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Business Overview **2015**

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### **Editorial Policy**

This is our first annual report since our listing on the First Section of the Tokyo Stock Exchange in October 2014. Therefore, while introducing basic information about our Group companies, this report focuses on addressing questions we often receive from investors.

### **Period Covered**

This report covers the fiscal year 2014 (April 1, 2014–March 31, 2015).

Note: Some information, including market data, also covers the first quarter of the year ending March 2016.

### **Accounting Standards**

We comply with Japanese GAAP.

### **Latest Information for Investors**

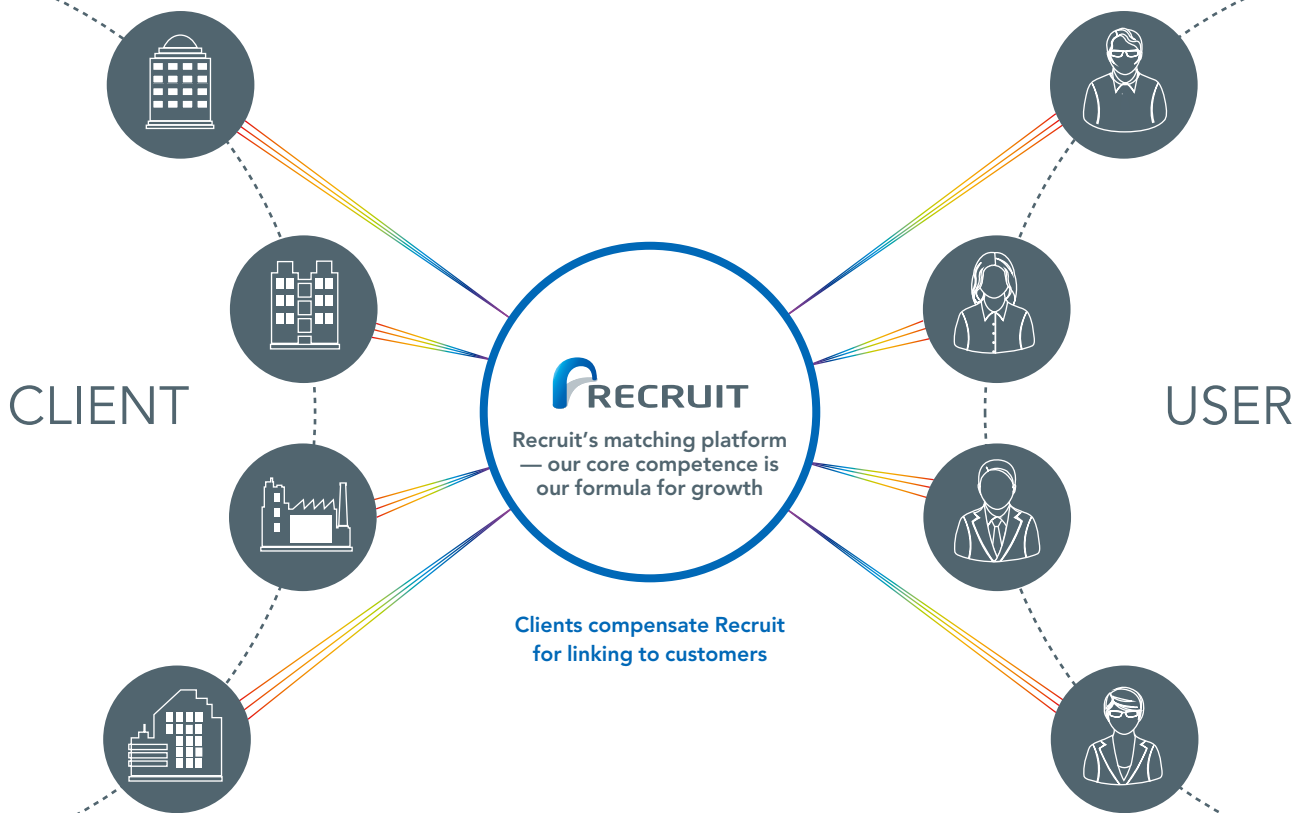
Please visit [www.recruit-rgf.com/ir/](http://www.recruit-rgf.com/ir/)

### **Sustainability**

For sustainability information, please visit [www.recruit-rgf.com/csr/](http://www.recruit-rgf.com/csr/)

## BUSINESS MODEL

# Delivering Value to Clients and Users by Making Life Easier and More Fulfilling through Optimized Matching



Our basic business model is to receive a fee from clients who provide information that we curate and deliver to users through our targeted media vehicles. We concentrate on three broad segments — Marketing Media, Human Resources (HR) Media, and Staffing. As we grow and extend our portfolio of services and solutions spanning these segments, we faithfully apply the same basic business model to each implementation.

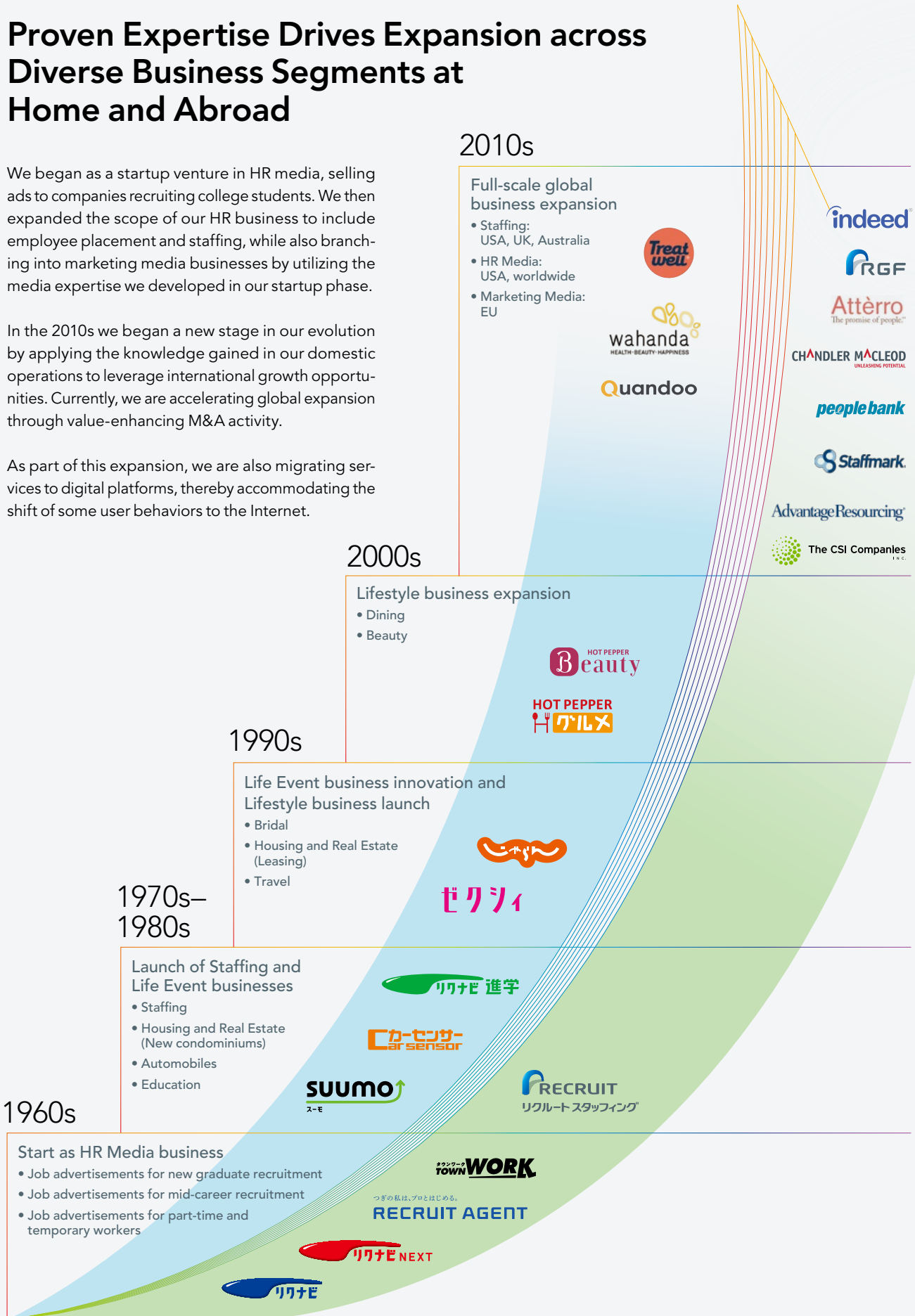
Since its founding, Recruit has built its service offerings upon the same core commitment: to bring people the information they need to make life easier and more fulfilling. We achieve this by identifying and removing obstacles that people experience as frustration, dissatisfaction, inconvenience and anxiety. To help people find information and make informed decisions, we operate across the full spectrum of media platforms and channels. From online media for personal computers, tablets and smartphones to offline print media and face-to-face consultation, users can choose the media and method that suits their lifestyle and habits of behavior.

# Proven Expertise Drives Expansion across Diverse Business Segments at Home and Abroad

We began as a startup venture in HR media, selling ads to companies recruiting college students. We then expanded the scope of our HR business to include employee placement and staffing, while also branching into marketing media businesses by utilizing the media expertise we developed in our startup phase.

In the 2010s we began a new stage in our evolution by applying the knowledge gained in our domestic operations to leverage international growth opportunities. Currently, we are accelerating global expansion through value-enhancing M&A activity.

As part of this expansion, we are also migrating services to digital platforms, thereby accommodating the shift of some user behaviors to the Internet.



# BUSINESS PORTFOLIO

## Business Segments (FY2015)

Net Sales: JPY 1,299.9 Bn  
EBITDA: JPY 191.4 Bn

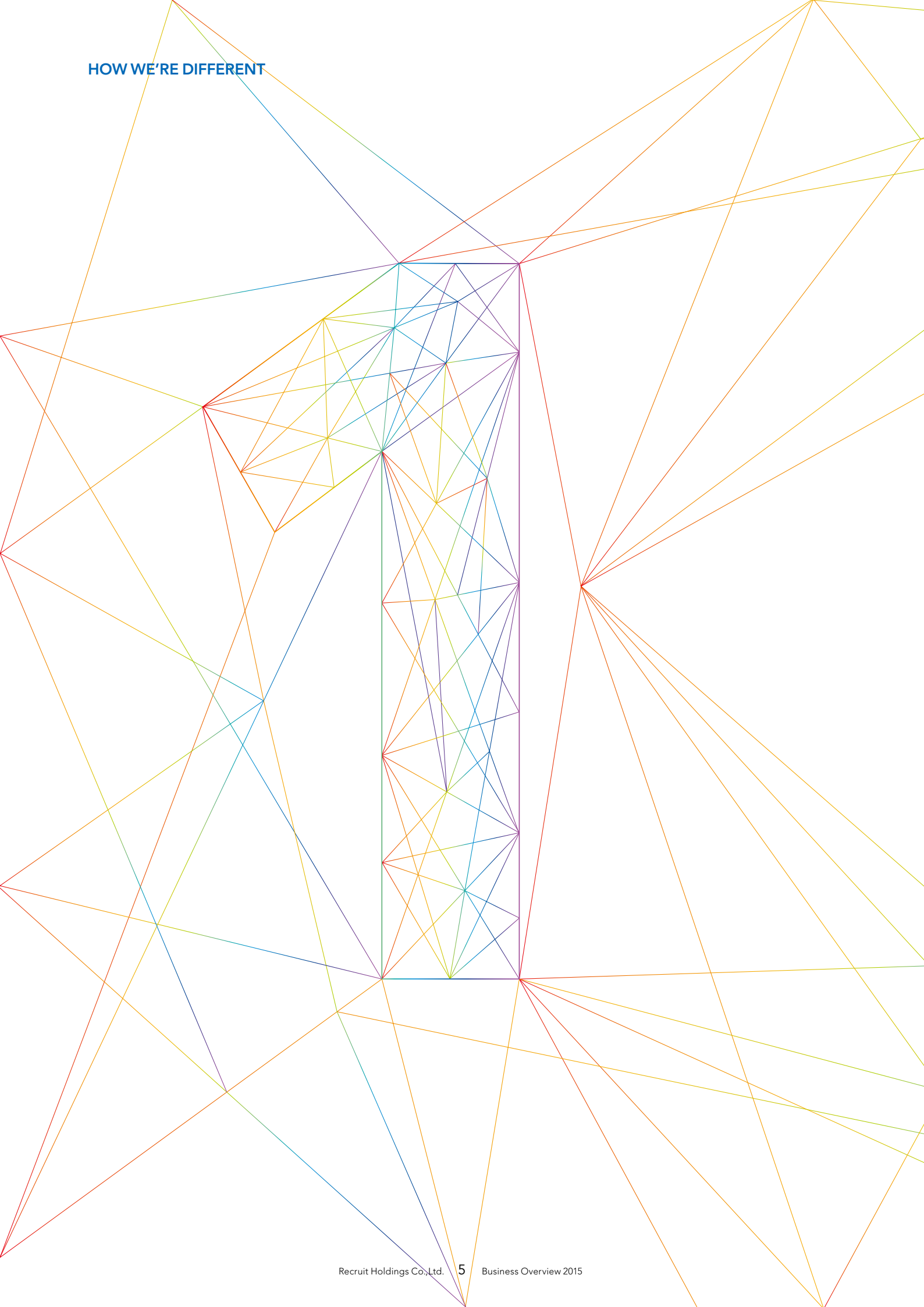
### Major Services

### Comparables

		Comparables	
		Domestic	Overseas
<b>Marketing Media</b>  Net Sales <b>25.6%</b> JPY 333.4 Bn EBITDA <b>50.3%</b> JPY 96.2 Bn	<b>Life Event</b> Net Sales 53.3% JPY 177.7 Bn	<b>Housing and Real Estate, Bridal, Automobiles, Education</b> 	NEXT (Home's) Minnano Wedding Zillow Group (Zillow, Trulia) XO Group (The Knot)
	<b>Lifestyle</b> Net Sales 46.6% JPY 155.4 Bn	<b>Travel, Dining, Beauty</b> 	Rakuten (Rakuten Travel) Gurunavi Kakaku.com (Tabelog) Expedia Groupon The Priceline Group (OpenTable) Yelp
	<b>Other</b> Net Sales 0.3% JPY 0.8 Bn	<b>Overseas Dining, Overseas Beauty</b> 	
<b>HR Media</b>  Net Sales <b>23.3%</b> JPY 302.7 Bn EBITDA <b>40.8%</b> JPY 78.0 Bn	<b>Domestic Recruiting</b> Net Sales 79.2% JPY 239.8 Bn	<b>Full-time, Part-time</b> 	Mynavi Corporation Intelligence en-japan JAC Recruitment DIP Corporation Monster Worldwide CareerBuilder SEEK LinkedIn Michael Page International Hays Korn Ferry
	<b>Overseas Recruiting</b> Net Sales 15.2% JPY 46.1 Bn	<b>Job Aggregator Search Site</b> 	
	<b>Other</b> Net Sales 6.4% JPY 19.2 Bn	<b>Executive Search, HR Training</b> 	
<b>Staffing</b>  Net Sales <b>51.9%</b> JPY 675.2 Bn EBITDA <b>21.3%</b> JPY 40.7 Bn	<b>Domestic Staffing</b> Net Sales 57.7% JPY 389.5 Bn	<b>Comprehensive Staffing</b> 	Temp Holdings Pasona Group Adecco Manpower Group Randstad Holding
	<b>Overseas Staffing</b> Net Sales 42.3% JPY 285.6 Bn	<b>Comprehensive Staffing</b> 	

Notes: 1. EBITDA = operating income + depreciation and amortization + goodwill amortization  
 2. Percentages of sales and EBITDA are calculated without corporate/elimination and Other segment figures, and net sales and EBITDA includes intersegment sales or transfers. Therefore, totals of percentages may exceed 100%.

HOW WE'RE DIFFERENT



**No.1**  
SalesHousing and  
Real EstateJPY **83.9**Bn**No.1**  
Sales

Bridal

JPY **53.6**Bn**No.1**  
Sales

Travel

JPY **53.4**Bn

## Fortifying Our Unrivalled Presence in Domestic Market, which Holds Further Growth Potential

Within Japan, we can point to strong client relationships and high user recognition for our expanding services in each market segment. We provide clients with the results, such as in-store visits, of actions taken by our many users through these services. Revenue from each segment reflects our unrivalled scale within the industry.

**No.1**  
Sales

Dining

JPY **34.3**Bn**No.1**  
Sales

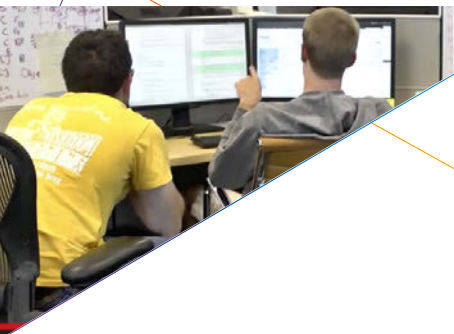
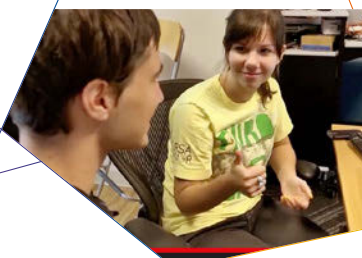
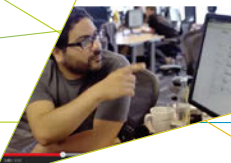
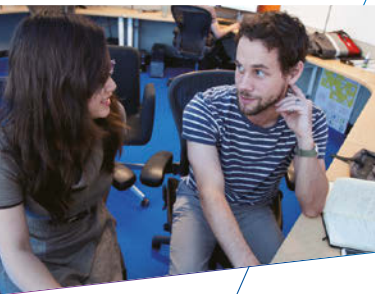
Beauty

JPY **39.9**Bn**No.1**  
SalesDomestic  
RecruitingJPY **239.8**Bn**No.1**  
SalesDomestic  
StaffingJPY **389.5**Bn

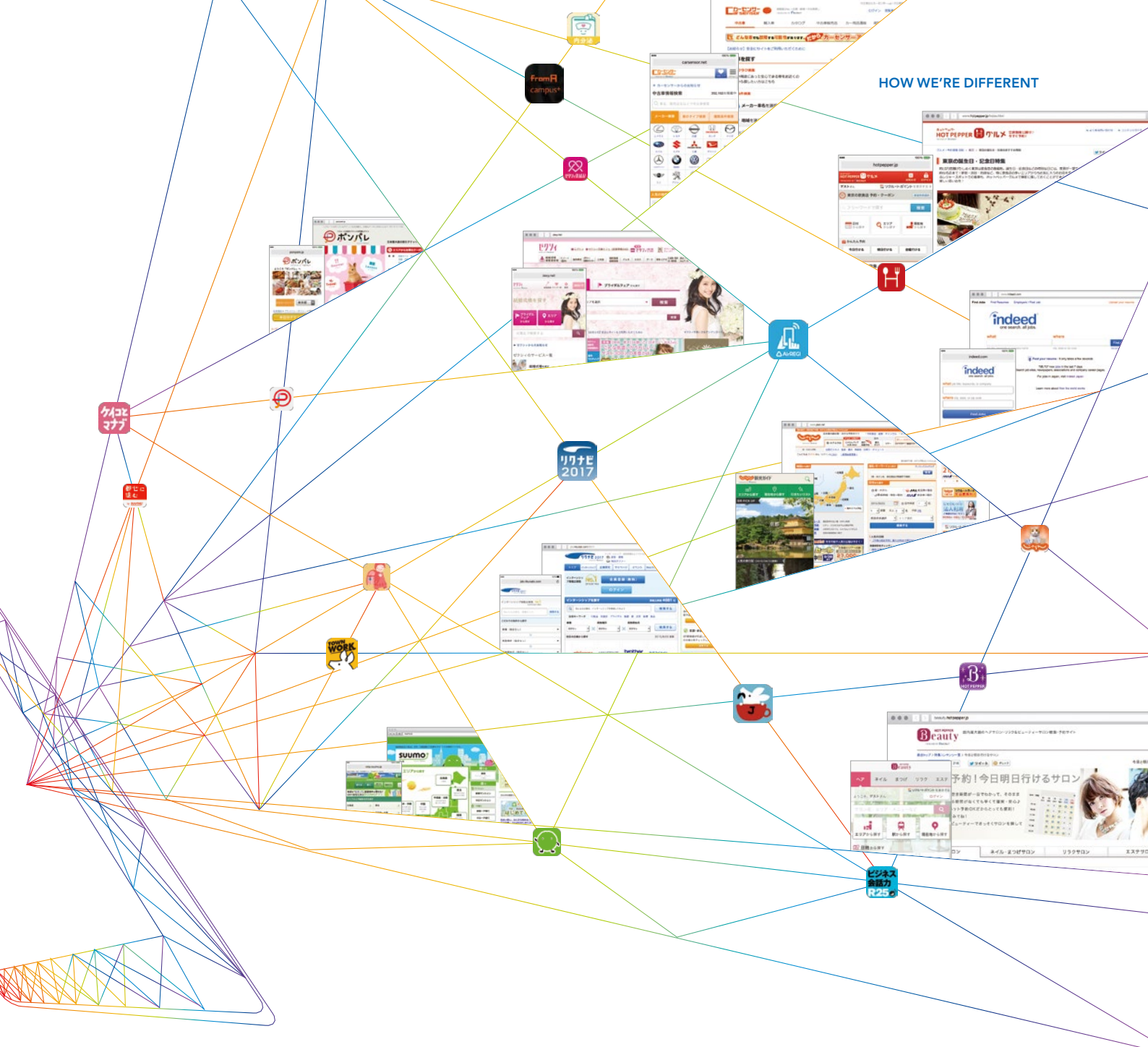
## Leveraging Technology to Bolster Existing Operations and Create New Business Ventures

We began delivering services via the Internet in the 1990s in response to evolving consumer behavior. Today we provide content on more than 200 websites and approximately 350 mobile apps, making our group one of Japan's foremost leaders in digital media. As Internet usage continues to grow, we see increasing demand for quick and nimble response to the accelerating rate of change in user and client needs.

We already employ some 1,000 engineers, and we keep strengthening our engineering capabilities to maintain a competitive edge in information and communication technologies. By leveraging our tech prowess, we enhance the performance of our existing business services, while innovating new service offerings.







