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 This is the updated version of the CONVOCATION NOTICE OF THE 55TH ORDINARY GENERAL MEETING OF SHAREHOLDERS released on May 28, 2015. You are kindly requested to use this version.

Securities code: 6098
 May 28, 2015

To All Shareholders:

Masumi Minegishi
 President and
 Representative Director
 Recruit Holdings Co., Ltd.
 8-4-17 Ginza, Chuo-ku,
 Tokyo Japan

CONVOCATION NOTICE OF THE 55TH ORDINARY GENERAL MEETING OF SHAREHOLDERS

Dear Shareholders:

You are cordially invited to attend the 55th Ordinary General Meeting of Shareholders (the “Meeting”) of Recruit Holdings Co., Ltd. (the “Company”) to be held as indicated below.

If you are unable to attend the Meeting, you can exercise your voting rights either in writing or via the Internet, etc. Please review the “Reference Documents for the General Meeting of Shareholders” described later and exercise your voting rights by 5:30 p.m., June 16, 2015 (Tuesday).

Thank you very much for your cooperation.

1. **Date and Time:** June 17, 2015 (Wednesday) at 10:00 a.m.
 (Reception for attendees begins at 8:30 a.m.)
2. **Place:** International Convention Center Pamir, Grand Prince Hotel New Takanawa
 3-13-1 Takanawa, Minato-ku, Tokyo, Japan
3. **Meeting Agenda:**
 - Report matters:**
 1. The Business Report, the Consolidated Financial Statements and the results of audits of the Consolidated Financial Statements by the Accounting Auditor and the Audit & Supervisory Board for the 55th Fiscal Year (April 1, 2014 to March 31, 2015)
 2. The Non-consolidated Financial Statements for the 55th Fiscal Year (April 1, 2014 to March 31, 2015)
 - Resolution matters:**
 - First proposal:** Partial Amendments to the Articles of Incorporation
 - Second proposal:** Election of Six (6) Board Directors
 - Third proposal:** Election of one (1) Audit & Supervisory Board Member and one (1) Substitute Audit & Supervisory Board Member
 - Fourth proposal:** Granting of Retirement Benefits to Retiring Board Directors
 - Fifth proposal:** Decision on Amounts and Details of Stock Acquisition Rights as an Incentive Stock Option for Board Directors (as Performance-based compensation for the 55th Fiscal Year)
4. **Instructions for Exercising Voting Rights**
 - (1) To vote in writing, please indicate your approval or disapproval of the proposals on the enclosed Voting Form and return the Form to the Company by post to reach us by 5:30 p.m. on June 16, 2015 (Tuesday).
 - (2) To vote via the Internet, etc., please review the “Instructions on Exercise of Voting Rights via the Internet, etc.” (Japanese only) and register your approval or disapproval of the proposals by 5:30 p.m. on June 16, 2015 (Tuesday).
 - (3) If you vote more than once via the Internet, etc., we will treat only the most recent vote as valid.
 - (4) If you vote both in writing and via the Internet, etc., we will treat only the vote submitted via the Internet, etc. as valid.

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- ⊙ When attending on the day, please present the enclosed Voting Form to the reception.
 - ⊙ In the case of attendance by proxy, a power of attorney is required in addition to the Voting Form. Please note the proxy must be one other shareholder having voting rights in the Company.
 - ⊙ Of the documents provided by the Convocation Notice of the Ordinary General Meeting of Shareholders, 2 documents: “Notes to Consolidated Financial Statements” in the Consolidated Financial Statements and “Notes to Non-consolidated Financial Statements” in the Non-consolidated Financial Statements that are made available on the Company’s website (<http://www.recruit.jp/ir/>) under laws and regulations and Article 15 of the Company’s Articles of Incorporation; are not available in this Convocation Notice.
Consolidated and Non-consolidated Financial Statements audited by the Audit & Supervisory Board Members and the Accounting Auditor are comprised of the statements specified in this Convocation Notice and the “Notes to Consolidated Financial Statements” and “Notes to Non-consolidated Financial Statements” posted on the Company’s abovementioned website.
 - ⊙ Any amendments to the Reference Documents for the General Meeting of Shareholders, the Business Report, the Consolidated Financial Statements, and the Non-consolidated Financial Statements will be posted on the Company’s website (URL: <http://www.recruit.jp/ir/>).
 - ⊙ **Please note that no gift will be provided for attendees at the Meeting.**

Notice on Dividends of Surplus

Based on a resolution at the General Meeting of Shareholders on June 26, 2014, the Company's Articles of Incorporation provides that the Meeting of the Board of Directors decides on the dividends of surplus, etc.

Under the provision in the Articles of Incorporation, the Meeting of the Board of Directors at its meeting on May 13, 2015, resolved on the payment of year-end dividends for the 55th fiscal year (April 1, 2014 to March 31, 2015) as follows.

1. Year-end dividend: 47 yen per share
2. Effective date and date of commencing payment: June 18, 2015 (Thursday)

For shareholders who have chosen to have dividends sent to bank accounts via direct deposit, or to have dividends allocated to securities company accounts in proportion to the number of shares held in respective accounts, we plan to send "Statements of Payments of Dividends" and "Confirmation of Designated Account for the Payment of Dividends" on June 17, 2015. We request that shareholders check these details at that time.

For any other shareholders than the above, we plan to send "Dividend Receipts" and "Statements of Payments of Dividends" on June 17, 2015. Please receive the dividends at savings counters of nearby Japan Post Bank or post offices within the term for payment (June 18, 2015 to July 31, 2015).

Business Report

(April 1, 2014 - March 31, 2015)

1. Overview of the Group

(1) Business for the Fiscal Year ended March 31, 2015

1) Business progress and results

During the year ended March 31, 2015, despite low personal consumption seen in some areas due to factors including the impact of the consumption tax increase, the Japanese economy was on a moderate recovery track amid factors such as further progress in the trend toward yen depreciation and higher stock prices, and continuing improvement in corporate business results and the employment situation against a backdrop of the government's economic measures and monetary easing by the Bank of Japan etc.

Under this environment, the Group continued to strengthen existing segments in Japan as well as driving forward with global expansion.

In the Marketing Media segment, the Group made efforts to further enhance contact with clients by promoting implementation of operational support services for clients mainly through the utilization of IT including "Air REGI" in the dining business and "SALON BOARD" in the beauty business. In the HR Media segment, the Group moved ahead with reinforcement of its brand strength and sales operations in response to trends in recruitment demand in the Domestic Recruiting operations, while the Overseas Recruiting operations saw steady growth in utilization of our services by small- and medium-sized clients amid ongoing introduction of marketing know-how cultivated in Japan. In the Staffing segment, the Group promoted efficient business operations in Japan and overseas.

As a result, net sales amounted to ¥1,299.9 billion (a year-on-year increase of 9.1%), operating income was ¥122.4 billion (a year-on-year increase of 4.3%), ordinary income was ¥125.6 billion (a year-on-year increase of 2.9%), and net income was ¥69.7 billion (a year-on-year increase of 6.5%).

EBITDA (the sum of operating income, depreciation and amortization, and amortization of goodwill) amounted to ¥191.4 billion (a year-on-year increase of 6.0%), and net income before amortization of goodwill (the sum of net income and amortization of goodwill) was ¥107.5 billion (a year-on-year increase of 6.0%).

The Group aggressively seeks to strengthen and expand its business bases utilizing M&As and other means. In this context, it has adopted EBITDA as a management index, since it enables the Group and the users of its financial information to make a comparison with other companies without being affected by the differences between accounting standards in various countries.

Overview of major segments is as follows.

- **Marketing Media segment**

In the year ended March 31, 2015, the Marketing Media segment recorded net sales of ¥333.4 billion (a year-on-year increase of 3.4%) and segment income (segment EBITDA) of ¥96.2 billion (a year-on-year increase of 1.1%).

Overview of main operations is as follows.

(Life Event operations)

In the housing and real estate business, the subdued market environment continued as evidenced by a decrease in the number of new housing starts, reflecting the impact of the consumption tax increase along with soaring construction costs and costs of acquiring building lots. Under this environment, condominium apartment division recorded sluggish net sales. On the other hand, independent housing division recorded favorable net sales due to efforts such as continuing to enhance the provision of solutions to clients.

The bridal business posted solid net sales. This reflects increased use of the Group's services by major wedding venue operator clients when opening their new branches and needs for attracting customers, in addition to the contribution of "Zexy Wedding Consulting Counter," a face-to-face consultation service.

As a result, net sales in the Life Event operations were ¥177.7 billion (a year-on-year decrease of 0.0%). The breakdown of net sales by major businesses was ¥83.9 billion (a year-on-year decrease of 3.0%) in the housing and

real estate business and ¥53.6 billion (a year-on-year increase of 0.6%) in the bridal business.

(Lifestyle operations)

In the travel business, sales were favorable as a result of a rise in rate per person per night as well as an increase in the total number of guests using the Group's services.

In the dining business, net sales were robust, backed by efforts such as enhanced contact with clients through the introduction of "Air REGI."

In the beauty business, the number of online reservations made through our services continued to rise at a steady pace as we introduce "SALON BOARD" and improve convenience. This resulted in acquisition of new clients and increased transaction volume with existing clients, which led to strong net sales.

As a result, net sales in the Lifestyle operations were ¥155.4 billion (a year-on-year increase of 7.4%). The breakdown of net sales by major businesses was ¥53.4 billion (a year-on-year increase of 10.3%) in the travel business, ¥34.3 billion (a year-on-year increase of 2.2%) in the dining business and ¥39.9 billion (a year-on-year increase of 17.6%) in the beauty business.

- HR Media segment

In the year ended March 31, 2015, the HR Media segment recorded net sales of ¥302.7 billion (a year-on-year increase of 13.4%) and segment income (segment EBITDA) of ¥78.0 billion (a year-on-year increase of 6.0%).

Overview of main operations is as follows.

(Domestic Recruiting operations)

In the Domestic Recruiting operations, the employment situation continues to improve with the recovery in the Japanese economy, reflecting continued improvement in the ratio of job-offers to job-seekers and continued increase in the number of Recruitment Advertisements. Under this environment, the Group carried out measures such as enhancing brand strength and attracting users as well as enhancing the sales operations, which resulted in strong net sales mainly for job advertisements for mid-career recruitment and employment placement in the regular employee recruitment division, and job advertisements for part-time and temporary workers in the recruiting division.

As a result, net sales in the Domestic Recruiting operations were ¥239.8 billion (a year-on-year increase of 5.9%).

(Overseas Recruiting operations)

Net sales were favorable in the Overseas Recruiting operations, reflecting continued growth in utilization of the Group's services by small- and medium-sized clients.

As a result, net sales in the Overseas Recruiting operations were ¥46.1 billion (a year-on-year increase of 85.1%).

- Staffing segment

In the year ended March 31, 2015, the Staffing segment recorded net sales of ¥675.2 billion (a year-on-year increase of 10.2%) and segment income (segment EBITDA) of ¥40.7 billion (a year-on-year increase of 17.2%).

Overview of main operations is as follows.

(Domestic Staffing operations)

In the Domestic Staffing operations, the staffing market continues to enjoy a moderate expansion trend as evidenced by the number of active agency workers for the current and previous five consecutive quarters being higher than that for the same periods of the previous fiscal year.

Under this environment, net sales were favorable at Recruit Staffing Co., Ltd. due to strengthening of the sales operations in the administrative and IT division in the Tokyo metropolitan area. At STAFF SERVICE HOLDINGS CO., LTD., net sales were strong mainly in the administrative, medical, and manufacturing division, as a result of continuation of existing staffing contracts and an increase in the number of new staffing contracts.

