

May 1, 2015

To whom it may concern:

Company name: Recruit Holdings Co., Ltd.
Representative: Masumi Minegishi, President and CEO, &
Representative Director
(Securities code: 6098, TSE First Section)
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Announcement of Acquisition of Shares in Hotspring Ventures Limited, Operator of “Wahanda”, an Online Beauty Reservation Service in Europe

Recruit Holdings Co., Ltd. (hereinafter the “Company”) has announced that it has decided to acquire shares in Hotspring Ventures Limited (Headquarters: London, England; CEO: Lopo Champalimaud; hereinafter “Hotspring”), an European online hair and beauty marketplace, through the Company’s consolidated subsidiary in the U.K. and the wholly owned corporate venture capital company “RGIP LLC” (Headquarters: Chuo-ku, Tokyo; Representative: Kazumasa Watanabe; total investment amount: ¥4.5 billion; hereinafter “RGIP”), and to make it a subsidiary of the Company’s group, as outlined below.

The existing management team of Hotspring own a portion of shares of the Company’s consolidated subsidiary in the U.K., thereby making them indirectly shareholders in Hotspring. The management team will continue to oversee management of Hotspring together with the Company.

1. Purpose of the acquisition of the shares

Since launching its online beauty appointment booking services in the U.K. in 2012, Hotspring has been operating a consumer marketplace and providing sophisticated salon management software, free of charge, to spas and hair and beauty salons. Led by an excellent management team, with extensive experience in online reservations, Hotspring is currently the market leader in online hair and beauty bookings in Europe, operating in 5 countries (U.K., Germany, Lithuania, Switzerland, and Austria), with approximately 12,000 listed salons as of April 2015.

The opportunity in the European beauty market is high compared to the rest of the world; however, the adoption of online reservations in the beauty industry is still less than 1% in the 5 major EU countries (U.K., Germany, France, Italy, and Spain), which is extremely low compared to the travel market. Hotspring’s initial growth shows that online reservations in the beauty market offer a huge opportunity and significant growth can be expected in the future.

The Company, following its investment in Hotspring in July 2014 (through RGIP) and subsequent discussions regarding the EU growth strategy, believes combining Hotspring’s marketing capabilities and reservation expertise, with the Company’s experience in the beauty industry gained from Hot Pepper Beauty, will create a global leader in the online beauty reservations market. The Company has therefore decided to acquire the shares in Hotspring and make it a subsidiary as its first fully-fledged overseas operation in the beauty field.

2. Background

The Company has a long-term vision to become a group providing the number one global matching platform in each of the verticals in which it operates. That includes being the number one in the Marketing Media business by approximately 2030, and the global number one in the HR business by approximately 2020.

The Company is proactively entering new verticals and expanding existing businesses, through M&A in Japan and overseas, financed by the stable cash flow generated from existing domestic businesses. This transaction will help expand the Company’s Lifestyle operations which includes travel, dining and beauty.

3. Outline of subsidiaries acquiring the shares

(1) RGF Beauty UK Ltd.

(1) Name	RGF Beauty UK Ltd.
(2) Location	Riverbank House, 2 Swan Lane, London EC4R 3TT.
(3) Title and name of the head	Chairman: Kazumasa Watanabe
(4) Description of business	Special Purpose Acquisition Company
(5) Capital	£0.01
(6) Major shareholders and shareholding ratio	Recruit Holdings Co., Ltd. 100.00%

(Note) The existing management team of Hotspring is scheduled to hold 10.65% of shares of RGF Beauty UK Ltd. on the date of execution of share acquisition.

(2) RGIP LLC

(1) Name	RGIP LLC
(2) Location	8-4-17, Ginza, Chuo-ku, Tokyo
(3) Title and name of the head	Representative: Kazumasa Watanabe
(4) Description of business	Investment development business and venture capital business
(5) Total investment	¥4.5 billion
(6) Major shareholders and shareholding ratio	Recruit Holdings Co., Ltd. 100.00%