HOW WE'RE DIFFERENT

Engineers

1,000+

Websites

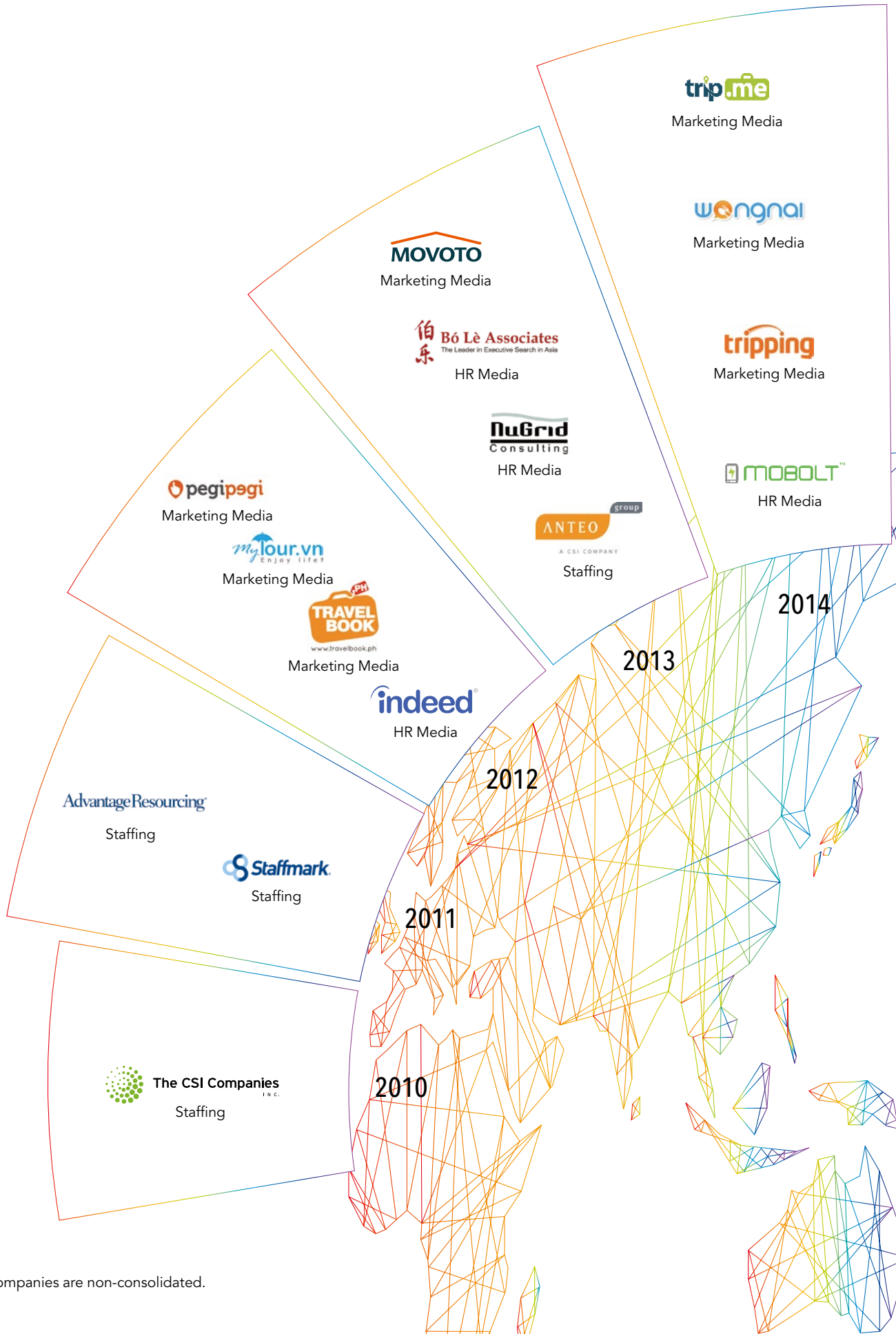
200+

Internet platforms

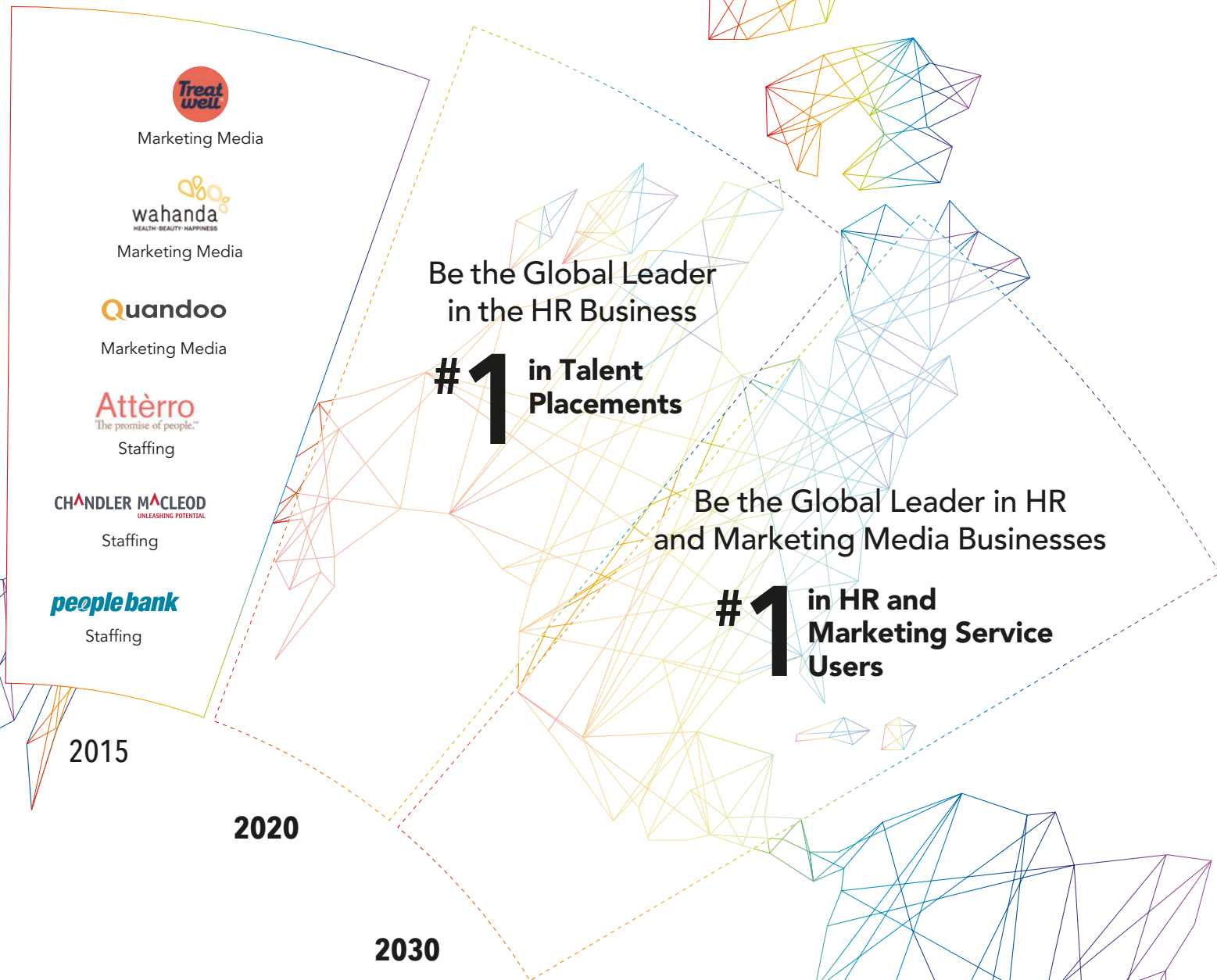
Mobile applications

350

- iOS 150
- Android 150
- Amazon 30
- Windows 15



Note: Some companies are non-consolidated.



## Growing into the World's Leading Matching Platform

Our mid- to long-term aspirations require bolstering existing assets, which is why we acquired a number of enterprises whose performance perfectly fit our marketing media, HR media and staffing models.

### Marketing Media

Quandoo GmbH, Germany (2015): Online restaurant reservation services in Europe  
 Hotspring Ventures Limited (2015): Online beauty salon reservation services in Europe

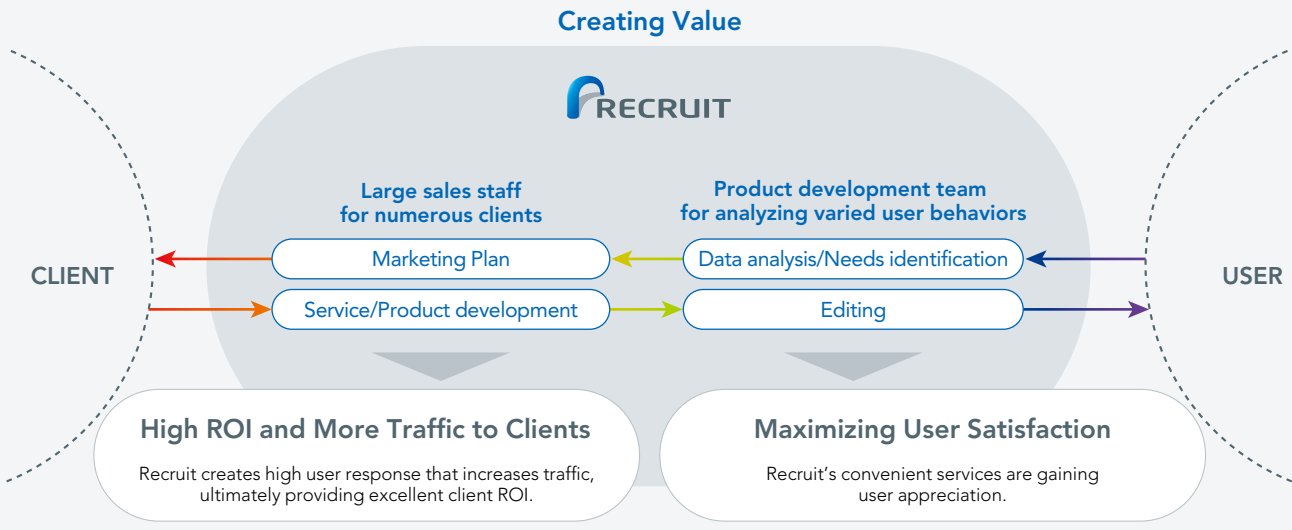
### HR Media

Indeed, Inc. (2012): One of the largest job-aggregator search sites

### Staffing

The CSI Companies, Inc. (CSI) (2010): Staffing Services in the US  
 Staffmark Holdings, Inc. (Staffmark) (2011): Staffing Services in the US  
 Advantage Resourcing America, Inc. and Advantage Resourcing Europe B.V. (Advantage) (2011): Staffing Services in the US, UK and Australia  
 Peoplebank Holdings Pty Ltd (Peoplebank) (2015): Staffing Services in Australia and Asia  
 Chandler Macleod Group Limited (Chandler Macleod) (2015): Staffing Services in Australia and other APAC nations

# Solid User-Client Base and High Conversion Rate in Domestic Market



For over 50 years our PDCA cycle has been motivating users and driving them to client stores for a high ROI in three ways:

- 1) High ROI user attraction
- 2) Outstanding user-action volumes
- 3) Convenient user services

# Bottom-Up Corporate Culture Underpins Group Strength

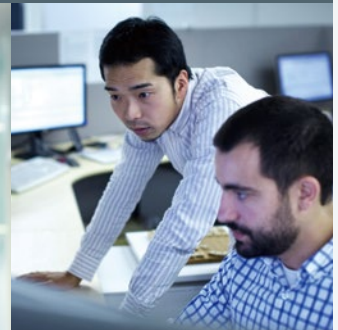
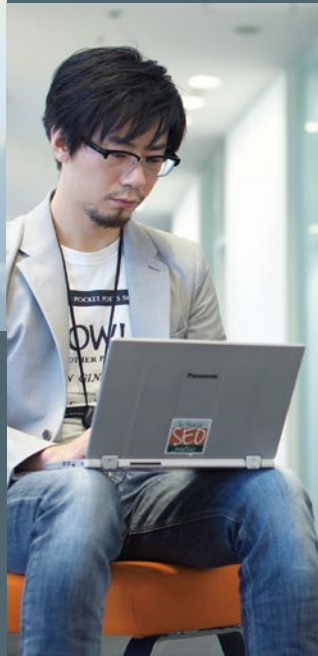


## Entrepreneurs United

We nurture an entrepreneurial spirit, recruiting talent who are motivated to help people achieve their goals more conveniently and live more fulfilling lives, free of frustration, worry and annoyance. One way we encourage innovation is to hold venture plan contests. Our employees submit hundreds of entries every year, from which we select and develop the most promising. Zexy, Hot Pepper and Jyuken Sapuri are just three outstanding examples.

## Strong Sense of Ownership

We have designed our business to instill in our team members a sense of ownership and a deep understanding of their work's significance. Employees optimize their workstyle to harmonize with their personal preferences, and we reward performance to nurture results-oriented responsibility.



## Empowered Individuals, Strong Teams

While empowering individuals, we also believe in the power of teams. Therefore, we have established systematic methods of efficiently sharing individual goals and company-wide targets. This framework supports mutual understanding of people's strengths, thereby encouraging team members to help each other accomplish their goals, underpinned by the organization's full arsenal of diverse capabilities and resources.

## Balancing Profitability with Sustainability and Social Value, while Striving for Matching Platform Leadership Worldwide



**Masumi Minegishi**

*President, CEO,  
and Representative Director*

Since long before the Internet, Recruit has been providing information to make life easier and more fulfilling. Established in 1960, our firm began as a print media matchmaker for employers and job seekers. Over the decades Recruit has expanded to become Japan's unrivaled leader in housing and real estate, bridal, travel, dining, beauty, domestic recruiting and domestic staffing.

Reflecting on half a century of growth and looking far into the future, we asked ourselves what we aspire to achieve over the next 50 years. Resting on our laurels was out of the question. After serious debate we have reached a clear consensus. That is to take our Opportunities for Life message and its benefits to people around the globe.

The Recruit Group has set targets for growth as we step beyond our home market to pursue global expansion. We have set our sights on becoming the world leader in human resources by around 2020 in terms of number of positions filled. A decade further, by around 2030, we aim to become the world leader in HR media and have the world's leading matching platform, in terms of service user population.

To turn our aspiration into reality, we must strengthen our existing domestic operations, while developing new ventures that leverage IT. Japan still offers many opportunities for us to replace institutionalized inefficiencies with innovative solutions that can transform entire industries, while bringing new convenience and satisfaction to users. We are targeting three areas in particular for new business development: businesses support for small- and medium-sized enterprise, the educational market and the healthcare market.

Internationally, we are expanding with selective mergers and acquisitions that give us a firm foothold in key markets. By applying the management expertise and operational techniques we have perfected in Japan, we can point to a track record of success in boosting the value of acquired subsidiaries. Going forward, we plan to continue M&A activity, exercising due diligence and deliberation.

As we make progress in these endeavors, our fundamental policy is to address social issues via our services and corporate activities. As stated in our CSR guiding principles, this means contributing to society through our business, meeting society's expectations and fulfilling our responsibilities as a corporate citizen.

To achieve this, we aim for our business endeavors and operations to contribute social value in five ways: (1) Enabling more people to flourish by creating opportunities to work, (2) Supporting diverse ways of living, (3) Empowering tomorrow's talents, (4) Practicing and promoting innovative work styles and (5) Respecting human rights and protecting the environment.

In this manner, we strive to enhance enterprise value by pursuing profitability and sustainability on the one hand, while creating valuable benefits for society on the other. As a key element of corporate governance, we are determined to meet the expectations of our shareholders by assuring management transparency through timely and appropriate disclosure of information.

On behalf of the Recruit Group, I wish to express my deep appreciation for the continued support and encouragement of our shareholders and stakeholders.

## New Business Development in Japan

Within Japan, there is still a 2 trillion yen market for advertising, the effectiveness of which is difficult for clients to measure. This represents a large growth opportunity for Recruit's existing businesses to pursue by strengthening their client and user bases. The fact that our advertising services provide clients with the greatest effectiveness will, we believe, help us gain new clients and maximize sales to existing clients.

For new business development we are studying and developing the possibilities in the three areas of (1) small- and medium-sized business support, (2) education and (3) healthcare.

### Small- and Medium-sized Business Support

In the area of small- and medium-sized business support, we are providing services that enhance user convenience and lighten the burden of tasks and functions in the client business workflow. Our central offering is the Air Series, launched with a POS cash register app named Air REGI. This app not only handles customer billing, payment, order taking and reservations, but also sales analytics, customer management and inventory management. Considering that small- and medium-sized firms comprise about 90 percent of the some 5.4 million corporate entities in Japan, we see a large market for services that support business operations.

#### Air Series

Air REGI is a POS cash register app offered by the Recruit Group for restaurants and other small- and medium-sized retail service providers.

Air REGI offers an excellent, easy-to-understand UI and, because it runs on tablets and smartphones, with cloud-based data management, usage of the system is not tied to a fixed location. Since its November 2013 release, Air REGI has steadily increased its user base and is now being distributed in 134 countries.

In addition to Air REGI, we also now offer Air WAIT, an app for managing waiting lines, Air PAYMENT, an app for processing credit card payments and other services that together make up the Air Series.



### Education

In the Education field, we have developed online teaching apps called the Sapuri Series. In today's Japan, an educational environment gap has appeared due to income disparity, geographical accessibility and other factors. The Recruit Group is addressing this issue by providing opportunities for primary and secondary school students in such circumstances to pursue their studies affordably and regardless of location. Japanese high school students number over 3 million, and the combined student population including lower and middle school students is about 13 million. The entrance exam preparatory school and tutoring market is worth about 1 trillion yen, holding vast untapped growth potential. Our Jyuken Sapuri exam-prep study app had 133,000 paying users as of the end of June 2015, as we work to bring the app's benefits to a potentially much larger user base.

#### Jyuken Sapuri / Benkyo Sapuri

Jyuken Sapuri and Benkyo Sapuri are study support apps offered by the Recruit Group for elementary, junior and high school students. Both allow students to use a tablet or smartphone to receive instruction from top instructors wherever and whenever they want. Students can also practice taking entrance exams for particular universities by solving prior exam questions.



### Healthcare

In the healthcare field, we are in the exploratory stage of development, as we seek ways to help realize a society where people can take more initiative in terms of health and disease management. For example, we are considering what new services we might launch in the areas of appointment scheduling and preventive medicine.



## M&A around the World

For mergers and acquisitions, the Recruit Group follows two rules. One is to take a two-step approach. The other is to apply strict standards for evaluating investment candidates. In practice, the two-step approach means we first make a small investment in a candidate in each market segment to see whether we can successfully apply our domestic management and executive expertise in that foreign enterprise. If this “phase one” shows promise, we proceed to phase two, where we look at significantly raising our investment to take a majority share, in short, M&A. Here we apply strict standards for evaluation. Specifically, we require an internal rate of return (IRR) of better than 10 percent.

Currently we are in phase two in the marketing media, human resources media, and staffing businesses. We have multiple successful track records in each of these areas. (See pages 17 and 18 for information on acquired subsidiaries.)

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### Marketing Media

For marketing media we are prioritizing global expansion in the segments of housing and real estate, travel, dining and beauty. In 2015 our acquisitions included the European restaurant reservation serving company Quandoo and the European beauty salon reservation serving company Hotspring. To maximize the potential of these subsidiaries, we are taking measures to increase the number of establishments that take reservations through our services, acquire new users, and raise the repeat user ratio. Ultimately we have set our sights upon becoming the unrivalled leader in the EU, in terms of number of reservations in each segment.

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### HR Media

In human resources media business, we are pursuing global expansion centered on our subsidiary, Indeed. Acquired in 2012, Indeed operates one of the world’s largest search engines dedicated to employment match-making. While Indeed is already growing rapidly, we are looking at potential M&A targets having assets to accelerate that growth, or technology to complement the already high level within Indeed itself.

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### Staffing

Staffing services adhere to the same business model worldwide, unaffected by local commercial practices or culture. Nations with mature economies account for about 70 percent of the work market for staffing services. Therefore, it is within the developed nations that the Recruit Group is seeking M&A targets. We are evaluating each candidate on its own merits, such as its potential for value enhancement, without prioritizing particular markets. We have acquired a number of staffing firms in recent years: CSI in 2010; Staffmark and Advantage in 2011; and Peoplebank, Chandler Macleod and Atterro in 2015. By introducing our “Unit Management” expertise, developed in Japan to optimize operational efficiency, we are steadily improving the EBITDA margin of these subsidiaries. (See page 44 for more details.)

## M&A around the World

### Major Acquisitions in 2015 (Marketing Media)

#### Quandoo

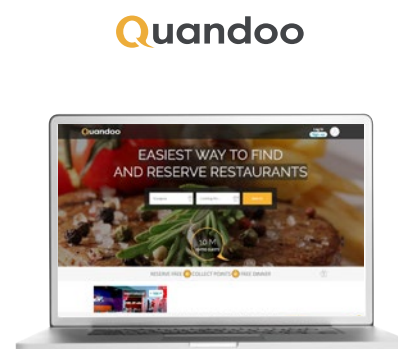
**Company Name:** Quandoo GmbH, Germany

**Paid-in Capital:** 75,817 Euros

**Company Representative:** Philipp Magin

**Establishment:** November 8, 2012

Quandoo GmbH offers a cloud-based reservation management system for restaurants and an online reservation service for customers in Europe. As of June 30, 2015, Quandoo's services were being used by over 8,000 restaurants, including both casual and fine dining restaurants, in 13 countries. Quandoo's reservation management system is the most advanced in the industry and is helping to improve restaurant productivity and service quality. Since only about 16% of restaurant reservations are made online in the EU's five leading countries (the U.K., Italy, Spain, Germany and France), the market offers plenty of opportunities for growth.



#### Hotspring

**Company Name:** Hotspring Ventures Limited

**Company Representative:** Lopo Champalimaud

**Paid-in Capital:** 19,671.14 GBP    **Establishment:** February 14, 2008

Hotspring Ventures Limited operates Wahanda, which offers a reservation management system free of charge to beauty and nail salons in Europe and enables customers to make reservations online. Significant growth can be expected in this market where less than 1% of salon reservations are made online in the U.K., Italy, Spain, Germany and France. Wahanda's outstanding management team has a wealth of experience in the business of managing reservations. With its system having been adopted by around 12,000 salons in the U.K, Germany, Lithuania, Switzerland and Austria as of April 30, 2015, Wahanda is Europe's No. 1 provider of online salon reservation management services.



