

INVESTMENT COMPETITION  
FAVOURITE STOCK  
TEAM

alphababies

LINE Corp.

**3938:JP**

CORPORATE VALUE



*“Our mission is to bring people, information and services closer together”* Takeshi Idezawa

LINE Corporation is based in Japan. It was renamed from NHN Japan Corporation on April 1, 2013, and operates the LINE, NAVER matome, and livedoor web service businesses. Since launching LINE in June 2011, LINE Corporation has placed the core of its business upon the service and actively pushed for the further expansion of the service on a global scale, as well as accelerating the development of LINE as a platform.



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# LINE'S CORE BUSINESSES AND STRATEGIC INITIATIVES



## CORE BUSINESSES



LINE COMMUNICATION



LINE MANGA



LINE MUSIC

## STRATEGIC INITIATIVES - COMMERCE



LINE PAY



LINE SHOPPING



LINE GOURMET

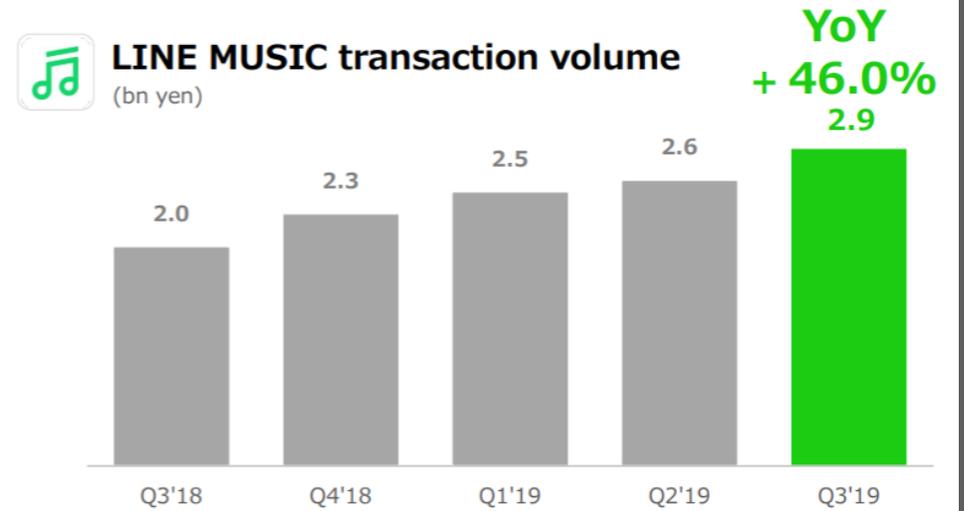
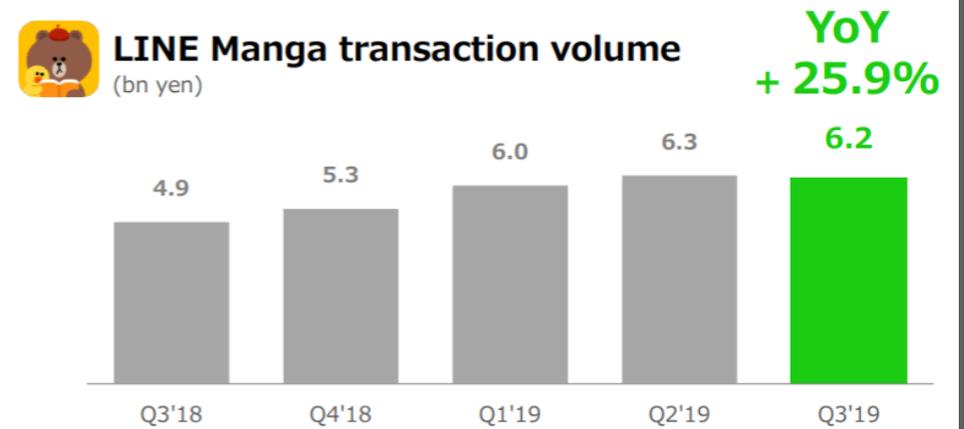
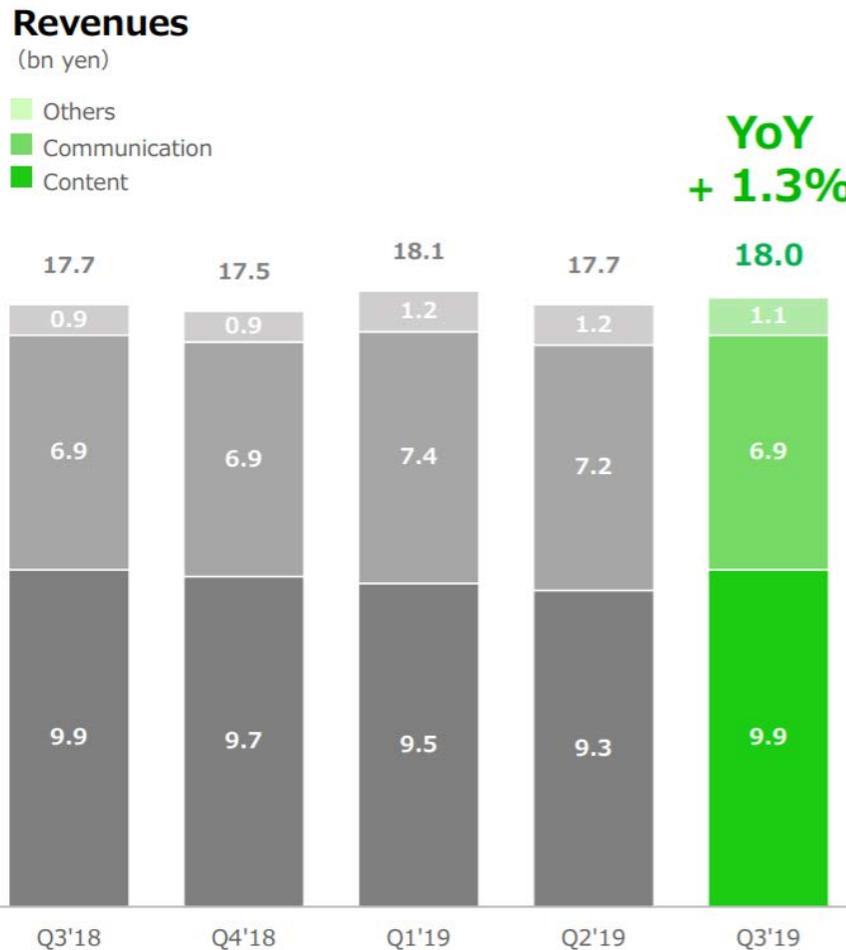


