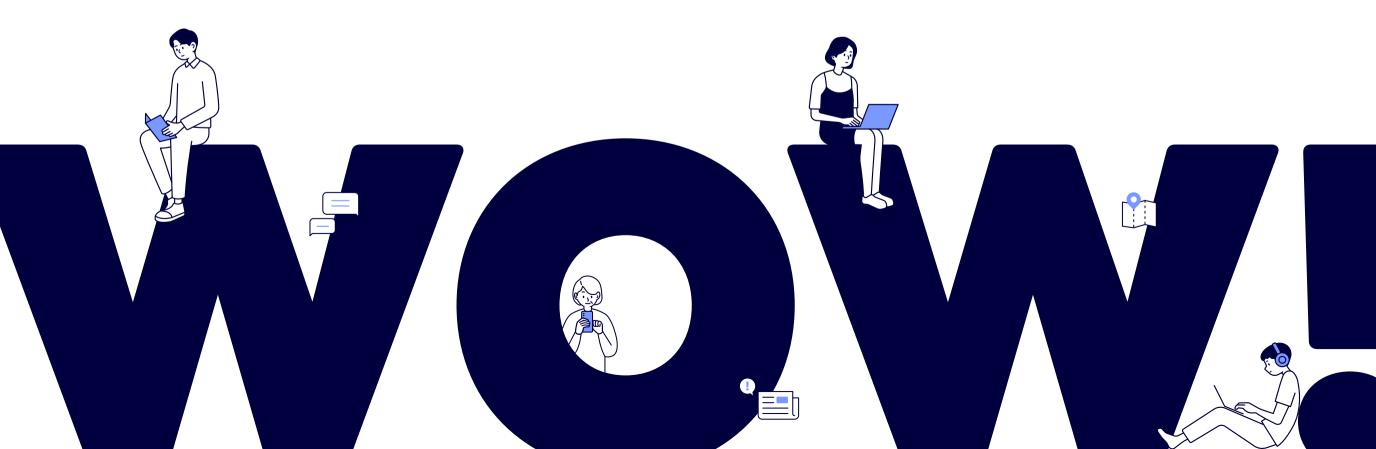
# FACT BOOK

2024

LY Communications

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

"WOW!" is "an unprecedented experience that you just have to share with others." "!" represents "astonishment beyond imagination". In order to become the choice of users and deeply impress them, we have to realize both "WOW" and "!". Together, that makes "WOW!", and that needs to be our goal. WOW! begins with big ambitions aiming for 120 out of 100 and tenfold growth rather than twofold or threefold. If this were easy to do, everyone would do it. But WOW! cannot be created from mediocrity, so it's fundamentally important that we set our sights higher than anyone else so high that others think it's unreachable and give up. In the fierce process to reach such a high standard, you'll be able to find a clue to WOW!.



# OurAim

We aim to create No. 1 services that are adored by countless users. Because users will not choose a mediocre No. 2 or No. 3. To make a WOW! service, you need to give your everything to your projects. No. 1 services that lead the market and change paradigms always have a WOW! factor. Gather together a range of No. 1 services that users depend on for the foundation of their daily lives, and you've created a "life platform". In order to reach that goal of earning our users' support and loyalty, we must continue to challenge ourselves with a fighting spirit and the determination that "We can do it", no matter what. Moving forward, we will never stop taking on the challenges of creating a WOW! Life Platform.

# WOW! No. 1

# Values

By "Values", we mean the way we should work to achieve our Mission. Three core directions Users Rule, Get It Done, and Lean & Mean Teams set the standard for creating services, working as individuals, and collaborating as part of a team. Nine keywords are organized into three groups of three, so that we can put them into practice more readily.