#### Treatwell

**Company Name:** Treatwell Holdings B.V.

**Company Representative:** Laurens Hendrikus Groenendijk

**Paid-in Capital:** 891 thousand Euros    **Establishment:** November 2012



## Major Acquisitions in 2015 (Staffing)

### Chandler Macleod

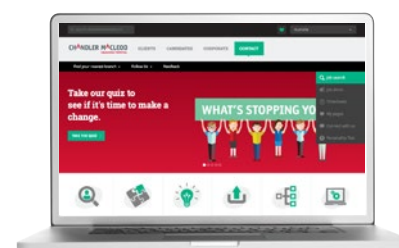
**Company Name:** Chandler Macleod Group Limited

**Company Representative:** Michelle Loader

**Paid-in Capital:** 182,272 thousand AUD    **Establishment:** June 1, 1959

Chandler Macleod Group Limited is a comprehensive staffing services provider and reported consolidated net sales of 1,413,197 thousand AUD and EBITDA of 38,154 thousand AUD for its fiscal year ended June 2014. Established in 1959, Chandler Macleod has been in business for over 50 years and ranks second by market share in Australia. Chandler Macleod responds to all manner of staffing needs, but specializes in administrative and light-duty work. In addition to Australia, Chandler Macleod has operations in China, Singapore, Indonesia, New Zealand, the U.K., Ireland and other countries.

**CHANDLER MACLEOD**  
UNLEASHING POTENTIAL



### Peoplebank

**Company Name:** Peoplebank Holdings Pty Ltd    **Paid-in Capital:** 51,410 thousand AUD

**Company Representative:** Peter Acheson    **Establishment:** September 14, 2007

Peoplebank Holdings Pty Ltd is in the business of providing staffing services to clients needing IT and engineering skills. Though a young company — established in 2007 — it reported consolidated net sales of 521,998 thousand AUD and EBITDA of 14,173 thousand AUD for its fiscal year ended June 2014. Ranked fifth by market share in Australia, Peoplebank is developing business in Singapore, Hong Kong, Indonesia, Malaysia and other Southeast Asian locations, as well.

**peoplebank**



### Atterro

**Company Name:** Atterro, Inc.

**Paid-in Capital:** 11 million USD

**Company Representative:** Clay E. Morel

**Establishment:** April 14, 1982

**Attèro**  
The promise of people.™

## Strategic Investment for Sustained EBITDA Growth Emphasizing Financial Soundness and Capital Efficiency



**Keiichi Sagawa**

*Board Director,  
Managing Corporate  
Executive Officer*

### Our Financial Strategy

Recruit focuses on sustained EBITDA growth to enhance shareholder value over the medium-to-long term. Our method is to strengthen existing businesses and develop new businesses that apply digital technology within Japan, while using M&A to accelerate overseas growth. Our target growth rate for existing businesses is in the mid- to high-single digits. A company newly acquired as a consolidated subsidiary is considered an existing business the following fiscal year.

To achieve our growth aspirations we could invest around 700 billion yen over the medium-to-long term. Our IPO opens up a variety of financial strategy options. We do, however, prefer using loans to exploit investment opportunities that exceed internally generated resources if external financing appears desirable considering all factors, such as foreign exchange rates and interest rates. We will limit borrowing to maintain our “A” rat-

ing of financial soundness certified by Japanese ratings institutions.

Capital efficiency is another key consideration; our target figure is 15% for ROE based on net income before amortization of goodwill.

### Shareholder Returns

To benefit all shareholders, we are committed to increasing enterprise value through well-considered investments and ongoing earnings growth. We also prioritize paying steady dividends commensurate with earnings, while reserving sufficient funds to invest in business expansion and maintain a solid financial footing. Our dividend policy aims for a consolidated payout ratio of around 25% based on net income before amortization of goodwill.

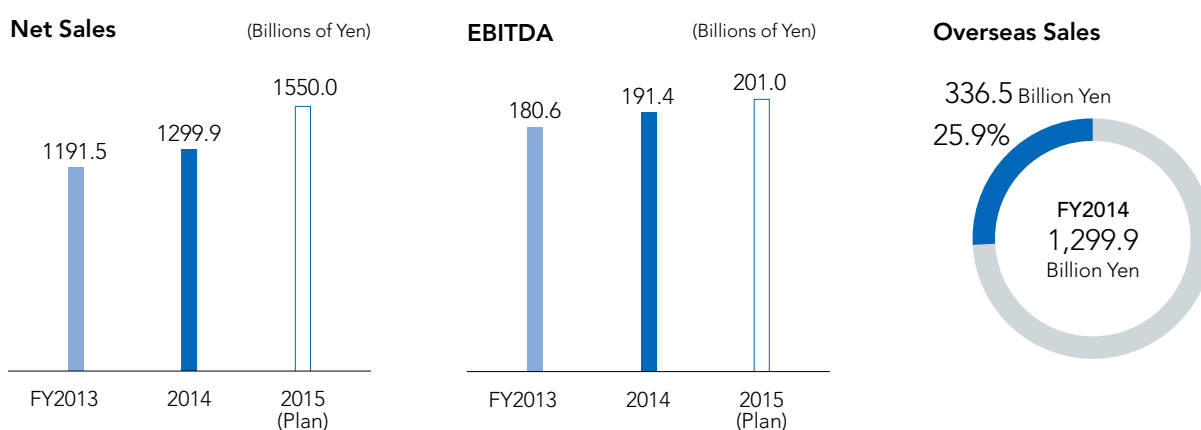
## Business Results for Fiscal 2014

For fiscal 2014, net sales came to 1,299.9 billion yen, up by 9.1%, the greatest sales we have ever recorded. EBITDA rose by 6.0% to 191.4 billion yen, while net income grew 6.5% to 69.7 billion. Overseas net sales climbed 18.8% versus the prior year, to 336.5 billion, accounting for 25.9% of overall net sales. When performance exceeds our financial year objective, we allocate funds to our medium-to-long term objectives of strengthening existing businesses and investing for growth, with a strategic focus on digital technology. For the fiscal year just ended, we paid out 47 yen per share, in line with our dividend policy.

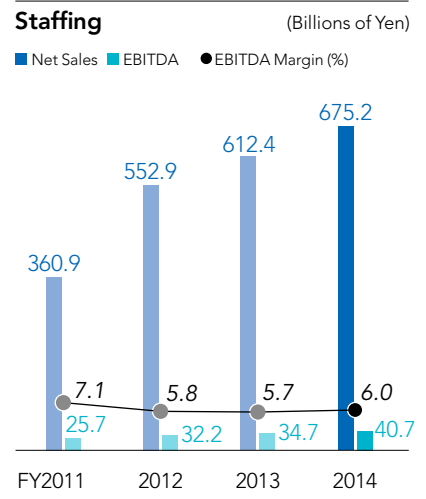
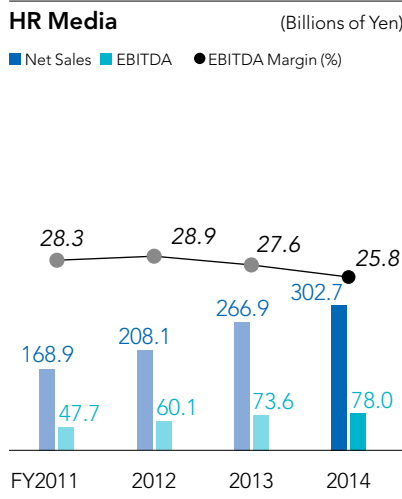
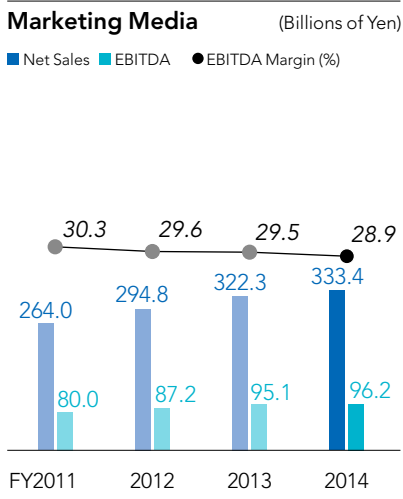
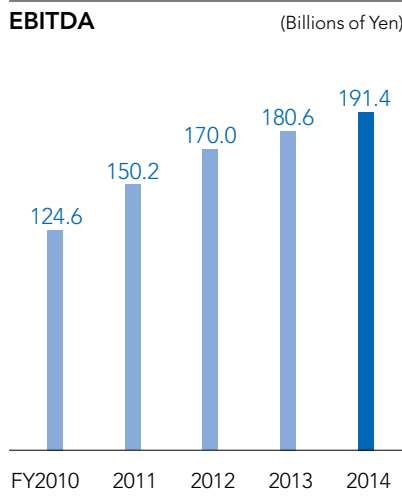
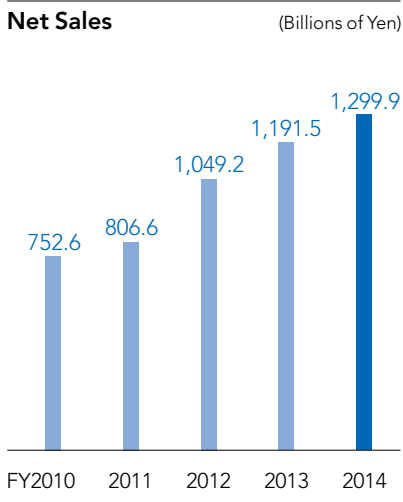
## Outlook for Fiscal 2015

For fiscal 2015, solid growth in each segment and newly added consolidated subsidiaries are expected to boost net sales by 19.2% year-on-year to 1,550 billion yen. We see EBITDA rising 5.0% to 201.0 billion yen, considering the particular costs of investments for medium-to-long term growth.

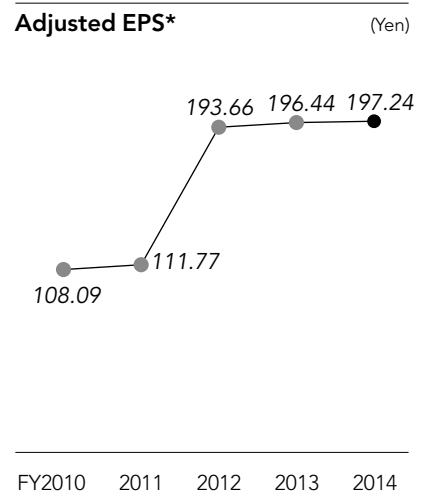
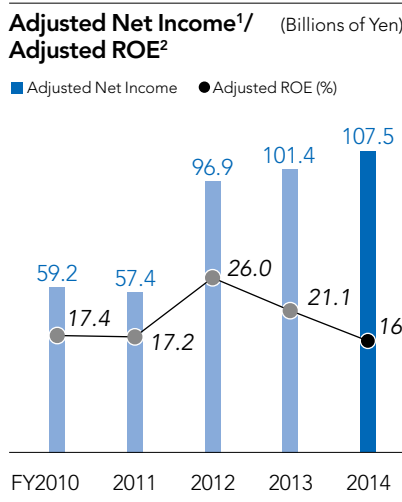
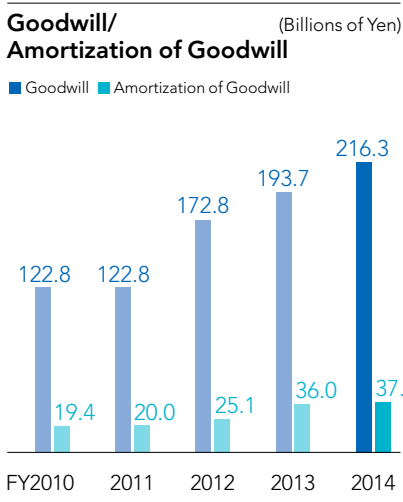
Regarding EBITDA growth of existing businesses, we look forward to a year-on-year increase of 5.8% to 202.5 billion yen. This excludes results from subsidiaries expected to begin contributing to performance in fiscal 2015. As mentioned above, newly acquired consolidated subsidiaries are treated as existing businesses beginning with the fiscal year following their acquisition. We expect net income before amortization of goodwill to rise 4.6% to 112.5 billion yen despite the earnings reduction due to increased amortization of goodwill accompanying acquisitions. We forecast a payout of 50 yen per share for fiscal 2015, in line with our dividend policy.



# FINANCIAL HIGHLIGHTS



Note: Segment results are available from fiscal 2011, three years before the IPO in 2014.



1. Adjusted net income = Net income attributable to owners of the parent + amortization of goodwill  
 2. Adjusted ROE = adjusted net income/own capital (average)

\* Reflects the 10-for-1 stock split effective as of July 31, 2014 as if it had taken effect from April 1 of fiscal 2010.

	FY2010	2011	2012	2013	2014
<i>For the year</i> (Billions of Yen)					
Net sales	752.6	806.6	1,049.2	1,191.5	1,299.9
EBITDA	124.6	150.2	170.0	180.6	191.4
EBITDA margin (%)	16.6%	18.6%	16.2%	15.2%	14.7%
Depreciation and amortization	14.7	15.2	19.9	27.1	31.0
Amortization of goodwill	19.4	20.0	25.1	36.0	37.8
Adjusted net income <sup>1</sup>	59.2	57.4	96.9	101.4	107.5
Net income attributable to owners of the parent	39.7	37.4	71.8	65.4	69.7
<i>At the year end</i> (Billions of Yen)					
Total assets	668.1	646.3	808.5	860.3	1,100.7
Total equity	342.6	330.7	419.2	546.6	754.1
Own capital ratio <sup>2</sup> (%)	—	—	51.5%	63.2%	68.1%
<i>Cash flow</i> (Billions of Yen)					
Net cash provided by operating activities	100.4	114.1	158.5	126.1	137.4
Net cash used in investing activities	(19.5)	(69.7)	(113.7)	(48.7)	(80.3)
Net cash provided by (used in) financing activities	(46.9)	(80.5)	7.7	(92.9)	62.5
Cash and cash equivalents at end of period	183.3	146.7	201.4	187.1	313.1
<i>Per share data</i> <sup>3</sup> (Yen)					
EPS	72.55	72.84	143.45	126.64	127.79
Adjusted EPS	108.09	111.77	193.66	196.44	197.24

Notes: 1. Adjusted net income = Net income attributable to owners of the parent + amortization of goodwill

2. Own capital ratio is available from fiscal 2012, two years before the IPO in 2014.

3. Reflects the 10-for-1 stock split effective as of July 31, 2014 as if it had taken effect from April 1 of fiscal 2010

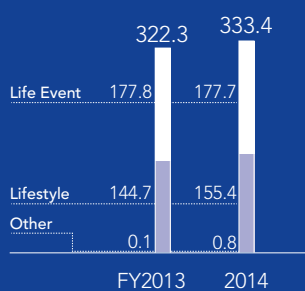


## MARKETING MEDIA BUSINESS

This segment consists of life event operations and lifestyle operations. In life event operations, we provide information on housing and real estate, bridal and others for people looking to make major life decisions on what house to buy or what type of wedding they want to have. In lifestyle operations, we provide information on lodging accommodations, restaurants, and beauty salons for people looking to make daily-life decisions, such as where to travel, eat or get their hair cut.

### Net Sales

(Billions of Yen)



### EBITDA

(Billions of Yen)



Note: Segment net sales includes net sales and transfers between segments.





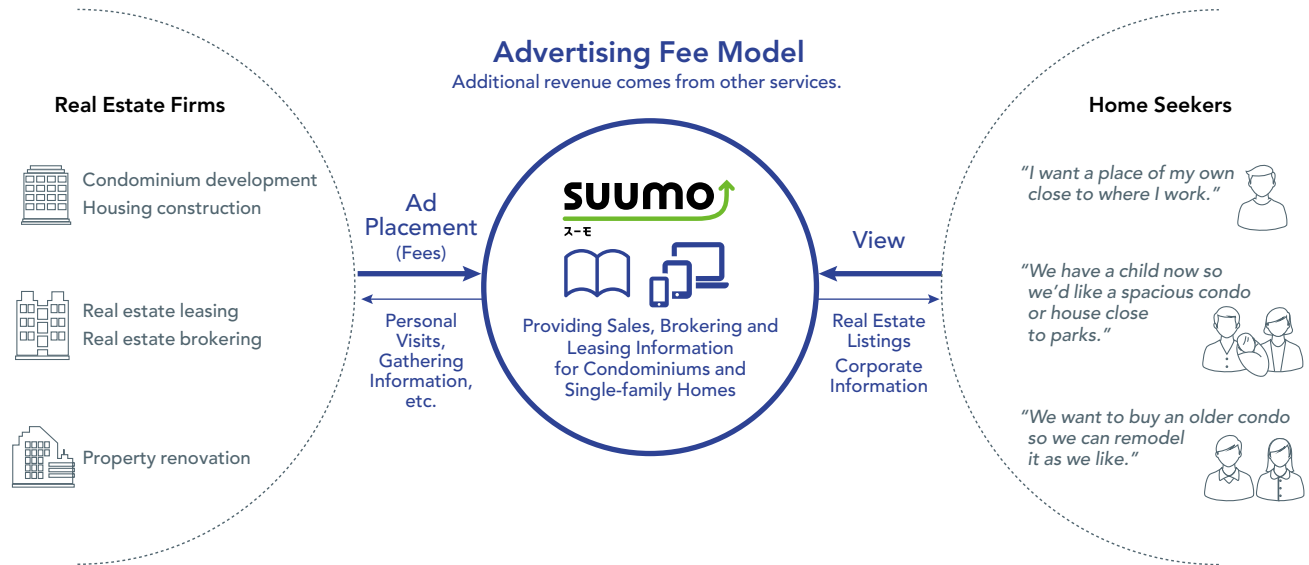


LIFE EVENT

# HOUSING AND REAL ESTATE

**Sustained Growth Supported by Industry Leading Brand Strength and Multi-Service Support Tailored to Client Needs**

## Business Model



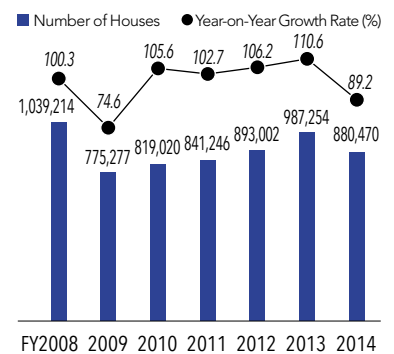
Our housing and real estate media operate under the SUUMO brand. All media have information placed by advertisers and are free to readers, most of whom are looking to buy or lease a home. Advertisers include developers, construction companies and local builders (offering new condominiums and single-family homes), property-leasing firms, brokers handling existing housing and remodelers. These media carry information on condominiums, new single-family homes, existing homes, properties for lease, custom-home construction and renovation services and information that individuals need when making housing decisions.

Primary earnings come from advertising fees. Additionally, at brick-and-mortar locations, we offer consulting services and charge clients success fees for brokering deals.

## Market Environment

Japan's housing market suffered a sudden downturn triggered by the global financial crisis of 2008, as reflected in new home construction. Afterward, conditions began to improve as housing demand and business confidence returned. The market stumbled again after the Great East Japan Earthquake in 2011, but recovery activities in the aftermath ultimately fueled a rise in demand. Growth surged through fiscal 2013 as consumers rushed to close prior to the consumption tax hike. This increase, however, led to weak demand, with new housing construction in fiscal 2014 down 10.8% from the prior year. At only 880,470 units, fiscal 2014 was the first down year since fiscal 2009, when we were negatively affected by the global financial crisis.

### New Housing Construction Starts in Japan



Source: Ministry of Land, Infrastructure, Transport and Tourism, Housing Starts

## Business Overview

Over the last three fiscal years, the consumption tax hike from 5% to 8% in April 2014 has had a major impact on business results. This macro-level change ignited a demand that was reflected in results for fiscal 2013, and caused the ensuing downward trend for fiscal 2014. We responded to this turbulence by enhancing the quality and volume of our housing and real estate content — moves that allowed us to maintain brand awareness and our leading position in the market.

Impacts of the 2011 earthquake continued to be felt even in fiscal 2012, but fundamental soundness in the market caused net sales to rise 6.6% year-on-year to 78.6 billion yen. Sales were up again in fiscal 2013, rising 10.0% to 86.6 billion yen as consumers rushed to close ahead of the consumption tax hike. This accelerated purchasing, however, sapped new condominium demand the following year, leaving net sales down 3.0% for the year to 83.9 billion yen. Our independent housing and leasing division, though, continued to perform well.

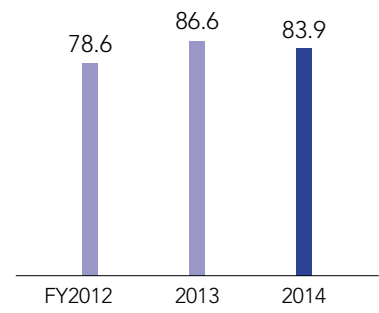
## Strategy Going Forward

One of our greatest strengths is the power of the SUUMO brand, which is highly visible among people searching for housing. We also rely on our ability to gather and analyze information on people looking for housing. This allows us to provide advertisers with excellent recommendations based on our deep understanding of their businesses, and sustain our solid relationships.

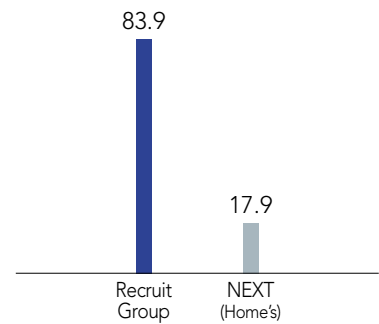
Looking to the future, we will continue to publish housing and real estate media that deliver even greater value and satisfaction for users in the real estate market. At the same time we aim to provide clients with not only an advertising framework, but also comprehensive sales promotion support, including management assistance and other services. Examples include product development, sales strategy consultation, promotion and other plans and support for campaign design — all of which are underpinned by analysis of the needs of users in the housing market.

Our goals are for clients to realize even greater returns on their advertising investments and for us to sustain growth in transaction value per client.

