

(Revision) Partial Revision to the “Consolidated Financial Results for the Nine Months Ended December 31, 2018 (IFRS, Unaudited)”

1. Reason of the Revision

Recruit Holdings Co., Ltd. hereby announced today that there were partial revisions to the “Consolidated Financial Results for the Nine Months Ended December 31, 2018 (IFRS, Unaudited)” announced on February 13, 2019. The details of the revisions are as outlined below. The revised parts are underlined.

2. Details of the Revision

1. Management's Discussion and Analysis

Results of Operations by Segment

Media & Solutions

(Before revision)

The operating results and relevant data for this reportable segment are as follows:

(In billions of yen)	Three Month Ended December 31,		Variance	% change	Nine Month Ended December 31,		Variance	% change
	2017	2018			2017	2018		
Segment revenue	166.7	178.2	11.5	6.9%	498.7	527.6	28.9	5.8%
Marketing Solutions	93.4	100.7	7.3	7.9%	282.0	295.2	13.2	4.7%
Housing and Real Estate	23.5	26.5	3.0	12.8%	73.3	76.0	2.6	3.6%
Bridal	14.4	14.1	(0.3)	-2.2%	42.2	41.9	(0.3)	-0.9%
Travel	14.0	15.0	0.9	6.7%	44.6	46.7	2.0	4.6%
Dining	9.9	10.2	0.3	3.4%	27.6	28.7	1.1	4.2%
Beauty	16.2	<u>19.1</u>	<u>2.9</u>	<u>18.1%</u>	47.0	<u>54.1</u>	<u>7.1</u>	<u>15.3%</u>
Others	15.1	<u>15.5</u>	<u>0.4</u>	<u>2.9%</u>	47.0	<u>47.5</u>	<u>0.5</u>	<u>1.1%</u>
HR Solutions	71.3	76.7	5.3	7.5%	211.3	230.2	18.8	8.9%
Recruiting in Japan	65.1	69.0	3.8	5.9%	193.7	205.7	11.9	6.2%
Others	6.1	7.7	1.5	24.7%	17.6	24.4	6.8	38.8%
Eliminations and Adjustments (Media & Solutions)	1.9	0.7	(1.2)	-62.1%	5.2	2.2	(3.0)	-58.1%
Segment EBITDA	46.1	48.6	2.5	5.5%	128.3	140.1	11.7	9.2%
Marketing Solutions	29.7	33.1	3.4	11.6%	79.7	90.9	11.2	14.1%
HR Solutions	19.8	19.7	(0.0)	-0.2%	58.0	61.3	3.2	5.6%
Eliminations and Adjustments (Media & Solutions)	(3.3)	(4.2)	(0.8)	-	(9.4)	(12.1)	(2.6)	-

Marketing Solutions

Beauty

Beauty revenue consists primarily of advertising revenue generated on *Hot Pepper Beauty*, an online platform focusing on online salon reservations and print media under the same name. With a continued effort to extend its reach to non-urban areas and the outskirts of metropolitan areas, the number of beauty salon clients advertising on *Hot Pepper Beauty* continued to increase year on year. The number of online beauty salon reservations made through *Hot Pepper Beauty* continued to grow double digits due to an increased number of salons available to book on the platform and improved usability of *SALON BOARD*, a cloud-based beauty salon vacancy management and support service. As a result, quarterly revenue increased by 18.1% year on year to 19.1 billion yen and revenue for the nine-month period increased by 15.3% year on year to 54.1 billion yen.

Others

The Others subsegment includes Automobile, Education such as *Study Sapuri*, Overseas Marketing, and *Air Series* businesses. Quarterly revenue increased by 2.9% year on year to 15.5 billion yen and revenue for the nine-month period increased by 1.1% to 47.5 billion yen. While the sale of subsidiaries in Q3 FY2017 and Q1 FY2018 negatively impacted revenue growth, excluding these non-recurring impacts, quarterly revenue and revenue for the nine-month period increased by 7.4%¹ and 8.5%¹ year on year, respectively.

¹ For comparison purposes, calculated based on internal managerial reporting numbers, which exclude revenue in prior periods from sales of subsidiaries.

(After revision)

The operating results and relevant data for this reportable segment are as follows:

(In billions of yen)	Three Month Ended December 31,		Variance	% change	Nine Month Ended December 31,		Variance	% change
	2017	2018			2017	2018		
Segment revenue	166.7	178.2	11.5	6.9%	498.7	527.6	28.9	5.8%
Marketing Solutions	93.4	100.7	7.3	7.9%	282.0	295.2	13.2	4.7%
Housing and Real Estate	23.5	26.5	3.0	12.8%	73.3	76.0	2.6	3.6%
Bridal	14.4	14.1	(0.3)	-2.2%	42.2	41.9	(0.3)	-0.9%
Travel	14.0	15.0	0.9	6.7%	44.6	46.7	2.0	4.6%
Dining	9.9	10.2	0.3	3.4%	27.6	28.7	1.1	4.2%
Beauty	16.2	<u>18.3</u>	<u>2.1</u>	<u>13.1%</u>	47.0	<u>53.3</u>	<u>6.3</u>	<u>13.5%</u>
Others	15.1	<u>16.3</u>	<u>1.2</u>	<u>8.3%</u>	47.0	<u>48.3</u>	<u>1.3</u>	<u>2.8%</u>
HR Solutions	71.3	76.7	5.3	7.5%	211.3	230.2	18.8	8.9%
Recruiting in Japan	65.1	69.0	3.8	5.9%	193.7	205.7	11.9	6.2%
Others	6.1	7.7	1.5	24.7%	17.6	24.4	6.8	38.8%
Eliminations and Adjustments (Media & Solutions)	1.9	0.7	(1.2)	-62.1%	5.2	2.2	(3.0)	-58.1%
Segment EBITDA	46.1	48.6	2.5	5.5%	128.3	140.1	11.7	9.2%
Marketing Solutions	29.7	33.1	3.4	11.6%	79.7	90.9	11.2	14.1%
HR Solutions	19.8	19.7	(0.0)	-0.2%	58.0	61.3	3.2	5.6%
Eliminations and Adjustments (Media & Solutions)	(3.3)	(4.2)	(0.8)	-	(9.4)	(12.1)	(2.6)	-

Marketing Solutions

Beauty

Beauty revenue consists primarily of advertising revenue generated on Hot Pepper Beauty, an online platform focusing on online salon reservations and print media under the same name. With a continued effort to extend its reach to non-urban areas and the outskirts of metropolitan areas, the number of beauty salon clients advertising on Hot Pepper Beauty continued to increase year on year. The number of online beauty salon reservations made through Hot Pepper Beauty continued to grow double digits due to an increased number of salons available to book on the platform and improved usability of SALON BOARD, a cloud-based beauty salon vacancy management and support service. As a result, quarterly revenue increased by 13.1% year on year to 18.3 billion yen and revenue for the nine-month period increased by 13.5% year on year to 53.3 billion yen.

Others

The Others subsegment includes Automobile, Education such as *Study Sapuri*, Overseas Marketing, and *Air Series* businesses. Quarterly revenue increased by 8.3% year on year to 16.3 billion yen and revenue for the nine-month period increased by 2.8% to 48.3 billion yen. While the sale of subsidiaries in Q3 FY2017 and Q1 FY2018 negatively impacted revenue growth, excluding these non-recurring impacts, quarterly revenue and revenue for the nine-month period increased by 13.1%¹ and 10.4%¹ year on year, respectively.

¹ For comparison purposes, calculated based on internal managerial reporting numbers, which exclude revenue in prior periods from sales of subsidiaries.

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