#### **Users Rule**

- · Always Data-driven
- ·Perfect the Details
- ·Stay Trustworthy

#### **Get It Done**

- ·Work Intensely and Be Focused
- ·Take the Initiative
- ·Embody Professionalism

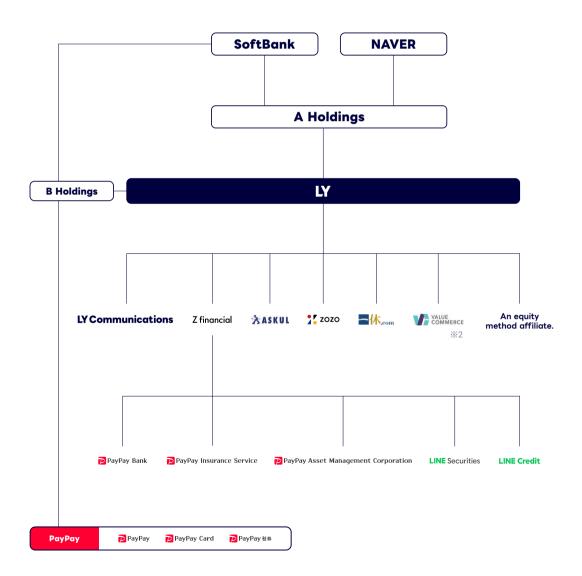
### Lean & Mean Teams

- Open Communication,
   Vertical Decision-making
- ·Keep in Sync with Goals
- •Enjoy the Challenges Together

# Forming LY Corporation, a new company that boasts one of the largest user bases in Japan.

On October 1, 2023, our group reorganized internally around the 3 companies of Z Holdings Corporation, LINE Corporation, and Yahoo Japan Corporation, and LY Corporation was born. The primary reasons for this merger were to facilitate speedier decision making, to create an organization that focuses first and foremost on our products, and to accelerate the expansion of our synergies. LY Communications is primarily responsible for operations for services provided by LY Corporation within this organization.

#### LY Corporation Group Structure \*\*1



#### **Numerical Overview of LY Corporation**







Revenue Adjusted EBITDA

JPY1.8146trillion JPY414.9billion

%1: (As of May 2024) %2: An equity method affiliate. %3: The sum of Yahoo! JAPAN monthly logged-in user IDs, LINE monthly active users (MAU), PayPay registered users, and annual buyers of ZOZOTOWN business (excluding Yahoo! JAPAN Shopping). All figures are as of March 31, 2024 %4: (As of August 2023) %5: (As of March 2024) %6: (FY2023)

#### LY Corporation's Services

Yahoo! JAPAN began as a search engine in 1996, and since then the company has provided a wide variety of information, including news, weather forecasts, and sports coverage. LINE began in 2011 as a mobile messenger, intended to strengthen bonds among friends and family. LY Corporation provides an array of services, starting with Yahoo! JAPAN and LINE, and seeks to make these services close to everyone's lives 24 hours a day, 365 days a year.





A wide range of services are provided for various devices, including the portal site 'Yahoo! JAPAN,' along with services such as search, news, weather, shopping, auction, and more.



LINE is transforming the way people communicate, closing the distance between family, friends, and loved ones with voice and video calls and messages for free regardless of where you are. LINE seamlessly connects you with a variety of people, information, services, companies and brands.

7



#### Services (As of April 2024)

#### Media













Sportsnavi

Yahoo! JAPAN Search

Yahoo! JAPAN Yahoo! JAPAN Real Estate



LINE NEWS

Yahoo! JAPAN App

**Y**!

Yahoo! JAPAN Realtime Search



LINE OPENCHAT

Yahoo! JAPAN

Finance

Entertainment





LINE STICKERS

LINE Ads



LINE GAME



Games

LINE Fortune

**Business** 



Ads





Official Account

LYP

LYP Premium

LINE Yahoo! JAPAN Official Account Data Solution

LINE A DATA SOLUTION リサーチ

LINE Research

#### Commerce



Yahoo! JAPAN Shopping



Yahoo!フリマ







Yahoo! JAPAN



Yahoo! JAPAN Travel



LINE SHOPPING

LINE GIFT

Lifestyle



Mail









Weather & Disaster











Yahoo! JAPAN Job Catalog



Calendar

Yahoo! JAPAN PayPay Knowledge Search



Yahoo! JAPAN

Disaster Alert



MAP





Internet Fund Raising

Yahoo! JAPAN

Yahoo! JAPAN

Yahool JAPAN Transit Information

LINE Part Time Jobs

LINE Sukimani

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Introducing how our company was born, our roles, and our work.

