

July 27, 2016

To whom it may concern:

Company name: Recruit Holdings Co., Ltd.
 Representative: Masumi Minegishi, President, CEO and
 Representative Director
 (Securities code: 6098, TSE First Section)
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 Senior Managing Corporate Executive Officer
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Announcement of Revision of the Financial Forecasts

Recruit Holdings Co., Ltd. (hereinafter the “Company”) hereby announces that it resolved at its Board of Directors meeting held on July 27, 2016 the following revisions to its consolidated financial forecasts for fiscal year ending March 31, 2017, from the forecasts announced on March 13, 2016.

1. Revised Consolidated Financial Forecasts for Fiscal Year Ending March 31, 2017

	Net sales	Operating income	Ordinary income	Net income attributable to owners of the parent	Net income per share
Forecasts announced on May 13, 2016 (A)	(millions of yen) 1,690,000	(millions of yen) 121,500	(millions of yen) 126,500	(millions of yen) 61,500	(yen) 108.90
Revised forecasts (B)	1,830,000	117,000	122,000	74,000	131.03
Change (B-A)	140,000	-4,500	-4,500	12,500	—
Change (%)	8.3	-3.7	-3.6	20.3	—
(Ref) Results of the previous fiscal year (fiscal year ended March 31, 2016)	1,588,623	114,032	119,336	64,535	114.28

Ref:

- EBITDA for fiscal year ending March 31, 2017: ¥223,000 million (increase of ¥6,000 million from the forecasts announced on May 13, 2016)
- Adjusted EPS for fiscal year ending March 31, 2017: ¥220.45

Notes:

- EBITDA: Operating income + Depreciation and amortization + Amortization of goodwill
- Adjusted EPS: adjusted net income / (number of shares issued at the end of the period - number of treasury shares at the end of the period)
- Adjusted net income: net income attributable to owners of the parent ± adjustment items (excluding non-controlling interests) ± tax reconciliation relating to the adjustment items
- Adjustment items: Amortization of goodwill and other intangible assets arising due to business combinations ± extraordinary income/losses

2. Reasons for the Revisions

As announced on June 1 and 16, 2016, the Company acquired USG People B.V.* (hereinafter "USG"), a staffing company operating in Europe. Due to the expected six-month contribution to consolidated earnings by USG, the Company's net sales and EBITDA in this fiscal year are estimated to exceed the previous forecasts (15.2% increase for net sales, 10.3% increase for EBITDA, respectively, from the previous fiscal year). The operating income and ordinary income are anticipated to fall below the previous forecasts (2.6% increase for operating income, 2.2% increase for ordinary income, respectively, from the previous fiscal year), due to additional amortization of goodwill and intangible assets arising from the consolidation of USG.

The Company expects to record extraordinary income arising from share transfer of its subsidiary, as noted in its release titled "Notification of Recording Extraordinary Income Due to Transfer of Subsidiary (Transfer of Shares)," disclosed today. Mainly due to such factors, net income attributable to owners of the parent is projected to exceed the previous forecast (14.7% increase from the previous fiscal year).

*As of July 22, 2016, the company name of USG People N.V. was changed to USG People. B.V.

The above consolidated financial forecasts are forward-looking statements which incorporate the Company's assumptions and outlook for the future and estimates based on the Company's plans as of the date of this release. These forward-looking statements are based on information available to and certain assumptions by the Company as of the date of this release, and there can be no assurance that the relevant forecasts will be achieved. Please note that significant differences between the forecasts and actual results may arise from various factors in the future, including due to changes in economic conditions, changes in clients' needs and users' preferences, competition, changes in the legal and regulatory environment, fluctuations in foreign exchange rates, and other reasons.