**Annual Net Sales** (Billions of Yen)



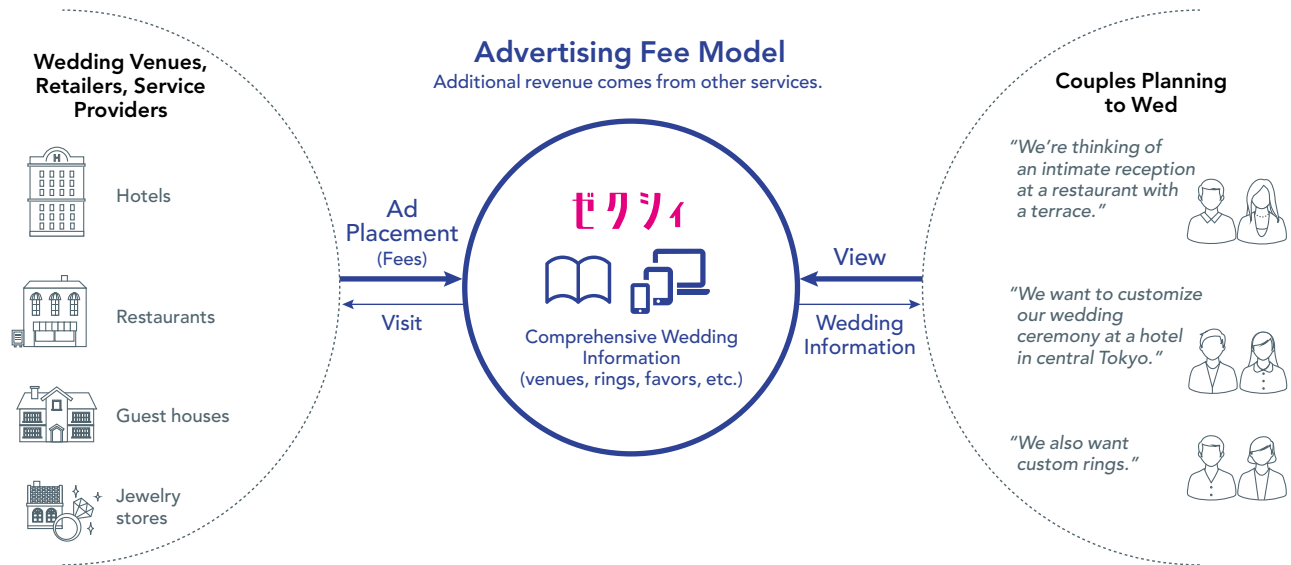
**FY2014 Net Sales Comparison** (Billions of Yen)



# LIFE EVENT BRIDAL

## Bridal Information Magazine Market Pioneer Dedicated to Sustainable Growth and Market Expansion

### Business Model



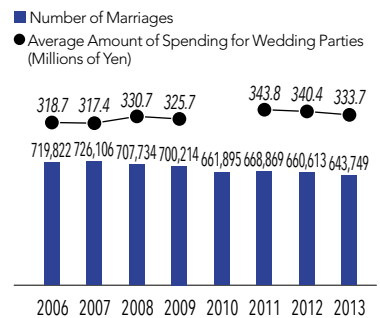
Zexy is our brand for a wide range of wedding-related information, delivered via a monthly bridal magazine, website and other Recruit media, as well as through personal consulting. The information is gathered from wedding halls, hotels, restaurants and other venues. We also provide information from retailers of jewelry, formal wear and other wedding accouterments, photography and other services. In addition, Zexy helps with venue reservations and ring selection, and offers gems of advice on every aspect of weddings, from when a couple first decides to tie the knot through to their vows.

Wedding media revenue mainly comes from advertising fees for client venues as well as goods and services while our personal consulting service earns from venues and other clients when our assistance results in a couple saying, "I do."

### Market Environment

Japan's bridal industry can be assessed by two indicators: the annual number of couples marrying and the per-couple spending on ceremonies, parties and other related items. Due to a decreasing population and the rising number of unmarried people, Japan is experiencing a mild downward trend in marriages. Though this trend is expected to continue, money spent on weddings has recently risen, particularly with the increasing popularity of renting ornate homes or entire restaurants for ceremonies and receptions. This has resulted in vigorous competition as companies vie to attract business by offering new venues, facilities, goods and services for memorable nuptials.

### Bridal Industry Trends in Japan



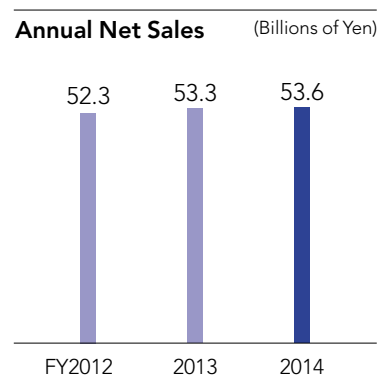
Source: Ministry of Health, Labour and Welfare, Vital Statistics and Zexy Wedding Trend Research (2014)

Note: Data is not available for 2011.

## Business Overview

As the pioneer of the Japanese bridal-magazine market, the Recruit Group — through our Zexy brand — is a leading source for bridal information. Our overwhelming brand awareness has helped us chalk up solid results in an industry where annual sales exceed 50 billion yen.

With major wedding-venue operators expanding and needing to boost site traffic, net sales for fiscal 2012 rose 7.3% year-on-year to 52.3 billion yen. Our value-added services, including Zexy Wedding Consulting Counters boosted net sales by another 1.8% the following year to 53.3 billion yen. Fiscal 2014 saw a 0.6% rise in net sales to 53.6 billion yen as well as the launch of Zexy Enmusubi and other matchmaking services.

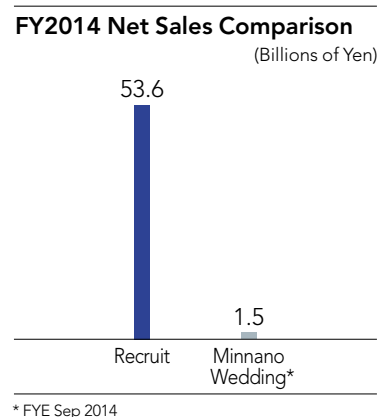


## Strategy Going Forward

The Recruit Group's dominance in bridal media is mainly due to three factors: unrivaled brand power (i.e., most couples planning to wed mention Zexy as one of their sources for bridal information); leveraging this brand power to drive users to our advertising clients; and sales expertise that fosters robust client relationships.

Our desire to grow goes hand-in-hand with efforts to improve usability of our smart device apps and websites, ultimately boosting our formidable brand power and providing the means to further enhance ROI for advertising clients and sustain the Group's own growth.

One area we are eager to develop is matchmaking — targeting the large number of singles who have yet to find their significant other. While marriage rates mired in a downward trend, this market is large enough to warrant consideration. By helping to match interested singles with compatible partners, we can stimulate the bridal industry overall.

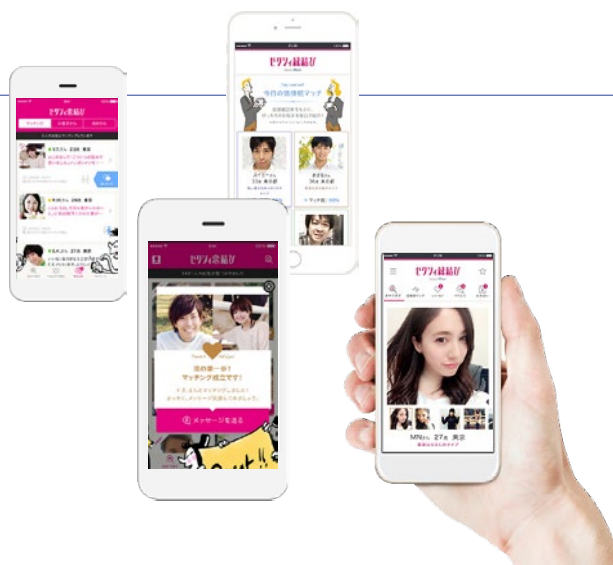


### Zexy Enmusubi and Koimusubi

Zexy has distinguished itself as a media channel that provides bridal information for couples currently engaged. In December 2014, we introduced new services for couples not quite there: people still searching for Mr. or Ms. Right.

Zexy Enmusubi is a service that helps identify potential matches based on an 18-item questionnaire designed to accurately pinpoint preferences and tendencies of potential mates. This service also assists in scheduling dates.

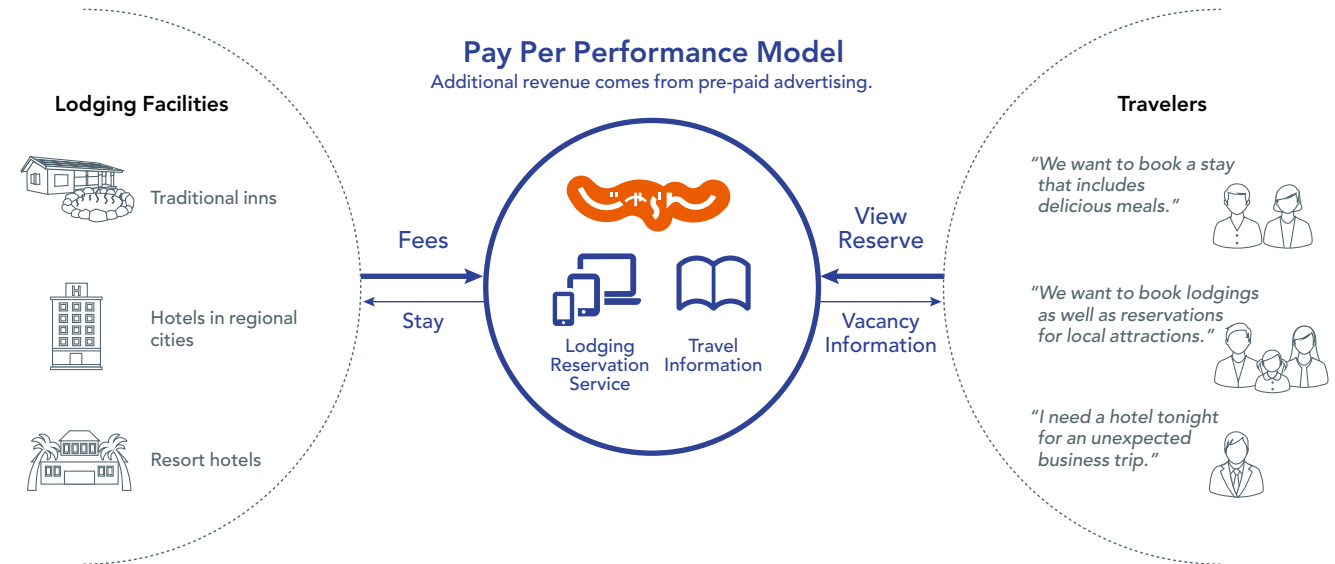
Zexy Koimusubi complements Zexy Enmusubi by organizing singles parties where eligibles have the chance to meet in informal surroundings as a prelude to the next step.



# LIFESTYLE TRAVEL

## Attractive Lodging and Leisure Plans Meet User Needs and Increase Reservations

### Business Model



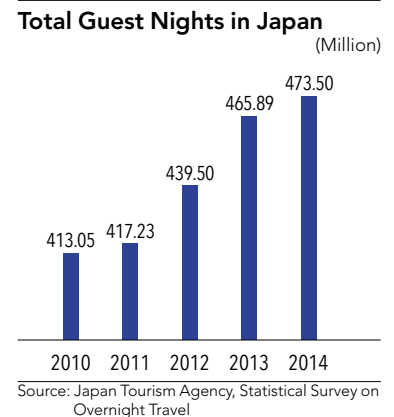
Jalan is our travel and leisure brand, which includes a website and infazine. Our core offering, Jalan.net, is a one-stop service for domestic travel reservations. People rely on Jalan.net for booking hotels and other lodging, as well as for reserving tickets to attractions at their destination. The site lets users compare lodgings, outlines available discounts and premiums, describes local attractions, and includes other useful travel info. Infozine Jalan is published monthly with different issues targeting specific locales and tourist destinations. Readers can avail themselves of timely and inviting suggestions for scenic drives, local activities and comfortable places to stay. Each publication also makes a great reference for future adventures.

Revenue from our travel-related media is generated by pay per booking (based on room rates) from hotels, and inns booked through Jalan.net.

### Market Environment

As Japan's population declined, so went the travel industry; at least until 2012, when the number of foreign visitors increased. This upward trend — assisted by the yen's depreciation — has continued through 2014. The results have seen decreased room vacancies and a corresponding rise in room rates.

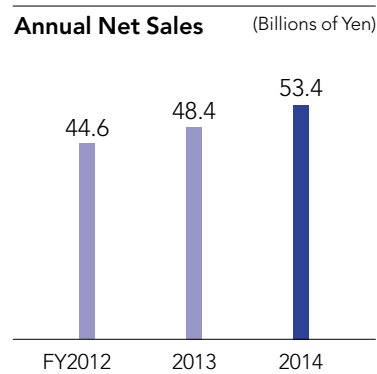
Against this background the online travel reservation market is thriving, with further upward movement expected to continue for the foreseeable future.



## Business Overview

The online travel-reservation business in Japan is fiercely competitive, with numerous firms jockeying for position in the invigorated market to take advantage of the rise in lodging rates. The Recruit Group has enjoyed solid growth here, due to our strength in the leisure market.

Thanks to close collaboration with our advertisers in tailoring lodging options to meet consumer demand, the Recruit Group has seen net sales surge yearly: 9.8% year-on-year to 44.6 billion yen in fiscal 2012, 8.7% to 48.4 billion yen in 2013 and 10.3% to 53.4 billion yen in 2014 (the last due in part to a rise in total guest nights that contributed to a rise in room rates).

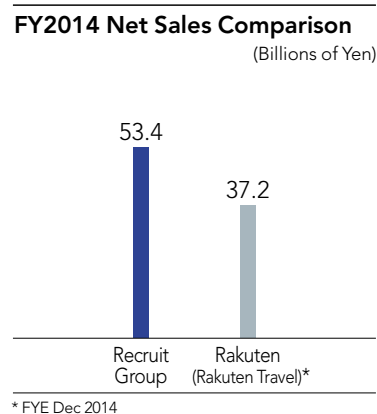


## Strategy Going Forward

The Recruit Group has a long history of providing timely travel information that is both enticing and practical. Owing to its solution-oriented sales activities, the Group's online travel presence is highly visible, and its brand image impeccable, especially as regards leisure travel for couples and families.

To achieve further growth in reservation bookings, we are offering services to heighten satisfaction, both to our advertisers and users. These services include increased lodging options for business and leisure, as well as richer destination itineraries.

The Group's formula for strengthening services hinges on fast response to consumer needs — such as early/last-minute reservations and competitive pricing — and by sustaining client relationships. Recruit also keeps abreast of market trends, using SEO and other means to attract customers while making the user interface/experience more convenient and satisfying.



### A New Approach for Booking Travel

In July 2015 the Recruit Group launched a service that lets users view and reserve from about 3,000 services for activities like scuba diving and trekking.

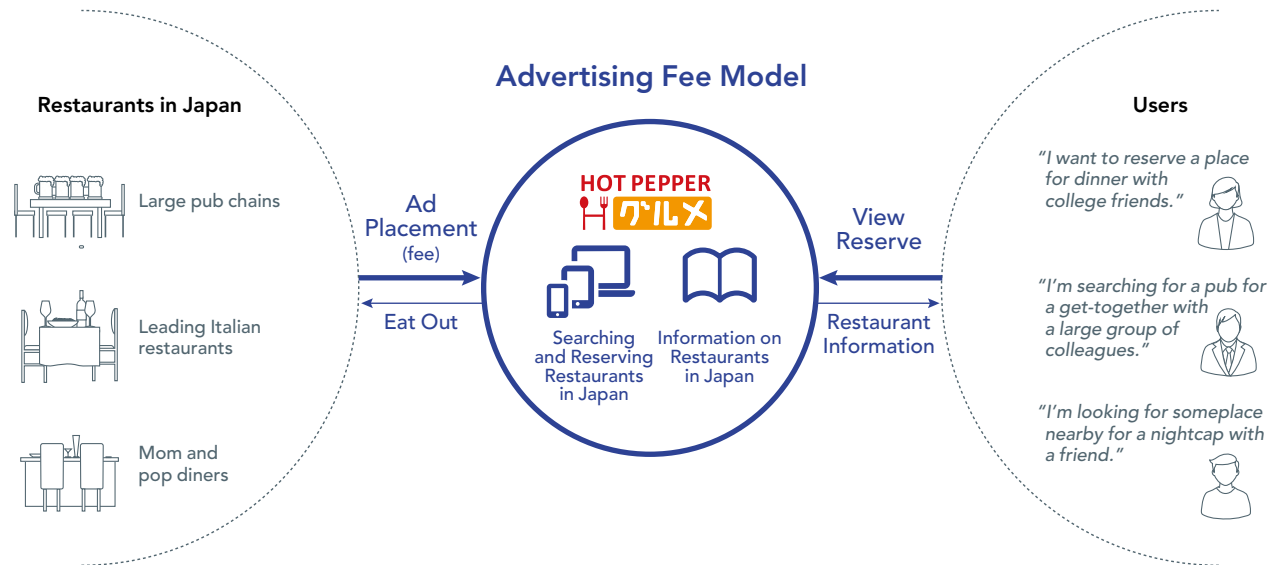
When people plan trips, they often have a purpose in mind. Until recently it was nearly impossible to search and book travel arrangements by prioritizing the purpose of the trip. We now offer this type of search capability, making it easier to meet the needs of travellers in search of a specific experience rather than destination.



# LIFESTYLE DINING

## Applying Technology to Drive Restaurant Reservations and Reduce Client Burden

### Business Model



Recruit operates the Hot Pepper Gourmet restaurant search-and-reservation website and publishes the Hot Pepper restaurant magazine. Both provide free information about restaurants in Japan.

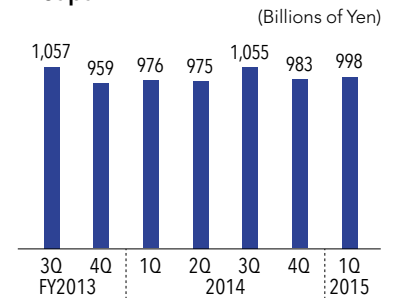
Hot Pepper Gourmet contains restaurant descriptions and coupons, and allows users to check availability and make reservations. The site offers a number of convenient features, including restaurant reviews and a function for managing banquet and party attendees. Hot Pepper is distributed mainly in large urban areas and attracts users with information and coupons for restaurants in areas categorized by train station or other features.

Hot Pepper Gourmet and Hot Pepper are financed by revenue from advertisers, who post descriptions and coupons for their establishments.

### Market Environment

In a sluggish economy characterized by consumers who are saving more, growth in the restaurant industry has been flat for the past three years. Studies show that about 75% of consumers in the three largest metropolitan areas — Tokyo, Kansai and Tokai — eat out approximately four times a month. And as the country's population declines, so will the restaurant industry, of which 90% comprises small- and medium-sized eateries. Nevertheless, considering factors such as widespread Internet usage and increasingly sophisticated online reservation services, the market for attracting customers and reserving online should continue to grow.

Trends in Dining Out Market in Japan



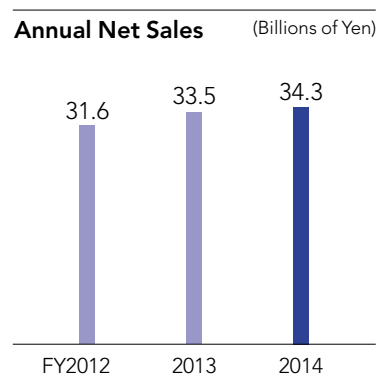
Source: Hot Pepper Dining Market Research  
 Note: Total amount of Tokyo metropolitan area, Kansai and Tokai markets



## Business Overview

The Recruit Group uses a proactive, high-value-added sales approach to build solid relationships, mainly with restaurant chains and other large players in the industry. This approach has increased net sales even as growth in the industry has remained flat. In fiscal 2013 net sales rose 6.0% year-on-year to 33.5 billion yen. We are also strengthening relationships with small- and medium-sized clients. In fiscal 2014 some major clients performed more weakly than expected, but this was offset by an increase in the number of smaller clients, who increased advertising 2.2% for a rise to 34.3 billion yen in net sales.

Note: Compiling dining segment data began in fiscal 2012 following the restructuring of our business segments. Comparative information for fiscal 2012 results, therefore, is not available.

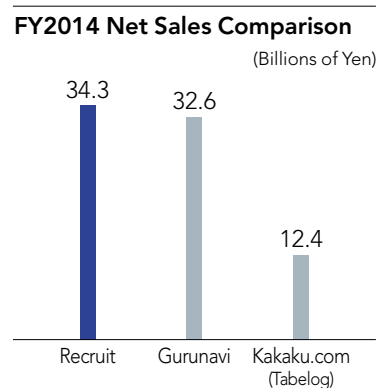


## Strategy Going Forward

For our restaurant clients, the strength of the Recruit Group comes from our high-value-added services, which include advice encompassing menu development as well as marketing recommendations backed by sophisticated data analysis. Our services are highly regarded and help build solid customer relationships.

While working to strengthen sales activities targeting the industry's leading companies, we also realize that over 90% of restaurants are small- and medium-sized establishments, so we are aggressively targeting them in order to expand our client base. Key to this is our Air REGI service, which eases restaurant management.

In fiscal 2014, 25.29 million people used Recruit to make reservations online. This places us among the leaders in the industry and indicates the success of our reservation services, which simplify administration for clients and offer users useful tools. Building on our success in this area, we aim to sustain growth by providing clients with even greater returns on their advertising expenditures.



### Air REGI

The free Air REGI POS register app tracks orders by table. It displays tables where orders have been placed as occupied until the bill is paid. A table where an order has not been placed, or where payment has just been made, is shown as open. This information is automatically transmitted to the Hot Pepper Gourmet website so the restaurants can minimize reservation management.

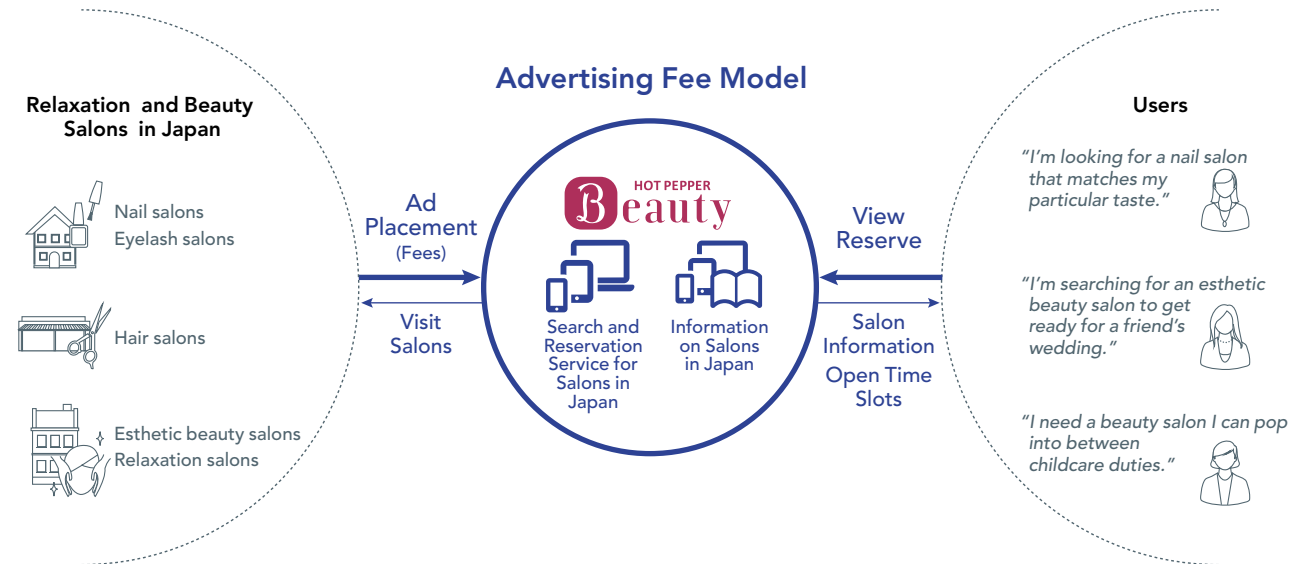
Air REGI greatly facilitates managing and disseminating information about table availability through the simple process of taking orders and recording payments — no extra steps are required and the restaurant gets more done with less effort. The app can also centrally manage reservations, including those from non-Recruit channels.



