Results for the Six Months Ended September 30, 2026 (FY2026-2Q) [IFRSs]

November 5, 2026

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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 Six Months Ended September 30, 2026 (April 1, 2026-September 30, 2026)

(Amounts less than one million yen are omitted)

(1) Consolidated Business Performance (April 1, 2026-September 30, 2026) (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	%
Six-month period ended Sep. 30, 2026	1,117,668	12.3	198,862	(7.3)	175,866	(7.8)	127,007	(37.4)	92,909	(32.8)	138,681	(35.9)
Six-month period ended Sep. 30, 2025	995,367	7.6	214,526	24.2	190,703	31.8	203,039	88.1	138,313	58.5	216,416	148.5

	Adjusted EBITDA		Adjusted net income		Adjusted EPS		Basic earnings per share	Diluted earnings per share
	Millions of yen	%	Millions of yen	%	Yen	%	Yen	Yen
Six-month period ended Sep. 30, 2026	306,558	22.0	118,589	10.9	17.29	13.1	13.54	13.49
Six-month period ended Sep. 30, 2025	251,275	7.2	106,912	17.0	15.28	25.4	19.77	19.66

(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 Sep. 30, 2026	11,847,603	3,763,781	3,048,145	25.7
As of March 31, 2026	11,205,191	3,713,509	2,998,805	26.8

2. Dividends

	Dividends per share				
	1Q	2Q	3Q	Year end	Full year
	Yen	Yen	Yen	Yen	Yen
Fiscal year ended March 31, 2026	－	0.00	－	7.30	7.30
Fiscal year ending March 31, 2027	－	0.00			
Fiscal year ending March 31, 2027 (Estimates)			－	12.00	12.00

(Note 1) Revision to dividends previously announced: Yes
(Note 2) For more information on the revision to the dividend forecast, please refer to "Notice Regarding Revisions to Consolidated Performance Estimates and Year-End Dividend Forecast (Dividend Increase)" announced today (November 5, 2026).

3. Consolidated Performance Estimates for FY2026 (April 1, 2026-March 31, 2027)

	Revenue		Adjusted EBITDA		Adjusted EPS	
	Millions of yen	% Change YoY	Millions of yen	% Change YoY	Yen	% Change YoY
Fiscal year ending March 31, 2027	2,330,000	14.4	640,000	28.9	35.0	21.8

(Note 1) Revision to performance estimates previously announced: Yes
(Note 2) For more information on the revision to consolidated performance estimates, please refer to "Notice Regarding Revisions to Consolidated Performance Estimates and Year-End Dividend Forecast (Dividend Increase)" announced today (November 5, 2026).
For details, please refer to 3. Outlook for Fiscal Year Ending March 31, 2027 (April 1, 2026-March 31, 2027) in (1) Qualitative Information Regarding the Consolidated Business Performance on page 6 of the Results for the Six Months (Attachments).

Notes

(1) Significant changes in scope of consolidation during the period: None
Newly consolidated: None
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 September 30, 2026 6,888,742,311 shares
As of March 31, 2026 6,884,244,856 shares
2) Number of shares of treasury stocks
As of September 30, 2026 25,505,766 shares
As of March 31, 2026 25,635,999 shares
3) Average number of common stocks outstanding (cumulative from the beginning of the fiscal year)
Six months ended September 30, 2026 6,859,852,335 shares
Six months ended September 30, 2025 6,997,210,695 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, 2026: 20,196,214 shares; as of September 30, 2026: 20,089,266 shares).

(4) Formula for each management index
・Adjusted EBITDA: Operating income + depreciation & amortization (*1) ± EBITDA adjustment items (*2)
・Adjusted net income: Net income attributable to owners of the parent ± EPS adjustment items (*3) ± 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, etc. (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: ± EBITDA adjustment items + amortization of identifiable intangible assets arising from business combinations ± non-recurring gains/losses in other non-operating income/expenses

* The Japanese-language originals of the Results for the Six Months are exempt from review by certified public accountants or an audit firm.
* 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 Thursday, November 5, 2026.

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1 Qualitative Information Regarding the Consolidated Operating Results

(1) Qualitative Information Regarding the Consolidated Business Performance

1. Business Results Summary (April 1, 2026–September 30, 2026)

■ Highlights

Revenue came to 1,117.6 billion yen (up 12.3% year on year), and adjusted EBITDA came to 306.5 billion yen (up 22.0% year on year). Both set new records for the highest performance to date in the cumulative consolidated second quarter.

