

## Recruit Group Consolidated Statements of Income

(Millions of Yen)

Item	Period	From 4/1/2013 To 3/31/2014 (54th Fiscal Year)	From 4/1/2012 To 3/31/2013 (53rd Fiscal Year)	Year-on-Year Change	Year-on- Year Percentage Change (%)
		Amount	Amount		
<b>I Operating revenues</b>		1,191,567	1,049,224	142,342	13.6
<b>II Operating expenses</b>		1,074,128	924,241	149,887	16.2
<b>Operating income</b>		<b>117,438</b>	<b>124,983</b>	<b>▲7,544</b>	<b>▲6.0</b>
<b>III Non-operating income</b>		6,209	5,812	397	6.8
(1)Interest and dividends income		1,869	1,683	185	11.0
(2)Reversal of allowance for doubtful accounts		102	658	▲556	▲84.4
(3)Equity in earnings of affiliates		3,301	2,455	846	34.5
(4)Others		936	1,014	▲77	▲7.7
<b>IV Non-operating expenses</b>		1,597	2,630	▲1,033	▲39.3
(1)Interest expenses		1,066	1,802	▲736	▲40.9
(2)Others		531	827	▲296	▲35.8
<b>Ordinary income</b>		<b>122,050</b>	<b>128,165</b>	<b>▲6,114</b>	<b>▲4.8</b>
<b>V Extraordinary income</b>		522	1,070	▲547	▲51.2
(1)Gain on sales of investment securities		121	924	▲803	▲86.9
(2)Gain on step acquisitions		134	-	134	-
(3)Gain on change in equity		231	38	192	495.1
(4)Others		35	106	▲71	▲66.8
<b>VI Extraordinary losses</b>		3,179	6,150	▲2,970	▲48.3
(1)Loss on disposal of fixed assets		1,558	5,566	▲4,008	▲72.0
(2)Loss on valuation of investment securities		263	196	67	34.4
(3)Impairment loss on fixed assets		1,252	258	994	385.4
(4)Others		105	129	▲23	▲18.5
<b>Income before income taxes and minority interests</b>		<b>119,393</b>	<b>123,085</b>	<b>▲3,691</b>	<b>▲3.0</b>
Income taxes-current		54,253	56,065	▲1,811	▲3.2
Income taxes-deferred		▲397	▲5,153	4,756	▲92.3
<b>Income before minority interests</b>		<b>65,536</b>	<b>72,173</b>	<b>▲6,636</b>	<b>▲9.2</b>
<b>Minority interests</b>		<b>115</b>	<b>373</b>	<b>▲258</b>	<b>▲69.2</b>
<b>Net income</b>		<b>65,421</b>	<b>71,800</b>	<b>▲6,378</b>	<b>▲8.9</b>

(Note) Amounts are rounded down to the nearest million yen.

## Recruit Group Consolidated Balance Sheets

(Millions of Yen)

