

Recruit Holdings Co., Ltd.

Company name:
 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 Change in Consolidated Subsidiary (Transfer of Shares and Holdings)

Recruit Holdings Co., Ltd. (the “Company”) announces that it decided today to transfer the shares of its consolidated subsidiaries, Travel Book Philippines, Inc. (“TB”), PT. Go Online Destinations (“PG”) and MyTour Vietnam Company Limited (“MT”), as follows.

1. Reason for transfer of shares

To realize growth in the Company’s Overseas Marketing Solutions, the Company’s strategy is to verify the effectiveness of the knowhow developed in the domestic business at companies made into subsidiaries and to raise the value of those subsidiaries by leveraging the knowhow.

Under this strategy, the Company made companies which engage in online travel agency services in the ASEAN region, namely TB in the Philippines in 2014, and PG in Indonesia and MT in Vietnam in 2015, its subsidiaries, and has since worked to operate these companies.

While the initially expected goals have been met with regard to the verification of the effectiveness of knowhow held by the Group, in consideration of the competitive environment of the market surrounding online travel agency services in the ASEAN region, the Company has reached the conclusion that maintaining and developing businesses in line with new strategies will lead to maximizing each company’s value.

As a result of considering the appropriate operating structure, the Company has decided to transfer its entire holdings to Jet Tech Innovation Ventures Pte. Ltd.

2. Outline of the subsidiaries to be changed (TB, PG, and MT)

1) TB

(1) Name	Travel Book Philippines, Inc.	
(2) Location	18/F Galleria Corporate Center, EDSA corner Ortigas Ave., Brgy. Ugong Norte, Quezon City, Philippines 1100	
(3) Title and name of the representative	Hiroyuki Murai, CEO	
(4) Description of business	Online travel agency services	
(5) Capital	PHP 580,949,898	
(6) Foundation	December 28, 2012	
(7) Major shareholders and shareholding ratio	Recruit Holdings Co., Ltd.	34.77%
	Recruit Global Incubation Partners Co., Ltd.	65.23%

(8) Relationship between the Company and TB	Capital relationship	Wholly-owned subsidiary of the Company.	
	Human relationship	Three employees of the Company and its subsidiary concurrently serve as Directors of TB.	
	Business relationship	Business relationships concerning system license agreement exist between the Company and TB.	
(9) Financial results and financial position of TB for the last three years (Unit: PHP)			
Fiscal year	Year ended December 31, 2014	Year ended December 31, 2015	Year ended December 31, 2016
Net assets	51,541,924	83,348,716	49,766,729
Total assets	71,147,310	101,940,438	74,685,624
Net sales	825,786	21,327,648	37,187,602
Operating income	(61,509,019)	(89,007,193)	(136,816,171)
Ordinary income	(60,481,257)	(88,026,909)	(135,496,046)
Profit	(60,688,319)	(88,193,208)	(135,581,987)

2) PG

(1) Name	PT. Go Online Destinations		
(2) Location	Jl. Raya Perjuangan No. 23 Kelurahan Kebon Jeruk, Kecamatan Kebon Jeruk, West Jakarta, Indonesia		
(3) Title and name of the representative	Hisao Miki, President Director		
(4) Description of business	Online travel agency services		
(5) Capital	IDR 261,068,500,000		
(6) Foundation	September 15 th , 2011		
(7) Major shareholders and shareholding ratio	Recruit Holdings Co., Ltd.	95.7%	
	Recruit Global Incubation Partners Co., Ltd.	4.3%	
(8) Relationship between the Company and PG	Capital relationship	Wholly-owned subsidiary of the Company.	
	Human relationship	Two employees of the Company's subsidiary concurrently serve as Directors of PG.	
	Business relationship	Business relationships concerning system license agreement exist between the Company and PG.	

(9) Financial results and financial position of PG for the last three years (Unit: IDR)			
Fiscal year	Year ended December 31, 2014	Year ended December 31, 2015	Year ended December 31, 2016
Net assets	8,975,506,872	46,829,284,289	26,139,312,387
Total assets	11,293,471,858	61,079,277,965	47,992,585,058
Net sales	49,684,090,680	185,094,977,240	424,637,418,925
Operating income	(17,422,693,164)	(4,538,148,542)	11,666,966,266
Ordinary income	(17,015,636,942)	42,987,730,667	5,193,510,598
Profit	(17,015,636,942)	37,853,777,417	2,310,028,098

3) MT

(1) Name	MyTour Vietnam Company Limited		
(2) Location	Floor 4, GP Invest Building, 170 De La Thanh, O Cho Dua Ward, Dong Da District, Hanoi, the Socialist Republic of Vietnam		
(3) Title and name of the representative	Takahiro Aoki, CEO		
(4) Description of business	Online travel agency services		
(5) Capital	VND 269,913,000,000		
(6) Foundation	August 30 th , 2012		
(7) Major shareholders and shareholding ratio	Recruit Global Incubation Partners Co.Ltd.	93.54%	
	Viet Nam Price Joint Stock Company	6.46%	
(8) Relationship between the Company and MT	Capital relationship	Wholly-owned subsidiary of the Company.	
	Human relationship	Two employees of the Company's subsidiary concurrently serve as Directors of MT.	
	Business relationship	There are no significant business relationships to be noted.	

