

LY Corporation Earnings

FY2025 Q3

February 4, 2026

Security Code: 4689

LINEヤフー

FY2025 Q3 Earnings Highlights

On an ASKUL-excluded basis, revenue and profit achieved double-digit % YoY growth

Consolidated Revenue	Result	JPY499.9 B (YoY-0.7%)
	Excl. ASKUL¹	YoY+15.7%
Consolidated Adjusted EBITDA	Result	JPY126.0 B (YoY-2.3%)
	Excl. Askul¹	YoY+11.2%

1. Excludes ASKUL from the actual results of FY2024 Q3 and FY2025 Q3.

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1 Financial Results – Consolidated

2 Financial Results – by Segment

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1 **Financial Results – Consolidated**

2 **Financial Results – by Segment**

Consolidated revenue and adjusted EBITDA, excluding ASKUL, showed double-digit % YoY growth

Segment	Item	FY2025 Q3	% YoY Change	Excluding ASKUL ¹	
				FY2025 Q3	% YoY Change
Consolidated	Revenue	JPY499.9 B	-0.7 %	JPY442.6 B	+15.7 %
	Adjusted EBITDA	JPY126.0 B	-2.3 %	JPY132.8 B	+11.2 %
	Adjusted EPS	JPY7.30	-1.5 %	JPY7.57	+8.7 %
Media	Revenue	JPY187.0 B	+0.1 %	JPY187.0 B	+0.1 %
	Adjusted EBITDA	JPY72.8 B	-2.8 %	JPY72.8 B	-2.8 %
Commerce	Revenue	JPY194.9 B	-13.8 %	JPY137.6 B	+31.0 %
	Adjusted EBITDA	JPY30.4 B	-27.2 %	JPY37.3 B	+15.5 %
Strategic	Revenue	JPY118.4 B	+30.0 %	JPY118.4 B	+30.0 %
	Adjusted EBITDA	JPY26.3 B	+46.4 %	JPY26.3 B	+46.4 %
Other/Adjustments	Adjusted EBITDA	-JPY3.6 B	-	-JPY3.6 B	-

1. Excludes ASKUL from the actual results of FY2024 Q3 and FY2025 Q3.

FY25

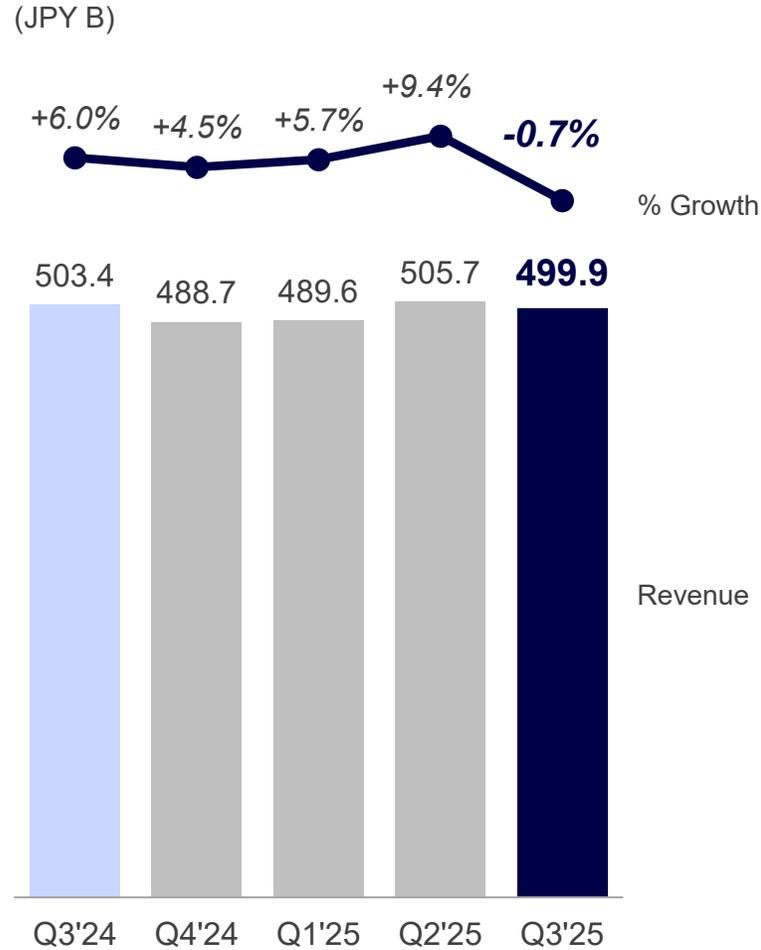
- Revenue projected at **approx. JPY2.0 trillion**, affected by ASKUL's system outage
- Adjusted EBITDA expected at **approx. JPY500.0 billion**, even after factoring in ASKUL's system outage
 - Revenue growth in the Strategic segment and company-wide cost reductions contributed positively
 - Media segment **continues to improve since bottoming out in Q1**
- Adjusted EPS also expected to **land within the initial guidance range**

FY26

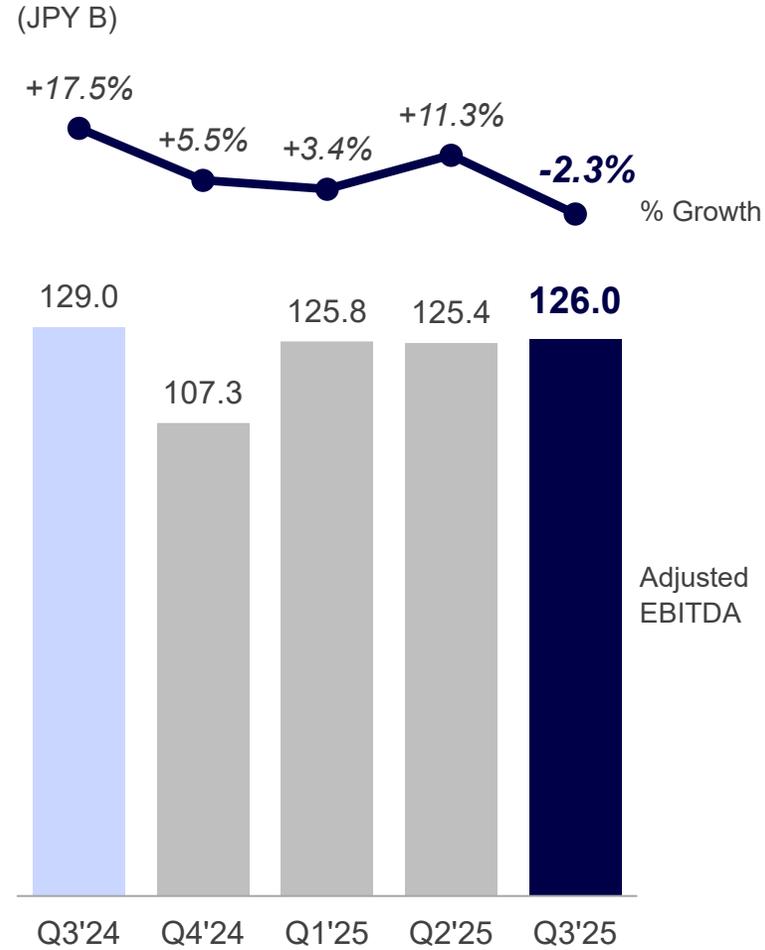
- Adjusted EBITDA expected to **increase by 10 to 15%** compared with the FY25 outlook

Revenue and profit declined due to ASKUL's system outage, but the underlying business remained solid

