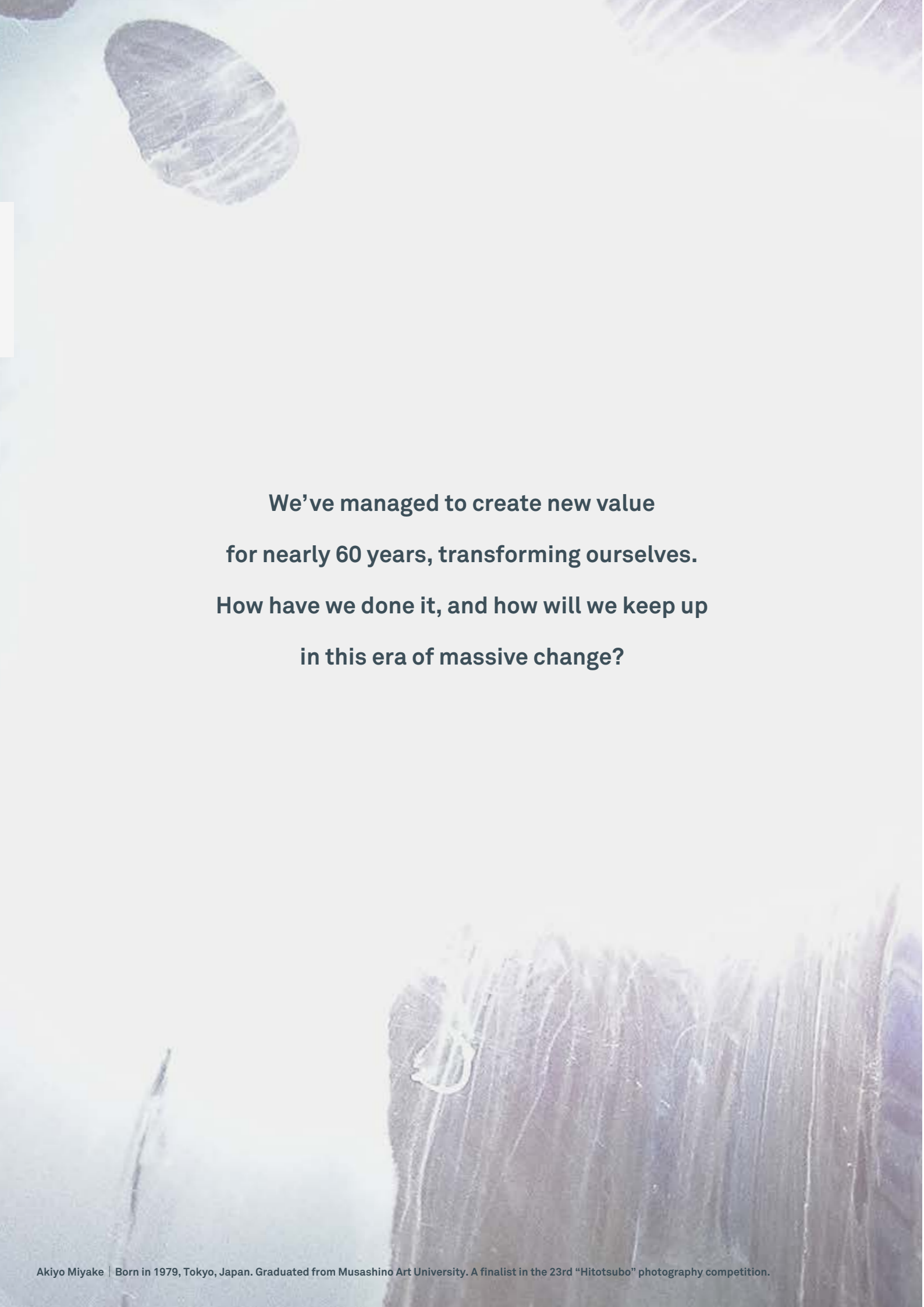


Annual Report 2018







**We've managed to create new value
for nearly 60 years, transforming ourselves.
How have we done it, and how will we keep up
in this era of massive change?**

**We are focused on creating new value
for our society to contribute to a
brighter world where all individuals
can live life to the fullest.**



Vision

A young girl with brown hair tied back with an orange polka-dot bow is painting pumpkins outdoors. She is wearing a dark blue dress with white polka dots and orange pumpkin patterns. Her face is decorated with colorful paint: a pink star on her cheek, a green swirl on her forehead, and an orange pumpkin shape. She is using a wooden stick to apply paint to a pumpkin. In the background, there are green trees and a clear blue sky. On the table in front of her are several small white paint containers and a larger pumpkin with a skull and mustache design.

Follow Your Heart

We envision a world where individuals and businesses can focus on what really matters.

The more people are free to pursue their passions, the better our future becomes.

Mission



**Opportunities for Life.
Faster, simpler and closer to you.**

Since our foundation, we have connected individuals and businesses offering both a multitude of choices.

In this era of search, where information has become available anytime anywhere, we need to focus more on proposing the optimal choice.

We seek to provide “Opportunities for Life” much faster, surprisingly simpler and closer than ever before.

We help
people
get
jobs.





Values

WOW THE WORLD

What we do isn't a job. We enjoy exploring what is possible for our future. We question the status quo, fail well and overcome with resilience. We are a force for change.

A photograph of three men in an office setting. One man in a blue shirt is leaning over another man in a blue and red polo shirt, who is smiling broadly. A third man in a green shirt is partially visible on the left. The background is a blurred office environment.

BET ON PASSION

We are a team of people fueled by curiosity. We respect and capitalize on each other's differences. We know that one person's crazy idea, when backed by data & research, can become the best bet.

PRIORITIZE SOCIAL VALUE

We, as global citizens, strive to contribute to a sustainable society through all of our corporate activities. Each one of us is committed to seeking out the needs of society and taking action for a better future.

Performance Highlights

Fiscal year 2017
(from April 1, 2017 to March 31, 2018)

Fiscal year 2016

EBITDA

232.2 billion yen

Adjusted EPS growth rate

15.1%

ROE

19.5%

International revenue ratio

43%

Revenue growth rate of the
HR Technology segment

62^{*1}%

EBITDA

258.4 billion yen

Adjusted EPS growth rate

8.3%

ROE

19.3%

International revenue ratio

46%

Revenue growth rate of the
HR Technology segment

60^{*1}%

*1 Financial Results of operating companies in the HR Technology segment in US dollar terms, which differ from the IFRS*2-based consolidated financial results of Recruit Holdings Co., Ltd. ("Recruit Holdings" or the "Company").

*2 International Financial Reporting Standards



Number of Group employees

40,152^{*3, 4}

^{*3} As of March 31, 2018

^{*4} The number of employees in Japan operations of the Staffing segment in fiscal year ("FY") 2017 decreased year on year due to a change in the scope of aggregation.



Number of subsidiaries and affiliates

361^{*3}

^{*3} As of March 31, 2018



Years since foundation

58 years



Number of new business applications for Ring^{*5}

988^{*6}/year

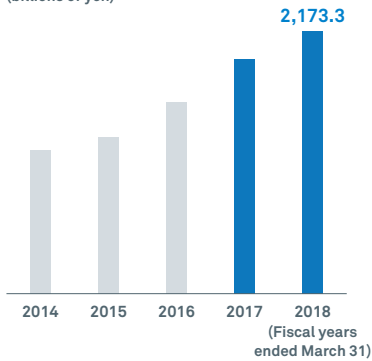
^{*5} Formerly New RING. For details, please see P38.

^{*6} FY2017

Consolidated Financial Summary*1

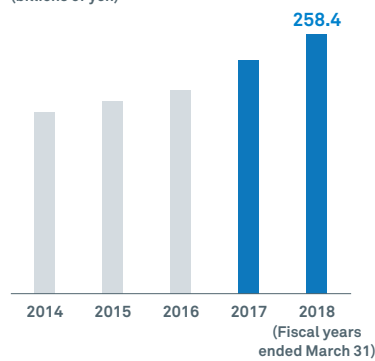
Revenue

(billions of yen)



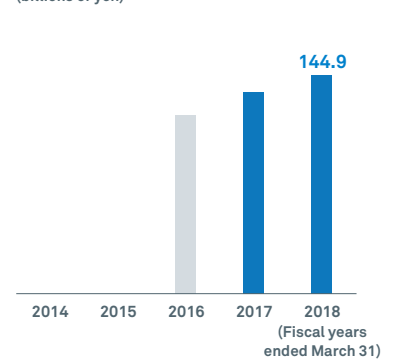
EBITDA

(billions of yen)



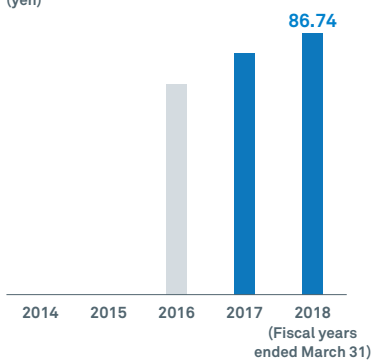
Adjusted profit**2,3

(billions of yen)



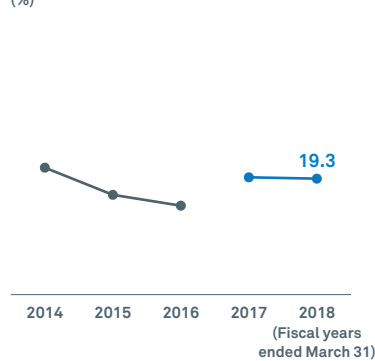
Adjusted EPS**2,5,6

(yen)



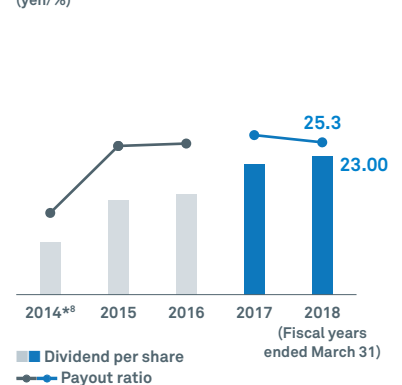
ROE**7

(%)



Dividend per share/payout ratio**5,8

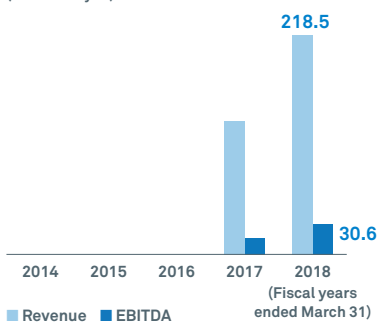
(yen/%)



Revenue and EBITDA by segment**9

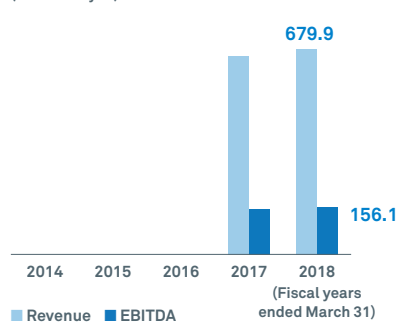
HR Technology

(billions of yen)



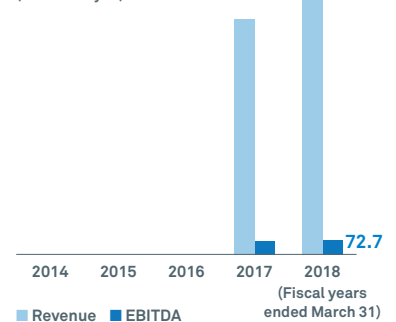
Media & Solutions

(billions of yen)



Staffing

(billions of yen)



*1 From FY2017, Recruit Holdings adopted IFRS for its financial statements and comparative information is for the two years starting from FY2016. Figures for FY2015 and earlier derive from Japanese GAAP and are included as reference information.

*2 Figures prior to FY2014 are not disclosed.

*3 Adjusted profit = profit attributable to owners of the parent ± adjustment items**4 (excluding non-controlling interests) ± tax reconciliation related to certain adjustment items

*4 Adjustment items = amortization of intangible assets arising due to business combination ± non-recurring income/losses

*5 The amount reflected a three-for-one stock split implemented on July 1, 2017, with the record date of June 30, 2017.

*6 Adjusted EPS = adjusted profit / (number of shares issued at the end of the period - number of treasury stock at the end of the period)

*7 ROE = profit attributable to owners of the parent / simple average of total equity attributable to owners of the parent at the beginning and end of the relevant fiscal year

*8 Basis for calculation of dividends: (up to FY2015) net income before amortization of goodwill, (FY2016 and onward) profit attributable to owners of the parent ± non-recurring income/losses, etc.

*9 Figures prior to FY2015 are not available as we changed the structure of our reportable segment in April 2016.

Consolidated Statement of Profit or Loss and Other Financial Data*1

(billions of yen, unless otherwise stated)

	FY2017	FY2018
Revenue	1,941.9	2,173.3
Cost of sales	1,051.5	1,159.1
Selling, general and administrative expenses	710.6	817.2
Operating income	193.5	191.7
Profit before tax	198.9	199.2
Profit for the year	137.2	152.3
Profit attributable to owners of the parent	136.6	151.6
Profit attributable to non-controlling interests	0.6	0.6
EBITDA*2	232.2	258.4
Depreciation and amortization	52.4	61.3
Adjusted profit*3	133.7	144.9
Profit available for dividends*5	122.1	131.8
Adjusted EPS (yen)*6,7	80.06	86.74
ROE (%)*8	19.5	19.3

Segment Information*9

(billions of yen, unless otherwise stated)

	FY2017	FY2018
Revenue: Consolidated	1,941.9	2,173.3
HR Technology	132.7	218.5
Media & Solutions	658.2	679.9
Staffing	1,170.8	1,298.8
EBITDA: Consolidated	232.2	258.4
HR Technology	16.7	30.6
Media & Solutions	151.5	156.1
Staffing	65.6	72.7
EBITDA margin (%): Consolidated	12.0	11.9
HR Technology	12.6	14.0
Media & Solutions	23.0	23.0
Staffing	5.6	5.6

Overview of Consolidated Financial Position

(billions of yen)

	2017	2018
Total assets	1,462.9	1,574.0
Total current assets	691.3	770.9
Total non-current assets	771.5	803.0
Total liabilities	720.1	733.3
Total current liabilities	413.5	447.7
Total non-current liabilities	306.6	285.6
Total equity	742.7	840.6
Total equity attributable to owners of the parent	737.5	835.6
Non-controlling interests	5.1	5.0

Overview of Consolidated Cash Flows

(billions of yen)

	2017	2018
Net cash flows from operating activities	154.3	194.1
Net cash flows from investing activities	(213.8)	(65.9)
Net cash flows from financing activities	107.1	(83.1)
Effect of exchange rate changes on cash and cash equivalents	(2.3)	(10.3)
Net increase (decrease) in cash and cash equivalents	45.3	34.6
Cash and cash equivalents at beginning of the period	309.8	355.1
Cash and cash equivalents at end of the period	355.1	389.8

*1 From FY2017, Recruit Holdings adopted IFRS for its financial statements and comparative information is for the two years starting from FY2016.

*2 EBITDA = operating income + depreciation and amortization + other operating income/expenses

*3 Adjusted profit = profit attributable to owners of the parent ± adjustment items**4 (excluding non-controlling interests) ± tax reconciliation related to certain adjustment items

*4 Adjustment items = amortization of intangible assets arising due to business combination ± non-recurring income/losses

*5 Profit available for dividends = profit attributable to owners of the parent ± non-recurring income/losses, etc.

*6 The amount reflected a three-for-one stock split implemented on July 1, 2017, with the record date of June 30, 2017.

*7 Adjusted EPS = adjusted profit / (number of shares issued at the end of the period – number of treasury stock at the end of the period)

*8 ROE = profit attributable to owners of the parent / simple average of total equity attributable to owners of the parent at the beginning and end of the relevant fiscal year

*9 The total sum of the three segments does not correspond with consolidated revenue due to eliminations and adjustments, such as intra-group transactions.

Annual Report 2018

Editorial Policy

From FY2016, Recruit Group (the “Group,” refers to Recruit Holdings and its subsidiaries unless the context indicates otherwise) has combined its annual report and CSR report into a single report to enable stakeholders to gain a greater understanding of management principle, business strategies and mid- to long-term value creation.

In addition to financial information and management strategies that have conventionally been published, this report includes more non-financial information and we have tried to make the report as visually comprehensible as possible by using a rich array of photos and charts.

For cover and title pages, we picked up four works representing “gazing at the future and energy towards it” by the artists who won the annual competition of “Guardian Garden”*. We would be delighted to have you enjoy the report.

For more details on Recruit Group’s financial and non-financial information, please refer to the Company’s website.

Information for Investors	https://recruit-holdings.com/ir/
Information on Sustainability	https://recruit-holdings.com/sustainability/
Annual Report Online Content	https://recruit-holdings.com/who/reports/
Guardian Garden	http://rcc.recruit.co.jp/gg/en

Warning about Forward-Looking Statements

In preparing these materials, Recruit Holdings relies upon and assumes the accuracy and completeness of all available information. However, we make no representations or warranties of any kind, express or implied, about the completeness and accuracy. This presentation also contains forward-looking statements. Actual results, performance and achievements are subject to various risks and uncertainties. Accordingly, actual results may differ significantly from those expressed or implied by forward-looking statements. Readers are cautioned against placing undue reliance on forward-looking statements. Third parties are not permitted to use and/or disclose this document and the contents herein for any other purpose without the prior written consent of Recruit Holdings.

Period Covered by This Report

This report covers FY2017 (April 1, 2017 to March 31, 2018).

However, comments are made about other fiscal years as necessary.