LIFESTYLE  
BEAUTY

Growing the Online Reservation Market through Client Business Support Solutions

Business Model



Our Hot Pepper Beauty brand provides users of beauty, nail, esthetic and relaxation salons with information and reservation services free of charge via a website, infozines and other media.

Our website contains salon profiles, coupons and service details, and offers the ability to make appointments with stylists and technicians. We also publish catalogs on hairstyle, nail, and other beauty services, provide users with a place to share comments on salons, and offer a vast amount of other information and convenient services that are very popular. People in major cities throughout Japan can find profiles and coupons for nearby salons in our infozines.

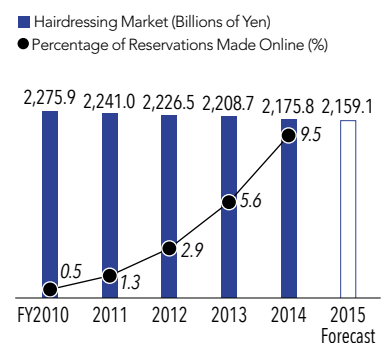
Advertisers pay fees for publishing salon ads, coupons, reservation details and other information on our website and in our infozines.

Market Environment

As consumer sentiment has cooled and people have begun reducing expenses, the amount of money spent on salon services has trended down. But in spite of a mild contraction over the last three years, the market for salon services still exceeds 2.0 trillion yen, with small- and medium-sized enterprises making up over 90% of service providers.

In comparison the market for online salon-reservation services has continued to expand, driven not only by the Internet, but also by a transformation in reservation activity led by Hot Pepper Beauty's online reservation service. Our own estimates reveal that the percentage of salon appointments made online has been rising since 2010, accounting for about 10% of the total in 2014 and with room for further expansion.

Hairdressing Market and Online Reservation Trends in Japan



Source: Yano Research Institute Ltd., Hairdressing Market in Japan: Key Findings 2015 and Recruit's estimate (As of March 2015)

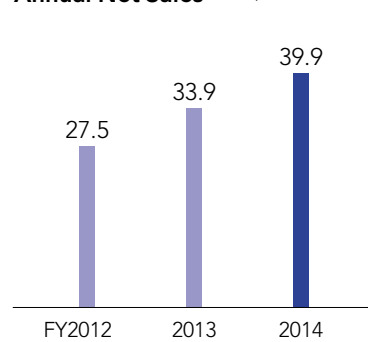
## Business Overview

The Recruit Group is a pioneer in providing services for the salon market and rates highly among both salon users and operators due in part to our comprehensive online reservation services. Our sales lead the industry and, thanks to a robust user base as evidenced by unparalleled brand awareness and tremendous user traffic, the number of paid advertisers on Hot Pepper Beauty is steadily rising.

In fiscal 2013 we enhanced the convenience of our SALON BOARD cloud-based support tool, expanding it to serve hair salons as well as nail, esthetic beauty, relaxation and other salons. Net sales rose 23.5% year-on-year to 33.9 billion yen. Continuing these efforts in fiscal 2014 resulted in steadily rising online reservations, helping us expand business with existing advertising clients and allowing us to add new clients, with a 17.6% increase in net sales to 39.9 billion yen.

Note: Collecting salon media data began in fiscal 2012 following restructuring of our business segments. Comparative information for fiscal 2012 is therefore not available.

Annual Net Sales (Billions of Yen)

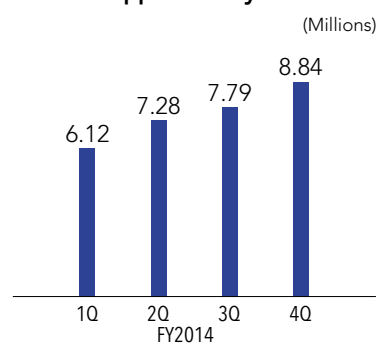


## Strategy Going Forward

The Recruit Group attained the leading position in the online salon reservation business by using its advantage as the market pioneer to build robust advertising client and user bases. Advertising clients who adopt our SALON BOARD cloud-based reservation and customer-management system reduce their administrative burden and allow users to reserve appointments with particular stylists online. Our advertising clients are reaping the benefits of working with the industry leader, as evidenced by the 30.04 million online salon reservations made in fiscal 2014.

We are furthering growth by expanding the number of advertising clients and increasing business with existing clients. Considering that small- and medium-sized enterprises comprise more than 90% of salon operators, we are pursuing sales activities encourage adoption of SALON BOARD and that include customer-base expansion and sales-promotion consulting. In addition, functions that increase user convenience are being added to expand our user base and rate of repeat usage.

Number of Online Reservations via Hot Pepper Beauty (Millions)



### SALON BOARD

SALON BOARD is a cloud-based reservation and customer-management system that can be used on both personal computers and smart devices. It is available to advertising clients free of charge.

In the past individual salons mostly took reservations by phone and managed them on paper. Today operations have been streamlined, with users able to make reservations anytime by viewing availabilities online at SALON BOARD, our Hot Pepper



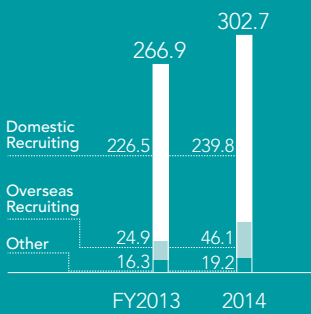
Beauty service. Centralized management of all reservations — even for those received by phone or in person — is possible using Recruit Group services, which ultimately lessens the administrative burden and helps expand the customer base. Efforts are now underway to integrate Air REGI to offer clients even greater convenience in their accounting and sales-management operations.

# HR MEDIA BUSINESS

In this segment, we provide services that offer employment information to job seekers both in Japan and overseas. In Japan, we provide information on finding employment (company information) for new graduates, and recruiting services for mid-career and part-time job seekers. We also operate a global job-search website.

## Net Sales

(Billions of Yen)



## EBITDA

(Billions of Yen)



Note: Segment net sales includes net sales and transfers between segments.

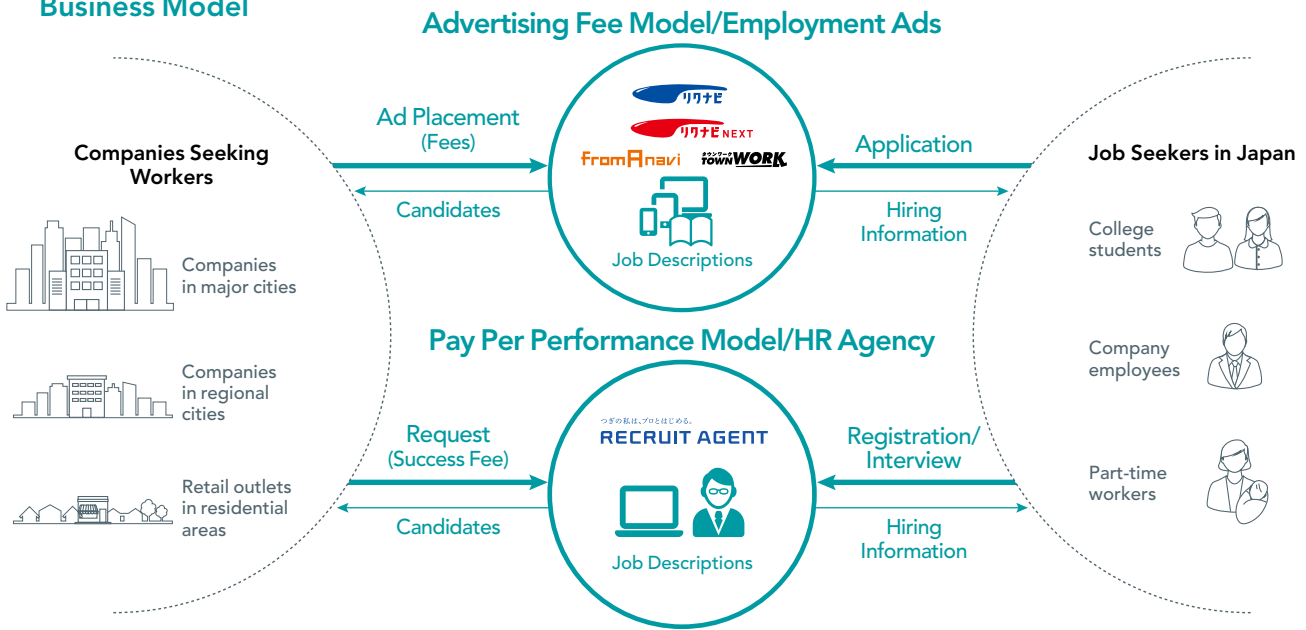




# DOMESTIC RECRUITING

Leading the Industry by Applying Technology to Boost Advertising Effectiveness

## Business Model



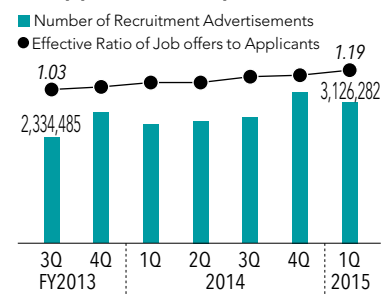
Our domestic recruiting services fill full- and part-time positions with well-qualified individuals. For full-time jobs, our uniquely targeted services include Rikunabi (a website for soon-to-be graduates), Rikunabi NEXT (a portal site for working people who want to change jobs) and RECRUIT AGENT (an agency that connects companies with interested candidates). Part-time offerings include free job publications and online job-search resources under the TOWNWORK and From A navi brands. As a pioneer in recruitment advertising, we offer numerous services to meet the needs of any job seeker and employer. Job seekers rely on our trusted services for job listings and leads from employers — our primary advertisers.

Domestic recruiting has two main revenue streams: one from recruitment ads posted by employers in our publications; the other from fees earned as a placement agency.

## Market Environment

Key indicators of employment trends in Japan include the number of recruitment ads and the ratio of job offers to job seekers, both of which are affected by the economy. The financial crisis of 2008 caused the recruitment-media market to contract in fiscal 2008, followed by an uptick in the economy that resulted in a surge. Since fiscal 2012 worker demand has continued to rise as corporate earnings improved due to government-stimulus programs. Currently, with a jobs-to-applicants ratio at around 1.19 as of June 2015 (the highest in 23 years and two months) followed by May, and the number of ads for April through June 2015 at 3,126,282 (up 18.9% year-on-year), the recruitment-media market is showing new life.

**Numbers of Recruitment Ads / Effective Ratio of Job Offers to Applicants in Japan**



Source: Zenkoku Kyujin Joho Kyokai, Number of Recruitment Advertising Research and Japanese Ministry of Health, Labour and Welfare, General Employment Placement Situation

Note: Effective ratios of job offers to applicants are figures as of the last month of each quarter.

## Business Overview

As a pioneer in recruitment advertising, our services are geared to both job seekers and employers. Recruitment advertising has grown the last three fiscal years for both full- and part-time jobs. We've taken advantage of this trend to lead the industry in net sales.

A strong job market in fiscal 2012 boosted net sales 23.4% year-on-year to 192.3 billion yen. This upward trend continued through fiscal 2013 with net sales rising 17.8% to 226.5 billion yen, helping us to leverage brand power, develop new products and improve sales. As hiring demand rises, the number of clients using multiple job-posting media also increases. This helped us expand market share in fiscal 2014, with net sales increasing 5.9% to 239.8 billion yen.

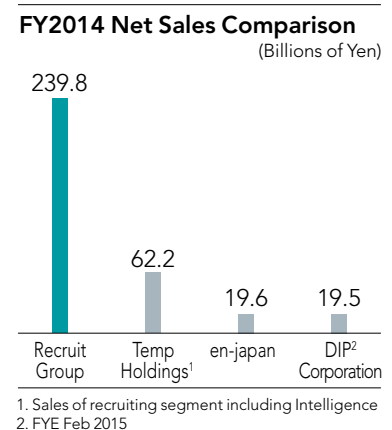
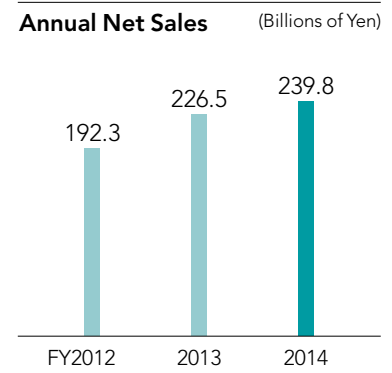
## Strategy Going Forward

Our leading position in the recruitment field is due to strong brand recognition (which makes it easy to connect with job seekers) and solid relationships with advertising clients. Maintaining our top position has reinforced the view among both job seekers and employers that Recruit is the go-to company for recruitment. Our services are highly rated by users and clients. We plan to solidify this view by employing the latest IT to enhance our strengths and improve results for advertising clients.

For full-time recruitment, we are improving the quality of ad responses by applying big-data analytics to tailor search results according to each job seeker. Employing our vast database, the Rikunabi website can display precisely targeted job descriptions optimized for each user. We closely analyze user behavior and characteristics, then return search results from over 5 billion possible variations. Moreover, in order to align our services more closely with the needs of job seekers and advertising clients, college students can now use our employment agency services, which were previously reserved for people wanting to change jobs.

For part-time recruitment, we aim to attract more job seekers via television ads, outdoor advertising and other channels as well as by expanding SEO efforts. We also keep pace with changes to smart devices by enhancing the user interface and experience as well as by developing user-driven apps. Other measures make it easier for job seekers to obtain information from advertising clients.

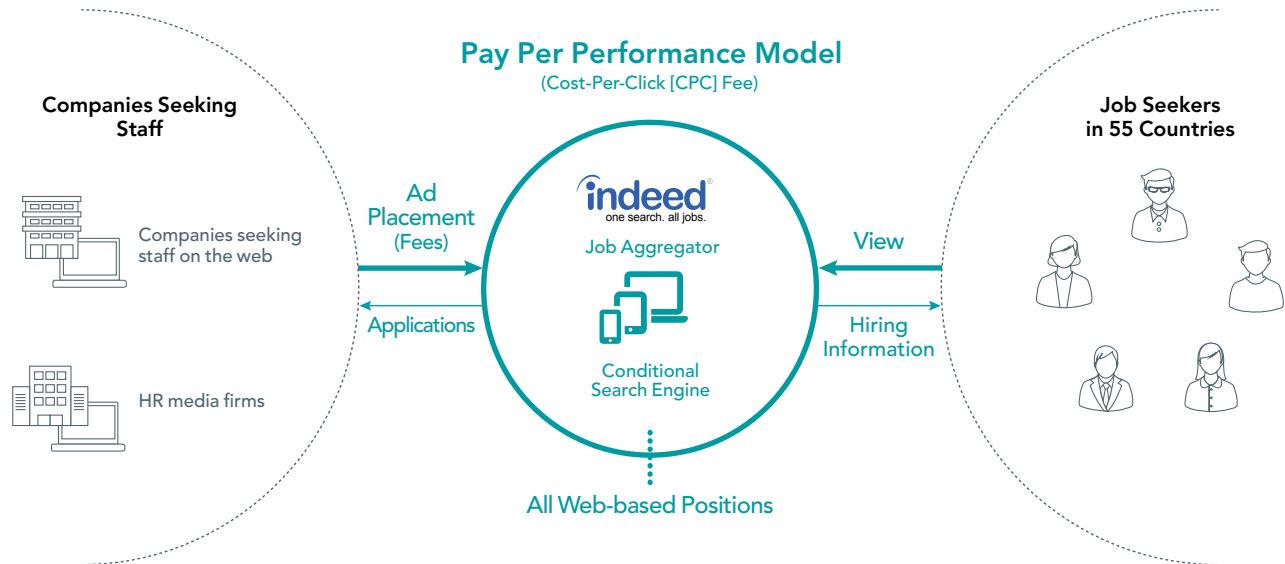
In addition, by offering support through a system that centralizes all management — from selecting recruitment media to managing information about ad respondents — we empower clients to start initiatives that fulfill any recruiting need. Recruit intends to continue these efforts to expand our client base and increase growth.



# OVERSEAS RECRUITING

**Strong Growth Driven by Indeed's Tech Prowess in Synergy with Sales & Marketing Expertise Refined in Domestic Market**

## Business Model



Since 2012 our North America subsidiary, Indeed, has lead the Group's overseas recruiting efforts.

Using a proprietary search algorithm, Indeed aggregates job information from across the web and delivers comprehensive results to job seekers. Our clients include companies looking to hire as well as other online job advertising websites, who expect significant traffic from Indeed.

Indeed's fee structure is click-based, employing the same model as standard search engines, but unlike those of traditional job sites, where listing fees are borne by companies. When a job seeker searches Indeed, ads linked to search terms automatically appear with the hits. Advertisers are billed every time a job seeker clicks on their ads.

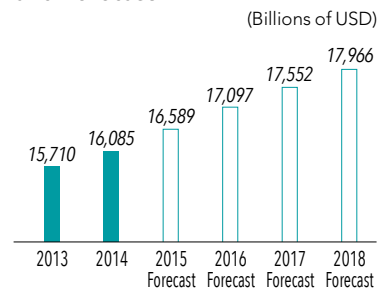
Available in 55 countries and 28 languages, Indeed is fast becoming a global platform for job searches and HR recruiting.

## Market Environment

The online HR-advertising market in North America — where Indeed is monetizing its services — grows at compound annual rates approximating GDP, and is expected to increase 2.7% from 2013 to 2018. The North American online HR media market — and the market for applicant-tracking systems in which Indeed already participates — is also expected to grow.

Note: Applicant tracking refers to a system that streamlines hiring activities by centrally managing information regarding matters such as open positions, job applicants and the hiring progress for each position.

**US GDP (Real) Growth Results and Forecast**



Source: International Monetary Fund, World Economic Outlook Database



## Business Overview

By combining outstanding technical prowess with sales and marketing know-how developed by the Recruit Group in Japan, Indeed quickly experienced enormous growth, becoming a huge player in the North American market as regards sales and unique visitors.

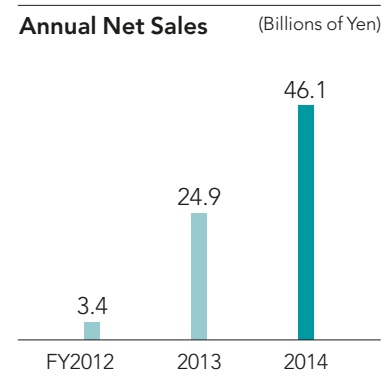
For fiscal 2013 — Indeed’s first full year in the Recruit Group — the firm racked up net sales of 24.9 billion yen, an increase of 621.2% year-on-year. Factors such as ongoing growth in the number of small- and medium-sized clients using Indeed kept pushing up sales in fiscal 2014 as well, when they soared 85.1% to 46.1 billion yen.

Note: Year-on-year performance results for fiscal 2012 are not included in our overseas recruiting business overview because there were no fiscal 2011 results with which to compare. In addition, results for fiscal 2012 cover only three months.

## Strategy Going Forward

Indeed has achieved enormous growth in a short time, the keys to which have been the proprietary search algorithm created by Indeed’s engineers, the Group’s ability to tailor advertising to the needs of employers and job seekers, and the steady incorporation of sales and marketing know-how developed by the Recruit Group in Japan. For example, in North America, the number of job ads reached 6.8 million within one year up to October 2015.

Looking beyond domestic markets, Indeed is aggressively trying to boost earnings outside North America, where monetization is on the rise. Although Indeed is already available in other parts of the world, it has yet to achieve the powerful presence it enjoys in North America. Growth opportunities, however, are still huge, and the company is investing aggressively to enhance brand awareness and attract both job seekers and employers, mainly in mature economies. Indeed also continues to incorporate sales and marketing know-how developed by the Recruit Group as it works to achieve its ambitious objectives.



Source: Google Analytics

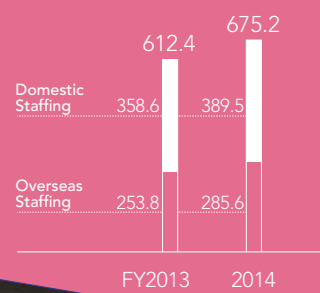


## STAFFING BUSINESS

We provide staffing services in Japan and overseas. Overseas, we have built up our staffing operations mainly in North America, Europe and Australia through acquired subsidiaries.

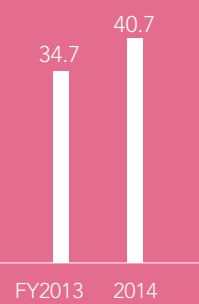
### Net Sales

(Billions of Yen)



### EBITDA

(Billions of Yen)



Note: Segment net sales includes net sales and transfers between segments.