Item	Period	As of 3/31/2014	As of 3/31/2013	Year-on-Year Change	Item	Period	As of 3/31/2014	As of 3/31/2013	Year-on-Year Change
		(54th Fiscal Year)	(53rd Fiscal Year)				(54th Fiscal Year)	(53rd Fiscal Year)	
	Amount	Amount	Amount			Amount	Amount		
<b>Assets</b>					<b>Liabilities</b>				
<b>I Current assets</b>	<b>390,312</b>	<b>388,954</b>	<b>1,357</b>		<b>I Current liabilities</b>	<b>233,108</b>	<b>236,758</b>	<b>▲ 3,650</b>	
1. Cash and deposits	161,153	41,172	119,980		1. Notes and accounts payable-trade	51,907	43,977	7,929	
2. Notes and accounts receivable-trade	162,418	144,559	17,858		2. Short-term borrowings	26,761	42,059	▲ 15,297	
3. Investment securities	26,030	160,289	▲ 134,258		3. Accounts payable-other	6,851	7,409	▲ 557	
4. Deferred tax assets	16,278	19,039	▲ 2,760		4. Accrued expenses	66,421	53,866	12,555	
5. Others	30,986	30,629	356		5. Income taxes payable	34,096	45,262	▲ 11,165	
6. Allowance for doubtful accounts	▲ 6,555	▲ 6,735	180		6. Provision for bonuses	17,223	13,381	3,841	
					7. Provision for workers compensation	2,705	2,453	251	
					8. Others	27,140	28,347	▲ 1,207	
<b>II Fixed assets</b>	<b>470,069</b>	<b>419,567</b>	<b>50,501</b>		<b>II Long-term liabilities</b>	<b>80,652</b>	<b>152,516</b>	<b>▲ 71,863</b>	
( I ) Property, plant and equipment	23,543	20,933	2,610		1. Long-term borrowings	30,000	121,719	▲ 91,719	
1. Buildings and structures	8,095	7,777	318		2. Deferred tax liabilities	15,919	801	15,118	
2. Tools, furniture and fixtures	7,514	5,297	2,216		3. Provision for retirement benefits	-	22,330	▲ 22,330	
3. Land	7,763	7,763	-		4. Provision for directors' retirement benefits	1,952	1,605	347	
4. Others	170	95	74		5. Provision for workers compensation	6,805	5,065	1,739	
					6. Net defined benefit liability	25,182	-	25,182	
( II ) Intangible assets	302,216	272,565	29,651		7. Others	792	994	▲ 201	
1. Goodwill	193,713	172,841	20,872		<b>Total liabilities</b>	<b>313,760</b>	<b>389,274</b>	<b>▲ 75,514</b>	
2. Software	46,241	43,698	2,543		<b>Net assets</b>				
3. Trademarks	20,571	18,113	2,457		<b>I Shareholders' equity</b>	<b>462,826</b>	<b>382,582</b>	<b>80,244</b>	
4. Customer-related assets	26,082	24,343	1,738		( I ) Common stock	3,002	3,002	-	
5. Technology-related assets	13,518	12,783	734		( II ) Capital surplus	17,632	14,680	2,952	
6. Others	2,089	786	1,303		( III ) Retained earnings	503,006	450,597	52,409	
					( IV ) Treasury stock	▲ 60,815	▲ 85,698	24,882	
( III ) Investments and other assets	144,308	126,068	18,240		<b>II Valuation and translation adjustments</b>	<b>80,530</b>	<b>33,969</b>	<b>46,561</b>	
1. Investment securities	106,526	87,516	19,010		( I ) Valuation difference on available-for-sale securities	23,429	17,013	6,415	
2. Deferred tax assets	11,296	11,570	▲ 273		( II ) Deferred gains or losses on hedges	712	1,612	▲ 899	
3. Guarantee deposits	13,936	12,738	1,198		( III ) Foreign currency translation adjustment	58,318	15,343	42,974	
4. Others	12,947	14,912	▲ 1,965		( IV ) Remeasurements of defined benefit plans	▲ 1,929	-	▲ 1,929	
5. Allowance for doubtful accounts	▲ 398	▲ 669	271		<b>III Subscription rights to shares</b>	<b>321</b>	<b>-</b>	<b>321</b>	
					<b>IV Minority interests</b>	<b>2,943</b>	<b>2,696</b>	<b>247</b>	
<b>Total assets</b>	<b>860,381</b>	<b>808,522</b>	<b>51,859</b>		<b>Total net assets</b>	<b>546,621</b>	<b>419,247</b>	<b>127,374</b>	
					<b>Total liabilities and net assets</b>	<b>860,381</b>	<b>808,522</b>	<b>51,859</b>	

(Note) Amounts are rounded down to the nearest million yen.

## Recruit Group Consolidated Statements of Cash Flows

(Millions of Yen)