Referenced Guidelines

- International Integrated Reporting Framework of the International Integrated Reporting Council (IIRC)
- G4 Sustainability Reporting Guidelines of Global Reporting Initiative (GRI)

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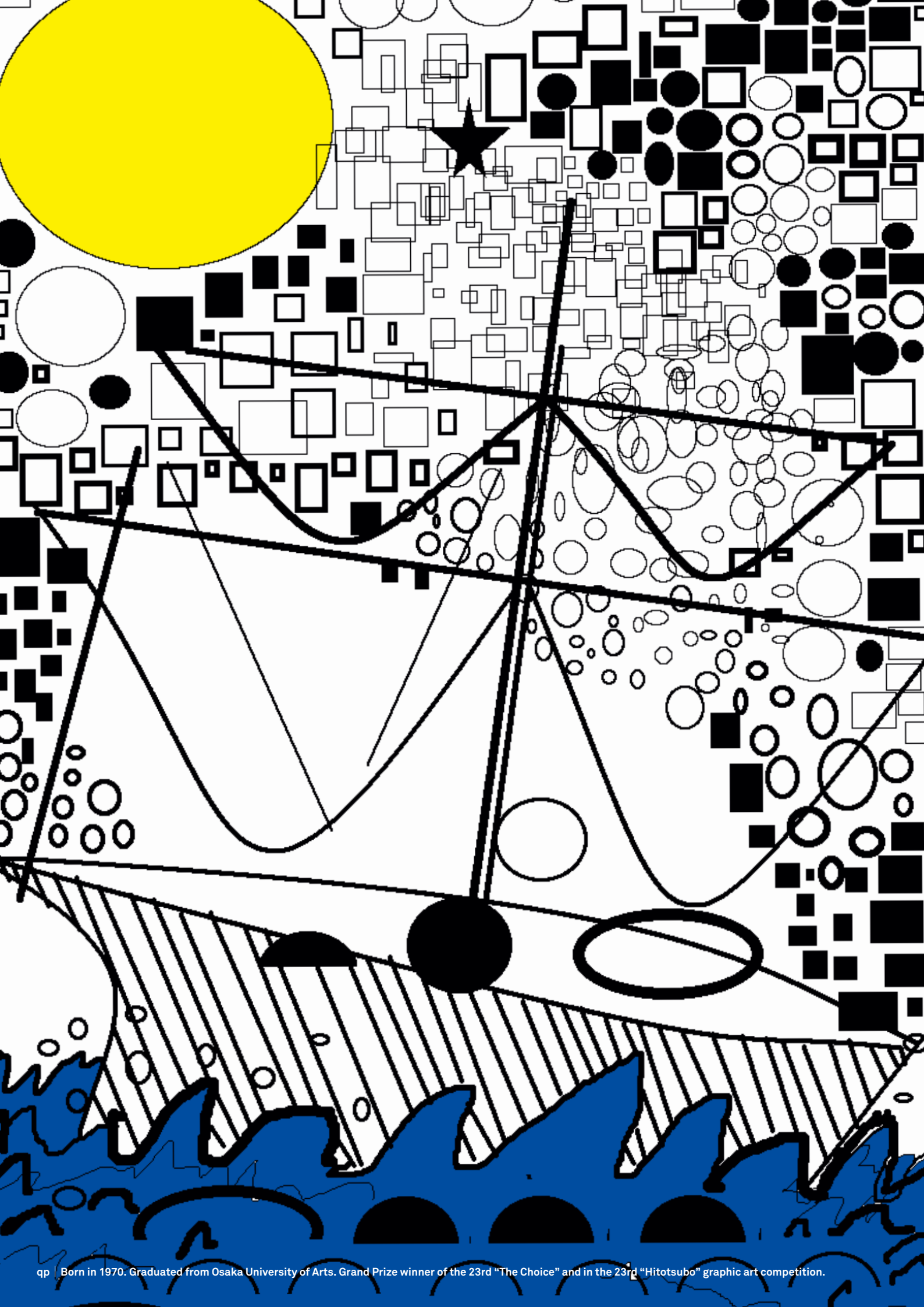
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*1 Recruit Holdings operates two galleries in Ginza, Tokyo as one aspect of its social contribution activities. We support the activities of young creators with future potential through an exhibition of works by the general public held by a gallery "Guardian Garden."

Cover: Yusuke Yonekubo
Graduated from the Department of Design, Tokyo Polytechnic University
A finalist in the 24th "Hitotsubo" graphic art competition



Our Story

CEO Message

The Strengths of Recruit Group

It is the will of every employee to innovate. The passion to think through solutions to problems our customers, industries, and society are facing.

We continue to be a space where these desires are mutually utilized, where the lessons of failures are put to use in the next challenge to realize major innovations. These strengths characterize us, Recruit Group.

Using the Power of Technology to Make the World Faster, Simpler and Closer

Since our founding, we have been offering “Opportunities for Life” to enrich society. In this era of search, where information has become available anytime anywhere, we need to further focus on proposing the optimal choices, much faster, surprisingly simpler and closer than ever before.

Masumi Minegishi

President, CEO, and Representative Director



■ Strengthening the Group Management Philosophy

During the fiscal year ended March 31, 2018 (FY2017), we redefined our Vision, Mission and Values for the entire Group. The overarching concept is to create a brighter, “creating a brighter world where all individuals can live life to the fullest.” From there, we decided to call the world we aim our “Vision,” and the role we will play in it our “Mission.” To realize our Vision and Mission, we have identified our three most important “Values” as “WOW THE WORLD,” “BET ON PASSION,” and “PRIORITIZE SOCIAL VALUE.”

These Vision, Mission and Values are founded on the belief that when people are free to pursue their will, dreams, desires, and passions—they will exhibit the greatest ability and each individual will shine and their potential will bloom. This belief permeates every element of the Group. As we will show in detail in Recruit Group’s “Value Creation Process,” we will generate a virtuous cycle that creates social impact through relationships with all of our stakeholders.

Over the recent years, the rapid changes in customer needs and the speed of innovation to respond has been remarkable. As a Group that operates globally, we need to constantly evolve to meet the changing expectations of our customers and society. However, we should maintain a consistent management philosophy and value we provide as a group. I believe that our recently redefined Recruit Group Vision, Mission and Values are the result of refining and extracting the elements that are consistent, working as a solid foundation for the Group.

■ Competitive Advantages, Opportunities and Risks

One example of our response to rapid technological innovation and its application in business is the use of artificial intelligence (“AI”) in the field of HR. The information required by job seekers is scattered in so many different places, it makes job search very challenging. Information asymmetry can be a stumbling block for an individual trying to unlock their future potential or abilities. Cutting edge AI technology has the potential to resolve this problem in a flash. Specifically, by gathering information widely from the Internet, it can identify potential information and process the accumulated data to match an individual’s need using an advanced algorithm and display the information that a person is really looking for. This was impossible 10 years ago, but if we are to succeed in realizing “Opportunities for Life,” we must proactively adopt this rapid technological innovation and become the force for change.

Meanwhile, for the “Ribbon Model” that we have treasured as the driving force of our business since the Recruit Group’s foundation, while it gradually evolves with the incorporation of new technologies,

Our Story

the fundamental logic of the business model will not change within all the Strategic Business Units (SBUs): HR Technology, Media & Solutions, and Staffing. In particular, we will create satisfaction that can only be achieved through the optimal matching of the information provided by our clients with the needs and requirements of individual users. Ultimately, we can eliminate dissatisfaction, inconvenience, and unease in society, which also enables us to create new opportunities for the society. The ability to evolve this Ribbon Model is the competitive advantage of Recruit Group, as well as the reason that we are able to treat the dramatic changes in the external environment as significant opportunities. For example, the HR industry is said to be a market that has room for significant improvement in its processes and efficiency. To provide unrivalled efficiency and convenience, we must evolve the Ribbon Model in combination with technology and respond to new needs. One example of this evolution of the Ribbon Model was welcoming Glassdoor as our subsidiary in June 2018, with its massive online database of reviews of recruiting companies and salary information. Moreover, I think the key factor that will keep us evolving the Ribbon Model is none other than our three important Values.

Naturally, such a rapid development in technology also brings significant risks. In addition to personal information protection, we must also be fully prepared to protect our data from cyber attacks and so forth. Furthermore, in the matching algorithm that uses AI, the key to sustainable operation and capturing profits will be in how we eliminate fabricated job ads and information that could conceivably infringe on human rights in some way. From this perspective, we have issued a rigorous data security policies for every SBU in Recruit Group and we apply these in establishing and maintaining their systems.

■ A Governance Structure for Further Evolution

The transformation we have been working on includes changes in our management structure. Since April 2016 we have operated each business through three SBUs within Recruit Holdings. However, to stay ahead of the global changes in technology and improve our business portfolio continuously and rapidly, in April 2018 we established SBU Headquarters within each SBU and changed to a governance system that allows each SBU to execute its independent strategy in a self-sustaining manner. Meanwhile, the holding company function has been focused and strengthened within Recruit Holdings, and new group governance structure, business monitoring mechanism, and financial data management system have been put in place. We undertook the reorganization as we considered that strengthening the headquarters functions of each SBU would most effectively enable them to further expand their business values.

Our Story

Recruit Holdings and the SBUs are strengthening financial governance as well as non-financial governance, such as compliance and sustainability including diversity and inclusion. For compliance, which forms the core of our corporate activities, we ensure rigorous observance of internal rules such as the code of ethics. I believe it is necessary for us as a company to continuously meet society's expectations, taking on various challenges to provide value sustainably to industry and society, while consistently acting with a high sense of ethics and values as a member of society.

Moreover, it is essential for our competitive advantage to create a work environment in every SBU where diverse employees can draw on their unique individual abilities. We put effort in supporting diversified talents such as; different background in age, gender, nationality, sexual orientation, or staff with other obligations such as childcare or nursing. The Company has also welcomed personnel with diverse backgrounds onto the Board of Directors to incorporate various perspectives into management as we know that these differences make us stronger as a team.

■ Review of FY2017 and Outlook

As a step towards realizing our Vision, we set a target of becoming the world leader in the HR industry. In the consolidated financial results for FY2017, revenue and EBITDA both reached new record highs, and the overseas ratio of consolidated revenue increased from 43% in the previous fiscal year to 46%, mainly reflecting growth at Indeed and a contribution of overseas subsidiaries including a newly consolidated company in the Staffing segment. Becoming the world leader in the HR industry is a milestone, but the most important thing I believe is to provide services of unrivalled convenience to companies and individuals in the HR industry.

As we proceed steadily forward with our initiatives for the future, we will increase the number of data scientists working in the Group in Japan to drive innovation by technology further. Also, at our AI research laboratory in Silicon Valley in the US, we are engaged in research on a daily basis aimed at realizing our Vision, Mission and Values.

—Message to Our Stakeholders—

In FY2017, our revenue, EBITDA, and adjusted EPS, which is one of our management key performance indicators, all reached the highest levels since the Company was listed. As I have mentioned, we launched a new management structure in April 2018, and with each business promoting business strategies under its own headquarters we will realize even further increases in enterprise value. In addition, the overall Recruit Group will promote even further initiatives to improve our legal and regulatory compliance systems and risk management capabilities.

At Recruit Group, each individual employee has endeavored sincerely to meet the needs of stakeholders and has continued to create new value. As we have shown in our Value Creation Process, the output of our businesses not only contributes directly to resolving social issues but can also contribute to achieving the Sustainable Development Goals (SDGs*¹) adopted by the United Nations General Assembly. In particular, the Ribbon Model can serve as a trigger for “10. Reduced inequalities” by eliminating asymmetries in information, while having a domino effect that helps to realize the related goals of “5. Gender equality,” “4. Quality education,” “8. Decent work and economic growth,” and “1. No poverty.” In the process, we will incorporate the feedback we receive from our stakeholders into management and cycle through this model continuously. We will continue to take bold steps in true Recruit Group’s style, creating new value through innovation aimed at resolving the problems the world is facing.

*1 Acronym of Sustainable Development Goals, which were adopted by the U.N. summit meeting in September 2015 and are goals for the 193 member countries to achieve in the 15 years from 2016 to 2030.

CFO Message

Keiichi Sagawa

CFO, CRO, Senior Managing Corporate Executive Officer,
and Board Director



Achieved Record-Setting Profits and Aiming for Enterprise Value Expansion through Further Structural Reinforcement

■ Record-Setting Performance in FY2017

In FY2017, Recruit Holdings' consolidated revenue was 2,173.3 billion yen, up 11.9% and EBITDA was 258.4 billion yen, an increase of 11.3% year on year. This represented our best performance since we started reporting consolidated results in FY2007. We also recorded year-on-year growth of 8.3% in adjusted EPS, one of our management key performance indicators. Revenue and EBITDA grew in all three segments, with significant contribution from HR Technology and Staffing. In the HR Technology segment, revenue increased 64.7% year on year and 60.7% on a US dollar basis. This continuous growth was mainly due to a new customer acquisition and expanding spend from existing customers.

Our Story

The Media & Solutions segment achieved stable growth, with revenue increasing 3.3% and EBITDA increasing 3.1% year on year, primarily driven by growth in the Beauty subsegment in Marketing Solutions and Recruiting in Japan subsegment in HR Solutions.

In the Staffing segment, we focused mainly on the extension of existing staffing contracts and an increase in the number of new staffing contracts, supported by a favorable business environment in Japan. In addition, the full-year contribution of Recruit Global Staffing (formerly USG People), which joined Recruit Group from the previous fiscal year, had a positive impact on our performance. As a result, revenue increased 10.9%, and EBITDA increased 10.8% year on year.

■ Mid-term Management Strategy

We are currently executing business strategies aimed at achieving the targets in our three-year mid-term management strategy ending in FY2018. We are making daily efforts to hone our businesses in three segments, to provide better services for both individual users and clients with our unique business model of providing Matching Platforms. Over the mid-term, positioning HR Technology as the highest growth segment, we will expand our businesses further in each of the three segments.

In the HR Technology segment, we will look for opportunities to expand into other HR related businesses beyond job advertising. The HR Technology segment aims to drive future growth by investing in R&D or through M&A to create new and innovative ways to drive efficiencies in recruiting and hiring processes. In line with this strategy, in June 2018 we completed the acquisition of Glassdoor, which manages one of the world's largest and fastest-growing job websites with company reviews and insights. Indeed and Glassdoor will work together to drive efficiency in recruiting and hiring processes, potentially combining Glassdoor's information about companies with the advanced technologies of Indeed.

In the Media & Solutions segment, we have achieved stable revenue growth by strengthening existing businesses and creating new businesses. Looking forward, we aim to achieve sustainable revenue growth while maintaining a strong EBITDA margin. Toward this objective, we focus on strengthening our relationship with both existing and new corporate clients by investing in development of new businesses. In the Staffing segment, solid growth in corporate earnings coupled with structural labor shortages due to the declining birthrate are supporting continued stable demand in the staffing industry in Japan. In overseas, the US economy is strong and Europe is in a healthy economic situation having emerged from the economic crisis, contributing to stable global demand for the staffing industry. In this business environment, we will aim for stable growth through our unique management methodology, the Unit Management System.

■ Financial Policy and Shareholder Returns

To realize mid- to long-term profit growth, we will continue to invest across the business while opportunistically utilizing M&A to support further growth. In addition, we are focusing primarily on increasing shareholder value, and set a high single digit CAGR for adjusted EPS over the three years from FY2016 to FY2018 as a key management target. For FY2018, the final year of the targeted period, we forecast adjusted EPS of 101.76 yen, up 17.3% year on year. Including this in the calculation, our projected CAGR for the three years is 13.5%, exceeding the target in the mid-term management strategy. With regard to capital efficiency, ROE for FY2017 was 19.3%, exceeding 15% set in our basic policy. We intend to maintain ROE of approximately 15% going forward.

We are also focused on returning capital back to shareholders through dividends. As a result, we set a consolidated payout ratio target of approximately 30% of profit attributable to owners of the parent, and annual dividends for FY2017 was 23 yen per share comprising an interim dividend of 11 yen and a year-end dividend of 12 yen. For FY2018, we forecast an interim dividend of 13.5 yen and a year-end dividend of 13.5 yen, increasing the annual dividend by 4 yen from the previous fiscal year to 27 yen per share.