# Prologue

#### **How LY Communications Was Born**

The previous incarnation of our company, LINE Fukuoka, was established Fukuoka in 2013, since which time it was responsible for LINE service operations. Yahoo Japan Corporation's Customer Support Division covered Yahoo! JAPAN service operations. With the goal of accelerating the expansion of our synergies in the field of User Communication, LINE Corporation and Yahoo Japan Corporation merged on October 1, 2023, and LY Communications was born. Since then, LY Communications has grown into an organization that handles everything from planning to operations for LY Corporation services.

# Purpose

# Aiming to Become the No. 1 Communication Company

We advance communication in a variety of areas, including with our Users, with business operations, and with developers. The thoughts and voices that we receive via these communications are the wellspring of our "WOWs" and "!'s".

The statement that we wish to become the "No. 1 Communication Company" comes from our strong determination to continue to be the company that most passionately believes in and pursues the value of communication in the world, so that we can deeply move our Users with services that go far beyond their basic needs.

# Role

#### **Our Role Within LY Corporation Group**

- We strive to address and rectify difficulties faced by our Users, to direct their voices to various departments, and to use that feedback to effect improvements and development of our services.
- We work together with LY Corporation service business divisions to deliver high-quality, stable services.

As the contact point between LY Corporation services and the Users, our role is to guide the services to bring "WOW" and "!" to our Users, via communication with all stakeholders.



We aim to impress the Users in fresh, innovative ways via communication in a range of fields.

# History

#### Path to the Birth of LY Communications

2008

#### Yahoo Japan

Yahoo Japan Customer Relations Corporation established in Tokyo's Minato Ward as a company responsible for customer support work for Yahoo Japan Corporation.

Kochi Center begins operations as a regional office.

The previous incarnations of our company, LINE Fukuoka and Yahoo Japan Customer Relations Corporation, came into existence primarily to handle Customer Support work.

The organization and its roles expanded together with the growth of the services, and it became an organization that covers a wide variety of functions, from operations for LY Corporation services to planning, creative work, sales, and more.

2009-11

#### Yahoo Japan

The Yahoo Japan Customer Relations Corportion Oita Center begins operations.

Yahoo Japan Customer Relations Corporation Kitakyushu Center established.

Yahoo Japan Customer Relations Corporation Hachinohe begins operations.



2013

#### LINE Fukuoka

LINE Fukuoka established.

Starts as an organization responsible for a portion of LINE service operations.

Customer Support, testing, and game operations sections founded.

2016

#### LINE Fukuoka

Noritaka Ochiai assumes the role of Representative Director and President.

Office moves to JRJP Hakata Building.

Creative organization established.

Information Provision Fortification Tie-Up Agreement concluded with Fukuoka City.

#### Yahoo Japan

Together with Yahoo Japan Corporation's office move, the Minato Ward Customer Support department moves to Kioicho

2014

#### LINE Fukuoka

Takeshi Idezawa takes office as Representative Director / President.

Work to review, promote, and monitor services begins.

#### Yahoo Japan

Yahoo Japan Customer Relations Corporation and Yahoo Japan Corporation merge.

··· 2018

#### LINE Fukuoka

Comprehensive Partnership Agreement on Community Collaboration Projects concluded with Fukuoka City.

Operational DX organization established with the goal of improving productivity and quality for the entire company

Smart City promotion, Fintech service operations and office operations organizations established.



### 2017 LINE Fukuoka

Fukuoka City LINE official account created, based on a tie-up agreement with Fukuoka City.