Item	Period	From 4/1/2013 To 3/31/2014 (54th Fiscal Year)	From 4/1/2012 To 3/31/2013 (53rd Fiscal Year)	Year-on-Year Change
<b>I Cash Flows from Operating Activities</b>		Amount	Amount	
(1) Income before income taxes and minority interests		119,393	123,085	▲ 3,691
(2) Depreciation		27,156	19,929	7,227
(3) Allowance for doubtful accounts (Decrease: ▲)		▲ 580	▲ 691	110
(4) Provision for retirement benefits (Decrease: ▲)		▲ 22,307	602	▲ 22,909
(5) Provision for directors' retirement benefits (Decrease: ▲)		347	▲ 326	674
(6) Provision for workers compensation (Decrease: ▲)		331	698	▲ 367
(7) Net defined benefit liability (Decrease: ▲)		22,037	-	22,037
(8) Interest and dividends income		▲ 1,869	▲ 1,683	▲ 185
(9) Interest expenses		1,066	1,802	▲ 736
(10) Equity in earnings of affiliates (Gain: ▲)		▲ 3,301	▲ 2,455	▲ 846
(11) Loss on disposal of fixed assets		1,558	5,566	▲ 4,008
(12) Gain on sales of investment securities		▲ 121	▲ 924	803
(13) Gain on step acquisitions		▲ 134	-	▲ 134
(14) Gain on change in equity		▲ 231	▲ 38	▲ 192
(15) Impairment loss on fixed assets		1,252	258	994
(16) Loss on valuation of investment securities		263	196	67
(17) Amortization of goodwill		36,052	25,129	10,923
(18) Accounts receivable and other (Increase: ▲)		▲ 12,322	▲ 1,480	▲ 10,841
(19) Accounts payable and other (Decrease: ▲)		17,809	11,827	5,981
(20) Accrued consumption taxes (Decrease: ▲)		▲ 999	221	▲ 1,221
(21) Others		1,573	▲ 119	1,693
<b>Sub-total</b>		186,974	181,597	5,376
(22) Interest income and dividends		2,182	1,668	513
(23) Interest expenses		▲ 1,134	▲ 1,836	702
(24) Income taxes (Paid: ▲)		▲ 61,895	▲ 22,831	▲ 39,064
<b>Net Cash Provided by Operating Activities</b>		126,127	158,598	▲ 32,471
<b>II Cash Flows from Investing Activities</b>				
(1) Withdrawal of time deposits		16	10,300	▲ 10,283
(2) Purchases of property, plant and equipment		▲ 5,440	▲ 3,922	▲ 1,518
(3) Purchases of intangible assets		▲ 22,074	▲ 19,518	▲ 2,556
(4) Sales of property, plant and equipment		7	647	▲ 640
(5) Purchases of investment securities		▲ 2,910	▲ 1,143	▲ 1,767
(6) Sales of investment securities		444	2,185	▲ 1,741
(7) Payments for transfer of business		▲ 147	-	▲ 147
(8) Payments of investments in capital		▲ 1,018	▲ 1,218	199
(9) Collection of investments in capital		4	151	▲ 146
(10) Purchases of investments in capital of subsidiaries and affiliates		▲ 7,199	▲ 92,522	85,323
(11) Proceeds from purchases of investments in capital of subsidiaries and affiliates		-	47	▲ 47
(12) Purchases of investments in subsidiaries		▲ 8,408	▲ 528	▲ 7,880
(13) Collection of short-term loans receivable		-	305	▲ 305
(14) Payments for long-term loans receivable		▲ 60	▲ 32	▲ 28
(15) Collection of long-term loans receivable		75	680	▲ 605
(16) Others		▲ 2,034	▲ 9,228	7,193
<b>Net Cash Used in Investing Activities</b>		▲ 48,745	▲ 113,795	65,050
<b>III Cash Flows from Financing Activities</b>				
(1) Net decrease in short-term loans payable		▲ 6,160	▲ 7,514	1,354
(2) Proceeds from long-term loans payable		-	65,000	▲ 65,000
(3) Repayments for long-term loans payable		▲ 101,700	▲ 36,700	▲ 65,000
(4) Proceeds from sales of treasury stock		27,844	-	27,844
(5) Payments for dividends		▲ 12,880	▲ 13,012	132
(6) Others		▲ 26	▲ 15	▲ 10
<b>Net Cash Provided by Financing Activities (Used in: ▲)</b>		▲ 92,923	7,756	▲ 100,679
<b>IV Foreign Exchange Effects</b>		1,335	2,120	▲ 785
<b>V Net Increase on Cash and Cash Equivalents (Decrease: ▲)</b>		▲ 14,206	54,679	▲ 68,885
<b>VI Cash and Cash Equivalents - beginning of year</b>		201,433	146,753	54,679
<b>VII Decrease in Cash and Cash Equivalents Resulting from Change in Scope of Consolidation</b>		▲ 73	-	▲ 73
<b>VIII Cash and Cash Equivalents - end of year</b>		187,153	201,433	▲ 14,279

(Note) Amounts are rounded down to the nearest million yen.