LINE TRAVEL

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STEADY GROWTH FOR CORE BUSINESSES



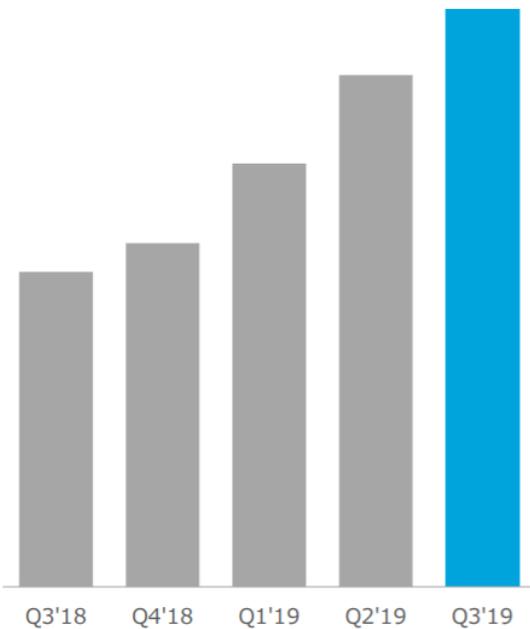
## GREAT OPPORTUNITY IN STRATEGIC INITIATIVES

### Shopping-related transaction volume



• SHOPPING GO (off-line) released December 2018

YoY  
+ 83.4%

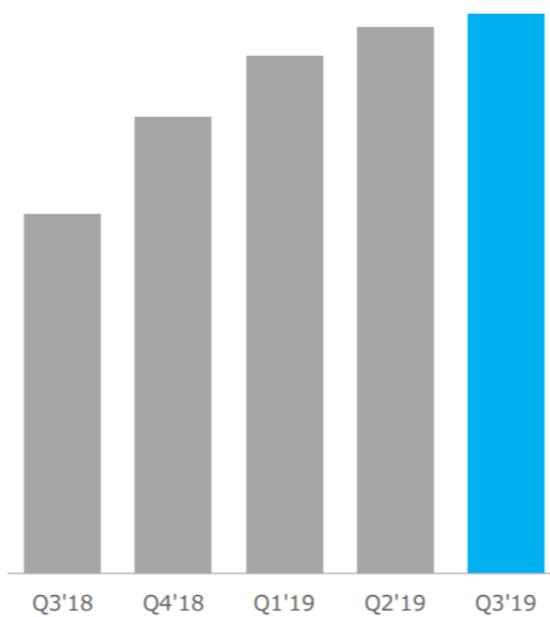


### Gourmet-related transaction volume



• LINE Pockeo (take-out) released April 2019

YoY  
+ 55.5%

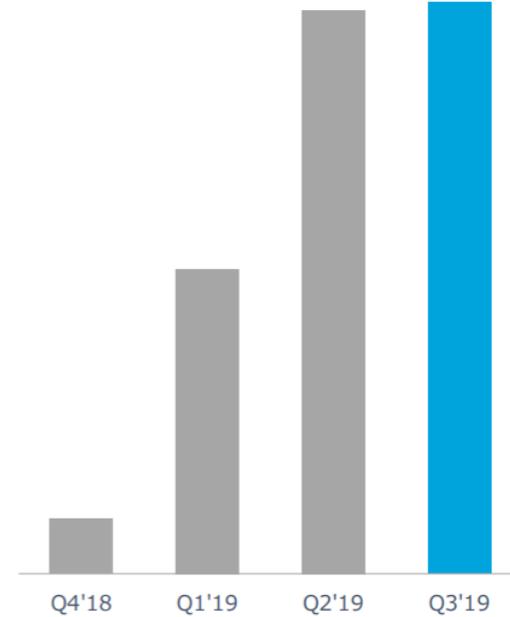


### Travel-related transaction volume



• Odekake NOW (search and reservation service for restaurant, events, activities) released on June 27