As a result, net sales in the Domestic Staffing operations were ¥389.5 billion (a year-on-year increase of 8.6%).

(Overseas Staffing operations)

In Overseas Staffing operations, the staffing market in North America and Europe continues to enjoy a moderate expansion trend.

Under this environment, net sales were favorable, reflecting the impact of yen depreciation and other factors. Net sales continued to be favorable at Advantage Resourcing Europe B.V. mainly in the outsourcing services.

As a result, net sales in the Overseas Staffing operations were ¥285.6 billion (a year-on-year increase of 12.5%).

- Other segment

In the year ended March 31, 2015, net sales of Other segment amounted to ¥2.0 billion (a year-on-year decrease of 29.9%). Segment income (segment EBITDA) was ¥(11.2) billion (¥(11.5) billion for the year ended March 31, 2014) due to factors including investments relating to implementation of single user ID used in each service offered by the Group.

2) Capital investments

The total amount of capital investment for the year ended March 31, 2015 was ¥33.5 billion, not including consumption tax, etc. (of which ¥6.6 billion was for property and equipment and ¥26.8 billion was for intangible assets). This was used primarily for assets (software) associated with the development and renewal of products.

i. Marketing Media segment

For the year ended March 31, 2015, capital investments of ¥16.2 billion were made primarily for the expansion and upgrade of products and operation systems.

There were no significant disposals or sales of facilities.

ii. HR Media segment

For the year ended March 31, 2015, capital investments of ¥7.8 billion were made primarily for the expansion and upgrade of products and operation systems.

There were no significant disposals or sales of facilities.

iii. Staffing segment

For the year ended March 31, 2015, capital investments of ¥1.3 billion were made primarily for the expansion and upgrade of operation systems.

There were no significant disposals or sales of facilities.

iv. Other segment

For the year ended March 31, 2015, capital investments of ¥1.7 billion were made primarily for the expansion and upgrade of products and operation systems.

There were no significant disposals or sales of facilities.

v. Corporate

For the year ended March 31, 2015, capital investments of ¥6.4 billion were made primarily for the expansion and upgrade of products and operation systems as well as the addition of facilities and the changes to the layout due to relocation of offices and moving-in to new premises.

There were no significant disposals or sales of facilities.

3) Financing

The Company, with the listing of its shares on the first section of the Tokyo Stock Exchange, raised a total of ¥87.3 billion through the issuance of 3,665 thousand new shares and the disposal of 25,841 thousand shares of treasury stock (underwriting price: ¥2,960.50 per share respectively) through public offering in Japan (public offering by book-building method) and offering in overseas markets (provided that sales in the United States are only available to qualified institutional investors pursuant to Rule 144A under the U.S. Securities Act) with the payment date of October 15, 2014.

In addition, in relation to over-allotment offering, the Company raised ¥15.9 billion through the disposal of 5,397 thousand shares of treasury stock (allocation price: ¥2,960.50 per share) through third-party allotment in Japan with the

payment date of November 11, 2014.

4) Significant business combination, etc.

RGF Staffing Melbourne One Pty Ltd, a subsidiary of the Company, acquired all the shares of Peoplebank Holdings Pty Ltd as of January 30, 2015.

(2) Trends in Assets and Income

Item	52nd fiscal year Year ended March 31, 2012	53rd fiscal year Year ended March 31, 2013	54th fiscal year Year ended March 31, 2014	55th fiscal year Year ended March 31, 2015 (current consolidated fiscal year)
Net sales (Millions of yen)	806,661	1,049,224	1,191,567	1,299,930
Ordinary income (Millions of yen)	117,617	128,165	122,050	125,617
Net income (Millions of yen)	37,451	71,800	65,421	69,702
Net income per share (Yen)	72.84	143.45	126.64	127.79
Total assets (Millions of yen)	646,372	808,522	860,381	1,100,782
Equity (Millions of yen)	330,706	419,247	546,621	754,157
Equity per share (Yen)	656.07	832.27	1,025.59	1,327.49

(Notes) 1. Net income per share has been calculated based on the average number of shares during the period less the number of treasury stock, and equity per share has been calculated based on the number of shares issued at the end of each period less the number of treasury stock.

2. The Company implemented a 10-for-1 stock split on July 31, 2014. Net income per share and equity per share are calculated assuming the stock split was implemented at the beginning of the 52nd fiscal year.

(3) Significant Subsidiaries

Segment	Company name	Common stock	Ratio of voting rights held by the Company	Description of main business
Marketing Media segment				
	Recruit Sumai Company Ltd.	¥150 million	100.0%	Publishes information magazines and operates information sites in the housing business
	Recruit Marketing Partners Co., Ltd.	¥150 million	100.0%	Publishes information magazines and operates information sites in the bridal, education and automobile businesses, etc.
	Recruit Lifestyle Co., Ltd.	¥150 million	100.0%	Publishes information magazines and operates information sites in the travel, dining and beauty businesses, etc.
HR Media segment				
	Recruit Career Co., Ltd.	¥643 million	100.0%	Provides support for recruitment advertisement and employment placement in the regular employee recruitment division
	Recruit Jobs Co., Ltd.	¥150 million	100.0%	Provides support for recruitment advertisement in the recruiting division
	Indeed, Inc.	US\$10	100.0%	Operates job information search sites mainly in the U.S.
Staffing segment				
	Recruit Staffing Co., Ltd.	¥939 million	100.0%	Provides staffing services mainly for domestic administrative jobs
	STAFF SERVICE HOLDINGS CO., LTD.	¥500 million	100.0%	Provides staffing services mainly for domestic administrative and manufacturing jobs
	STAFFMARK HOLDINGS, INC.	US\$13 thousand	100.0%	Provides staffing services mainly for light industrial jobs in the U.S.
	Advantage Resourcing America, Inc.	US\$117,501 thousand	100.0%	Provides a wide range of staffing services in the U.S.
	Advantage Resourcing Europe B.V.	£32,299 thousand	100.0%	Provides staffing services and outsourcing services in Europe
Administrative function				
	Recruit Administration Co., Ltd.	¥100 million	100.0%	Provides services including accounting, human resources, general affairs, legal affairs and information security to the Group
Production, advertising and distribution function				
	Recruit Communications Co., Ltd.	¥130 million	100.0%	Provides services including user-attracting solutions, web marketing, media production, distribution, advertising, and user support to the Group
IT and marketing technology development function				
	Recruit Technologies Co., Ltd.	¥100 million	100.0%	Provides services including IT and Internet marketing technologies to the Group

(4) Issues to be Addressed

The Group's basic policy for growth is to actively expand its overseas business while developing its domestic business stably and sustainably. Also, we will contribute to society by creating as many "Opportunities for Life" as possible from the users' point of view.

In our long-term vision, we aim to become the top provider in the HR Media segment and the Staffing segment globally by 2020, and to become the corporate group operating the No. 1 matching platform globally in all of our business domains, including the Marketing Media segment, by 2030. To realize our long-term vision, we will actively work to train managerial personnel from a long-term perspective, train IT personnel to create and realize new added value, and enhance the governance system which is the foundation for accelerating our growth strategy.

1) Stable and sustainable growth in existing domestic businesses

We will actively promote the following two main growth strategies for domestic businesses.

- **Enhancing competitive advantage of existing businesses**

We will aim to increase the per-client transaction amount for existing clients by providing highly cost-effective solutions to attract a high volume of users and providing high level attraction volume to encourage clients to replace the advertising expenses spent on other media with our media. Additionally, we will work to expand the number of our clients by providing services where clients can utilize our IT system within their workflow.

We will also strive to expand our user base by acquiring new users through utilization of single user IDs and point programs in each service and boosting repeat user ratio through promotion of cross use.

- **Creation of new growth businesses**

In order to ensure stable and sustainable growth of our domestic businesses, we will endeavor to develop new businesses using the business base and knowhow cultivated through our existing businesses. Specifically, we will extend the provision of services where clients can utilize our IT system within their workflow, which had been limited to specific businesses such as the dining business and the beauty business, to all clients regardless of their industry, and launch it on a full scale as the operation support business for small- to medium-sized companies. We will also focus on business development through utilization of IT in the education industry and examine the potential of businesses in the healthcare industry.

2) Further growth of overseas businesses

While further improving competitiveness of our existing overseas businesses, we will aim to actively expand businesses mainly through M&A.

Specifically, we will promote growth of the Market Media segment and the HR Media segment by transferring the sales and marketing knowhow as well as user acquisition knowhow established in our domestic businesses, and we will enhance competitiveness of the Staffing segment by improving profitability through application of management methods established domestically.

We would like to ask our shareholders to provide the continued support and guidance.

(5) Description of Main Business (as of March 31, 2015)

The descriptions of the Group's main business, the position of the Company or major subsidiaries and associates in the relevant businesses, and the relationship with the segments are as follows.

Name of segment	Operation	Main companies	Description of main business	Main service
Marketing Media segment	Life Event operations	The Company Recruit Sumai Company, Ltd. Recruit Marketing Partners Co., Ltd.	Provide services that meet various housing needs such as renting, purchasing, building and renovating	"SUUMO" Information magazine and information site on buying and selling, renting, and renovation of homes
				"SUUMO Counter" Service counter where people can directly ask for advice on purchasing newly built condominiums and custom homes
			Provide services such as bridal information services, higher education information services for high school students, automobile-related information services, and Internet advertising services	"Zexy" Information magazine and information site on wedding from wedding preparations to marriage life
				"Zexy Wedding Consulting Counter" Service counter where people can directly ask for advice on the selection of wedding venues
				"Rikunabi Shingaku Book" "Rikunabi Shingaku" Free school information magazine and information site that support high school students in choosing their future educational path
				"Car Sensor" Information magazine and information site on purchasing or replacing vehicles, mainly featuring used vehicles

Name of segment	Operation	Main companies	Description of main business	Main service
Marketing Media segment	Lifestyle operations	The Company Recruit Lifestyle Co., Ltd.	Provide services to support the activities of users in various everyday situations such as travel, dining, beauty, learning and shopping	“Jalan” Information magazine and information site that provides information on accommodations, tours and nearby sightseeing destinations for travel mainly within Japan
				“Hot Pepper Gourmet” Information magazine and information site that provides information on restaurants and discount coupons
				“Hot Pepper Beauty” Information magazine and site for searching and booking hair salons as well as relaxation and beauty salons
				“Ponpare” Website offering discount tickets for group purchase in a wide range of categories such as food and restaurants, leisure, and esthetic beauty salons
HR Media segment	Domestic Recruiting operations	The Company Recruit Career Co., Ltd. Recruit Jobs Co., Ltd.	Provide recruitment advertisement, employment placement and selection support in the regular employee recruitment division	“Rikunabi” Job information site for new graduates
				“Rikunabi Next” Job portal site for working people who want to change jobs
				“Recruit Agent” Employment placement service that supports people wishing to change jobs
			Provide various recruitment-related information including temporary jobs, part-time jobs, staffing, and full-time jobs	“From A Navi” Temporary job information site
				“Townwork” Information magazine and information site that provides job information on temporary jobs and full-time jobs
	Overseas Recruiting operations	Indeed, Inc.	Operates job information search site overseas	“Indeed.com” Job aggregator search engine site

Name of segment	Operation	Main companies	Description of main business	Main service
Staffing segment	Domestic Staffing operations	Recruit Staffing Co., Ltd. STAFF SERVICE HOLDINGS CO., LTD.	Provide staffing services in Japan	-
	Overseas Staffing operations	STAFFMARK HOLDINGS, INC. Advantage Resourcing America, Inc. Advantage Resourcing Europe B.V.	Provide staffing services in North America and Europe, etc.	-
Other segment		Media Shakers Inc.	Publishes and runs “R25,” an information magazine and information site targeted at the working population aged 25 and older	-