4. Outline of transferring subsidiary (Hotspring Ventures Limited)

(1) Name	Hotspring Ventures Limited											
(2) Location	Threeways House, 40-44 Clipstone St., London											
(3) Title and name of the head	CEO: Lopo Champalimaud											
(4) Description of business	Operation of “Wahanda”, an online reservation service in the beauty business in Europe											
(5) Capital	£14,836.90											
(6) Foundation	February 14, 2008											
(7) Major shareholders and shareholding ratio	<table> <tr> <td>Europe Ventures LP</td> <td>25.25%</td> </tr> <tr> <td>Panarea Capital, L.P.</td> <td>10.86%</td> </tr> <tr> <td>Lepe Partners (Wahanda) LP</td> <td>9.94%</td> </tr> <tr> <td>RGIP LLC</td> <td>8.82%</td> </tr> <tr> <td>Lopo Champalimaud</td> <td>7.80%</td> </tr> </table>		Europe Ventures LP	25.25%	Panarea Capital, L.P.	10.86%	Lepe Partners (Wahanda) LP	9.94%	RGIP LLC	8.82%	Lopo Champalimaud	7.80%
Europe Ventures LP	25.25%											
Panarea Capital, L.P.	10.86%											
Lepe Partners (Wahanda) LP	9.94%											
RGIP LLC	8.82%											
Lopo Champalimaud	7.80%											
(8) Relationships between the Company and Hotspring	Capital relationship	The Company holds 8.82% of the total outstanding shares of Hotspring through the Company’s wholly owned corporate venture capital RGIP LLC.										
	Human relationship	There is no human relationship to be noted between the Company and Hotspring. In addition, there are no human relationships to be noted between persons associated with the Company or the Company’s affiliates and persons associated with Hotspring or Hotspring’s affiliates.										
	Business relationship	There is no business relationship to be noted between the Company and Hotspring. In addition, there are no business relationships to be noted between persons associated with the Company or the Company’s affiliates and persons associated with Hotspring or Hotspring’s associates.										

(9) Consolidated financial results and consolidated financial position of the company for the past three years			
Fiscal year	Year ended December 31, 2012	Year ended December 31, 2013	Year ended December 31, 2014
Consolidated net assets	£(243) thousand	£2,858 thousand	£8,872 thousand
Consolidated total assets	£2,253 thousand	£5,525 thousand	£12,333 thousand
Consolidated net assets per share	£(32.86)	£259.31	£6.04
Consolidated net sales	£2,060 thousand	£2,874 thousand	£4,309 thousand
Consolidated operating income	£(2,572) thousand	£(2,496) thousand	£(6,435) thousand
Consolidated EBITDA	£(2,487) thousand	£(2,404) thousand	£(6,309) thousand
Consolidated net income	£(2,601) thousand	£(2,586) thousand	£(6,541) thousand
Consolidated net income per share	£(352.23)	£(234.62)	£(4.45)
Dividend per share	£0.00	£0.00	£0.00

(Note) The financial data for the year ended December 31, 2014 is unaudited.

5. Outline of major sellers of the shares

(1) Europe Ventures LP

(1) Name	Europe Ventures LP	
(2) Location	Pembroke Hall, 42 Crow Lane, Pembroke HM 19, Bermuda	
(3) Reason for foundation, etc.	Law of the Bermuda	
(4) Purpose	Venture capital investments	
(5) Establishment	July 28, 2009	
(6) Total investment	£100 million	
(7) Investor, investment ratio, and overview of investor	Not disclosed due to confidentiality obligation agreement	
(8) Overview of general partner	Name	Europe Partners LP
	Location	Bermuda
	Title and name of the head	FIL Capital Management Ltd acts as the General Partner of Europe Partners LP The Board of FIL Capital Management Ltd is: Christopher Brealey; Edmund Wrigley; Allan Pelvang and Neal Turchiaro with Deborah Speight as Alternate Director to all directors
	Description of business	Venture capital investments
	Capital	Not disclosed due to confidentiality obligation agreement
(9) Overview of local agent in Japan	Not applicable.	

(10) Relationships between the Company and Europe Ventures LP	Relationships between the Company and Europe Ventures LP	The Company, persons associated with the Company or the Company's affiliates have neither directly nor indirectly invested in Europe Ventures LP. There is no capital, human, and business relationship to be noted between the Company, persons associated with the Company or the Company's affiliates and the investors of Europe Ventures LP.
	Relationship between the Company and the general partner	There is no capital, human, and business relationship to be noted between the Company, persons associated with the Company or the Company's affiliates and the general partner of Europe Ventures LP, persons associated with the general partner of Europe Ventures LP or affiliates of the general partner of Europe Ventures LP.
	Relationship between the Company and the local agent in Japan	Not applicable.

(2) Panarea Capital, L.P.