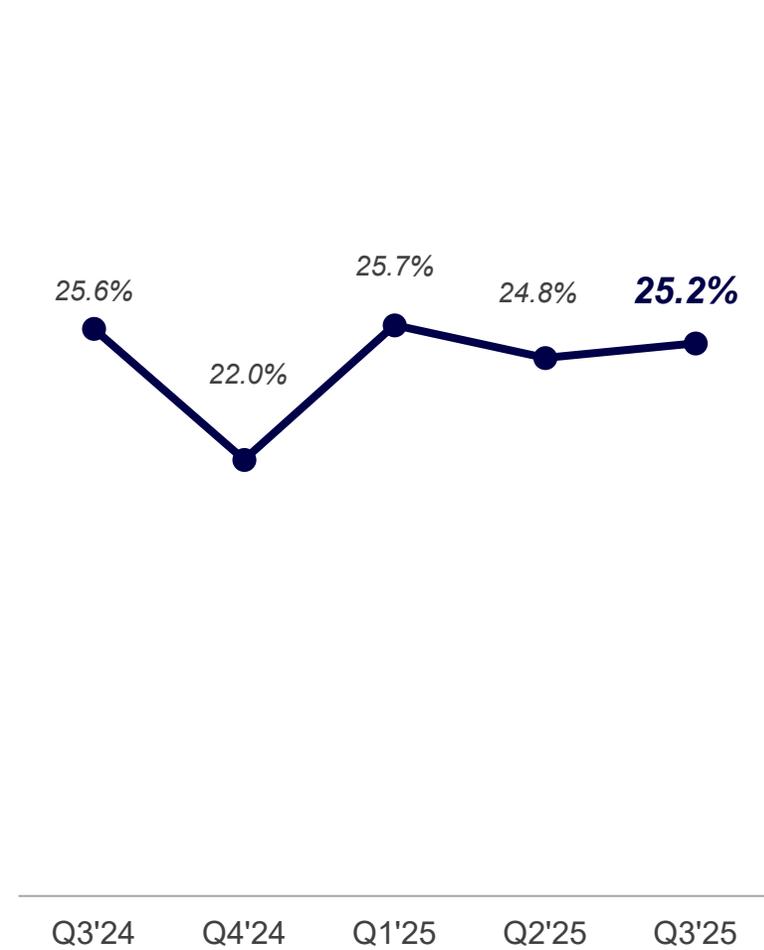
Revenue/ %YoY Growth



Adjusted EBITDA/ %YoY Growth

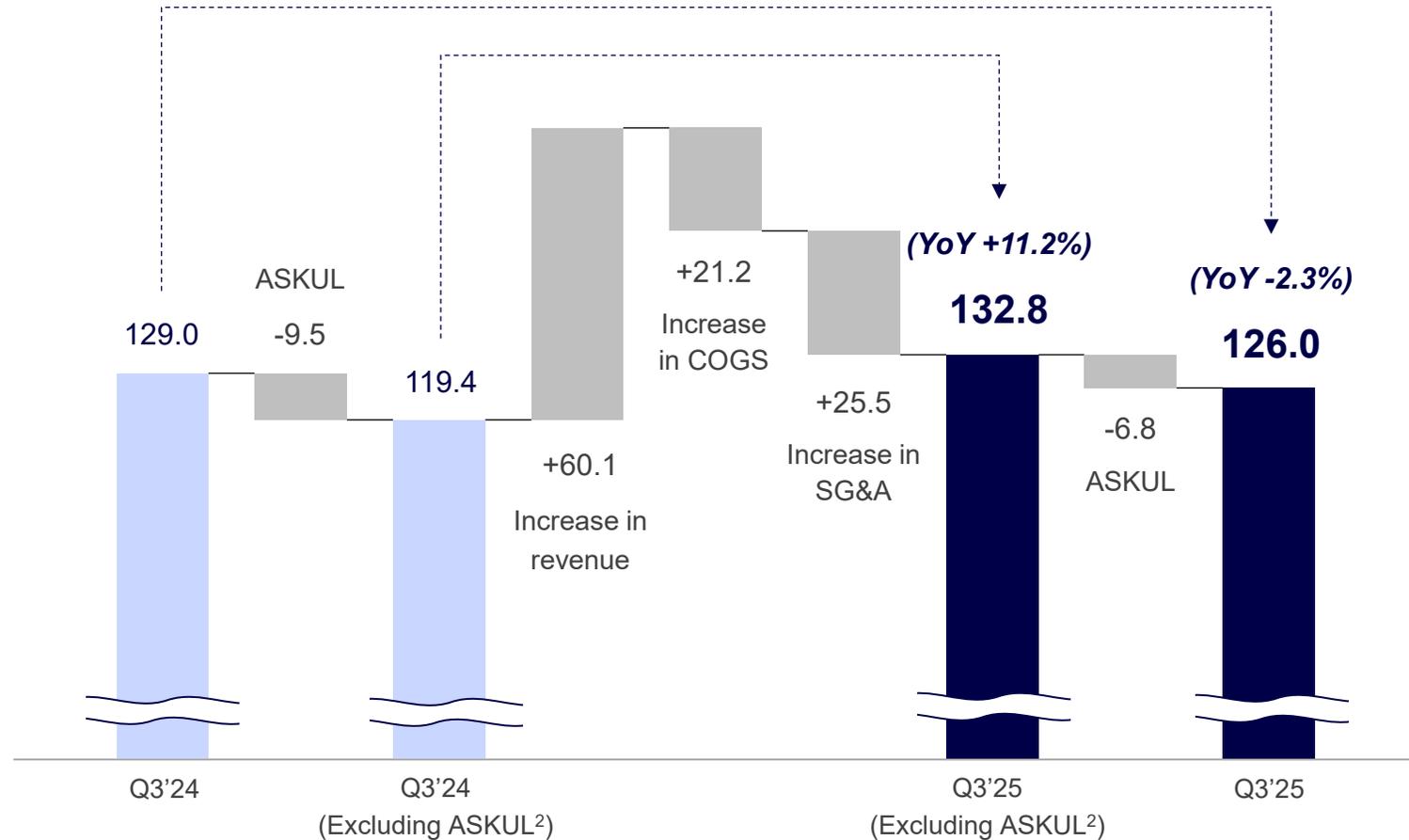


Adjusted EBITDA Margin



Factors of Change in Adjusted EBITDA¹

(JPY B)

**Revenue: +JPY60.1 billion**(Excluding ASKUL²)

- Media: +JPY0.1 B
 - Search advertising: -JPY4.6 B
 - Account advertising: +JPY4.6 B
 - Display advertising: +JPY0.5 B
- Commerce: +JPY32.5 B
 - LY Corporation: +JPY28.5 B
 - ZOZO: +JPY3.9 B
- Strategic: +JPY27.3 B
 - PayPay Consolidated: +JPY19.1 B
 - LINE Bank Taiwan: +JPY5.4 B

COGS: +JPY21.2 billion

- Media: -JPY0.8 B
- Commerce: +JPY18.1 B
 - BEENOS: +JPY2.1 B
 - Other: JPY16.0 B
- Strategic: +JPY4.7 B
 - PayPay Consolidated: +JPY1.4 B
 - LINE Bank Taiwan: +JPY2.7 B

SG&A: +JPY25.5 billion

- LY Corporation
 - Commerce Business: +JPY10.9 B
 - Media Business: +JPY3.7 B
- PayPay Consolidated: +JPY6.5 B
- LINE Bank Taiwan: +2.7 B
- ZOZO: +JPY1.0 B

1. Adjusted EBITDA: Operating income + depreciation & amortization ± EBITDA adjustment items. Depreciation & amortization: Depreciation, depreciation of right-of-use assets, 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, gains on remeasurement relating to business combinations, other transactions with undetermined cash outflows (one-time provisions, etc.), etc.). Also, gains/losses on sales of shares held by certain funds. Definitions changed from FY2022 Q3. Added certain rents to depreciation and amortization, and gains/losses on sales of shares held by certain funds to EBITDA adjustment items.

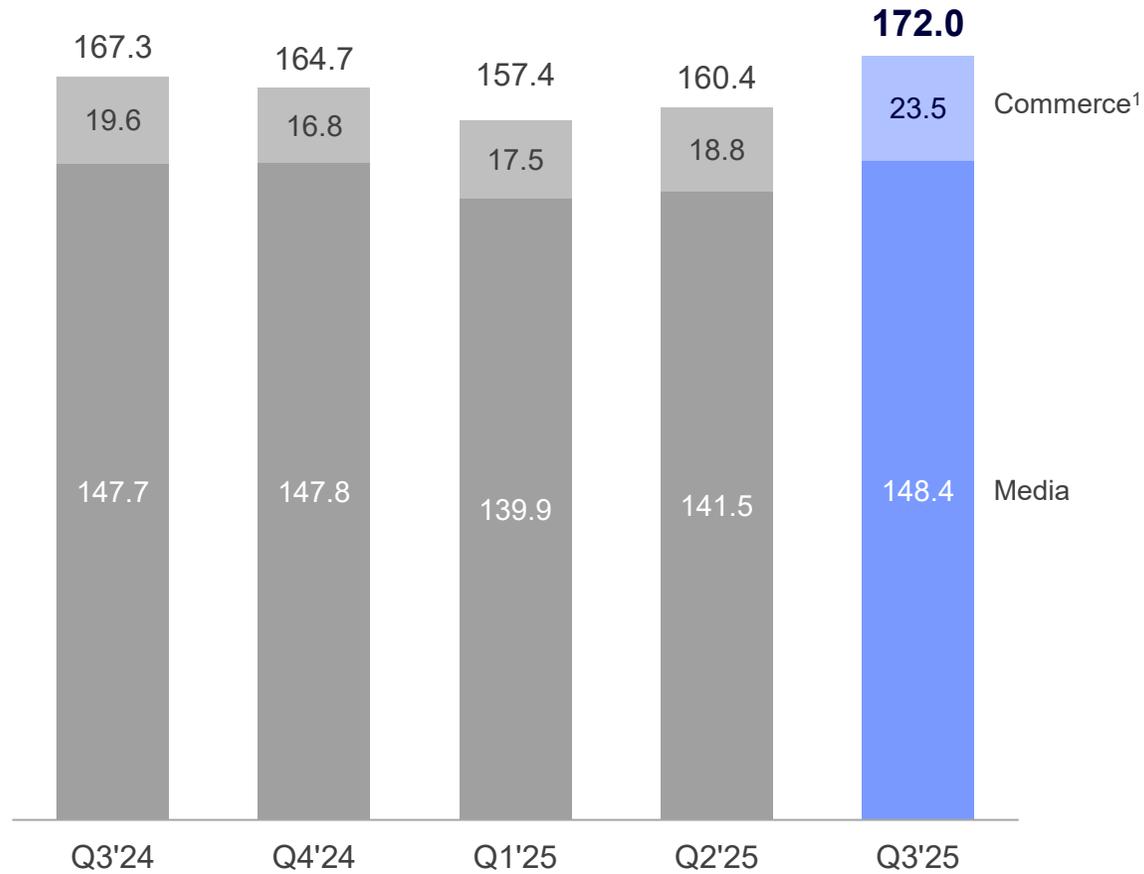
2. Excludes ASKUL from the actual results of FY2024 Q3 and FY2025 Q3.

Consolidated – Total Advertising Revenue

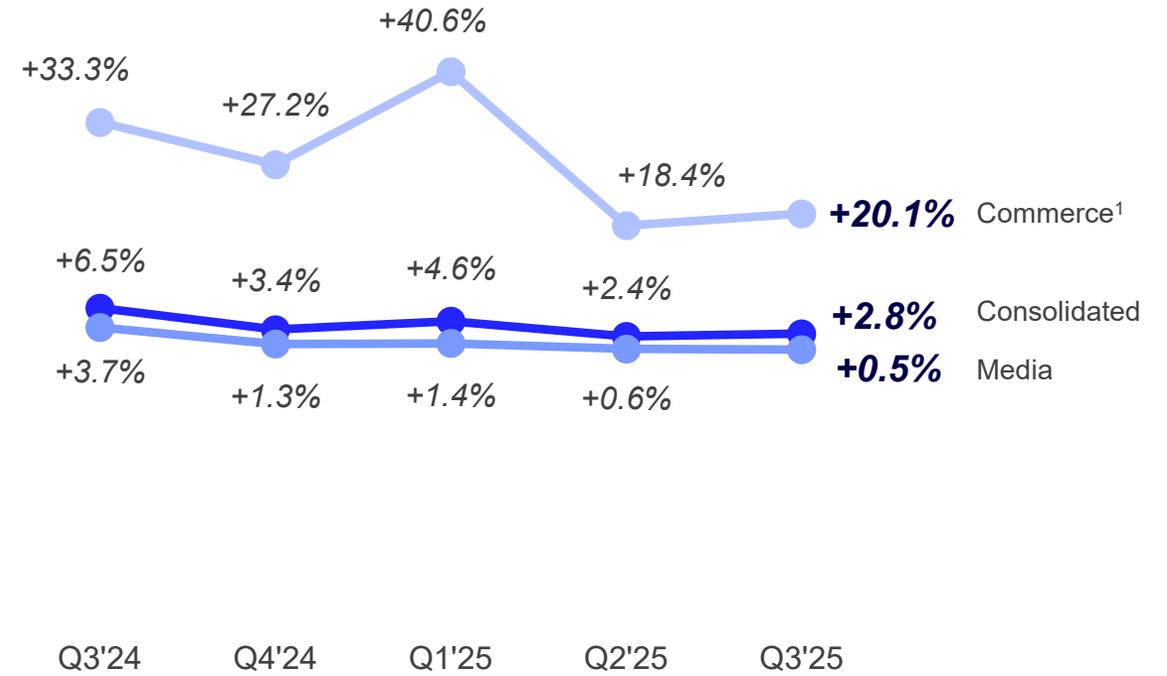
Commerce ads continued to grow, supported by expanding GMV

Consolidated – Total Advertising Revenue¹

(JPY B)



