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

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

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

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

As part of this expansion, we are also migrating services to digital platforms, thereby accommodating the shift of some user behaviors to the Internet.
### Business Segments (FY2015)

<table>
<thead>
<tr>
<th>Segment</th>
<th>Net Sales</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing Media</td>
<td>25.6% JPY 333.4 Bn</td>
<td>50.3% JPY 95.2 Bn</td>
</tr>
<tr>
<td>Lifestyle</td>
<td>23.3% JPY 302.7 Bn</td>
<td>40.8% JPY 78.0 Bn</td>
</tr>
<tr>
<td>Other</td>
<td>0.3% JPY 0.8 Bn</td>
<td></td>
</tr>
<tr>
<td>HR Media</td>
<td>46.6% JPY 155.4 Bn</td>
<td>50.3% JPY 95.2 Bn</td>
</tr>
<tr>
<td>Overseas Recruiting</td>
<td>15.2% JPY 46.1 Bn</td>
<td></td>
</tr>
<tr>
<td>Other</td>
<td>6.4% JPY 19.2 Bn</td>
<td></td>
</tr>
<tr>
<td>Staffing</td>
<td>57.7% JPY 389.5 Bn</td>
<td>21.3% JPY 40.7 Bn</td>
</tr>
<tr>
<td>Overseas Staffing</td>
<td>42.3% JPY 285.6 Bn</td>
<td></td>
</tr>
</tbody>
</table>

#### Major Services
- **Housing and Real Estate, Bridal, Automobiles, Education**

#### Comparables
<table>
<thead>
<tr>
<th>Domestic</th>
<th>Overseas</th>
</tr>
</thead>
<tbody>
<tr>
<td>NEXT (Home’s)</td>
<td>Zillow Group (Zillow, Trulia)</td>
</tr>
<tr>
<td>Minnano Wedding</td>
<td>XO Group (The Knot)</td>
</tr>
<tr>
<td>Rakuten (Rakuten Travel)</td>
<td>Expedia</td>
</tr>
<tr>
<td>Gurunavi</td>
<td>The Priceline Group (OpenTable)</td>
</tr>
<tr>
<td>Kakaku.com (Tabelog)</td>
<td>Yelp</td>
</tr>
</tbody>
</table>

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

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**Business Overview 2015**

Recruit Holdings Co., Ltd.

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**Business Portfolio**

- **Marketing Media**
  - Net Sales: 25.6% JPY 333.4 Bn
  - EBITDA: 50.3% JPY 95.2 Bn
  - Major Services: Housing and Real Estate, Bridal, Automobiles, Education

- **HR Media**
  - Net Sales: 23.3% JPY 302.7 Bn
  - EBITDA: 40.8% JPY 78.0 Bn
  - Major Services: Full-time, Part-time, Executive Search, HR Training

- **Staffing**
  - Net Sales: 51.9% JPY 675.2 Bn
  - EBITDA: 21.3% JPY 40.7 Bn
  - Major Services: Comprehensive Staffing

---

**Comparables**

- **Domestic**
  - Full-time, Part-time Job Aggregator Search Site
  - Executive Search, HR Training

- **Overseas**
  - Next (Home’s)
  - Minnano Wedding
  - Rakuten (Rakuten Travel)
  - Gurunavi
  - Kakaku.com (Tabelog)

---

**Other**

- Lifestyle business expansion
- Dining
- Beauty
- Life Event business expansion
- Bridal
- Housing and Real Estate (Leasing)
- Travel
- Launch of Staffing and Life Event businesses

**Comparables**

- **Domestic**
  - Job advertisements for new graduate recruitment
  - Job advertisements for mid-career recruitment
  - Job advertisements for part-time and temporary workers

- **Overseas**
  - Monster Worldwide
  - CareerBuilder Intelligence en-japan
  - JAC Recruitment
  - DIP Corporation