	Six Months Ended September 30, 2025 (billion yen)	Six Months Ended September 30, 2026 (billion yen)	Year-on-Year Change (billion yen)	Year-on-Year Change (%)
Revenue	995.3	1,117.6	122.3	12.3
Adjusted EBITDA	251.2	306.5	55.2	22.0

The revenue for the cumulative consolidated second quarter of the fiscal year ending March 31, 2027 amounted to 1,117.6 billion yen (up 12.3% year on year), representing the highest cumulative consolidated second quarter revenue to date. This was due to an increase in revenue from the consolidation of BEENOS Inc., LINE MAN CORPORATION PTE. LTD., and LINE Bank Taiwan Limited implemented in the previous fiscal year, and an increase in revenue mainly from PayPay Consolidated in the Strategic Business, account advertising and LYP Premium in the Media Business, as well as Yahoo! JAPAN Shopping and the ZOZO Group in the Commerce Business, among others.

Adjusted EBITDA for the cumulative consolidated second quarter of the fiscal year ending March 31, 2027 amounted to 306.5 billion yen (up 22.0% year on year), representing the highest cumulative consolidated second quarter earnings to date. This was due to the increased revenues mentioned above, despite an increase in selling, general and administrative expenses mainly due to higher sales promotion costs, commission expenses, and personnel expenses resulting from the abovementioned consolidation of subsidiaries.

2. Segment Business Results Summary (April 1, 2026‐September 30, 2026)

Revenue and Adjusted EBITDA by Segment

	Six Months Ended September 30, 2025 (billion yen)	Six Months Ended September 30, 2026 (billion yen)	Year-on-Year Change (billion yen)	Year-on-Year Change (%)
Media Business				
Revenue	357.7	365.6	7.8	2.2
Adjusted EBITDA	134.7	151.0	16.2	12.1
Commerce Business				
Revenue	432.4	483.3	50.9	11.8
Adjusted EBITDA	71.6	83.3	11.6	16.3
Strategic Business				
Revenue	206.1	271.0	64.8	31.4
Adjusted EBITDA	44.4	74.1	29.6	66.8
Other				
Revenue	4.5	3.8	(0.6)	(15.2)
Adjusted EBITDA	3.3	2.5	(0.7)	(22.9)
Adjustments				
Revenue	(5.6)	(6.3)	(0.6)	—
Adjusted EBITDA	(2.9)	(4.4)	(1.5)	—
Total				
Revenue	995.3	1,117.6	122.3	12.3
Adjusted EBITDA	251.2	306.5	55.2	22.0

Notes:

1. In the third quarter of the fiscal year ended March 31, 2026, services have been transferred between segments following an internal reorganization. Accordingly, the segment information for the consolidated fiscal year ended March 31, 2026 has been retroactively adjusted.
2. From the first quarter of the fiscal year ending March 31, 2027, services have been transferred between segments following an internal reorganization, and the allocation standards of expenses related to the back office, data centers, and internal infrastructure were revised. Accordingly, the segment information for the consolidated fiscal year ended March 31, 2026 has been revised and restated.
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 Second Quarter

The revenue of the Media Business for the cumulative consolidated second quarter amounted to 365.6 billion yen (up 2.2% year on year). Adjusted EBITDA amounted to 151.0 billion yen (up 12.1% year on year) due to an increase in revenue, as well as a decrease in selling, general and administrative expenses which mainly include personnel expenses and generative AI-related expenses.

- Account advertising: Revenue increased 12.5% 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.
- Display advertising: Revenue decreased year on year from both programmatic advertising and reservation advertising.
- Search advertising: Revenue decreased year on year from both LY Corporation's websites and partners' websites.
- User subscriptions, etc.: Revenue increased 13.0% year on year as LINE-related benefits were well received, and LYP Premium membership continued to show a steady increase.

2) Commerce Business in the Cumulative Consolidated Second Quarter

The revenue of the Commerce Business amounted to 483.3 billion yen (up 11.8% year on year) due to increased revenue from the consolidation of BEENOS Inc. and LINE MAN CORPORATION PTE. LTD., as well as increased revenue from Yahoo! JAPAN Shopping and the ZOZO Group.

Adjusted EBITDA increased 16.3% year on year, to 83.3 billion yen, as the increase in revenue absorbed the increase in selling, general and administrative expenses resulting from the above consolidation of subsidiaries, including sales promotion costs, advertising, and personnel expenses.