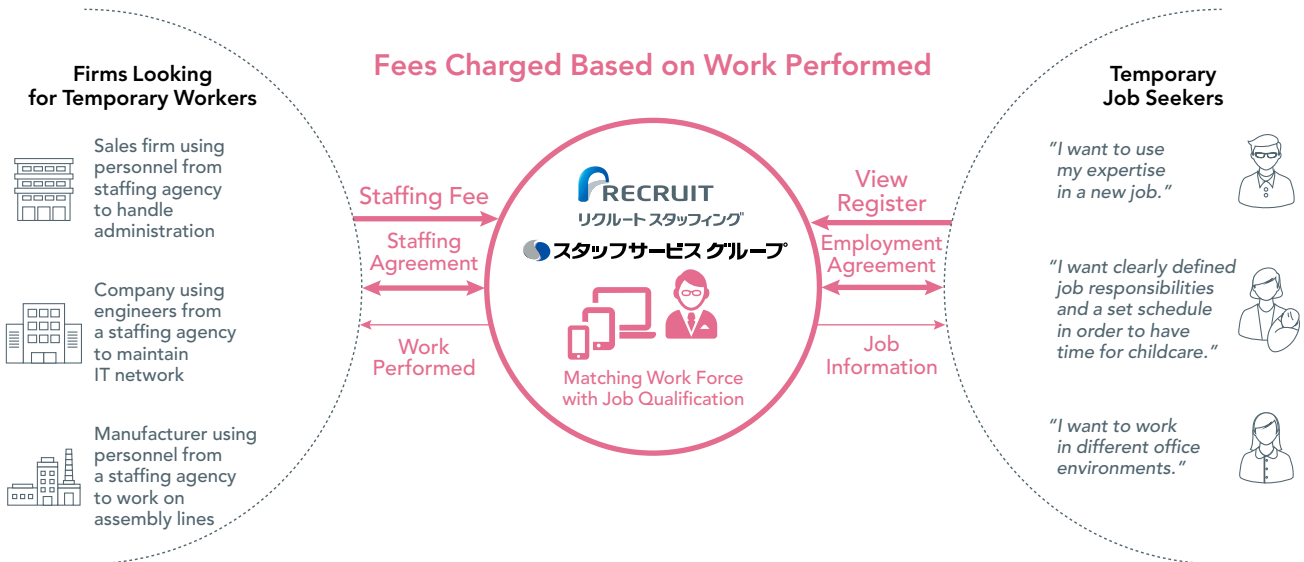




# DOMESTIC STAFFING

## Our Original Unit Management Method Delivers Industry-leading EBITDA Margins

### Business Model



Recruit Staffing and Staff Service Holdings form the core of our domestic services, placing qualified and motivated individuals in key positions. Combined, both of these firms cover every job in any field, and for every type of client. Recruit Staffing is excellent for large companies in urban areas, while Staff Service Holdings is popular with small- and medium-sized clients, for whom speed is primary.

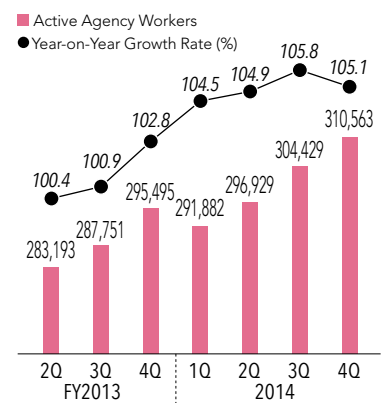
Business models for staffing are similar worldwide and involve sourcing individuals on a work-based fee. Because accounting standards require that compensation for outsourced personnel be recorded as both sales and sales costs, EBITDA margins tend to be low. When calculated based on gross income, however, EBITDA margins are on par with those of other marketing and HR-media segments. In addition to sales expansion, therefore, the Recruit Group focuses on productivity in P/L management. The unit management method described on the next page is our own approach to managing costs, and doubles as an efficient way to manage business operations.

### Market Environment

The staffing industry in Japan must comply with the Worker Dispatching Act and keep abreast of revisions to this legislation. Still, this kind of work type is popular enough in Japan, so the staffing business's performance mirroring changes in macroeconomic factors such as GDP.

The number of people working through staffing agencies — a good indicator of market conditions in the industry — declined between fiscal years 2009 through 2011 as a result of the global financial crisis and the Great East Japan Earthquake of 2011, among other factors. Since then, however, the number of people working through staffing agencies has increased, riding the tide of a mild government-led recovery that has produced year-on-year growth for the seven most recent quarters.

### Average Number of Active Agency Workers in Japan

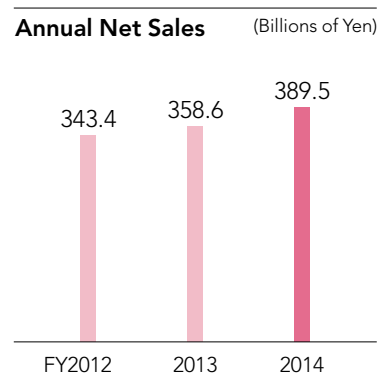


Source: Japan Staffing Services Association, Staffing Service Survey

## Business Overview

Initiatives based on the Recruit Group's productivity- and efficiency-focused unit management have led to post-net sales figures and EBITDA margins that make the Group one of the top-performing Japanese businesses.

The last three fiscal years have seen us solidify our existing client base and add new clients by improving our sales organization. At the same time we have taken steps to extend the time individuals remain in a temporary job, such as strengthening training programs. As a result we have seen steady growth in net sales, which rose 3.2% to 343.4 billion yen in fiscal 2012 and 4.4% to 358.6 billion yen the following term. In fiscal 2014 net sales rose 8.6% to 389.5 billion yen.

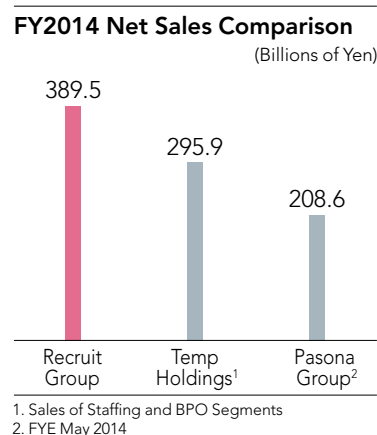


## Strategy Going Forward

Our unit management method — which promotes efficient operations and high EBITDA margins — is the pillar of our strength. We intend to continue operating efficiently as we match individuals with companies in ways that satisfy both.

Monitoring these efforts lets us tailor sales activities based on factors such as the size and location of client companies, and ensures the highest standard of conduct among sales staff. Furthermore, we are solidifying relationships with existing clients and expanding our client base.

By making the most of our strengths — namely multiple services backed by outstanding brand competitiveness in the HR-media field — we can enlarge our pool of qualified labor and offer job seekers and employers the latest and most advanced web-based resources to heighten the user experience.

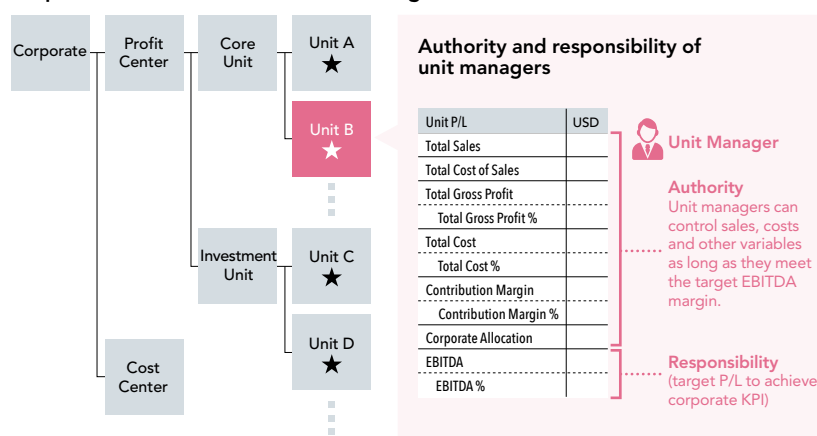


### Unit Management

Our unit management method uses individual units within the Group as the basis for managing P/L.

Profit margins and income figures are established for each unit, but how to achieve these goals is left to managers, including decisions regarding commissions. Easily tracking accountability enables swift response to frontline issues. Furthermore, management that is creative and cognizant of the need to enhance productivity boosts profits. When a unit performs well, we share the details with the Group.

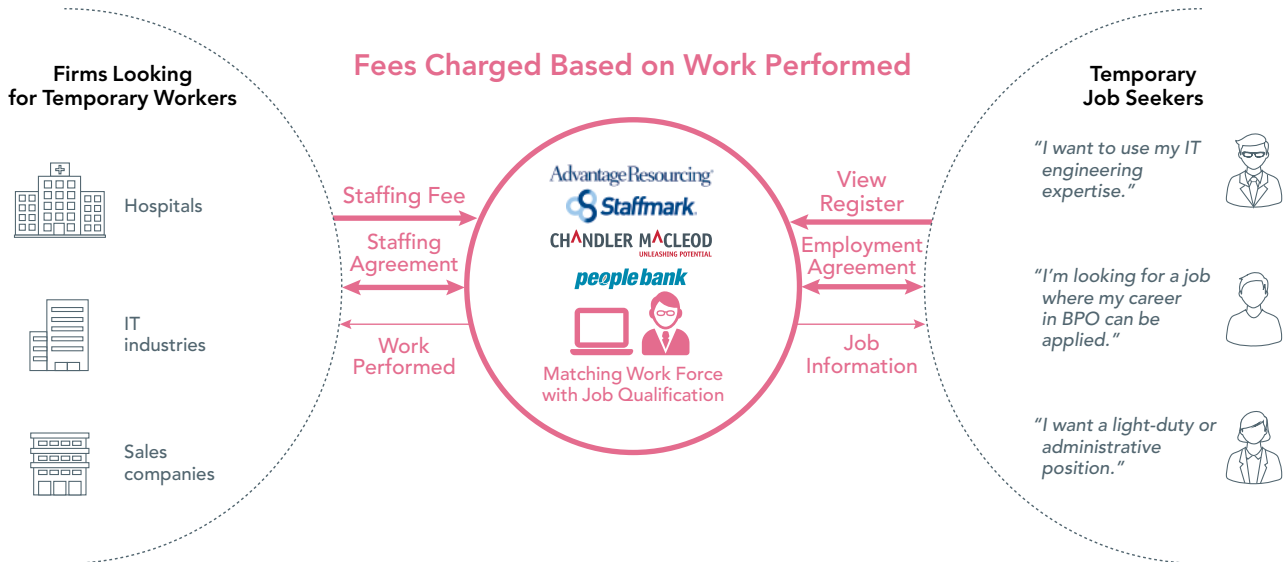
#### Corporate P/L is the Result of Profit Margins and Income from Each Unit ★



# OVERSEAS STAFFING

## Growing Through Acquisitions in Mature Economies and Their Incorporation of Our Unit Management Method

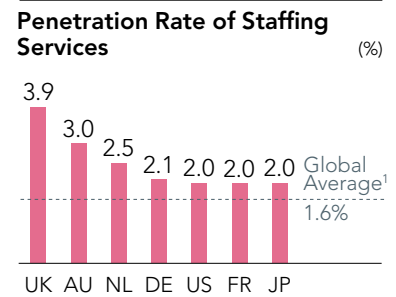
### Business Model



In a move to expand our staffing business in the US, UK, Australia and other countries, Recruit Holdings acquired CSI in 2010, Staffmark and Advantage in 2011 and Peoplebank, Chandler Macleod and Atterro in 2015. Given the similarity of global staffing models, Recruit’s overseas subsidiaries have adopted our unit management method. This proven technique helps them optimize their own management and sets them on a path toward even greater EBITDA and EBITDA margins. Improvements has been noted at CSI, Staffmark and Advantage, where unit management has had time to take effect.

### Market Environment

Similar to Japan, overseas staffing markets reflect the performance of the macro economy and track changes in GDP. Globally, staffing services have achieved a labor-market penetration rate averaging 1.6%. In mature economies, however, this rate exceeds 2.0%. These economies also account for approximately 70% or less of the 40 trillion yen spent annually on staffing services worldwide.



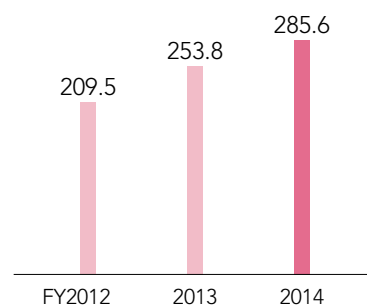
Source: Ciett Economic Report 2015  
 1. The above ranking does not include China due to the lack of statistical data

## Business Overview

The Recruit Group is using M&A to expand its overseas staffing business, introducing unit management to each new subsidiary. Our success in this area is evident in steadily improving EBITDA and EBITDA margins.

In fiscal 2012 net sales surged 641.8% year-on-year to 209.5 billion yen on the strength of results from Staffmark and Advantage. In fiscal 2013 net sales rose 21.1% to 253.8 billion yen due mainly to a depreciating yen. Ongoing yen depreciation and other factors — such as buoyant results in outsourcing — caused net sales to rise 12.5% to 285.6 billion yen in fiscal 2014.

Annual Net Sales (Billions of Yen)

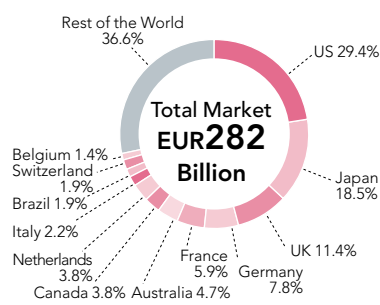


## Strategy Going Forward

We plan to continue expanding operations through M&A in mature economies, introducing unit management to new acquisitions and streamlining their operations in order to improve EBITDA and EBITDA margins and stimulate growth. Candidates for M&A are closely examined to find out if, as a member of the Recruit Group, these companies can improve their EBITDA margin, even from a very low starting point. Merely being part of a mature economy is not sufficient reason to be considered for M&A.

When we acquire a company, its operations are left to local management, who have the best knowledge of local business conditions. Recruit, however, sometimes staffs key positions with its own personnel including executives and people who implement unit management.

Global Staffing Markets in 2013



Source: Ciett Economic Report 2015

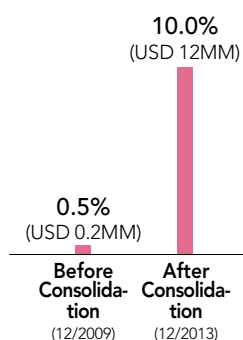
## Service Coverage of Six Group Companies

● Core Business domain ○ Business domain

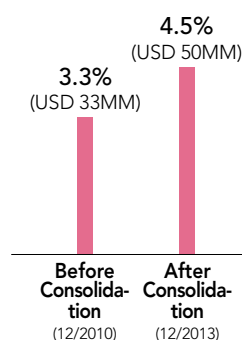
	Clerical	Light Industry	IT	Engineering	Professional	Healthcare IT	Out Sourcing	Mining	Other
The CSI Companies	○		○			●			
Staffmark	○	●			○		○		
Advantage Resourcing	●	○	●	●	○		●		○
peoplebank			●	●					
CHANDLER MACLEOD	●	●	○	○	○		○	●	○
Attèro	●	●	●	●			○		

## Track Record of Value-up by Transferring Recruit's Knowhow

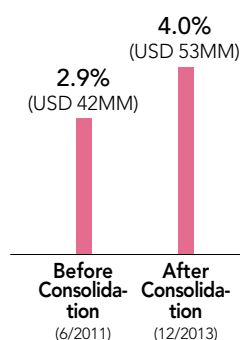
The CSI Companies  
(Consolidated in Jul 2010)



Staffmark  
(Consolidated in Oct 2011)



Advantage Resourcing  
(Consolidated in Dec 2011)



# OTHER BUSINESS

## Cross-Service Single ID Encourages Users to Access a Wider Range of Offerings

### Business Overview

Since fiscal 2012 this segment has been charged with expenses related to the integration of user ID information collected while providing services, resulting in a negative EBITDA. During fiscal 2014 net sales fell 29.9% year-on-year to 2.0 billion yen, while EBITDA was in the red by 11.2 billion yen versus a negative 11.5 billion yen during the previous year.

### Strategy Going Forward

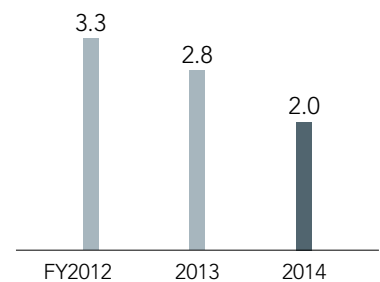
The Recruit Group provides services for events that generally occur only a few times in a person's lifetime, and for events that are routine. Until now information gathered while providing services for these events has been managed exclusively on platforms specific to each service.

Each of these platforms leads its respective field in numbers of users. In order to expand these platforms, however, we are ensuring that users have more options for utilizing points earned through purchases by unifying user IDs and by partnering with Loyalty Marketing, Inc., operator of the Ponta point system. These steps will allow us to analyze the buying patterns of users with the goal of providing them with more targeted information. Our payoffs will be realized through the efficient acquisition of new users, higher repeat rates for existing users, greater rates of cross-usage, optimized user-capture costs and enhanced competitiveness for each platform.

ID unification was completed for users of our main services in December 2014, and cross-usage effects — for example, when users of Zexy (a bridal information resource) go through Jalan.Net to book travel — are already evident.

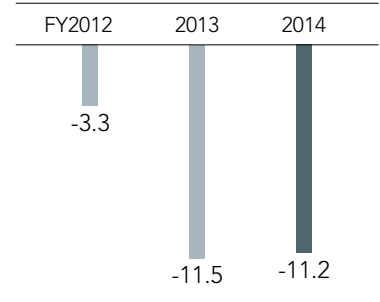
Looking ahead, the conversion of Recruit points into Ponta points is slated for the winter of 2015. This will be the culmination of a process begun in July 2014 when users were able to convert Ponta points (for use at brick-and-mortar stores) into Recruit points (for use in purchasing our web-based services) and vice versa.

Annual Net Sales (Billions of Yen)

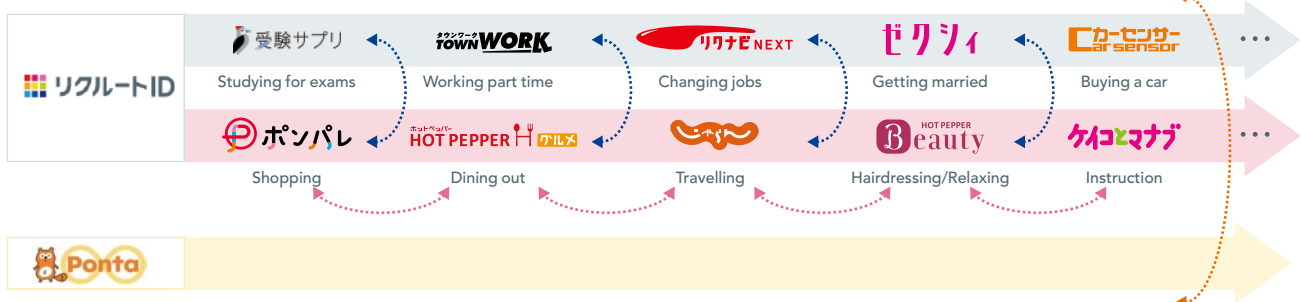


Note: Segment net sales includes net sales and transfers between segments.

EBITDA (Billions of Yen)



### Greater Convenience through ID Unification





## Disclosures based on the Five General Principles of Japan's Corporate Governance Code

Recruit Holdings has adopted the following policies based on the five general principles of Japan's Corporate Governance Code.

### 1. Securing the Rights and Equal Treatment of Shareholders

The Company shall take appropriate measures to effectively secure rights to vote at Shareholders Meetings, and other forms of shareholder rights.

### 2. Appropriate Cooperation with Stakeholders Other Than Shareholders

Based on the Recruit Group Management Philosophy, the Company shall strive to achieve long-term, stable growth and continuously increase its corporate value as a business that is viewed as a positive force by users of Recruit products and services, clients, shareholders, employees, business partners, NPOs and NGOs, national and other governmental organizations, local communities and all other principal Recruit Holdings stakeholders.

### 3. Ensuring Appropriate Information Disclosure and Transparency

In addition to properly engaging in disclosures as required by laws and regulations, the Company will proactively disclose information as called for by the five general principles of Japan's Corporate Governance Code to help secure transparency and fairness in decision-making, and promote effective corporate governance.

### 4. Responsibilities of the Board

The Board of Directors sets the basic management direction and performs management oversight. In addition to matters subject to exclusive board discretion, as provided in laws and regulations, the Board of Directors also makes executive decisions on matters that could significantly impact management philosophy, corporate governance systems, consolidated results and the reputation of the Recruit Group. When the speed of decision-making is a matter of critical concern, executive decision-making authority is vested in the President, CEO, and Representative Director within certain bounds, and the Board of Directors oversees implementation of the decisions made.

Board Directors are elected by the shareholders to be entrusted with management of the Company. In performing their duties, they bear fiduciary responsibility and the duty of diligence, as they contribute to the sustainable growth and an increase in corporate value over the medium to long term.

### 5. Dialogue with Shareholders

To promote dialogue with shareholders, the Company shall have a department dedicated to handling IR work, and an executive assigned to oversee IR. Requests by institutional investors for meetings are accepted within reasonable bounds, and the Company will have a system for responding to inquiries by individual investors.

## Execution of Business

At Recruit Holdings, important matters of business strategy and business execution, are decided upon by the Board of Directors and the Business Strategy Meeting.

In principle, meetings of the Board of Directors are convened once a month and once every quarter, and are attended by all Board Directors (six) and Audit & Supervisory Board Members (four).

The Business Strategy Meeting is an advisory body to the President, CEO, and Representative Director and, in principle, holds meetings twice a month. These meetings are attended by Board Directors who are also Corporate Executive Officers (four), Corporate Executive Officers responsible for corporate function (two) and standing Audit & Supervisory Board Members (two).

To strengthen its business execution functions, Recruit Holdings has adopted the Corporate Executive Officer and Board Director, Managing Corporate Executive Officer systems.

The Board of Directors makes decisions on investments above a certain financial value and on key personnel and other matters that could significantly impact the Company's corporate governance or consolidated business performance. Other matters are decided by the Business Strategy Meeting. Criteria for determining where decisions are to be made are set forth in the Rules on Decision-making Authority, which are examined at least once a year by the Board of Directors for possible revision.

The Business Strategy Meeting must be convened with the participation of at least one standing Audit & Supervisory Board Member. This requirement is intended to promote the oversight function.

## Audit and Oversight

Recruit Holdings has adopted the "company with an Audit & Supervisory Board" form of corporate governance, as defined in Japan's Companies Act. (Reasons are discussed below.)

The Board of Directors includes two External Board Directors who are independent of the Company. Measures such as regular meetings with external experts are taken to ensure that a certain number of appropriate candidates are always available to fill open spots. Given the dramatic changes occurring in Internet technology and other aspects of its business environment, the Recruit Group annually examines its corporate governance and requirements to sit on the Board of Directors, and identifies appropriate candidates for future appointment. While there are no standards for the number of independent External Board Directors, the Company currently maintains a board in which they comprise at least one-third of the members.

