

Results for the Three Months Ended June 30, 2025 (FY2025-1Q) [IFRSs]

August 4, 2025

Company Name: LY Corporation
 Code No.: 4689
 Representative: Takeshi Idezawa,
 President and Representative Director, CEO
 Contact: Ryosuke Sakaue,
 Executive Corporate Officer, CFO

Share Listings: Prime Market of TSE
 URL: <https://www.lycorp.co.jp/en/>
 Tel: +81-3-6779-4900

Scheduled Dividend Payment Date: -

Financial Results Supplementary Briefing Materials to Be Created: Yes

Financial Results Investors Meeting to Be Held: Yes (for Financial Analysts)

1. Consolidated Results for the Three Months Ended June 30, 2025 (April 1, 2025 - June 30, 2025)

(Amounts less than one million yen are omitted)

(1) Consolidated Business Performance (April 1, 2025 - June 30, 2025)

(Percentages represent year-on-year changes)

	Revenue		Operating income		Profit before tax		Net income		Net income attributable to owners of the parent		Total comprehensive income	
	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%	Millions of yen	%
Three-month period ended June 30, 2025	489,631	5.7	95,071	(11.0)	87,070	(0.7)	60,373	(0.2)	48,716	(5.5)	75,839	2.8
Three-month period ended June 30, 2024	463,085	7.6	106,802	79.8	87,699	19.8	60,509	49.4	51,527	38.1	73,740	18.0

	Adjusted EBITDA		Adjusted net income		Adjusted EPS		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	%	Yen	Yen
Three-month period ended June 30, 2025	125,864	3.4	43,119	1.8	6.05	7.1	6.84	6.80
Three-month period ended June 30, 2024	121,730	21.7	42,380	49.2	5.65	49.1	6.87	6.85

(2) Consolidated Financial Position

	Total assets	Total equity	Equity attributable to owners of the parent	Ratio of equity attributable to owners of the parent
	Millions of yen	Millions of yen	Millions of yen	%
As of June 30, 2025	10,145,643	3,445,454	2,893,665	28.5
As of March 31, 2025	9,158,346	3,418,915	2,998,170	32.7

2. Dividends

	Dividends per share				
	1Q	2Q	3Q	Year end	Full year
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2025	—	0.00	—	7.00	7.00
Fiscal year ending March 31, 2026	—				
Fiscal year ending March 31, 2026 (Estimates)		0.00	—	7.00	7.00

(Note) Revision in dividends previously announced: No

3. Consolidated Performance Estimates for FY2025 (April 1, 2025–March 31, 2026)

	Revenue		Adjusted EBITDA		Adjusted EPS
	Millions of yen	% Change YoY	Millions of yen	% Change YoY	Yen
Fiscal year ending March 31, 2026	2,100,000	9.5	500,000–510,000	6.2–8.3	25.9–26.9

(Note) Revision in performance estimates previously announced: None

For details, please refer to 3. Outlook for Fiscal Year Ending March 31, 2026 (April 1, 2025–March 31, 2026) in (1) Qualitative Information Regarding the Consolidated Business Performance on page 6 of the Results for the Three Months (Attachments).

* Notes

- (1) Significant changes in scope of consolidation during the period: Yes
Newly consolidated: 2 (BEENOS Inc., LINE Bank Taiwan Limited)
Excluded from consolidation: None
- (2) Changes in the accounting principles and accounting estimates
- 1) Changes due to IFRSs: None
 - 2) Changes other than 1): None
 - 3) Changes in accounting estimates: None
- (3) Number of stocks issued (common stock)
- 1) Number of stocks issued (including treasury stocks)

As of June 30, 2025	7,157,077,847 shares
As of March 31, 2025	7,154,182,647 shares
 - 2) Number of shares of treasury stocks

As of June 30, 2025	246,488,814 shares
As of March 31, 2025	28,775,073 shares
 - 3) Average number of common stocks outstanding (cumulative from the beginning of the fiscal year)

Three months ended June 30, 2025	7,124,599,693 shares
Three months ended June 30, 2024	7,501,140,812 shares

Note: The number of shares of treasury stocks includes the shares of LY Corporation (the "Company") held by the Stock Delivery Trust (J-ESOP), the Board Incentive Plan Trust, and the Stock Delivery ESOP Trust (as of March 31, 2025: 28,167,999 shares; as of June 30, 2025: 27,810,994 shares).

(4) Formula for each management index

- Adjusted EBITDA: Operating income + depreciation & amortization (*1) \pm EBITDA adjustment items (*2)
- Adjusted net income: Net income attributable to owners of the parent \pm EPS adjustment items (*3) \pm tax equivalent on some EPS adjustment items
- Adjusted EPS: Adjusted net income / average number of common stocks outstanding (cumulative from the beginning of the fiscal year)

(*1) Depreciation & amortization: Depreciation, depreciation of right-of-use assets, etc.

(*2) 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.). Also, gains/losses on sales of shares held by certain funds.

(*3) EPS adjustment items: \pm EBITDA adjustment items + amortization of identifiable intangible assets arising from business combinations \pm non-recurring gains/losses in non-operating income/expenses

(Note) Starting from the fiscal year ended March 31, 2025, "amortization of identifiable intangible assets arising from business combinations" and "non-recurring gains/losses in non-operating income/expenses" are added to the formula for adjusted net income. Tax equivalent is also adjusted considering such adjustment items.

* Review of the Japanese-language originals of the attached consolidated quarterly financial statements by certified public accountants or an audit firm: Yes (optional)

* Explanation of the proper use of performance estimates, and other special notes

- The performance estimates, etc., and other forward-looking statements contained in this document are based on the information currently available to the Company and premised on assumptions that have been deemed reasonable by the management. For a variety of reasons, actual performances, etc., could differ significantly.
- Supplementary materials to the earnings results are published on the Company's website (<https://www.lycorp.co.jp/en/ir.html>) on Monday, August 4, 2025.