(6) Main Offices (as of March 31, 2015)

1) The Company

Company name	Location
Recruit Holdings Co., Ltd.	Chiyoda-ku, Tokyo

2) Subsidiaries

Segment	Company name	Location
Marketing Media segment		
	Recruit Sumai Company Ltd.	Chiyoda-ku, Tokyo
	Recruit Marketing Partners Co., Ltd.	Chiyoda-ku, Tokyo
	Recruit Lifestyle Co., Ltd.	Chiyoda-ku, Tokyo
HR Media segment		
	Recruit Career Co., Ltd.	Chiyoda-ku, Tokyo
	Recruit Jobs Co., Ltd.	Chuo-ku, Tokyo
	Indeed, Inc.	Texas, U.S.
Staffing segment		
	Recruit Staffing Co., Ltd.	Chuo-ku, Tokyo
	STAFF SERVICE HOLDINGS CO., LTD.	Chiyoda-ku, Tokyo
	STAFFMARK HOLDINGS, INC.	Ohio, U.S.
	Advantage Resourcing America, Inc.	Massachusetts, U.S.
	Advantage Resourcing Europe B.V.	Basingstoke, England
Administrative function		
	Recruit Administration Co., Ltd.	Chiyoda-ku, Tokyo
Production, advertising and distribution function		
	Recruit Communications Co., Ltd.	Chuo-ku, Tokyo
IT and marketing technology development function		
	Recruit Technologies Co., Ltd.	Chiyoda-ku, Tokyo

(7) Employees (as of March 31, 2015)

Number of employees	Year-on-year change
31,841	+4,446

(8) Main Lenders (as of March 31, 2015)

Lenders	Amount borrowed
Mizuho Bank, Ltd.	¥ 10,000 million
Sumitomo Mitsui Banking Corporation	¥ 10,000 million
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	¥ 10,000 million

2. Status of Shares (as of March 31, 2015)

(1) Total Number of Shares Authorized to be Issued 2,000,000,000 shares

(Notes) 1. Total number of shares authorized to be issued has increased by 80,000,000 shares following the partial amendment to the Articles of Incorporation on June 26, 2014.

2. Total number of shares authorized to be issued has increased by 1,800,000,000 shares following the stock split (10-for-1) implemented on July 31, 2014.

(2) Total Number of Shares Issued 565,320,010 shares

(Notes) 1. Total number of shares issued has increased by 541,259,766 shares following the stock split (10-for-1) implemented on July 31, 2014.

2. Total number of shares issued has decreased by 31,033,830 shares following the retirement of treasury stock implemented on August 8, 2014.

3. Total number of shares issued has increased by 3,665,000 shares following the capital increase through public offering implemented on October 15, 2014.

4. Total number of shares issued has decreased by 8,710,900 shares following the retirement of treasury stock implemented on November 21, 2014.

(3) Number of Shareholders 69,446 shareholders

(4) Major Shareholders

Shareholder name	Contribution to the Company	
	Number of shares	Shareholding ratio (Note)
Dai Nippon Printing Co., Ltd.	37,700,000 shares	6.6%
TOPPAN PRINTING CO., LTD.	37,700,000 shares	6.6%
The Recruit Group Employees Shareholding Association	31,407,260 shares	5.5%
DENTSU INC.	30,000,000 shares	5.3%
NTT DATA Corporation	20,500,000 shares	3.6%
The Norinchukin Bank	12,500,000 shares	2.2%
The Dai-ichi Life Insurance Company, Limited	12,000,000 shares	2.1%
Mizuho Bank, Ltd.	12,000,000 shares	2.1%
Sumitomo Mitsui Banking Corporation	12,000,000 shares	2.1%
MITSUI & CO., LTD.	12,000,000 shares	2.1%
The Bank of Tokyo-Mitsubishi UFJ, Ltd.	12,000,000 shares	2.1%

(Note) The Company's treasury stock (626,000 shares) was excluded in the calculation of the shareholding ratio.

3. Status of stock acquisition rights

(1) Status of stock acquisition rights as of March 31, 2015

Stock acquisition rights issued based on the resolutions of the Ordinary General Meeting of Shareholders held on June 20, 2013 and of the Meeting of the Board of Directors held on July 31, 2013

- Number of stock acquisition rights
334
- Type and number of shares subject to stock acquisition rights
Common stock: 334,000 shares (1,000 shares per 1 stock acquisition right)
- Issuance price of the stock acquisition right
Stock acquisition rights shall be issued free of charge.
- Amount to be paid upon exercise of the stock acquisition rights
¥1
- Period during which stock acquisition rights may be exercised
September 1, 2013 to August 31, 2033
- Terms for exercising stock acquisition rights
Persons allotted with stock acquisition rights can only exercise these rights within 10 days from the date on which they lose their positions as a Board Director, Corporate Executive Officer, or Corporate Professional Officer of the Company
- Status of stock acquisition rights held by the Board Directors and Corporate Executive Officers of the Company

	Number of stock acquisition rights	Type and number of shares subject to stock acquisition rights	Number of holders
Board Director (excluding External Board Director)	100	Common stock: 100,000 shares	4
Corporate Executive Officer	234	Common stock: 234,000 shares	13

Stock acquisition rights issued based on the resolutions of the Ordinary General Meeting of Shareholders held on June 26, 2014 and of the Meeting of the Board of Directors held on November 13, 2014

- Number of stock acquisition rights
292
- Type and number of shares subject to stock acquisition rights
Common stock: 292,000 shares (1,000 shares per 1 stock acquisition right)
- Issuance price of the stock acquisition right
Stock acquisition rights shall be issued free of charge.
- Amount to be paid upon exercise of the stock acquisition rights
¥1
- Period during which stock acquisition rights may be exercised
December 27, 2014 to December 26, 2034
- Terms for exercising stock acquisition rights
Persons allotted with stock acquisition rights can only exercise these rights within 10 days from the date on which they lose their positions as a Board Director, Corporate Executive Officer, or Corporate Professional Officer of the Company
In the event of the death of the Board Director, Corporate Executive Officer or Corporate Professional Officer, their heir may exercise the stock acquisition rights within one year from the time of death or by the final date of the exercise period, whichever comes first.
- Status of stock acquisition rights held by the Board Directors and Corporate Executive Officers of the Company

	Number of stock acquisition rights	Type and number of shares subject to stock acquisition rights	Number of holders
Board Director (excluding External Board Director)	113	Common stock: 113,000 shares	4
Corporate Executive Officer	179	Common stock: 179,000 shares	13

(2) Status of stock acquisition rights granted in the current fiscal year

Stock acquisition rights issued based on the resolutions of the Ordinary General Meeting of Shareholders held on June 26, 2014 and the Meeting of the Board of Directors held on November 13, 2014

- Number of stock acquisition rights

292

- Type and number of shares subject to stock acquisition rights

Common stock: 292,000 shares (1,000 shares per 1 stock acquisition right)

- Issuance price of the stock acquisition right

Stock acquisition rights shall be issued free of charge.

- Amount to be paid upon exercise of the stock acquisition rights

¥1

- Period during which stock acquisition rights may be exercised

December 27, 2014 to December 26, 2034

- Terms for exercising stock acquisition rights

Persons allotted with stock acquisition rights can only exercise these rights within 10 days from the date on which they lose their positions as a Board Director, Corporate Executive Officer, or Corporate Professional Officer of the Company

In the event of the death of the Board Director, Corporate Executive Officer or Corporate Professional Officer, their heir may exercise the stock acquisition rights within one year from the time of death or by the final date of the exercise period, whichever comes first.

- Status of stock acquisition rights held by the Board Directors and Corporate Executive Officers of the Company

	Number of stock acquisition rights	Type and number of shares subject to stock acquisition rights	Number of holders
Board Director (excluding External Board Director)	113	Common stock: 113,000 shares	4
Corporate Executive Officer	179	Common stock: 179,000 shares	13

4. Company Officers

(1) Board Directors and Audit & Supervisory Board Members (as of March 31, 2015)

Position	Name	Responsibilities and significant concurrent positions
President and Representative Director	Masumi Minegishi	CEO, in charge of Internal Audit and Recruit Technologies Institute
Board Director	Shogo Ikeuchi	In charge of International Business and R&D
Board Director	Shigeru Kusahara	In charge of Medium to Long-term Strategy , Corporate Planning, Human Resources, Domestic Business
Board Director	Keiichi Sagawa	In charge of Administration
Board Director	Shigeo Ohyagi	Chairman of the Board of TEIJIN LIMITED, External Audit & Supervisory Board Member of JFE Holdings, Inc., External Board Director of Sharp Corporation
Board Director	Yasushi Shingai	Executive Deputy President, Representative Director, Assistant to CEO of JAPAN TOBACCO INC.
Audit & Supervisory Board Member (standing)	Koichi Shima	
Audit & Supervisory Board Member (standing)	Akihito Fujiwara	
Audit & Supervisory Board Member	Hideshi Takeuchi	
Audit & Supervisory Board Member	Naoto Nakamura	Partner of Law Firm of NAKAMURA, TSUNODA & MATSUMOTO

- (Notes)
1. Mr. Shigeo Ohyagi and Mr. Yasushi Shingai are External Board Directors.
 2. Mr. Hideshi Takeuchi and Mr. Naoto Nakamura are External Audit & Supervisory Board Members.
 3. The Company designated External Board Directors Mr. Shigeo Ohyagi and Mr. Yasushi Shingai as well as External Audit & Supervisory Board Members Mr. Hideshi Takeuchi and Mr. Naoto Nakamura as Independent Directors/Audit & Supervisory Board Members specified by the Tokyo Stock Exchange and registered them with the said Exchange.
 4. Audit & Supervisory Board Member Mr. Koichi Shima has extensive knowledge of finance and accounting based on his experience as Corporate Executive Officer in charge of finance and accounting of the Company.
 5. Audit & Supervisory Board Member Mr. Hideshi Takeuchi has extensive knowledge of finance and accounting based on his experience as General Manager of the Corporate Accounting Dept. of Mitsubishi Corporation, as well as Executive Vice President & Group CEO, Industrial Finance, Logistics & Development Group of the said company.
 6. Board Directors Mr. Hitoshi Kashiwaki and Mr. Koichi Nakamura resigned at the conclusion of the 54th Ordinary General Meeting of Shareholders held on June 26, 2014 due to completion of their term of office. At the same meeting, Mr. Yasushi Shingai and Mr. Shigeo Ohyagi were newly appointed as Board Directors and Mr. Akihito Fujiwara was newly appointed as Audit & Supervisory Board Member and they subsequently assumed the said posts, respectively.
 7. Upon completion of the term of office of all Board Directors and Audit & Supervisory Board Members on the effective date (September 10, 2014) of the resolution to abolish restrictions on Company share transfers adopted at the 54th Ordinary General Meeting of Shareholders held on June 26, 2014, the above Board Directors and Audit & Supervisory Board Members were all appointed and assumed their respective posts as of September 10, 2014.
 8. Changes in the responsibilities of the Board Directors after March 31, 2015 are as follows.