The Audit & Supervisory Board consists of two standing members and two external members, and, in principle, meets once a month in performance of its management oversight function. At the 55th Ordinary General Meeting of Shareholders, held on June 17, 2015, a Substitute Audit

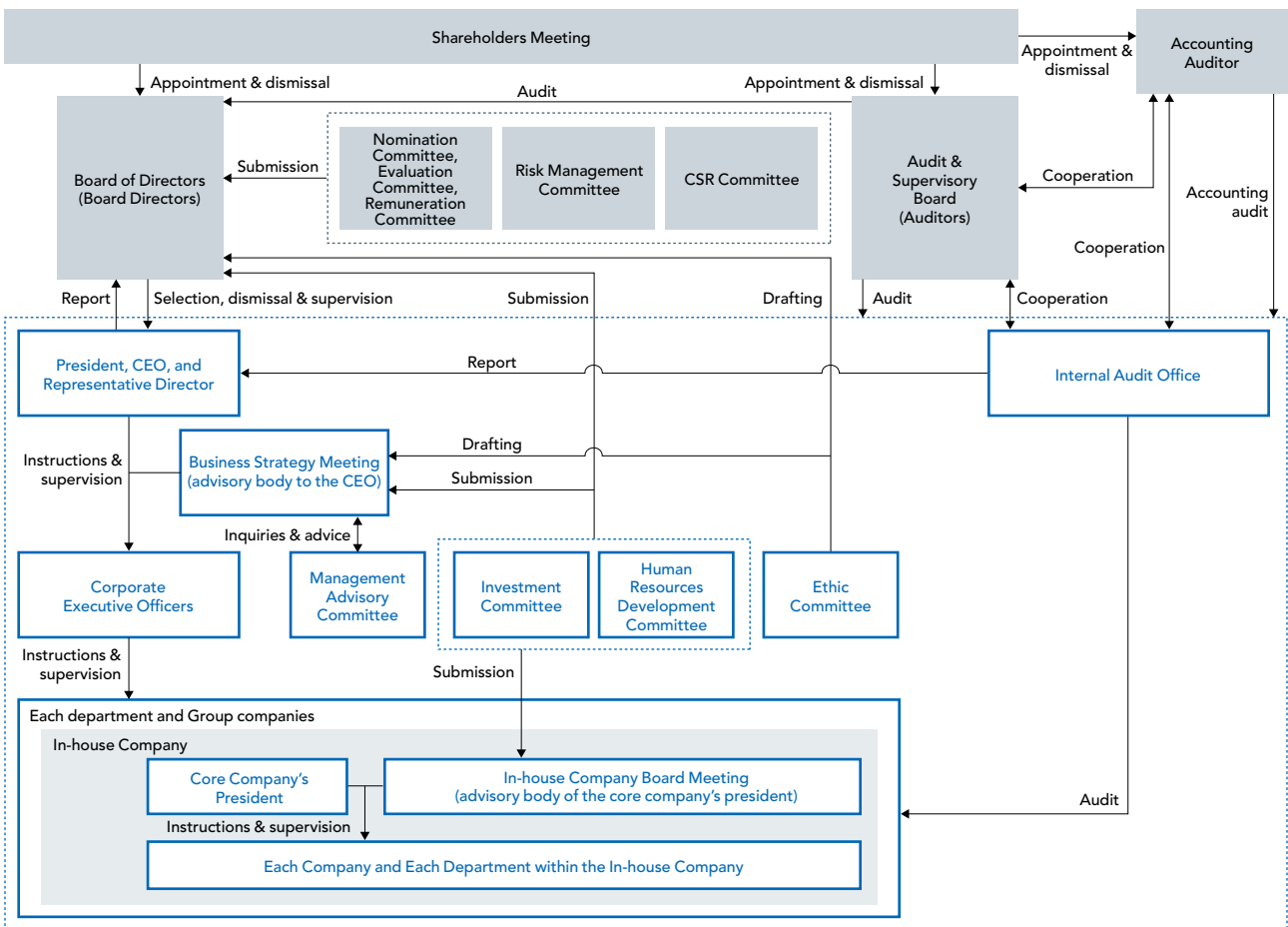
& Supervisory Board Member was elected in preparation for occasions when the number of regular Audit & Supervisory Board Members is less than that required by laws or regulations.

Regarding the internal audit system, steps have been taken to strengthen the system of internal checks. Among these are the establishment of the Internal Audit Office, as an auditing unit independent of executive units, and a department responsible for promoting internal controls, as a unit with overall responsibility for compliance.

Accounting Auditors are performed by Certified Public Accountants affiliated with an auditing firm.

## Contracts for Limitation of Liability of Board Directors (Excluding Board Directors Who Are also Corporate Executive Officers) and Audit & Supervisory Board Members

Recruit Holdings has entered into contracts limiting the liability, as referred to in Article 423(1) of Japan's Companies Act, of Board Directors (excluding Board Directors who are also Corporate Executive Officers) and Audit & Supervisory Board Members. Based on these contracts,



liability is limited to the minimum provided in laws and regulations. Limitation of liability applies only in cases where a Board Director or Audit & Supervisory Board Member was performing the duties said to be the cause of damages, in good faith and without gross negligence.

### Rationale for Selecting the Present Corporate Governance System

To create a governance system emphasizing compliance, Recruit Holdings includes External Board Directors on its board and has adopted the "company with an Audit & Supervisory Board" form of organization (as defined in Japan's Companies Act), in which corporate auditors oversee the activities of Board Directors and Board of Directors. At the same time, in the interest of accountability to shareholders and other stakeholders, the provision of general management advice, and the maintenance of checks on the execution of business activities, External Board Directors and External Members of the Audit & Supervisory Board are appointed, and the Nomination, Evaluation and Remuneration committees have been established directly under the Board of Directors, to strengthen the management oversight function.

To achieve rapid decision-making, Corporate Executive Officers who are also Board Directors are appointed, and vested with decision-making authority for certain important matters of business execution.

In view of the contributions of External Members of the Board of Directors and the performance of the Audit & Supervisory Board, the functioning of the present corporate governance system is judged to be reasonable.

### Cooperation among Audit & Supervisory Board Members, Accounting Auditors and the Internal Audit Office

Recruit Holdings uses a three-part auditing approach consisting of audits by Audit & Supervisory Board Members, Accounting Auditors by an outside firm specializing in such work and internal audits. Audits by Audit & Supervisory Board Members and Accounting Auditors are statutory audits, while internal audits, which are carried out at the direction of management, are discretionary audits aimed mainly at performing independent evaluations of internal control systems and ensuring that proper business practices are followed. Cooperation among the Internal Audit Office, Audit & Supervisory Board Members and Accounting Auditors takes the form of Accounting Auditors and the Internal Audit Office reporting on their respective audit approaches and results before the Audit & Supervisory Board as needed, and the standing members of the Audit & Supervisory Board, in the main, regularly sharing infor-

mation with the Accounting Auditors and the Internal Audit Office. The Internal Audit Office appropriately presents reports and shares information when requested by an Audit & Supervisory Board Member or the Audit & Supervisory Board, and shares information with the Accounting Auditors.

### Nomination and Remuneration Decisions

Regarding the overall size of the Board of Directors, a maximum board size of 11 Board Directors is judged to be appropriate in view of the Company's size and functions, possibilities for designating Board Directors to be responsible for particular functions going forward and the need to have an appropriate number of External Board Directors. For the present time, it is thought that a board consisting of six members is most appropriate. As for the balance of knowledge, experience and capabilities, as well as diversity, of the Board of Directors, Board Directors who are also Corporate Executive Officers meet annually to consider the status of the corporate governance system and requirements to be a Board Director, and then identify appropriate candidates.

In identifying candidates for appointment as top managers, Board Directors and Audit & Supervisory Board Members, attention focuses on the knowledge and views of potential candidates and a final pool is designated based on potential to fulfill the duties and responsibilities of the above positions. No consideration is given to gender, age or nationality. Nomination, evaluation and remuneration decisions concerning top managers and Board Directors are deliberated by an advisory body consisting mainly of external officers and serving the Board of Directors. The purpose of this approach is to enhance objectivity and transparency.

### Remuneration for Board Directors, Audit & Supervisory Board Members and External Officers

Total remuneration for Board Directors, Audit & Supervisory Board Members and External Officers is disclosed by type (basic amount, stock options, bonuses, allowance for retirement benefits, etc.). Remuneration for individual Board Directors for whom remuneration exceeds 100 million yen is also disclosed by type.

### Policy on Determining the Remuneration Calculation Formula

Annual remuneration for Board Directors consists of a pre-determined standard amount that is adjusted depending on Company and individual performance.

Executive retirement benefits are determined based on years of service and mission grade during the period of service, in the case of Board Directors (excluding External Board Directors), and based on years of service, in the case of Audit & Supervisory Board Members.

### Analysis and Evaluation of the Effectiveness of the Board of Directors

Individual Board Directors are interviewed in connection with audits by the Audit & Supervisory Board and by the Evaluation Committee. As part of these interviews, individual Board Directors are asked to evaluate the effectiveness of the Board of Directors.

For fiscal 2014, no concerns were raised regarding the effectiveness of the Board of Directors. For fiscal 2015, individual Board Directors will also be asked to evaluate their own performance, with results to be reflected in final evaluation results.

### Policy on Training for Directors and Audit & Supervisory Board Members

Newly appointed Board Directors and Audit & Supervisory Board Members are provided with an overview of the Company as of their appointment, together with information on matters such as management strategies, financial strategies and high-priority areas for audits. In addition, visits to business locations are organized to include explanations to promote understanding of business activities, as necessary, and Corporate Executive Officers in charge of business strategies for principal businesses are asked to provide external officers with information to further their understanding of the subject businesses.

Newly appointed Board Directors and Audit & Supervisory Board Members also participate, as necessary, in external seminars on matters such as accounting and finance, and risk management, and in internal seminars led by invited external experts.

### Policy on Policy Shareholdings

In principle, Recruit Holdings will purchase the shares of business partners when there is judged to be a business purpose in doing so. Decisions on whether to make such share purchases are made based on an overall assessment of the amount to be invested and the benefits to the Recruit Group of strengthening the business relationship.

Voting rights for policy shareholdings are appropriately exercised based on detailed analysis of matters to be voted upon and an assessment of what would be in the best interests of shareholder value. Affirmative votes will not be cast when doing so would clearly result in damage to shareholder interests.

### Policies on Dealings with Related Parties

Related-party transactions by Recruit Holdings Board Directors must be approved by the Board of Directors. It must be recognized that such transactions are reasonable (required for business purposes) and that the transaction terms and conditions are appropriate. Information on transactions that exceed a certain financial amount and are engaged in with Recruit Holdings or Recruit Holdings subsidiaries by Board Directors of Recruit Holdings; executives of principal Recruit Holdings subsidiaries; family members within two generations; and the companies, and subsidiaries thereof, controlled by any of these persons, is collected annually and disclosed in the securities report.

### Rationale Supporting the Appointments of Standing Board Directors and Audit & Supervisory Board Members

The four standing Board Directors whose names are given below have performed appropriately in discussions of resolutions and report items in meetings of the Board of Directors, and are making valuable contributions in deciding

Executives	Remuneration (Millions of Yen)	Remuneration by Type (Millions of Yen)				Number of Executives
		Basic Remuneration	Stock Options	Bonus	Retirement Benefit Reserve, etc.	
Board Directors (Internal)	777	301	344	—	131	6
Audit & Supervisory Board Members (Internal)	44	42	—	—	2	2
External Officers	43	43	—	—	—	4

Notes:

1. A resolution setting the upper limit on remuneration for Board Directors at 50 million yen per month was passed at the 31st Ordinary General Meeting of Shareholders held in June 1991. At the 54th Ordinary General Meeting of Shareholders held in June 2014 a resolution was passed to permit the granting of up to 410 stock options and up to 41,000 common shares (Effective July 31, 2014, a 10-for-one split of Recruit Holdings was

executed bringing the common share total up to 410,000) as incentives to boost Company performance and increase corporate value.

2. A resolution setting the upper limit on remuneration for members of the Audit & Supervisory Board at 8 million yen per month was passed at the 37th Ordinary General Meeting of Shareholders held in June 1997.

important management matters and overseeing the execution of business activities. Their participation on the Board of Directors, therefore, is judged to be appropriate.

#### **Masumi Minegishi**

##### *President, CEO, and Representative Director*

The Company seeks to achieve ongoing growth, and Masumi Minegishi is judged to be the best person to serve as the Company's President, CEO, and Representative Director toward that end. The wealth of experience and knowledge he brings to his position is based principally on roles he has fulfilled in new business development (bridal), housing and Real Estate business and corporate planning.

#### **Shogo Ikeuchi**

##### *Board Director, Managing Corporate Executive Officer*

As a Board Director, Managing Corporate Executive Officer, Shogo Ikeuchi has accumulated a wealth of experience and knowledge through service mainly in corporate planning, human resources, international business and R&D positions in the Company.

#### **Shigeru Kusahara**

##### *Board Director, Managing Corporate Executive Officer*

As a Board Director, Managing Corporate Executive Officer, Shigeru Kusahara has accumulated a wealth of experience and knowledge through service mainly in domestic business, corporate planning and human resources positions in the Company.

#### **Keiichi Sagawa**

##### *Board Director, Managing Corporate Executive Officer*

As a Board Director, Managing Corporate Executive Officer, Keiichi Sagawa has accumulated a wealth of experience and knowledge through service mainly in accounting, financial management, legal affairs, corporate communication and internal control positions in the Company.

The two people whose names are given below have been involved in the Company's management for numerous years, as Corporate Executive Officers and in other capacities, as

well. Their appointments as standing members of the Audit & Supervisory Board, therefore, are judged to be appropriate.

#### **Koichi Shima**

##### *Standing Member of the Audit & Supervisory Board*

Koichi Shima has accumulated a wealth of experience and knowledge through service mainly in accounting, financial management and legal affairs positions in the Company.

#### **Akihito Fujiwara**

##### *Standing Member of the Audit & Supervisory Board*

Akihito Fujiwara has accumulated a wealth of experience and knowledge through service mainly in information systems positions in the Company.

### **Rationale Supporting the Appointments of External Board Directors and External Members of the Audit & Supervisory Board**

#### **Shigeo Ohyagi**

##### *External Board Director (Independent Officer)*

Serves concurrently as Chairman, Member of the Board of Teijin Limited; External Member of the Audit & Supervisory Board of JFE Holdings, Inc.; and Outside Director, Sharp Corporation.

Recruit Group engages in business transactions with Teijin Limited and Sharp Corporation. Based on their size and nature, however, there are no concerns that these business transactions will affect decision-making by shareholders or other investors.

Having served as the President and CEO, Representative Director of the Board of Teijin Limited, and now as the Chairman and Member of the Board of that company, Shigeo Ohyagi has also been serving as an External Board Director of Recruit Holdings since June 2014. With the depth of knowledge and insight he has developed as a manager of a manufacturing company engaged in business activities in various parts of the world, Mr. Ohyagi, in his capacity as an

Name	Remuneration (Millions of Yen)	Remuneration by Type (Millions of Yen)			
		Basic Remuneration	Stock Options	Bonus	Retirement Benefit Reserve, etc.
Masumi Minegishi	246	91	152	—	3
Shogo Ikeuchi	138	61	63	—	13
Shigeru Kusahara	138	61	63	—	13
Keiichi Sagawa	138	61	63	—	13

External Board Director, is contributing practical input, providing advice on a broad range of management matters, and performing a valuable role in the oversight of business activities.

#### **Yasushi Shingai**

##### ***External Board Director (Independent Officer)***

Serves concurrently as Representative Director and Executive Deputy President, Japan Tobacco Inc.

Yasushi Shingai has been serving as an External Board Director of Recruit Holdings since June 2014. With the depth of knowledge and insight he has developed through his work in overseas acquisitions and in other areas, Mr. Shingai, in his capacity as an External Board Director, is providing advice on a broad range of management matters and performing a valuable role in the oversight of business activities.

#### **Hiroki Inoue**

##### ***External Member of the Audit & Supervisory Board***

Serves concurrently as Managing Partner of Nagashima Ohno & Tsunematsu.

Hiroki Inoue is possessed of legal expertise developed through his many years in professional legal practice, and is very familiar with matters of business administration. In his capacity as an External Member of the Audit & Supervisory Board, since June 2015, Mr. Inoue is providing input from an objective, neutral perspective and is performing a valuable role in the oversight of the Company's management broadly defined.

#### **Hideshi Takeuchi**

##### ***External Member of the Audit & Supervisory Board***

Past Executive Vice President & Group CEO, Industrial Finance, Logistics & Development Group of Mitsubishi Corporation. Mr. Takeuchi serves concurrently as an Outside Corporate Auditor for The Higo Bank, Ltd.

Hideshi Takeuchi has been serving as an External Member of the Audit & Supervisory Board since June 2013. With the depth of knowledge and insight he has developed through his wealth of experience in international business and business management, Mr. Takeuchi, in his capacity as an External Member of the Audit & Supervisory Board, is providing input from an objective, neutral perspective and is performing a valuable role in the oversight of the Company's management broadly defined.

## **Policies on the Selection of Independent Officers**

Recruit Holdings selects independent officers from among candidates who satisfy not only the standards for indepen-

dence established by securities exchanges but also the following criteria.

**a.** Ownership of Recruit Holdings shares by either the candidate or a company where the candidate serves as an Corporate Executive Officer does not equate to ownership of over 10% of voting rights.

**b.** For the most recent fiscal year, business transactions with the candidate or a company with which the candidate is associated account for less than 1% of Recruit Holdings' consolidated net sales.

## **System for Making Timely Disclosures**

### **(1) Basic Policy on Timely Disclosures**

Recruit Holdings' basic policy on timely disclosures is to make timely, appropriate disclosures of information important for appropriate decision-making on the part of investors.

### **(2) Initiatives for the Maintenance of a System for Timely Disclosures**

#### **1. Status of the System for Gathering Information**

Recruit Holdings has designated certain people in each of its departments and principal subsidiaries to be responsible for gathering information for timely disclosure. The IR Promotion Office, which handles disclosures of information, oversees the gathering of information. The Timely Disclosure Committee, consisting of the heads of multiple departments, has been established to ensure accuracy in decision-making for disclosures.

#### **2. Status of Education on Timely Disclosures**

Personnel in charge of disclosure-related work have created guidelines for the work of making timely disclosures, established procedures for making disclosures, and are promoting broad understanding of the kinds of information that should be disclosed in a timely manner.

### **(3) Status of Efforts to Ensure Shareholders Have Opportunities for Fair, Ready Access to Information**

To ensure shareholders have opportunities for fair, ready access to key information on the Recruit Group, we abide by the Tokyo Stock Exchange's Timely Disclosure Rules in making timely disclosures, and take other steps, such as posting information on our website, in an effort to disclose information proactively.

## **Status of Efforts to Ensure Respect for Stakeholders' Perspectives**

### **Rules on Respecting Stakeholders' Perspectives**

The Recruit Group's CSR Policy is based on the Recruit

Group Philosophy. The CSR Policy identifies five core themes, which will be advanced with the attitude captured by these words: "In collaboration with our stakeholders, we shall implement actions reflecting what we can and should do while continuing to challenge ourselves."

The Recruit Group Code of Ethics, stating, "In light of the social significance of the business, employees of Recruit Group shall recognize their responsibilities as a member of society and engage in moderate and ethical behavior at all times," portrays the spirit we will maintain as Recruit Group executives and employees acting as individual members of society.

### Implementation of Environmental Preservation, CSR and Other Activities

The Group CSR Policy was updated in April 2014 to emphasize realization of "a prosperous society in which each individual flourishes" as stated in the Recruit Group's management mission.

With "contributing to society" at the heart of its CSR activities, the Recruit Group will continue to be responsive to society's rising expectations and fulfill our growing responsibilities as a corporate citizen while also expanding its business. In addition, based on the five core themes of our CSR policy, we will continue to work with our stakeholders "to implement actions reflecting what we can and should do while continuing to challenge ourselves."

The Recruit Group pursues CSR activities in the following three areas:

#### 1. Contributing to society through our business:

For-profit activities that simultaneously help to resolve social issues and grow our business (daily business activities, market creation and expansion, and value chain revision and improvement).

#### 2. Building a responsible foundation for business:

Activities that should be undertaken in pursuit of business, based on the ISO 26000 framework (organizational governance, human rights, labor practices, the environment, fair operating practices and consumer issues).

#### 3. Promoting activities that contribute to society:

Activities that we, as a leading company, will pursue to fulfill our duties to local communities (contributions to local communities, returns of the benefits of knowledge and development of human resources and skills).

In April 2010, we established our "more eco more smile" four-promise environmental vision. Since then, we have used our businesses, products and services as vehicles for expanding the scope of our global environmental preser-

vation activities and for contributing to the realization of a sustainable society. We have been certified by Japan's Ministry of the Environment as an Eco-First Company, and, through steps such as gaining ISO 14001 certification, are constantly taking action to benefit the environment.

Information on our CSR activities is available on our website.

### Establishment of Rules for Providing Information to Stakeholders

Article 9 of the Recruit Group Code of Ethics ("Proper Public Announcement of the Details of the Company") states that, "We will make public announcements to society to ensure the details of our policy, activities and the products are accurately known."

Recruit Group stakeholders include users, clients, shareholders, employees, business partners, NPOs and NGOs, national and other government agencies and local communities, and efforts are made to engage them in interactive communication by, for example, disseminating information and creating opportunities for dialogue. We invite outside experts to talk to our CSR Committee, conduct individual interviews to gather opinions on and learn what is expected of the Recruit Group's CSR policy and business activities, and hold group dialogues in which we work through NPOs — intermediary support groups — to invite people from various quarters to participate. Our definition of "stakeholder," and information on how we engage with them, are posted in the "CSR Management" section of our website.

### Other <Employee Diversity>

Living up to the Recruit Group's philosophy, which includes respect for all individuals, requires that every one of our employees, regardless of gender, be able to fully exercise their capabilities. In 2006, therefore, we began to consciously promote diversity to advance the roles female employees play in our organization.

Among the first actions we took was the establishment of on-site nursery schools, beginning in 2007, to help create conditions that allow employees to continue working while also meeting family responsibilities. In 2010, we took up the topic of promoting greater involvement by female employees by appointing them to supervisory and other management decision-making positions. And after we changed our governance system in October 2012, we began to build a system to apply our existing diversity measures to the 11 principal members of the Recruit Group in Japan, led by Recruit Holdings. As a result, we have seen yearly increases in both working mothers as a percent of our female workforce and women as a percent of our management.

- Women as a percent of employees: 40.4%  
(As of April 1, 2015)

- **Working mothers as a percent of female employees: 21.2%**  
(As of October 1, 2014)
- **Women as a percent of management: 21.7%**  
(As of April 1, 2015)

In September 2012, we announced that by April 2015 women would comprise at least 10% of management-decision-making positions (Corporate Executive Officer and positions with equivalent authority) at the principal Recruit Group companies in Japan. As of October of that year, there were five women in management-decision-making positions, making up 5.3% of the total. By April 2015, those figures had risen to 17 women and 13.2%, respectively, and we had achieved our goal.

Looking forward, we have established the medium-term goal of increasing the number of female section managers ("kacho" in Japanese) at principal Recruit Group companies in Japan to at least 30% of the total by April 2018. That figure stood at 20.9% in April 2014 and 23.6% in April 2015.