Consolidated – Total Advertising Revenue % YoY Growth

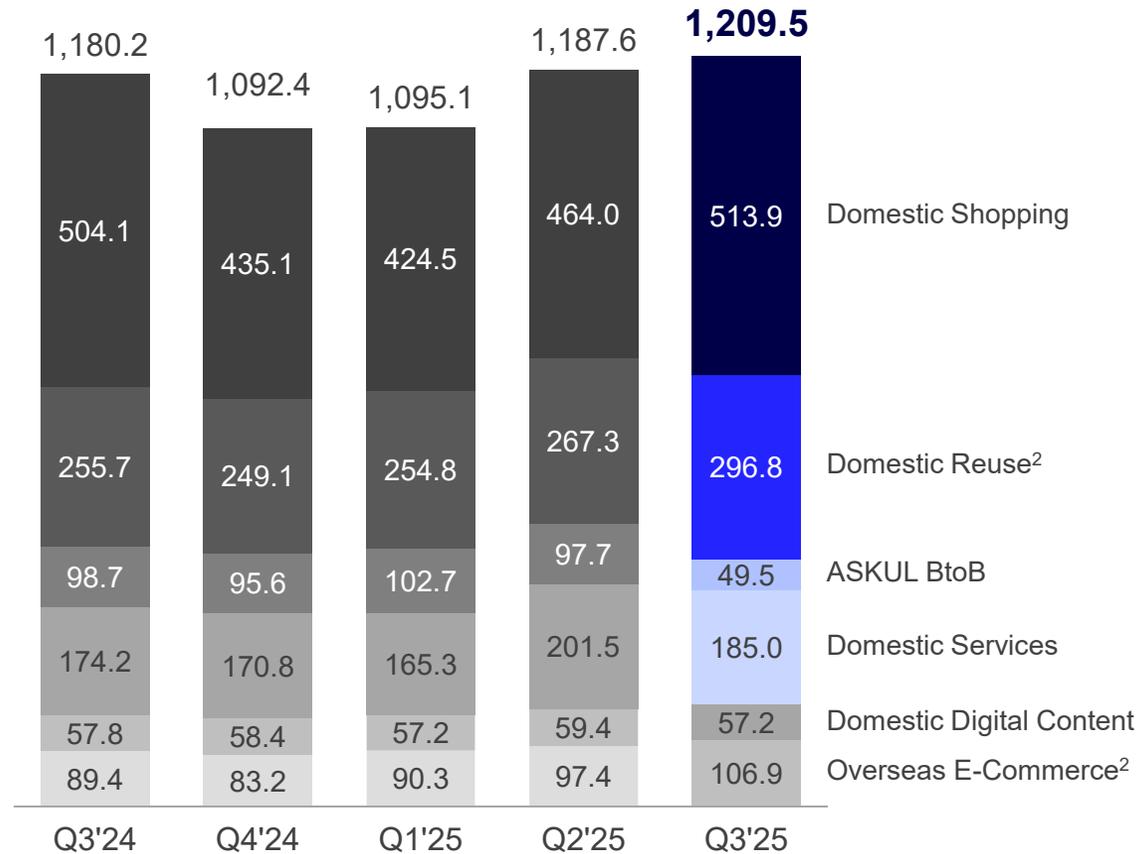


1. Revenue for commerce ads are recorded in the Commerce Business segment.

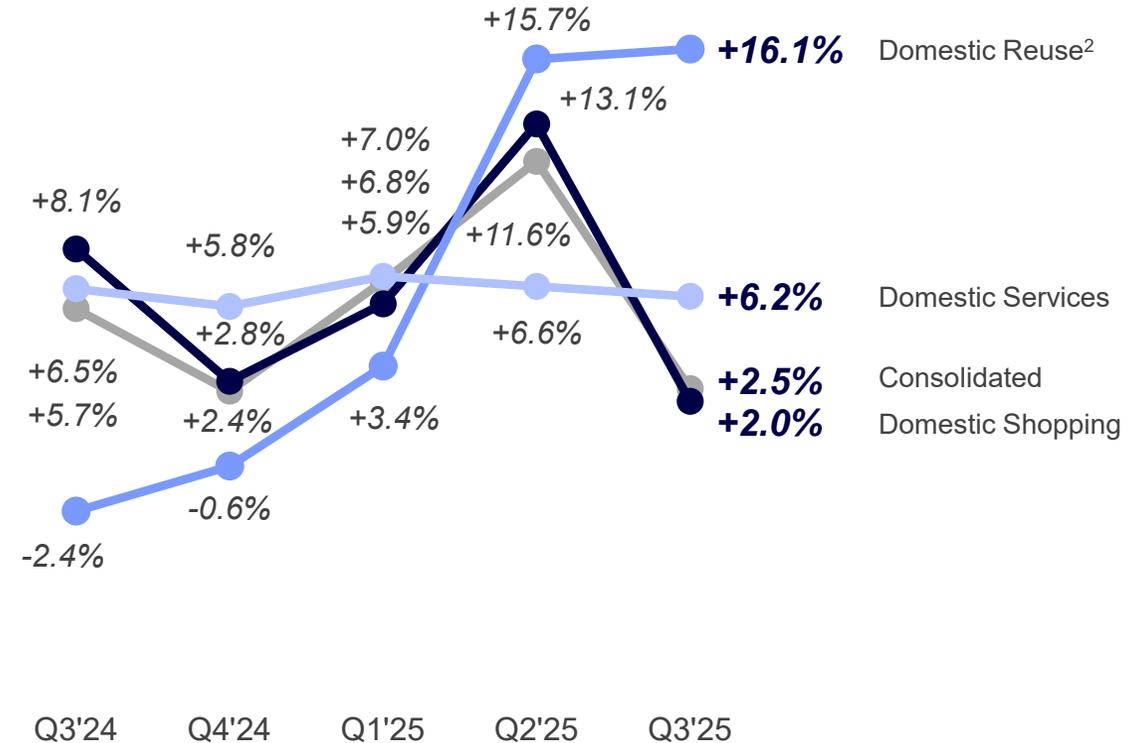
Reuse growth driven by flea market. Shopping decline YoY, following last year's spike in Hometown Tax demand

Consolidated – E-Commerce Transaction Value¹

(JPY B)



Consolidated – E-Commerce Transaction Value % YoY Growth¹



1. Please refer to P. 28 of the Appendix for a definition of transaction value.

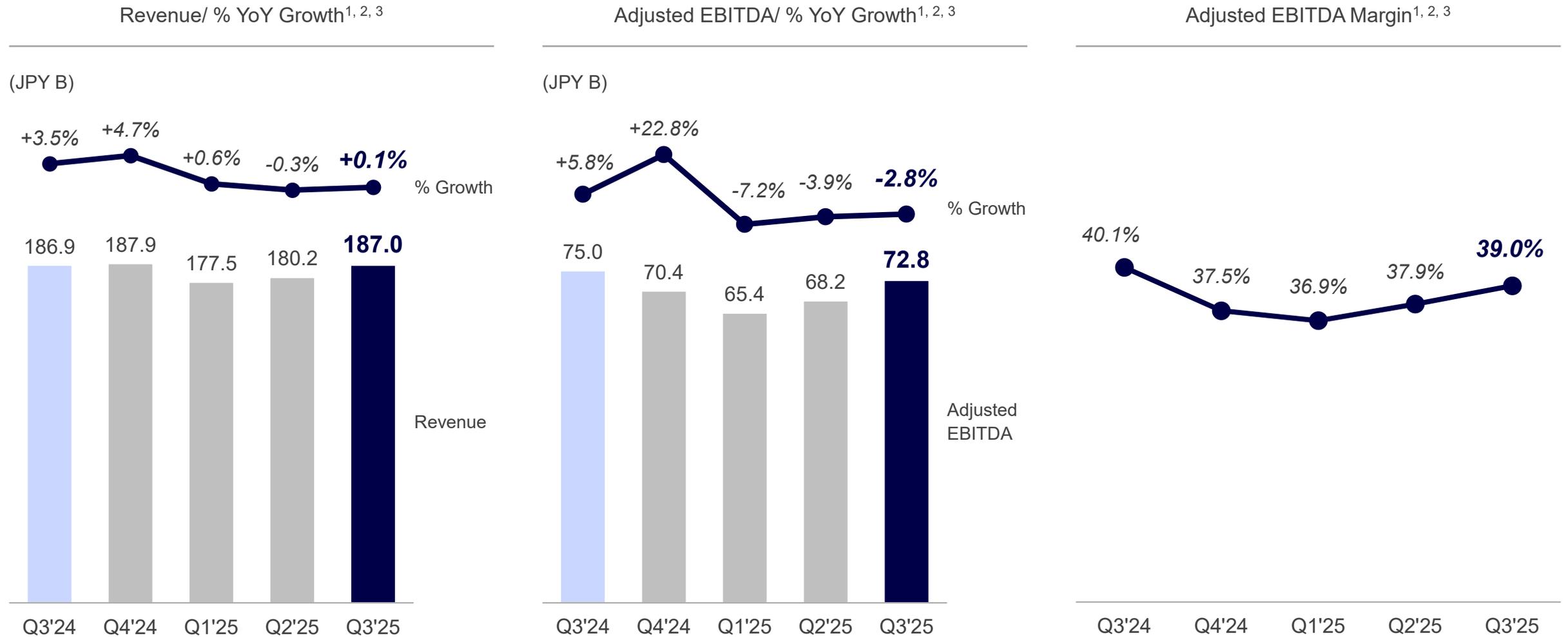
2. From FY2025 Q1, Domestic Reuse includes "BEENOS" and Overseas E-Commerce includes "Lyst."

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Adjusted EBITDA bottomed out in Q1 and trending upward



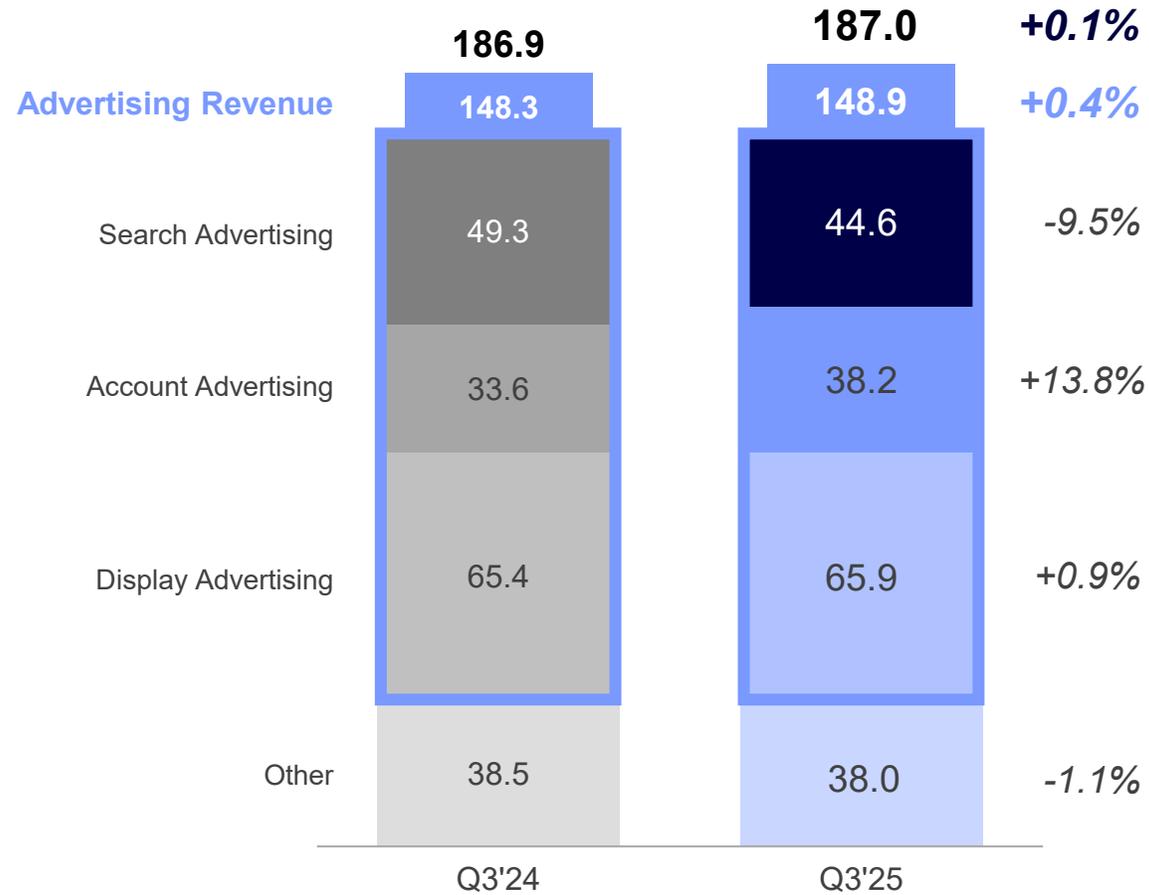
1. In FY2024 Q3, Ikyu.com for Restaurants and PayPay Gourmet services were transferred from Media Business to Commerce Business. As a result, figures for FY2023, FY2024 Q1, and FY2024 Q2 have been retroactively revised.

