



# Recruit Holdings Co., Ltd.

Investor Presentation

August 2024



MISSION

# Opportunities for Life.

Faster, simpler and closer to you.

**“Couldn't this be faster and easier?” and  
“How can we make this more convenient?”**

- Hisayuki "Deko" Idekoba  
President, CEO, and Representative Director of the Board



# Recruit Group at a Glance<sup>1</sup>

Global Leader in HR Technology and Business Solutions

HRテクノロジーとビジネスソリューションのグローバルリーダー

Founded

**1960**

Headquarters

**Tokyo**

Employees<sup>2</sup>

**51K+**

Revenue (FY2023)<sup>3</sup>

**¥3.41T**

Adjusted EBITDA (FY2023)<sup>3,4</sup>

**¥598B**

Basic EPS (FY2023)

**¥225.99**



\*Please refer to page 53 for footnotes

# Opportunities For Life. Faster, Simpler and Closer to You.



まだ、ここにはない、出会い。より速く、シンプルに、もっと近くに。

01

## Our business model

A history of connecting businesses and individuals in multiple industries

個人ユーザーと企業クライアントへの最適なマッチングソリューション提供の歴史

02

## Our business strategy

A three-part strategy combining historical strengths and future opportunities

当社の強みと将来における機会を融合させた3つの戦略の柱

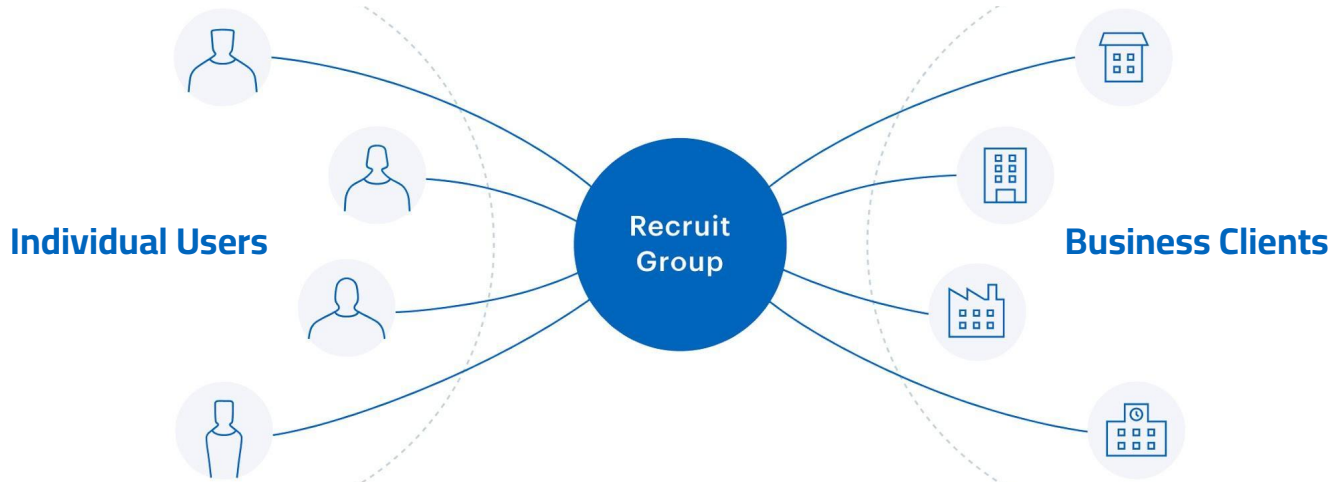
03

## Our leadership and capital allocation policy

マネジメントチームとキャピタルアロケーション方針



# Our Business Model



Hiring



Housing & Real Estate



Bridal

Matching Platforms



Beauty



Travel



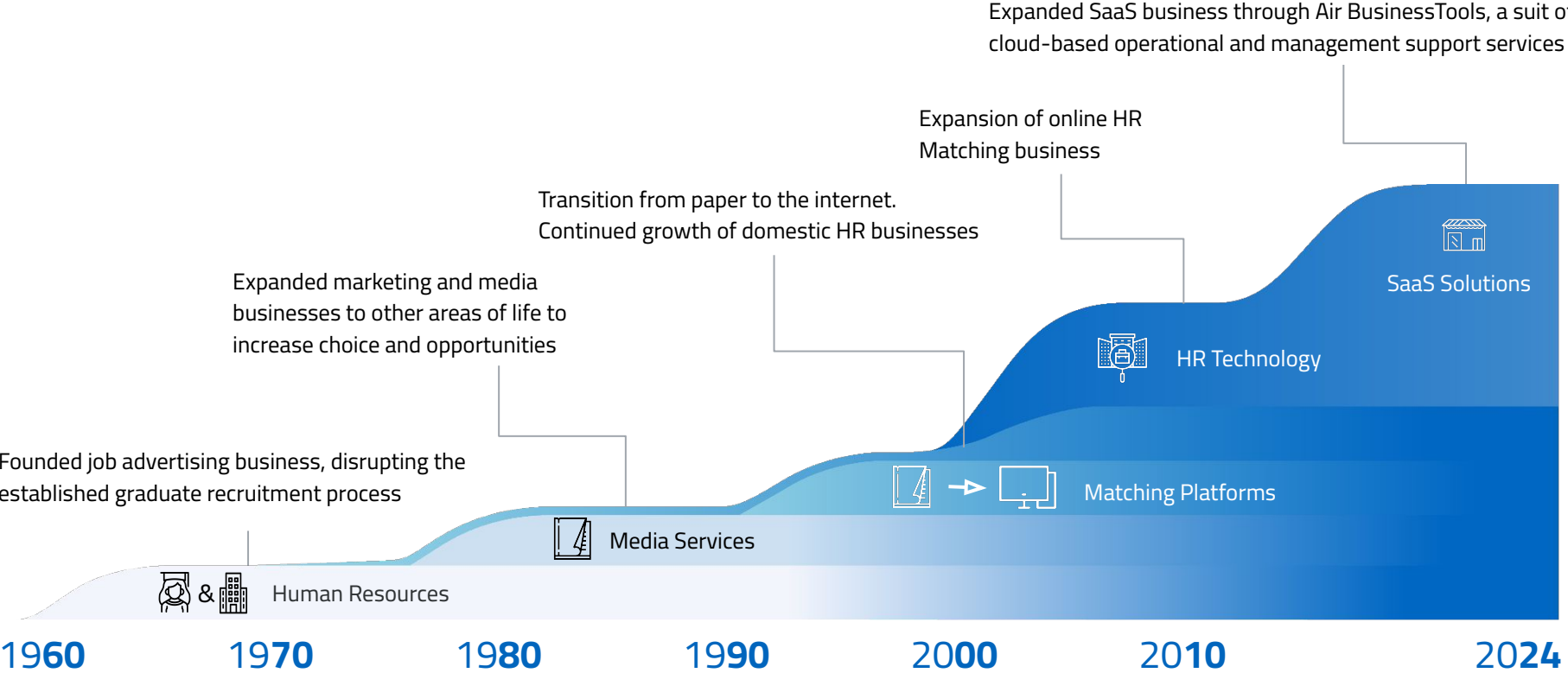
Dining



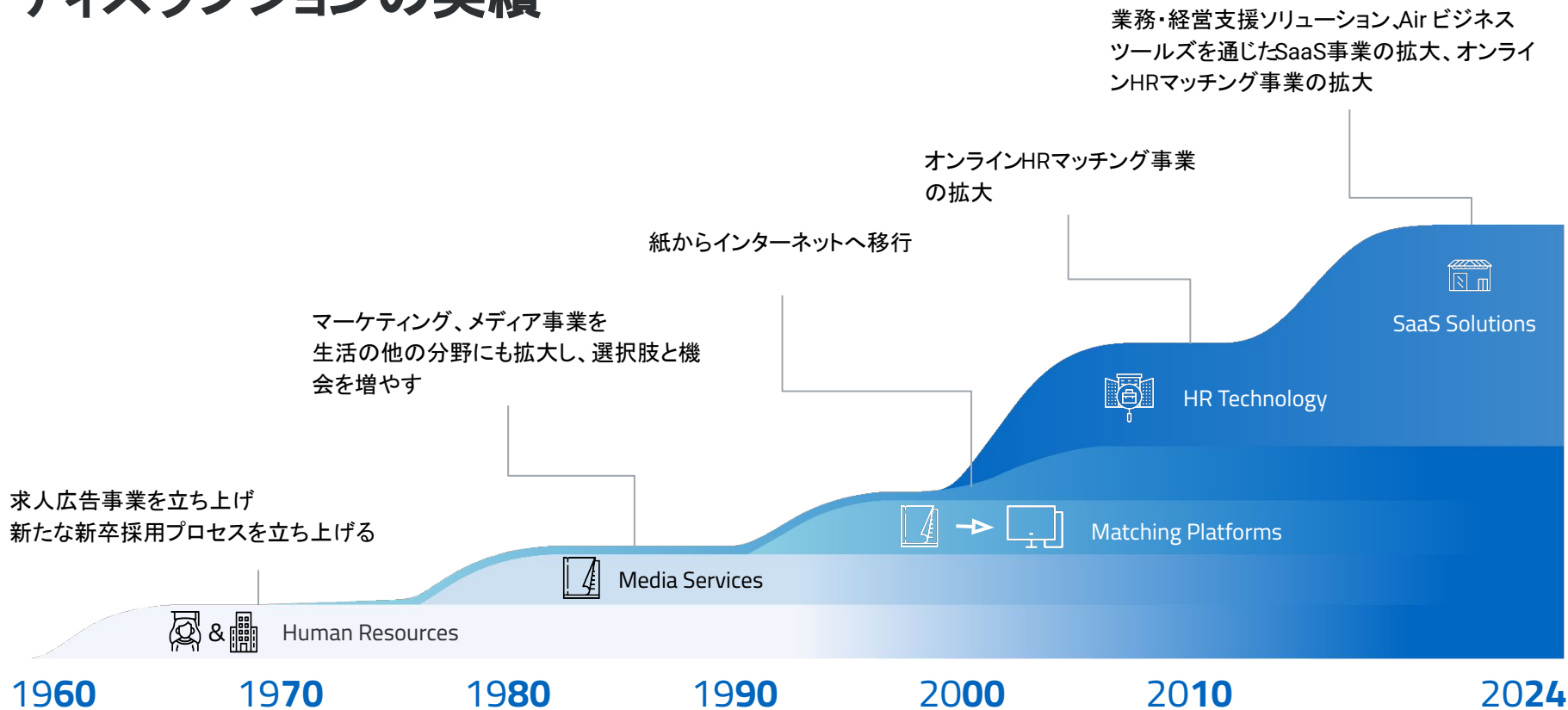
SaaS solutions



# Proven Track Record of Business Expansion, Digital Transformation and Disruption



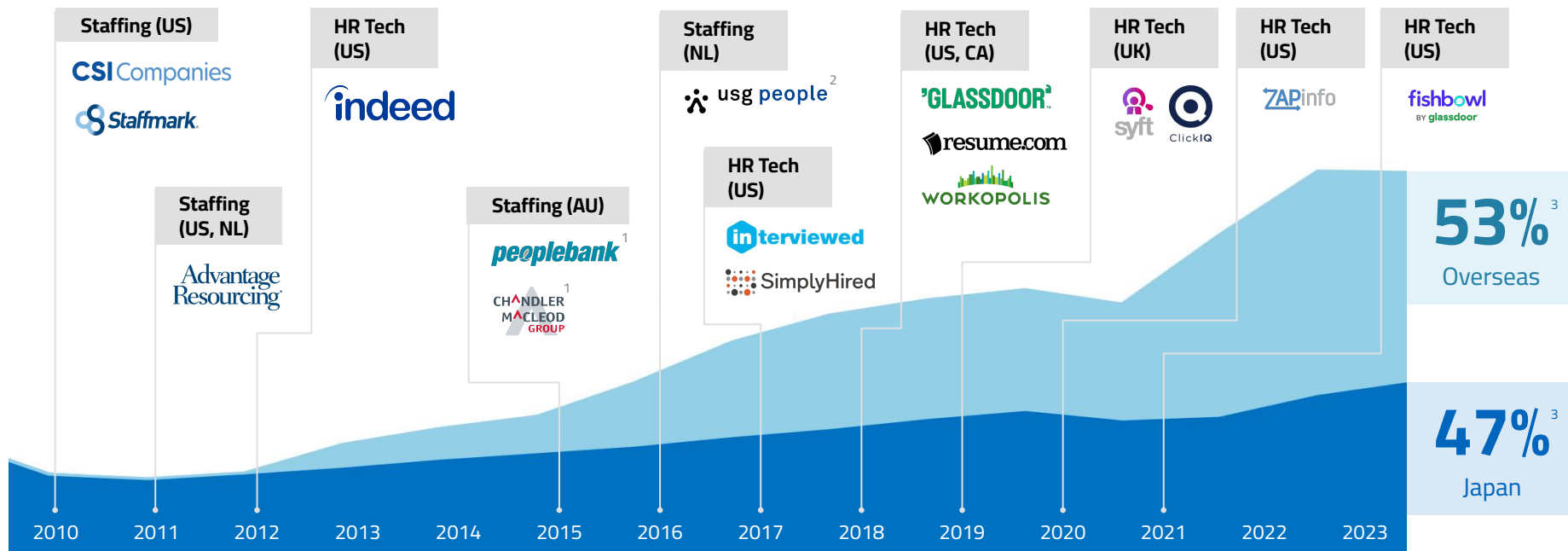
# 事業拡大、デジタルトランスフォーメーションと ディスラプションの実績



# Globalization of HR Matching Businesses through M&A

M&Aを通じたHRマッチングビジネスのグローバル化

FY2023 Consolidated Revenue (3.41tn yen)



## Strategic acquisitions enabling leading matching capabilities

戦略的なM&Aにより優れたマッチングを実現

<sup>1</sup> Peoplebank and Chandler Macleod Group were rebranded as RGF Staffing APEJ in November 2021, and RGF Staffing APEJ rebranded as RGF Staffing ANZ in April 2024.