○Table of contents of attachments

1 Qualitative Information Regarding the Consolidated Operating Results.....	2
(1) Qualitative Information Regarding the Consolidated Business Performance.....	2
(2) Qualitative Information Regarding the Consolidated Financial Position.....	7
2 Interim Condensed Consolidated Financial Statements and Significant Notes.....	9
(1) Interim Condensed Consolidated Statement of Financial Position.....	9
(2) Interim Condensed Consolidated Statement of Profit or Loss.....	11
(3) Interim Condensed Consolidated Statement of Comprehensive Income.....	12
(4) Interim Condensed Consolidated Statement of Changes in Equity.....	13
(5) Interim Condensed Consolidated Statement of Cash Flows.....	15
(6) Notes to Interim Condensed Consolidated Financial Statements.....	16

1 Qualitative Information Regarding the Consolidated Operating Results

(1) Qualitative Information Regarding the Consolidated Business Performance

1. Business Results Summary (April 1, 2025–June 30, 2025)

■ Highlights

Revenue came to 489.6 billion yen (up 5.7% year on year), and adjusted EBITDA came to 125.8 billion yen (up 3.4% year on year). Both set new records for the highest performance to date in the cumulative consolidated first quarter.

	Three Months Ended June 30, 2024 (billion yen)	Three Months Ended June 30, 2025 (billion yen)	Year-on-Year Change (billion yen)	Year-on-Year Change (%)
Revenue	463.0	489.6	26.5	5.7
Adjusted EBITDA	121.7	125.8	4.1	3.4

The revenue for the cumulative consolidated first quarter of the fiscal year ending March 31, 2026 amounted to 489.6 billion yen (up 5.7% year on year), representing the highest cumulative consolidated first quarter revenue to date. This was due to an increased revenue in the Strategic Business accompanied by the growth in PayPay consolidated, increased revenue in the Commerce Business accompanied by factors including the favorable performance of the ASKUL Group and ZOZO Group, among others, as well as increased revenue in the Media Business driven by the growth of account advertising, and others.

Adjusted EBITDA for the cumulative consolidated first quarter of the fiscal year ending March 31, 2026 amounted to 125.8 billion yen (up 3.4% year on year), representing the highest cumulative consolidated first quarter earnings to date. This was due to the increased revenues mentioned above, despite the absence of increased income as a result of a gain on loss of control of subsidiary (cash transaction) recorded in the same period of the previous fiscal year, increase in sales promotion expenses, and others.

In addition, operating income for the cumulative consolidated first quarter of the fiscal year ending March 31, 2026 amounted to 95.0 billion yen (down 11.0% year on year), mainly due to the recognition of a gain on loss of control of subsidiary (non-cash transaction) during the same period of the previous fiscal year.

2. Segment Business Results Summary (April 1, 2025–June 30, 2025)

Revenue and Adjusted EBITDA by Segment

	Three Months Ended June 30, 2024 (billion yen)	Three Months Ended June 30, 2025 (billion yen)	Year-on-Year Change (billion yen)	Year-on-Year Change (%)
Media Business				
Revenue	176.2	177.2	1.0	0.6
Adjusted EBITDA	70.4	65.2	(5.2)	(7.4)
Commerce Business				
Revenue	208.7	215.9	7.2	3.5
Adjusted EBITDA	41.5	37.1	(4.3)	(10.5)
Strategic Business				
Revenue	79.1	96.6	17.4	22.1
Adjusted EBITDA	5.7	20.9	15.2	264.0
Other				
Revenue	2.1	2.0	(0.0)	(2.3)
Adjusted EBITDA	0.3	0.6	0.2	82.5
Adjustments				
Revenue	(3.1)	(2.3)	0.7	—
Adjusted EBITDA	3.5	1.8	(1.7)	(49.6)
Total				
Revenue	463.0	489.6	26.5	5.7
Adjusted EBITDA	121.7	125.8	4.1	3.4

Notes:

1. From the third quarter of the fiscal year ended March 31, 2025, Ikyu.com for Restaurants and PayPay Gourmet services were transferred from Media Business to Commerce Business. Accordingly, the financial results for the fiscal year ended March 31, 2025 has been revised and restated.
2. In the first quarter of the fiscal year ending March 31, 2026, 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 the fiscal year ended March 31, 2025, have been retroactively adjusted.
3. Figures in Adjustments represent inter-segment transactions and general corporate expenses not belonging to any reporting segment.

1) Media Business in the Cumulative Consolidated First Quarter

The revenue of the Media Business for the cumulative consolidated first quarter amounted to 177.2 billion yen (up 0.6% year on year). This was due to increased revenue from account advertising and other factors. Furthermore, adjusted EBITDA amounted to 65.2 billion yen (down 7.4% year on year) mainly due to increases in personnel expenses and generative AI-related expenses. The revenue of the Media Business accounted for 36.2% of the total revenue.

- Account advertising: Revenue increased 18.3% year on year, maintaining a high growth, due to an increase in the number of paid accounts and expansion of pay-as-you-go billing in LINE Official Account.
- Search advertising: Revenue decreased year on year from both LY Corporation's websites and partners' websites.
- Display advertising: Revenue slightly increased year on year as a result of an increase in revenue from LINE Ads.

2) Commerce Business in the Cumulative Consolidated First Quarter

The revenue of the Commerce Business increased mainly by subsidiaries including the ASKUL Group and ZOZO Group. In addition, revenue increased year on year as a result of the consolidation of BEENOS Inc. in May 2025 and continued steady growth in services e-commerce business, despite the impact from the deconsolidation of ValueCommerce Co., Ltd. and the IPX Group (IPX Corporation and its subsidiaries) implemented in May 2024. As a result, the revenue of the Commerce Business for the cumulative consolidated first quarter amounted to 215.9 billion yen (up 3.5% year on year).

Adjusted EBITDA decreased 10.5% year on year, to 37.1 billion yen due to an increase in expenses such as sales promotion costs and advertising and promotional expenses as well as the absence of increased income as a result of a gain on loss of control of ValueCommerce Co. Ltd. recorded in the same period of the previous fiscal year, among others. The revenue of the Commerce Business accounted for 44.1% of the total revenue.

E-commerce transaction value (*1) amounted to 1,095.1 billion yen (up 6.8% year on year) due to growth in domestic merchandise transaction value mainly from the shopping business and steady growth in the transaction value of domestic services. Domestic merchandise transaction value accounted for 782.1 billion yen (up 4.9% year on year) of the total e-commerce transaction value.