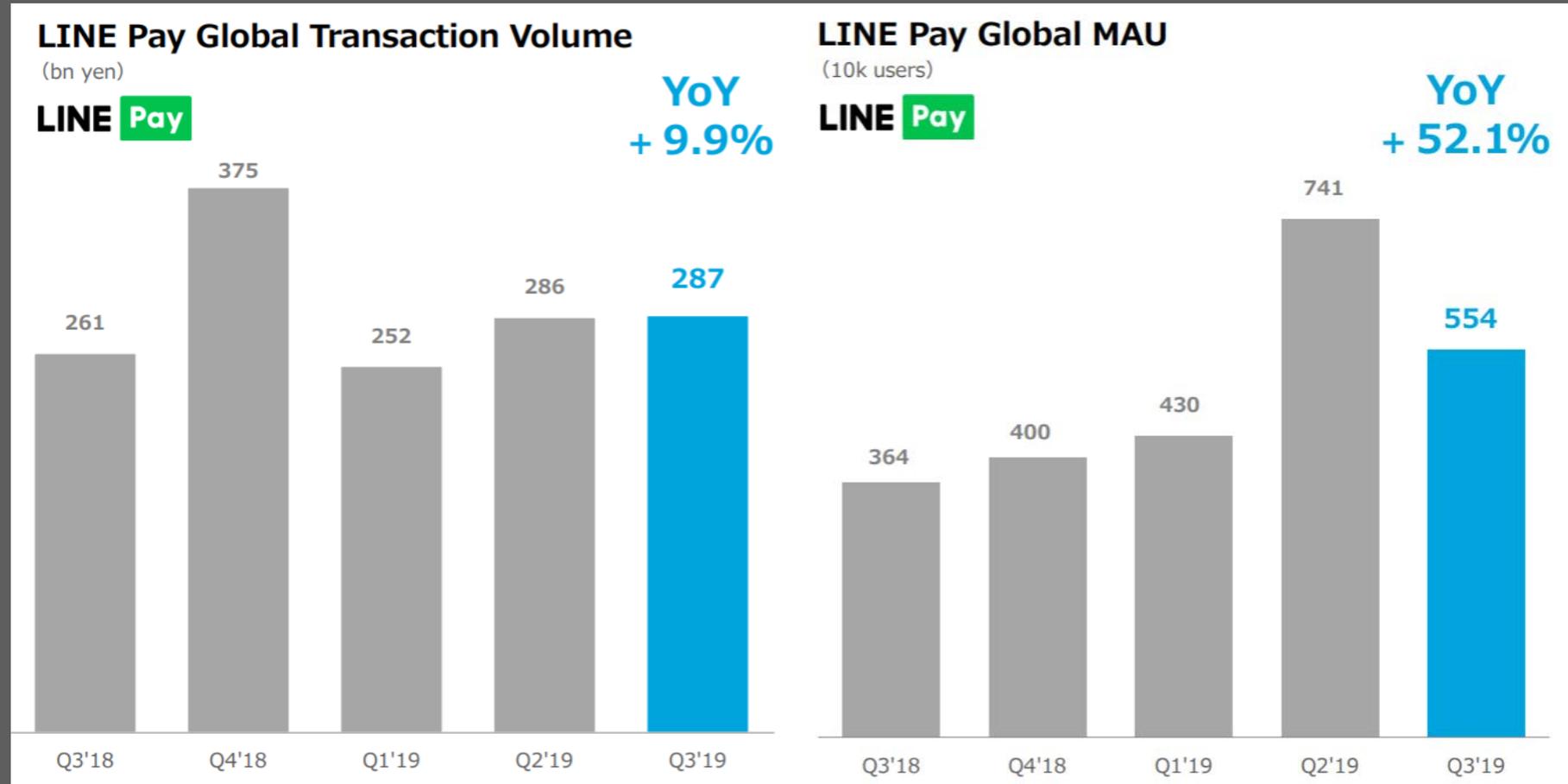
QoQ  
+ 1.3%



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# SHARP RISE IN MAU FOR CASHLESS TRANSACTIONS



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## INVESTMENT CASE FOR LINE'S FUTURE GROWTH – CASHLESS PENETRATION Growth driven by cashless initiatives and strong e-commerce presence

Japan while historically notorious for its status as a cash society has shifted its preferences over the last decade, with the deregulation Act and the Order for Enforcement of the Payment Services Act in 2009 driving the change in trajectory. The second phase was rolled out in 2018, where the government declared its goal of increasing cashless payments from 18.4% to 40% in 2025. In the longer term, Japan is to achieve 80% of payments made cashlessly. Needless to say, ranked 7<sup>th</sup> in the world in terms of mobile connectivity growth, with an internet penetration rate of 94%, Japan's cashless payment system is primed for imminent growth. This growth will be further driven by the country's emerging e-commerce market which currently stands as the 3rd largest and fastest growing in the world, largely due to its developed economic status, coupled advanced distribution technology and infrastructure.