<sup>2</sup> Company name of USG People Holdings B.V. was changed to RGF Staffing the Netherlands B.V. in April 2021, and other USG People group companies were rebranded to RGF Staffing in March 2021.

<sup>3</sup> Revenue breakdown between Japan and overseas is calculated based on the revenue in FY2023.



# Leading Brands across Three Strategic Business Units

	HR Technology SBU	Matching & Solutions SBU		Staffing SBU
		HR Solutions	Marketing Solutions	
<b>Business</b>	<p>Global platforms on jobs, hiring solutions and real-time conversations</p> <p>グローバルプラットフォームにおける求人広告や採用ソリューション、情報コミュニティの提供</p>	<p>Matching platforms and SaaS solutions in Japan</p> <p>日本国内でマッチングプラットフォームや業務・経営支援SaaSの提供</p>		<p>Temporary staffing services in Japan, Europe, US and Australia</p> <p>日本、欧州、米国、豪州における人材派遣サービス</p>
<b>Brands</b>	 	 	  	  
<b>Source of Revenue</b> 収益源	<ul style="list-style-type: none"> <li>➤ Pay for performance</li> <li>➤ Subscription fees</li> </ul> <p>ペイフォーパフォーマンスモデル サブスクリプション課金</p>	<ul style="list-style-type: none"> <li>➤ Advertising</li> <li>➤ Pay for performance</li> <li>➤ Subscription fees</li> </ul> <p>広告課金 ペイフォーパフォーマンスモデル サブスクリプション課金</p>		<ul style="list-style-type: none"> <li>➤ Fee for dispatching temporary staff</li> </ul> <p>派遣スタッフを企業に派遣</p>

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# Our Business Strategy

Three strategic pillars combining our historical strengths with future opportunities

## Simplify Hiring

Make it easier and faster for people to get jobs

---

人材マッチング市場における採用プロセスの効率化

## Help Businesses Work Smarter

Improve performance and productivity for business clients in Japan

---

日本国内企業クライアントの生産性及び業績向上

## Prosper Together

Make positive impact on society and the planet through sustainable growth shared by all stakeholders

---

ステークホルダーとの共存共栄を通じた持続的な成長

# Simplify Hiring

Make it easier and faster for people to get jobs

人材マッチング市場における採用プロセスの効率化

## Industry Leading HR Matching Services & Solutions

### Job Matching & Hiring Platforms

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### Placement

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リクルートスタッフィング

### Temporary Staffing

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# Our Vision to Simplify Hiring

## Today



Complicated, confusing,  
manual and slow

複雑で、わかりにくく、手作業が多く、時間がかかる

## Future



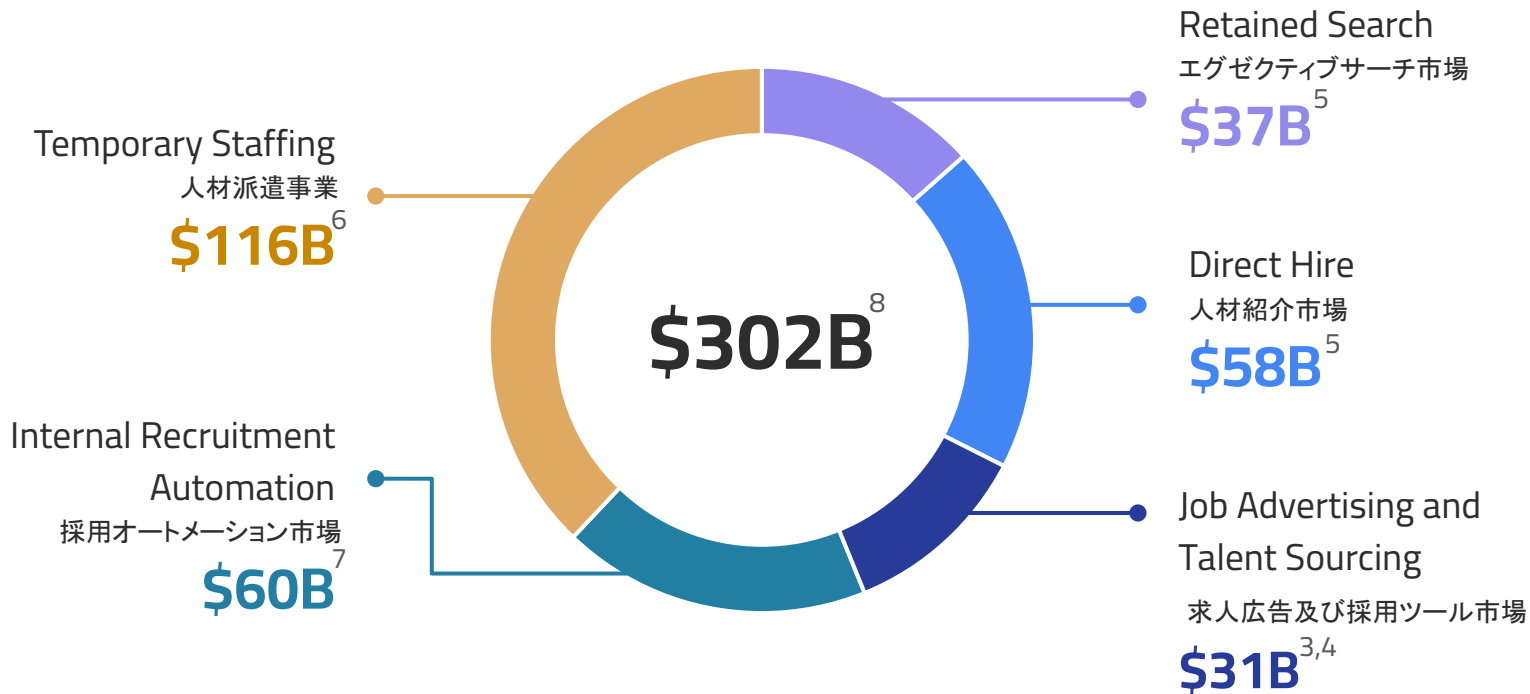
**Easier and faster** for people to get jobs  
**Reduced cost and time** to hire for employers

求職者がより早く・簡単に仕事に就け、  
雇用主は、採用のための時間とコストを削減できる

**Leading the transformation of job matching and hiring**

ジョブマッチングと採用の変革をリードする

# Large and Growing Global HR Matching Market<sup>1,2</sup>



\*Please refer to page 54 for footnotes and page 55 for market definitions

# Trends that Support Long-term Growth of HR Matching Industry



Tight labor markets



Skills-based hiring



Automation and AI (data-driven recruitment)