(*1) E-commerce transaction value is the total transaction value of shopping business, reuse business, and services e-commerce in "LY Corporation," and ZOZO and ASKUL in "ZOZO, ASKUL" under Commerce Business, and paid digital content, etc. included in Other of Media Business listed in "Major services/products of each segment" on page 5.

3) Strategic Business in the Cumulative Consolidated First Quarter

PayPay consolidated GMV (*2) for the cumulative consolidated first quarter amounted to 4.5 trillion yen (up 24.0% year on year) while maintaining steady growth. Furthermore, the loan balance of PayPay Bank Corporation came to 980.5 billion yen (up 26.8% year on year).

As a result, the revenue of the Strategic Business for the cumulative consolidated first quarter amounted to 96.6 billion yen, representing a 22.1% increase year on year. In addition, adjusted EBITDA amounted to 20.9 billion yen (up 264.0% year on year). The revenue of the Strategic Business accounted for 19.7% of the total revenue.

(*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 the first quarter of the fiscal year ending March 31, 2026. In accordance with this change, the figures for the same period of the previous fiscal year have been retroactively adjusted. Figures are rounded down to the nearest billion yen and then rounded off to the nearest JPY100 billion.

Major services/products of each segment

Media Business	Search advertising	Yahoo! JAPAN Ads "Search Ads"	
	Account advertising	LINE Official Account, LINE Promotion Sticker, LINE de Obo (Participate with LINE), LINE Flyer, etc.	
	Display advertising	Programmatic advertising	Yahoo! JAPAN Ads "Display Ads (Auction)," LINE VOOM, LINE NEWS, Chat List, Talk Head View, Talk Head View Custom, etc.
		Reservation advertising	Yahoo! JAPAN Ads "Display Ads (Guaranteed)," etc.
		Other LINE advertising	LINE Part Time Jobs, etc.
	Other	LINE Stickers, LINE GAME, LINE Fortune, LINE MUSIC, LINE Manga, LINE Search, LYP Premium, ebookjapan, real estate-related services, Yahoo! JAPAN Mail, etc.	
Commerce Business	LY Corporation	Shopping business	Yahoo! JAPAN Shopping, LINE Brand Catalog, LINE FRIENDS, LINE GIFT, Yahoo! JAPAN Quick Mart (*3), overseas e-commerce (LINE SHOPPING (Taiwan, Thailand), GIFTSHOP, MyShop, etc.)
		Reuse business	Yahoo! JAPAN Auction, Yahoo! JAPAN Flea Market, BEENOS (*4)
		Services e-commerce	Yahoo! JAPAN Travel, Ikyu.com, LINE TRAVEL (Taiwan), etc.
		Other	Other
	ZOZO, ASKUL	ZOZO	ZOZOTOWN, ZOZOUSED, Lyst (*5), etc.
		ASKUL	ASKUL BtoB business (ASKUL, SOLOEL ARENA, APMRO, FEED DENTAL, etc.), LOHACO, Charm, etc.
Strategic Business	Fintech	PayPay (Consolidated) (*6)	PayPay, PayPay Card, Credit Engine, PayPay Bank, PayPay Securities
		Other fintech	PayPay Asset Management (*7), PayPay Insurance, LINE Pay (*8), LINE Score, LINE Pocket Money, LINE BITMAX, LINE FX, DOSI (*9), etc.

(*3) Yahoo! JAPAN Quick Mart is scheduled to terminate its service on August 31, 2025.

(*4) In May 2025, BEENOS Inc. became a consolidated subsidiary of the Company.

(*5) In April 2025, ZOZO, Inc. made LYST LTD, the operator of "Lyst," a wholly-owned subsidiary.

(*6) PayPay Corporation made PayPay Securities Corporation and PayPay Bank Corporation consolidated subsidiaries in April 2025.

(*7) PayPay Asset Management is scheduled to be terminated by around the end of September 2025.

(*8) LINE Pay terminated its service in Japan on April 30, 2025.

(*9) DOSI is scheduled to terminate its service on December 30, 2025.

3. Outlook for Fiscal Year Ending March 31, 2026 (April 1, 2025–March 31, 2026)

For the fiscal year ending March 31, 2026, the Group will aim to increase revenue and income by continuing to reinforce products in key growth domains through disciplined investments. The Group expects a revenue of 2,100.0 billion yen (up 9.5% year on year), an adjusted EBITDA of 500.0 – 510.0 billion yen (up 6.2 – 8.3% year on year), and an adjusted EPS of 25.9 – 26.9 yen (up 4.0 – 7.9% year on year).

(2) Qualitative Information Regarding the Consolidated Financial Position

Assets, Liabilities, and Equity

1. Assets

Total assets at the end of this consolidated first quarter amounted to 10,145,643 million yen, having increased 987,296 million yen, or 10.8%, since the end of the consolidated fiscal year ended March 31, 2025.

The major components of the change in assets were as follows:

- The principal reasons for the change in cash and cash equivalents are as stated in "Cash Flows" below.
- Investment securities in the banking business increased compared with the end of the consolidated fiscal year ended March 31, 2025, due to the purchase of investment securities as part of the fund management activities of PayPay Bank Corporation, and consolidation of LINE Bank Taiwan Limited.
- Loans in the banking business increased compared with the end of the consolidated fiscal year ended March 31, 2025, mainly due to the consolidation of LINE Bank Taiwan Limited.
- Other financial assets increased compared with the end of the consolidated fiscal year ended March 31, 2025, mainly due to the consolidation of the PayPay Securities Group (PayPay Securities Corporation and its subsidiaries).

2. Liabilities

Total liabilities at the end of this consolidated first quarter amounted to 6,700,188 million yen, having increased 960,757 million yen, or 16.7%, since the end of the consolidated fiscal year ended March 31, 2025.

The major components of the change in liabilities were as follows:

- Trade and other payables increased compared with the end of the consolidated fiscal year ended March 31, 2025, mainly due to the consolidation of the PayPay Securities Group (PayPay Securities Corporation and its subsidiaries) and BEENOS Group (BEENOS Inc. and its subsidiaries).
- Customer deposits in the banking business increased compared with the end of the consolidated fiscal year ended March 31, 2025, mainly due to the consolidation of LINE Bank Taiwan Limited.
- Interest-bearing liabilities increased compared with the end of the consolidated fiscal year ended March 31, 2025 mainly due to an increase in borrowings.