2. In FY2025 Q1, the standards for allocating personnel expenses of technology divisions and expenses related to data centers and internal infrastructure were revised. As a result, figures for FY2024 have been retroactively adjusted.

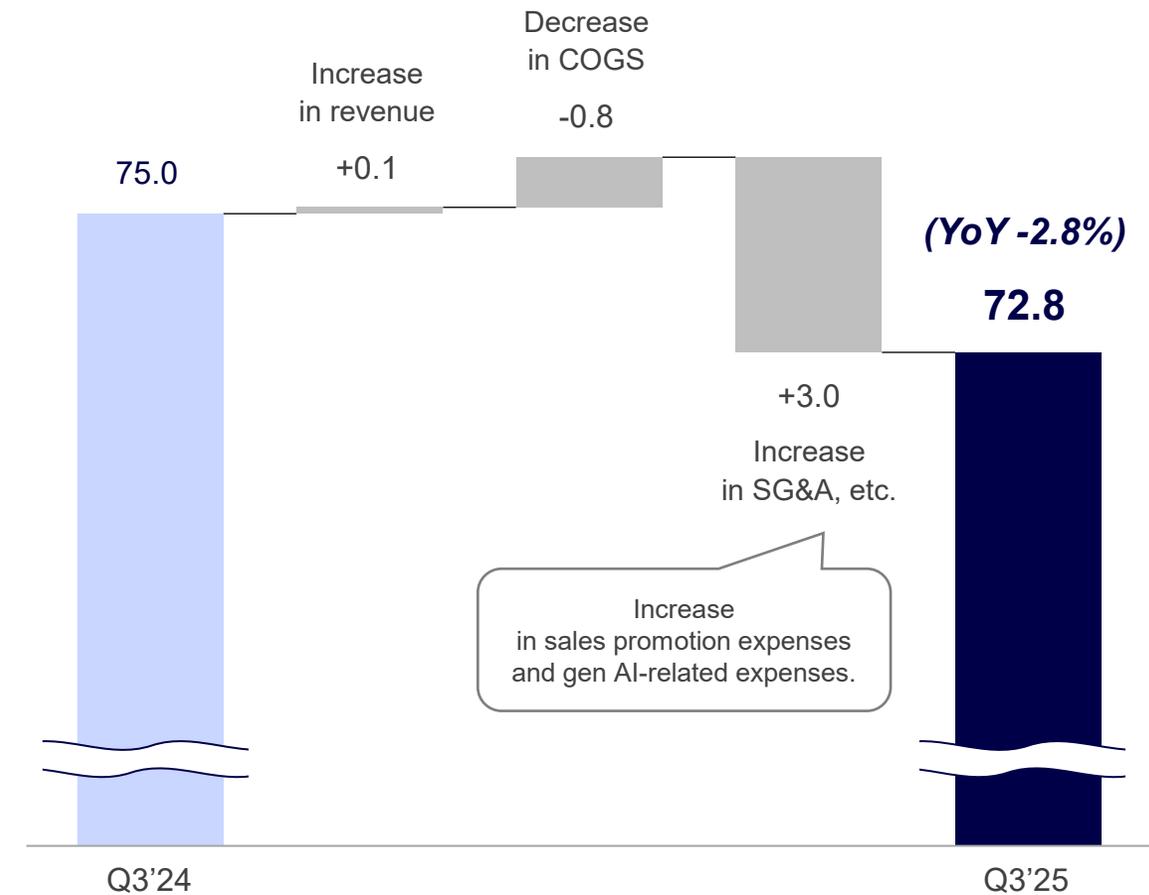
3. In FY2025 Q3, services were transferred between segments as part of an organizational restructuring. As a result, figures for FY2024, FY2025 Q1, and Q2 have been retroactively revised.

Revenue¹

(JPY B)

Adjusted EBITDA^{1,2}

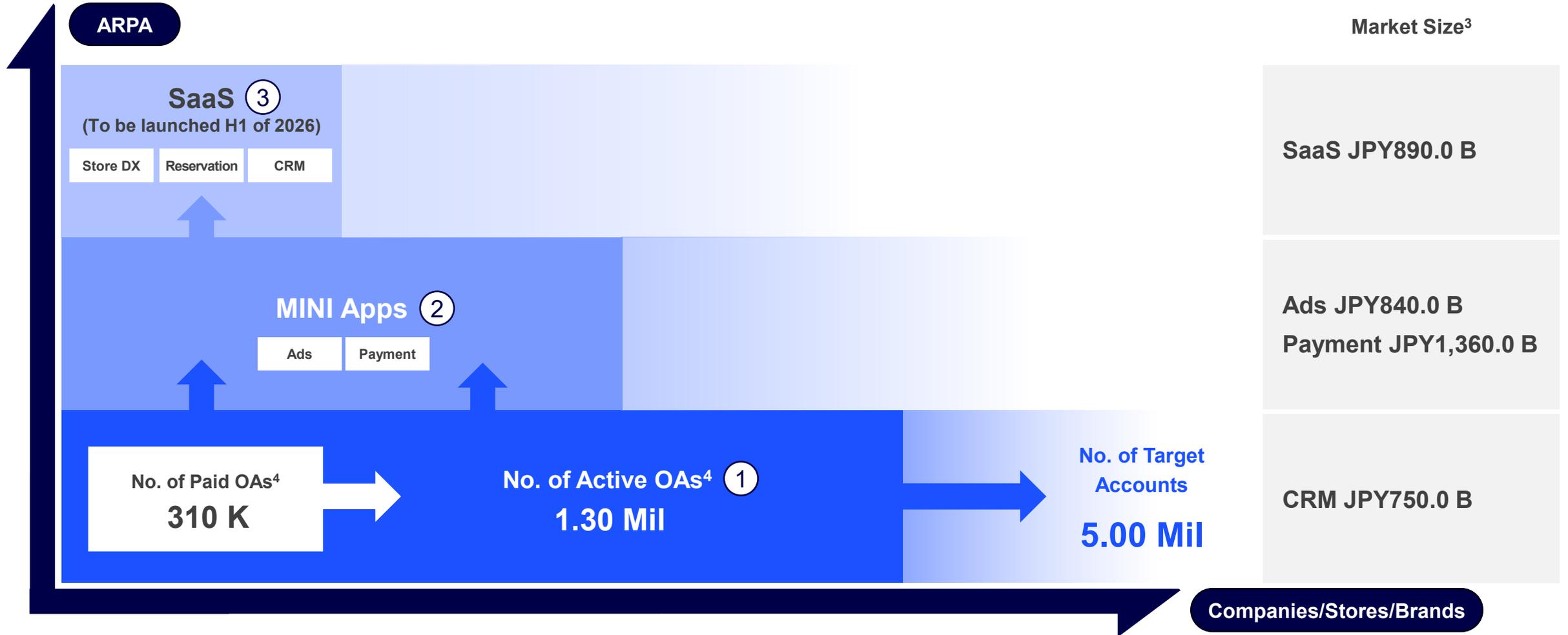
(JPY B)



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2. Adjusted EBITDA: Operating income + depreciation & amortization ± EBITDA adjustment items. Depreciation & amortization: Depreciation, depreciation of right-of-use assets, 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, gains on remeasurement relating to business combinations, other transactions with undetermined cash outflows (one-time provisions, etc.), etc.). Also, gains/losses on sales of shares held by certain funds. Definitions changed from FY2022 Q3. Added certain rents to depreciation and amortization, and gains/losses on sales of shares held by certain funds to EBITDA adjustment items.

Strengthening sustainable growth base by expanding mini apps and SaaS, leveraging OA

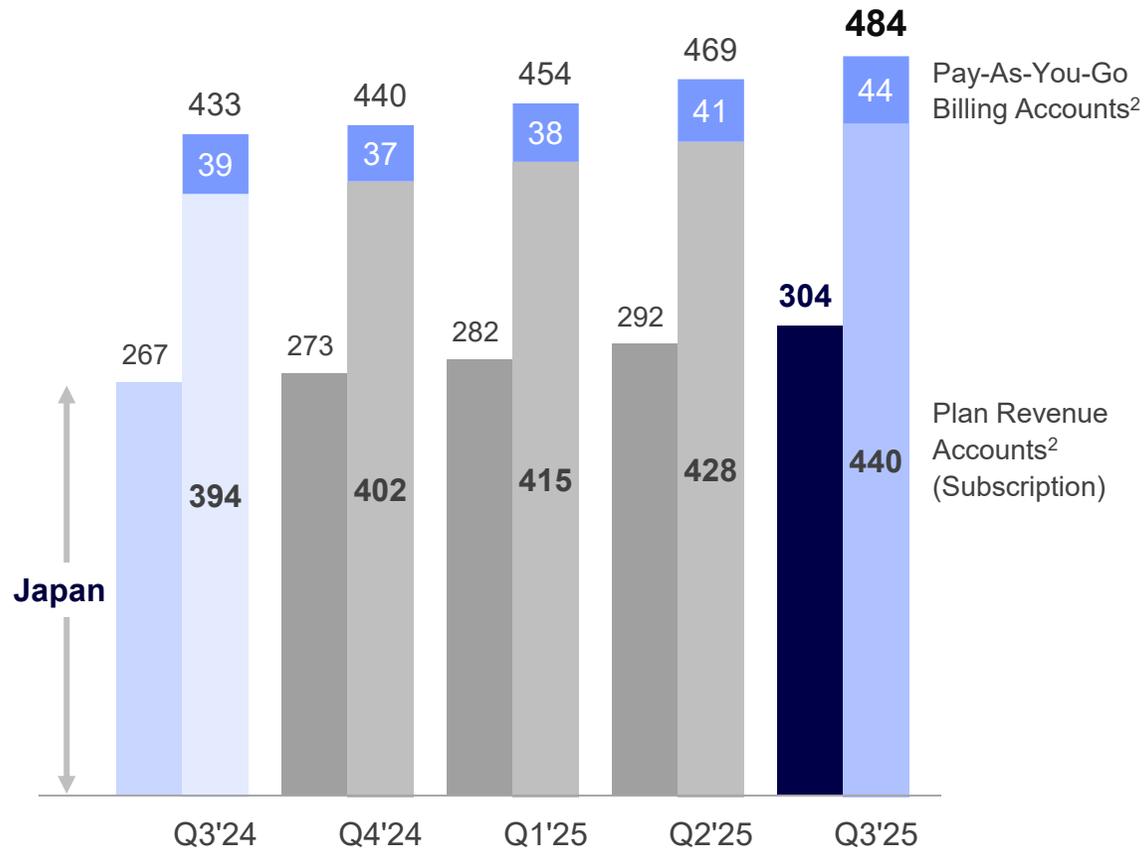


1. OA: LINE Official Account
 2. Repost of "Future Business Development" (P. 27) from the FY2025 Q2 Earnings Slides.
 3. Domestic market size estimated based on external data and research by LY Corporation.
 4. Estimated as of end-FY2025 Q4