Globalization of talent



Hybrid and flexible work models



Virtual recruiting



Employee experience and well-being



High labor market churn



Outsourced recruiting



Workforce diversity

# HRマッチング事業の長期成長を後押しするトレンド



タイトな労働市場



スキルベースの採用



データドリブンの採用を可能にする  
自動化及びAI



人材獲得のグローバル化



ハイブリッド等柔軟な労働モデル



バーチャル採用



従業員としての経験やウェルビーイング



離職率の上昇



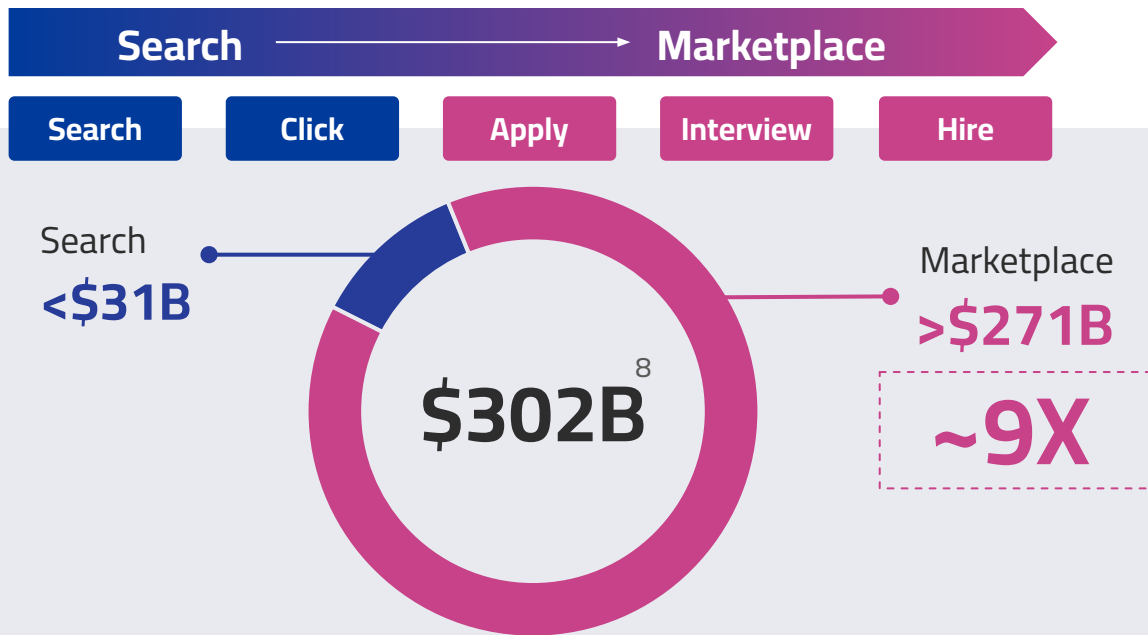
採用業務の外部委託



労働力の多様化



# Leading Indeed's Transformation from Search to Marketplace

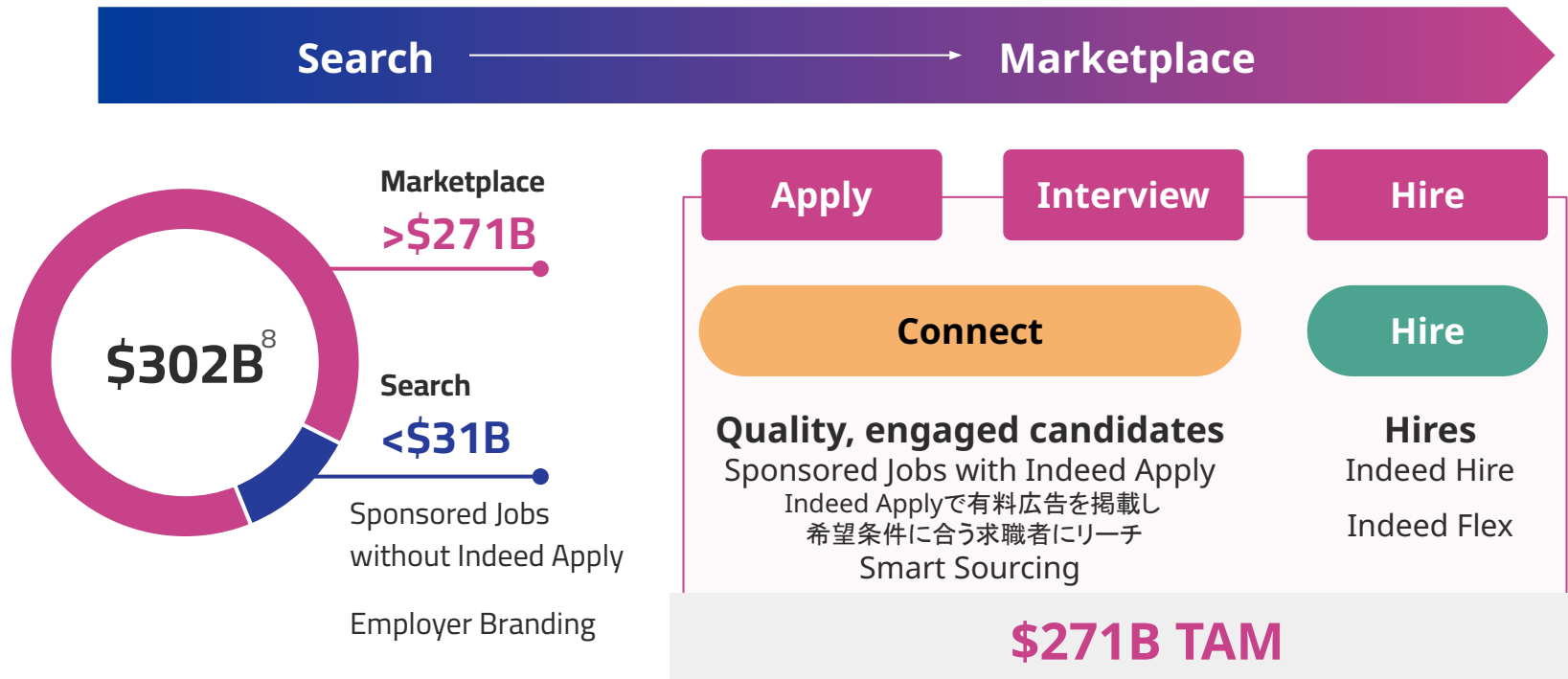


**~9X larger opportunity with marketplace strategy**

マーケットプレイス戦略によりAMIは9倍超へ

\*Please refer to page 54 for footnotes

# “Closer to the Hire” Offering



\*Please refer to page 54 for footnotes

# Improving Quality and Speed of AI Matching



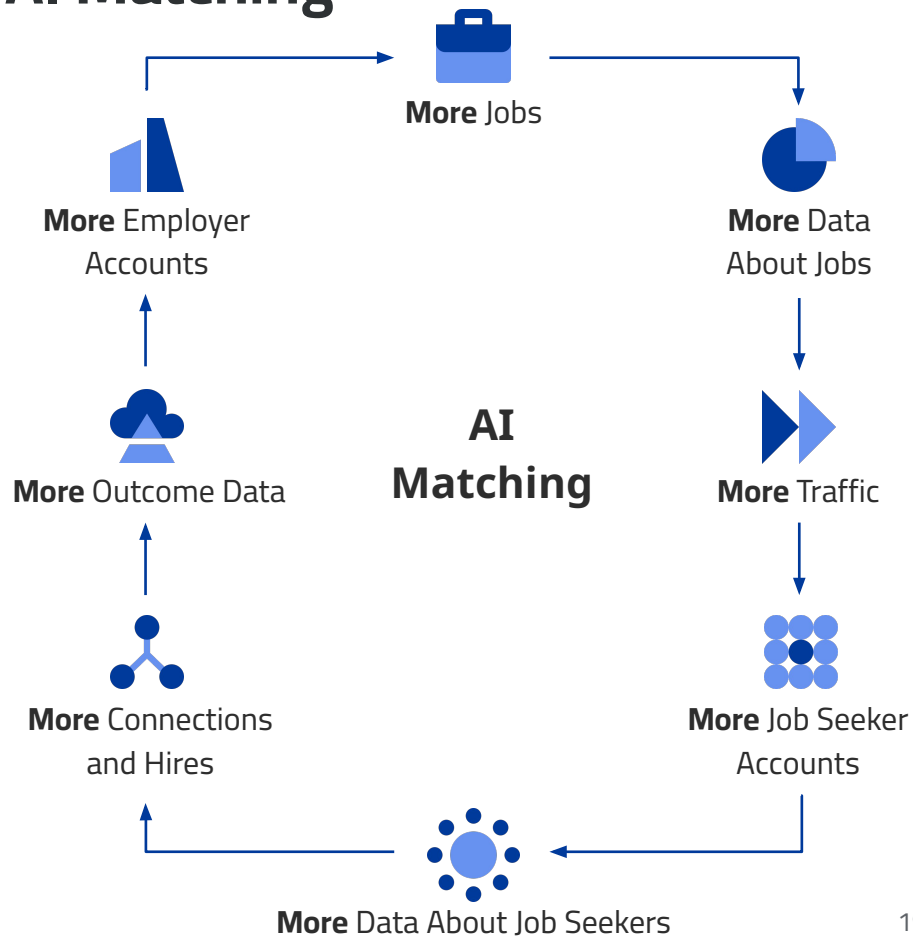
## Leveraging Data and Technology across Our HR Matching Businesses

人材マッチング事業全体でデータとテクノロジーを活用

- 525M job seeker profiles<sup>1</sup>
- 1B total ratings and reviews<sup>2</sup>
- 1B assessments taken<sup>3</sup>
- 30M jobs<sup>4</sup>

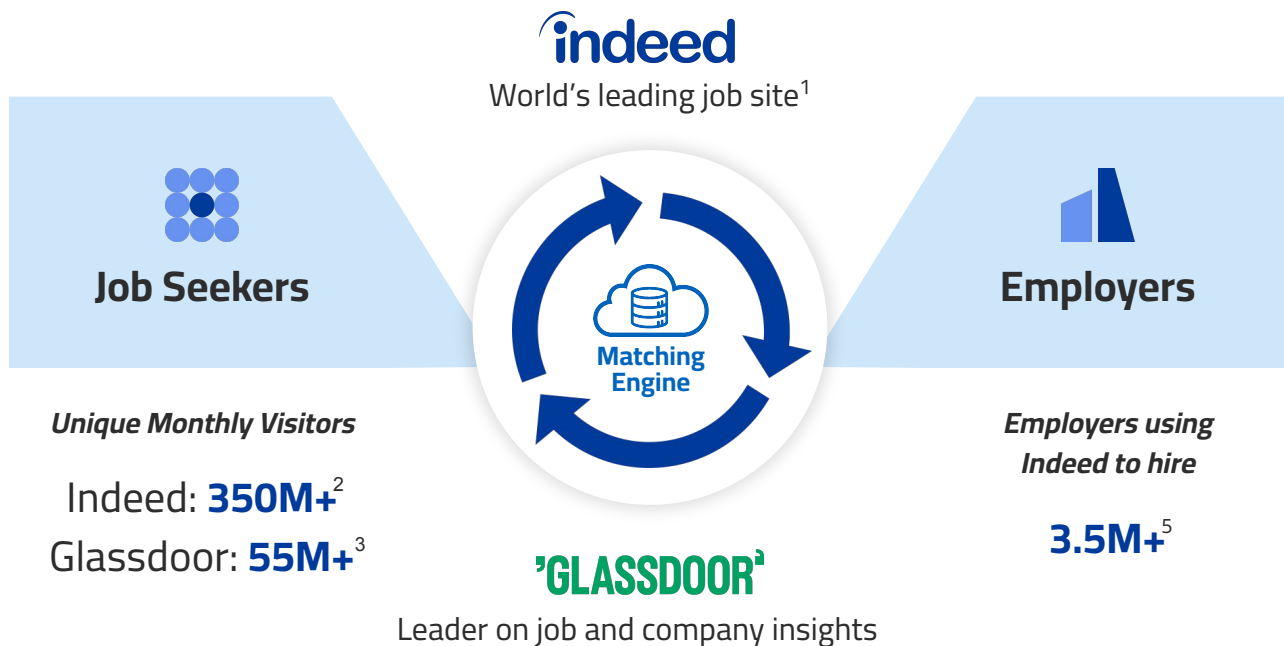
## AI is Accelerating our Marketplace Flywheel, Creating More Value for all Stakeholders

AIはマーケットプレイスのフライホイールを加速し、全てのステークホルダーにさらなる価値をもたらす



\*Please refer to page 56 for footnotes

# Leading Global Two-sided Talent Marketplace

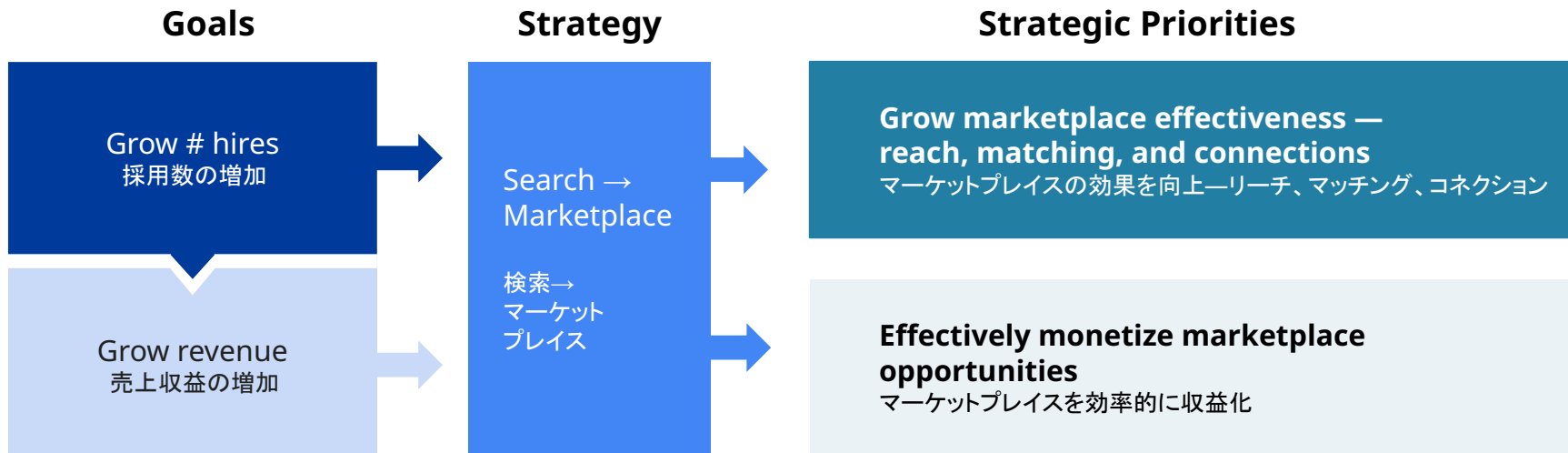


**Delivering 23 hires per minute<sup>4</sup>**

1分間に23人の採用を実現

\*Please refer to page 56 for footnotes

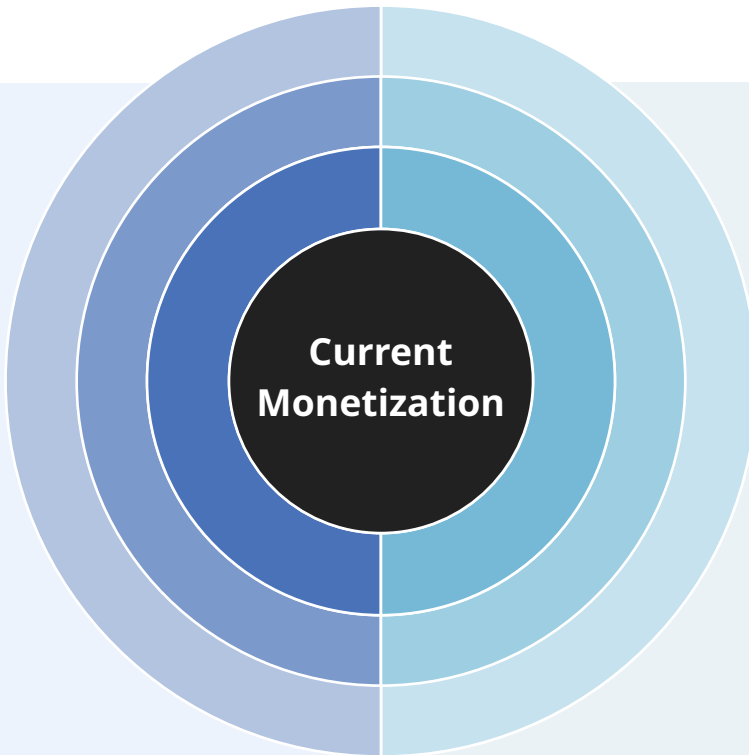
# Indeed's Clear Strategic Framework



# Marketplace Monetization Strategy with Multiple Layers of Growth

## Grow take rate of existing customers

- ▶ **Free to paid matches**  
マッチングの有料化
- ▶ **Indeed Apply for Enterprise**  
大企業によるIndeed Applyの活用
- ▶ **Value-based pricing for high salary jobs**  
高給職等価値に応じたプライシング
- ▶ **Adoption of "closer to the hire" solutions**  
より採用に近いソリューション



## Grow new customers

- ▶ **Market expansion outside the US**  
米国外のマーケットの拡大
- ▶ **SMB customers**  
中小企業
- ▶ **Enterprise customers**  
大企業クライアント

# Grow Take Rate of Existing Customers

We can **grow our take rate considerably** and still have the advantage of offering a **significantly lower cost per hire**

テイクレートを飛躍的に向上させながらも、大幅に低い採用コストという利点を維持することが可能

## Average Take Rate per Hire (%)

<b>Indeed</b>	<b>&lt;1% <sup>1</sup></b>
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## Industry Average Take Rates per Hire (%)