3) Strategic Business in the Cumulative Consolidated Second Quarter

PayPay Consolidated GMV (*1) for the cumulative consolidated second quarter amounted to 11.1 trillion yen (up 21.3% year on year) while maintaining steady growth. Furthermore, the loan balance of PayPay Bank Corporation came to 1,397.7 billion yen (up 37.0% year on year).

The revenue for the cumulative consolidated second quarter amounted to 271.0 billion yen, representing a 31.4% increase year on year, as a result of growth in PayPay Consolidated, increased revenue from the consolidation of LINE Bank Taiwan Limited in June 2025, and increased revenue from the expansion of the LINE Pay Taiwan business. In addition, adjusted EBITDA amounted to 74.1 billion yen (up 66.8% year on year), as the increase in revenue absorbed the increase in selling, general and administrative expenses, which were mainly commission expenses, personnel expenses, sales promotion costs, and advertising expenses.

(*1) Payments via "PayPay Balance," "PayPay Debit," "PayPay Balance Card," "PayPay Credit," "PayPay Card (physical card)," "VISA Debit Card," "Alipay," 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. Figures are rounded down to the nearest billion yen and then rounded off to the nearest 100 billion yen.

Major services/products of each segment

Media Business	Search advertising	LY Ads Search Ads	
	Account advertising	LINE Official Account, LINE Promotion Sticker, LINE de Obo (Participate with LINE), LINE Flyer	
	Display advertising	Programmatic advertising	LY Ads Display Ads (Auction)
		Reservation advertising	LY Ads Display Ads (Guaranteed)
		Other	LINE Part Time Jobs
	User subscriptions, etc.	LINE STICKERS, LINE GAME, LINE Fortune, LINE MUSIC, LINE Manga, LYP Premium, ebookjapan, Yahoo! JAPAN Mail	
Commerce Business	LY Corporation	Shopping business	Yahoo! JAPAN Shopping, LINE Brand Catalog, LINE GIFT, LINE SHOPPING (*2), overseas e-commerce (LINE SHOPPING (Taiwan, Thailand), GIFTSHOP, MyShop)
		Reuse business	Yahoo! JAPAN Auction, Yahoo! JAPAN Flea Market, Buyee
		Services e-commerce	Yahoo! JAPAN Travel, Ikyu.com, LINE TRAVEL (Taiwan), LINE MAN
	ZOZO, ASKUL	ZOZO	ZOZOTOWN, ZOZOUSED, Lyst
		ASKUL	ASKUL BtoB business (ASKUL, SOLOEL ARENA (*3), APMRO, FEED DENTAL), LOHACO, Charm
Strategic Business	Fintech	PayPay (Consolidated)	PayPay, PayPay Card, Credit Engine, PayPay Bank, PayPay Securities
		Other fintech	PayPay Insurance, LINE Pay Taiwan, LINE Bank Taiwan, LINE Score, LINE Pocket Money, LINE BITMAX (*4), LINE FX

(*2) LINE SHOPPING in Japan terminated its service on June 1, 2026.
(*3) SOLOEL ARENA changed its service name to ASKUL on June 3, 2026.
(*4) LINE BITMAX terminated its service on June 1, 2026.

3. Outlook for Fiscal Year Ending March 31, 2027 (April 1, 2026‑March 31, 2027)

Based on the performance results through the cumulative consolidated second quarter, the Company has revised its full-year consolidated performance estimates for the fiscal year ending March 31, 2027, as follows.
Revenue is expected to exceed the previous estimate, as ASKUL Corporation and LINE MAN CORPORATION PTE. LTD. in the Commerce Business and PayPay Consolidated in the Strategic Business are performing better than initially anticipated.
In terms of income, the increase in revenue described above, together with higher-than-expected profitability from PayPay Consolidated, is expected to offset increases in expenses associated with business expansion, including sales promotion costs and commission expenses. As a result, adjusted EBITDA and adjusted EPS are also expected to exceed the previous forecasts.

	Revenue (JPY million)	Adjusted EBITDA (JPY million)	Adjusted EPS (JPY)
Previously announced estimates (A)	2,240,000	585,000	30.0
Revised estimates (B)	2,330,000	640,000	35.0
Change (B-A)	90,000	55,000	5.0
Change (%)	4.0%	9.4%	16.7%
(Reference) Actual consolidated results for the previous fiscal year (Fiscal year ended March 31, 2026)	2,036,366	496,681	28.73

(2) Qualitative Information Regarding the Consolidated Financial Position

Assets, Liabilities, and Equity

1. Assets

Total assets at the end of this consolidated second quarter amounted to 11,847,603 million yen, having increased 642,411 million yen, or 5.7%, since the end of the consolidated fiscal year ended March 31, 2026.