Name	New	Old	Date of change
Masumi Minegishi	CEO, in charge of Internal Audit	CEO, in charge of Internal Audit and Recruit Technology Institute	April 1, 2015
Shogo Ikeuchi	In charge of R&D, Corporate Planning and Human Resources	In charge of International Business and R&D	April 1, 2015
Shigeru Kusahara	In charge of Business	In charge of Medium to Long-term Strategy, Corporate Planning, Human Resources and Domestic Business	April 1, 2015

(2) Remuneration of Board Directors and Audit & Supervisory Board Members

Eight Board Directors	¥719 million	(including two External Board Directors)	(¥21 million)
Four Audit & Supervisory Board Members	¥66 million	(including two External Audit & Supervisory Board Members)	(¥22 million)

- (Notes)
1. The above remuneration amounts include the amount recorded as expenses during the current fiscal year relating to stock acquisition rights granted as stock options.
 2. The above remuneration amounts include provision for directors' retirement benefits recognized in the current fiscal year.
 3. In addition to the above remuneration amounts, ¥431 million was paid as directors' retirement benefits to two retiring Board Directors, pursuant to the resolution of the Ordinary General Meeting of Shareholders held on June 26, 2014.

(3) External Officers

1) Shigeo Ohyagi, Board Director

i. Relationship between the Company and companies in which External Officers hold concurrent positions

There are business relationships involving the Staffing segment, etc. between the Company and TEIJIN LIMITED, of which Shigeo Ohyagi serves as Chairman of the Board; however, the value of transactions is low, and there are no matters of significance.

There are business relationships involving the Staffing segment, etc. between the Company and Sharp Corporation, of which Shigeo Ohyagi serves as External Director; however, the value of transactions is low, and there are no matters of significance.

There are no business relationships between the Company and JFE Holdings, Inc., of which Shigeo Ohyagi serves as External Audit & Supervisory Board Member.

ii. Relationship with special interest entities including major customers and suppliers

Not applicable.

iii. Major activities during the current fiscal year

Status of attendance and status of remarks made at the Meeting of Board of Directors

Participated in 13 of the 14 Meetings of Board of Directors held since he took office. With his experience as Representative Director and President as well as Chairman of the Board of TEIJIN LIMITED, he makes statements from a practical perspective as an External Director, based on his deep insight cultivated through management of the global manufacturing company.

iv. Outline of contracts for limitation of liability

The Company has entered into an agreement to limit the liability to compensate damages prescribed in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liabilities for damages under the said agreement is the minimum liability amount provided by applicable laws and regulations. However, such limitation of liability only applies when the External Officer performs his/her duties that caused the liability in good faith and without gross negligence.

2) Yasushi Shingai, Board Director

i. Relationship between the Company and companies in which External Officers hold concurrent positions

There are business relationships involving the HR Media segment between the Company and JAPAN TOBACCO INC., of which Yasushi Shingai serves as, Executive Deputy President, Representative Director, Assistant to CEO; however, the value of transactions is low, and there are no matters of significance.

ii. Relationship with special interest entities including major customers and suppliers

Not applicable.

iii. Major activities during the current fiscal year

a. Status of attendance and status of remarks made at the Meeting of Board of Directors

Participated in all 14 Meetings of Board of Directors held since he took office. With his experience as Executive Deputy President, Representative Director, Assistant to CEO of JAPAN TOBACCO INC., he makes statements from a practical perspective as an External Board Director, based on his deep insight cultivated through the acquisition of foreign corporations, etc.

iv. Outline of contracts for limitation of liability

The Company has entered into an agreement to limit the liability to compensate damages prescribed in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liabilities for damages under the said agreement

is the minimum liability amount provided by applicable laws and regulations. However, such limitation of liability only applies when the External Officer performs his/her duties that caused the liability in good faith and without gross negligence.

3) Hideshi Takeuchi, Audit & Supervisory Board Member

i. Relationship between the Company and companies in which External Officers hold concurrent positions

Not applicable.

ii. Relationship with special interest entities including major customers and suppliers

Not applicable.

iii. Major activities during the current fiscal year

a. Status of attendance and status of remarks made at the Meeting of Board of Directors

Participated in all 18 Meetings of Board of Directors held during the current fiscal year. With his experience as Executive Vice President of Mitsubishi Corporation, he makes statements from a neutral and objective perspective as an External Audit & Supervisory Board Member, based on his deep insight cultivated through extensive international experience and business management.

b. Status of attendance and status of remarks made at the Meeting of Audit & Supervisory Board

Participated for all 16 Meetings of Audit & Supervisory Board held during the current fiscal year. With his experience as Executive Vice President of Mitsubishi Corporation, he makes statements from a neutral and objective perspective as an External Audit & Supervisory Board Member, based on his deep insight cultivated through extensive international experience and business management.

iv. Outline of contracts for limitation of liability

The Company has entered into an agreement to limit the liability to compensate damages prescribed in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liabilities for damages under the said agreement is the minimum liability amount provided by applicable laws and regulations. However, such limitation of liability only applies when the External Officer performs his/her duties that caused the liability in good faith and without gross negligence.

4) Naoto Nakamura, Audit & Supervisory Board Member

i. Relationship between the Company and companies in which External Officers hold concurrent positions

Not applicable.

ii. Relationship with special interest entities including major customers and suppliers

Not applicable.

iii. Major activities during the current fiscal year

a. Status of attendance and status of remarks made at the Meeting of Board of Directors

Participated in 17 of the 18 Meetings of Board of Directors held during the current fiscal year. He makes statements from a neutral and objective perspective as an External Audit & Supervisory Board Member, based on his deep insight into corporate legal affairs cultivated through experience as a lawyer.

b. Status of attendance and status of remarks made at the Meeting of Audit & Supervisory Board

Participated in 15 of the 16 Meetings of Audit & Supervisory Board held during the current fiscal year. He makes statements from a neutral and objective perspective as an External Audit & Supervisory Board Member, based on his deep insight into corporate legal affairs cultivated through experience as a lawyer.

iv. Outline of contracts for limitation of liability

The Company has entered into an agreement to limit the liability to compensate damages prescribed in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liabilities for damages under the said agreement is the minimum liability amount provided by applicable laws and regulations. However, such limitation of liability only applies when the External Officer performs his/her duties that caused the liability in good faith and without gross negligence.

5. Independent Auditor

(1) Name

Ernst & Young ShinNihon LLC

(2) Amount of Remuneration to the Independent Auditor for the Year Ended March 31, 2015

- 1) Amount of remuneration to the Independent Auditor for the current fiscal year
¥305 million
- 2) Total amount of monetary and other financial benefits payable by the Company and its subsidiaries
¥372 million

(Notes) 1. The audit engagement entered into by the Company and the Independent Auditor does not clearly distinguish the amount of remuneration, etc. for audits prescribed in the Companies Act and those prescribed in the Financial Instruments and Exchange Act. Therefore, 1) above shows the total amount of such remuneration.

2. Advantage Resourcing Europe B.V., a consolidated subsidiary of the Company, undergoes audit by Ernst & Young, which is a member of the same network as Ernst & Young ShinNihon LLC.

(3) Description of Non-audit Business

Non-audit services for which the Company pays remuneration to the Independent Auditor mainly comprise services related to preparation of initial public offering.

(4) Policy regarding Determination of Dismissal or Non-reappointment of Independent Auditor

In the case that the Independent Auditor falls under any of the items prescribed in Article 340, Paragraph 1 of the Companies Act, the Audit & Supervisory Board of the Company shall dismiss the Independent Auditor upon consent of all Audit & Supervisory Board Members.

In cases other than above, where the conduct of a proper audit is deemed difficult due to factors such as the occurrence of an event damaging the eligibility and independence of the Independent Auditor, the Audit & Supervisory Board of the Company shall propose the dismissal or non-reappointment of the Independent Auditor to the General Meeting of Shareholders.

6. Systems to Ensure the Properness of Operations

Systems to ensure the properness of operations of the Company and the Group were resolved at the Meeting of the Board of Directors held on April 28, 2015. A description of the systems is as follows.

(1) Systems to Ensure that Board Directors and Employees of the Company and its Subsidiaries Comply with Laws and Regulations and the Articles of Incorporation in the Execution of Their Duties

- 1) A Board of Directors including External Board Directors shall be established at the Company to carry out important decision-making for the Company and its subsidiaries (hereinafter referred to as the “Group”).
- 2) An Audit & Supervisory Board including External Audit & Supervisory Board Members shall be established at the Company. Each Audit & Supervisory Board Member of the Company shall audit the execution of duties by its Board Directors by attending Meetings of the Board of Directors and other important meetings and investigating the status of execution of business, etc., based on the audit standards established by the Audit & Supervisory Board.
- 3) A Nomination Committee, Evaluation Committee, and Remuneration Committee chaired by External Board Directors shall be established at the Company to conduct deliberations on the nomination, appointment, evaluation and remuneration of the Board Directors and Corporate Executive Officers.
- 4) The “Recruit Group Code of Ethics” shall be established and disseminated to all officers and employees, etc. of the Group.
- 5) While respecting the spirit of autonomy and independence of the subsidiaries, the “Recruit Group Policies” shall be established as common policies for the Group on matters such as decision-making, risk management and compliance, in order to realize unified Group management
- 6) Concerning important matters stipulated under the “Recruit Group Policies,” prior confirmation and subsequent reports to relevant departments of the Company are mandatory.
- 7) The Group shall create a system to block all relationships, including business relationships, with anti-social forces.
- 8) The Company’s Board of Directors shall establish a department in charge of internal controls after appointing Internal Control Officer for the entire Group, and shall strive to gain an understanding of the development status of and identify problems with internal controls of the Group.
- 9) President and Representative Director of each subsidiary shall establish an Internal Control System within the respective subsidiary.
- 10) The Company’s department in charge of internal controls, in collaboration with subsidiaries, shall promote efforts to ensure the properness of operations across the Group.
- 11) The Company shall dispatch the Audit & Supervisory Board Members or Board Directors in charge of audits to its subsidiaries to conduct audits of the execution of duties by their Board Directors.
- 12) Internal Audit Department shall be established within the Company, under direct control of the President and Representative Director, & CEO, and shall conduct audits of the Group’s officers’ and employees’ compliance with laws and regulations, as well as the Articles of Incorporation and/or company policies.
- 13) A system including whistle-blowing system and workplace harassment hotline, etc. shall be created to swiftly transmit information to the department in charge of internal controls of the Company and its subsidiaries, if an officer or employee of the Group discovers a problem related to internal controls. The department in charge of internal controls that receives the report shall investigate the matter, decide on response measures in consultation with the departments involved within the Group, and implement the measures.
- 14) Education and awareness-raising activities regarding compliance shall be carried out for officers and employees of the Group.
- 15) Actions in violation of internal controls within the Group shall be strictly dealt with.

(2) Systems concerning Retention and Management of Information on the Execution of Duties by Board Directors of the Company

- 1) “Documents and Contracts Management Policy” shall be stipulated, based on which documents related to the execution of duties by Board Directors such as minutes of the General Meeting of Shareholders, Meetings of Board of Directors, and Business Strategy Meetings shall be retained together with related materials.
- 2) The length of time and department responsible for retention of the documents stipulated in the previous paragraph shall be as prescribed in the “Documents and Contracts Management Policy.” Documents shall be retained in a way that allows them to be viewed upon request by Board Directors and/or Audit & Supervisory Board Members of the Company.

(3) Internal Policies and Other Systems concerning Risks of Loss of the Company and its Subsidiaries

- 1) The “Recruit Group Risk Management Policy” and “Recruit Group Risk Escalation Rules” shall be established to provide systematic risk management for the Group.
- 2) The Company’s Board of Directors shall determine the risks to be addressed as priorities by the Group, the person responsible for countermeasures and the applicable policy, following deliberation by the Risk Management Committee chaired by the Board Director responsible for Risk Management Department of the Company.
- 3) If a serious incident occurs that will affect the entire Group, a crisis management task force shall be set up to deal with the situation.