<b>Staffing</b>	<b>~20% <sup>2</sup></b>
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<b>Placement</b>	<b>~20-25% <sup>3</sup></b>
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<b>Executive Recruitment</b>	<b>up to 40%</b>
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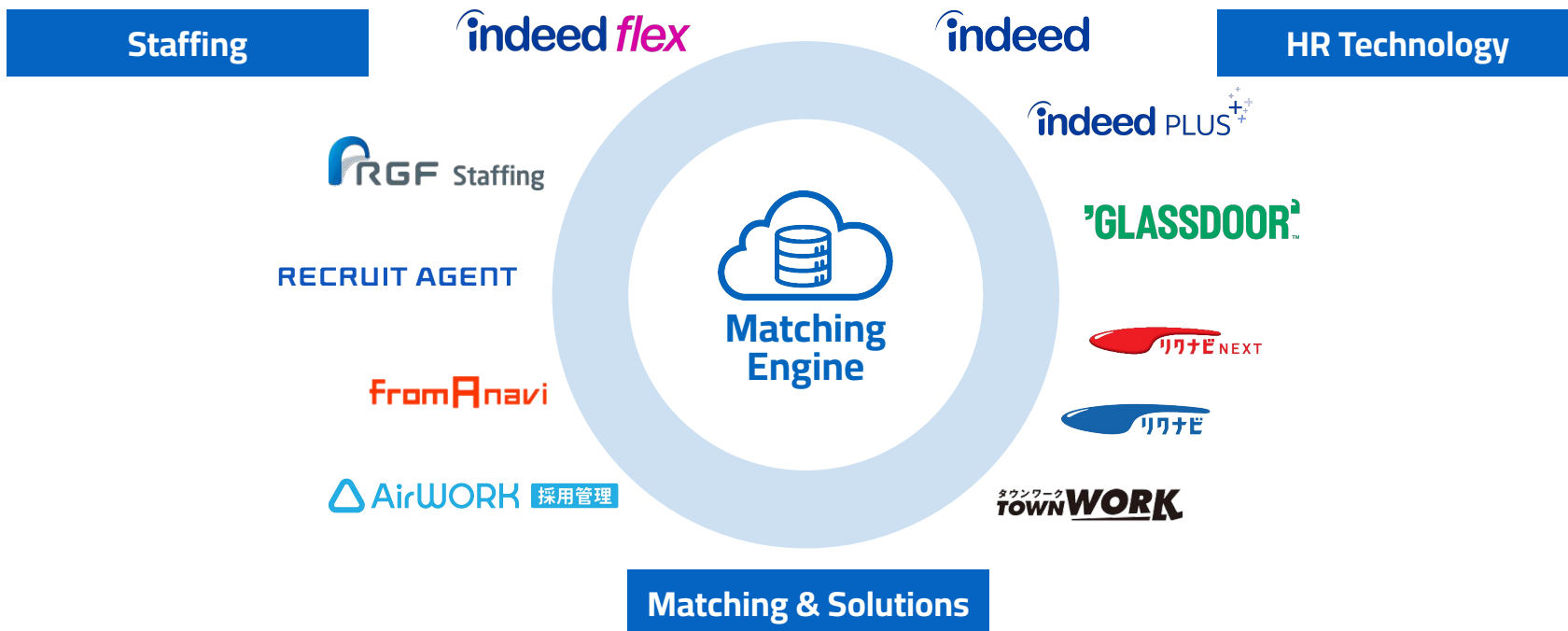
<sup>1</sup> Take rate calculated based on avg. spend on Indeed as % of average estimated salary for all jobs with a reported hire on Indeed in 2023.

<sup>2</sup> Equal to gross profit margin/(1 - gross profit margin) based on the weighted gross profit margin of the top 3 publicly traded global staffing companies in terms of revenue in 2021.

<sup>3</sup> Staffing Industry Analysts: North America Staffing Company Survey 2021 Direct hire fees trend over time.



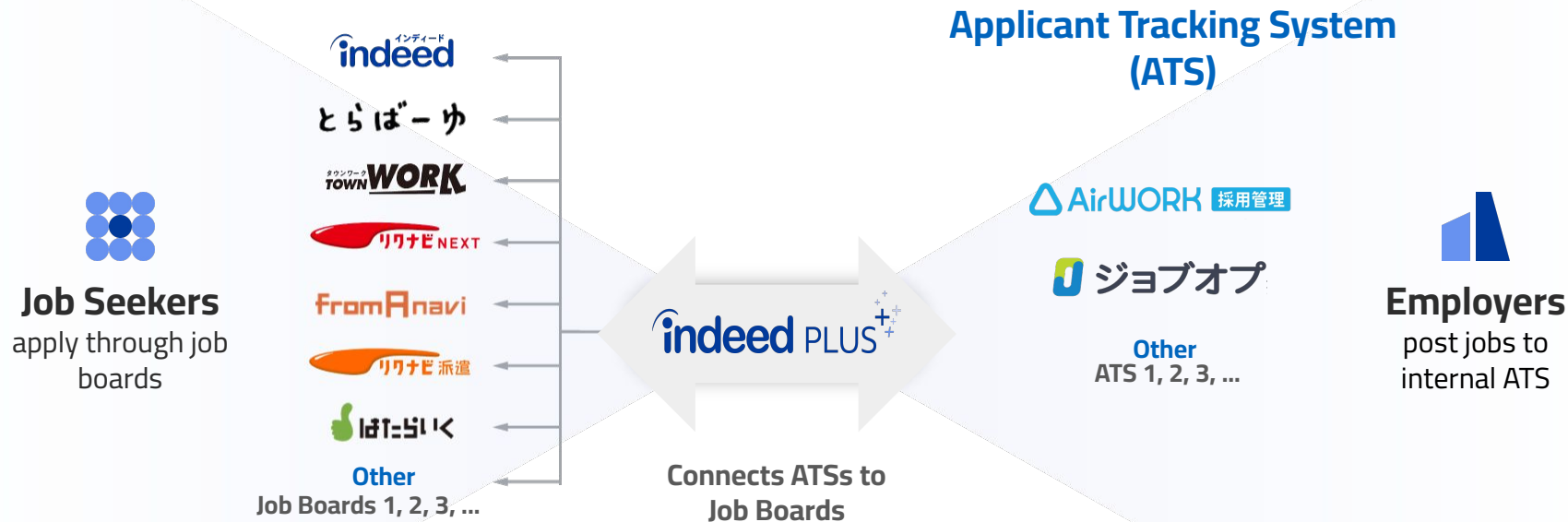
# Applying HR Matching Engine



Leveraging all our HR Matching businesses to target entire HR Matching market

すべての人材マッチング事業を活用し、人材マッチング市場全体をターゲットに

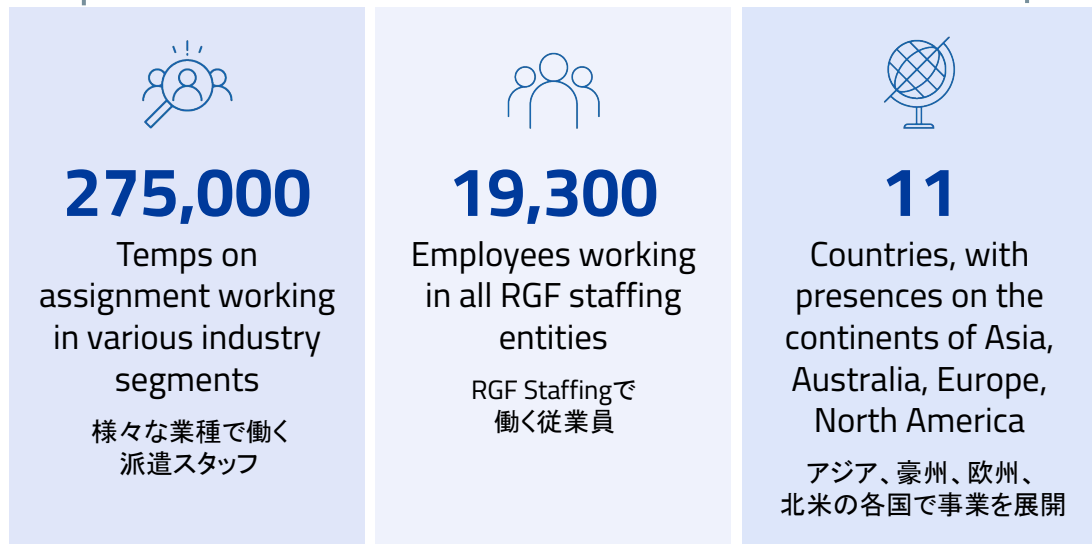
# Example: HR Technology and Matching & Solutions collaborate to Simplify Hiring in Japan



**Indeed PLUS results in more applies and greater efficiency through better matching**

Indeed Plusは、より良いマッチングを通じ、応募を増加・効率性を向上

# Opportunity for Technological Transformation of Temp Staffing industry through cross-SBU collaboration and innovation



RGF Staffing operates in markets that cover **76%** of temporary staffing TAM<sup>1,2</sup>

USA	30%
Japan	15%
Australia	5%
Europe	26%
<b>Total</b>	<b>76%</b>

**RGF Staffing is a global leader in Staffing**

1 Geographical markets where RGF Staffing had a presence: USA, Japan, Australia and Europe (UK, NL, BE, FR, DE)

2 Source: Staffing Industry Analysts; Global Staffing Industry Market Estimates and Forecasts (November 9, 2022)

# Help Businesses Work Smarter

Improve performance and  
productivity for business  
clients in Japan

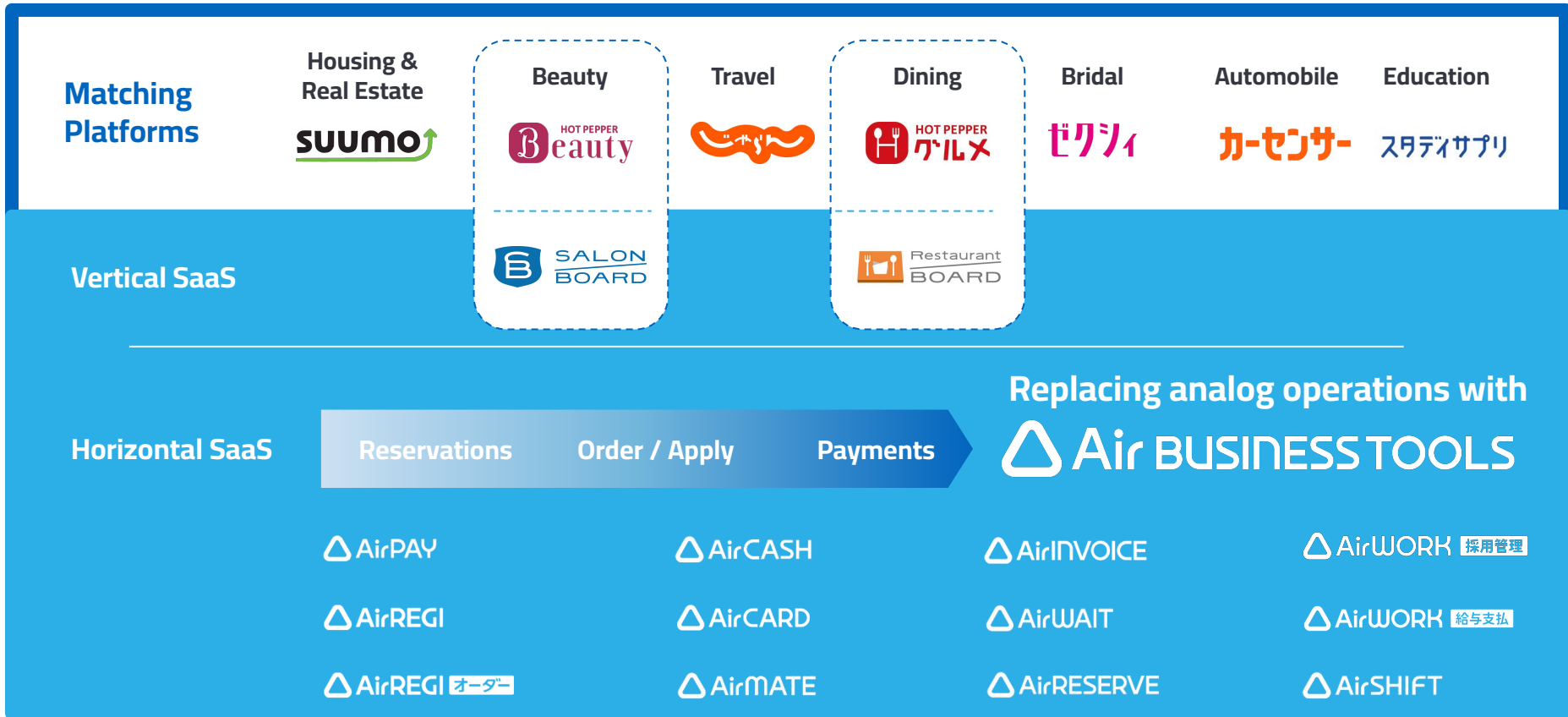
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日本国内企業クライアントの  
生産性及び業績向上

