates, and future strategies, are based on information available at this point in time and certain assumptions generally deemed reasonable. Such forward-looking statements are subject to various risks and uncertainties, including but not limited to unanticipated changes in the competitive environment, economic trends, market demand, and outcome of pending or future litigation, in addition to indeterminate factors and presuppositions. Should one or more of these risks or uncertainties materialize, our actual results or performance may vary materially from those described in the relevant forward-looking statements. We therefore kindly advise you to refrain from relying completely on these forward-looking statements. The Company assumes no obligation to update or revise these forward-looking statements in light of future developments. This is an English translation of the Japanese website. In case of any discrepancy in interpretation, the original Japanese version shall prevail.