(4) Systems to Ensure the Efficient Execution of Duties by Board Directors of the Company and its Subsidiaries

- 1) The Company’s Board of Directors or Business Strategy Meeting shall set targets for the Group that are shared by all officers and employees, and shall make these targets widely known, while setting specific targets to be achieved by each division of the Group in order to achieve these targets. The Company’s Corporate Executive Officers in charge of each division shall decide on and carry out efficient methods to achieve these targets.
- 2) The Company’s Board of Directors shall regularly review the status of achievement of targets, and, by promoting improvements such as eliminating or reducing factors that impede efficiency, shall increase the certainty of achieving targets and realize operational efficiency for the entire Group.
- 3) A Business Strategy Meeting shall be set up as the advisory body to the CEO of the Company, and shall carry out discussions on necessary matters regarding management of the entire Group.
- 4) In addition, expert committees such as the Management Advisory Committee, CSR Committee, and Recruit Group Investment Committee shall be set up as advisory bodies to the Company’s Board of Directors and the Business Strategy Meeting.

(5) Systems to Ensure the Reliability of Financial Reporting

The Group shall establish the “Recruit Group J-SOX General Policy,” and create an Internal Control System for financial reporting based on the internal control reporting system stipulated under the Financial Instruments and Exchange Act.

(6) Systems concerning Report to the Company relating to Execution of Duties of Board Directors, etc. of its Subsidiaries

- 1) The Company shall establish divisions within the Company to control each subsidiary. Based on the requirements from controlling divisions, Board Directors, etc. of the subsidiaries shall regularly report their business results and implementation status of business strategy to their respective controlling divisions.
- 2) A meeting consisting of Board Directors and Corporate Executive Officers of the Company and President and Representative Director, etc. of major subsidiaries shall be held on a regular basis for the purpose of discussing the Group’s management policies as well as sharing management information.

(7) Matters concerning Placement of Employees to Serve as Assistants to Audit & Supervisory Board Member(s) for the Execution of their Audit Duties

The Company shall appoint an assistant to support the Company’s Audit & Supervisory Board Members in their duties and make an official announcement of the appointment.

(8) Matters relating to Ensuring the Independence of Employees Described in the Preceding Item from Board Directors of the Company and the Effectiveness of Instructions Given to the Employees

Assistants supporting the Company’s Audit & Supervisory Board Members shall only follow directions given by the Audit & Supervisory Board Members in their supporting duties. With regard to appointment, transfer, evaluation and disciplinary action of these assistants, the opinions of the Company’s Audit & Supervisory Board shall be respected.

(9) Systems concerning Reports to Audit & Supervisory Board Members of the Company

- 1) Officers, employees and Independent Auditors of the Group shall report to each company’s Audit & Supervisory Board Members on the matters stipulated below. A system shall be put in place to allow for reporting in a timely manner by means of meetings, interviews, telephone, email, etc.
 - Material matters regarding managerial situations of business
 - Matters which may potentially cause significant loss to the Group

- Material matters regarding the status of internal auditing and risk management
 - Material violations of laws and articles of incorporation
 - Any other material matters regarding internal controls
- 2) The Company's Internal Audit Department and the subsidiaries' Audit & Supervisory Board Members or Board Directors in charge of audits shall regularly report issues concerning internal controls of the Group to the Company's Audit & Supervisory Board Members.

(10) Systems to Ensure that Individuals Reporting on Matters Described in the Preceding Item Are Not Unfavorably Treated on the Grounds of Doing So

The Company shall establish company policies, etc. under which any individual who has reported to Audit & Supervisory Board Members or Board Directors in charge of audits of the respective Group companies, department in charge of internal controls or Internal Audit Department on matters described in the preceding item is not subject to unfavorable treatment such as dismissal or unjustified transfer, etc., by the Company or its subsidiaries, on the grounds of their reporting on such matters.

(11) Matters Relating to Policies Concerning Procedures for Making Advance Payments or Reimbursements of the Expenses Incurred in Connection with the Execution of Duties by the Company's Audit & Supervisory Board Members and Treatments of Other Expenses or Obligations Associated with the Execution of Duties by These Members

The Company shall bear the costs, for which it has budgeted, in advance, as necessary expenses for the Audit & Supervisory Board to execute their duties. Also, the Company's Audit & Supervisory Board may claim a payment of the expenses incurred urgently or unexpectedly from the Company, and the Company shall bear such costs.

(12) Other Systems to Ensure the Effectiveness of Audits by Audit & Supervisory Board Members

The Audit & Supervisory Board Members and the Audit & Supervisory Board of the Company shall hold regular meetings to exchange opinions with the President and Representative Director of the Company and with the Independent Auditors respectively.

7. Policy for Determination of Cash Dividends, etc.

The Company believes that placing priority on the implementation of strategic investments to attain sustainable profit growth and improve corporate value will in turn contribute to profits shared with our shareholders. In addition, we recognize returning profits to our shareholders as one of our key management policies and have the principle of paying consistent and sustainable dividends. In line with this, our basic policy is to return profits, comprehensively taking into account trends of business results and ensuring sufficient internal reserves, which are necessary for investment in future growth, and the reinforcement of our financial base.

In accordance with this basic policy, we have decided to pay a dividend of ¥47 per share for the 55th fiscal year.

In the future, we will aim to provide stable and sustainable dividend payouts through profit growth at a consolidated payout ratio of approximately 25% of consolidated net income before amortization of goodwill (Note), while following the basic policy above.

We will improve corporate value by allocating internal reserves to strategic investments for growth.

As for cash dividends, the Company sets a basic policy of paying a year-end dividend once a year.

Matters stipulated by Article 459, Paragraph 1 of the Companies Act, including cash dividends, are resolved not by General Meetings of Shareholders, but rather by Meetings of the Board of Directors, unless otherwise provided by laws and regulations.

(Note) "Consolidated net income before amortization of goodwill" is calculated by adding amortization of goodwill to net income.

Cash dividends with the record date in the 55th fiscal year are as follows.

Resolution date	Total amount of dividends (Millions of yen)	Dividends per share (Yen)
May 13, 2015 Resolution by the Board of Directors	26,540	47

Consolidated Balance Sheets

(As of March 31, 2015)

(Millions of yen)

Description	Amount	Description	Amount
Assets		Liabilities	
Current assets	566,639	Current liabilities	240,236
Cash and deposits	307,161	Notes and accounts payable - trade	49,017
Notes and accounts receivable - trade	195,709	Electronically recorded obligations - operating	8,978
Securities	6,178	Current portion of long-term debt	15,000
Deferred tax assets	24,599	Accrued expenses	76,620
Other current assets	38,346	Income taxes payable	15,110
Allowance for doubtful accounts	(5,355)	Accrued employees' bonuses	19,806
Noncurrent assets	534,143	Other current liabilities	55,703
Property, plant and equipment	25,754	Long-term liabilities	106,387
Buildings and structures	8,313	Long-term debt	15,000
Land	7,763	Deferred tax liabilities	52,817
Other	9,677	Workers' compensation liability	8,069
Intangible assets	335,218	Net defined benefit liability	28,232
Goodwill	216,394	Other long-term liabilities	2,267
Software	54,685	Total liabilities	346,624
Other	64,139	Equity	
Investments and other assets	173,169	Shareholders' equity	621,459
Investment securities	133,836	Common stock	10,000
Net defined benefit asset	143	Capital surplus	53,679
Deferred tax assets	11,949	Retained earnings	558,310
Other assets	27,523	Treasury stock	(531)
Allowance for doubtful accounts	(282)	Accumulated other comprehensive income	128,169
		Unrealized gain (loss) on available-for-sale securities	34,177
		Deferred gain (loss) on derivatives under hedge accounting	(75)
		Foreign currency translation adjustments	97,006
		Remeasurements of defined benefit plans	(2,939)
		Stock acquisition rights	1,206
		Minority interests	3,322
		Total equity	754,157
Total assets	1,100,782	Total liabilities and equity	1,100,782

Consolidated Statements of Income

(April 1, 2014 to March 31, 2015)

(Millions of yen)

Description	Amount	
Net sales		1,299,930
Cost of sales		644,737
Gross profit		655,192
Selling, general and administrative expenses		532,693
Operating income		122,499
Non-operating income		6,144
Interest income	375	
Dividend income	1,557	
Share of profit of entities accounted for using equity method	3,215	
Other	996	
Non-operating expenses		3,025
Interest expense	599	
Foreign exchange losses	1,392	
Going public expenses	395	
Other	637	
Ordinary income		125,617
Extraordinary income		3,196
Gains on sales of investment securities	1,859	
Gain on sales of shares of subsidiaries and associates	339	
Gain on step acquisitions	920	
Gain on change in equity	66	
Other	11	
Extraordinary losses		1,881
Loss on sales of noncurrent assets	35	
Loss on disposal of noncurrent assets	817	
Loss on sales of shares of subsidiaries and associates	254	
Impairment loss	481	
Other	293	
Income before income taxes and minority interests		126,932
Income taxes: Current		32,190
Income taxes: Deferred		24,886
Net income before minority interests		69,856
Minority interests in net income		153
Net income		69,702

Consolidated Statements of Changes in Equity

(April 1, 2014 to March 31, 2015)

(Millions of yen)

	Shareholders' equity				
	Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at beginning of current period	3,002	17,632	503,006	(60,815)	462,826
Cumulative effects of changes in accounting policies			(950)		(950)
Restated balance	3,002	17,632	502,056	(60,815)	461,876
Changes of items during period					
Issuance of new shares	6,997	3,852			10,850
Cash dividends			(13,774)		(13,774)
Net income			69,702		69,702
Purchase of treasury stock				(4)	(4)
Disposal of treasury stock		65,928		26,554	92,483
Retirement of treasury stock		(33,734)		33,734	-
Change in scope of equity method			326		326
Other changes during the period					
Total changes of items during period	6,997	36,047	56,253	60,284	159,582
Balance at end of current period	10,000	53,679	558,310	(531)	621,459

	Accumulated other comprehensive income					Stock acquisition rights	Minority interests	Total equity
	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Foreign currency translation adjustments	Remeasurements of defined benefit plans	Total accumulated other comprehensive income			
Balance at beginning of current period	23,429	712	58,318	(1,929)	80,530	321	2,943	546,621
Cumulative effects of changes in accounting policies					-			(950)
Restated balance	23,429	712	58,318	(1,929)	80,530	321	2,943	545,671
Changes of items during period								
Issuance of new shares								10,850
Cash dividends								(13,774)
Net income								69,702
Purchase of treasury stock								(4)
Disposal of treasury stock								92,483
Retirement of treasury stock								-
Change in scope of equity method								326
Other changes during the period	10,748	(787)	38,688	(1,010)	47,638	885	379	48,903
Total changes of items during period	10,748	(787)	38,688	(1,010)	47,638	885	379	208,486
Balance at end of current period	34,177	(75)	97,006	(2,939)	128,169	1,206	3,322	754,157

Balance Sheets
(As of March 31, 2015)

(Millions of yen)