---

**Other**

- Start as HR Media business
- Adecco
- Manpower Group
- Randstad Holding

---

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

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

<table>
<thead>
<tr>
<th>Service</th>
<th>Revenue (JPY)</th>
<th>No. 1 Sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bridal</td>
<td>53.6Bn</td>
<td>No.1</td>
</tr>
<tr>
<td>Travel</td>
<td>53.4Bn</td>
<td>No.1</td>
</tr>
<tr>
<td>Dining</td>
<td>34.3Bn</td>
<td>No.1</td>
</tr>
<tr>
<td>Domestic Recruiting</td>
<td>239.8Bn</td>
<td>No.1</td>
</tr>
<tr>
<td>Domestic Staffing</td>
<td>389.5Bn</td>
<td>No.1</td>
</tr>
<tr>
<td>Beauty</td>
<td>39.9Bn</td>
<td>No.1</td>
</tr>
<tr>
<td>Housing and Real Estate</td>
<td>83.9Bn</td>
<td>No.1</td>
</tr>
</tbody>
</table>
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Within Japan, we can point to strong client relationships and high user recognition for our expanding services in each market segment. We provide clients with the results, such as in-store visits, of actions taken by our many users through these services. Revenue from each segment reflects our unrivalled scale within the industry.
We began delivering services via the Internet in the 1990s in response to evolving consumer behavior. Today we provide content on more than 200 websites and approximately 350 mobile apps, making our group one of Japan’s foremost leaders in digital media. As Internet usage continues to grow, we see increasing demand for quick and nimble response to the accelerating rate of change in user and client needs.

We already employ some 1,000 engineers, and we keep strengthening our engineering capabilities to maintain a competitive edge in information and communication technologies. By leveraging our tech prowess, we enhance the performance of our existing business services, while innovating new service offerings.
We began delivering services via the Internet in the 1990s in response to evolving consumer behavior. Today we provide content on more than 200 websites and approximately 350 mobile apps, making our group one of Japan's foremost digital media leaders. As Internet usage continues to grow, we see increasing demand for quick and nimble response to the accelerating rate of change in user and client needs. We already employ some 1,000 engineers, and we keep strengthening our engineering capabilities to maintain a competitive edge in information and communication technologies. By leveraging our tech prowess, we enhance the performance of our existing business services, while innovating new service offerings.

**HOW WE’RE DIFFERENT**

- **Engineers**: 1,000+
- **Websites**: 200+
- **Mobile applications**: 350
- **Internet platforms**:
  - iOS: 150
  - Android: 150
  - Amazon: 30
  - Windows: 15
Growing into the World’s Leading Matching Platform

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

**Marketing Media**

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

**HR Media**

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

**Staffing**

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

Note: Some companies are non-consolidated.
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Solid User-Client Base and High Conversion Rate in Domestic Market

**Our Clients**
Our successful business model is the result of strong domestic growth over 50 years — a model that builds and nurtures relationships with firms of every size and in every field.

**Our Users**
We are gaining high brand recognition and a huge number of loyal users, who in turn benefit our client base.

**Extensive Client Portfolio**

**Huge User Base**

**Creating Value**
Large sales staff for numerous clients
- Marketing Plan
- Service/Product development

Product development team for analyzing varied user behaviors
- Data analysis/Needs identification
- Editing

**High Online/Offline Traffic to Clients**
Collecting and analyzing client/user data, then applying this knowledge to our business, helps us efficiently direct user traffic. Our clients trust Recruit’s time-proven solutions for both quality and volume of user activity.

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

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

**OUR STRENGTH**
Solid User-Client Base and High Conversion Rate in Domestic Market

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

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We are gaining high brand recognition and a huge number of loyal users, who in turn benefit our client base.
Bottom-Up Corporate Culture
Underpins Group Strength

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

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

Empowered Individuals, Strong Teams
While empowering individuals, we also believe in the power of teams. Therefore, we have established systematic methods of efficiently sharing individual goals and company-wide targets. This framework supports mutual understanding of people’s strengths, thereby encouraging team members to help each other accomplish their goals, underpinned by the organization’s full arsenal of diverse capabilities and resources.
Balancing Profitability with Sustainability and Social Value, while Striving for Matching Platform Leadership Worldwide

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

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

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

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

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

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

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

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

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

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

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

Small- and Medium-sized Business Support

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

Air Series

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

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

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

Education

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

Jyuken Sapuri / Benkyo Sapuri

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

Healthcare

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

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

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

Marketing Media

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

HR Media

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

Staffing

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

Major Acquisitions in 2015 (Marketing Media)

