

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)
Contact: Keiichi Sagawa, CFO, and
Senior Managing Corporate Executive
Officer
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Notification of Execution of Company-split (Absorption-type Split) Agreement with the Company's Subsidiary

Recruit Holdings Co., Ltd. (the "Company") announces that its Board of Directors has resolved today to execute an absorption-type split agreement in which the rights and obligations of the Media & Solutions segment of the Company will be succeeded to Recruit Administration Co., Ltd. ("RAD"), a wholly-owned subsidiary of the Company, by way of a company-split (absorption-type split), in which the Company is the split company, and to convene an extraordinary general meeting of shareholders on January 17, 2018 to submit a proposal concerning the company-split.

Since RAD, the successor company in this company-split, is a wholly-owned subsidiary of the Company, some of the required information will be omitted from this disclosure.

1. Purpose of the Company-split

The Company has already announced in "1. Purpose of the Group Reorganization" in the "Notification of the Group Reorganization and Dividends from Consolidated Subsidiaries" dated September 27, 2017.

(Reference)

"Recruit Group is focused on responding to the needs of society by creating new value, thereby contributing to a brighter and more fulfilling world in which all individuals can live life to the fullest" is the Company's management philosophy. In order to realize the more fulfilling world and to continue evolving on a global basis, the Company recognizes it must continue enhancing its shareholders value, by keeping ahead of changes in the IT business environment, and by executing transactions for expansions, divestitures and restructuring of its business portfolio in the fastest manner.

Given this context, the Company has been pursuing the enhancement of its consolidated business value together with the three Strategic Business Units (SBUs) of the Global Online HR (currently HR Technology), Media & Solutions, and Global Staffing (currently Staffing) segments since April 2016. Also, the reporting segments have been changed according to the SBUs effective from the first quarter of the fiscal year ending March 31, 2018.

For reasons of both the enhancement of the Company's consolidated business value and managerial resource development, it is an urgent matter for the Company to set the basis for (i) pure holding company functions, (ii) a highly efficient group management structure including group governance, monitoring and managing systems for the group companies' operating performance and financial data, and (iii) SBUs to expand their businesses in line with business strategies based on their respective characteristics and positioning. The Company therefore resolved to conduct the Group Reorganization that includes the Company's company-split.

2. Summary of the Company-split

(1) Schedule of the company-split

(1) Date of resolution of the Board of Directors of the Company	November 14, 2017
(2) Execution of the company-split agreement	November 14, 2017
(3) Date of the Extraordinary General Meeting of Shareholders of the Company and RAD	January 17, 2018
(4) Effective date of the company-split	April 1, 2018 (planned)

(2) Method of the company-split

An absorption-type split in which the Company is the split company and RAD, a wholly-owned subsidiary of the Company, is the successor company.

(3) Allotment related to the company-split

Upon the absorption-type split, RAD will newly issue 2,000 shares of common stock, all of which will be allotted to the Company.

(4) Handling of stock acquisition rights and bonds with stock acquisition rights associated with the company-split

There will be no changes in the stock acquisition rights issued by the Company subsequent to the absorption-type split. The Company has not issued any bonds with stock acquisition rights.

(5) Change in capital due to the company-split

There will be no changes to the Company's capital subsequent to the absorption-type split.

(6) Rights and obligations succeeded by the successor company

RAD, the successor company, will succeed the assets and liabilities, the contractual status and other rights and obligations held by the Company in connection with the Media & Solutions segment as a result of the absorption-type split. The obligations to be succeeded by the successor company will be assumed concomitantly with the Company.

(7) Financial capability to fulfill the obligations

The Company has not identified any issues with respect to fulfillment of the obligations to be borne by the split company and the successor company on and after the effective date in the absorption-type split.