Description	Amount	Description	Amount
Assets		Liabilities	
Current assets	429,429	Current liabilities	448,183
Cash and deposits	272,392	Electronically recorded obligations - operating	4,140
Notes receivable - trade	931	Accounts payable - trade	8,779
Accounts receivable - trade	99,483	Short-term borrowings	358,535
Securities	6,036	Accounts payable - other	5,521
Merchandise	131	Accrued expenses	57,303
Work in process	193	Income taxes payable	784
Supplies	679	Advances received	4,449
Advanced payments - trade	453	Deposits received	537
Prepaid expenses	3,004	Other current liabilities	8,131
Deferred tax assets	12,579	Long-term liabilities	56,622
Short-term loans receivable	19,511	Long-term debt	15,000
Other current assets	15,077	Deferred tax liabilities	39,684
Allowance for doubtful accounts	(1,045)	Other long-term liabilities	1,938
Noncurrent assets	615,366		
Property, plant and equipment	19,498	Total liabilities	504,806
Buildings	5,183	Equity	
Structures	31	Shareholders' equity	505,390
Machinery and equipment	1	Common stock	10,000
Vehicles	1	Capital surplus	31,801
Tools, furniture and fixtures	6,628	Legal capital surplus	6,716
Land	7,651	Other capital surplus	25,084
Intangible assets	47,276	Retained earnings	464,183
Goodwill	759	Legal retained earnings	750
Trademark rights	120	Other retained earnings	463,432
Software	46,191	General reserve	367,830
Other	205	Retained earnings brought forward	95,602
Investments and other assets	548,591	Treasury stock	(594)
Investment securities	91,873	Valuation and translation adjustments	33,392
Shares of subsidiaries and associates	416,988	Unrealized gain (loss) on available-for-sale securities	33,468
Investments in other securities of subsidiaries and associates	16,860	Deferred gain (loss) on derivatives under hedge accounting	(75)
Investments in capital	2,667	Stock acquisition rights	1,206
Investments in capital of subsidiaries and associates	4,991		
Long-term loans receivable	137		
Claims provable in bankruptcy, claims provable in rehabilitation and other	128		
Long-term prepaid expenses	1,839		
Other assets	13,246		
Allowance for doubtful accounts	(139)		
		Total equity	539,990
Total assets	1,044,796	Total liabilities and equity	1,044,796

Statements of Income
(April 1, 2014 to March 31, 2015)

(Millions of yen)

Description	Amount	
Net sales		512,928
Cost of sales		60,050
Gross profit		452,877
Selling, general and administrative expenses		376,516
Sales commission	178,615	
Advertising expenses	53,596	
Business commissions	51,795	
Other	92,508	
Operating income		76,361
Non-operating income		3,308
Interest income	442	
Dividend income	1,571	
Other	1,293	
Non-operating expenses		2,536
Interest expense	1,197	
Foreign exchange losses	615	
Going public expenses	395	
Other	328	
Ordinary income		77,133
Extraordinary income		1,515
Gain on sales of noncurrent assets	0	
Gain on sales of investment securities	1,306	
Gain on sales of shares of subsidiaries and associates	208	
Extraordinary losses		3,955
Loss on sales of noncurrent assets	30	
Loss on disposal of noncurrent assets	592	
Loss on sales of shares of subsidiaries and associates	418	
Loss on valuation of shares of subsidiaries and associates	2,820	
Impairment loss	65	
Other	30	
Income before income taxes		74,692
Income taxes: Current		1,227
Income taxes: Deferred		23,207
Net income		50,256

Statements of Changes in Equity

(April 1, 2014 to March 31, 2015)

(Millions of yen)

	Shareholders' equity									
	Common stock	Capital surplus			Retained earnings			Treasury stock	Total shareholders' equity	
		Legal capital surplus	Other capital surplus	Total capital surplus	Legal retained earnings	Other retained earnings	Total retained earnings			
						General reserve	Retained earnings brought forward			
Balance at beginning of current period	3,002	2,863	11	2,875	750	367,830	59,156	427,736	(67,999)	365,615
Cumulative effects of changes in accounting policies				-			(36)	(36)		(36)
Restated balance	3,002	2,863	11	2,875	750	367,830	59,120	427,700	(67,999)	365,579
Changes of items during period										
Issuance of new shares	6,997	3,852		3,852				-		10,850
Cash dividends				-			(13,774)	(13,774)		(13,774)
Net income				-			50,256	50,256		50,256
Purchase of treasury stock				-				-	(4)	(4)
Disposal of treasury stock			62,837	62,837				-	29,645	92,483
Retirement of treasury stock			(37,764)	(37,764)				-	37,764	-
Other changes during the period										
Total changes of items during period	6,997	3,852	25,073	28,925	-	-	36,482	36,482	67,405	139,811
Balance at end of current period	10,000	6,716	25,084	31,801	750	367,830	95,602	464,183	(594)	505,390

	Valuation and translation adjustments			Stock acquisition rights	Total equity
	Unrealized gain (loss) on available-for-sale securities	Deferred gain (loss) on derivatives under hedge accounting	Total valuation and translation adjustments		
Balance at beginning of current period	23,052	709	23,761	317	389,694
Cumulative effects of changes in accounting policies			-		(36)
Restated balance	23,052	709	23,761	317	389,658
Changes of items during period					
Issuance of new shares					10,850
Cash dividends					(13,774)
Net income					50,256
Purchase of treasury stock					(4)
Disposal of treasury stock					92,483
Retirement of treasury stock					-
Other changes during the period	10,415	(785)	9,630	889	10,520
Total changes of items during period	10,415	(785)	9,630	889	150,331
Balance at end of current period	33,468	(75)	33,392	1,206	539,990

Independent Auditor's Report
(Translation)

May 13, 2015

The Board of Directors of
Recruit Holdings Co., Ltd.

Ernst & Young ShinNihon LLC

Hiroyuki Yamasaki
Certified Public Accountant
Designated and Engagement Partner

Takuma Shimoda
Certified Public Accountant
Designated and Engagement Partner

Yoshihisa Shibayama
Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 444, Paragraph 4 of the Companies Act, we have audited the Consolidated Financial Statements, which comprise the Consolidated Balance Sheets, the Consolidated Statements of Income, the Consolidated Statements of Changes in Equity and the Notes to Consolidated Financial Statements of Recruit Holdings Co., Ltd. (the "Company") for the year from April 1, 2014 to March 31, 2015.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the Consolidated Financial Statements in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Consolidated Financial Statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error. The purpose of an audit is not to express an opinion on the effectiveness of the entity's internal control, but, in making these risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the Consolidated Financial Statements so as to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Consolidated Financial Statements referred to above present fairly, in all material respects, the financial position and results of operations of the corporate group, which comprise the Company and its consolidated subsidiaries, for the year ended March 31, 2015 in conformity with accounting principles generally accepted in Japan.

Conflicts of Interest

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

Independent Auditor's Report
(Translation)

May 13, 2015

The Board of Directors of
Recruit Holdings Co., Ltd.

Ernst & Young ShinNihon LLC

Hiroyuki Yamasaki
Certified Public Accountant
Designated and Engagement Partner

Takuma Shimoda
Certified Public Accountant
Designated and Engagement Partner

Yoshihisa Shibayama
Certified Public Accountant
Designated and Engagement Partner

Pursuant to Article 436, Paragraph 2, Item 1 of the Companies Act, we have audited the Non-consolidated Financial Statements, which comprise the Balance Sheets, the Statements of Income, the Statements of Changes in Equity, the Notes to Non-consolidated Financial Statements, and the related supplementary schedules of Recruit Holdings Co., Ltd. (the "Company") for the 55th fiscal year from April 1, 2014 to March 31, 2015.

Management's Responsibility for the Non-consolidated Financial Statements, Etc.

Management is responsible for the preparation and fair presentation of the Non-consolidated Financial Statements and the related supplementary schedules in accordance with accounting principles generally accepted in Japan, and for designing and operating such internal control as management determines is necessary to enable the preparation and fair presentation of the Non-consolidated Financial Statements and the related supplementary schedules that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Non-consolidated Financial Statements and the related supplementary schedules based on our audit. We conducted our audit in accordance with auditing standards generally accepted in Japan. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Non-consolidated Financial Statements and the related supplementary schedules are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Non-consolidated Financial Statements and the related supplementary schedules. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Non-consolidated Financial Statements and the related supplementary schedules, whether due to fraud or error. The purpose of an audit is not to express an opinion on the effectiveness of the entity's internal control, but, in making these risk assessments, the auditor considers internal controls relevant to the entity's preparation and fair presentation of the Non-consolidated Financial Statements and the related supplementary schedules so as to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Non-consolidated Financial Statements and the related supplementary schedules.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Non-consolidated Financial Statements and the related supplementary schedules referred to above present fairly, in all material respects, the financial position and results of operations of the Company for the year ended March 31, 2015 in conformity with accounting principles generally accepted in Japan.

Conflicts of Interest

We have no interest in the Company which should be disclosed in compliance with the Certified Public Accountants Act.

Audit & Supervisory Board's Audit Report

Audit Report

The Audit & Supervisory Board received and discussed the audit report concerning the execution of duties of the Board Directors during the 55th fiscal year from April 1, 2014 through March 31, 2015, which was prepared by each Audit & Supervisory Board Member, and, based on those audit reports, prepared this Audit Report as follows:

1. Procedures and details of the audits conducted by the Audit & Supervisory Board Members and Audit & Supervisory Board

The Audit & Supervisory Board established the audit policies, division of duties, and other relevant matters, and received a report from each Audit & Supervisory Board Member regarding the performance of audits and results thereof, as well as reports from the Board Directors, other relevant personnel, and the Independent Auditor regarding the execution of their duties, and requested explanations as necessary and received responses.

Based on the audit standards determined by the Audit & Supervisory Board, and in accordance with the audit policies and the division of duties, each Audit & Supervisory Board Member, while endeavoring to communicate with Board Directors, internal audit staff, and other employees, collect information and maintain and improve the audit environment, attended the Board of Directors' meeting and other important meetings to receive reports on the status of execution of their duties from Board Directors and employees, requested explanations as necessary, inspected the important approval documents, etc., and examined the status of operations and conditions of assets at the Company's head office and principal offices. With respect to details of the resolution by the Board of Directors regarding the establishment of systems necessary to ensure that the execution of duties by Board Directors complies with laws and regulations and the Articles of Incorporation and other systems prescribed by Article 100, Items 1 and 3 of the Ordinance for Enforcement of the Companies Act as systems necessary to ensure the properness of operations of a Stock Company, as well as the system established based on such resolution (hereinafter collectively, "Internal Control System"), each Audit & Supervisory Board Member periodically received reports from Board Directors and employees on the development and operation of the Internal Control System, requested explanations as necessary, and expressed his or her opinions. The Audit & Supervisory Board Members communicated and shared information with the Board Directors and Audit & Supervisory Board Members of the subsidiaries and received their business reports as necessary. Based on the procedures mentioned above, we reviewed the business reports and supplementary schedules for the year ended March 31, 2015.

Furthermore, the Audit & Supervisory Board Members monitored and verified that the Independent Auditor maintains its independence and conducts the audits appropriately, as well as received reports on the status of the execution of duties from the Independent Auditor, requested explanations as necessary and received responses. In addition, we were informed by the Independent Auditor that it had arranged the "System for Ensuring Properness in Execution of Duties" (matters stipulated in the items of Article 131 of the Ordinance on Accounting of Companies) in accordance with "Standards for Quality Control of Audits" (Business Accounting Council, October 28, 2005), requested explanations as necessary and received responses. Based on the procedures mentioned above, we reviewed the Non-consolidated Financial Statements, which comprise the Balance Sheets, Statements of Income, Statements of Changes in Equity, Notes to the Non-consolidated Financial Statements, and the related supplementary schedules, as well as the Consolidated Financial Statements, which comprise the Consolidated Balance Sheets, Consolidated Statements of Income, Consolidated Statements of Changes in Equity, and Notes to the Consolidated Financial Statements for the year ended March 31, 2015.

2. Results of Audit

(1) Results of the audit of Business Report, etc.