**Quandoo**

- **Company Name:** Quandoo GmbH, Germany
- **Company Representative:** Philipp Magin
- **Paid-in Capital:** 75,817 Euros
- **Establishment:** November 8, 2012

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

**Hotspring**

- **Company Name:** Hotspring Ventures Limited
- **Company Representative:** Lopo Champalimaud
- **Paid-in Capital:** 19,671.14 GBP
- **Establishment:** February 14, 2008

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

**Treatwell**

- **Company Name:** Treatwell Holdings B.V.
- **Company Representative:** Laurens Hendrikus Groenendijk
- **Paid-in Capital:** 891 thousand Euros
- **Establishment:** November 2012
Major Acquisitions in 2015 (Staffing)

Chandler Macleod

**Company Name:** Chandler Macleod Group Limited  
**Company Representative:** Michelle Loader  
**Paid-in Capital:** 182,272 thousand AUD  
**Establishment:** June 1, 1959

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

Peoplebank

**Company Name:** Peoplebank Holdings Pty Ltd  
**Company Representative:** Peter Acheson  
**Paid-in Capital:** 51,410 thousand AUD  
**Establishment:** September 14, 2007

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

Atterro

**Company Name:** Atterro, Inc.  
**Company Representative:** Clay E. Morel  
**Paid-in Capital:** 11 million USD  
**Establishment:** April 14, 1982
CFO MESSAGE

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

Keiichi Sagawa
Board Director,
Managing Corporate
Executive Officer

Our Financial Strategy

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

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

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

Shareholder Returns

To benefit all shareholders, we are committed to increasing enterprise value through well-considered investments and ongoing earnings growth. We also prioritize paying steady dividends commensurate with earnings, while reserving sufficient funds to invest in business expansion and maintain a solid financial footing. Our dividend policy aims for a consolidated payout ratio of around 25% based on net income before amortization of goodwill.
For fiscal 2014, net sales came to 1,299.9 billion yen, up by 9.1%, the greatest sales we have ever recorded. EBITDA rose by 6.0% to 191.4 billion yen, while net income grew 6.5% to 69.7 billion. Overseas net sales climbed 18.8% versus the prior year, to 336.5 billion, accounting for 25.9% of overall net sales. When performance exceeds our financial year objective, we allocate funds to our medium-to-long term objectives of strengthening existing businesses and investing for growth, with a strategic focus on digital technology. For the fiscal year just ended, we paid out 47 yen per share, in line with our dividend policy.

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

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

Net Sales

(Billions of Yen)

FY2010 2011 2012 2013 2014

752.6 806.6 1,049.2 1,191.5 1,299.9

EBITDA

(Billions of Yen)

FY2010 2011 2012 2013 2014

124.6 150.2 170.0 180.6 191.4

Marketing Media

(Billions of Yen)

FY2011 2012 2013 2014

30.3 29.6 29.5 28.9

264.0 294.8 322.3 333.4

29.6

HR Media

(Billions of Yen)

FY2011 2012 2013 2014

168.9 208.1 266.9 302.7

302.7

Staffing

(Billions of Yen)

FY2011 2012 2013 2014

360.9 552.9 612.4 675.2

25.7

Goodwill/

Amortization of Goodwill

(Billions of Yen)

FY2010 2011 2012 2013 2014

122.8 122.8 172.8 193.7 216.3

19.4

Adjusted Net Income1/

Adjusted ROE2

(Billions of Yen)

FY2010 2011 2012 2013 2014

59.2 57.4 26.0 21.1 16.6

108.09

Adjusted EPS*

(Yen)

FY2010 2011 2012 2013 2014

193.66 196.44 197.24

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

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

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

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

Notes:
1. Adjusted net income = Net income attributable to owners of the parent + amortization of goodwill
2. Own capital ratio in available from fiscal 2012, two years before the IPO in 2014.
3. Reflects the 10-for-1 stock split effective as of July 31, 2014 as if it had taken effect from April 1 of fiscal 2010.