Departments for service translation and localization established

·· 2019

#### LINE Fukuoka

Organizations for internal consulting, monitoring, and Al service operations established.

Media operations organization established and recognized as the base BCP measures for LINE NEWS.

#### Yahoo Japan

Yahoo Japan Corporation Naha Center begins operations.

2020

#### LINE Fukuoka

"Fukuoka Smart City Community" joint venture is founded together with local Fukuoka companies.

Joined the Kyushu Economic Federation.

**--2021** 

#### LINE Fukuoka

Yusuke Suzuki assumes the office of Representative Director / President / CEO.

A hybrid working system that combines working in the office with WFH begins.

Commerce service operations organization established.

Partnership Agreement to Promote Digital
Transformation (DX) in the Nishitetsu Group through
LINE concluded with Nishi-Nippon Railroad Co., Ltd.

**√... 2023** 

#### LY Communications

LINE Fukuoka and Yahoo Japan Corporation's Customer Support Division merge.

The new company name is LY Communications.



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LINE Fukuoka

2022

Full-scale recruitment of new university graduates begins.

#### Yahoo Japan

Yahoo Japan Corporation Kochi Center transfers to Konan City

# Data

#### LY Communications in Data

We feel that "WOW" and "!" are best created when diverse values and opinions intersect. We believe in the importance of creating an environment where employees can perform their duties, study, and grow, regardless of their attributes or their stage in life.

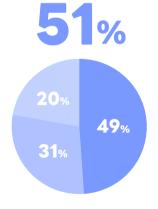
#### Number of employees

1,650
(including loaned employees)





#### **U/I-turn rates**



Kyushu Entrants who are from and have always worked in KyushuU-turners Entrants from Kyushu who

worked elsewhere before joining

Entrants from outside of Kyushu (including overseas)

#### Average Age

34 ~29 25.4% 30 ~ 39 56.7%

40 ~ 17.9%



#### **Entrants from different fields**

**79**%

Talent from a variety of professional backgrounds has gathered here, with 79% of entrants coming to the company from different fields.



Paid leave acquisition rate

**91.8**%

Childcare leave acquisition rate

Average overtime

6hours

(Per month)

#### **Network bases**

Hachinohe, Kioicho, Kochi, Hakata, Kitakyushu, Oita, Naha

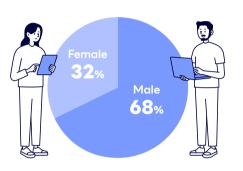
**7**bases







#### Manager gender ratio



#### **Employee occupation ratio**

CS, reviews, and monitoring	33.9%
Service operations	29.7%
Testing	17.2%
Internal IT and corporate activities	6.2%
Creatives	4.4%
Planning and management	4.3%
Sales and marketing	4.2%

#### Free training content for employees

Types of content 108 types

Average views of content site 2,386



#### Employment rate of disabled persons

2.8%

#### Number of employee nationalities

13countries
(Excluding Japan)

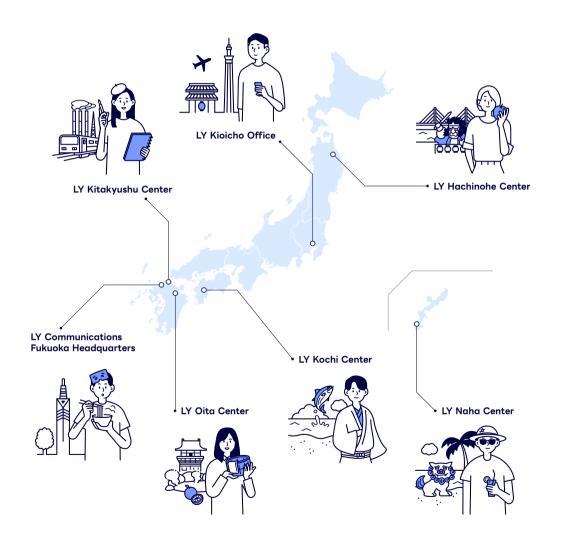
16

%1:Items other than the number of employees, the number of network bases, employee percentages by occupation, and free training content for employees all use data for the Fukuoka main office. %2:The paid leave acquisition rate, childcare leave acquisition rate, and average monthly overtime figures are 2023's data. All other data is current as of April 2024.