We acknowledge that:

- 1) The business report and supplementary schedules present fairly the financial condition of the Company in conformity with related laws, regulations, and the Articles of Incorporation of the Company;
- 2) Regarding the execution of duties by Board Directors, there were no instances of misconduct or material matters concerning violation of laws, regulations, or the Articles of Incorporation of the Company; and
- 3) The resolution of the Board of Directors regarding the internal control system is fair and reasonable. There are no matters or findings to be brought up regarding the execution of duties by Board Directors in relation to such internal control system.

(2) Results of the audit of Non-consolidated Financial Statements and supplementary schedules

We acknowledge that the audit methods used and the audit results issued of the Independent Auditor, Ernst & Young ShinNihon LLC are fair and reasonable.

(3) Results of the audit of Consolidated Financial Statements and supplementary schedules

We acknowledge that the audit methods used and the audit results issued of the Independent Auditor, Ernst & Young ShinNihon LLC are fair and reasonable.

May 13, 2015

Audit & Supervisory Board of Recruit Holdings Co., Ltd.

Audit & Supervisory Board Member (standing)	Koichi Shima	(Seal)
Audit & Supervisory Board Member (standing)	Akihito Fujiwara	(Seal)
External Audit & Supervisory Board Member	Hideshi Takeuchi	(Seal)
External Audit & Supervisory Board Member	Naoto Nakamura	(Seal)

Reference Documents for the General Meeting of Shareholders

First proposal: Partial Amendments to the Articles of Incorporation

1. Reasons for the proposal

New objectives will be added to Article 2 (Objectives of the Company) in the current Articles of Incorporation in preparation for future business exploration.

As Article 427 of the Companies Act was recently amended to expand the scope of those with whom a company can enter into agreement to limit their liabilities under the Articles of Incorporation to include Board Directors (excluding directors with executive authority over operations, etc.) and Audit & Supervisory Board Members, Paragraph 2 of Article 27 (Exemption in Liabilities of Directors) and Paragraph 2 of Article 35 (Exemption in Liabilities of Audit & Supervisory Board Members) in the current Articles of Incorporation will be partially amended to allow these Board Directors and Audit & Supervisory Board Members to sufficiently fulfill their expected roles. All Audit & Supervisory Board Members have given consent to the amendment to Paragraph 2 of Article 27.

2. Details

Details of the amendment are as follows:

(Underlined parts are amended.)

Current Articles of Incorporation	Proposed amendments
<p>Chapter I General Provisions</p> <p><i>2. Objectives of the Company</i></p> <p>The Company shall operate the following lines of business:</p> <p>2.1</p> <p>By owning shares in companies that operate the following lines of business or foreign companies that operate similar lines of business, the Company shall control, and manage their business operations.</p> <p>(1) to (18) (Omitted)</p> <p>(Newly established)</p> <p>(19) (Omitted)</p>	<p>Chapter I General Provisions</p> <p><i>2. Objectives of the Company</i></p> <p>(No change)</p> <p>2.1</p> <p>(No change)</p> <p>(1) to (18) (No change)</p> <p>(19) <u>Education-related business</u></p> <p>(20) (No change)</p>
<p>Chapter IV Directors and Board of Directors</p> <p><i>27. Exemption in Liabilities of Directors</i></p> <p>27.1</p> <p>(Omitted)</p> <p>27.2</p> <p>Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into agreements with its <u>Outside</u> Directors to limit their liability to compensate for damages suffered due to their negligence in the execution of their duties. However, the maximum amount of the compensation for damage under such agreements shall not fall below the prescribed amount set by applicable laws and regulations.</p>	<p>Chapter IV Directors and Board of Directors</p> <p><i>27. Exemption in Liabilities of Directors</i></p> <p>27.1</p> <p>(No change)</p> <p>27.2</p> <p>Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into agreements with its Directors <u>(excluding directors with executive authority over operations, etc.)</u> to limit their liability to compensate for damages suffered due to their negligence in the execution of their duties. However, the maximum amount of the compensation for damage under such agreements shall not fall below the prescribed amount set by applicable laws and regulations.</p>
<p>Chapter V Audit & Supervisory Board Members and the Audit & Supervisory Board</p> <p><i>35. Exemption in Liabilities of Audit & Supervisory Board Members</i></p> <p>35.1</p> <p>(Omitted)</p> <p>35.2</p> <p>Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into agreements with <u>Outside</u> Auditors & Supervisory Board Members to limit their liability to compensate damages suffered due to their negligence in the execution of their duties. However, the maximum amount of <u>Outside</u> Auditors & Supervisory Board Members under such agreements shall be the minimum liability amount provided by applicable laws and regulations.</p>	<p>Chapter V Audit & Supervisory Board Members and the Audit & Supervisory Board</p> <p><i>35. Exemption in Liabilities of Audit & Supervisory Board Members</i></p> <p>35.1</p> <p>(No change)</p> <p>35.2</p> <p>Pursuant to Article 427, Paragraph 1 of the Companies Act, the Company may enter into agreements with Auditors & Supervisory Board Members to limit their liability to compensate damages suffered due to their negligence in the execution of their duties. However, the maximum amount of Auditors & Supervisory Board Members under such agreements shall be the minimum liability amount provided by applicable laws and regulations.</p>

Second proposal: Election of Six (6) Board Directors

The terms of office will expire for all six (6) Board Directors at the conclusion of this General Meeting. Accordingly, the election of the six (6) Board Directors including two (2) External Board Directors is proposed on this occasion. The candidates for Board Directors are as follows:

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company (significant concurrent positions)		Number of shares of the Company held
1	Masumi Minegishi (January 24, 1964) Reappointment	April 1987	Joined the Company	314,572 shares
		October 2000	Executive Planner, Planning Office, Bridal Division, IMC Division Company	
		April 2002	Division Executive, Bridal & Baby Division, IMC Division Company	
		April 2003	Corporate Executive Officer in charge of Information and Editing Department, IMC Division Company	
		April 2004	Associate Senior Corporate Executive Officer in charge of Important Strategy Control at G-IMC Strategic Business Unit, Housing Division Company and IMC Division Company	
		June 2009	Board Director and Associate Senior Corporate Executive Officer in charge of Business Development, Corporate Planning and Housing	
		April 2010	Board Director and Associate Senior Corporate Executive Officer in charge of Customer Action Platform Strategic Business Unit, Business Development, Corporate Planning and Housing	
		April 2011	Board Director and Senior Corporate Executive Officer in charge of Corporate Strategy Office, IMC, Business Development, Corporate Planning, Human Resources	
		April 2012 April 2015	President, CEO, and Representative Director President, CEO, and Representative Director in charge of Internal Audit (at present)	
2	Shogo Ikeuchi (June 6, 1962) Reappointment	April 1988	Joined the Company	325,729 shares
		October 1999	Executive Planner, Corporate Planning Office	
		April 2005	Corporate Executive Officer in charge of Corporate Planning Office and Corporate Strategy Office	
		April 2006	Corporate Executive Officer in charge of Corporate Planning Office and Business Development R&D Unit	
		April 2008	Corporate Executive Officer in charge of Corporate Planning Office and Global Business Promotion	
		April 2009	Corporate Executive Officer in charge of Human Resources Support Office	
		April 2011	Corporate Executive Officer in charge of Corporate Planning Office and Human Resources Support Office	
		June 2012	Board Director and Corporate Executive Officer in charge of Asia at Global Headquarters, Corporate Planning and Human Resources Support	
		April 2013	Board Director and Associate Senior Corporate Executive Officer in charge of Medium to Long-Term Strategy, International Business, R&D, Corporate Planning and Human Resources	
		April 2014 April 2015	Board Director and Associate Senior Corporate Executive Officer in charge of International and R&D Board Director and Associate Senior Corporate Executive Officer in charge of R&D, Corporate Planning and Human Resources (at present)	

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company (significant concurrent positions)		Number of shares of the Company held	
3	Shigeru Kusahara (December 2, 1964) <div>Reappointment</div>	April	1988	Joined the Company	203,874 shares
		April	2000	Executive Planner, Media Produce Division, Tokyo Metropolitan Area Control Department, HR Division, HR Division Company	
		April	2002	Executive Manager, Corporate Planning Office	
		April	2004	Corporate Executive Officer in charge of Human Resources Management Office, Information and Editing and Corporate Communication Office	
		June	2006	Board Director and Corporate Executive Officer in charge of Human Resources and Corporate Communication	
		June	2007	Corporate Executive Officer in charge of HR Company	
		April	2012	Corporate Executive Officer in charge of Corporate Management, MIT United, Marketing and Recruit Media Communications Co., Ltd. (current Recruit Communications Co., Ltd.)	
		April	2013	Associate Senior Corporate Executive Officer in charge of Corporate Planning and Human Resources Management	
		June	2013	Board Director and Associate Senior Corporate Executive Officer in charge of Corporate Planning, Domestic Business and Human Resources	
		April	2014	Board Director and Associate Senior Corporate Executive Officer in charge of Medium to Long-Term Strategy, Corporate Planning, Human Resources and Domestic Business	
April	2015	Board Director and Associate Senior Corporate Executive Officer in charge of Business (at present)			
4	Keiichi Sagawa (March 7, 1966) <div>Reappointment</div>	April	1988	Joined the Company	235,810 shares
		October	2000	Executive Planner of the Agency Department/Tokyo Metropolitan Area Control, HR Division, HR Division Company	
		April	2004	Division Head of the Tokai Division, HR Division Company	
		April	2006	Corporate Executive Officer in charge of Corporate Strategy Office	
		April	2007	Corporate Executive Officer in charge of Corporate Strategy Office, Finance, Accounting and Legal Affairs	
		June	2011	Board Director and Corporate Executive Officer in charge of Accounting, Finance, Legal Affairs, General Affairs, Investment Management, Corporate Communication and Compliance	
		April	2013	Board Director and Associate Senior Corporate Executive Officer in charge of Administration (at present)	

Candidate No.	Name (Date of birth)	Career summary, positions and responsibilities at the Company (significant concurrent positions)	Number of shares of the Company held
5	Shigeo Ohyagi (May 17, 1947)	<p>March 1971 Joined TEIJIN LIMITED</p> <p>February 1992 Director of Pharmaceutical Marketing & Planning Department, ditto</p> <p>June 1999 Corporate Officer, Tokyo Branch Chief, ditto</p> <p>June 2001 Executive Officer, Deputy General Manager of Pharmaceutical Marketing Division, ditto</p> <p>June 2002 Teijin Group Senior Executive Officer, General Manager of Pharmaceutical Business Unit, ditto</p> <p>June 2005 Managing Director, CIO and General Manager of Medical and Pharmaceutical Business Group, ditto, and President and Representative Director of Teijin Pharma Limited</p> <p>June 2006 Senior Managing Director, CIO and General Manager of Medical and Pharmaceutical Business Group, ditto, and President and Representative Director of Teijin Pharma Limited</p> <p>June 2008 President, Representative Director and CEO, ditto</p> <p>June 2010 President and CEO, Representative Director of the Board, ditto</p> <p>April 2014 Chairman of the Board, ditto (at present)</p> <p>June 2014 Outside Audit & Supervisory Board Member, JFE Holdings, Inc. (at present) Outside Director, Sharp Corporation (at present) External Board Director, Recruit Holdings Co. (at present)</p> <p>(Significant concurrent positions) Chairman of the Board, TEIJIN LIMITED Outside Audit & Supervisory Board Member, JFE Holdings, Inc. Outside Director, Sharp Corporation</p>	565 shares
6	Yasushi Shingai (January 11, 1956)	<p>April 1980 Joined Japan Tobacco and Salt Public Corporation (current Japan Tobacco Inc.)</p> <p>July 2001 Vice President of Financial Planning Division, ditto</p> <p>June 2004 Senior Vice President, Head of Finance Group and Vice President of Financial Planning Division, ditto</p> <p>July 2004 Senior Vice President and Chief Financial Officer, ditto</p> <p>June 2005 Member of the Board, Senior Vice President and Chief Financial Officer, ditto</p> <p>June 2006 Member of the Board, ditto, and Executive Vice President of JT International S.A.</p> <p>June 2011 Member of the Board and Senior Vice President in charge of International Tobacco Business, ditto</p> <p>June 2011 Representative Director and Executive Deputy President, ditto (at present)</p> <p>June 2014 External Board Director, Recruit Holdings Co. (at present)</p> <p>(Significant concurrent position) Representative Director and Executive Deputy President, Japan Tobacco Inc.</p>	0 share