Solid growth continued in both No. of paid accounts and revenue

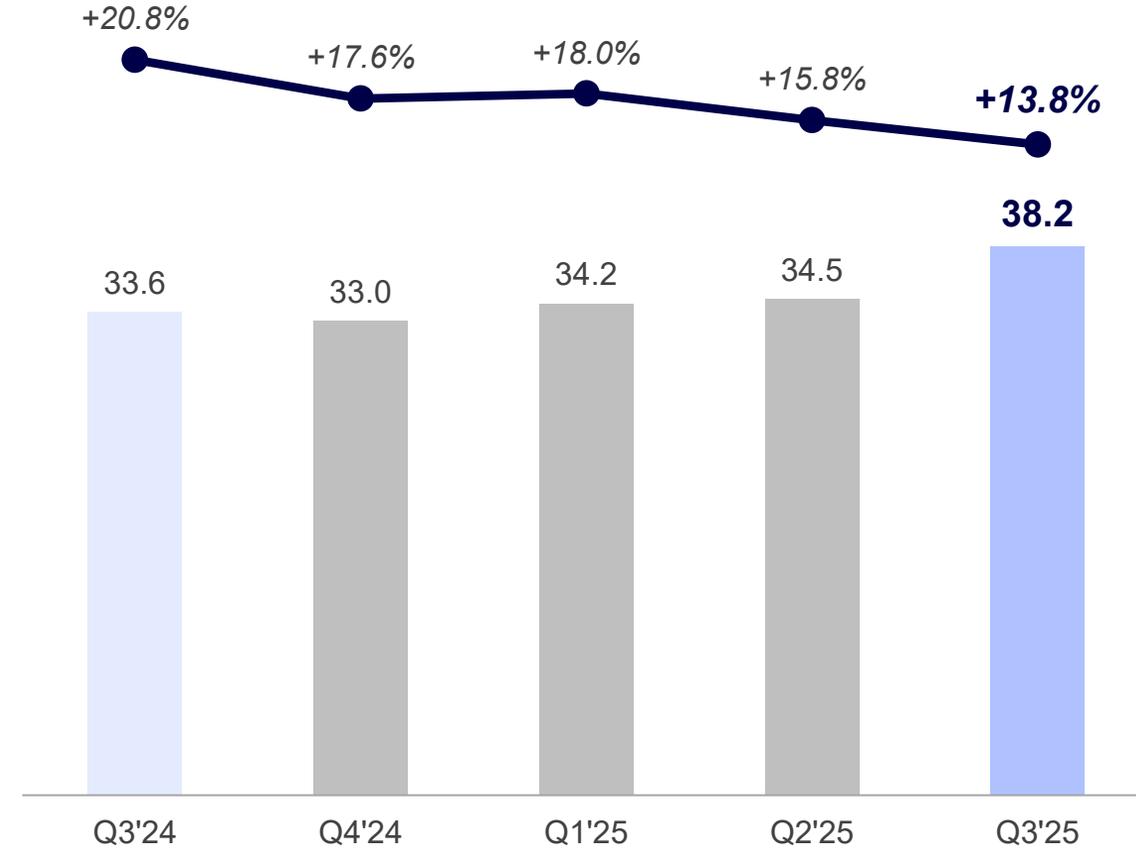
No. of Paid LINE Official Accounts (Global/Japan)²

(Thousands)



Revenue

(JPY B)



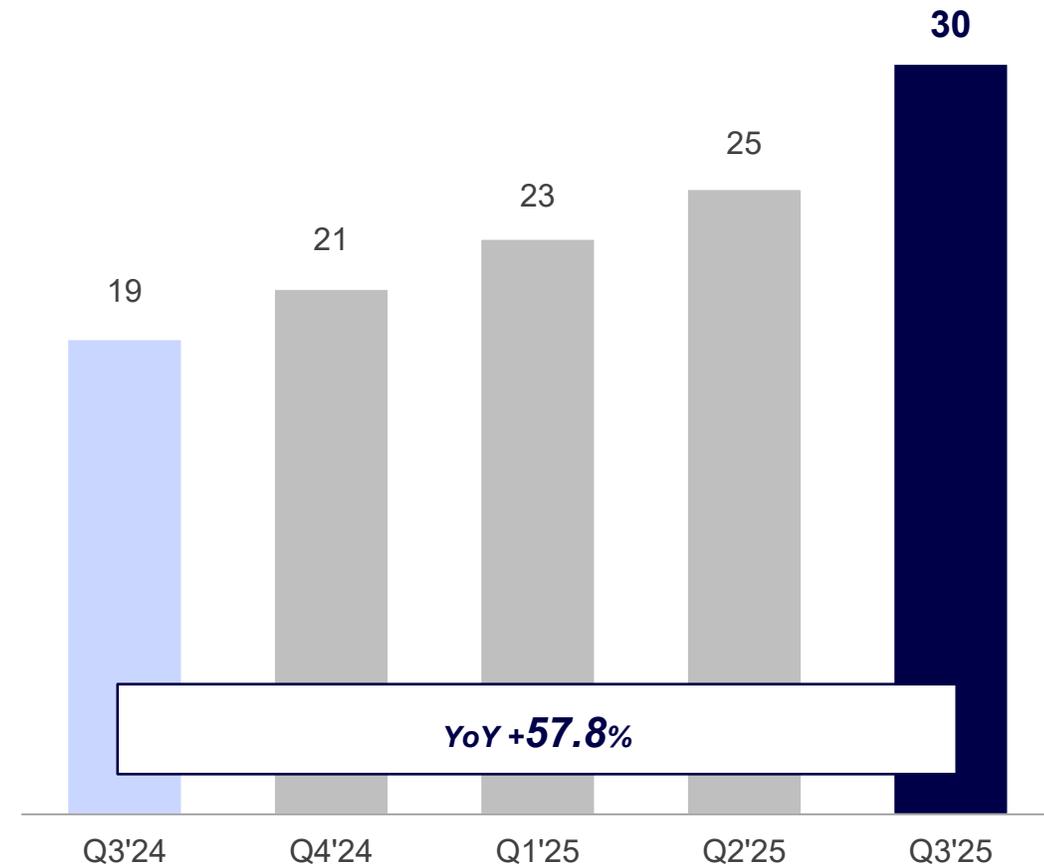
1. OA: LINE Official Account

2. Figures provided are the number of paid accounts as of the end of each quarter. Revenue for pay-as-you-go billing accounts comes from pay-as-you-go billing, while plan revenue accounts generate revenue exclusively from monthly fixed fees.

Usage increased, driven by higher awareness through promotions and other marketing initiatives

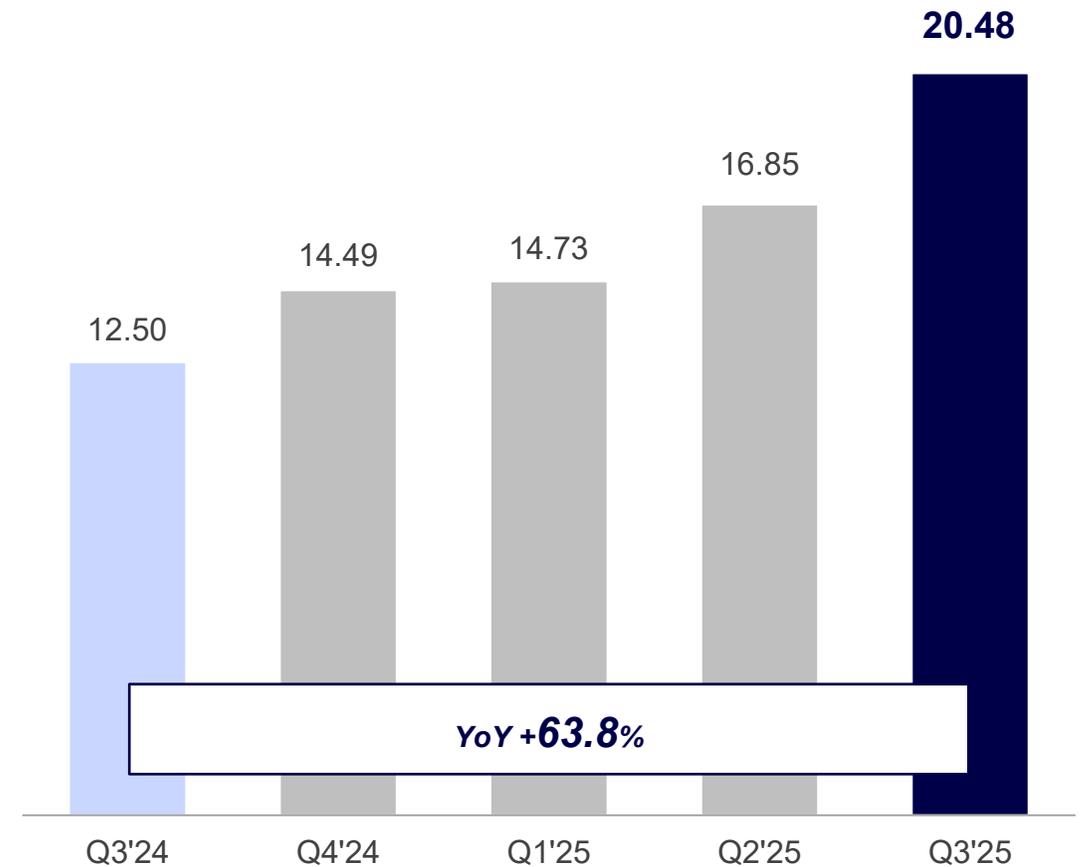
No. of LINE MINI Apps

(Thousands)



LINE MINI App MAU

(Mil)