3. Equity

Total equity at the end of this consolidated first quarter amounted to 3,445,454 million yen, having increased 26,539 million yen, or 0.8%, since the end of the consolidated fiscal year ended March 31, 2025.

The major components of the change in equity were as follows:

- Treasury stocks increased from the end of the consolidated fiscal year ended March 31, 2025 due to the share repurchase.
- Non-controlling interests increased compared with the end of the consolidated fiscal year ended March 31, 2025, mainly due to the consolidation of LINE Bank Taiwan Limited and PayPay Corporation's paid-in capital increase.

Cash Flows

At the end of this consolidated first quarter, cash and cash equivalents amounted to 1,095,711 million yen, up 51,766 million yen from the end of the consolidated fiscal year ended March 31, 2025, out of which deposits with the central bank for the banking business amounted to 318,163 million yen.

The following is a description of the movements in the main components of cash flow and the factors contributing to the changes for the period under review:

Cash flows from operating activities amounted to a total cash inflow of 95,023 million yen, primarily owing to an increase in customer deposits in the banking business and the recognition of profit before tax for the period under review, despite income taxes paid and increase in loans in the banking business.

Cash flows from investing activities amounted to a total cash outflow of 218,103 million yen, primarily due to purchase of investment securities in the banking business, purchase of other investments, and acquisition of control over subsidiaries, despite proceeds from the sales/redemption of investment securities in the banking business, proceeds from the withdrawal of time deposits, and proceeds from sales and redemption of investments.

Cash flows from financing activities amounted to a total cash inflow of 165,749 million yen, primarily due to the net increase in short-term borrowings, proceeds from long-term borrowings, and capital contribution from non-controlling interests, despite the purchase of treasury stock, redemption of corporate bonds, payment of dividends, and repayment of lease liabilities.

2 Interim Condensed Consolidated Financial Statements and Significant Notes

(1) Interim Condensed Consolidated Statement of Financial Position

(Millions of yen)

	As of Mar. 31, 2025	As of June 30, 2025	Increase/decrease	
	Amount	Amount	Amount	Change (%)
Assets				
Cash and cash equivalents	1,043,944	1,095,711	51,766	5.0
Call loans in banking business	63,000	46,127	(16,872)	(26.8)
Trade and other receivables	673,275	735,745	62,470	9.3
Inventories	32,436	34,979	2,543	7.8
Loans in credit card business	983,790	1,007,039	23,248	2.4
Investment securities in banking business	908,887	1,080,436	171,548	18.9
Loans in banking business	926,334	1,298,062	371,727	40.1
Other financial assets	398,510	623,079	224,569	56.4
Property and equipment	262,172	257,891	(4,280)	(1.6)
Right-of-use assets	178,673	190,373	11,700	6.5
Goodwill	2,073,470	2,134,452	60,981	2.9
Intangible assets	1,233,421	1,260,920	27,499	2.2
Investments accounted for using the equity method	265,599	238,906	(26,692)	(10.0)
Deferred tax assets	44,238	50,346	6,108	13.8
Other assets	70,592	91,570	20,977	29.7
Total assets	9,158,346	10,145,643	987,296	10.8

(Millions of yen)

	As of Mar. 31, 2025	As of June 30, 2025	Increase/decrease	
	Amount	Amount	Amount	Change (%)
Liabilities and equity				
Liabilities				
Trade and other payables	1,712,145	1,866,572	154,426	9.0
Customer deposits in banking business	1,830,293	2,371,666	541,372	29.6
Interest-bearing liabilities	1,694,398	1,979,995	285,596	16.9
Other financial liabilities	26,610	31,967	5,357	20.1
Income taxes payable	50,060	26,566	(23,494)	(46.9)
Provisions	29,544	33,273	3,728	12.6
Deferred tax liabilities	188,084	195,972	7,888	4.2
Other liabilities	208,293	194,175	(14,118)	(6.8)
Total liabilities	5,739,431	6,700,188	960,757	16.7
Equity				
Equity attributable to owners of the parent				
Common stock	250,128	250,997	869	0.3
Capital surplus	1,880,031	1,869,821	(10,210)	(0.5)
Retained earnings	838,017	844,796	6,778	0.8
Treasury stock	(11,704)	(127,760)	(116,055)	—
Accumulated other comprehensive income	41,696	55,810	14,113	33.8
Total equity attributable to owners of the parent	2,998,170	2,893,665	(104,504)	(3.5)
Non-controlling interests	420,745	551,789	131,044	31.1
Total equity	3,418,915	3,445,454	26,539	0.8
Total liabilities and equity	9,158,346	10,145,643	987,296	10.8

(2) Interim Condensed Consolidated Statement of Profit or Loss

(Millions of yen)

	Three Months ended June 30, 2024	Three Months ended June 30, 2025	Increase/decrease	
	Amount	Amount	Amount	Change (%)
Revenue	463,085	489,631	26,546	5.7
Cost of sales	132,026	134,348	2,321	1.8
Selling, general and administrative expenses	224,256	277,280	53,024	23.6
Gain on remeasurement relating to business combinations	—	17,068	17,068	—
Operating income	106,802	95,071	(11,731)	(11.0)
Other non-operating income	5,398	1,926	(3,471)	(64.3)
Other non-operating expenses	20,520	7,135	(13,384)	(65.2)
Equity in losses of associates and joint ventures	(3,981)	(2,792)	1,188	—
Profit before tax	87,699	87,070	(628)	(0.7)
Income tax expense	27,189	26,696	(493)	(1.8)
Profit for the period	60,509	60,373	(135)	(0.2)
Attributable to:				
Owners of the parent	51,527	48,716	(2,810)	(5.5)
Non-controlling interests	8,982	11,657	2,674	29.8
Profit for the period	60,509	60,373	(135)	(0.2)
Earnings per share attributable to owners of the parent				
Basic (yen)	6.87	6.84	(0.03)	(0.4)
Diluted (yen)	6.85	6.80	(0.05)	(0.7)