■ Fund Raising Policy

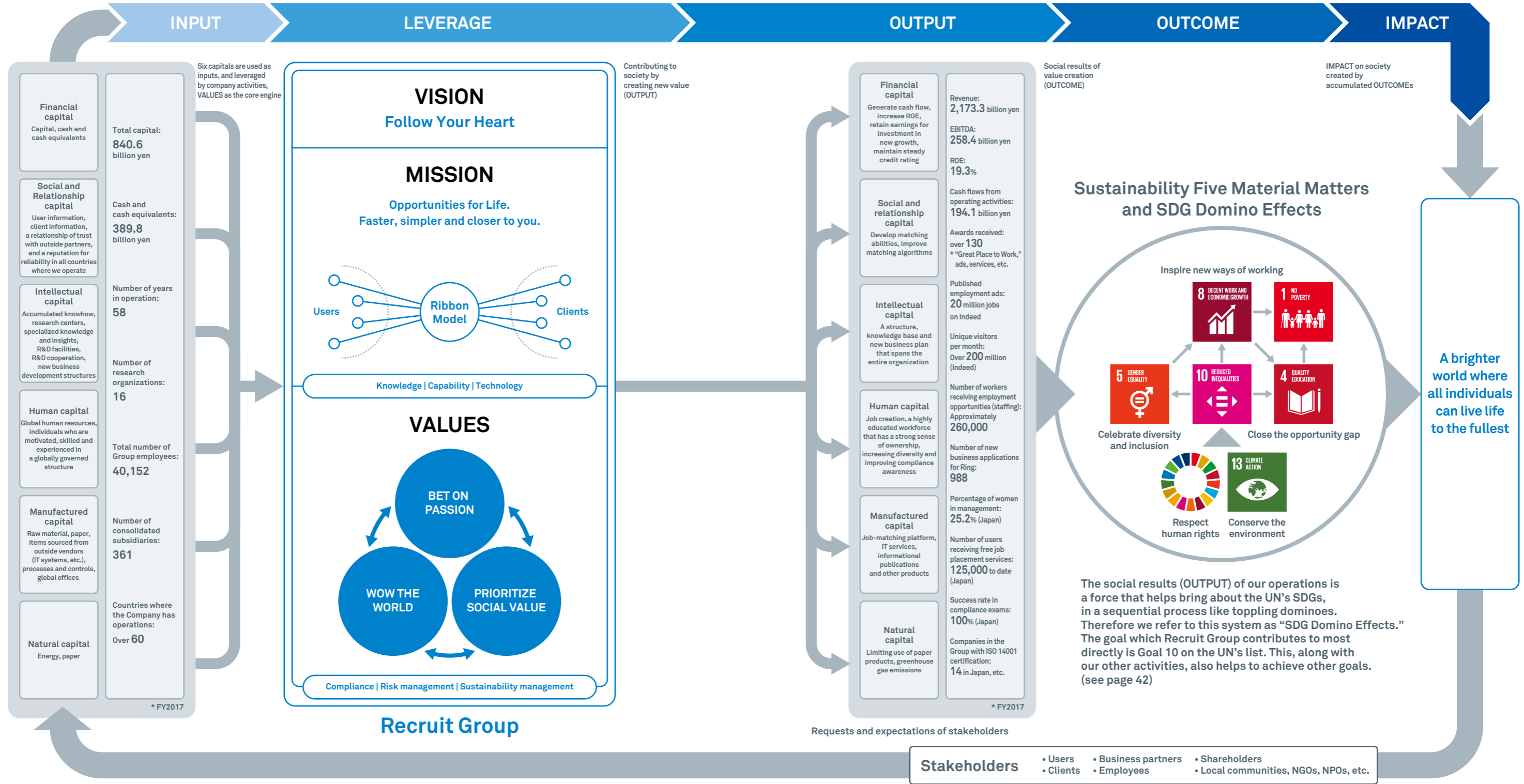
Our financial principle is to maintain a strong consolidated balance sheet by utilizing capital raised through borrowings, considering the ratings from Japanese domestic rating agencies as important references. For capital efficiency, we implement strict criteria for various kinds of investment.

Recruit Group's primary source of liquidity for working capital and investments is cash flow from operations. However, we may utilize external financing when various conditions are deemed favorable, such as demands for capital, interest rate trends, repayment amount and redemption period of existing interest-bearing debt. For short-term working capital, we primarily utilize borrowings from financial institutions and/or commercial paper. For long-term capital needs, we raise funds mainly through borrowings from financial institutions and/or bonds.



Value Creation Process

We are focused on creating new value for our society to contribute to a brighter world where all individuals can live life to the fullest. Our "Value Creation Process" below, is what enables us to realize our Vision. It works as a sustainable cycle, and amplifies business growth and contribution to society. We also strive to meet the requests and expectations of our stakeholders, by sustaining this growth cycle to elevate corporate value as well.



Shogo Ikeuchi

CSO, CHRO, and
Senior Managing Corporate Executive Officer



“BET ON PASSION” is the Foundation of Our Value Creation Process, as We Seek to Change the World

■ A Cyclical Process for Creating New Value

Recruit Group’s value creation is based on the Company’s basic principle: “creating a brighter world where all individuals can live life to the fullest.” We try to instill this concept into our employees, encouraging them to “Follow Your Heart.” Our business model, “Ribbon Model” strives to fulfil that Mission and to provide “Opportunities for Life.” If we pursue our Mission to innovate, based on our Values that we defined, and produce various things of value organized around the five material matters of sustainability, we can provide value to society and contribute to achieving the Sustainable Development Goals (SDGs). We are constantly seeking input from stakeholders and looking for ways to refine and improve operations. This Value Creation Process never ends, but leads from one cycle to another in an ongoing process.

Our Story

Above all, if I were to be asked what is the most important, I would say “BET ON PASSION” in our Values.

■ Creating History by Building on the Initiative of Young Employees

In 1995, as Internet use in Japan began to take off, many of Recruit Group’s young employees recognized both the threat and the potential it represented. These twenty-somethings urged management to “seize the opportunity” and leverage the new media in the same way that we used print publications as the foundation for the first phase of growth. Naturally there was resistance from some quarters, but in the end, the Company elected to pursue this youth-led initiative, in light of the customer-friendly nature. Having heard many fresh ideas from passionate young employees seeking to create new services and being a driving force behind a transformation of entire market, the Company decided to bet on them. Thus began the process by which the main-stay businesses was gradually transferred from a print-based to an Internet-based businesses.

■ BET ON PASSION

Although the current top executives of the Recruit Group represent different generations, all share openness to new ideas. At some point in their career, each one was able to convince their superiors that their ideas, which might sound far-fetched but had the potential to create new value for society. Their youthful creativity helped change Recruit Group’s business model. The fact that Recruit Group has this type of employees—individuals who have personally seen how their activities can contribute to society—is a key source of our strength. In many large corporations, the initiative and energy of young employees can be stifled by rigid structures or corporate hierarchies, and their ideas never get a fair hearing. At Recruit Group, however, ideas for new businesses are actively encouraged. In fact, many ideas from young employees have developed into successful businesses. If one employee is encouraged to consider how they can contribute to society or make the world a more exciting place, this attitude will spread to those around them. At Recruit Group, employees share any spontaneous idea they might have, discuss the pros and cons as well as alternatives, and consider how it might be developed to create value. Recruit Group puts this energy and creativity to maximum use with its Value Creation Process. The role of management is to encourage this creativity and channel the energy into successful businesses. Recruit Group’s basic principle is to help people live their lives to the fullest. If we cannot put this philosophy into practice at a corporate level, then what chance is there for it to realize that worldwide? At Recruit Group, we encourage employees to follow their initiative and make contributions to society. In this way, we can help create a world that all individuals can live life to the fullest.

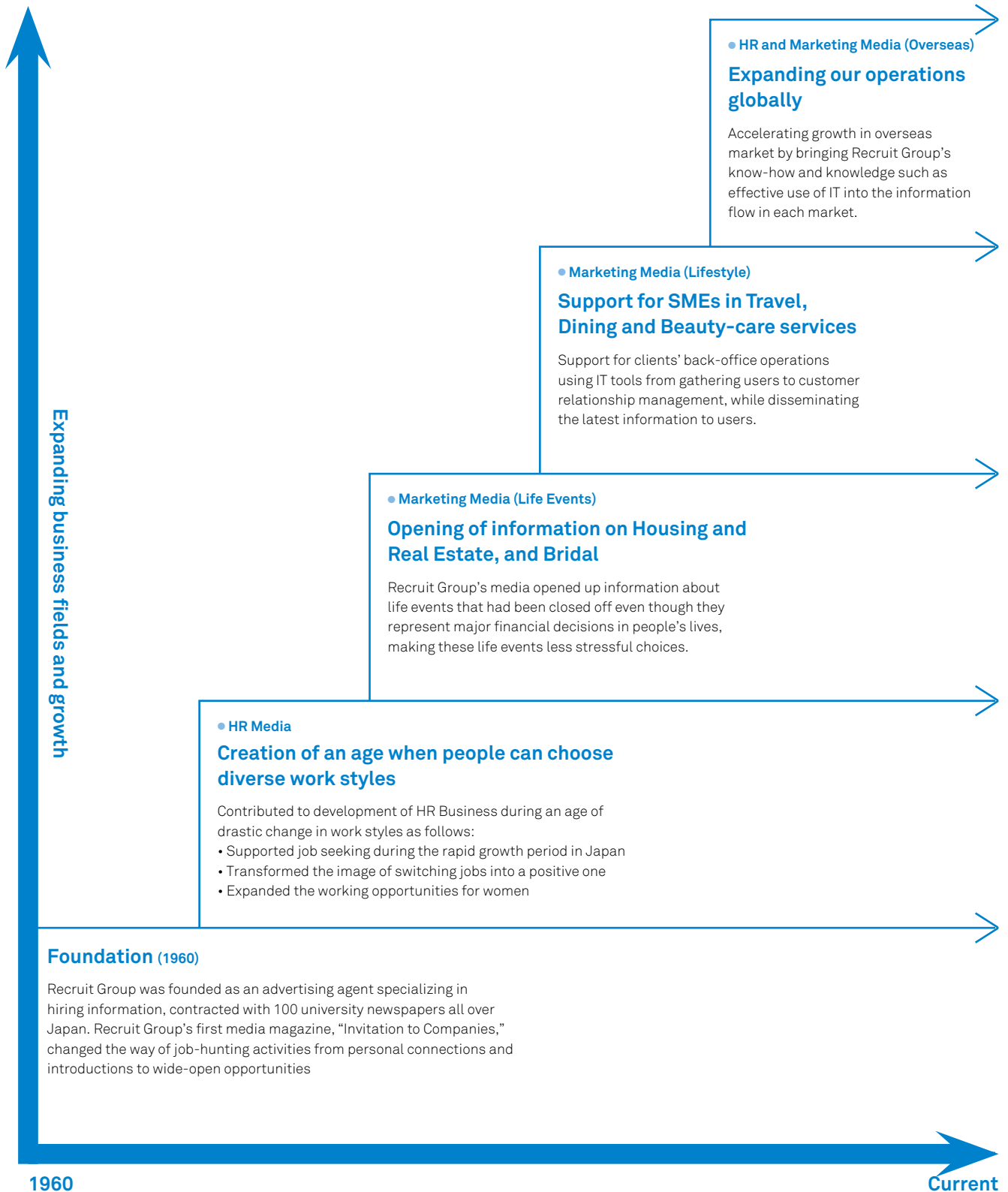
The Roots of Our Value Creation Process

In 1960, Recruit Group was launched from a prefabricated unit located on the rooftop of the Mori II building in Nishi Shimbashi district of Tokyo. It all started with a new magazine business that was launched to bring together and address the needs of two specific groups: companies that are looking for people to recruit and students who are looking for jobs. The Group published a job-advertisement brochure, similar to a university newspaper, entitled “Invitation to Companies” which listed the positions each company was offering to new graduates that year, and helped students making their own decisions. This was one of the first steps towards creating an open and fair labor market in Japan. This concept of collecting useful information and using media to deliver it to society as a whole was the seed idea that Recruit Group has cultivated over the years. In this way the Group has developed new means to engage with companies and individuals, and offer new services that meet the needs of a changing society.

In the subsequent decades, the Company took the expertise it developed in opening up the market for HR media and staffing businesses, and leveraged this knowhow to different industries. For example, Recruit Group developed publications for housing, bridal, travel, dining and beauty. The Company contributed to the growth of these industries in the same way that it opened up the labor market, by providing a free flow of information that allows individuals to make informed selections from a broad range of options. More recently, Recruit Group has begun to expand and diversify services, such as providing operational support to small- and mid-sized companies. Recruit Group also began to expand overseas at the turn of the century, and the international shift has accelerated to the point that overseas revenue now account for 46% of the consolidated total. The Group has developed staffing operations in the US, Europe and Australia through M&A activities since 2010, offering job opportunities all around the world. The HR Technology segment, meanwhile, has acquired companies such as Indeed in 2012 and Glassdoor in June 2018. As it develops these global brands, the segment continues to expand its capacity to provide services, support and opportunities to job seekers worldwide.

Throughout its history, Recruit Group has made it a priority to satisfy the needs of both individual users and corporate clients. Looking ahead, Recruit Group will aim to evolve its platforms for better matching between users and clients by maximizing the relationship with them, to create a brighter world where all individuals can live life to the fullest.

■ Development of the Ribbon Model and Value Creation for Society



Closer Look on Value Creation Process ~Vision~

Basic Principle

We are focused on creating new value for our society to contribute to a brighter world where all individuals can live life to the fullest.

● Vision

Follow Your Heart

We envision a world where individuals and businesses can focus on what really matters. The more people are free to pursue their passions, the better our future becomes.

■ Providing Chances for You to Pursue Your Passion

Recruit Group is focused on creating new value for our society to contribute to a brighter world where all individuals can live life to the fullest. The Company began as an advertising agency providing employment ads for university students. In this era, the only information most students had about prospective employers was from closed communities such as school recommendations and the bulletin-boards. Recruit started gathering information on companies, offering it to students to help them compare their options and choose an employer. This had a major impact, creating opportunities for people by responding to genuine needs, and contributing to the society where people could live lives of their own choices.

Recruit Group believes that a key to happiness and prosperity is the ability of each individual to choose their own paths, based on their desire and interests. After all, can a person really say that their life is “happy” if all of their choices in life are constrained by their background, gender, nationality or sexual orientation? At Recruit Group, we believe that if people are offered a multitude of choices, and can freely determine the course of their own lives, this will create a brighter world where all individuals can live life to the fullest.

We envision a world where individuals and businesses can focus on what really matters. The more people are free to pursue their passions, the better our future becomes. By providing a broader range of choices and offering people the opportunity to decide what they really want to do with their lives, each one can focus on what really matters to them. This unleashes the passion of each unique individual, allows their interests and skills to blossom, and helps make the world a better place. Meanwhile, Recruit Group applies its philosophy internally, asking each employee what they truly want to do, stimulating their latent abilities or interests and creating a more energetic

Our Story

and enthusiastic workplace. Today, Recruit Group is involved in a multitude of business sectors, but in every one of these businesses, we strive to motivate employees to pursue their passions.

■ Improving Hiring for Job Seekers and Employers

Indeed is committed to improving the hiring experience for job seekers and employers. Since its inception in 2004, Indeed was built on the belief that work is vital—a job search is one of the most important searches in a person’s life. By making it easy to find all jobs in one place, Indeed’s loyal following of job seekers has made it the world’s No. 1 online job search engine. For employers and recruiters, Indeed facilitates a direct connection to more than 200 million job seekers each month. Indeed continues to innovate, making investments in concepts and technology that provide greater transparency to the job seeker and solutions for employers.

■ Offering Best Suited Opportunities in Life

In any business, there are sources of “negativity”—dissatisfaction, inconvenience and unease. Recruit’s Media & Solutions business seeks ways to eliminate these negative prefixes to create a world where all people can make choices with convenience, certainty and satisfaction. This is true whether the choice is broadened to include which school to attend, what job to accept, where to live, where to get married, or any of the multitude of other decisions people make about consumer items, restaurants, travel, beauticians, and so on. The Media & Solutions business also helps vendors to make their back-office operations more efficient, allowing them to focus on their core operations. In this way, Recruit is using technology to create a world where each individual can live life to the fullest.

■ Contributing to Society through the Staffing Business

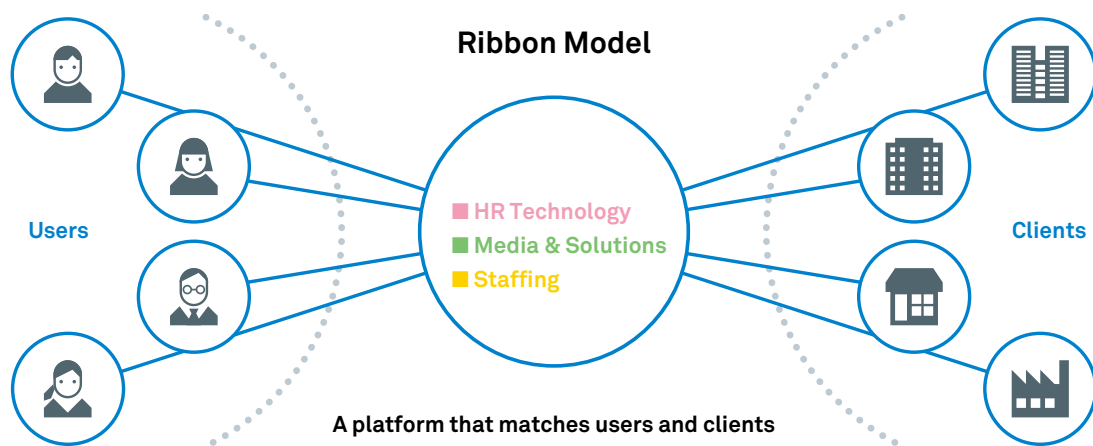
The Staffing SBU strives to contribute to society by providing jobs to a large number of people. Staffing services work as the initial step to obtain jobs for young people yet to gain skills or experience, as well as for older people lacking work experience. Staffing is also important as an option for people with experience and skills but with time and place restrictions and who seek flexible working styles, as well as those who wish to work without belonging to a company. From the client’s perspective, it is useful in securing a flexible labor force. We believe that creating a world that supports diverse working styles and offers people more freedom of choice in the ever-changing labor environment is our way to fulfill our Vision.

Closer look on Value Creation Process ~Mission~

● Mission

Opportunities for Life. Faster, simpler and closer to you.

Since our foundation, we have connected individuals and businesses offering both a multitude of choices. In this era of search, where information has become available anytime anywhere, we need to focus more on proposing the optimal choice. We seek to provide “Opportunities for Life” much faster, surprisingly simpler and closer than ever before.