# Network

#### LY Communications Network

Besides the Fukuoka main office, there is a network of affiliated bases around Japan, where employees rich in personality thrive. Opinions and ideas are shared irrespective of location via chats and video meetings, and employees occasionally join local events to deepen their exchanges and create synergies.



lophi : Bases staffed by loaned employees

# Work

#### **Our Work**

Together with the growth of LINE and Yahoo! Japan services, the roles and functionalities of LY Communications changes every day. Currently, over 1,600 employees challenge themselves to create world-class value in each of their respective departments.









We respond to inquiries from our users and strive to improve our services by reflecting the voices of our customers. Monitoring and reviews are also performed so that we can maintain proper services, and we promote improvements in quality for our services via these operations.

#### [Examples]

Review of LINE stickers, and advertisements / monitoring of posts and comments / customer support

#### **Testing**

We perform a wide range of testing for the purposes of maintaining consistent quality standards and further improving the quality of LY Corporation Group services. Testers join as project members and work together with engineers, designers, and planners from the development stage to build effective quality assurance systems and processes, as well as to manage testing processes.

[Examples]
Testing / Test management









We work together with the private sector and local government toward the goal of creating new value with services, promoting and planning projects that enrich peoples' lives and make them more convenient.

Additionally, we optimize and manage our organization toward the goal of improving our management structure.

[Examples]
Project planning / Management planning



Ca Smart City









A broad range of employees with highly specialized skills perform vital work in the areas of direction of operations, translation and localization, and operating and maintaining LY Corporation Group services.

#### [Examples]

Direction of operations and operation support for services such as LINE games / translation, interpretation, and localization / system maintenance and business improvement activities





#### Creatives

LY Communications designs the UI/UX for LY Corporation Group services, stickers, illustrations, and the necessary creatives for marketing promotions. We also analyze data and work to solve issues through design.

[Examples]
Design / Illustration / Direction



Sales and Marketing

LY Communications performs service marketing as well as consulting and sales directed at corporate customers, toward the goal of increasing the usage of LY Corporation Group services. We work to build reproducible sales processes primarily for inside sales, as well as to plan and carry out effective marketing strategies and promotions.

[Examples] Sales / Marketing













The base of our organization is formed by multiple departments, including HR and administration, information security, and internal IT, that work together to maintain an environment that lets employees fully utilize their abilities.

#### [Examples]

Internal IT / human resources, administration / recruiting / public relations / risk management / information security



### Creating "WOW" and "!"

Introducing company systems, working environments, local contributions and more.

# Company Systems



Challenge-Supporting Culture





#### **Strategy Permeance and Ownership**

We share the business strategy, vision, and mission for the entire LY Corporation Group at company-wide Town Hall meetings, and regularly conduct Round-table Meetings in each department. We strive to create an environment in which every employee can pursue their work with a sense of ownership.

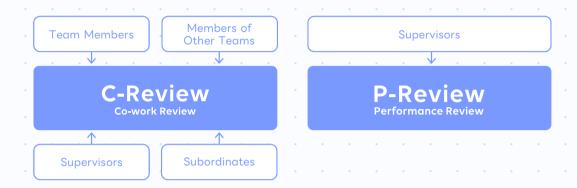




#### Award System that Recognizes the Value of Support

At LY Communications, we believe that there is value not only in challenging yourself, but also in supporting the efforts of others. Our company award system "LION" recognizes not only project owners, but also the employees who support them in their projects.