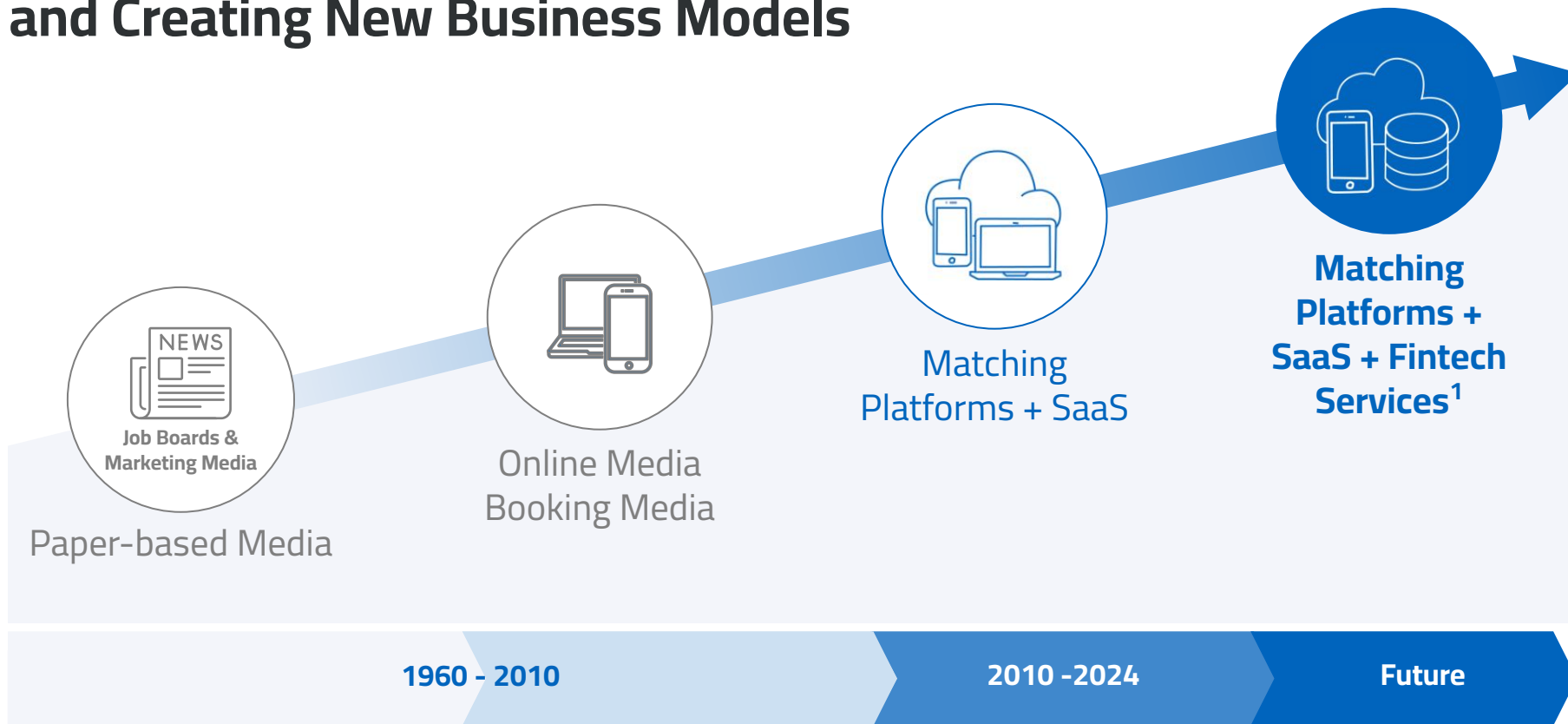
## Industry Leading Matching Platforms and SaaS Solutions



# Our Services - Matching Platforms and Business SaaS

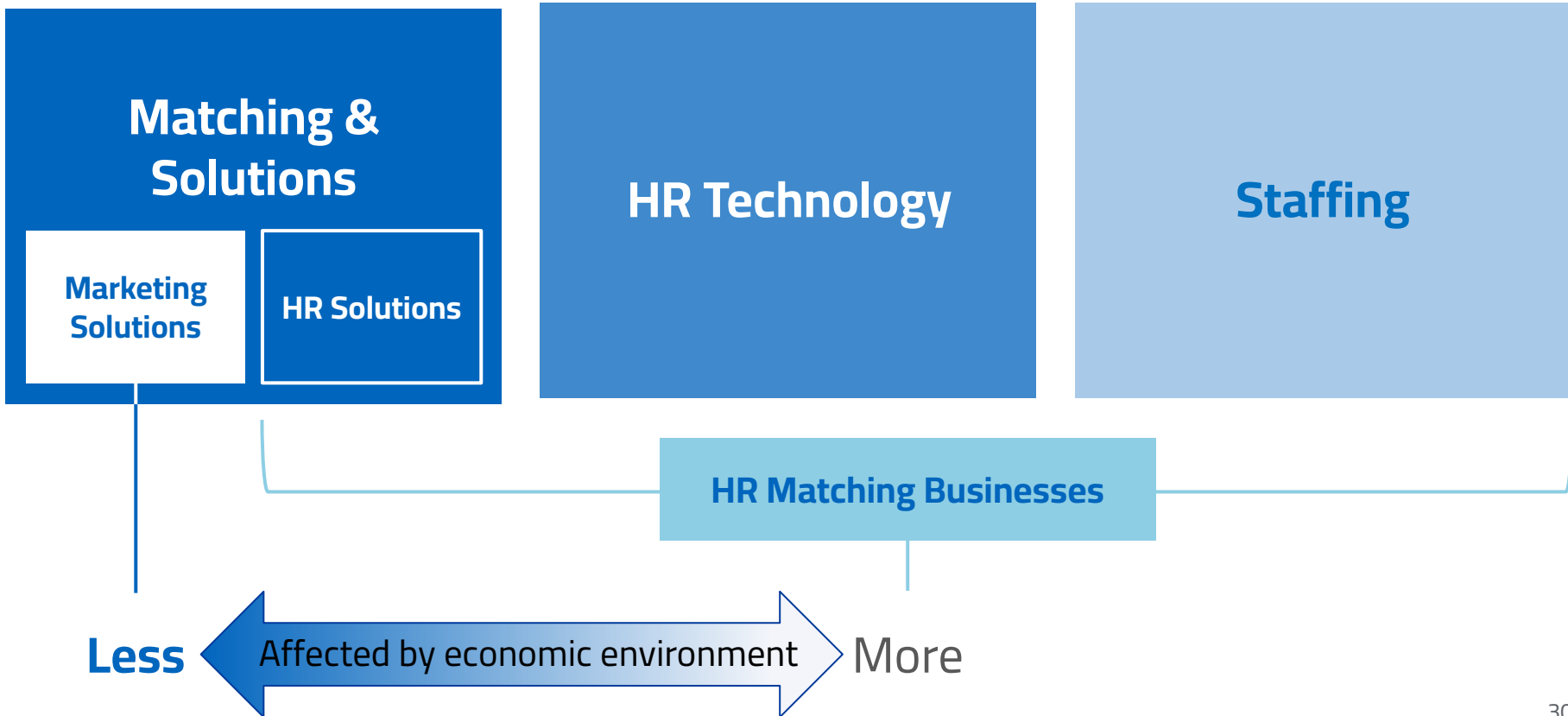


# Repeatedly Disrupting Ourselves and Creating New Business Models



<sup>1</sup> As of February, 2024, Matching & Solutions provides Fintech Services - AirPAY, AirCASH, AirWALLET, AirWORK Payroll, AirCARD, AirINVOICE

# Marketing Solutions Tend to be More Resilient During Economic Downturns



# Marketing Solutions is one of the Largest Matching Platforms in Japan

Others

Beauty + Travel + Dining + SaaS Solutions

Housing & Real Estate

**suumo**  
~ ¥ 140B<sup>2</sup>

Annual Revenue  
for  
Matching & Solutions  
Approx. **¥500B**<sup>1</sup>

**Beauty** ~ ¥ 100B<sup>2</sup>  
(Beauty)

**HOT PEPPER**  
(Dining)

(Jalan - Travel)

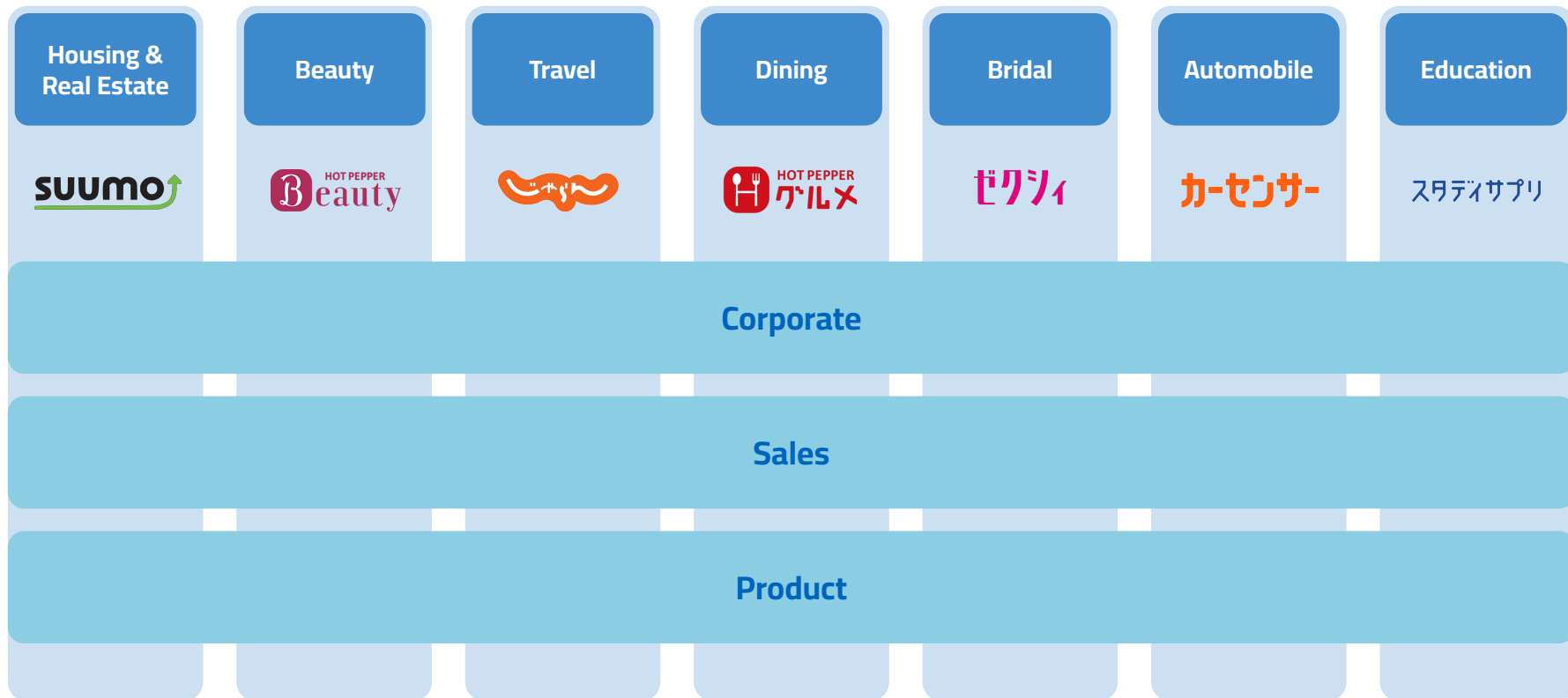
**Air BUSINESSSTOOLS**

<sup>1</sup> Outlook and estimated breakdown for FY2023, refer to p3 of the FY2023 Q3 Earnings Release FAQ.

<sup>2</sup> Revenue in each vertical are unaudited internal measures



# Organizational Structure Enables Increasing Operational Efficiency



# Increasingly Adding Business Clients Outside of Traditional Industries We Serve

Clients in  
Beauty and Dining  
segments  
美容、飲食のクライアント

55%<sup>1</sup>



AirPAY Account

Approximately

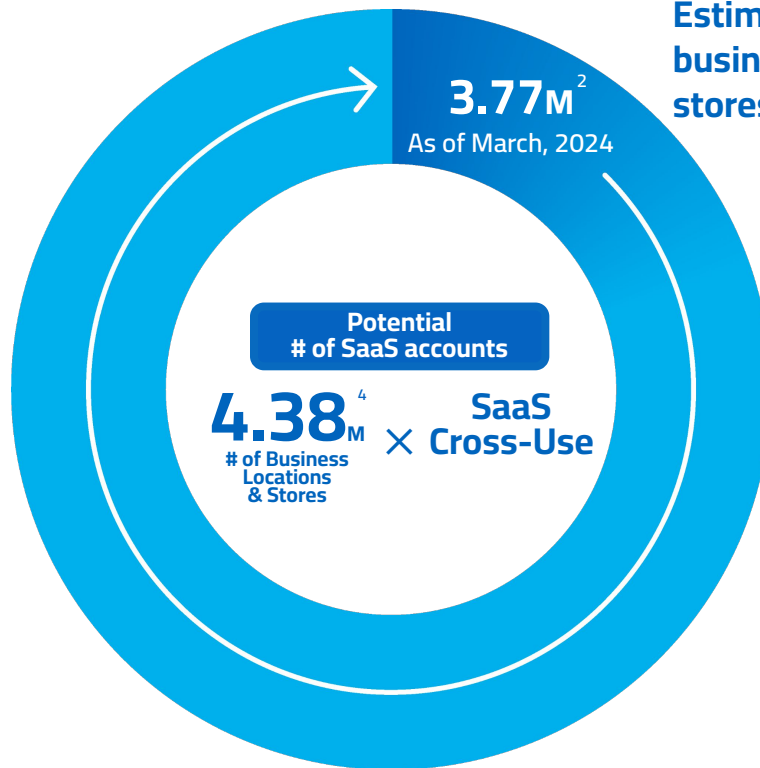
450K  
Accounts

Clients in non-matching  
platform operated  
segments  
マッチングプラットフォーム以外のクライアント

45%<sup>1</sup>

Including retail, various  
service industries, and  
pharmacies  
小売、薬局、その他様々な業種の  
クライアントをカバー

# Tremendous Potential for Account Expansion through Further Introduction of Existing and New Services



Estimated number of business locations and stores/SaaS

\*As of March 31, 2024 for YoY % change. Please refer to page 57 for footnotes

# Prosper Together

Make positive impact on  
society and the planet  
through sustainable growth  
shared by all stakeholders

---

ステークホルダーとの  
共存共栄を通じた持続的な成長



# Our Commitment to Sustainability<sup>1</sup>



## E

### Environmental

#### Climate Action

Became and maintain carbon neutral throughout our business activities since FY2021

Achieve carbon neutrality for our entire value chain by FY2030<sup>2</sup>

## S

### Social

#### Social Impact

Shorten the time it takes to get hired by half by FY2030<sup>3</sup>

Help 30 million people facing barriers get hired by FY2030<sup>4</sup>

## S

### Social

#### Our People

Achieve gender parity across all employee levels by FY2030<sup>5</sup>

## G

### Governance

#### Corporate Governance

Reach gender parity for Board of Directors including Audit & Supervisory Board members by FY2030<sup>6</sup>