(1) Name	Panarea Capital, L.P.	
(2) Location	810 Seventh Avenue, New York, NY 10019	
(3) Reason for foundation, etc.	Law of The United States of America	
(4) Purpose	Investment in early stage private companies	
(5) Establishment	September 8, 2010	
(6) Total investment	\$50 - 100 million	
(7) Investor, investment ratio, and overview of investor	Not disclosed due to confidentiality obligation agreement	
(8) Overview of general partner	Name	Panarea Capital, L.P.
	Location	810 Seventh Avenue, New York, NY 10019
	Title and name of the head	Alejandro Zubillaga, Managing Partner
	Description of business	Investment in early stage private companies
	Capital	Not disclosed due to confidentiality obligation agreement
(9) Overview of local agent in Japan	Not applicable.	
(10) Relationships between the Company and Panarea Capital, L.P.	Relationship between the Company and Panarea Capital L.P.	The Company, persons associated with the Company or the Company's affiliates have neither directly nor indirectly invested in Panarea Capital L.P. There is no capital, human, and business relationship to be noted between the Company, persons associated with the Company or the Company's affiliates and the investors of Panarea Capital L.P..
	Relationship between the Company and the general partner	There is no capital, human, and business relationship to be noted between the Company, persons associated with the Company or the Company's affiliates and the general partner of Panarea Capital, L.P., persons associated with the general partner of Panarea Capital, L.P. or affiliates of the general partner of Panarea Capital, L.P.
	Relationship between the Company and the local agent in Japan	Not applicable.

(3) Lepe Partners (Wahanda) LP

(1) Name	Lepe Partners (Wahanda) LP	
(2) Location	Cayman Islands	
(3) Reason for foundation, etc.	Law of the Cayman Islands	
(4) Purpose	Investments	
(5) Establishment	December 2, 2013	
(6) Total investment	£ 3,481,873	
(7) Investor, investment ratio, and overview of investor	Cayman Islands	
(8) Overview of general partner	Name	Lepe Partners (2013) GP
	Location	Cayman Islands
	Title and name of the head	Directors: David Egglishaw, Gavin Davis and Tara Haig
	Description of business	Investments
	Capital	Not disclosed due to confidentiality obligation agreement
(9) Overview of local agent in Japan	Not applicable.	
(10) Relationship between the Company and Lepe Partners (Wahanda) LP	Relationship between the Company and Lepe Partners (Wahanda) LP	The Company, persons associated with the Company or the Company's affiliates have neither directly nor indirectly invested in Lepe Partners (Wahanda) LP. There is no capital, human, and business relationship to be noted between the Company, persons associated with the Company or the Company's affiliates and the investors of Lepe Partners (Wahanda) LP.
	Relationship between the Company and the general partner	There is no capital, human, and business relationship to be noted between the Company, persons associated with the Company or the Company's affiliates and the general partner of Lepe Partners (Wahanda) LP, persons associated with the general partner of Lepe Partners (Wahanda) LP or affiliates of the general partner of Lepe Partners (Wahanda) LP.
	Relationship between the Company and the local agent in Japan	Not applicable.

(4) Lopo Champalimaud

(1) Name	Lopo Champalimaud
(2) Address	London
(3) Relationships between the Company and Lopo Champalimaud	Not applicable.

6. Number of shares to be acquired, acquisition cost, and shares held before and after the acquisition

(1) Number of shares held before the transfer	138,989 shares (Number of voting rights: 138,989, ownership percentage: 8.82%)
(2) Number of shares to be acquired	1,436,836 shares (Number of voting rights: 1,436,836)
(3) Acquisition price	Shares, etc. of Hotspring £112.5 million (approximately ¥20.4 billion) Advisory fees, etc. (estimated amount) ¥0.6 billion Total (estimated amount) ¥21.0 billion
(4) Number of shares held after the transfer	1,575,825 shares (Number of voting rights: 1,575,825, ownership percentage: 100.00%)

(Notes) 1. Number of shares to be acquired includes the total amount of shares of common stock and classified stock, etc. of Hotspring to be acquired by the Company's group.

2. “Shares, etc. of Hotspring Ventures Limited” under acquisition price includes the sum of the respective consideration for common stock and classified stock, etc. of Hotspring to be acquired by the Company’s group.
3. The sum of consideration for common stock and classified stock, etc. of Hotspring converted at ¥181.55 to 1 pound and estimated amount of advisory fees, etc. is listed as total acquisition cost (estimated amount).

7. Schedule

(1) Date of decision	May 1, 2015
(2) Date of agreement	May 1, 2015
(3) Date of execution of share acquisition	May 1, 2015

8. Future forecasts

The impact of the acquisition of shares on the consolidated financial results of the Company for the year ending March 31, 2016 is currently under review.