(3) Interim Condensed Consolidated Statement of Comprehensive Income

(Millions of yen)

	Three Months ended June 30, 2024	Three Months ended June 30, 2025
Profit for the period	60,509	60,373
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	7	(1,646)
Equity financial assets measured at FVTOCI	(1,956)	3,861
Share of other comprehensive income of associates	(77)	6
Subtotal	(2,025)	2,221
Items that may be reclassified subsequently to profit or loss		
Debt financial assets measured at FVTOCI	(1,715)	783
Exchange differences on translating foreign operations	16,971	12,460
Subtotal	15,256	13,243
Other comprehensive income, net of tax	13,230	15,465
Total comprehensive income	73,740	75,839
Total comprehensive income attributable to:		
Owners of the parent	65,852	60,535
Non-controlling interests	7,888	15,303
Total comprehensive income	73,740	75,839

(4) Interim Condensed Consolidated Statement of Changes in Equity

Three Months ended June 30, 2024

(Millions of yen)

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total		
Balance at April 1, 2024	248,144	2,060,766	723,884	(70,037)	74,329	3,037,088	409,897	3,446,985
Profit for the period			51,527			51,527	8,982	60,509
Other comprehensive income, net of tax					14,324	14,324	(1,094)	13,230
Total comprehensive income for the period	—	—	51,527	—	14,324	65,852	7,888	73,740
Transactions with owners and other transactions								
Issue of common stock	95	123				218		218
Payment of dividends			(41,705)			(41,705)	(8,656)	(50,361)
Transfer of accumulated other comprehensive income to retained earnings			(63)		63	—		—
Purchase of treasury stock				(0)		(0)		(0)
Changes attributable to obtaining or losing control of subsidiaries		14,929				14,929	(21,801)	(6,872)
Changes in ownership interests in subsidiaries without losing control		(629)				(629)	(1,829)	(2,458)
Share-based payment transactions		2,222				2,222		2,222
Other		(158)	(24)	143		(39)	510	471
Total	95	16,488	(41,793)	143	63	(25,003)	(31,776)	(56,779)
Balance at June 30, 2024	248,239	2,077,255	733,618	(69,894)	88,717	3,077,936	386,009	3,463,946

Three Months ended June 30, 2025

(Millions of yen)

	Equity attributable to owners of the parent						Non-controlling interests	Total equity
	Common stock	Capital surplus	Retained earnings	Treasury stock	Accumulated other comprehensive income	Total		
Balance at April 1, 2025	250,128	1,880,031	838,017	(11,704)	41,696	2,998,170	420,745	3,418,915
Profit for the period			48,716			48,716	11,657	60,373
Other comprehensive income, net of tax					11,819	11,819	3,646	15,465
Total comprehensive income for the period	—	—	48,716	—	11,819	60,535	15,303	75,839
Transactions with owners and other transactions								
Issue of common stock	869	1,095				1,965		1,965
Payment of dividends		(10,260)	(39,617)			(49,877)	(8,829)	(58,707)
Transfer of accumulated other comprehensive income to retained earnings			(2,294)		2,294	—		—
Purchase of treasury stock				(116,228)		(116,228)		(116,228)
Changes attributable to obtaining or losing control of subsidiaries						—	46,363	46,363
Changes in ownership interests in subsidiaries without losing control		(1,018)				(1,018)	78,019	77,001
Share-based payment transactions		1,040				1,040		1,040
Other		(1,067)	(26)	172		(921)	188	(733)
Total	869	(10,210)	(41,938)	(116,055)	2,294	(165,040)	115,741	(49,299)
Balance at June 30, 2025	250,997	1,869,821	844,796	(127,760)	55,810	2,893,665	551,789	3,445,454

(5) Interim Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Three Months ended June 30, 2024	Three Months ended June 30, 2025
	Amount	Amount
Cash flows from operating activities:		
Profit before tax	87,699	87,070
Depreciation and amortization	40,372	41,441
Increase (decrease) in allowance for doubtful accounts	4,026	(7,348)
Gain on remeasurement relating to business combinations	—	(17,068)
Equity in losses of associates and joint ventures	3,981	2,792
(Increase) decrease in call loans in banking business	(9,917)	33,000
(Increase) decrease in trade and other receivables	(24,747)	(12,442)
Increase (decrease) in trade and other payables	(56,986)	(20,157)
(Increase) decrease in loans for credit card business	(1,277)	(23,441)
(Increase) decrease in loans in banking business	(43,219)	(44,018)
Increase (decrease) in customer deposits in banking business	48,327	160,119
Other	25,351	(51,526)
Subtotal	73,610	148,422
Interest and dividends received	3,823	1,112
Interest paid	(3,019)	(4,346)
Income taxes—paid	(30,387)	(50,234)
Income taxes—refunded	43,316	69
Net cash inflow (outflow) from operating activities	87,343	95,023
Cash flows from investing activities:		
Purchase of investment securities in banking business	(116,153)	(131,304)
Proceeds from sales/redemption of investment securities in banking business	38,040	38,197
Purchase of other investments	(36,479)	(55,922)
Proceeds from sales and redemption of investments	8,348	12,316
Payments for acquisition of control over subsidiaries	—	(51,821)
Proceeds from withdrawal of time deposits	3,754	13,866
Other	(74,328)	(43,434)
Net cash inflow (outflow) from investing activities	(176,817)	(218,103)
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings	(48,730)	172,997
Proceeds from long-term borrowings	73,491	122,140
Capital contribution from non-controlling interests	2	86,764
Purchase of treasury stock	(0)	(116,259)
Redemption of corporate bonds	—	(70,000)
Proceeds from issuance of commercial papers	116,000	295,500
Redemption of commercial papers	(175,000)	(236,000)
Dividends paid	(41,708)	(49,879)
Repayment of lease liabilities	(10,769)	(10,356)
Other	(19,771)	(29,156)
Net cash inflow (outflow) from financing activities	(106,486)	165,749
Effects of exchange rate changes on cash and cash equivalents	5,257	9,097
Net increase (decrease) in cash and cash equivalents arising from transfer to assets classified as held for sale	33,011	—
Net increase (decrease) in cash and cash equivalents	(157,691)	51,766
Cash and cash equivalents at the beginning of the period	1,420,430	1,043,944
Cash and cash equivalents at the end of the period	1,262,738	1,095,711

(6) Notes to Interim Condensed Consolidated Financial Statements

1. Reporting Entity

LY Corporation (the "Company") was incorporated and is domiciled in Japan. A Holdings Corporation is the parent company of the Company and its subsidiaries (collectively, the "Group"). The ultimate parent company of the Group is SoftBank Group Corp. The registered address of the Company's head office is 1-3 Kioicho, Chiyoda-ku, Tokyo, Japan. The nature of the Group's principal businesses is described in "7. Segment Information."