<sup>1</sup>Please refer to page 58 for footnotes

# Our Commitment to Sustainability<sup>1</sup>



## E Environmental 気候変動対策

2021年度に事業活動で、  
2030年度にバリューチェーン  
全体で、カーボンニュートラルを  
目指す<sup>2</sup>

## S Social ソーシャルインパクト

2030年度までに

- 就業までに掛かる時間を半分に短縮する<sup>3</sup>
- 雇用市場における障壁に直面する累計約3,000万人の就業をサポートする<sup>4</sup>

## S Social 人材

2030年度までに、上級管理職・  
管理職・従業員の女性比率を  
約50%にする<sup>5</sup>

## G Governance コーポレートガバナンス

2030年度までに、監査役を含む  
取締役会構成員の女性比率を  
約50%にする<sup>6</sup>

## Diverse and experienced Board of Directors



**Masumi Minegishi**

Representative Director  
and Chairperson

**峰岸 真澄**

代表取締役会長 兼 取締役  
会議長



**Hisayuki Idekoba**

Representative Director,  
President and CEO  
Head of HR Technology SBU

**出木場 久征**

代表取締役社長 兼 CEO  
HRテクノロジー事業



**Ayano Senaha**

Director, Executive Vice President  
and COO

**瀬名波 文野**

取締役 兼 常務執行役員 兼  
COO



**Rony Kahan**

Director of the Board  
取締役



**Naoki Izumiya**

Independent Director  
**泉谷 直木**  
社外取締役



**Hiroki Totoki**

Independent Director  
**十時 裕樹**  
社外取締役



**Keiko Honda**

Independent Director  
**本田 桂子**  
社外取締役



**Katrina Lake**

Independent Director  
社外取締役

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マネジメントチームとキャピタルアロケーション方針



# Energized and Passionate Leadership Team



**Hisayuki Idekoba**

Representative Director,  
President and CEO  
Head of HR Technology SBU  
**出木場 久征**  
代表取締役社長 兼 CEO  
HRテクノロジー事業



**Ayano Senaha**

Executive Vice President  
and COO  
**瀬名波 文野**  
取締役 兼 常務執行役員  
兼 COO



**Yoshihiro Kitamura**

Executive Vice President, Head of Matching  
& Solutions Business, and President and  
Representative Director, Recruit Co., Ltd.  
**北村 吉弘**  
常務執行役員  
マッチング&ソリューション事業担当 兼  
株式会社リクルート 代表取締役社長



**Rob Zandbergen**

Executive Vice President,  
Head of Staffing Business  
CEO, RGF Staffing B.V.  
常務執行役員  
人材派遣事業担当 兼  
RGF Staffing B.V. CEO



**Junichi Arai**

Senior Vice President,  
Corporate Strategy, IR  
**荒井 淳一**  
執行役員  
経営戦略, IR



**Mio Kashiwamura**

Senior Vice President,  
Public Relations  
**柏村 美緒**  
執行役員  
広報



**Akihiko Mori**

Senior Vice President, Business  
Performance Management,  
Finance, Accounting, Tax  
**森 暁彦**  
執行役員  
事業統括, 財務・経理・税務



**Kentaro Mori**

Senior Vice President, Risk  
Management Division, Japan  
General Affairs  
**森 健太郎**  
執行役員  
リスクマネジメント Japan, 総務



**Lowell Brickman**

Senior Vice President,  
Risk Management Division,  
International  
執行役員  
リスクマネジメント International

# Disciplined Capital Allocation toward Strategic Action and Shareholder Returns supported by Strong Financial Position

強固な財務基盤を活用した戦略的な投資及び株主還元

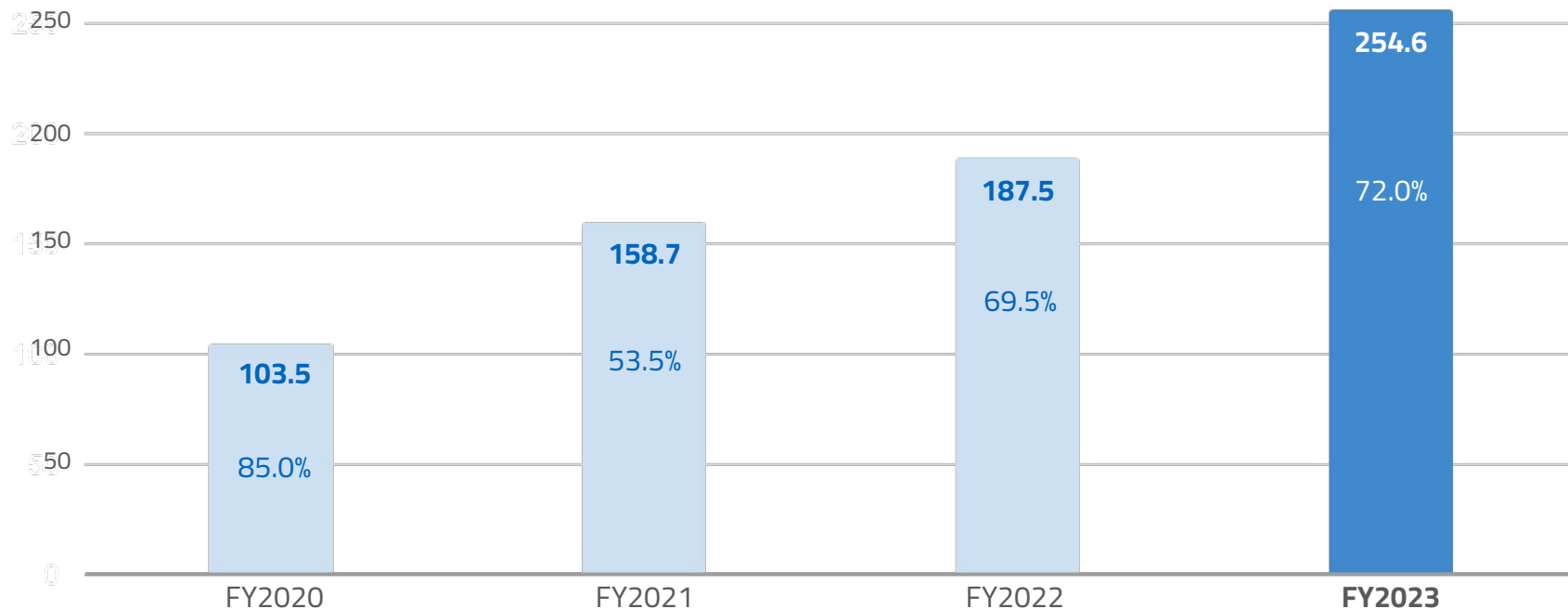
- 01 Product development and marketing expense for existing businesses for future growth<sup>1</sup>**  
既存事業の継続的な成長に資する投資
- 02 Continuous payment of stable per-share dividends**  
安定的な配当の継続的な実施
- 03 Strategic M&A mainly focused on HR Technology in the HR Matching Market**  
人材マッチング市場におけるHRテクノロジー事業を中心とした戦略的M&A
- 04 Share repurchase program, depending on the capital markets environment and the outlook of the Company's financial position**  
市場環境及び財務状況の見通しを考慮した上での自己株式取得

<sup>1</sup> The Company focuses on achieving capital efficiency by focusing on ROE and applying a hurdle rate exceeding the cost of capital when evaluating each investment opportunity.  
1 個別の投資案件の実行の是非を判断する際は、資本コストを上回るハードルレートを適用する等、資本効率を重視し、ROEを意識した経営に取り組んでいます。

# Track Record of Significant Total Returns to Shareholders

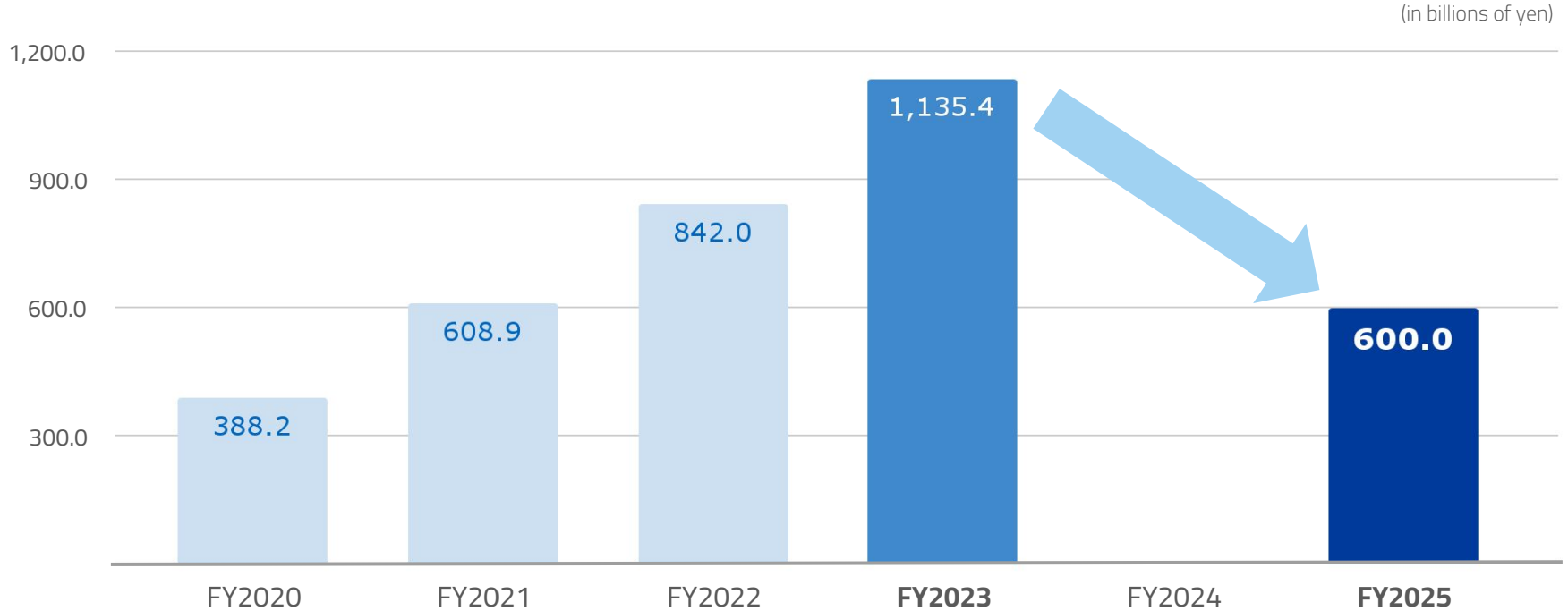
## Total Payout Ratio<sup>1</sup> %

(in billions of yen)



<sup>1</sup> Total payout ratio = ( Total amount of dividend payment + Total amount of share repurchases ) / Profit attributable to owners of the parent

# Net Cash and Cash Equivalents<sup>1</sup>: Aim for ¥600 billion by the end of FY2025



<sup>1</sup> Calculated by subtracting subtracting interest bearing debt from cash and cash equivalents.



# Appendix

# Consolidated FY2024 Guidance<sup>1</sup>

	FY2023	FY2024 Guidance			
	Actual	Low		High	YoY
(in billions of yen, unless otherwise stated)					
Revenue	3,416.4	3,300.0	-	3,500.0	-3.4% - +2.4%
<b>Adjusted EBITDA</b>	<b>598.3</b>	<b>570.0</b>	-	<b>675.0</b>	<b>-4.7% - +12.8%</b>
Adj. EBITDA margin %	17.5%	17.3%	-	19.3%	-
Operating income	402.5	390.0	-	500.0	-3.1% - +24.2%
<b>Profit attributable to owners of the parent</b>	<b>353.6</b>	<b>315.0</b>	-	<b>400.0</b>	<b>-10.9% - +13.1%</b>
<b>Basic EPS (yen)</b>	<b>225.99</b>	<b>206.00</b>	-	<b>260.00</b>	<b>-8.8% - +15.0%</b>
Dividends per share (yen)	<b>23.00</b>		<b>24.00</b>		-

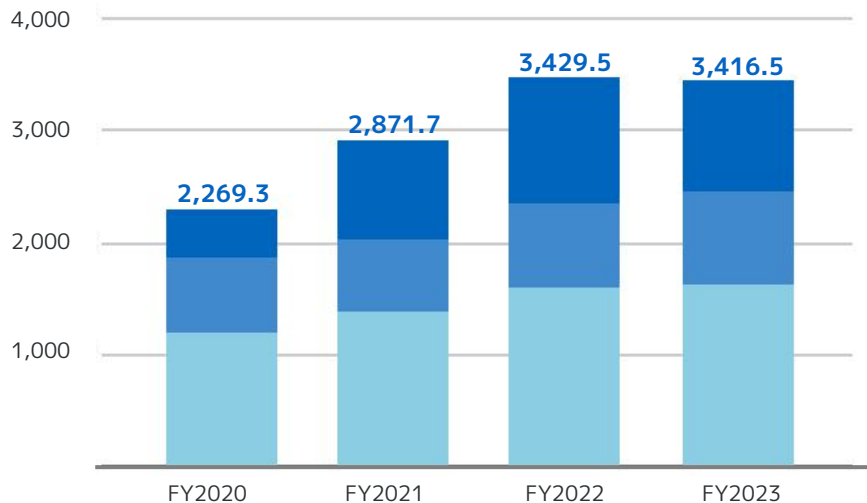
# Near to Mid Term Outlook (as of May 15, 2024)