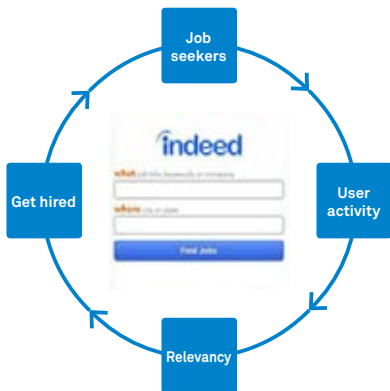


■ Faster, Simpler and Closer Matching by Technology

Our Mission is well rooted in our “Ribbon Model.” This model envisions a platform that allows users and clients to connect and engage in ways that benefit each other. The greater the satisfaction we can deliver to both parties, the more it will elevate Recruit Group’s own revenue and profits. The key factor is to match the needs of both parties as precisely as possible, eliminating the negative elements that typically emerge in a marketplace. To optimize the model’s effectiveness, we develop abilities across three specialisms: sales representatives, who contact and address the needs of users; data scientists, who manage and analyze data; and media platform developers, who develop it from the perspective of users. The strength of the Ribbon Model is that it incorporates all of these perspectives and objectives, with a high degree of communication and cooperation.

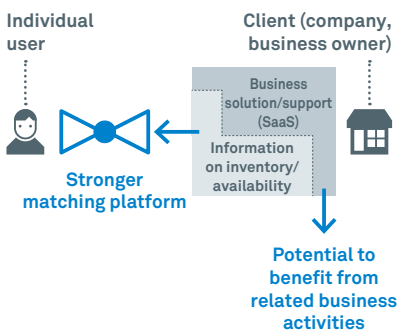
■ We Help People Get Jobs.

The mission of Indeed is simple and straightforward—to help people get jobs. The company helps employers find personnel, and helps job seekers search for positions, submit their resumes and research potential employers. Every day, millions of people use Indeed to seek new employment opportunities. By giving access to all types of jobs, Indeed helps people all over the world select careers that help them achieve their goals and realize their dreams. More than 6,000 Indeed employees globally are passionately dedicated to helping connect employers and job seekers.



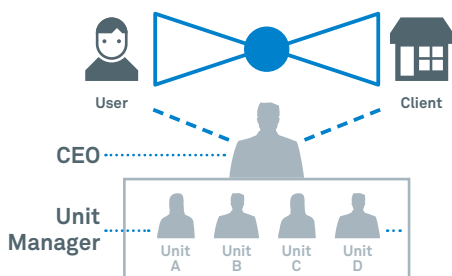
■ Improving Services to Make Matching Become Faster, Simpler and Closer

The Media & Solutions business uses the Ribbon Model to match individual users with clients in a multitude of markets or businesses. This segment is expanding its range of services to offer individuals a wider range of choices, and help match clients with users more faster, simpler and closer than ever before. For example, in the beauty industry, the Company offers clients a clerical support service known as *SALON BOARD*, which maintains a real-time database of information on stylists and the available reservation times. This provides even greater convenience to users while easing the administrative burden on beautician clients. This type of service, aimed mainly at small- and medium-sized business operators, uses technology to provide these businesses with clerical and administrative support. The information and office tasks have been digitalized, in an effort to elevate the productivity of industries.



■ Adapting to Different Market Characteristics with Unit Management

In the Staffing business, each overseas staffing company that joined the Group via M&A applies the Ribbon Model to both job seekers and companies looking for workers, as a way to optimize matching and expand hiring opportunities in the global market. The management model implemented for overseas business growth is called Unit Management. In this model, the organization is divided into units based on market characteristics, and each unit is considered to be a single company or business entity, with authority given to the unit manager. The KPI is EBITDA improvement, and each unit independently sets and executes strategies towards profitable growth. Thanks to this model, which demonstrates our Value “BET ON PASSION” each employee is showing more initiative, leading to better services for staff and clients. As a result, EBITDA of the business is steadily growing.



Closer look on Value Creation Process ~Values~

● Values

WOW THE WORLD

What we do isn't a job. We enjoy exploring what is possible for our future. We question the status quo, fail well and overcome with resilience. We are a force for change.

BET ON PASSION

We are a team of people fueled by curiosity. We respect and capitalize on each other's differences. We know that one person's crazy idea, when backed by data & research, can become the best bet.

PRIORITIZE SOCIAL VALUE

We, as global citizens, strive to contribute to a sustainable society through all of our corporate activities. Each one of us is committed to seeking out the needs of society and taking action for a better future.

• Ryo Irisawa
(Recruit Lifestyle Co., Ltd.)



I'm involved with the development of a smart-phone app named *Seem*, which helps men monitor their fertility and lower the obstacles they face in trying to conceive. Recruit Group expects employees to push for what they want to do, and there are lots of chances to be proactive. It is a real challenge to envision products that do not yet exist and make them real, but I am confident that in some small way my creative abilities can provide a service that will help people.

• Marie Sakurai
(Recruit Marketing Partners Co., Ltd.)



I had a chance to work as a project leader on three wedding-related services: *Zexy Enmusubi net service*, *Zexy Enmusubi counter service* and *Zexy Enmusubi party*, and was able to take them from the conceptual stage to rollout in just one year. Only Recruit could have launched services like this so quickly, and provided new value to the wedding industry, and I think it could only have been because of a desire to spark a movement.

• Matthew Duggan
(Indeed Japan)



As a leader in the Job Seeker group, my team is dedicated to developing products and solutions, and continually testing new concepts to improve job search. When I joined Indeed, I quickly realized the culture was very unique. We are a data-driven company, and the people here are really passionate about our mission. We're improving the lives of millions of people around the world by helping them get jobs.

■ Three Values We Hold Dear

Since its foundation, Recruit Group has maintained the characteristics of a startup, constantly pursuing innovation. How have we managed to keep them? Our Values, the authentic compass for all staff, play an important role.

The first is "WOW THE WORLD." As the business environment is rapidly changing, we need to always ask ourselves what are the true problems to solve. As a result, we improve our existing services, and at times challenge new areas of business. Recruit Group strives to create the future standards.

The second is "BET ON PASSION." Recruit Group believes that our people are our competitive advantages. All revolutionary services are created by our people's unique ideas and perspectives. We constantly ask "What do you really want to do?" and follow their own initiative to offer users and clients the best solution. Our success lies in this culture of respecting individuals.

Last but not least is, "PRIORITIZE SOCIAL VALUE." We have been focused on solving the real issue in real world. We contribute to society through our business itself. By offering services that would reduce dissatisfaction, inconvenience and unease, we have closed information gaps and opened up markets in various industries. Not only by offering users and clients greater freedom of choice, but through all of our corporate activities, we endeavor to contribute to society.



Indeed University (IU) is a program which brings together new university hires from around the world to teach them about data-driven decision making, by having them build and launch new products within Indeed. One concept created here was *Job Spotter*, a mobile app that allows users to submit photos of help wanted signs and uploading those “offline” jobs to Indeed’s website (Indeed US/UK/CA/AU).



FORUM is a job-sharing experience in which employees who have demonstrated novelty and versatility in developing new approaches are selected to present their experience to peers, allowing their insights to be disseminated throughout Recruit Group (Group companies in Japan).



Silicon Valley entrepreneurs and teachers from top business schools around the world are invited to share their knowledge and insights at Recruit Group’s GLOBA seminar (Group Companies in Japan).



Training programs are conducted for new recruits and employees hired in mid-career. The active discussions at these sessions allow management to provide direction, to instill the Group’s values, and to share various ideas and concepts to all employees (Recruit Holdings).

■ Employees from All Regions Engage with Leadership

Recruit Group has a variety of systems and structures in place that help fulfill its Values. They are the source of the continuous development of Recruit Group’s unique culture and innovation. One of such systems is Indeed’s commitment to providing timely information to employees through a series of leadership meetings. Indeed leadership engages with employees digitally across the globe on a regular basis to engage in open and honest discussions about global initiatives, goals and business strategy.

■ Keep You Weird! From Great Diversity, Comes Great Creativity

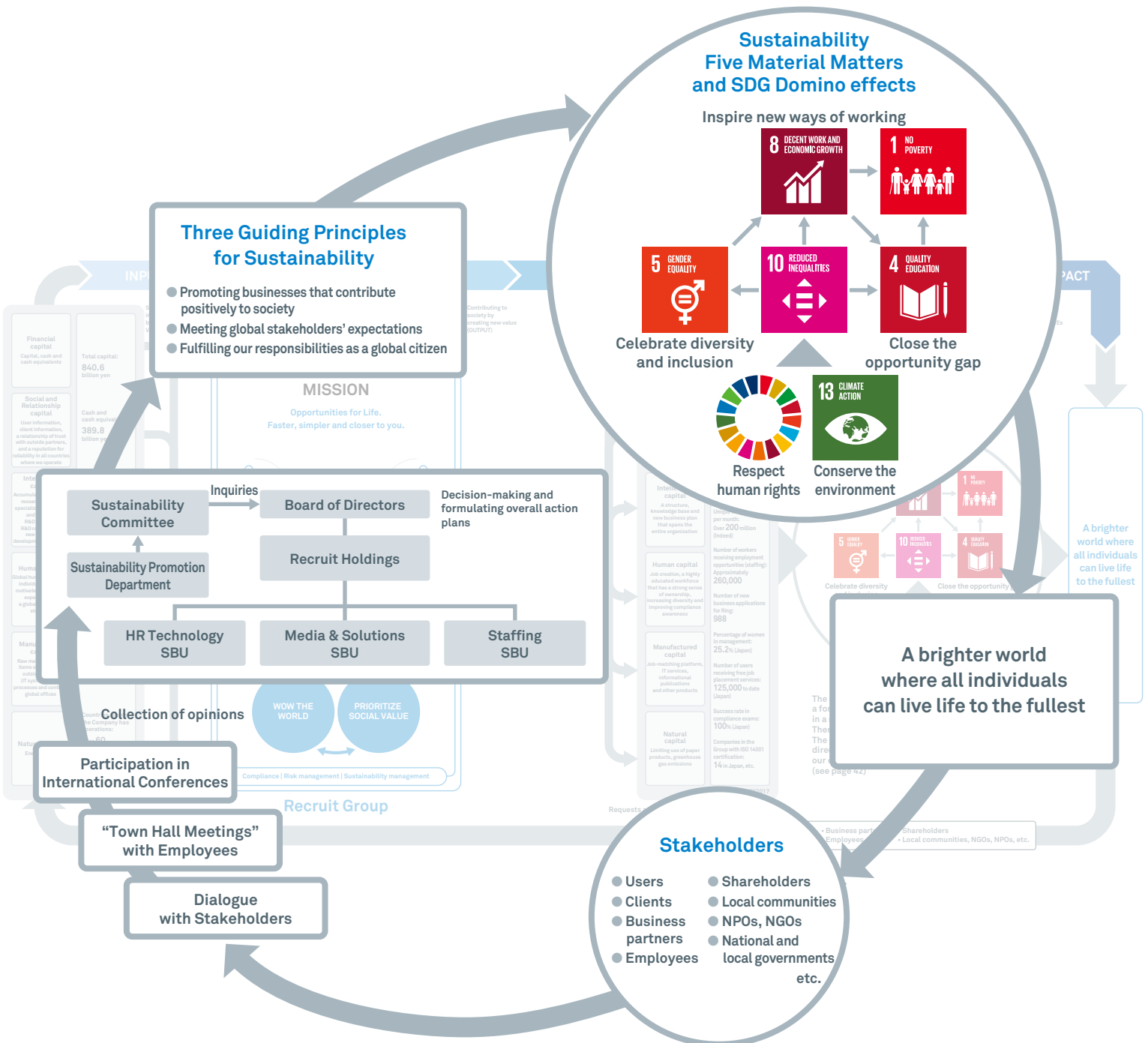
In the Media & Solutions segment, there has always been an emphasis on a structure that places importance on individuality. In Japan, most companies hire new graduates only at certain times of the year, but Recruit Group hires all year long, offering new employees greater freedom to choose their career path. Restrictions on the age of new employees or internships have also been relaxed. In doing this Recruit Group attracts a diverse range of people, who will contribute to truly monumental changes and accomplishments. Since 1982, the Group has promoted our Values through a new business proposal system known as “Ring” (formerly New RING), in which any employee in the Group may take part. The Ring program has spawned a multitude of businesses including *Car Sensor*, *Zexy*, *Study Sapuri* and more. In addition, Recruit Group has set up a knowledge-sharing network spanning the entire Group. Employees share experiences gained from their own work across the organization, encouraging others to consider how these new ideas or approaches might be applied to their activities. Continuing to ask employees, “Why are you here?” leads to developing new innovators. People—the source of new value creation—continue to be supported by a framework that makes them grow, and that is our strength.

■ Are You Happy with Your Job?

Or is it high time for something new? In the Staffing segment we constantly ask these questions, not only to ourselves, but also to our temporary agency employees. We value “BET ON PASSION” as the core driver of our competitiveness, and provide recruitment support that delivers a diverse workforce to our clients.

Sustainability: The Orbit

Recruit Group's Value Creation Process is underpinned by a wide range of sustainability-related initiatives that we call the "Sustainability Orbit." Having identified the demands and expectations from society in general through dialogue with our stakeholders, we discussed them at length in the Sustainability Committee with external experts and internal management. Then, having obtained a commitment from management at the Board of Directors of Recruit Holdings, we promoted specific sustainability activities aligned with the guiding principles.



Sustainability Orbit —an evolving cycle with rooted values—



Ayano Senaha

Corporate Executive Officer (Corporate Planning/Corporate Communication/Human Resources)



Town Hall Meetings

Town hall meetings are conducted to give opportunities for officers, employees and guests to talk about a variety of issues, such as gender equality, diversity and social problems. Remote participation is also welcomed through video conference. In this relaxed setting, participants can engage in discussions with people from other companies and layers in the organization while eating confectionaries.



Participating International Conferences

In order to catch global trends, Recruit Group participates in international conferences, such as those sponsored by the United Nations. We also visit international NGOs to get the latest information and hear their expectations, requests and views for Recruit Group from various perspectives. Above photo was taken at the Third STI Forum held in New York in June 2018.

■ True Form of Sustainability

Recruit Group’s Sustainability Orbit is a cyclical mechanism that enables us to put our Vision into reality. We proactively engage in dialogue with stakeholders, decide what we should do as a Group, take action and then cycle our achievements back to stakeholders. I believe management’s role in this whole cycle is to constantly ask ourselves “who we are” and define our character as a Group. In a rapidly changing business environment, sustainability does not necessarily mean maintaining the status quo. We must decide what to change and what not to change, and this ongoing evolution of ourselves is the true form of our sustainability.

■ Being Real and Authentic

In charge of sustainability, I place great importance on one thing, and that is “realism.” The Group Management Philosophy, as well as sustainability guiding principles, are not there to be framed and hung on a wall. I want them to be real tangibles in our daily activities that encompass the behavior of each and every employee. At Indeed for example, “we help people get jobs” is the company mission, and there is an orange chair in each conference room. Almost every time when a new employee starts working at Indeed comes into a room, they ask about the orange chair as it stands out from other settings. Why are we doing this? Well, it represents a job seeker. It is a prop that reminds us to ask ourselves whether the decisions we make in the room would be something that we are proud of if a job seeker were sitting in that chair.

At Recruit Group, these principles are grounded in reality that each employee actually carry out their duties sincerely. These accumulated efforts not only grow our business but also make our contribution to the society very authentic. As a result, I hope that we make positive impact for SDGs and the sustainable society in a real, unique way.



Sustainability Committee
In principle, the Sustainability Committee meets twice a year as an advisory body to the Board of Directors to discuss sustainability with external experts.



Dialogue with Stakeholders
Recruit Group engages in dialogue with various people including external experts for the purpose of learning about new ideas and important ways of thinking, and to broaden its horizons and move activities forward.

Materiality Analysis

Recruit Group has narrowed down its material matters to five, listed on page 42, and the associated SDGs through a formulation process that is based on the following materiality analysis.

In materiality analysis, we engaged in dialogue with around 70 stakeholders, including a diverse range of international NGOs and organizations specializing in sustainability, to hear various opinions and learn about the expectations to Recruit Group. We then referred to the UN General Assembly Document on Sustainable Development Goals (SDGs) and its agenda of 17 goals and 169 targets. We categorized the expectations of stakeholders into 18 topics and mapped them along the vertical axis, and then plotted their relevance to our business along the horizontal axis. The results of the whole process above was shared and discussed with directors and external experts in two rounds of the Sustainability Committee. Based on these discussions, we narrowed down the topics into the following material matters. Recruit Group has decided to concentrate on these five material matters: “Respect human rights,” which is derived from the realization of universal human rights, as stated in the foreword, “Close the opportunity gap,” which encompasses SDG goals “1. No poverty,” “4. Quality education,” and “10. Reduced inequalities”; “Celebrate diversity and inclusion,” which associates with “5. Gender equality”; “Inspire new ways of working,” which stems from “8. Decent work and economic growth”; and “Conserve the environment,” based on “13. Climate action.” We realized that these five material matters could be achieved through interaction with one another, which led us to the conclusion that we would not set priorities among the five themes and take a multilateral approach instead.

As for action plans, we are disclosing our initiatives related to human rights and the environment, and we are working to better understand the international situation in order to quickly bring ourselves up to global standards.

1. Define issues



Sustainable Development Goals (SDGs), an agenda for global sustainability adopted by unanimous vote at a UN summit meeting, were used to help define critical social issues.

2. Evaluate stakeholder expectations



We engaged in dialogue with international NGOs, organizations specializing in sustainability, and other people from a wide variety of backgrounds to learn about their expectations as stakeholders, and then ranked the priority of social issues they thought Recruit Group should address.

3. Assess business relevance



We assessed the relevance of issues to Recruit Group's businesses.

4. Identify material issues



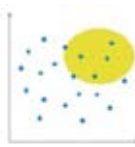
We screened issues based on stakeholder expectations and business relevance to identify material issues for Recruit Group.