3. Outline of the Companies Involved in the Company-split

	Split company (as of September 30, 2017)	Successor company (as of September 30, 2017)
(1) Name	Recruit Holdings Co., Ltd.	Recruit Administration Co., Ltd. (New company name on and after April 1, 2018: Recruit Co., Ltd.)
(2) Location	8-4-17, Ginza, Chuo-ku, Tokyo	8-4-17, Ginza, Chuo-ku, Tokyo
(3) Title and name of the representative	President, CEO, and Representative Director, Masumi Minegishi	President and Representative Director, Kentaro Mori
(4) Description of business	Formulation of group management policy, and corporate administration	Formulation and promotion of strategies concerning the functions including accounting, human resources, general affairs, legal affairs and information security of the Recruit Group and provision of professional services
(5) Capital	¥10 billion	¥100 million
(6) Foundation	August 26, 1963	October 1, 2012
(7) Total outstanding shares	1,695,960,030 shares	2,000 shares
(8) Fiscal year-end	March 31	March 31
(9) Major shareholders and shareholding ratio	TOPPAN PRINTING CO., LTD. 6.66% Dai Nippon Printing Co., Ltd. 4.19% DENTSU INC. 3.71% Japan Trustee Services Bank, Ltd. (Trust Account) 3.18% The Recruit Group Employees Shareholding Association 2.97% JP MORGAN CHASE BANK 380055 (standing proxy: Settlement & Clearing Services Department, Mizuho Bank, Ltd.) 2.78% The Master Trust Bank of Japan, Ltd. (Trust Account) 2.47% TOKYO BROADCASTING SYSTEM TELEVISION, INC. 1.96% Nippon Television Network Corporation 1.96% NTT DATA Corporation 1.85%	Recruit Holdings Co., Ltd. 100.0%

(10) Financial results and financial position for the immediately preceding fiscal year	Recruit Holdings Co., Ltd. (Consolidated, JGAAP)	Recruit Administration Co., Ltd. (Non-consolidated, JGAAP)
	Fiscal year ended March 31, 2017	Fiscal year ended March 31, 2017
	(in millions of yen, unless otherwise specified)	
Total equity	778,540	323
Total assets	1,449,614	2,273
Net assets per share (yen)	1,384.16	161,566.26
Net sales	1,839,987	5,275
Operating income	127,207	202
Ordinary income	131,718	199
Net income attributable to owners of the parent (Note)	85,422	136
Net income per share (yen)	152.51	68,226.19
Dividend per share (yen)	65	—

(Note) The figure for Recruit Administration Co., Ltd. refers to “net income.”

4. Outline of the Segment to be Split

(1) Outline of the business to be split

The Media & Solutions segment of the Company

(2) Financial results of the business to be split

Net sales: ¥568,921 million (Fiscal year ended March 31, 2017)

(3) Items and carrying amounts of assets and liabilities to be split

Although not finalized at the time of this announcement, the assets associated with the succeeded business to be split will be ¥378,922 million (current assets of ¥126,569 million and noncurrent assets of ¥252,353 million), and liabilities will be ¥99,780 million (current liabilities of ¥99,119 million and long-term liabilities of ¥661 million), when calculated based on the balance sheet as of March 31, 2017. The actual amounts to be succeeded will be determined by adjusting the changes that accrue up to the effective date.

5. Status of the Split Company after the Company-split

There will be no changes made to the name, location, title and name of the representative, description of business, capital, and fiscal year-end of the split company (the Company).

6. Status of the Successor Company after the Company-split (on and after April 1, 2018)

(1) Name	Recruit Co., Ltd.
(2) Location	8-4-17, Ginza, Chuo-ku, Tokyo
(3) Title and name of the representative	To be determined.
(4) Description of business	Media & Solutions Businesses
(5) Capital	¥350 million
(6) Fiscal year-end	March 31

7. Future Outlook

Although possible impacts of the absorption-type split on the Company’s consolidated financial results for the fiscal year ending March 31, 2018 are currently being examined, no negative impact is expected on the profit for the period. If it becomes necessary to revise the consolidated financial results forecast, the details of the revisions will be disclosed immediately.