Operational Efficiency			Capital Efficiency
HR Technology	HR Technology + M&S HR Solutions	M&S Marketing Solutions	Consolidated Cash and cash equivalents
Back to YoY revenue growth in FY2024 2H	M&S HR Solutions: Adj. EBITDA margin at the level of HR Technology in mid-term	Adj. EBITDA margin of 35% - 40% (pre corporate) in mid-term	¥600 billion by the end of FY2025

# Consolidated Financial Results

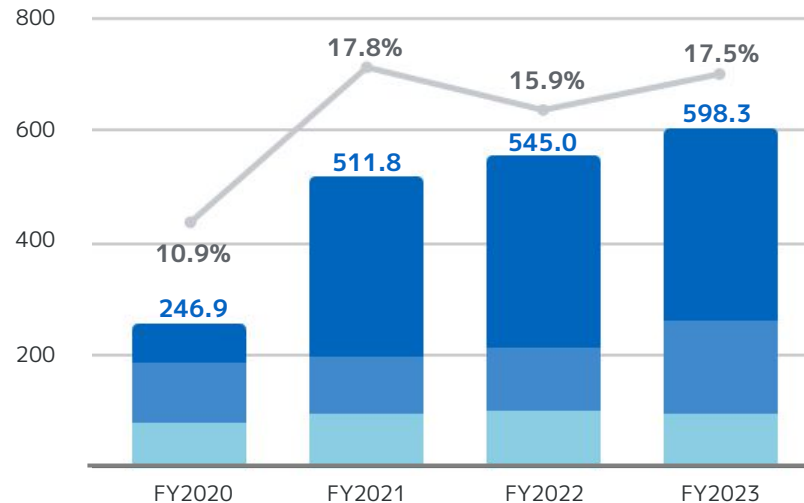
## Revenue

(in billions of yen)



## Adjusted EBITDA & Adjusted EBITDA Margin<sup>1</sup>

(in billions of yen)



● HR Technology

● Matching & Solutions

● Staffing

● Adjusted EBITDA Margin

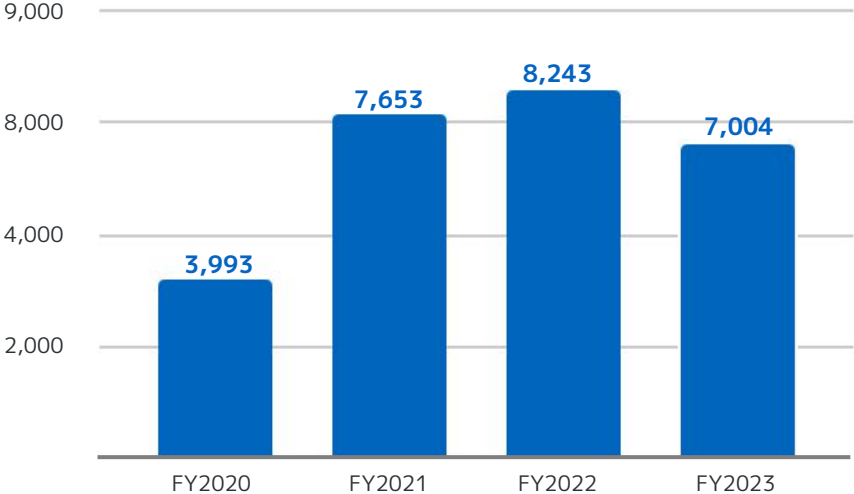
<sup>1</sup> From FY2022, the Company changed the adjustment items for adjusted EBITDA. New definition of adjusted EBITDA has been applied retroactively to FY2020 through FY2021.  
Adjusted EBITDA : Operating income + depreciation and amortization (excluding depreciation of right-of-use assets) + share-based payment expenses ± other operating income/expenses



# HR Technology SBU Financial Results

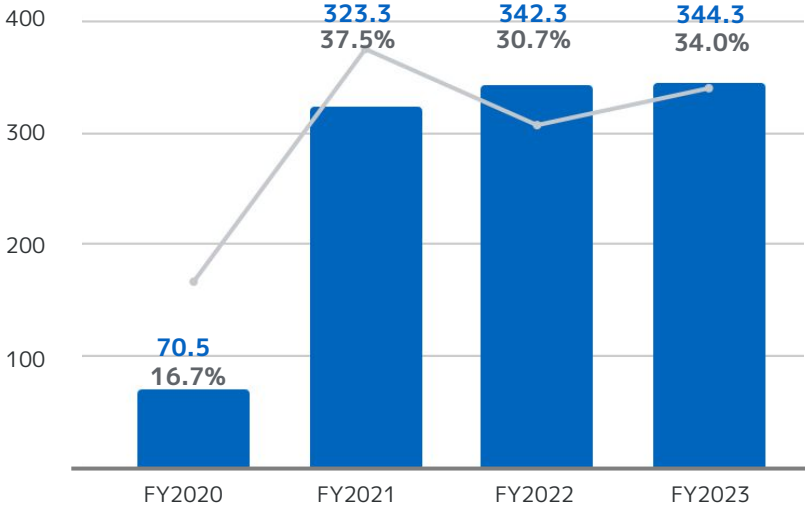
## Revenue

(in millions of USD)



## Adjusted EBITDA & Adjusted EBITDA Margin<sup>1</sup>

(in billions of yen)



● Adjusted EBITDA Margin

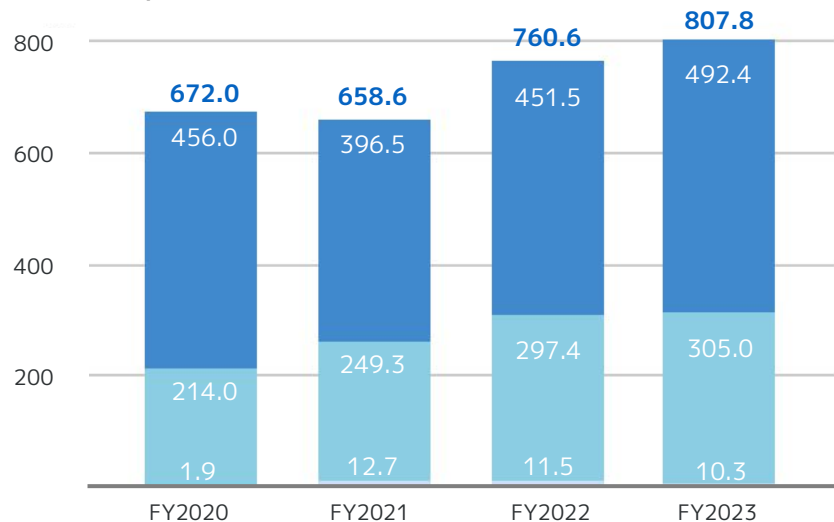
<sup>1</sup> New definition of adjusted EBITDA has been applied retroactively to FY2020 through FY2021.

Adjusted EBITDA : Operating income + depreciation and amortization (excluding depreciation of right-of-use assets) + share-based payment expenses ± other operating income/expenses

# Matching & Solutions SBU Financial Results

## Revenue

(in billions of yen)



● Marketing Solutions

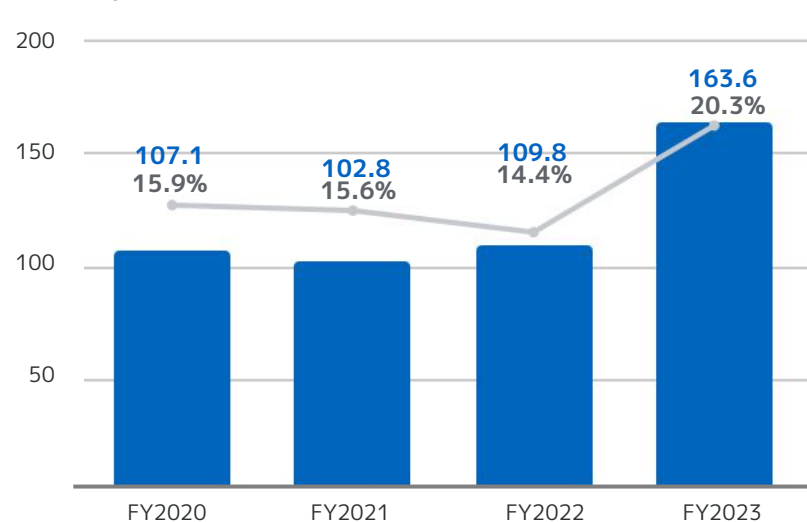
● HR Solutions

● Others & Elimination

● Adjusted EBITDA Margin

## Adjusted EBITDA & Adjusted EBITDA Margin<sup>1</sup>

(in billions of yen)



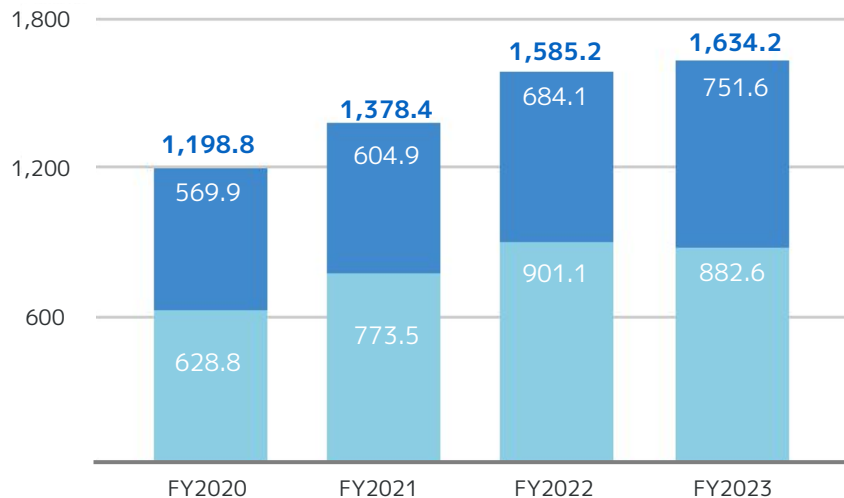
<sup>1</sup> New definition of adjusted EBITDA has been applied retroactively to FY2020 through FY2021.

Adjusted EBITDA : Operating income + depreciation and amortization (excluding depreciation of right-of-use assets) + share-based payment expenses ± other operating income/expenses

# Staffing SBU Financial Results

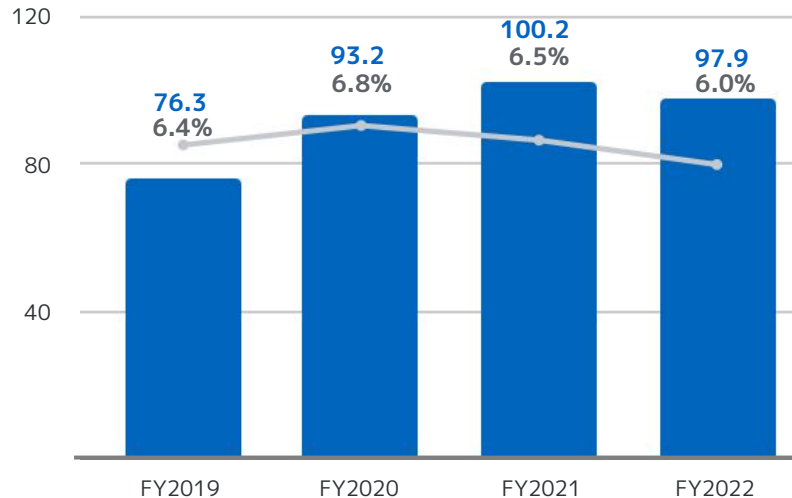
## Revenue

(in billions of yen)



## Adjusted EBITDA & Adjusted EBITDA Margin<sup>1</sup>

(in billions of yen)



● Japan   
 ● Europe, US & Australia   
 ● Adjusted EBITDA Margin

<sup>1</sup> New definition of adjusted EBITDA has been applied retroactively to FY2020 through ; FY2021.