5. Review



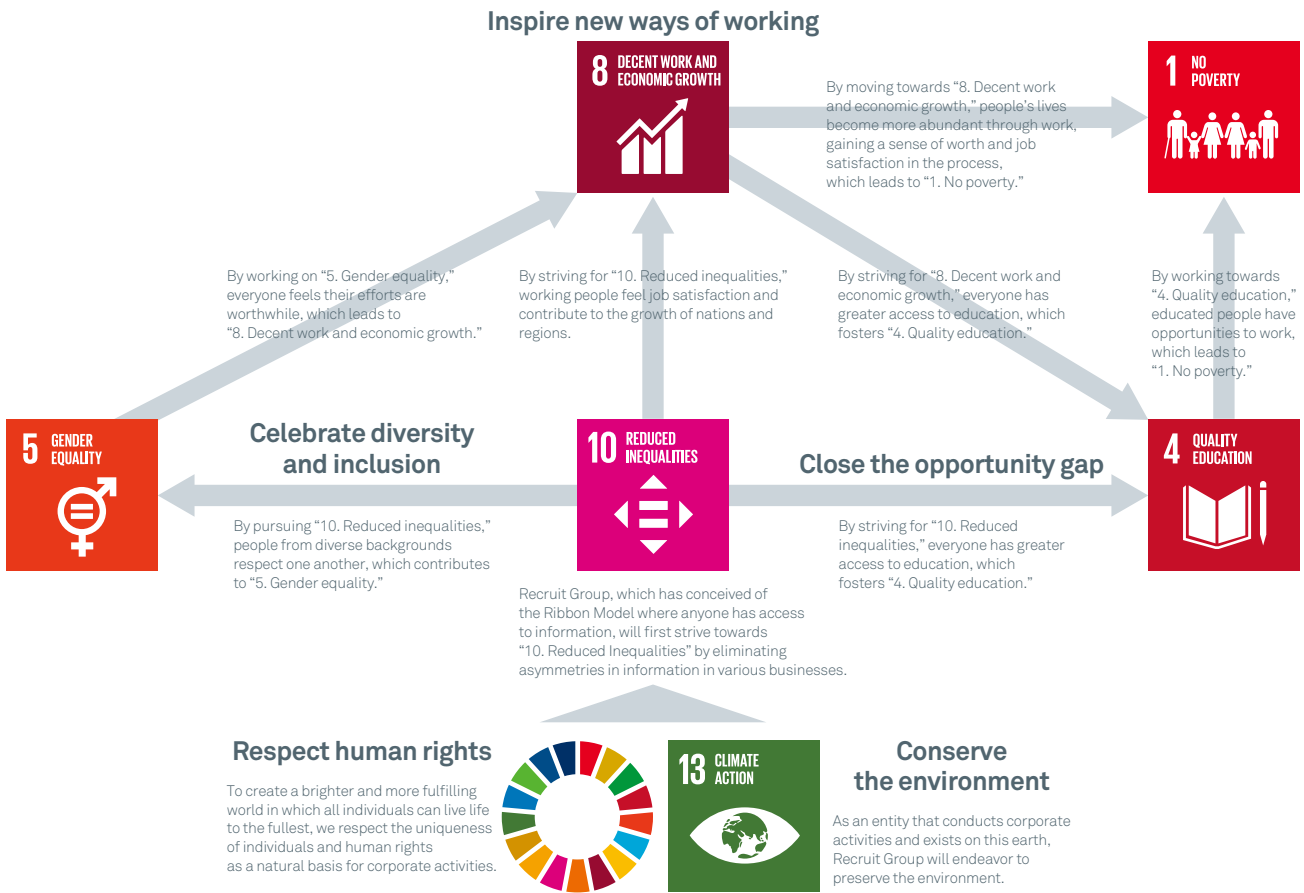
The Sustainability Committee discussed core themes based on a review of the process so far, including external views.

6. Decide the material matters



We then decided on five material matters for Recruit Group. The material matters will be reviewed periodically, incorporating perspectives both in Japan and overseas.

■ **SDG Domino Effects at Recruit Group**



Contributing to the attainment of SDGs, beginning with "10. Reduced inequalities"

From among the SDGs, Recruit Group has identified six goals that it should address in particular. We believe these six goals are not supposed to be tackled independently, because all of the SDGs are intertwined and affect one another. Efforts on achieving these goals should be coordinated, and the SDGs that align with our strengths in particular are the ones that we are likely to see results from as our efforts gain momentum.

We have facilitated the optimal matching of users and clients based on our Ribbon Model with the aim of creating a world where each and every person is able to find what really matters to them. The Ribbon Model eliminates asymmetries in information and broadens choices, making it relevant to realizing SDG "10. Reduced inequalities." Through a wide range of business development centered on the staffing field, we are focusing efforts on SDG "10. Reduced inequalities" by helping people find satisfying work while striving towards gender equality. Once everyone has access to a quality education, they will be able to find work, eliminating poverty. Through this domino effect of chain reactions, we are working toward these goals with the intention of having a meaningful impact on society.

Material Matters and Sustainability Activities

■ Five Material Matters

We aim to generate value for society in a sustainable manner through our corporate activities. We refer to the initiatives we implement to achieve this as sustainability activities. In addition to our business itself, we are focused on a broad range of social contribution activities and the creation of an organization in which every employee can participate. Our activities are tied together by the following five material matters.

Inspire new ways of working

What does work mean to us? How can we work better? Since our foundation as a recruitment advertisement company, we have been constantly asking these questions.

We will continue to evolve new ways of working to find paths for individuals to achieve their aspirations.

Close the opportunity gap

We believe that the more people are free to pursue their passions, the better the future becomes. Closing the opportunity gap is a key factor for this. We have, and will continue to match countless people and businesses in ways that have not been done before.

Celebrate diversity and inclusion

We celebrate diversity in nationality, race, religion, gender, age, disabilities, sexual orientation and gender identity, and more. We respect and capitalize on each other's differences to promote creativity in the world.

Respect human rights

Our basic principle, "creating a brighter world where all individuals can live life to the fullest," starts from respecting human rights. We follow Recruit Group's Human Rights Policy and Code of Ethics to respect the rights of our diverse stakeholders.

Conserve the environment

We all have a common responsibility for the global environment. We strive to reduce our negative impact on the environment by addressing climate change, resource preservation and biodiversity conservation. We aim to enlighten society with our environmentally conscious lifestyle.



Photograph 1



Photograph 2



Photograph 3

Inspire New Ways of Working

● Recruit—"iction!" and "ZIPWORK"

Project "iction" is focused on creating an environment where employees can more easily balance working life with parenting. More than 170,000 short-hour jobs have been created and the relevant information was disseminated to assist approximately 1 million child-raising mothers looking for jobs. Project "ZIPWORK" was launched mainly through staffing subsidiaries and aims to offer short-hour jobs for highly skilled workers that have time constraints. Orders from over 700 companies were received in one year, and we have also started collaborations such as the one with Kitakyushu-City in Fukuoka in July 2017.

● Major Recruit Group Companies in Japan—Employee Experience Design

Recruit Group is implementing various work style reform initiatives, such as trying working styles unshackled by workplace, or improving per-hour productivity. For example, at Recruit Holdings, an "Engagement Survey" is offered to all employees on a regular basis to put in motion a cycle that reflects issues in work style reforms. With the strong commitment of the management team, attempts are being made to continuously enhance the "Employee Experience," including the revamping of our management styles and operational systems.

● Indeed—Great Place to Work Across the Globe

Indeed is focused on building a collaborative, mission driven culture. Passion for helping people get jobs is reflected throughout its global operation from office spaces to employee development programs to corporate amenities and benefits. A strong company culture has resulted in Indeed being able to attract and retain top talent, while supporting business growth and success. In 2017, Indeed Canada, Germany, Ireland, UK, and US were all recognized as a Great Place to Work, based on annual survey measuring factors like employee job satisfaction, leadership support and work-life balance. (Photograph 1)

● USG People—Great Place to Work (Listed in Best Multinationals)

In the research carried out in Europe on the Great Place to Work program, the company was recognized in the multinational corporation category as having management trusted by employees, employees being proud of their work, and both management and employees enjoying working with each other as colleagues. (Photograph 2)

● Recruit Lifestyle

—Proposing a Sustainable Management in the Hospitality Industry

As a joint project with Mie Prefecture, the Jalan Research Center proposed a training program on the topic of work style reforms in the hospitality industry. The program aims to improve employee satisfaction and the employment environment in the hospitality industry where hiring is particularly difficult. (Photograph 3)



Photograph 1



Photograph 2



Photograph 3



Photograph 4

Closing the Opportunity Gap

● Recruit Marketing Partners—Quipper

Quipper is an online learning tool that aims to eradicate education gaps caused by economic and geographic barriers. The implementation of the program as a teaching aid in schools is on the rise, including a public launch in five cities inside Metropolitan Manila, the capital of the Philippines, and utilization at every elementary and junior high school in Shibuya Ward in Tokyo. (Photograph 1)

● Recruit Holdings/RGF—“WORKFIT”/“Honki no Shushoku”

Since 2011, these employment support programs for the young have helped approximately 26,000 people. Participants undergo training and acquire skills needed for securing employment, such as self-presentation and interview preparation. Now the programs are spreading in Thailand, Vietnam, China and so forth and also helping working mothers, junior high students in a reformatory and nursing home, and evening course high school students. (Photograph 2)

● Recruit Lifestyle—“Maji☆Bu” Marine Magic! and Golf Magic!

This project by Jalan Research Center supports young people’s action, in which more than 1 million people in total participated. The project offers leisure experiences to young people around 20 years old for free, so as to generate future demand for travel in Japan. (Photograph 3)

● Recruit Holdings—Regional Community Revitalization

In March 2017, we concluded a comprehensive collaborative agreement with the City of Arida in Wakayama Prefecture and conducted a cooperative experiment on a model for assisting mandarin farmers. As an open innovation initiative that seeks to develop businesses in collaboration with local governments and companies/associations in other industries, we aim to raise income levels for farmers and achieve an increase in the number of new farmers. (Photograph 4)

● Advantage Resourcing Group and Staffmark

—Supporting Careers of Military Service <Members and Veterans>

Provide career assistance such as resume writing, partnering with external organizations.

—Supporting Refugees

In addition to technology and housing assistance, the companies helped over 300 refugees from Myanmar and provided assistance to find jobs for those who met certain criteria in the US.

● Indeed—Assessments, a new skills-based screening technology

Introduced Indeed Assessments, a new platform where employers can screen candidates for job-related skills without relying solely on resumes. This helps to reduce biases in the hiring process and enables employers to evaluate candidates quickly and in detail.



Photograph 1



Photograph 2



Photograph 3



Photograph 4

Celebrate Diversity and Inclusion

● Recruit Office Support/Recruit—Supporting Athletes

Many employees at Recruit Office Support are athletes balancing their work and sporting careers and have their sights set on participating in the Paralympics. Koji Sugeno is an example of such employees, who is ranked Number 1 in Japan and fifth in the world in the wheelchair tennis quad class as of July 2018. (Photograph 1)

● Recruit Sumai Company—LGBT-Friendly Housing Search Support

Starting in 2017, users can use the SUUMO website to search for LGBT-friendly rental properties. In addition, the *SUUMO Counter Condominium* website offers tutorials on home buying for the LGBT community, information about Rakuten Bank's home loans for same-sex couples, as well as home buying information and case examples. As in 2017, we also took part in TOKYO RAINBOW PRIDE 2018. In 2017, we received a gold Work With Pride award. (Photograph 2)

● Major Recruit Group Companies in Japan—Enhancing Work-Life Balance to Promote Diversity

We offer various support services with the aim of establishing an environment in which employees with diverse circumstances and lifestyles can express themselves in their work. In addition to our existing on-site nurseries, from April 2018 we formed partnerships with 112 nurseries as of July 2018 in an effort to enhance our support of employees returning to work. We also started to provide full-fledged nursing care support with the establishment of a nursing care consultation office and in-house seminars. Up ahead, we will continue to assist the activities of all our employees.

● Indeed—Best Place to Work for LGBTQ Equality

Indeed received the distinction of Best Place to Work for LGBTQ Equality based on the Corporate Equality Index of the Human Rights Campaign. The company was recognized for its corporate policy and workplace diversity. (Photograph 3)

● Recruit Jobs—Empowering Housewives and Senior Citizens

In order to create an easier working environment for housewives and senior citizens who are willing to work, we have implemented unique systems that facilitate flexible working styles, such as shorter shifts and working hours that compartmentalize duties. These systems create an environment where diverse work styles can be realized, and they also help close the opportunity gap, in addition to helping alleviate labor shortages. (Photograph 4)

● Peoplebank—Employer of Choice for Gender Equality

Peoplebank has been selected for a six consecutive year as an Employer of Choice for Gender Equality by the Australian government.



Photograph 1

Respect Human Rights

● Recruit Group Companies—Human Rights

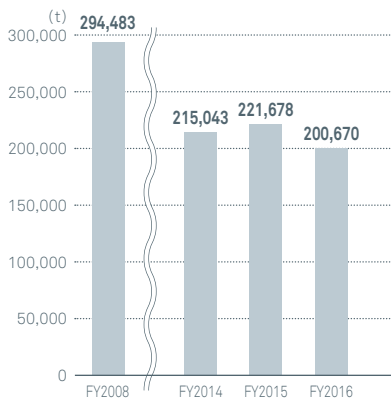
Recruit Group Human Rights Policy applies to all Group executives and employees. As a step towards human rights due diligence, information on human rights risks is collected periodically from each SBU predominately by the Compliance Office. As one comprehensive risk topic, this information is then subject to be summarized, evaluated, set with possible countermeasures, and if necessary, discussed by the Risk Management Committee in Recruit Holdings and each SBU. See page 53 for Features and Specific Initiatives in Corporate Governance at Recruit Group.

● Recruit Group Companies in Japan —Training and Grievance Mechanism

Training on Human Rights, including compliance and harassment issues are implemented at all Recruit Group companies. With the training and hotline desks, we have a grievance mechanism as required by the UN Guiding Principles on Business and Human Rights. Furthermore we utilize IT and launched “Geppo” (JV between Recruit Co, Ltd. and CyberAgent). It is a tool for identifying signs of change in employee conditions. Items such as work satisfaction, human relationships, and health will be analyzed to quickly identify and report issues to human resources.

CO₂ Emissions (in Japan)

Each Group company is currently implementing initiatives to realize a 25% reduction in CO₂ emissions by FY2020 (compared to FY2008 levels).



* Certain base units for CO₂ emissions intensity have been selected with assistance from JMA Consultants Inc. We plan to disclose our latest figures in October 2018 on the following page.
<https://recruit-holdings.com/sustainability/environment/climate-change/>

Conserve the Environment

● Recruit Group Companies in Japan, etc. —Environmental Preservation and Resource Conservation

14 Recruit Group companies in Japan and Advantage Resourcing UK have obtained ISO 14001 environmental management standards certification. As an initiative on conserving resources, we independently monitor an environment efficiency index, which is derived from dividing revenue (100,000 yen) by volume of paper consumption (t). Our recycling ratio for leftover paper is currently 100%.

● USG People Germany—Renewable Energy

In Germany, the weighting of power generated from renewable energy is around 30% but at USG People Germany, 100% of the power consumed by the company is from renewable energy, which translates to an annual reduction of 220 t-CO₂.

● Recruit Sumai Company—“Spreading Green Curtains”

Since 2011, Recruit Sumai Company has proposed environmentally friendly living by spreading “green curtains” of Japanese morning glory plants and bitter melon vines and holding a photo contest in conjunction with this initiative. In fiscal year 2017, green curtains were planted in the City of Asakura in Fukuoka Prefecture, which suffered substantial flood damage. (Photograph 1)



Opportunities and Risks

■ Opportunities for Recruit Group

In recent years, the world has become a smaller place with the advent of social networking services, cloud computing and smartphones. Nowadays, anyone around the world can easily connect with each other in cyberspace. Amid such advances in technology, we aim to further improve our proposals on “Opportunities for Life” starting with the HR field.

With so many technological innovations recently, AI that has enabled deep learning is one example of the major role technology can play in connecting people to each other in cyberspace. One of the biggest advantages of AI is its ability to deliver information tailored to each individual’s needs from an encyclopedic collection of all the world’s information.

Indeed is an extremely competitive platform for matching job seekers with employers through the effective use of machine learning. First of all, in an increasingly information-based society, Indeed uses aggregation technology to scour the worldwide web for job listings in order to maintain the completeness and freshness of job information. Secondly, teams of engineers with advanced technical skills analyze in detail the assembled big data, refine algorithms daily to improve matching relevancy, and provide users with stress-free access to job listings around the world.

In the future, we believe it will become possible for highly encompassing matching algorithm technology to be used on a broader set of information, in addition to job listings.

Through technological innovation, Recruit Group aims to make the world “faster, simpler and closer to you.”

Recruit Group believes risk is best managed in a culture that emphasizes empowerment, accountability and transparency

Mark Schultz

Corporate Executive Officer (Legal/Compliance/Information Security)



■ Risk for Recruit Group

One of Recruit Group’s most valuable assets is data. A core theme in our business is “matching”—using data to connect market participants. Through this process, Recruit Group receives, transmits, stores and uses data from its many customers and clients. Data is also critical in our global business operations, including use of data in compiling and analyzing business results and connecting with and supporting its many valuable employees. Appropriately managing personal information is a top challenge and priority for Recruit Group’s business management. Although protective technologies continue to develop and improve, so do the technologies and methods of those who attack IT systems of companies such as Recruit Group. We have and will continue to expend significant resources to manage and secure data, and our employees include many data management and security specialists. Like many leading companies, we employ multiple types of security defenses, including firewalls, antivirus scanning, vulnerability assessment and analytics, access controls, vulnerability reporting rewards, computer security incident response teams, and employee training. Although data management is a top risk, Recruit Group must manage a variety of other important risks. Some examples are included in Annual Securities Report (Japanese only)*1.