2. Basis of Preparation

Compliance with International Financial Reporting Standards

The Group's interim condensed consolidated financial statements have been prepared in accordance with Article 5, Paragraph (2) of the standards for preparing quarterly financial statements established by Tokyo Stock Exchange, Inc. Based on Article 5, Paragraph (5) of said standards, certain items that are required to be disclosed according to IAS 34 of the International Financial Reporting Standards ("IFRS") have been omitted from the financial statements.

3. Going Concern Assumption

Not applicable.

4. Material Accounting Policy Information

The Group's material accounting policy information in preparing the interim condensed consolidated financial statements is the same as those applied to consolidated financial statements for the previous consolidated fiscal year.

5. Use of Estimates and Judgments

In preparing the interim condensed consolidated financial statements under IFRS, the management is required to make judgments, estimates, and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, revenue, and expenses. Actual results may differ from those projected estimates.

The estimates and underlying assumptions are continuously reviewed. Revisions to accounting estimates are recognized in the period in which the estimate is revised as well as in future periods.

The judgments, estimates and assumptions that have significant impact on the amounts in the interim condensed consolidated financial statements of the Group are consistent with those described in the consolidated financial statements for the previous consolidated fiscal year.

6. Business Combinations

Three months ended June 30, 2024 (April 1, 2024 – June 30, 2024)

There are no significant business combinations to be disclosed.

Three months ended June 30, 2025 (April 1, 2025 – June 30, 2025)

(1) BEENOS Inc.

1) Outline of Business Combination

With the aim of enhancing corporate value through the creation of business synergies centered around the cross-border e-commerce business, the Company conducted a tender offer for the common shares and share options of BEENOS Inc., as resolved at the Board of Directors meeting held on March 21, 2025. This tender offer was concluded on May 7, 2025, resulting in the acquisition of 10,918,182 common shares and share options (target number of shares: 417,540) of BEENOS Inc. for a total cash consideration of 44,674 million yen. Consequently, the Company's voting rights in BEENOS Inc. have amounted to 84.08% (calculated based on the number of voting rights pertaining to issued common shares), making it a consolidated subsidiary.

2) Outline of Acquired Company

Name	BEENOS Inc.
Business description	Various e-commerce businesses domestically and internationally

3) Date of Acquisition

May 7, 2025

4) Fair value of consideration paid, assets acquired and liabilities assumed; non-controlling interests and goodwill; as of the date of acquisition

(Millions of yen)	
Fair value of consideration paid	
Cash	44,674
Fair value of assets acquired and liabilities assumed	
Assets	42,376
Cash and cash equivalents	16,908
Trade and other receivables	2,378
Other financial assets	7,648
Intangible assets (*2)	11,188
Others	4,252
Liabilities	(18,968)
Trade and other payables	(9,119)
Interest-bearing liabilities	(4,264)
Deferred tax liabilities	(3,631)
Others	(1,953)
Net assets	23,408
Non-controlling interests (*3)	(3,786)
Goodwill (*4)	25,052
Total	44,674

(*1) The consideration paid is based on the fair value as of the date of acquisition, and is allocated to the amounts of assets acquired and liabilities assumed.

(*2) Intangible assets

Includes identifiable intangible assets of 10,829 million yen. The breakdown is trademarks classified as indefinite-lived intangibles. In addition, the amount of intangible assets recognized from the business combination is measured based on assumptions such as estimated future cash flow, discount rate, future revenue generated from the target trademarks, royalty rate, etc.

(*3) Non-controlling interests

Non-controlling interests were measured at the proportionate interests in the identifiable net assets of the acquiree.

(*4) Goodwill

Goodwill reflects the future excess earning power expected to be derived from future business development and synergies between the Group and the acquired company.

5) Profit and loss information after the acquisition date related to the business combination

The revenue and net income of the acquired company after the date of such acquisition of control recognized in the Interim Condensed Consolidated Statement of Profit or Loss for this cumulative consolidated first quarter of the fiscal year ending March 31, 2026 are 1,630 million yen and 220 million yen, respectively.

6) Pro Forma Information (Unaudited)

Pro forma revenue and pro forma net income for the Group would have been 492,710 million yen and 60,527 million yen, respectively, assuming that the abovementioned business combination was completed as of the beginning of this consolidated fiscal year ending in March 31, 2026.

(2) LINE Bank Taiwan Limited

1) Outline of Business Combination

LY Corporation has decided on April 10, 2025, to increase the capital of LINE Bank Taiwan Limited (hereinafter "LBT"), an equity method affiliate of the Company, through its consolidated subsidiary, LINE Financial Taiwan Limited (hereinafter "LFT"), by 2.745 billion Taiwan dollars. The capital increase was completed on June 17, 2025.

Upon completion of the capital increase, LFT holds 51.15%, or the majority of voting rights in LBT and, accordingly, the Company gained control over LBT. As a result, LBT newly became the Company's consolidated subsidiary.

2) Outline of Acquired Company

Name	LINE Bank Taiwan Limited
Business description	Internet-only bank

3) Date of Acquisition

June 17, 2025

4) Fair value of consideration paid, assets acquired and liabilities assumed; non-controlling interests and goodwill; as of the date of acquisition

(Millions of yen)	
Fair value of consideration paid	
Cash	13,477
Fair value at the date of acquisition of shares of the acquired company held immediately before the date of acquisition	36,751
Fair value of assets acquired and liabilities assumed	
Assets	460,081
Call loans in banking business	15,869
Investment securities in banking business	76,251
Loans in banking business	322,585
Intangible assets	9,316
Others	36,058
Liabilities	(381,430)
Trade and other payables	(2,514)
Customer deposits in banking business	(375,141)
Others	(3,774)
Net assets	78,651
Non-controlling interests (*2)	(38,406)
Goodwill (*3)	9,983
Total	50,229

(*1) The consideration paid is based on the fair value as of the date of acquisition, and is allocated to the amounts of assets acquired and liabilities assumed.