Adjusted EBITDA : Operating income + depreciation and amortization (excluding depreciation of right-of-use assets) + share-based payment expenses ± other operating income/expenses

# Consolidated Balance Sheet as of March 31, 2024

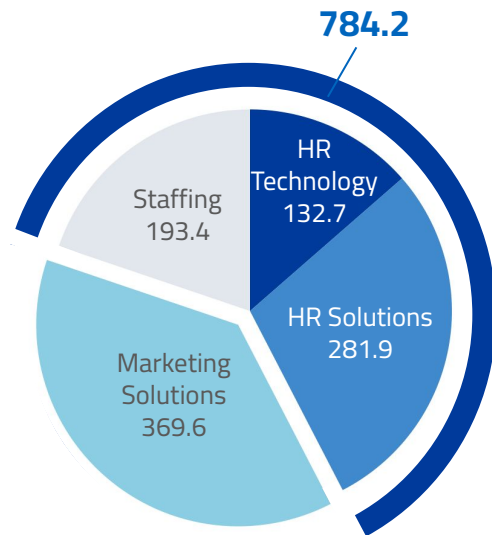
(in billions of yen)

	As of March 31, 2023	As of March 31, 2024	Variance
<b>Assets</b>			
Cash and Cash Equivalents	877.3	1,136.8	+259.4
Total current assets (Excluding Cash and Cash Equiv.)	587.9	625.8	+37.9
Total non-current assets	1,327.9	1,381.9	+53.9
<b>Total assets</b>	<b>2,793.2</b>	<b>3,144.6</b>	<b>+351.3</b>
<b>Liabilities</b>			
Total current liabilities	782.7	758.8	-23.8
Total non-current liabilities	369.5	376.8	+7.3
<b>Total liabilities</b>	<b>1,152.3</b>	<b>1,135.7</b>	<b>-16.5</b>
<b>Equity</b>			
Total equity attributable to owners of the parent	1,627.0	2,000.9	+373.9
Non-controlling interests	13.9	7.9	-5.9
<b>Total equity</b>	<b>1,640.9</b>	<b>2,008.9</b>	<b>+367.9</b>

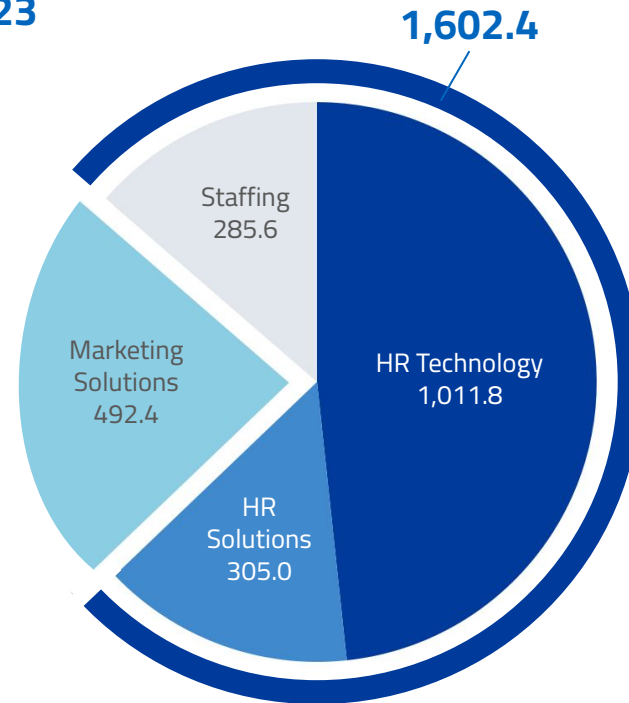
# Global HR Matching Businesses + Marketing Solutions Business in Japan

(in billions of yen)

## FY2016



## FY2023



1 To indicate business scale, HR Technology and Matching & Solutions are shown as revenue, while Staffing is shown as gross profit.  
1 事業規模を示すため、HRテクノロジー事業及びマッチング&ソリューション事業は売上収益、人材派遣事業は売上総利益

# Footnote

## Page 3

- 1 Recruit Holdings Co., Ltd. and its consolidated subsidiaries
- 2 As of March 31, 2024 (HR Tech:13,155, M&S: 24,439, Staffing: 13,657, Corporate: 122)
- 3 Consolidated results as of March 31, 2024.
- 4 Adj EBITDA : Operating income + depreciation and amortization (excluding depreciation of right-of-use assets) + share-based payment expenses ± other operating income/expenses

**Page 14, 16 and 17**

- 1 The Company is aware there may be legal restrictions in this area and so will endeavor that the Company's work meets those requirements.
- 2 Sum of the estimated size of addressable markets for the job advertising & talent sourcing tools market, the direct hire market, and the retained search market in terms of annual revenue, the estimated size of the addressable market for the internal recruitment automation market in terms of the amount of current expenses of employers for internal talent acquisition resources that could be reasonably automated and monetized, and the addressable markets for the temporary staffing market in terms of annual gross profit, in each case based on the Company's estimates and third party market data as described in the notes below.
- 3 Estimated size of the global online job advertising and talent sourcing tools market calculated by adding together the revenue of HR Technology in the relevant year, the Company's estimates for revenue of competing job advertising boards in the Company's target operating markets in the relevant year based on third party reports and internal research, and the Company's estimates for annual revenue of the talent solutions business of LinkedIn in the Company's target operating markets in the relevant year based on publicly available information, sell side analyst models, and internal research.
- 4 Estimated size of the global offline job advertising market derived based on the proportion of online to offline spending (excluding TV, cinema and radio advertising) in the overall advertising market in the relevant year based on third party reports and the estimated size of global online job advertising and talent sourcing tools market. The numbers in this chart are the sum of the global offline job advertising market and global online job advertising and talent sourcing tools market.
- 5 Source for 2023: SIA, Global Staffing Market Estimates and Forecast: November 2023 Update. Placement & Search market is derived by applying 15%, which was Placement & Search's share of 2023 Global Staffing Revenue to 640 billion US dollars, which was estimated 2023 Global Staffing Revenue, derived by applying the estimated 2023 -2% growth rate to the estimated 2022 market of 654 billion US dollars (estimate updated following the May 15th 2023 Earnings Release). Direct Hire Market is defined as a segment of Placement & Search Market, which in turn is a segment of Global Staffing Industry Market. Direct Hire Market segment was derived by applying SIA's Global Staffing Industry Market figure to country-by-country ratios of the relative proportion attributable to this segment within the total market based on proprietary third party market data. Retained Search Market is defined as the portion of Placement & Search Market not attributable to the Direct Hire Market and derived as the difference between these two segments.
- 6 Source for 2023: derived by applying a gross profit margin of 19.30%, which was calculated based on the weighted average of the top 3 publicly traded global staffing companies in terms of revenue in 2023, to 544 billion US dollars, which was the revenue of the temporary staffing market in 2023 from SIA, Global Staffing Market Estimates and Forecast: November 2023 Update by applying the estimated -2% growth rate to the updated estimated 2022 market of 555 billion US dollars.
- 7 Source for 2023: SIA, The Evolution of Recruiting: 2024 Update to Estimating the Addressable Market for Recruitment Automation (custom research commissioned by Indeed): January 2024 Update. SIA's estimates are based on the assumption that 41% of historical spending on internal talent acquisition resources could be reasonably captured by current technology and that technology would result in 37% cost savings from historical spending. In the report, SIA notes given the challenges in making global estimates with incomplete information, and in estimating potential automation and savings, SIA advises readers to think of the estimated market size as a midpoint in a range with a 20% spread. This market estimate includes the addition of the ATS market and the Background Checks market.
- 8 As described above, the estimates of the job advertising & talent sourcing tools market, the direct hire market, the retained search market, the internal recruitment automation market and the temporary staffing market are based on internal estimates and independent market research in addition to third party market data. Accordingly, the estimates described above may differ materially from the actual size of such markets.

# Definitions of HR Matching Markets

Job Advertising and  
Talent Sourcing<sup>3,4</sup>

a collection of online and offline tools and services that help employers advertise jobs, source candidates, and build and promote their online employer brand

Direct Hire<sup>5</sup>

where agencies are paid fees for placing permanent workers at employers (alt: *Permanent Placement*)

Retained Search<sup>5</sup>

where agencies are paid an upfront fee to exclusively search for employees to fill specific roles at employers, commonly executive roles

Temporary Staffing<sup>6</sup>

where agencies are paid to find and employ, or facilitate employment of, workers for a temporary period for business clients

Internal Recruitment  
Automation<sup>7</sup>

estimate of how much of spending on internal talent acquisition resources and tasks that can reasonably be automated and monetized by third parties



# Footnote

## Page 19

- 1 Internal data, cumulative number of verified job seeker accounts across HR Technology's sites through December 31, 2023. Job seeker accounts that have a unique, verified email address
- 2 Internal data, cumulative number of company ratings and company reviews submitted on Indeed, worldwide, as of March 31, 2024
- 3 Internal data, cumulative number of Indeed Assessments completed by job seekers as of March 31, 2024
- 4 Internal data, daily average number of jobs searchable on Indeed, worldwide, CY 2023

## Page 20

- 1 Source: comScore, Total Visits, March 2024
- 2 Internal data, an average of each month's total of distinct cookie IDs visiting Indeed's site between October 2023 - March 2024
- 3 Internal data based on Google Analytics, an average of each month's total of distinct cookie IDs visiting Glassdoor's site between October 2023 - March 2024
- 4 Indeed data, 2023 average. See P19 of "Consolidated Financial Results for the Year Ended March 31, 2023 (IFRS, Unaudited)" for calculation methodology
- 5 Internal data, based on the last 12 months of activity as of March 2024

## Page 34

- 1 The total of the number of applications on Rikunabi NEXT, TOWNWORK, and RECRUIT AGENT, the number of individual users who were referred to our business clients at SUUMO Counter, the number of online reservation on Hot Pepper Beauty, the number of hotel bookings on Jalan, the number of seats reserved on Hot Pepper Gourmet, and the number of payments through AirPAY during the period from April 1, 2023 to March 31, 2024. Rounded down to the whole number.
- 2 Cumulative number of registered accounts of paid and unpaid SaaS solutions provided by Matching & Solutions SBU in Japan as of March 31, 2024. Registered accounts refer to the number of stores and business locations that have registered for each relevant service including both active and non-active accounts. Rounded down to the third decimal place.
- 3 Total gross payment volume of offline payments through AirPAY terminals, including QR code payments through AirPAY QR, and online payments through AirPAY ONLINE (Since the revenue generated from the payment processing fee we collect is based on a very small percentage of total gross payment volume, changes in total gross payment volume are not necessarily proportional to changes in our total revenue). Rounded down to the second decimal place.
- 4 The Company estimated the number of business locations and stores that can be potential users of SaaS solutions provided by Matching & Solutions SBU as of March 31, 2024 in Japan by identifying the total number of business locations and stores of small and medium-sized enterprises in Japan (using the definition used by Small and Medium Enterprise Agency) based on the 2021 Economic Census for Business Activity conducted by the Ministry of Internal Affairs and Communications and the Ministry of Economy, Trade and Industry. Considering the solutions (including AirWORK ATS) provided by Matching & Solutions SBU in Japan as of March 31, 2024, the Company now believes it is possible to provide its SaaS solutions to all business locations and stores of small and medium-sized businesses regardless of the industry. Accordingly, the Company decided to count all such business locations and stores as potential users of its SaaS solutions. Matching & Solutions SBU continues to target potential users among small and medium-sized businesses as defined by Small and Medium Enterprise Agency based on the current major target for potential users of SaaS solutions.

# Footnote

## Page 36 and 37

1 The years indicated are Recruit Holdings' fiscal years (FY), which begin on April 1 each year and end on March 31 of the following year. All targeted figures displayed here are approximate.

2 Carbon neutrality includes reducing greenhouse gas (GHG) emissions as well as offsetting the remaining emissions. GHG emissions throughout business activities are the sum of direct emissions from the use of fuels in owned or controlled sources (Scope 1) and indirect emissions from the use of purchased electricity, heat, or steam in owned or controlled sources (Scope 2). GHG emissions from the value chain are indirect emissions other than Scope 1 and 2 (Scope 3). The entire value chain represents the total of Scopes 1, 2 and 3.

3 The period from the time a user starts an active job search on the Indeed job platform to the time the users confirm receipt of a job offer.

4 The initiative as of today includes providing assistance through the Company's online job platform, and through partnerships with NPOs and other organizations with whom the Company collaborates. The Company may also aim to reduce other various barriers, including newly emerging issues in the labor market by FY2030.

5 All employee levels refer to the following three groups including all employees, managerial positions, and senior executives. Senior executive positions are defined as Senior Vice Presidents and Corporate Officers of Recruit Holdings and Matching & Solutions Strategic Business Unit (SBU), and CEOs of the Company's major subsidiaries and heads of key functions in the HR Technology and Staffing SBUs. Figures for managerial positions and employees are calculated from Recruit Holdings, SBU Headquarters, and primary operating companies of each SBU. Managerial positions mean all of those that have subordinate employees.

6 The Board of Directors members are defined as Directors of the Board and Audit & Supervisory Board members.

## **Forward-Looking Statements**

This material contains forward-looking statements, which reflect the Company's assumptions, estimates and outlook for the future based on information available to the Company and the Company's plans and expectations as of the date of this material unless the context otherwise indicates. There can be no assurance that the relevant forward-looking statements will be achieved. Please note that significant differences between such forward-looking statements and actual results may arise due to various factors, many of which are outside the Company's control, including changes in economic conditions, changes in individual users' preferences and business clients' needs, competition, changes in the legal and regulatory environment including changes in laws and regulations or guidance, interpretation, enforcement or practice relating to laws and regulations, fluctuations in foreign exchange rates, climate change or other changes in the natural environment, the occurrence of large-scale natural disasters, and other factors. Accordingly, readers are cautioned against placing undue reliance on any such forward-looking statements. The Company has no obligation to update or revise any information contained in this material based on any subsequent developments except as required by applicable law or stock exchange rules and regulations.

## **Third-Party Information**

This material includes information derived from or based on third-party sources, including information about the markets in which the Company operates. These statements are based on statistics and other information from third-party sources as cited herein, and the Company has not independently verified and cannot assure the accuracy or completeness of any information derived from or based on third-party sources.

## **Notes Of This Material**

This material has been prepared for the sole purpose of providing general reference information. Neither this material nor any of its contents may be disclosed or used by any third party for any other purpose without the prior written consent of the Company. The Company makes no representation as to the accuracy or completeness of the information contained in this material and shall not be liable for any loss or damage arising from the use of this material.

# 2024 Investor Presentation