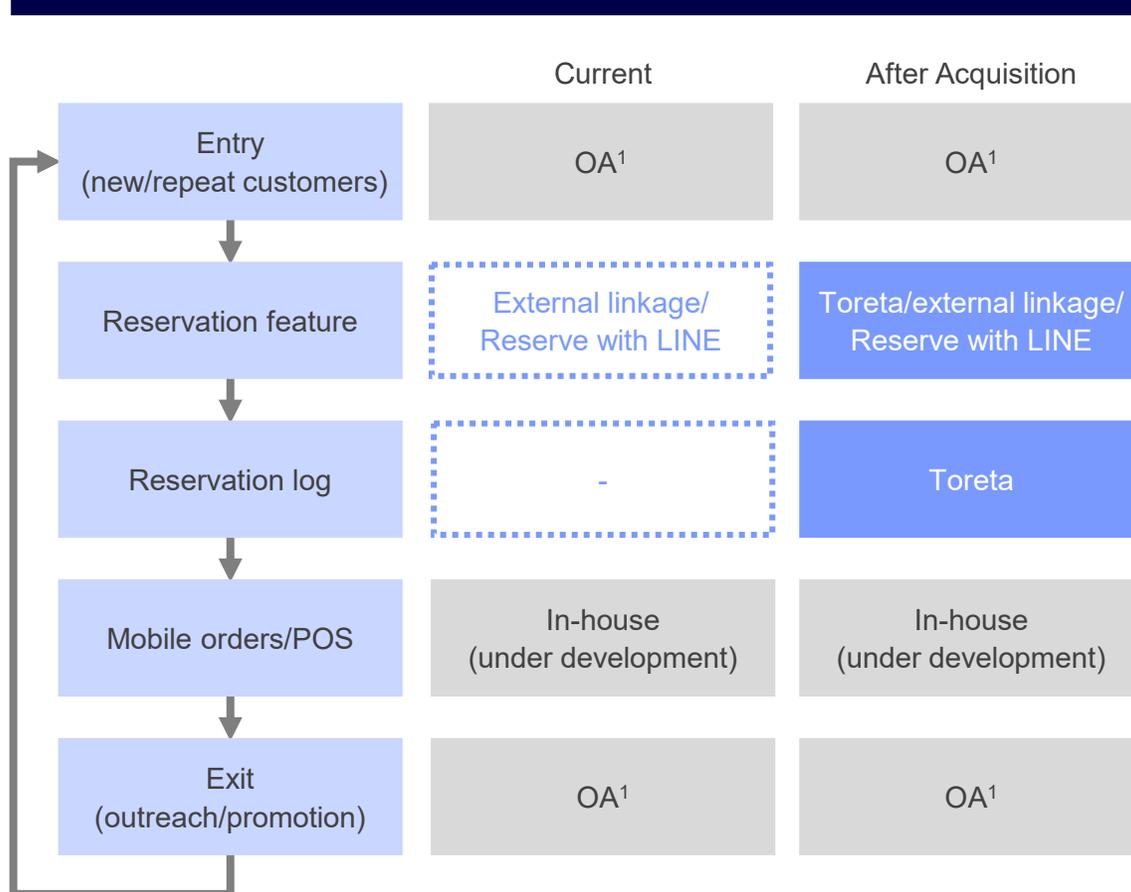


Acquiring Toreta Inc., expanding into reservations and completing end-to-end suite of store operations capabilities

Building a Foundation for Store Operations By Acquiring Toreta, Inc.

Characteristics/Strengths of Toreta, Inc.

Store Operation Flow



Adoption Record

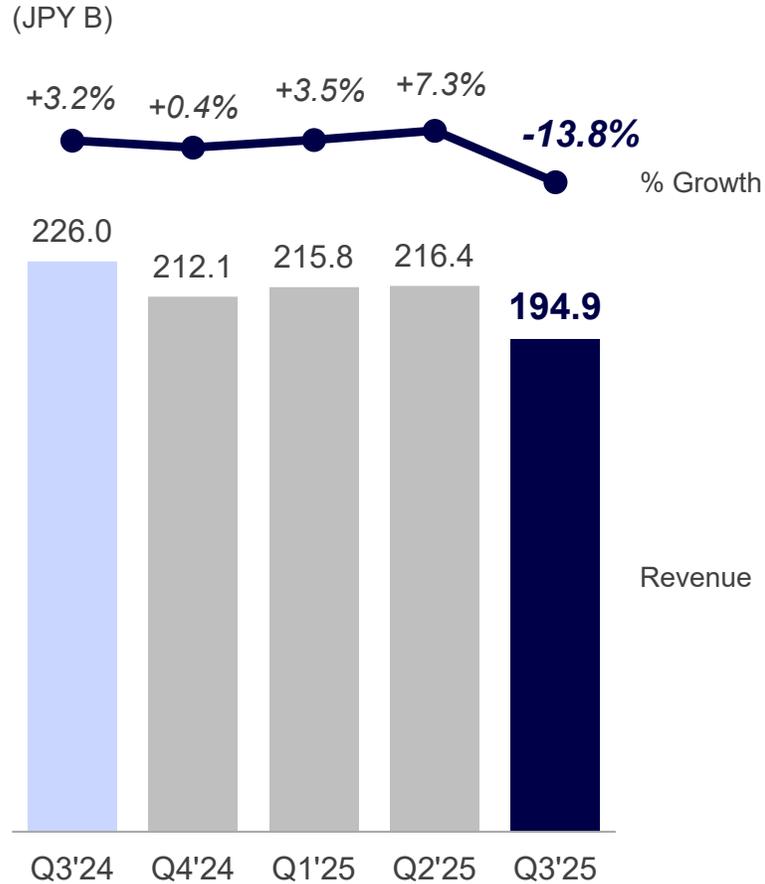
- Widely adopted by businesses of various sizes and segments (Cumulative total for all products: Approx. 19,000 stores)

Toreta's Reservation Log

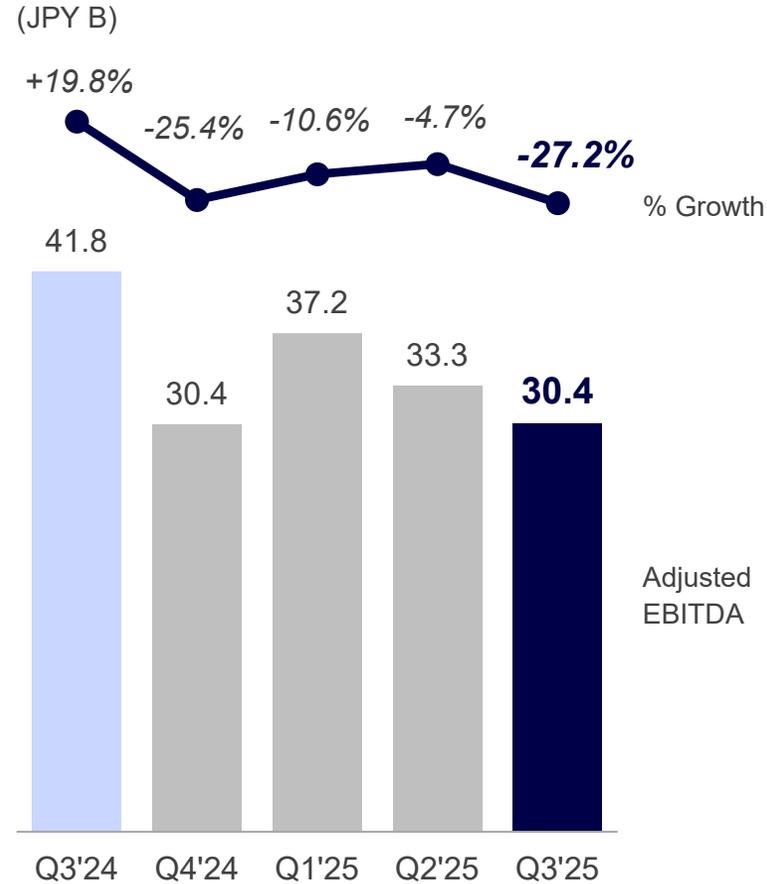


Excluding ASKUL, adjusted EBITDA grew +15.5% YoY, reflecting a strong underlying performance

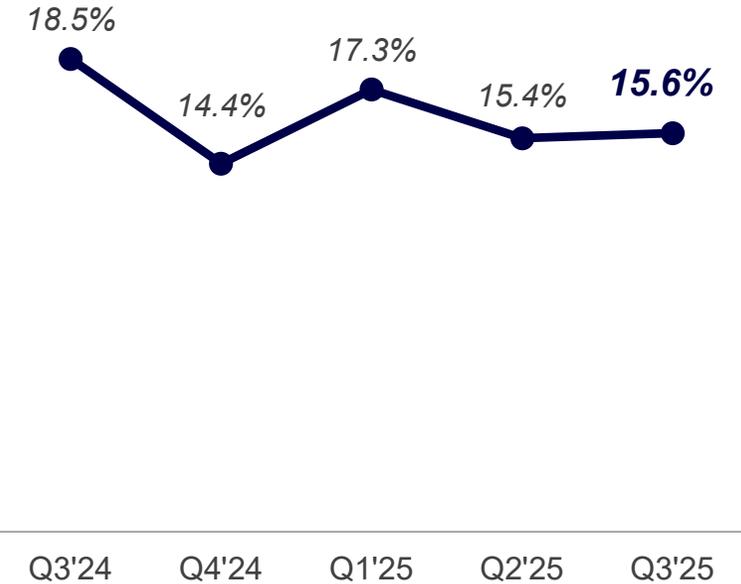
Revenue/ %YoY Growth^{1, 2, 3}



Adjusted EBITDA/ %YoY Growth^{1, 2, 3}



Adjusted EBITDA Margin^{1, 2, 3}

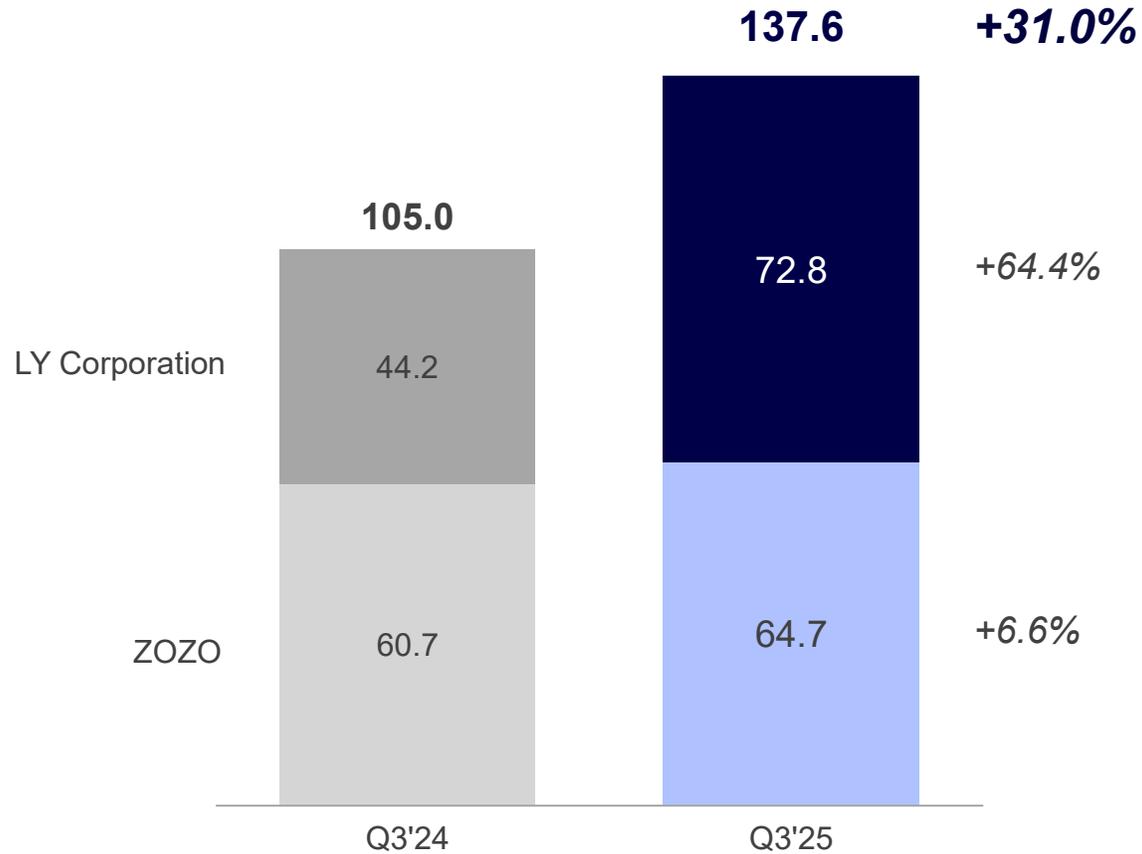


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Commerce Business – Performance