- (Notes)
1. There are no conflicts of interest between each candidate and the Company.
 2. The above number of shares held by each candidate was as of March 31, 2015, including a stake in an association of Recruit Group executive shareholders.
 3. Messrs. Shigeo Ohyagi and Yasushi Shingai are candidates for External Board Directors.
 4. Messrs. Shigeo Ohyagi and Yasushi Shingai have taken advantage of wide knowledge cultivated through their abundant business and administration experiences to independently provide appropriate advice and proposals for the Company's business decisions from the viewpoints of adequateness and fairness. We ask you to reelect them as External Board Directors.
 5. Messrs. Shigeo Ohyagi and Yasushi Shingai will end their first year as the Company's External Board Directors at the conclusion of this Meeting.
 6. The Company has entered into agreements with Messrs. Shigeo Ohyagi and Yasushi Shingai to limit their liability to compensate damages prescribed in Article 423, Paragraph 1 of the Companies Act. The maximum amount of liabilities for damages under the agreements is the minimum liability amount provided by applicable laws and regulations. If their reelections are approved, the Company will retain the agreements with them.
 7. The Company has reported Messrs. Shigeo Ohyagi and Yasushi Shingai as independent directors as specified by the Tokyo Stock Exchange. If they are reelected as proposed, the Company will retain them as independent directors.

Third proposal: Election of one (1) Audit & Supervisory Board Member and one (1) Substitute Audit & Supervisory Board Member

As Mr. Naoto Nakamura is to resign as Audit & Supervisory Board Member at the conclusion of this General Meeting, we ask you to elect a new Audit & Supervisory Board Member.

We also ask you to elect a Substitute Audit & Supervisory Board Member in preparation for the case in which the number of Audit & Supervisory Board Members would slip below the statutory minimum. Up until the time the elected Substitute Audit & Supervisory Board Member assumes the post, the Meeting of the Board of Directors shall be allowed to resolve to cancel the validity of the Substitute Audit & Supervisory Board Member election with the consent from the Audit & Supervisory Board.

The Audit & Supervisory Board consented to the proposal of this resolution.

The candidates for Audit & Supervisory Board Member and substitute Audit & Supervisory Board Member are as follows:

<Candidates for Audit & Supervisory Board Member>

Candidate No.	Name (Date of birth)	Career summary and positions at the Company (significant concurrent positions)	Number of shares of the Company held
1	Hiroki Inoue (December 12, 1963) New Appointment Candidate for External Audit & Supervisory Board Member	<p>April 1990 Registered at Dai-ichi Tokyo Bar Association Entered Nagashima & Ohno (now Nagashima Ohno & Tsunematsu)</p> <p>July 1996 Assigned to Nagashima & Ohno ASEAN Office (Singapore)</p> <p>January 1998 Partner, Nagashima & Ohno</p> <p>January 2000 Partner, Nagashima Ohno & Tsunematsu</p> <p>January 2015 Managing Partner, Nagashima Ohno & Tsunematsu (at present)</p> <p>(Significant concurrent position) Managing Partner, Nagashima Ohno & Tsunematsu</p>	0 share

- (Notes)
1. Mr. Hiroki Inoue is a candidate for new Audit & Supervisory Board Member.
 2. There is no conflict of interest between Mr. Hiroki Inoue and the Company.
 3. Mr. Hiroki Inoue is a candidate for External Audit & Supervisory Board Member.
 4. Mr. Hiroki Inoue has developed expertise as a lawyer for many years and is very familiar with the corporate management, and the Company has judged that, through his abundant experience, he would appropriately supervise the management of the Company, and so nominates him as candidate for External Audit & Supervisory Board Member. For this reason, the Company has concluded that Mr. Hiroki Inoue, though having never been involved in corporate management, would appropriately serve as External Audit & Supervisory Board Member.
 5. If Mr. Hiroki Inoue is elected as External Audit & Supervisory Board Member, the Company plans to enter into an agreement with Mr. Hiroki Inoue to the effect that the liability to compensate damages under Article 423, Paragraph 1 of the Companies Act is limited. The maximum amount of liability for damages under the agreement is the minimum liability amount provided by applicable laws and regulations.

<Candidate for Substitute Audit & Supervisory Board Member>

Candidate No.	Name (Date of birth)	Career summary and positions at the Company (significant concurrent positions)	Number of shares of the Company held
2	Satoko Hasegawa (November 27, 1968) Candidate for Substitute External Audit & Supervisory Board Member	<p>April 1994 Registered at Tokyo Bar Association Entered Mori Sogo Law Offices (now Mori Hamada & Matsumoto)</p> <p>April 1997 Seconded to Linklaters & Paines (now Linklaters) London Office</p> <p>April 2007 Partner, Sueyoshi Sogo Law Office (now STW & Partners) (at present)</p> <p>June 2014 Outside Board Director, Asahi Net Inc. (at present) Outside Board Director, Alpine Electronics, Inc. (at present)</p> <p>(Significant concurrent positions) Partner, STW & Partners Outside Director, Asahi Net Inc. Outside Director, Alpine Electronics, Inc.</p>	0 share

- (Notes)
1. There is no conflict of interest between Ms. Satoko Hasegawa and the Company.
 2. Ms. Satoko Hasegawa is a candidate for Substitute Audit & Supervisory Board Member.
 3. Ms. Satoko Hasegawa practices as a lawyer under her previous surname, "Niiya."
 4. Ms. Satoko Hasegawa has developed expertise as a lawyer for many years and is very familiar with the corporate business, and the Company has judged that, through her abundant experience, she would appropriately supervise the management of the Company, and so nominates her as candidate for Substitute Audit & Supervisory Board Member. For this reason, the Company has concluded that Ms. Satoko Hasegawa, though having never been involved in corporate management, would appropriately serve as External Audit & Supervisory Board Member.
 5. If Ms. Satoko Hasegawa is elected as External Audit & Supervisory Board Member, the Company plans to enter into an agreement with Ms. Satoko Hasegawa to the effect that the liability to compensate damages under Article 423, Paragraph 1 of the Companies Act is limited. The maximum amount of liability for damages under the agreement is the minimum liability amount provided by applicable laws and regulations.

Fourth proposal: Granting of Retirement Benefits to Retiring Board Directors

Mr. Tomoyuki Mizutani was named Corporate Executive Officer in April 2004, served as Board Director between June 2007 and June 2009 and resigned as Corporate Executive Officer at the end of March 2015. At the time in 2009 when Mr. Mizutani resigned as Board Director, the Company's Rules for Retirement Benefits for Retiring Board Directors and Audit & Supervisory Board Members had provided that, if a person is named as Corporate Executive Officer after resigning as Board Director or serving as Board Director until the expiration of the term of office, a proposal for granting retirement benefits to the person as a retiring Board Director shall be made when the person resigns as Corporate Executive Officer. The Company therefore would like to pay him a reasonable amount of retirement benefit to reward his services during his terms in accordance with the Company's internal rules.

It is also proposed that the determination as to the specific amount, timing and method of payment be left to the decision of the Meeting of the Board of Directors.

The career summary of Mr. Tomoyuki Mizutani is as follows:

Name	Career summary		
Tomoyuki Mizutani	June	2007	Board Director
	June	2009	Retired as Board Director

Fifth proposal: Decision on Amounts and Details of Stock Acquisition Rights as an Incentive Stock Option for Board Directors (as Performance-based compensation for the 55th Fiscal Year)

Since the 53rd Fiscal Year, the Company has granted Incentive stock options as compensation based on performance to Corporate Executive Officers on the condition of achievement of annual earnings goals. As earnings goals for the relevant (55th) Fiscal Year were achieved, the Company would like to grant stock acquisition rights as an incentive stock options based on performance to the Board Directors who served as Corporate Executive Officers of the Company in the 55th Fiscal Year.

Therefore, it is proposed that the Company grant stock acquisition rights as follows as non-monetary compensation to the Board Directors within the limit of 430 million yen in the 56th Fiscal Year (April 1, 2015 to March 31, 2016) separately from a Board Director's compensation amount (within 50 million yen per month, excluding the employee salaries of Board Directors who serve concurrently as employees) as approved at the 31st Ordinary General Meeting of Shareholders held on June 26, 1991. The fair value of a stock acquisition right as compensation, etc. is calculated according to the Black-Scholes Model or any other general option assessment model based on conditions on the date for the allotment of stock acquisition rights.

The Board Directors subject to this proposal would be four (4), excluding External Board Directors.

1. Reason for issuing stock acquisition rights

Regarding the compensation system for Board Directors, the Company issues stock acquisition rights as an incentive stock options for the purpose of providing the Company's Board Directors with incentives to improve earnings and increase the corporate value.

2. Details of stock acquisition rights

(1) Type and number of shares subject to stock acquisition rights

The shares subject to the stock acquisition rights are common stock and the number of shares subject to each stock acquisition right (hereinafter referred to as the "number of granted shares") is 100. If a stock split (including an allotment of shares without contribution), a reverse stock split or any other reason for adjusting the number of granted shares emerges, the Company shall be able to adjust the number of granted shares within a reasonable range through a resolution by the Meeting of the Board of Directors.

(2) Upper limit on the number of stock acquisition rights

The upper limit on the number of stock acquisition rights to be allotted within one year from the date of this Ordinary General Meeting of Shareholders shall be calculated by dividing the total value of stock acquisition rights fixed within the abovementioned amount of 430 million yen by the fair value of a new share acquisition right determined according to the Black-Scholes Model or any other general option assessment model on the date for the allotment of stock acquisition rights (but any fraction of less than one yen shall be rounded off).

(3) Payment for stock acquisition rights

No payment shall be required for stock acquisition rights

(4) Amount of property to be contributed upon the exercise of stock acquisition rights

The amount of property to be contributed upon the exercise of stock acquisition rights shall be one yen (which is the amount to be paid per share upon the exercise of the stock acquisition rights) multiplied by the number of granted shares.

(5) Period for exercising stock acquisition rights

The Meeting of the Board of Directors shall determine the period within 20 years from the day after the date for allotting stock acquisition rights.

(6) Conditions for exercising stock acquisition rights

- 1) A stock acquisition rights holder shall be allowed to exercise the rights within 10 days from the date of leaving any of the posts of Board Director, Corporate Executive Officer and Professional Officer (within one year from the day after the date for the allotment of stock acquisition rights for a stock acquisition rights holder who would have left any of the posts before the date for the allotment) within the period for exercising stock acquisition rights.
- 2) Irrespective of the above, an inheritor to a stock acquisition rights holder shall be allowed to exercise the rights by the end of one year from the date for the death of the stock acquisition rights holder or the end of the period for exercising the rights as provided in (5): whichever is earlier.

(7) The Meeting of the Board of Directors shall resolve to decide on any other details of stock acquisition rights.