Recruit Group strongly believes risk is best managed in a culture that emphasizes empowerment, transparency and accountability. Those at the business front-line or “gemba” should be empowered to make decisions and manage risk based on knowledge of local conditions and subject to global minimum requirements. Risk-related information should be transparently shared with SBU management and ultimately with Recruit Holdings leadership. (Please see details on page 53.) Based on this information sharing, employees should be held accountable for properly managing risk. Recruit Group uses a variety of tools and structures to ensure its transparency and support this comprehensive risk management culture, including periodic auditing by its Internal Audit Department.

*1 Please see Annual Securities Report to fiscal year ended March 2018 on page 15.
https://recruit-holdings.co.jp/ir/library/supplemental_financial_data_201804_jp.pdf

Corporate Governance

■ Our Approach

Recruit Group adopted a holdings company structure in 2012, splitting off key businesses into operating companies. Our aim is to make swift decision-makings in tune with market trends to accelerate business development in rapidly changing markets.

Based on this approach, Recruit Group has delegated authority to its operating companies, which enables each operating company to make business decisions on a daily basis, with the intention of giving each business more autonomy.

M&A is our main approach to expand business overseas. We acquire companies that are a good fit with our philosophy and culture, and let them continue operating autonomously without changing management teams or switching corporate brands in principle. While keeping the good parts of these acquired companies, we transplant our own management expertise in a bid to spur stronger business growth by creating synergies.

As a listed company, in order to enforce proper controls over the entire Group, we also make concerted efforts to maintain a corporate governance structure from a defensive posture, such as creating globally shared rules for making key decisions, and making sure Recruit Holdings quickly notices information about material risks and acts properly to deal with them.

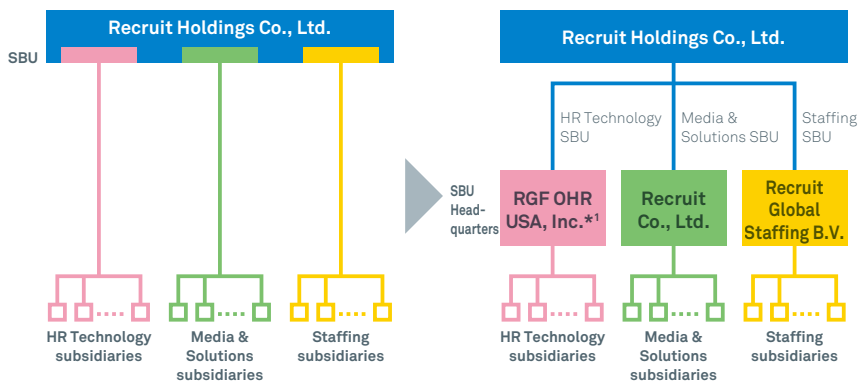
● Changes in Corporate Governance

Time	Measures
2000	Introduction of the Corporate Executive Officer system
2006	Introduction of the in-house company structure system
2012	Transition to holding company structure and new Group setup
2016	Introduction of Strategic Business Unit (SBU) structure
2018	Group Reorganization

■ Outline of Group Reorganization

Since April 2016, Recruit Group has worked to increase enterprise value through each of the three SBUs: HR Technology, Media & Solutions, and Staffing. From April 2018, Recruit Group began operating under a new management structure, as a result of the Group Reorganization with three SBUs at the core. (Chart 1).

Chart 1: Group Reorganization



*1 All the subsidiaries in the HR Technology segment are operated under, but their shares are not necessarily held by HR technology SBU headquarters, RGF OHR USA, Inc.

1. HR Technology SBU

Companies in the HR Technology segment, Indeed, Inc. and Glassdoor Inc., began being operated under their SBU Headquarters (RGF OHR USA, Inc.)*1

2. Media & Solutions SBU

The rights and obligations of the Media & Solutions segment of Recruit Holdings were succeeded to Recruit Co., Ltd, a wholly-owned subsidiary of Recruit Holdings with an absorption-type split method that places Recruit Holdings as the split company. This led Recruit Co., Ltd, to become the SBU Headquarters overseeing operating companies in the Media & Solutions SBU.

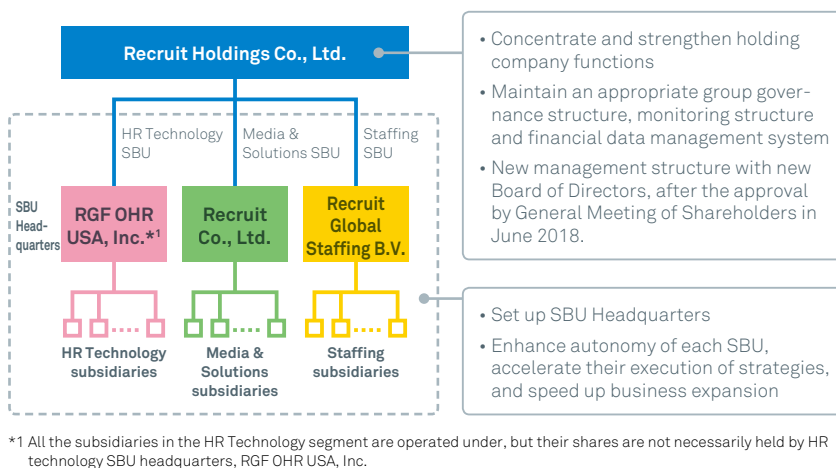
3. Staffing SBU

Companies operated in the Staffing segment, which comprises Japan and overseas operations, began operated under an existing subsidiary (Recruit Global Staffing B.V.) as the SBU Headquarters.

Our Story

Under this new structure, we aim to further increase enterprise value by expanding the scope of operations in accordance with business strategies while reinforcing control functions at the three SBUs. While accelerating business expansion on an SBU basis, Recruit Holdings concentrates and strengthens its holding company functions and maintains an appropriate Group governance structure, monitoring structure, and financial data management system (Chart 2).

Chart 2: New Management Structure



■ Features of Our Corporate Governance and Initiatives

Recruit Group manages businesses with autonomy as its core concept, and delegates authority to each SBU Headquarters and operating companies for them to operate businesses in a self-sustaining manner. Through the measures outlined below, Recruit Holdings practices effective corporate governance in order to clearly grasp critical information related to operations and risks.

● Introduction of Group Policies

Recruit Group Policies have been drawn up as rules to be followed by Recruit Group around the world. The Policies clearly define who has the final authority in key decision-making, and cover in detail a broad range of rules concerning investment management, personnel management, finance and risk management.

● Dispatch of Board Members

Key decisions are made by the Board of Directors of each company. Recruit Holdings dispatches directors to fill a majority of the board seats at SBU Headquarters companies, and SBU Headquarters companies dispatch at least one director to important subsidiaries of its SBU in order to influence and supervise key decision-making.

● **Control by SBU Headquarters**

At each SBU Headquarters, a responsible person has been put in charge of each corporate planning, investment management, finance, HR management and risk management. These key people manage and supervise each operating company by coordinating with Recruit Holdings.

● **Initiatives to Ensure Transparency**

On the assumption the three SBUs are acting autonomously, Recruit Holdings and each SBU, as well as each SBU and their operating companies, share risk information in a highly transparent manner with the aim of improving the level of risk management and compliance as a Group, as well as in order to fulfill their accountability as a listed company to their multiple stakeholders.

Specifically, the following initiatives are being undertaken.

- Recruit Holdings periodically collects and confirms basic information such as organizational structures, responsible persons, the number of litigations and notifications, etc. from each SBU.
- Every six months, Recruit Holdings and each SBU convene meetings of the Risk Management Committee and the Compliance Committee to comprehensively review and mitigate risks surrounding companies and businesses, and also to confirm strict compliance with laws and regulations.
- Recruit Group sets up opportunities for experts to ascertain qualitative information in detail for distinct topics such as data security.
- Directors dispatched from Recruit Holdings to each SBU periodically hold discussions with compliance division of Recruit Holdings to enhance their sharing of information related to compliance and risks.
- Evaluations of the head of each SBU who is responsible for the SBU's operations include categories for risk management and compliance in order to encourage related activities.

● **Implementation of Operational Audits**

The Internal Audit Department, under the direction of the CEO of Recruit Holdings, directly conducts operational audits at its subsidiaries, auditing key topics such as compliance with Recruit Group Policies and GDPR (data protection regulations in the European Union).

Leadership

Board & Directors



Masumi Minegishi

President, CEO, and Representative Director

Masumi Minegishi joined Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.) in 1987 and subsequently was transferred to a section responsible for new business development in 1992, where he contributed to the launch of the Zexy bridal magazine. In 2003, he was appointed Executive Officer at the age of 39, becoming the youngest Executive Officer at the time. He subsequently assumed the role of Senior Corporate Executive Officer in 2004 and was placed in charge of the housing information business, where he built the SUUMO brand and contributed to the launch of Japan's largest comprehensive housing information service. After becoming Board Director and Senior Corporate Executive Officer in 2009, he was involved in medium-to long-term planning as the officer in charge of corporate planning and also promoted investment in companies outside Japan as the officer in charge of business department. He has been serving in his current position as President and Representative Director, CEO since 2012.



Shogo Ikeuchi

CSO, CHRO, and Senior Managing Corporate Executive Officer and Board Director

After joining Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.) in 1988, Shogo Ikeuchi spent his first two years working on a supercomputer project. He subsequently worked in the Corporate Planning and Recruitment Advertising Departments before transferring to the Human Resources Department in 1993. There he was involved in the design of the company's personnel management system. From 2000, he worked at the Office of Corporate Planning, where he engaged in the formulation of mid- and long-term growth strategies, promoted new business development, and facilitated overseas business expansion with a focus on Asia. He subsequently was in charge of corporate planning and human resources as an Executive Officer, a role which he assumed in 2005 and which contributed to Recruit's overseas business expansion and R&D efforts. After being appointed Corporate Executive Officer and Board Director in 2012, he was based in New York as Representative Director of Recruit USA, Inc. from January 2014 through the end of March 2016. In April 2016, he assumed the positions of Senior Managing Corporate Executive Officer and Board Director and has been in charge of corporate planning and human resources.



Keiichi Sagawa

CFO, CRO, and Senior Managing Corporate Executive Officer and Board Director

Keiichi Sagawa joined Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.) in 1988, where he was first assigned to the accounting department before transferring to the HR Division in 2000 and becoming Division Head of the HR Tokai Division in 2004. In that capacity, he worked to strengthen services such as From A and Townwork. He subsequently was appointed Corporate Executive Officer in 2006. As the officer responsible for business supervision, he facilitated the reorganization of the governance structure from a division-based structure to a company-based structure. By redefining the company as the strategic business unit and delegating authority and responsibility accordingly, he improved the level of freedom in business operations and helped develop business leaders. As the officer responsible for investment management, he also built the foundation for promoting M&A strategy. In 2011, he was appointed Corporate Executive Officer and Board Director and led the IPO project that resulted in the successful listing of Recruit Holdings on the First Section of the Tokyo Stock Exchange in October 2014. In his current position, he is in charge of the corporate staffing department and is responsible for areas including finance, accounting, tax matters, capital market strategies, legal affairs, compliance, and information security.



Rony Kahan

Board Director

Rony Kahan started his career in HR industry in 1998, co-founding jobinthemoney.com, the job site for financial professionals. In 2003, he sold the company to Financial News, and in the following year 2004, co-founded Indeed. He served as President/Chairman until 2012, CEO until 2013, and from October 2013 as Chairman, and has successfully grown it into the leading job site in the world with over 200 million monthly unique visitors. He was also appointed as a Board Director of Recruit Holdings in June of 2018 and serves in this position concurrently. He holds an MBA with Distinction from INSEAD and a BSc Honors in Economics from Texas A&M.



Naoki Izumiya

External Board Director

Naoki Izumiya joined Asahi Breweries, Ltd. in 1972. At the launch of Asahi Super Dry, the company's flagship product, he served as General Manager of Public Relations Department, where he implemented a strategic PR campaign that is epitomized by the phrase "dry beer war" and successfully expanded the popularity of the product. After assuming various positions including General Manager of Corporate Strategy Department and General Manager of Tokyo Branch, he was appointed President and Representative Director of Asahi Breweries in 2010. In 2011, he was appointed President and Representative Director and COO of Asahi Group Holdings, Ltd. In an effort to enhance the corporate value of the group, in Japan he facilitated the growth of group companies including Asahi Breweries, Asahi Soft Drinks Co., Ltd. and Asahi Group Foods, Ltd. while also spearheading the acquisition of companies such as Calpis Co., Ltd. Internationally, the group has expanded recently to eight countries in Europe in addition to its presence in Oceania and the Southeast Asian region. He currently serves as Chairman and Representative Director of Asahi Group Holdings, Ltd. Naoki Izumiya was appointed External Board Director of Recruit Holdings Co., Ltd. in June 2018.



Hiroki Totoki

External Board Director

Hiroki Totoki joined Sony Corporation in 1987. After gaining experience in various positions such as in the Finance Department and a financial subsidiary in London, he contributed to the launch of Sony Bank in 1997 before being appointed Representative Director of Sony Bank Incorporated in 2002. He subsequently served as Representative Director and CFO of So-net Corporation (current Sony Network Communications Corporation) before being appointed Sony Corporation's SVP and Corporate Executive in charge of Business Strategy, Corporation Development and Transformation in 2013. In 2014, he assumed the role of President & CEO of Sony Mobile Communications Inc., where he led the structural reforms of the smartphone business. After taking on the role of Sony Corporation's Corporate Executive Officer, EVP, CSO in charge of Mid-to-Long Term Business Strategy in 2017, he assumed his current position of Representative Corporate Executive Officer, Senior EVP, CFO in June 2018. Hiroki Totoki was appointed External Board Director of Recruit Holdings Co., Ltd. in June 2018.

Audit & Supervisory Board Members



Yukiko Nagashima

Audit & Supervisory Board Member (standing)

Yukiko Nagashima joined Recruit Co., Ltd. (current Recruit Holdings Co., Ltd.) in 1985. After working in recruitment advertising, she transferred to the personnel department in 1995. There, she headed recruitment and education and launched an internal business school and other programs for exchange study among companies in different industries. She transferred to the bridal business in 2002 and grew Zexy into the largest bridal information service business in Japan before being appointed Corporate Executive Officer in 2006. She subsequently was appointed President and Representative Director of Recruit Staffing Co., Ltd. in 2008, where she promoted "smart work" that emphasizes per-hour productivity and pursued the creation of work opportunities for more diverse individuals. She assumed her current role as Audit & Supervisory Board Member (standing) in June 2016.



Akihito Fujiwara

Audit & Supervisory Board Member (standing)

Akihito Fujiwara joined Recruit Co., Ltd. (currently Recruit Holdings Co., Ltd.) in 1986. He was responsible for building many operational systems within the Information Network Department and Internal Systems Department, transitioning from paper-based to Internet-based business, and establishing IT management processes. He became Federation Executive Officer of FIT (Federation of IT, referring to a company-wide cross-functional information systems organization which is currently Recruit Technologies Co., Ltd.) in 2004 and Corporate Executive Officer in 2006 before being appointed head of the Automobile division (currently Recruit Marketing Partners Co., Ltd.) in 2009 and head of the ad optimization and Keyman's Net promotion office in 2013. He was named Audit & Supervisory Board Member (standing) of Recruit Holdings Co., Ltd. in 2014, a position he still holds today.



Hiroki Inoue

Audit & Supervisory Board Member

Hiroki Inoue is a Partner of Nagashima Ohno & Tsunematsu. His beginnings at this law firm go back to 1990, when he joined its predecessor, Nagashima & Ohno. In 1995, he received his Master of Laws (LL.M.) degree from Harvard Law School. In 1996, he became a registered attorney of New York State. From 1995 to 1996, he worked at Troutman Sanders LLP, a law firm in Atlanta, Georgia, USA. From 1996 to 1998, he worked at the Nagashima & Ohno ASEAN Office, Singapore, and was involved in the legal issues facing Japanese corporations in Southeast Asia. Since returning to Japan in 1998, he has mostly focused on M&A transactions while also providing legal services in a wide range of areas, some of which include offering advice on the Companies Act, the Financial Instruments and Exchange Act, and the Insurance Business Act, and offering guidance on annual general meetings and international business transactions. Since 2015, he has been involved in the management of Nagashima Ohno & Tsunematsu as Managing Partner. He is also currently serving as an Audit & Supervisory Board Member of Recruit Holdings Co., Ltd. since being appointed to this position in June 2015.



Yasuaki Nishiura

Audit & Supervisory Board Member

Yasuaki Nishiura joined the Tokyo Office of Tohmatsu Aoki & Co. (currently Deloitte Touche Tohmatsu LLC) in 1975. After seven years of experience in the audit department, he was transferred to the San Francisco office of Touche Ross & Co. (currently Deloitte & Touche LLP) and launched the Japanese Services Group from scratch. Five years later in 1987, he was promoted to partner at Deloitte & Touche LLP. He has been involved with many consulting projects such as M&A transactions, human capital strategy, and intellectual property strategy and mainly supported the direct investments of Japanese businesses into the United States. In 2011, he was promoted to West Region Leader of Japanese Services Group of Deloitte & Touche LLP. In 2014, he retired from Deloitte & Touche LLP. In June of 2016, he joined Recruit Holdings Co., Ltd. as an Audit & Supervisory Board Member and is currently serving in that capacity. He is also a Visiting Professor at Nagoya University, a position he has held since August 2016.