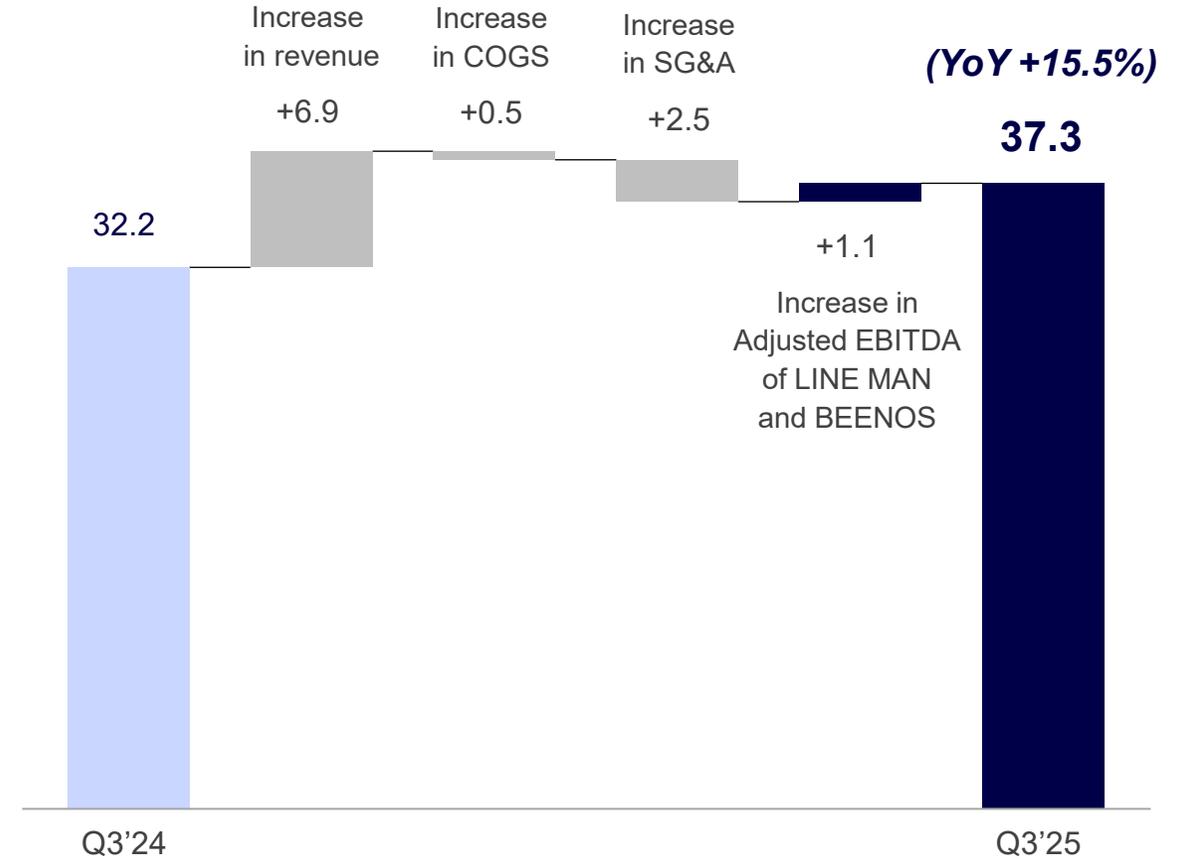
Revenue¹ (Excluding ASKUL²)

(JPY B)



Factors of Change in Adjusted EBITDA^{1, 3} (Excluding ASKUL²)

(JPY B)



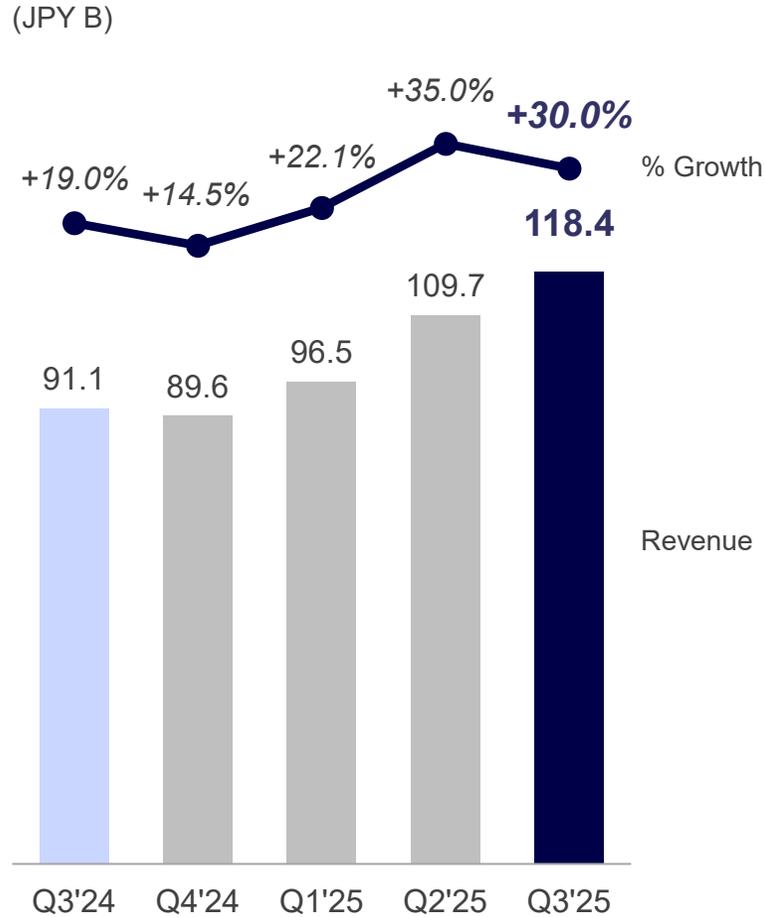
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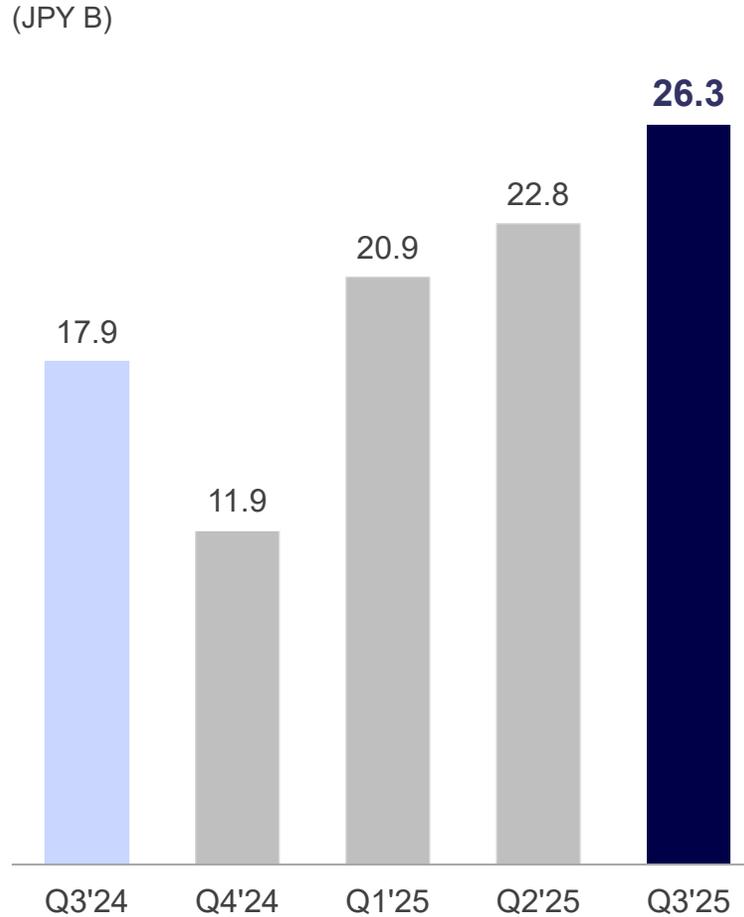
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Revenue surged +30% YoY, with profit and margins expanding further