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.
- Loans in the credit card business increased compared with the end of the consolidated fiscal year ended March 31, 2026, primarily due to an increase in the transaction volume of the credit card business.
- Loans in the banking business increased compared with the end of the consolidated fiscal year ended March 31, 2026, mainly due to the increase in housing loans.
- Other financial assets increased compared with the end of the consolidated fiscal year ended March 31, 2026, primarily as a result of share acquisitions by PayPay Corporation.

2. Liabilities

Total liabilities at the end of this consolidated second quarter amounted to 8,083,821 million yen, having increased 592,139 million yen, or 7.9%, since the end of the consolidated fiscal year ended March 31, 2026.

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

- Customer deposits in the banking business increased compared with the end of the consolidated fiscal year ended March 31, 2026, mainly due to an increase in deposits from customers.
- Interest-bearing liabilities increased compared with the end of the consolidated fiscal year ended March 31, 2026 mainly due to an increase in borrowings.

3. Equity

Total equity at the end of this consolidated second quarter amounted to 3,763,781 million yen, having increased 50,271 million yen, or 1.4%, since the end of the consolidated fiscal year ended March 31, 2026.

The major component of the change in equity was as follows:

- Retained earnings increased compared with the end of the consolidated fiscal year ended March 31, 2026, due to an increase resulting from the recognition of the net income attributable to owners of the parent, despite a decrease due to payment of dividends.

Cash Flows

At the end of this consolidated second quarter, cash and cash equivalents amounted to 1,265,023 million yen, up 196,991 million yen from the end of the consolidated fiscal year ended March 31, 2026, out of which deposits with the central bank for the banking business amounted to 487,738 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 171,851 million yen, primarily owing to an increase in customer deposits in the banking business and recognition of profit before tax for the period under review, despite cash outflows primarily due to an increase in loans in the banking business.
Cash flows from investing activities amounted to a total cash outflow of 207,309 million yen, primarily due to the purchase of investment securities in the banking business and the purchase of other investments, despite cash inflows primarily consisting of proceeds from the sales or redemption of investment securities in the banking business.
Cash flows from financing activities amounted to a total cash inflow of 235,063 million yen, primarily due to the net increase in short-term borrowings and proceeds from the issuance of corporate bonds, despite cash outflows mainly due to the redemption of corporate bonds and repayments of long-term borrowings.

2 Interim Condensed Consolidated Financial Statements and Significant Notes

(1) Interim Condensed Consolidated Statement of Financial Position

(Millions of yen)

	As of Mar. 31, 2026	As of Sep. 30, 2026	Increase/decrease	
	Amount	Amount	Amount	Change (%)
Assets				
Cash and cash equivalents	1,068,032	1,265,023	196,991	18.4
Call loans in banking business	52,788	16,449	(36,338)	(68.8)
Trade and other receivables	539,360	535,719	(3,640)	(0.7)
Inventories	32,335	31,336	(998)	(3.1)
Loans in credit card business	1,252,928	1,316,120	63,191	5.0
Investment securities in banking business	1,550,844	1,564,000	13,156	0.8
Loans in banking business	1,615,955	1,832,729	216,773	13.4
Other financial assets	714,667	882,019	167,351	23.4
Property and equipment	259,634	250,975	(8,659)	(3.3)
Right-of-use assets	198,026	205,694	7,668	3.9
Goodwill	2,191,690	2,195,502	3,812	0.2
Intangible assets	1,309,654	1,293,020	(16,633)	(1.3)
Investments accounted for using the equity method	192,262	220,820	28,558	14.9
Deferred tax assets	119,529	116,037	(3,492)	(2.9)
Other assets	107,481	122,152	14,670	13.6
Total assets	11,205,191	11,847,603	642,411	5.7

(Millions of yen)