Interview with External Board Directors



Balancing offense and defense to improve enterprise value over the long term

Naoki Izumiya External Board Director

Mr. Izumiya joined Asahi Breweries, Ltd. (current Asahi Group Holdings, Ltd.) in 1972. During his career at Asahi Breweries, he worked as President and Representative Director from 2010, Chairman and Representative Director, CEO from 2016, and has been Chairman and Representative Director since 2018 (his current position). He has been an External Board Director of Recruit Holdings Co., Ltd. since June 2018.

■ Governance Leading to Concrete Actions

Q: What is your impression of Recruit Group?

Recruit Group has a very solid management strategy. The story of how the Company creates enterprise value is impressive, setting up a business and moving steadily towards goals. Their management strategy is clearly linked to Recruit Group's sustainable growth and increase in enterprise value over the mid- and long-term. The top executives are all quite young, and demonstrate an aggressive, speedy yet very transparent response toward management issues. They have a burning energy that pervades the entire organization.

Q: How would you evaluate corporate governance?

When a company expands its business through M&As, operations become more global and more diverse, the amount of information gathered continues to increase, and changes in the makeup of top management happen. Various measures tend to be introduced to deal with these changes. Many people might imagine that governance is directed from the top down, but there are a lot of things that you may fail to notice unless you visit each local office and examine actual conditions. Not only is it necessary to provide a framework to direct operations, it is even more important to fill in the specifics with concrete actions.

■ A Sense of Balance and Risk Awareness

Q: What is Recruit Group's role in society?

Recruit Group's business model itself is based on social contributions. For example, by matching job seekers with employers, it offers people worldwide a chance to work in a job that suits them. For those who lack the money for schools or education, Internet training programs provide a learning opportunity and a chance to live a more prosperous life. I think it is remarkable how much Recruit Group accomplishes merely through its core businesses, and it is a place with dreams. It is only Recruit Group that can move towards the achievement of sustainable development goals (SDGs).

Q: What is your role in all these activities?

As an external board director, naturally my first priority is to fulfill my fiduciary duty to shareholders of Recruit Holdings, and to make sure that important management issues are addressed in a transparent, fair and objective manner. Therefore I have an important role in monitoring the execution of business plans. At the same time, I consider it my role expected to support how Recruit Holdings increases enterprise value over mid- and long-term, noting and addressing risk factors.

Pursuing flexibility in governance to support Recruit Group's growth

Hiroki Totoki External Board Director

Mr. Totoki joined Sony Corporation ("Sony") in 1987. During his career at Sony, he worked as Representative Director of Sony Bank Incorporated from 2002, President and CEO of Sony Mobile Communications Inc. from 2014, and has been Senior Executive Vice President, CFO of Sony since 2018 (his current position). He has been an External Board Director of Recruit Holdings Co., Ltd. since June 2018.



■ Conveying Lessons Learned about Overseas Operations and Group Management

Q: What is your impression of Recruit Group?

I am particularly impressed by the Company's energy and brisk growth, as well as the youthful nature of the entire Group. For a company like this, the most important thing needed as an external board director is the guidance obtained from a more diverse, outside perspective. Sony has been active in international markets for decades, and it has a very diverse group of subsidiaries. This has given me a certain amount of experience that I can pass on to Recruit Group.

Q: What is your view on Recruit Group's M&A strategy?

Recruit Group has a very clear awareness of its own strengths, and it has maintained a tight focus on its M&A targets, searching for ways to enhance its reach in areas of core competence. For example, in the acquisition of Glassdoor announced in May 2018, I thought Recruit Group understood very well how prospective users behave in seeking a job, as job seekers would check companies' reviews on Glassdoor, after searching a job on Indeed. M&A is more likely to be successful when a company first decides on the mainstream business and then proceeds with M&As to add businesses consistent with that mainstream business. In this approach, even if M&A fails, the reasons for the failure becomes clear, and the lessons learned from the experience can be used to better effect in the future. I think Recruit Group's M&A strategy is in the right way, with the same approach as above.

■ Representing Stakeholders and Contributing to Enhanced Value

Q: What is your philosophy with respect to corporate governance?

There is never one "right" answer for corporate governance. It changes depending on each company's conditions and its business portfolio. Once a decision is made, it is necessary to follow through, and support the plan until it begins to bear fruit. Nevertheless, it is essential to always maintain a degree of flexibility. For example, a decision to split business units off from the core may be an effective way to boost efficiency; however, it may also dilute the corporate culture and vision that a company has established over many years. Similarly, as organizations grow larger there is a danger that lines of communication may be neglected. Taking a flexible approach aiming towards long term success is paramount.

Q: What is your role in all these activities?

Naturally my oversight role is to make sure that management pursued strategies that will elevate enterprise value, not only in the short term but in the longer term as well. My role is to serve as the representative of stakeholders. In addition, research and experience shows that diversity is a prerequisite to innovation. The external board directors have an important role to play in contributing diverse views and opinions to any discussion. I will fulfill this role effectively to contribute to Recruit Group's continuing growth and success.



Koichiro Ohtaki | Born in 1978, Tokyo, Japan. Graduated from Department of Photography at Nihon University College of Art. A finalist in the 18th "Hitotsubo" photography competition.

Business Strategy

Overview of Business Strategy

Recruit Group believes swift decision-making is essential to maximize enterprise value and shareholder value by actively responding to the rapidly transforming Internet business industry and identifying business opportunities globally. As such, the Group has expanded its businesses through each of its three Strategic Business Units (SBUs), HR Technology, Media & Solutions and Staffing, since FY2016.

■ Three Business Segments

● HR Technology (HR Technology SBU)

This segment consists of the operations of Indeed and Glassdoor. Indeed, an online job search engine, enables users to find jobs and employers to hire talent through the platform. Glassdoor, an online jobs site, is known for introducing greater workplace transparency through its database of company reviews, salary information and other company insights.

● Media & Solutions (Media & Solutions SBU)

This segment consists of two business operations, Marketing Solutions and HR Solutions. The segment has established leading positions in many business fields within Japan through continuously expanding client industries and service offerings, by leveraging our own media for HR and marketing business and our solutions business as an important asset which have been cultivated since Recruit Group's foundation.

● Staffing (Staffing SBU)

This segment consists of Japan and overseas operations, primarily offering temporary staffing services for clerical, manufacturing, light industry and various professional positions.

The segment provides optimal matching services to benefit both job seekers and companies seeking employees in each country, and supports various ways of working in a changing global work environment by increasing employment opportunities.

■ Overview of Mid-Term Strategy

● HR Technology

This segment aims to further expand its presence globally through the existing business of Indeed, and Glassdoor. The segment aims to drive future growth by investing in R&D or through M&A to create new and innovative ways to drive efficiencies in recruiting and hiring processes. We will look for opportunities to expand into other HR related businesses beyond job advertising by contributing to the efficiency of recruiting and hiring processes. While continuing to aggressively invest in our existing job advertising business to drive future growth.

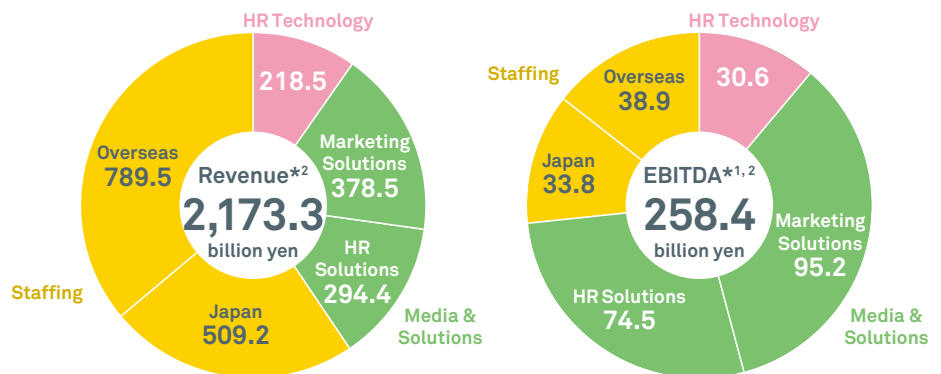
● Media & Solutions

This segment believes it is important to provide small-to-mid sized enterprise clients with new services to improve their operational efficiency, and to expand targeted industries to reach more enterprise clients for sustainable revenue growth, in addition to operating the existing businesses. By accelerating the initiatives mentioned above while maintaining a high EBITDA margin, the segment aims to expand its client base, diversify its business portfolio, and achieve sustainable growth mitigating the impact of external environmental changes.

● Staffing

Through the penetration of “Unit Management,” Recruit Group’s unique management methodology, and continuous technology improvements, the segment will promote improvements in operational efficiency. Japan operations aim for stable growth against a backdrop of a favorable market environment in Japan. Overseas operations focus on improving EBITDA margin continuously, by introducing Unit Management System which has been implemented in Japan operations to overseas subsidiaries.

■ Revenue and EBITDA by Segment



*1 EBITDA = Operating income + depreciation and amortization ± other operating income/expenses

*2 Revenue and EBITDA are calculated without eliminations and adjustments, and include intra-group transactions and transfers. Therefore, the total sum of the three segments does not agree with consolidated revenue.

Message from SBU Head

HR Technology (Global Online HR Business)



Hisayuki Idekoba

COO and Senior Managing Corporate
Executive Officer
Head of HR Technology Business
CEO, RGF OHR USA, Inc.
Chairman, Recruit Global Staffing B.V.
CEO, Indeed, Inc.

Creating the Future for Job Search

■ What We Hold Dear: “Isn’t There a Better Way?”

Since the day Recruit Group was founded, we have focused on helping people discover opportunities that open up new chapters in their lives. To do this, we constantly have to ask ourselves, “Isn’t there a better way?” This is the core of our management philosophy, and it is a value we hold dear. In fact, Recruit Group’s entire history could be summed up as the pursuit of creating unique services and solutions in response to this question.

In the beginning, our challenge was to turn the job seeking bulletin boards at colleges and universities—which was the only way to search jobs at the time—into an information magazine available to anyone, to make it easier to find jobs. Recruit Group didn’t stop there. As we expanded our services, we also widened our scope to not only include choices that are critical to people’s lives, such as those involving housing and education, but also leisure and lifestyle choices, such as where to go on vacation or at what restaurant to eat with their family. But this was just the beginning. We continued asking ourselves, “Isn’t there a better way?” For the convenience of our users, Recruit Group transitioned from a traditional publishing company to an online, internet-based business. In 2012 we acquired a US company Indeed, which operates a global online job search engine that utilizes the machine learning.

Indeed’s aggregation technology is both advanced in its use of algorithms and machine learning and accessible based on a simple interface with two search fields—one for keywords and the other for location. The combination is extremely powerful and relies on cutting-edge technology to sort through massive volumes of data in a single repository for all jobs and deliver search results that are the most relevant to job seekers.

Currently the site has captured the No. 1 position in the global marketplace with more than 200 million users per month.

■ Glassdoor Joined the HR Technology SBU

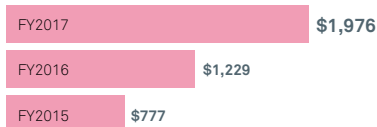
We acquired Glassdoor to be operated under the HR Technology SBU in June 2018. Glassdoor was founded on the notion of transparency. Right from the start, they allowed job seekers to access information on what it was actually like to work at a company. They now have almost 60 million users per month and are the front runner in this area. The “word-of-mouth” information, which Glassdoor has advantages on, is also what Recruit Group has put focus on in other services. Whether choosing a trip or choosing a restaurant, customers depend on it.

Choosing a job is one of the most important decisions that anyone will make in their life. Reviews by fellow job seekers on sites like Glassdoor provide job seekers with unique, invaluable insights into what it’s actually like to work for a company. But there’s still more to do, and I am extremely excited that Glassdoor, an industry pioneer in this area, joined our group.

I often wonder what the experience of searching for a job, applying to it, taking interviews, and building a career will look like for our children’s generation—just 10 or 20 years from now. Since building a career is a deeply personal and life-altering experience, I believe that there must be a way to make the whole process less arduous. As a pioneer in this industry, I believe we have a responsibility to make the process faster and simpler, to help guide our children toward a brighter future. I strongly believe that through our ever-evolving technology and services, we will be able to find job seekers a job that perfectly fits them—as if it were suggested by a close friend. To make this happen, we must look beyond simply salary and benefits information, and continue to gather information that uniquely captures what it’s actually like to work at a company. We are only at the beginning of this journey. We know this will be a long process, and we are committed to achieving our ambitious goals. Utilizing Indeed’s advanced technology and unrivalled user base and Glassdoor’s expansive review information, the two companies will leverage their respective strengths to take on new challenges.

Mid-Term Strategy

Indeed's revenue (millions of US dollars)

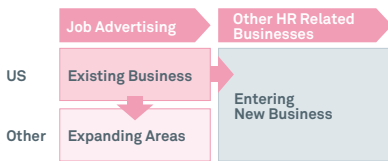


*1 This is the financial results of Indeed which differ from the IFRS-based consolidated financial results of Recruit Holdings Co., Ltd. due to differences in consolidation methodologies.
 *2 Revenues for FY2015 and FY2016 on this page are based on the fiscal year of Recruit Holdings Co., Ltd. ending March, along with the adoption of IFRS in place of Japanese GAAP from the beginning of FY2017. This from the results presentation in May 2017 which was based on the fiscal year of Indeed ending December.

In 2012, Recruit Holdings acquired Indeed, which operates an online search engine for job seekers that is growing as a global online HR platform. Our strategy over the medium term is to expand Indeed's existing business in the field of job advertising in the US and global markets, and to aggressively increase the HR technology business through R&D investment and acquisitions.

In line with this growth strategy, we acquired the US company Glassdoor in June 2018, which manages one of the world's largest and fastest-growing online job search websites. Through collaboration between Indeed and Glassdoor, we will create business opportunities for further growth, aiming to solve various issues for both job seekers and employers.

Expand business area from job advertising to other HR related businesses



Over 40 Million Reviews and Approximately 60 Million Unique Users per Month

Glassdoor was founded in 2007 in California, US. The company manages the job information search website *glassdoor.com*, one of the fastest-growing job sites in the world. Through millions of reviews and insights generated by users, Glassdoor aims to provide highly transparent company information to job seekers. It has built a strong support base among users, mainly in the US, and continues to grow rapidly.

The reviews and insights are extremely wide-ranging, covering everything from basic information, such as company reviews, CEO ratings, salaries, and benefits, to questions and impressions from interviews. The website has received over 40 million reviews and insights from its many users, and attracts approximately 60 million unique users per month. Glassdoor is one of the largest and fastest-growing companies in the global online HR industry.

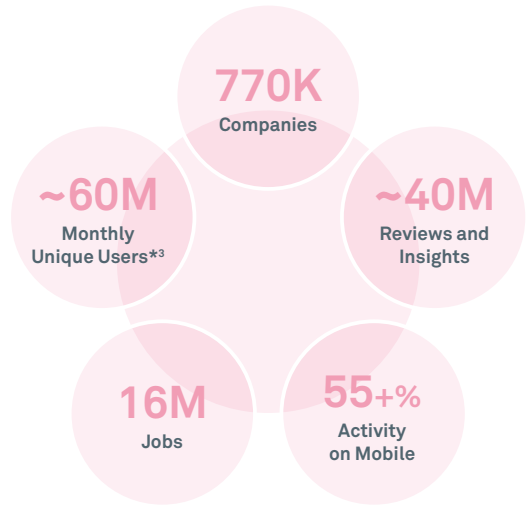
#1 job site worldwide*¹
200 million unique visitors per month*²
Ranked #1 in 13 countries*³
120 million resumes*⁴

*1 comScore, Total Visits, 2018
 *2 Google Analytics, Unique Visitors
 *3 comScore, Unique Visitors/Similar Web, Total Visits/Mediameetrie, Unique Visitors (April 2018)
 *4 Indeed data, March 2018

Glassdoor, Inc.*1

Headquarters: Mill Valley, California (USA)
Products: Employer branding solutions
 Job advertising
Revenue: 171 million US dollars*2
 (Fiscal year ended in March 2018)
Employees: 750
Established: June 2007

*1 Glassdoor Management, Glassdoor Internal Data
 *2 Revenue based unaudited financials.
 *3 Unique users represent peak monthly users in the period from January 1 to March 31, 2018.



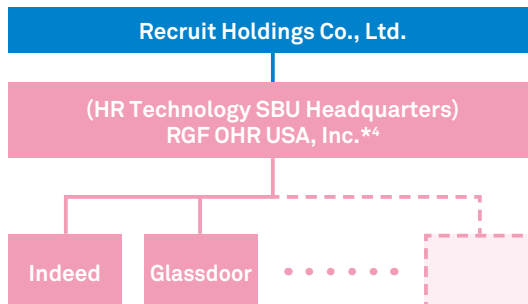
Indeed and Glassdoor Complement One Another to Create Better Services

Indeed has focused on honing its search technologies to make the task of finding a job simpler and quicker for all users. Meanwhile, Glassdoor has focused on increasing transparency in the job search experience by providing unique company information for job seekers. Glassdoor’s company information such as reviews and insights is the perfect complement to Indeed’s job search function. The two companies also share the similar approach of putting the needs of job seekers first and providing a better job search experience for them. By creating collaboration opportunities with a long-term view, the two companies are confident that they will be able to provide better opportunities to both job seekers and employers.

Glassdoor, Inc. is operated under HR Technology SBU

- ✓ Glassdoor is an operating company under the HR Technology segment of Recruit Holdings Co., Ltd., same as Indeed.
- ✓ HR Technology segment aims to deliver broader value by leveraging the strengths of each operating company.

Governance Structure Image



*4 All the subsidiaries in the HR Technology segment are operated under, but their shares are not necessarily held by HR Technology SBU headquarters, RGF OHR USA Inc.