(*2) Non-controlling interests

Non-controlling interests were measured at the proportionate interests in the identifiable net assets of the acquiree.

(*3) Goodwill

Goodwill reflects the future excess earning power expected to be derived from future business development and synergies between the Group and the acquired company.

5) Gain on remeasurement relating to business combinations

Please refer to "11. Gain on Remeasurement Relating to Business Combinations."

6) Pro Forma Information (Unaudited)

Pro forma revenue and pro forma net income for the Group would have been 492,934 million yen and 59,641 million yen, respectively, assuming that the abovementioned business combination was completed as of the beginning of this consolidated fiscal year ending March 31, 2026. The gain on remeasurement relating to business combinations have been reflected in the pro forma information.

(3) LYST LTD

1) Outline of Business Combination

On April 9, 2025, the Board of Directors of the Company's subsidiary, ZOZO, Inc., resolved in a written resolution to establish a wholly-owned subsidiary of ZOZO, Inc. and to acquire all shares of LYST LTD, thereby making it a subsidiary. Subsequently, a share transfer agreement was concluded on April 9, 2025.

LYST LTD operates one of the world's largest fashion shopping platforms, handling over 27,000 brands and more than 97 million SKUs globally.

To date, ZOZO, Inc. has focused on market expansion through collaborations with companies in various countries, primarily by licensing its proprietary technology. To accelerate growth in the global market, the acquisition of LYST LTD has been decided as a new strategic initiative.

2) Outline of Acquired Company

Name	LYST LTD
Business description	Online fashion platform business

3) Date of Acquisition

April 18, 2025

4) Percentage of voting rights acquired

100%

5) Fair value of consideration paid, assets acquired and liabilities assumed; non-controlling interests and goodwill; as of the date of acquisition

(Millions of yen)	
Fair value of consideration paid	
Cash	22,094
Fair value of assets acquired and liabilities assumed	
Assets (*1)	8,876
Cash and cash equivalents	475
Trade and other receivables	2,567
Intangible assets (*2)	4,688
Others	1,145
Liabilities (*1)	(6,270)
Trade and other payables	(681)
Interest-bearing liabilities	(3,626)
Others	(1,962)
Net assets	2,605
Non-controlling interests	-
Goodwill (*3)	19,489
Total	22,094

(*1) As the recognition of identifiable assets acquired and liabilities assumed as of the acquisition date and measurement of their fair values were not complete as of the end of this consolidated fiscal quarter, the above amounts are provisional based on the best estimate at present. Accordingly, the allocation of the consideration transferred to assets acquired, liabilities assumed and resulting goodwill may change in a year from the acquisition date when additional information related to facts and circumstances that existed as of the acquisition date are obtained and evaluated.

(*2) Intangible assets

Includes identifiable intangible assets of 3,837 million yen, primarily consisting of customer relationships. In addition, the amount of intangible assets recognized from the business combination is measured based on assumptions such as estimated future cash flow and discount rates.

(*3) Goodwill

Goodwill reflects the future excess earning power expected to be derived from future business development and synergies between the Group and the acquired company.

6) Profit and loss information after the acquisition date related to the business combination

The revenue and net loss of the acquired company after the date of such acquisition of control recognized in the Interim Condensed Consolidated Statement of Profit or Loss for this cumulative consolidated first quarter of the fiscal year ending March 31, 2026, are 1,040 million yen and 553 million yen, respectively.

7) Pro Forma Information (Unaudited)

Pro forma revenue and pro forma net income for the Group would have been 490,190 million yen and 60,232 million yen, respectively, assuming that the abovementioned business combination was completed as of the beginning of this consolidated fiscal year ending on March 31, 2026. The increase in amortization expenses of intangible assets newly recognized on the actual date of acquiring control and others have been reflected in the pro forma information.

7. Segment Information

The Group's reporting segments are business segments for which it is possible to obtain financial information separate from the overall compositional structure of the Group. The Board of Directors of the Company regularly examines this information in order to decide on allocation of business resources and to evaluate business performance.

The Group's reporting segments comprise three business segments, the Media Business, the Commerce Business, and the Strategic Business.

The Media Business mainly plans and operates each service for the purpose of planning, sales, and placement of advertising products, provides information listing services, and provides other corporate services.

The Commerce Business mainly sells products, plans and provides services via the internet to small and medium-sized business enterprises and to individuals.

The Strategic Business mainly offers payment and finance-related services.

The Other segment contains business segments not covered in the reporting segments, including services related to cloud, etc.

The accounting policies adopted for each reporting segment are the same as the Group's accounting policies. Segment income is adjusted with the operating income in the interim condensed consolidated statement of profit or loss. The adjustment figures for segment income are general corporate expenses not belonging to each reporting segment. General corporate expenses principally comprise general and administrative expenses not belonging to any reporting segment. Inter-segment revenue is based on actual market prices.

From the third quarter of the fiscal year ended March 31, 2025, Ikyu.com for Restaurants and PayPay Gourmet services were transferred from Media Business to Commerce Business.

Furthermore, from the first quarter of the fiscal year ending March 31, 2026, the standards for allocating personnel expenses of technology divisions and expenses related to data centers and internal infrastructure were revised.

Accordingly, the segment information for the previous cumulative consolidated first quarter has been revised and restated.