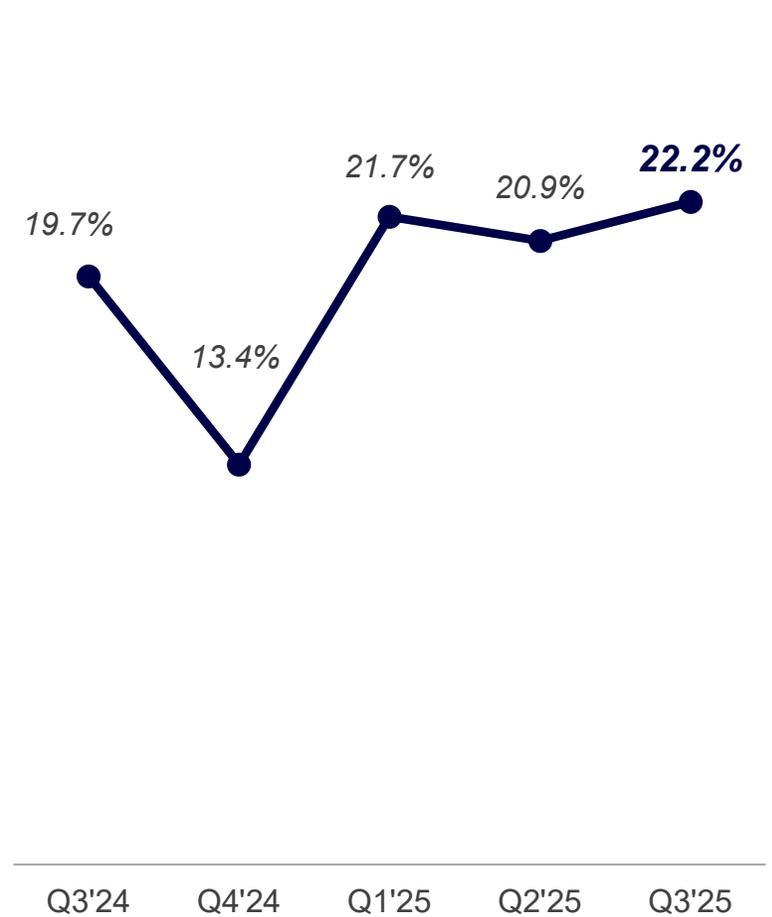
Revenue/ %YoY Growth^{1,2}



Adjusted EBITDA^{1,2}



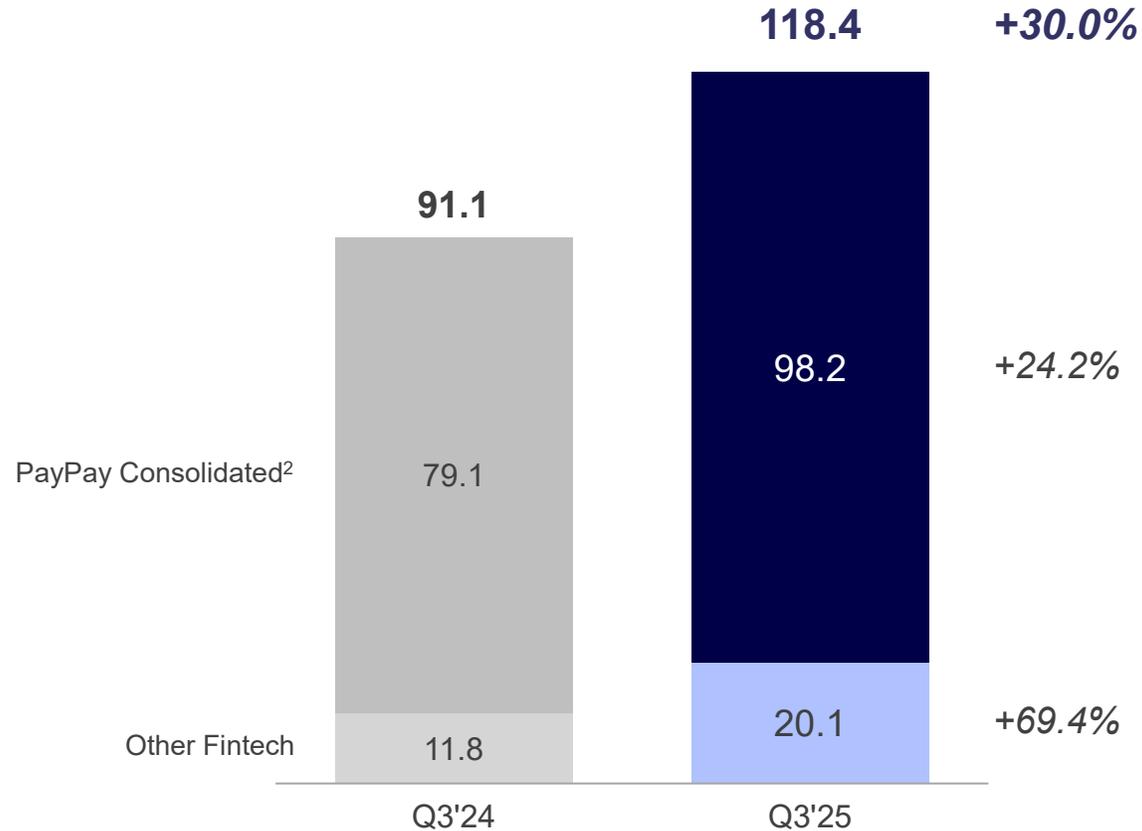
Adjusted EBITDA Margin^{1,2}



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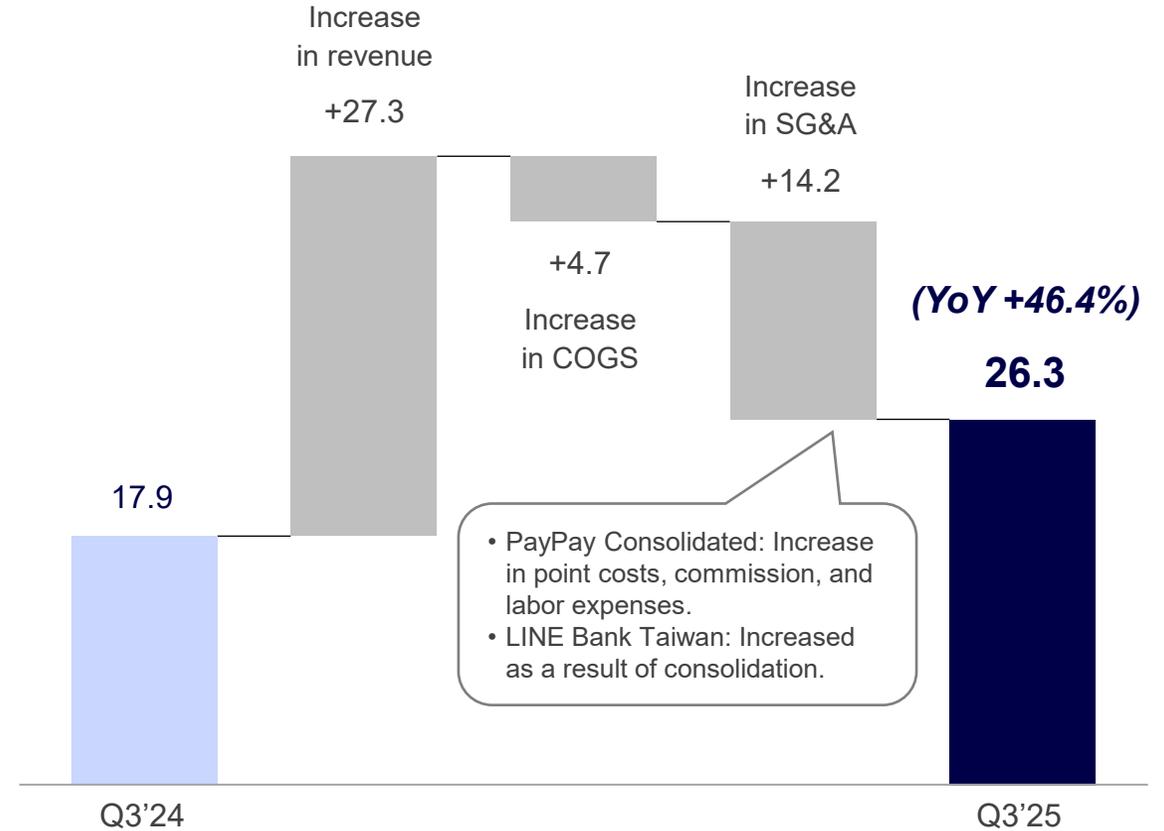
Revenue¹

(JPY B)



Factors of Change in Adjusted EBITDA^{1, 3}

(JPY B)

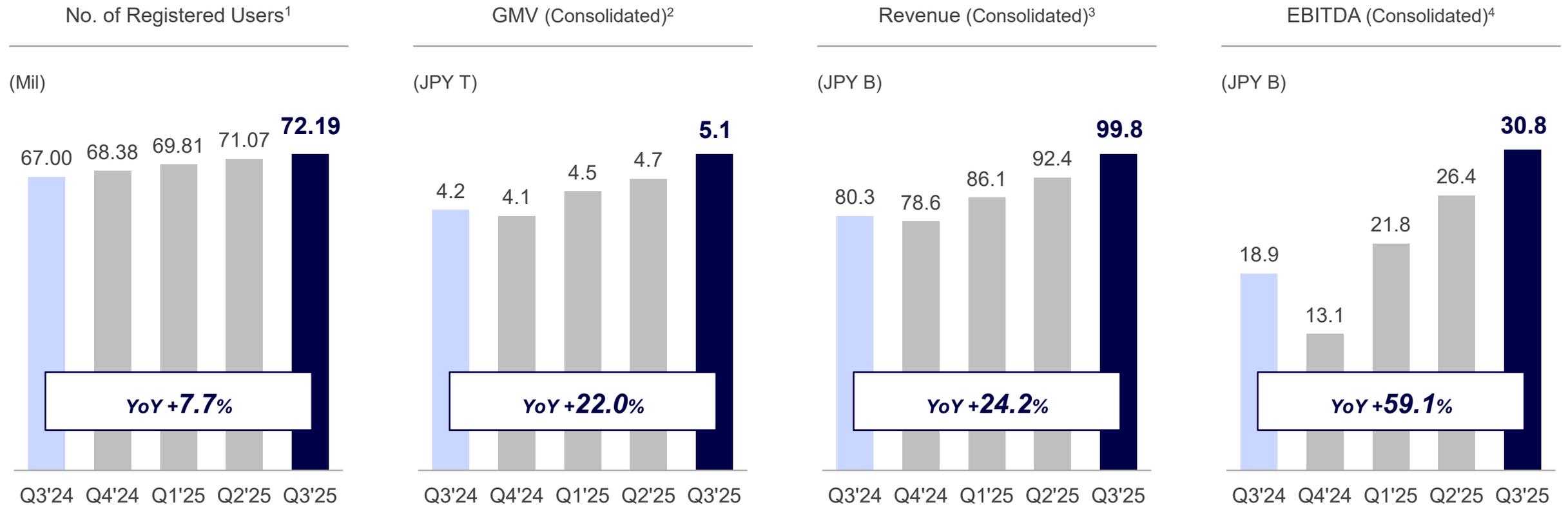


1. In FY2025 Q3, services were transferred between segments as part of an organizational restructuring. As a result, figures for FY2024, FY2025 Q1, and Q2 have been retroactively revised.

2. Figure for FY2024 Q3 is the total of PayPay Corporation, PayPayCard Corporation, and PayPay Bank Corporation. For FY2025 Q3, PayPay Securities Corporation and Credit Engine, Inc. are also included. Figures are shown after the elimination of internal transactions between the companies and have been independently calculated following relevant IFRS adjustments.

3. Adjusted EBITDA: Operating income + depreciation & amortization ± EBITDA adjustment items. Depreciation & amortization: Depreciation, depreciation of right-of-use assets, 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, gains on remeasurement relating to business combinations, other transactions with undetermined cash outflows (one-time provisions, etc.), etc.). Also, gains/losses on sales of shares held by certain funds. Definitions changed from FY2022 Q3. Added certain rents to depreciation and amortization, and gains/losses on sales of shares held by certain funds to EBITDA adjustment items.

Growth accelerated across both Payments and Financial services, driving strong growth in both revenue and profit



1. Number of users who have registered to a PayPay account as of the end of each quarter.

2. Payments via "PayPay Balance," "PayPay Debit," "PayPay Balance Card," "PayPay Credit," "PayPay Card (physical card)," "VISA Debit Card," Alipay, LINE Pay, etc. are included. The use of the "Send/Receive" function of "PayPay Balance" between users and ATM withdrawals using the cash card function of the "VISA Debit Card" are not included. The figures represent the sum of GMVs of PayPay Corporation, PayPay Card Corporation, and PayPay Bank Corporation, with internal transactions eliminated. PayPay Bank Corporation became a subsidiary of PayPay Corporation in FY2025 Q1. In accordance with this change, the figures from FY2022 onward have been retrospectively adjusted. Figures are rounded down to the nearest billion yen and then rounded off to the nearest JPY100 billion.

3. The financial statements of PayPay Bank Corporation and PayPay Securities Corporation have been consolidated with PayPay Corporation from the beginning of FY2022, and those of PayPay Card Corporation have been consolidated with PayPay Corporation from the beginning of FY2021, by applying the pooling-of-interests method. IFRS. Non-audited.

4. The financial statements of PayPay Bank Corporation and PayPay Securities Corporation have been consolidated with PayPay Corporation from the beginning of FY2022, and those of PayPay Card Corporation have been consolidated with PayPay Corporation from the beginning of FY2021, by applying the pooling-of-interests method. EBITDA is calculated by adding depreciation and amortization and non-recurring expenses, such as impairment losses, and loss on retirement of fixed assets, etc. to operating income, IFRS. Non-audited.

Disclaimer

Statements made at the meeting or included in the documents that are not historical facts are forward-looking statements about the future performance of LY Corporation (Company) and its consolidated subsidiaries and affiliates.

The Company cautions you that a number of important factors could cause actual results to differ materially from those discussed in the forward-looking statements.

Such factors include, but are not limited to, the items mentioned in “Risk Factors” in “Consolidated Financial Statements and Independent Auditor's Report” (Japanese only). Unauthorized use of the information or the data in this document is not permitted.

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If there is any inconsistency between the English-language documents and the Japanese-language documents, the Japanese-language documents will prevail.

LY Corporation

Create an amazing life platform that brings WOW! to our users.