Message from SBU Head

Media & Solution (Media & Solution SBU)



Yoshihiro Kitamura

Managing Corporate Executive Officer
Head of Media & Solution Business
President and Representative Director,
Recruit Co., Ltd.

Evolving to a More Refined Business Model

■ No. 1 in Revenue in Main Business Fields

It would be no exaggeration to say that the history of the Media & Solutions segment is the history of Recruit Group. Since our foundation, we have developed almost all of our businesses in Japan organically, which have been built up and create our current business portfolio. From the origins of recruiting business in Japan, we diversified our businesses into Life event area in the 1980s Life which individual users experience only once or twice in a lifetime, such as entering further education, buying a home or automobile, and getting married. In the 2000s, we expanded operations into travel, dining and beauty which we call Lifestyle area.

Meanwhile, we quickly and smoothly pivoted from traditional print media to Internet media using IT and networks.

In FY2017, segment revenue totaled 679.9 billion yen and EBITDA was 156.1 billion yen while the number of employees increased up to approximately 20,000 in the Media & Solutions segment. We have taken the No. 1 position in terms of revenues in almost all of our main businesses in this segment.

■ Delivering New Value by Visualization and Optimization through Technology

The Internet and web services, the foundations to our main businesses, continue to evolve as infrastructure that supports change in society and business. AI, IoT and other new trends have drawn the most attention, and the rapid changes spurred by these technologies around the world are considered by some the markings of a fourth industrial revolution. My understanding is that technology is changing the very nature of industry itself and creating new industries in the process.

The working population in Japan is projected to decline. With this indisputable fact in mind, we believe it is necessary to deploy technology to improve productivity across all industries in Japan

to increase its global competitiveness. We aim to provide new value to society by taking on this challenge as one of the SBUs of Recruit Holdings. Digitalization brought by fully using technologies makes things that previously could not be seen visible. Digital technology also makes it simpler to optimize what has been visualized. Visualization and optimization are the key themes in our approach to all industries and business processes.

■ Transformation into a Matching Platform Solutions Business

We introduce operational support software and online applications (SaaS: Software as a Service) for clients by positively using cloud-based and other Internet technologies, with the aim of establishing a robust framework for efficiently collecting large volumes of digital information.

Meanwhile, we have also introduced *Recruit ID* as a universal point system and have been integrating user databases that had been walled off for each service in a bid to further increase convenience for our users.

Through the heavy use of technology, the Media & Solutions segment is in the process of transitioning into a Matching Platform Solutions Business which enables both users and clients to experience higher levels of satisfaction at the same time. By providing highly satisfying media for users such as online Matching Platform and, at the same time, solutions for corporate clients such as cloud-based Operational Support Services via the Internet, our value proposition is to help our corporate clients use IT in their business operations, and realize revenue growth as well as greater business efficiency.

As we evolve toward this business model, we will continue to nurture businesses with strong potential for growth by applying the established systems to other businesses. We aim to draw new growth scenarios and realize the growth by ambitiously pursuing business opportunities in new business fields with new Operational Support Services for new clients.

Mid-Term Strategy

Revenue (in billions of yen)



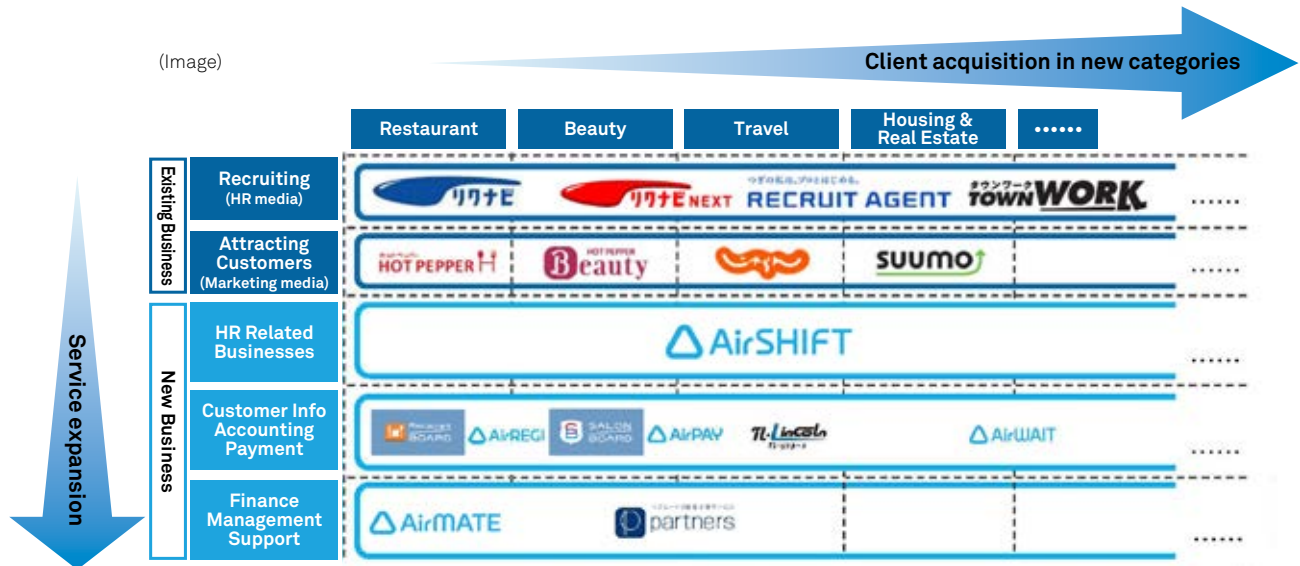
EBITDA (in billions of yen)



Media & Solutions SBU aims to expand targeted industries and further reinforce its business base by expanding the Operational Support Services the SBU has been providing to its clients. We also aim for stable revenue growth while maintaining high EBITDA margins, even after considering investments in new business development.

With an eye to increase the volume of matching transactions for users and clients, the cornerstone for earnings growth, we intend to efficiently maximize the volume and quality of inventory needed for user actions within the context of reception hours and seat reservation status at clients.

In April 2018, the Media & Solutions segment transitioned to a business structure with Recruit Co., Ltd. as the SBU Headquarters to rapidly and smoothly execute the mid-term strategy.



■ TOPICS: Diverse Services in Peripheral Domains



With *Rikunabi HR Tech Career Change Scout*, a search tool for finding mid-career job seekers, corporate clients are provided with information about optimal candidates screened by AI (machine learning) with direct access candidate databases managed by us. This operational support service also manages everything online, from setting up interviews to hiring. By partly automating the processes that hiring managers used to conduct with SaaS, we aim to create an environment where highly accurate matching of candidates to jobs can be performed with the least amount of effort.

As a measure to increase new clients, we have continued to invest in *AirREGI*, releasing *RESTAURANTESTRANT BOARD*, a system for managing seat reservations at restaurants that also provides HotPepper Gourmet with real-time information about seat availability. We also offer optional functions to corporate clients, including a messaging system for reaching out to users, website creation and other operational support services bundled into the Operational Support Package as a fee-based SaaS feature. Recruit Group has launched reservation services and operational support services before the competition, resulting in a significant lead over rivals in terms of reservation numbers. Approximately 46,000 clients use our online instant reservation service, and 71.21 million people have made online reservations as of March 31, 2018.



AirPAY is a payment service available on the iPad or iPhone via a downloadable app. We are seeking out earnings opportunities by increasing the convenience of payments for users with *AirPAY* while increasing more small-scale clients, few of which can handle credit card payments, on board through *AirREGI*, *SALON BOARD* and *RESTAURANT BOARD*.



Recruit Group offers financial services that utilize Big Data analysis and AI through the management support service *Partners*. One feature is our ability to set lending limits based on projections of future profitability after sifting through large volumes of data including the number of transactions over our services, related trends, and word-of-mouth information. We are currently providing these services to a limited number of clients in Travel, Dining and Beauty subsegments, but intend to expand the scope of applicable industries and evolve it into a multi-faceted operational support service.

Message from SBU Head

Staffing (Global Staffing Business)



Rob Zandbergen

Managing Corporate Executive Officer
Head of Staffing Business
CEO, Recruit Global Staffing B.V.

Entering a New Phase Expanding the Staffing Business

■ Building a Solid Foundation under Recruit Global Staffing

The current position forms a robust platform on which we will build the future of Recruit Global Staffing. We will continue to develop our Unit Management practices and local competitiveness in the regions we are in. In addition, we intend to more actively engage local management in our Group's development. Connecting the diverse people and cultures with their knowledge and creativity to move our entire organisation forward. In this way, we respect each other's differences and capitalize on our collective skills and capabilities at the same time. This stimulates our unique local brands to engage in the interconnected network to set the future standards supporting each of them to develop unparalleled HR services to their clients all over the world.

Being part of our worldwide HR network provides a collective purpose for all the people in the Recruit Global Staffing family, while remaining primarily focused on local operations. I believe that a joint ambition will stimulate engagement and motivate our people to further build performance throughout the organisation.

■ Supporting People in Their Personal Development

Within our workforce of approximately twenty thousand employees, we have an abundance of talented people. The people are an essential driver of our performance. Therefore, it is key that our operating companies are known as attractive employers to talented employees enabling them to continuously build and retain the right people capabilities. Throughout our organisation we continuously aim to provide a meaningful impact to our employees by cultivating talent and actively supporting people in their personal development. Our management prioritizes an environment of trust and inspires people to pursue their own ambition as well as the Group's collective purpose

of being a meaningful connection between employers and employees that truly matters throughout the world.

■ Increasing Corporate Value through the Unit Management System

Our Unit Management governance model has been implemented in all our operating companies. It ensures a solid and above market return on our spend and already resulted in superior conversion of gross profit into EBITDA. A next phase of our unit management within our existing operations, will stimulate autonomous and profitable growth further.

In the past years, the Unit Management structure (division into small units delegated with authority) was put in place at subsidiaries acquired with our two important criteria in conducting M&As in Staffing: the first is that the target company agrees to adopt our approach of increasing corporate value through the Unit Management System and the second is that the target company has a good understanding of the methodology itself.

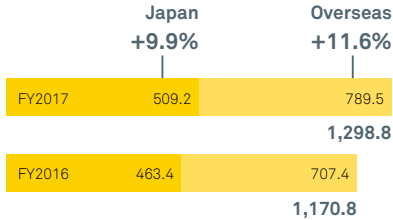
The decision-making and operational processes in our subsidiaries were aligned with the Unit Management principles and people have adopted and embraced the way of working with strong ownership. As a result, the effectiveness and profitability of our organisation has improved. This is typical in a first phase that follows after the implementation of Unit Management. The next step will allow for increased attention for commercial opportunities in the market. This will support autonomous revenue growth as well as further increase our contribution to the society.

Looking at the governance structure in the acquired subsidiaries, in principle, we keep the original management team onboard to run the operation. We assign only a minimum number of personnel to the acquired company to take roles under local management, instead of being put in a supervisory role.

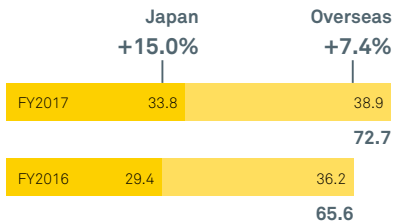
Through the Unit Management System, we will create value for society and deliver a strong financial performance. I am convinced that this course of action will help us to grow the Staffing business into a leading global operation.

Mid-Term Strategy

Revenue (in billions of yen)



EBITDA (in billions of yen)



For the past several years, revenue and EBITDA have been growing, supported by a favourable market environment, contributions from the consolidation of subsidiaries and improvement of efficiency and profitability.

Recruit Global Staffing intends to advance its operational effectiveness through mature fully fledged Unit Management and continuous technology improvements. This enables the operating companies to deliver optimised profitability and autonomous revenue growth.

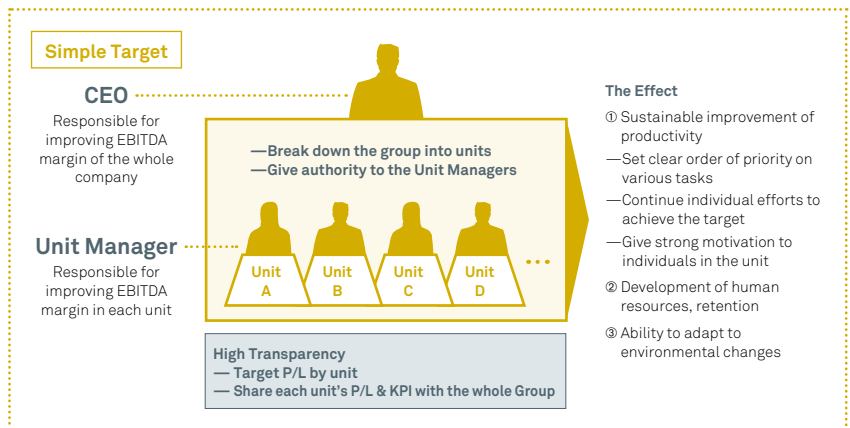
Under solid global economic conditions, Recruit Global Staffing aims to continue driving steady growth in revenue and profit.

Promoting the Unit Management System

The Unit Management System divides an organization into small units based on differences in the markets they serve. Each unit is regarded as a company and the Unit Manager is given authority to make decisions. This arrangement allows each unit to devise and implement optimal strategies for each market, with the aim of maximizing their profits.

There are several reasons why it is difficult to apply conventional productivity enhancement methods to the Staffing business. The first reason is that it is difficult to differentiate our staffing service as its “product” is the work done by the temporary workers. The second reason is that it is difficult to reduce the cost of sales because salaries

Unit Management System

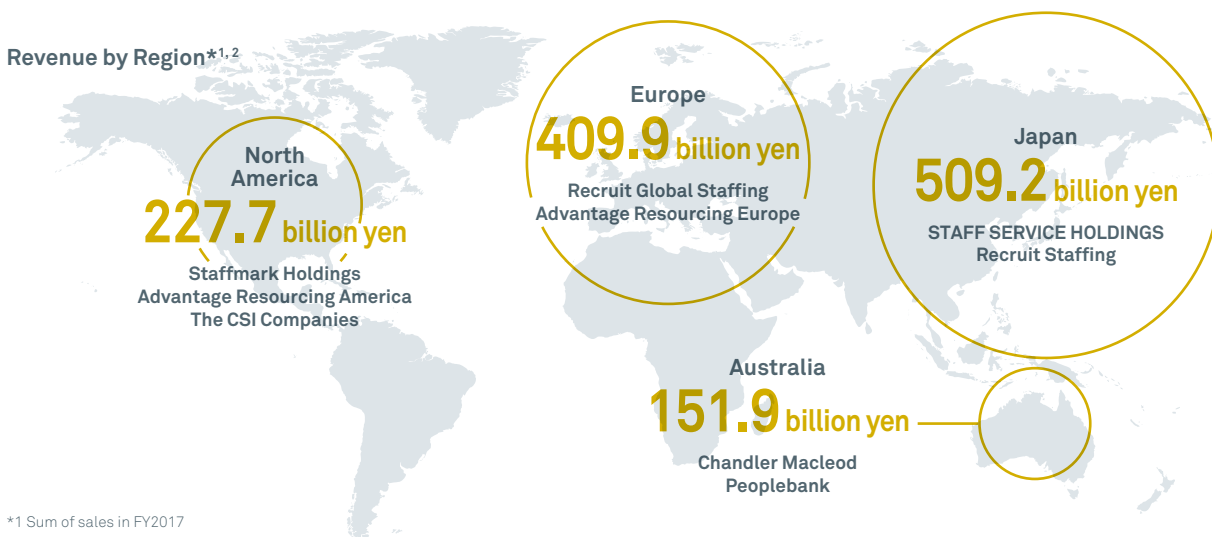


Business Strategy

paid to workers represent most of this cost. The third reason is that the approach of pursuing efficiency through “massive scale and standardized service for a large area” does not work because staffing is a local business, where workers want to find a job close to their homes. Under these conditions, we seek to generate profit by increasing productivity and profitability in each unit of the organization. To do so, we need to steadily make incremental improvements and introduce an autonomous management system at each unit. The Unit Management System is an optimal arrangement for making this happen, as it enables us to encourage every employee to take greater ownership of their duties, increase his or her business awareness and accelerate decision-making processes.

■ An Extensive Coverage of the Global Market

Since 2010, Recruit Group has made a number of acquisitions in the staffing business outside Japan. Recruit Group has subsidiaries in Japan (Staff Service Holdings, Recruit Staffing), Europe (Recruit Global Staffing, Advantage Resourcing Europe), the US (Staffmark Holdings, Advantage Resourcing America, The CSI Companies), and Australia (Chandler Macleod, Peoplebank). In the “Largest Global Staffing Firms 2017,” a survey published by Staffing Industry Analysts (SIA), Recruit Group placed fifth in the industry in terms of its share of the global staffing market. Today, we have a portfolio with extensive coverage in the major staffing markets around the world.



*1 Sum of sales in FY2017

*2 Figures of North America, Europe, and Australia were calculated combining individual subsidiaries





COMPANY PROFILE / STOCK INFORMATION

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://recruit-holdings.com>

Number of Employees:

609 as of March 31, 2018

Number of Group Employees:

40,152 as of March 31, 2018

Number of Consolidated Subsidiaries:

361 as of March 31, 2018

Capital:

¥10 billion (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 regard to dividend payout, the Company will distribute an interim dividend from fiscal year 2017, and has a policy of distributing a dividend twice a year, based on interim and year-end dividend record dates.

Number of Shares 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).



[Inquiries about Recruit Holdings' activities]

<https://recruit-holdings.com/contact/>

[Publisher]

Recruit Holdings Co., Ltd.