	As of Mar. 31, 2026	As of Sep. 30, 2026	Increase/decrease	
	Amount	Amount	Amount	Change (%)
Liabilities and equity				
Liabilities				
Trade and other payables	2,218,513	2,260,617	42,104	1.9
Customer deposits in banking business	2,701,160	2,903,911	202,751	7.5
Interest-bearing liabilities	1,961,998	2,322,615	360,616	18.4
Other financial liabilities	92,274	86,184	(6,089)	(6.6)
Income taxes payable	43,127	40,506	(2,621)	(6.1)
Provisions	37,180	36,774	(406)	(1.1)
Deferred tax liabilities	191,944	192,746	802	0.4
Other liabilities	245,482	240,465	(5,016)	(2.0)
Total liabilities	7,491,682	8,083,821	592,139	7.9
Equity				
Equity attributable to owners of the parent				
Common stock	252,134	253,402	1,267	0.5
Capital surplus	1,699,597	1,676,477	(23,119)	(1.4)
Retained earnings	996,061	1,049,471	53,410	5.4
Treasury stock	(13,338)	(13,228)	110	―
Accumulated other comprehensive income	64,350	82,021	17,671	27.5
Total equity attributable to owners of the parent	2,998,805	3,048,145	49,339	1.6
Non-controlling interests	714,704	715,635	931	0.1
Total equity	3,713,509	3,763,781	50,271	1.4
Total liabilities and equity	11,205,191	11,847,603	642,411	5.7

(2) Interim Condensed Consolidated Statement of Profit or Loss

(Millions of yen)

	Six Months ended Sep. 30, 2025	Six Months ended Sep. 30, 2026	Increase/decrease	
	Amount	Amount	Amount	Change (%)
Revenue	995,367	1,117,668	122,301	12.3
Cost of sales	271,368	305,372	34,003	12.5
Selling, general and administrative expenses	509,472	613,434	103,961	20.4
Operating income	214,526	198,862	(15,664)	(7.3)
Other non-operating income	3,628	7,940	4,312	118.8
Other non-operating expenses	22,593	23,993	1,400	6.2
Equity in profit (loss) of associates and joint ventures	(4,859)	(6,942)	(2,083)	―
Profit before tax	190,703	175,866	(14,836)	(7.8)
Income tax expense	(12,336)	48,859	61,195	―
Profit for the period	203,039	127,007	(76,031)	(37.4)
Profit for the period attributable to:				
Owners of the parent	138,313	92,909	(45,403)	(32.8)
Non-controlling interests	64,725	34,098	(30,627)	(47.3)
Profit for the period	203,039	127,007	(76,031)	(37.4)
Earnings per share attributable to owners of the parent				
Basic (yen)	19.77	13.54	(6.23)	(31.5)
Diluted (yen)	19.66	13.49	(6.17)	(31.4)

(3) Interim Condensed Consolidated Statement of Comprehensive Income

(Millions of yen)

	Six Months ended Sep. 30, 2025	Six Months ended Sep. 30, 2026
Profit for the period	203,039	127,007
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit plans	(1,669)	(67)
Equity financial assets measured at FVTOCI	4,384	(820)
Share of other comprehensive income of associates	76	(462)
Subtotal	2,790	(1,350)
Items that may be reclassified subsequently to profit or loss		
Debt financial assets measured at FVTOCI	(28)	(2,881)
Exchange differences on translating foreign operations	10,614	15,906
Subtotal	10,586	13,024
Other comprehensive income, net of tax	13,377	11,674
Total comprehensive income	216,416	138,681
Total comprehensive income attributable to:		
Owners of the parent	149,784	109,824
Non-controlling interests	66,631	28,857
Total comprehensive income	216,416	138,681

(4) Interim Condensed Consolidated Statement of Changes in Equity

Six Months ended September 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 comprehen-sive 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			138,313			138,313	64,725	203,039
Other comprehensive income, net of tax					11,471	11,471	1,905	13,377
Total comprehensive income for the period	—	—	138,313	—	11,471	149,784	66,631	216,416
Transactions with owners and other transactions								
Issue of common stock	1,397	1,753				3,150		3,150
Payment of dividends		(10,260)	(39,617)			(49,877)	(9,774)	(59,652)
Transfer of accumulated other comprehensive income to retained earnings			(2,312)		2,312	—		—
Purchase of treasury stock				(148,595)		(148,595)		(148,595)
Cancellation of treasury stock		(143,040)		143,040		—		—
Changes attributable to obtaining or losing control of subsidiaries		(44,286)				(44,286)	53,786	9,499
Changes in ownership interests in subsidiaries without losing control		1,808				1,808	69,817	71,625
Share-based payment transactions		1,589				1,589		1,589
Other		(1,632)	320	823		(488)	1,386	898
Total	1,397	(194,069)	(41,608)	(4,731)	2,312	(236,699)	115,216	(121,483)
Balance at Sep. 30, 2025	251,525	1,685,962	934,722	(16,435)	55,480	2,911,255	602,592	3,513,847