The Group's segment information is as follows:

Previous cumulative consolidated first quarter of the fiscal year ended March 31, 2025 (April 1, 2024–June 30, 2024):

(Millions of yen)

	Reporting segment				Other	Adjustment figures	Consolidated figures
	Media Business	Commerce Business	Strategic Business	Total			
Revenue							
Sales to customers	174,480	208,208	78,770	461,459	1,626	-	463,085
Intersegment sales	1,729	503	373	2,605	510	(3,116)	-
Total	176,209	208,712	79,143	464,065	2,137	(3,116)	463,085
Segment income/(loss)	53,351	49,643	8,749	111,744	(154)	(4,787)	106,802
Other non-operating income							5,398
Other non-operating expenses							20,520
Equity in losses of associates and joint ventures							(3,981)
Profit before tax							87,699

This cumulative consolidated first quarter of the fiscal year ending March 31, 2026 (April 1, 2025–June 30, 2025):

(Millions of yen)

	Reporting segment				Other	Adjustment figures	Consolidated figures
	Media Business	Commerce Business	Strategic Business	Total			
Revenue							
Sales to customers	175,735	215,453	96,355	487,544	2,087	-	489,631
Intersegment sales	1,538	537	244	2,320	1	(2,320)	-
Total	177,273	215,990	96,600	489,864	2,088	(2,320)	489,631
Segment income(*1)	47,188	18,464	29,160	94,813	413	(155)	95,071
Other non-operating income							1,926
Other non-operating expenses							7,135
Equity in losses of associates and joint ventures							(2,792)
Profit before tax							87,070

(*1) Segment income of the Strategic Business includes a gain on remeasurement relating to business combinations of 17,068 million yen. (Please refer to 11. Gain on Remeasurement Relating to Business Combinations).

8. Interest-Bearing Liabilities

The components of interest-bearing liabilities are as follows:

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Borrowings	945,708	1,235,234
Corporate bonds	444,374	374,440
Lease liabilities	194,941	201,513
Other	109,374	168,806
Total	1,694,398	1,979,995

9. Purchase Commitments

Commitments to purchase major property and equipment and intangible assets under a new contract concluded in this consolidated first quarter amounted to 5,023 million yen (9,730 million yen in the previous consolidated first quarter). The commitments are mainly attributable to executory contracts of purchase of assets to be used in data centers.

10. Dividends

The total amount of dividends was as follows:

Three Months ended June 30, 2024 (April 1, 2024–June 30, 2024)

Resolution	Total dividends (millions of yen)	Dividends per share (yen)	Record date	Effective date
Board of Directors meeting held on May 15, 2024	41,888	5.56	March 31, 2024	June 4, 2024

Three Months ended June 30, 2025 (April 1, 2025–June 30, 2025)

Resolution	Total dividends (millions of yen)	Dividends per share (yen)	Record date	Effective date
Board of Directors meeting held on May 16, 2025	50,075	7.00	March 31, 2025	June 5, 2025

11. Gain on Remeasurement Relating to Business Combinations

This cumulative consolidated first quarter of the fiscal year ending March 31, 2026 (April 1, 2025–June 30, 2025):

Due to the consolidation of LINE Bank Taiwan Limited on June 17, 2025, through LINE Financial Taiwan Limited, a consolidated subsidiary of the Company, the previously held equity interest of the company was remeasured based on the acquisition-date fair value. As a result, a gain on remeasurement relating to business combinations of 14,501 million yen were recognized.

12. Other Non-operating Income

The components of non-operating income are as follows:

(Millions of yen)

	Three Months ended June 30, 2024	Three Months ended June 30, 2025
Gain on change in equity interest	2,832	—
Other	2,566	1,926
Total	5,398	1,926

13. Other Non-operating Expenses

The components of non-operating expenses are as follows:

(Millions of yen)

	Three Months ended June 30, 2024	Three Months ended June 30, 2025
Interest expenses	1,826	2,657
Gains and losses on valuation of options	13,751	—
Other	4,941	4,477
Total	20,520	7,135

14. Earnings Per Share

Basic quarterly earnings per share attributable to owners of the parent and diluted quarterly earnings per share are calculated on the following basis:

	Three Months ended June 30, 2024	Three Months ended June 30, 2025
Basic quarterly earnings per share (yen)	6.87	6.84
Profit for the quarter attributable to owners of the parent (million yen)	51,527	48,716
Profit for the quarter not attributable to owners of the parent (million yen)	—	—
Profit for the quarter used in the calculation of basic earnings per share (million yen)	51,527	48,716
Weighted-average number of common stock (1,000 shares)	7,501,140	7,124,599
Diluted quarterly earnings per share (yen)	6.85	6.80
Adjustments on profit for the quarter (million yen)	—	—
Increase in the number of common stock (1,000 shares)	26,253	39,256

(Note) In calculating the basic quarterly earnings per share and the diluted quarterly earnings per share, shares of the Company held by the Stock Delivery Trust (J-ESOP), the Board Incentive Plan Trust, and the Stock Delivery ESOP Trust are processed as treasury stocks. Thus, said number of shares are deducted from the number of shares at the end of the period and the weighted average number of shares.

15. Related Party Transactions

The Group's ultimate parent company is SoftBank Group Corp.

Transactions between the Group and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed herein.

Related party transactions and outstanding balances

Previous cumulative consolidated first quarter of the fiscal year ended March 31, 2025 (April 1, 2024–June 30, 2024):

There are no significant related party transactions or unsettled balances of receivables and payables.

This cumulative consolidated first quarter of the fiscal year ending March 31, 2026 (April 1, 2025–June 30, 2025):

There are no significant related party transactions or unsettled balances of receivables and payables.

16. Contingencies

The committed lines of cash advances mainly consist of the shopping limits and cashing limits that are granted to customers in the Group's credit card business. The total amount and remaining balances are as follows:

(Millions of yen)

	As of March 31, 2025	As of June 30, 2025
Total amount of committed lines of cash advances	11,242,876	11,575,621
Outstanding balance	1,271,748	1,306,005
Remaining balance	9,971,127	10,269,616

The remaining balance of the shopping limit and cashing limit do not indicate that the total amount of the balance will be used in the future because a) customers may use the credit card up to the limit at any time and do not always use the full amount of the limit and b) the Group may change the limit arbitrarily. The remaining balance of the credit lines becomes due within a year as it is payable on demand.

Unless otherwise specified, English-language documents are prepared solely for the convenience of non-Japanese speakers. If there is any inconsistency between the English-language documents and the Japanese-language documents, the Japanese-language documents will prevail.