(9) Financial results and financial position of MT for the last three years (Unit: VND)			
Fiscal year	Year ended December 31, 2014	Year ended December 31, 2015	Year ended December 31, 2016
Net assets	23,776,879,417	(17,187,856,724)	14,399,673,436
Total assets	35,375,598,787	39,386,882,613	40,497,137,867
Net sales	64,527,422,656	88,705,997,905	128,467,222,148
Operating income	(23,656,542,754)	(41,236,337,710)	(49,383,882,725)
Ordinary income	(23,769,338,825)	(40,964,736,141)	(49,312,469,840)
Profit	(23,769,338,825)	(40,964,736,141)	(49,312,469,840)

3. Outline of the recipient of the transfer of shares

(1) Name	Jet Tech Innovation Ventures Pte. Ltd.	
(2) Location	2 Shenton Way #18-01 SGX Centre I Singapore 068804	
(3) Title and name of the representative	Hendrik Susanto, Director	
(4) Description of business	Investment Holding Company	
(5) Capital	USD 1	
(6) Foundation	October 20 th , 2017	
(7) Net assets	USD 1	
(8) Total assets	USD 1	
(9) Major shareholder and shareholding ratio	Jet Tech Ventures Pte. Ltd. 100%	
(10) Relationship between the Company and Jet Tech Innovation Ventures Pte. Ltd.	Capital relationship	There are no applicable items.
	Human relationship	There are no applicable items.
	Business relationship	There are no applicable items.
	Status as a related party	There are no applicable items.

4. Number of shares (or holdings) to be transferred, transfer price and number of shares held (or holdings) before and after the transfer

TB

(1) Number of shares held before the change	580,950,000 shares (Number of voting rights: 580,950,000 units) (Ratio of voting rights held: 100.00%)
(2) Number of shares to be transferred	580,950,000 shares (Number of voting rights: 580,950,000 units)
(3) Number of shares held after the change	0 shares (Ratio of voting rights held: 0.00%)

PG

(1) Number of shares held before the change	522,137 shares (Number of voting rights: 522,137 units) (Ratio of voting rights held: 100.00%)
(2) Number of shares to be transferred	522,137 shares (Number of voting rights: 522,137 units)
(3) Number of shares held after the change	0 shares (Ratio of voting rights held: 0.00%)

MT

(1) Holdings before the change	252,483,000,000 units (Number of voting rights: 252,483,000,000 units) (Ratio of voting rights held: 93.54%)
(2) Number of holdings to be transferred	252,483,000,000 units (Number of voting rights: 252,483,000,000 units)
(3) Holdings after the change	0 units (Ratio of voting rights held: 0.00%)

The total transfer price for TB, PG and MT is USD 66.8 million.

5. Schedule

(1) Date of resolution	January 5 th , 2018
(2) Date of agreement	January 5 th , 2018
(3) Date of execution of transfer of holdings	March 29 th , 2018 (planned)

6. Change in sub-subsidiary

Go Online Destinations Singapore Pte. Ltd., a wholly-owned subsidiary of PG, will become a wholly-owned subsidiary of the Company, in conjunction with the transfer of PG shares.

A decision has been made to liquidate Go Online Destinations Singapore Pte. Ltd. and the Company has commenced liquidation procedures.

(Outline of the sub-subsidiary to become a subsidiary)

(1) Name	Go Online Destinations Singapore Pte. Ltd.
(2) Location	Singapore, Republic of Singapore
(3) Title and name of the representative	Hiroyuki Murai, Director
(4) Description of business	Company supporting online travel business
(5) Capital	USD 12,492,217
(6) Foundation	June 29 th , 2015
(7) Major shareholder and shareholding ratio	PT. Go Online Destinations 100.0%
(8) Date of change	January, 2018 (planned)

*As this is an intra-group transfer of a sub-subsidiary, the following items are omitted from the above description: "Relationship between the Company and Go Online Destinations Singapore Pte. Ltd.," "Financial results and financial position of Go Online Destinations Singapore Pte. Ltd. for the last three years," and "Number and amount of shares to be transferred" and "Number of shares held before and after the transfer, and ratio of voting rights held."

(Outline of the recipient of the transfer of shares)

(1) Name	Recruit Holdings Co., Ltd.	
(2) Location	8-4-17 Ginza, Chuo-ku, Tokyo	
(3) Title and name of the representative	Masumi Minegishi, President, CEO, and Representative Director	
(4) Description of business	Formulation of group management policy and corporate administration	
(5) Capital	¥10.0 billion	
(6) Foundation	August 26 th , 1963	
(7) 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%
(8) Date of change	January, 2018 (planned)	

*As this is an intra-group transfer of a sub-subsiary, the following items are omitted from the above description: "Relationship between the Company and Go Online Destinations Singapore Pte. Ltd.," "Net assets and total assets for the immediately preceding fiscal year," "Number and amount of shares acquired," and "Number of shares held before and after the acquisition, and ratio of voting rights held."

7. Future outlook

The impact of this matter on the Company's consolidated financial results for the year ending March 31, 2018 will be minor.