**□** Growth-Enabling Structure



#### **Growth-Promoting Multifaceted Evaluation System**

The P-Review evaluates each employee's performance, while the C-Review is a multifaceted evaluation of the employee conducted by their supervisors, coworkers, and subordinates. These biannual reviews offer feedback about where employees can improve, supporting their growth.





#### **Support for Study**

Each employee is offered ample opportunities for growth through various forms of training. Additionally, our employees of diverse backgrounds frequently create and conduct a variety of study sessions.

# Company Systems



**□** Easy-To-Work Environment





#### **Open Company Culture**

Employees share their thoughts freely, in online chats and utilizing casual meeting spaces. Regular 1-on-1 meetings and internal polls are used to keep abreast of topics important to both individual employees and teams, so that they can be addressed in a timely manner.





#### **Health and Refreshment Support**

We offer a variety of services so that employees can be healthy in mind and body, including an in-house massage room, influenza vaccinations, and more. We also strive to create an environment that encourages a healthy work-life balance. 91.8% (Actual percentage in 2023) of employees' paid leave is used, and the refreshment leave system lets employees who have worked for five consecutive years take a long break to refresh.





#### **Support for Balancing Work and Family**

LY Communications offers systems that help our employees to balance their work with family-related matters, including but not limited to subsidies for babysitting fees, the option to take paid-leave by the hour, and the option to do remote work on a temporary basis for the purpose of looking after family members or raising children.





#### **Diverse Support**

All meeting rooms are equipped with teleconferencing systems. LY Communications has strong support systems in place, including teams that provide support with IT-related issues as well as teams that provide professional translation and interpretation as necessary. Employees are supported in various ways so that they can focus on their work in the most comfortable environment possible.

# Local Contributions



Nurturing Future Generations Locally





LY Communications devotes effort to nurturing future generations in the community via AI experience workshops for local children and students, taking on interns, and offering on-site lectures.

S Joint Work with Local Companies for the City





In 2020, we initiated efforts to bring together 9 Fukuoka companies of different industries to form the "Fukuoka Smart City Community" (FSC). Through cross-industry cooperation, we strive to provide solutions to problems faced by the city.

\*\*Sponsorship of Local Events





LY Communications sponsors and participates in a variety of local events in order to foster communication with the local community and to promote local culture. Some of these events include the Fukuoka Marathon, the Wasshoi Summer Matsuri Festival, and the Arakan Festa.

Smart City Promotion Using LINE



#### **Initiatives with Local Government**

We concluded the Information Provision Fortification Tie-up Agreement and the Comprehensive Partnership Agreement on Community Collaboration Projects with Fukuoka City. Using the LINE official account that we jointly opened with Fukuoka City, we plan and offer a various features to support citizens in their daily lives.



#### **Initiatives with Private Companies**

We work in cooperation with companies that support local infrastructure such as Nishi-Nippon Railroad Co. as well as start-ups from Fukuoka to fuse their services with LINE's technology, in projects intended to make life more convenient for the citizens of Fukuoka City.



# Bringing "WOW" and "!" to the Users with 1,650 Challenges

Our company began as an organization to handle operation support for LINE and Yahoo! JAPAN services. Today, we have grown into a multifunctional organization, the functions of which include Customer Support, reviews, monitoring, testing, service operations, planning and management, creatives, sales, marketing, corporate activities and more. All 1,650 of our employees contribute to improving the quality of our services and the experiences of our Users. We strongly believe in the importance of "enjoying the challenges" and "supporting the challenges of others." The challenges and support of each individual employee have created new [WOW] and [!] that have allowed our company to grow into its current state. Relying on the strength that is the employees, who with their diverse functions and ownership have supported LY Corporation services for more than 10 years, I will continue to enjoy the challenges together with all of the employees, so that we may impress our Users all the more in the present and future.



Enjoy the Challenges Together











#### LY Communications

#### **FACT BOOK**

2024

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This booklet, including its design and translation, was produced by LY Communications employees.

LY Communications also releases up-to-date information about its activities on the following media.



























