Today, I would like to start with outline of our group reorganization.
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. 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.
Recruit Holdings has been pursuing the enhancement of its consolidated business value together with the three Strategic Business Units (SBUs) since April 2016. The HR Technology: Indeed, Media & Solutions: media businesses mainly in Japan, and Staffing: staffing businesses in Japan and overseas market.

These businesses have respective strategies:
- HR Technology put its first priority on business expansion in the global market.
- Media & Solutions aims stable revenue growth with high EBITDA margin.
- Staffing main strategy is to execute M&A and improve EBITDA margin globally.
Recruit Holdings resolved to conduct the group reorganization in order to promote and accelerate each SBU’s own strategy.
The SBU headquarters functions become Recruit Holdings’ wholly owned subsidiaries which manage SBUs to manage their businesses independently.
As for the method of the reorganization, each SBU’s headquarters becomes a wholly owned subsidiary of Recruit Holdings and all the ownership shares of the affiliated companies of each SBU will be transferred from Recruit Holdings to each SBU headquarters.
Under the structure, the SBU headquarters will further strengthen their management capabilities to develop their businesses more quickly in line with business strategies.
Recruit Holdings will focus on its pure holding company functions with a highly efficient group management structure including group governance, monitoring and managing systems for the group companies’ operating performance and financial data.
Through this group reorganization, Recruit Holdings could make remarkable progress as a publicly traded company.

Next, I would like to explain the Media & Solutions structure in the red box.
Media & Solutions SBU is headquartered in Recruit Administration Co., Ltd. The company’s current functions includes administrative duties mainly for domestic subsidiaries. Media & Solutions SBU is transferred from Recruit Holdings to Recruit Administration as shown in the red box. And the affiliated companies of the Media & Solutions will be sub-consolidated under Recruit Administration. The company will change its name to Recruit Co., Ltd. on April 1, 2018.

Lastly, I would like to discuss the details of execution of the company-split agreement.
As of today, most of assets, liabilities, and business contracts of Media & Solutions SBU are owned by Recruit Holdings, in contrast to those of HR Technology and Staffing SBU's. Recruit Holdings has been owning the rights and obligations of billing and payment related to the Media & Solutions SBU's day-to-day operations.

Today, we make a proposal for approval of a absorption-type split agreement to strengthen Media & Solutions managerial capabilities to develop their businesses more quickly in line with its business strategies. With this transaction, Recruit Administration succeeds to many of the rights and obligations including assets, liabilities and contracts currently held by Recruit Holdings.

According to the Companies Act, the agreement on the company-split requires the special resolution of the proposal at the General Meeting of Shareholders.

As written in Convocation Notice of the Extraordinary General Meeting of Shareholders, we make a proposal for approval of the absorption-type split agreement whereby the rights and obligations of Media & Solutions business held by Recruit Holdings are to be succeeded by Recruit Administration as of April 1st, 2018. Through this group reorganization, Recruit Holdings could make remarkable progress as a publicly traded company. We would really appreciate your support and understanding.

That concludes my presentation.
Thank you.