The Recruit Group is enthusiastic about enabling greater participation by women in its workforce, and telling others what it is doing in that regard, to be a leader in the promotion of business careers for women in Japan.

## Basic Concepts and Status of the Internal Control System

**The following is a summary of resolutions passed in the Board of Directors Meeting of April 28, 2015.**

- I. Systems for ensuring that the performance of duties by the Board Directors and employees of Recruit Holdings and by Board Directors and employees of Recruit Holdings subsidiaries is in compliance with laws and regulations and the Articles of Incorporation**
  - a.** A Board of Directors including External Board Directors shall be established for Recruit Holdings and shall decide matters of import for the entire Recruit Group.
  - b.** An Audit & Supervisory Board including external Audit & Supervisory Board members shall be established for Recruit Holdings. Each Recruit Holdings Audit & Supervisory Board member, in accordance with audit standards established by the Recruit Holdings Audit & Supervisory Board, shall monitor the Board Directors of Recruit Holdings in the performance of their duties by attending Recruit Holdings Board of Directors and other important meetings, and observing and scrutinizing the performance of duties.
  - c.** Nomination, Evaluation and Remuneration committees, each chaired by an External Board Director, shall be established for Recruit Holdings, and shall deliberate the designation or appointment, evaluation, remuneration and other matters regarding Recruit Holdings Board Directors and Corporate Executive Officers.
  - d.** The Recruit Group Code of Ethics shall be formulated and understanding of its content shall be achieved among all Recruit Group executives and employees.
  - e.** While respecting the spirit of independence among Recruit Holdings subsidiaries, we have formulated the Recruit Group Policy to establish uniform, Group-wide rules on matters such as decision-making, risk management and compliance. The purpose of these rules is to enable integrated group management.
  - f.** Regarding matters of particular import addressed by the Recruit Group Policy, it is required that relevant Recruit Holdings departments be consulted before action is taken, and reported to after action has taken.
  - g.** The Recruit Group has established a system for rejecting business and any other relationships of any form whatsoever with antisocial forces.
  - h.** The Recruit Holdings Board of Directors has appointed a person to be responsible for promoting internal controls throughout the entire Recruit Group, and then established a department to be responsible for internal controls, to determine the status and problems concerning the establishment and functioning of Recruit Group internal controls.
  - i.** Presidents and Representative Directors of Recruit Holdings subsidiaries shall establish internal controls for Recruit Holdings subsidiaries.
  - j.** The department responsible for internal controls at Recruit Holdings has maintained relationships with each of the Recruit Holdings subsidiaries and promoted propriety in business activities across the entire Recruit Group.
  - k.** Audit & Supervisory Board members or Board Directors in charge of audits and supervision have been dispatched to subsidiaries from Recruit Holdings to oversee the performance of duties by the Board Directors of subsidiaries.
  - l.** A department responsible for internal audits has been established directly under the President, CEO, and Representative Director of Recruit Holdings to monitor the activities of Recruit Group executives and employees for compliance with laws and regulations, the Articles of



Incorporation and internal regulations.

**m.** Whistle-blowing systems and systems for reporting workplace harassment shall be established, so that possible violations of internal controls by Recruit Group executives and employees can be swiftly reported to a department responsible for internal controls at Recruit Holdings or a Recruit Holdings subsidiary. When a department responsible for internal controls receives a report or notification of a possible violation of internal controls, it shall investigate the details, discuss the problem and possible responses with relevant Recruit Group departments, and then implement the action decided upon.

**n.** Compliance education and awareness activities shall be implemented for Recruit Group executives and employees.

**o.** Violations of Recruit Group internal controls shall be taken seriously.

## II. Systems for Preserving and Managing Information on the Performance of Duties by Recruit Holdings Board Directors

**a.** The Policy on the Management of Agreements and Other Documentation shall be formulated and shall serve as the basis for preserving minutes of Shareholders Meeting, Board of Directors meetings, Business Strategy Meetings and other documentation related to the performance of duties by Board Directors, together with related documentation.

**b.** The lengths of time and the particular locations where the documents referred to in the previous paragraph are to be preserved shall be specified in the Policy on the Management of Agreements and Other Documentation. This documentation shall be preserved in a way that enables Recruit Holdings Board Directors and members of the Audit & Supervisory Board to examine it when they so desire.

## III. Regulations and Systems regarding Management of the Risk of Loss at Recruit Holdings and Recruit Holdings Subsidiaries

**a.** The Recruit Group Risk Management Policy and Recruit Group Escalation Procedure shall be formulated to create a framework for risk management at the Recruit Group.

**b.** Following deliberation by the Risk Management Committee, chaired by the Board Director in charge of the department responsible for risk management, the Recruit Holdings Board of Directors shall decide what matters

shall be addressed as high priorities for the Recruit Group, who shall be responsible for addressing them, and what directions shall be taken in addressing them.

**c.** When a matter that is of importance so great that it may impact the entire Recruit Group arises, a crisis management committee shall be established to address it.

## IV. Systems for Ensuring that Board Directors of Recruit Holdings and of Recruit Holdings Subsidiaries Can Efficiently Perform Their Duties

**a.** The Recruit Holdings Board of Directors and Business Strategy Meeting shall set forth the objectives to be shared by all Recruit Group executives and employees, take action to ensure understanding of these objectives, and set forth specific objectives for individual Recruit Group departments to meet toward the achievement of the shared objectives. The Corporate Executive Officers in charge of individual Recruit Holdings departments shall set forth and execute strategies for efficiently achieving the specific objectives for individual Recruit Group departments.

**b.** The Recruit Holdings Board of Directors shall regularly review progress toward the achievement of objectives at the Recruit Group and, by promoting improvements that eliminate or minimize factors standing in the way of efficiency, increase the likelihood of objective achievement and improve the efficiency of overall Recruit Group operations.

**c.** The Business Strategy Meeting has been established as an advisory body to the Recruit Holdings CEO and has engaged in discussions of matters important to the overall management of the Recruit Group.

**d.** In addition, the Management Advisory Committee, CSR Committee, Recruit Group Investment Committee and other expert committees shall be established as advisory bodies to the Recruit Holdings Board of Directors and Business Strategy Meeting.

## V. System for Securing the Reliability of Financial Reporting Internal Controls

The Recruit Group has formulated the Recruit Group J-SOX General Policy and constructed a financial reporting internal control system consistent with the internal control reporting system provided in the Financial Instruments and Exchange Act.

## VI. Systems for Reporting to Recruit Holdings Matters concerning the Performance of Duties by the Board Directors and Other Officers of Recruit Holdings Subsidiaries

a. Within Recruit Holdings, departments responsible for the oversight of each of the Recruit Holdings subsidiaries has been established. The Board Directors and other officers of Recruit Holdings subsidiaries regularly report on business performance and the implementation of business strategies, as requested by the individual overseeing departments.

b. Meetings of Recruit Holdings Board Directors, Corporate Executive Officers and the Presidents and Representative Directors of principal subsidiaries are regularly convened to discuss directions with regard to Recruit Group management, and share management information.

## VII. Matters with Regard to Employees Assigned to Assist Recruit Holdings Audit & Supervisory Board Members in the Performance of Their Duties

Recruit Holdings formally appoints Audit & Supervisory Board Assistants to assist the Audit & Supervisory Board members in the performance of their duties.

## VIII. Independence of the Employees Mentioned in the Previous Paragraph from Recruit Holdings Board Directors and Matters concerning the Validity of Instructions Issued to These Employees

In assisting the Audit & Supervisory Board members in the performance of their duties, Recruit Holdings Audit & Supervisory Board Assistants act only in accordance with the instructions of Audit & Supervisory Board members, and matters concerning the appointment, transfer, evaluation and discipline of them shall be decided with respect to the opinions of the Recruit Holdings Audit & Supervisory Board.

## IX. Systems for Reporting to Recruit Holdings Audit & Supervisory Board Members

a. Recruit Group executives and employees and Accounting Auditors shall report the matters below to the Audit & Supervisory Board members of individual companies. Systems have been established to enable reporting whenever necessary, via meeting, interview, telephone, email and other means.

- Important matters regarding business conditions
- Matters that may cause great losses to a Recruit Group company

- Important matters regarding the status of internal audits and risk management
- Serious violations of laws and regulations, or the Articles of Incorporation
- Other important matters concerning internal controls

b. The Recruit Holdings department responsible for internal audits, the Audit & Supervisory Board members or Board Directors in charge of audits and supervision at Recruit Holdings subsidiaries shall regularly report to the members of the Recruit Holdings Audit & Supervisory Board on matters concerning Recruit Group internal controls.

## X. Systems for Ensuring That People Reporting on Matters Described in the Previous Section Do Not Suffer Disadvantageous Treatment as a Result of Their Reporting Activity

Recruit Holdings shall establish internal rules and take other steps to ensure that people reporting matters to Audit & Supervisory Board members or Board Directors in charge of audits and supervision at Recruit Group companies, to departments responsible for internal audits or to departments responsible for internal audits will not be dismissed, improperly transferred, or suffer other disadvantageous treatment by either Recruit Holdings or a Recruit Holdings subsidiary as a result of their reporting activity.

## XI. Matters Concerning the Upfront Payment and Reimbursement of Expenses, and the Processing of Expenses and Liabilities, Related to the Performance of Duties by Members of the Recruit Holdings Audit & Supervisory Board

Recruit Holdings shall bear expenses budgeted as necessary for the performance of duties by the Recruit Holdings Audit & Supervisory Board. The Recruit Holdings Audit & Supervisory Board may invoice Recruit Holdings for emergency or unplanned expenses, and Recruit Holdings shall bear these as well.

## XII. Other Systems for Ensuring That Audits by the Members of the Recruit Holdings Audit & Supervisory Board Can Be Performed Effectively

Members of the Recruit Holdings Audit & Supervisory Board, and the Audit & Supervisory Board as a whole, shall meet regularly with the President, CEO, and Representative Director of Recruit Holdings and the Accounting Auditor to share information.

## Basic Position on Rejecting Relationships with Antisocial Forces, and Implementation Status of Relevant Measures

### (1) Basic Stance on Antisocial Forces

The Recruit Group, in its Recruit Group Code of Ethics, strictly rejects involvement with antisocial forces. Furthermore, the Recruit Group Internal Control General Principle, provides that all relationships with antisocial forces, including transactions and all other types of relationships regardless of their nature, will be rejected; that regulations will be established to address cases in which situations involving antisocial forces arise; that certain departments will bear responsibility for addressing inappropriate demands and that such demands will be handled forthrightly, in accordance with the law, together with external authorities. All executives and employees are required to abide by the Recruit Group Internal Control General Principle.

### (2) Status of Internal Systems for Excluding Relationships with Antisocial Forces and Specific Measures

Policies and Standards for Establishing and Maintaining an Internal System for Detecting the Presence of Antisocial Forces.

#### 1. Establishment of a Department for Addressing Situations Involving Antisocial Forces

The department responsible for addressing inappropriate demands from antisocial forces shall be the Recruit department responsible for general affairs (referred to below as the "Contingency Response Unit").

#### 2. Addressing Inappropriate Demands from Antisocial Forces

In the event an inappropriate demand is received, the Recruit Group Regulations on Antisocial Forces require that the designated Contingency Point Person (designated for each Recruit Group member company) immediately report the demand to the Contingency Response Unit and that the Contingency Point Person and Contingency Response Unit cooperate on actions and communications taken in response to the inappropriate demand. Contingency Point Persons are, in principle, obligated to participate in training for those responsible for responding to inappropriate demands.

#### 3. Establishment of a System for Collecting and Managing Information on Antisocial Forces

To determine whether a transaction counterparty is connected to antisocial forces, Recruit has established a department with overall responsibility for investigating such matters. This department collects relevant information, which is managed in the Recruit Group's own database on antisocial forces.

#### 4. Establishment of a System for Coordinating with External Authorities

The Recruit Group coordinates with external authorities on addressing situations involving, and on collecting information on, antisocial forces.

#### 5. Development of Regulations and Manuals

The Recruit Group has established the Recruit Group Regulations on Antisocial Forces, as well as related regulations and implementation guidelines, and created a manual for addressing contingencies. All Recruit Group member companies are required to abide by these regulations and guidelines, and the manual for addressing contingencies.

#### 6. Incorporation of Terms Rejecting Connections with Criminal Organizations

Terms rejecting connections with criminal organizations — in other words, terms for rejecting transactions, and facilitating the termination of agreements, with antisocial forces — are incorporated in agreements used for business transactions.

## Board Directors

### Masumi Minegishi *President, CEO, and Representative Director*



- April 1987 Joined Recruit Co., Ltd. (current Recruit Holdings Co., Ltd.)
- October 1992 Assigned to the New Business Development Office (Zexy)
- April 2002 Executive Manager of the Zexy Business Department
- April 2003 Corporate Executive Officer (IMC\* Division Company)  
\*IMC: Integrated Marketing Communications, referring to the marketing media business segment for a number of business categories including bridal, travel, and automobiles
- April 2004 Managing Corporate Executive Officer (IMC Division Company and Housing Information Division Company)
- June 2009 Managing Corporate Executive Officer and Board Director (Corporate Planning, Business Development, and Housing)
- April 2011 Senior Corporate Executive Officer and Board Director (Corporate Planning, Web Strategy Promotion Office, and Corporate Strategy Office)
- April 2012 President, CEO, and Representative Director (current position)

### Shogo Ikeuchi

*Board Director, Managing Corporate Executive Officer*



- April 1988 Joined Recruit Co., Ltd. (current Recruit Holdings Co., Ltd.)
- October 1999 Executive Planner of the Corporate Planning Office and HR Department
- April 2002 Executive Manager of the G-HR\* Planning Office  
\*G-HR: Cross-functional organization responsible for the Group's HR business category
- April 2004 Executive of the Corporate Planning Office and Corporate Strategy Office
- April 2005 Corporate Executive Officer
- June 2012 Corporate Executive Officer and Board Director
- October 2012 Corporate Executive Officer and Board Director, Recruit Holdings Co., Ltd.
- April 2013 Board Director, Managing Corporate Executive Officer (current position)

### Shigeru Kusahara

*Board Director, Managing Corporate Executive Officer*



- April 1988 Joined Recruit Co., Ltd. (current Recruit Holdings Co., Ltd.)
- April 2000 Executive Planner of the Tokyo Metropolitan Area Control Department, HR Division, HR Division Company
- April 2002 Executive Manager of the Corporate Planning Office
- April 2004 Corporate Executive Officer
- June 2006 Corporate Executive Officer and Board Director
- June 2007 Corporate Executive Officer
- October 2012 Corporate Executive Officer, Recruit Holdings Co., Ltd.
- April 2013 Managing Corporate Executive Officer
- June 2013 Board Director, Managing Corporate Executive Officer (current position)

### Keiichi Sagawa

*Board Director, Managing Corporate Executive Officer*



- April 1988 Joined Recruit Co., Ltd. (current Recruit Holdings Co., Ltd.)
- October 2000 Executive Planner of the Agency Department/Tokyo Metropolitan Area Control, HR Division, HR Division Company
- July 2002 Executive Manager of the Agency Control Department, HR Division Company
- April 2003 Executive Manager of the 3rd MP\* Department, HR/Tokyo Metropolitan Area, HR Division Company  
\*MP: Media Production
- April 2004 Division Head of the HR Tokai Division, HR Division Company
- April 2006 Corporate Executive Officer, Recruit Co., Ltd.
- June 2011 Corporate Executive Officer and Board Director
- October 2012 Corporate Executive Officer and Board Director, Recruit Holdings Co., Ltd.
- April 2013 Board Director, Managing Corporate Executive Officer (current position)

## Shigeo Ohyagi

*External Board Director*



March	1971	Joined Teijin Limited
February	1992	Director of Pharmaceutical Marketing & Planning Department
June	1999	Corporate Officer (Tokyo Branch Chief)
June	2001	Executive Officer (Deputy General Manager of Pharmaceutical Marketing Division)
June	2002	Senior Executive Officer (General Manager of Pharmaceutical Unit)
June	2005	Managing Director (CIO)
June	2006	Senior Managing Director (CIO)
April	2007	Senior Managing Director (CSO)
June	2008	President and CEO, Representative Director of the Board
April	2014	Chairman of the Board (current position)
June	2014	External Board Director, Recruit Holdings Co., Ltd. (current position)

## Yasushi Shingai

*External Board Director*



April	1980	Joined Japan Tobacco and Salt Public Corporation (current Japan Tobacco Inc.)
July	2001	Vice President of Financial Planning Division
June	2004	Senior Vice President, Head of Finance Group and Vice President of Financial Planning Division
July	2004	Senior Vice President and Chief Financial Officer
June	2005	Member of the Board, Senior Vice President, and Chief Financial Officer
June	2006	Member of the Board, Executive Vice President of JT International S.A.
June	2011	Representative Director and Executive Deputy President (current position)
June	2014	External Board Director, Recruit Holdings Co., Ltd. (current position)

## Audit & Supervisory Board Members

### Koichi Shima

*Audit & Supervisory Board Member (standing)*



May	1983	Joined Japan Recruit Center Co., Ltd. (current Recruit Holdings Co., Ltd.)
April	1994	Executive Manager of the General Affairs Department, Recruit From A Co., Ltd.
July	1997	Board Director, Recruit From A Co., Ltd.
April	2001	Executive Manager of the Finance Management Office, Recruit Co., Ltd.
April	2003	Corporate Executive Officer, Recruit Co., Ltd.
April	2008	President and Representative Director, Recruit Media Communications Co., Ltd.
April	2010	Advisor, Recruit Co., Ltd.
June	2010	Audit & Supervisory Board Member (standing), Recruit Co., Ltd.
October	2012	Audit & Supervisory Board Member (standing), Recruit Holdings Co., Ltd. (current position)

### Akihito Fujiwara

*Audit & Supervisory Board Member (standing)*



August	1986	Joined Recruit Co., Ltd. (current Recruit Holdings Co., Ltd.)
April	2000	Executive Manager of the FIT 1st Department, Business Staffing Group *FIT: Federation of IT, referring to a company-wide cross-functional information systems organization
April	2004	Federation Executive Officer of FIT
April	2006	Corporate Executive Officer
October	2012	Corporate Executive Officer, Recruit Marketing Partners Co., Ltd.
June	2014	Audit & Supervisory Board Member (standing), Recruit Holdings Co., Ltd. (current position)

### Hiroki Inoue

*Audit & Supervisory Board Member*



April	1990	Admitted to bar (Dai-ichi Tokyo Bar Association) Joined Nagashima & Ohno (Current Nagashima Ohno & Tsunematsu)
July	1996	Took office at Nagashima & Ohno, ASEAN Office, Singapore
January	1998	Partner of Nagashima & Ohno
January	2000	Partner of Nagashima Ohno & Tsunematsu (current position)
January	2015	Managing Partner of Nagashima Ohno & Tsunematsu (current position)
June	2015	Audit & Supervisory Board Member, Recruit Holdings Co., Ltd. (current position)

### Hideshi Takeuchi

*Audit & Supervisory Board Member*



April	1972	Joined Mitsubishi Corporation
October	1999	General Manager Corporate Accounting Dept.
April	2002	Senior Vice President
April	2007	Executive Vice President
April	2010	Executive Vice President and Group Chief Executive Officer of Industrial Finance Logistics & Development Group
June	2012	Corporate Advisor
June	2013	Audit & Supervisory Board Member, Recruit Holdings Co., Ltd. (current position)

## Corporate Executive Officers and Other Chief Officers at Major Domestic / International Business Companies

### Marketing Media Business



**Yoshihiro Kitamura**  
Managing Corporate  
Executive Officer  
Marketing Media



**Ken Asano**  
Marketing Media  
-Lifestyle



**Takahiro Noguchi**  
Marketing Media  
-Life Event



**Mio Kashiwamura**  
Marketing Media  
-Lifestyle



**Fumihiko Yamaguchi**  
Marketing Media  
-Life Event



**Kazumasa Watanabe**  
Marketing Media  
-Other

### HR Media Business



**Masaki Yanagawa**  
HR Media  
-Domestic Recruiting



**Hisayuki Idekoba**  
HR Media  
-Overseas Recruiting



**Takashi Kuzuhara**  
HR Media  
-Other

### Staffing Business



**Hideaki Kitou**  
Managing Corporate  
Executive Officer  
Staffing  
-Domestic Staffing



**Peter Acheson**  
Staffing  
-Overseas Staffing



**Hitoshi Motohara**  
Managing Corporate  
Executive Officer  
Staffing  
-Overseas Staffing



**Lesa Francis**  
Staffing  
-Overseas Staffing



**Yukiko Nagashima**  
Staffing  
-Domestic Staffing



**Michelle Loader**  
Staffing  
-Overseas Staffing



**Toshio Oka**  
Staffing  
-Overseas Staffing



**Rafe Sanson**  
Staffing  
-Overseas Staffing

### Corporate



**Daizo Kobayashi**



**Suguru Tomizuka**

## Corporate Professional Officers



**Yukio Okubo**



**Hiroaki Ogata**



**Akihiko Okamoto**



## COMPANY PROFILE

**Company Name:**  
Recruit Holdings Co., Ltd.

**Founded:**  
March 31, 1960 (incorporated August 26, 1963)

**Headquarters:**  
1-9-2 Marunouchi, Chiyoda-ku, Tokyo 100-6640 Japan

**URL:**  
<http://www.recruit-rgf.com>

**Number of Employees:**  
444 as of March 31, 2015

**Number of Group Employees:**  
31,841 as of March 31, 2015

**Number of Consolidated Subsidiaries:**  
162 as of March 31, 2015

**Capital:**  
10 billion yen (since October 15, 2014)

## STOCK INFORMATION

**Stock Code:**  
6098

**Stock Exchange Registration:**  
Tokyo Stock Exchange 1st Section

**Business year:**  
From April 1 to March 31 of the next year

**Base Date:**  
Dividend Payout  
Interim dividend record date: September 30  
Year-end dividend record date: March 31

Note: With regards to dividend payout, although the Company has stipulated in its Articles of Incorporation that it is able to distribute an interim dividend, the Company has as of the present a policy to refrain from distributing an interim dividend and to only distribute a year-end dividend once a year.

**Number of Share Constituting One Trading Unit:**  
100 shares

**Annual Shareholders' Meeting:**  
Every year in June

**Administrator of Shareholder Registry:**  
Mitsubishi UFJ Trust and Banking Corporation

**Reporting Method:**  
Electronic public notice (Japanese only)  
However, in the event we are unable to issue an electronic public notice due to an accident or other unavoidable reasons, such notices will be published in the Nihon Keizai Shimbun (Nikkei).



1-9-2 Marunouchi, Chiyoda-ku, Tokyo 100-6640 Japan  
<http://www.recruit-rgf.com>