Six Months ended September 30, 2026

(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 comprehen-sive income	Total		
Balance at April 1, 2026	252,134	1,699,597	996,061	(13,338)	64,350	2,998,805	714,704	3,713,509
Profit for the period			92,909			92,909	34,098	127,007
Other comprehensive income, net of tax					16,915	16,915	(5,240)	11,674
Total comprehensive income for the period	—	—	92,909	—	16,915	109,824	28,857	138,681
Transactions with owners and other transactions								
Issue of common stock	1,267	1,499				2,767		2,767
Payment of dividends		(11,933)	(38,133)			(50,067)	(10,791)	(60,859)
Transfer of accumulated other comprehensive income to retained earnings			(756)		756	—		—
Purchase of treasury stock				(538)		(538)		(538)
Changes attributable to obtaining or losing control of subsidiaries						—	161	161
Changes in ownership interests in subsidiaries without losing control		(12,100)				(12,100)	(17,550)	(29,650)
Share-based payment transactions		590				590		590
Other		(1,175)	(608)	648		(1,135)	255	(880)
Total	1,267	(23,119)	(39,499)	110	756	(60,484)	(27,925)	(88,409)
Balance at Sep. 30, 2026	253,402	1,676,477	1,049,471	(13,228)	82,021	3,048,145	715,635	3,763,781

(5) Interim Condensed Consolidated Statement of Cash Flows

(Millions of yen)

	Six Months ended Sep. 30, 2025	Six Months ended Sep. 30, 2026
	Amount	Amount
Cash flows from operating activities:		
Profit before tax	190,703	175,866
Depreciation and amortization	84,789	95,908
Increase (decrease) in allowance for doubtful accounts	(4,611)	11,485
Equity in (profit) loss of associates and joint ventures	4,859	6,942
(Increase) decrease in call loans in banking business	(38,406)	36,168
(Increase) decrease in trade and other receivables	1,708	4,100
Increase (decrease) in trade and other payables	76,147	49,721
(Increase) decrease in loans for credit card business	(71,762)	(64,819)
(Increase) decrease in loans in banking business	(116,547)	(222,137)
Increase (decrease) in customer deposits in banking business	276,627	208,038
(Increase) decrease in investment securities in securities business	(57,209)	(60,722)
Other	(50,628)	(10,373)
Subtotal	295,669	230,178
Interest and dividends received	3,171	4,586
Interest paid	(9,779)	(15,363)
Income taxes—paid	(57,949)	(47,550)
Net cash inflow (outflow) from operating activities	231,111	171,851
Cash flows from investing activities:		
Purchase of investment securities in banking business	(266,428)	(270,023)
Proceeds from sales/redemption of investment securities in banking business	91,658	253,555
Purchase of other investments	(74,955)	(153,731)
Proceeds from withdrawal of time deposits	24,179	38,474
Other	(133,026)	(75,584)
Net cash inflow (outflow) from investing activities	(358,571)	(207,309)
Cash flows from financing activities:		
Net increase (decrease) in short-term borrowings	126,289	286,641
Proceeds from long-term borrowings	147,788	122,980
Repayments of long-term borrowings	(63,119)	(63,507)
Purchase of treasury stock of subsidiaries	(14,797)	(19,165)
Proceeds from issuance of corporate bonds	100,000	135,000
Redemption of corporate bonds	(70,000)	(120,000)
Proceeds from issuance of commercial papers	418,500	211,000
Redemption of commercial papers	(397,500)	(220,000)
Dividends paid	(49,853)	(50,040)
Dividends paid to non-controlling interests	(9,782)	(10,436)
Repayment of lease liabilities	(20,963)	(19,599)
Other	(50,352)	(17,808)
Net cash inflow (outflow) from financing activities	116,208	235,063
Effects of exchange rate changes on cash and cash equivalents	8,363	(2,614)
Net increase (decrease) in cash and cash equivalents	(2,888)	196,991
Cash and cash equivalents at the beginning of the period	1,043,944	1,068,032
Cash and cash equivalents at the end of the period	1,041,056	1,265,023

(6) Notes to Interim Condensed Consolidated Financial Statements

1. Going Concern Assumption

Not applicable.

2. 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 LY Corporation Group are consistent with those described in the consolidated financial statements for the previous consolidated fiscal year.

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.