

August 24, 2016

To whom it may concern:

Company name: Recruit Holdings Co., Ltd.
Representative: Masumi Minegishi, President, CEO and
Representative Director
(Securities code: 6098, TSE First Section)
Contact: Keiichi Sagawa, Board Director,
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Notification regarding Secondary Offering of Shares

Recruit Holdings Co., Ltd. (the “Company”) hereby announces that a secondary offering of shares of common stock of the Company has been resolved at the board of directors meeting held on August 24, 2016, as follows.

1. Secondary offering of shares (offering by way of purchase and subscription by the underwriters)

(1) Class and number of shares to be offered	<p>61,134,800 shares of common stock of the Company (combined total of (i) to (iii) below)</p> <p>(i) 22,434,900 shares of common stock of the Company subject to the Japanese offering by way of purchase and subscription by the Japanese underwriters.</p> <p>(ii) 33,652,100 shares of common stock of the Company subject to the international offering by way of purchase and subscription by the international managers.</p> <p>(iii) 5,047,800 shares of common stock of the Company, which is the maximum number of shares subject to the rights to acquire additional shares of common stock of the Company that are granted to the international managers for the purpose of international offering</p> <p>The total number of shares subject to the global offerings by way of purchase and subscription by the underwriters (the combined total of (i) to (iii) above) is 61,134,800 shares. The respective number of shares in each of the Japanese and international offerings will be approximately the basis of the number of shares set forth in (i) to (iii) above, but the breakdowns will be finalized on the Offering Price Determination Date set out in (4) below, in consideration of market demand and other conditions.</p> <p>The Company decided, by a resolution at the meeting of the Board of Directors held on Wednesday, August 24, 2016, on certain matters regarding a share repurchase (common stock of the Company) involving a total number of shares not to exceed 8,500,000 shares, and a total purchase price not to exceed ¥30 billion, during an acquisition period between Friday, August 26, 2016 and Wednesday, August 31, 2016, through the Off-Auction Own Share Repurchase Trading (ToSTNeT-3) system of the Tokyo Stock Exchange Inc. In the event that the Company decides to execute such share repurchase based on the aforementioned resolution, the sellers listed in (i) to (iii) of (2) below may sell a portion of the shares of common stock of the Company held by them as part of such share repurchase. In such case, the respective number of shares in the Japanese</p>
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	offering and the international offering, and the number of shares subject to offering by each seller as listed in (i) to (iii) of (2) below may decrease.
(2) Sellers and the number of shares offered	<p>(i) Shares subject to the Japanese offering by way of purchase and subscription as listed in (1) (i) above</p> <p>DENTSU INC.: 9,000,000 shares</p> <p>NTT DATA Corporation: 5,000,000 shares</p> <p>MITSUI & CO., LTD. 3,000,000 shares</p> <p>Mizuho Bank, Ltd.: 1,028,300 shares</p> <p>Sumitomo Mitsui Banking Corporation: 1,028,300 shares</p> <p>The Bank of Tokyo-Mitsubishi UFJ, Ltd.: 1,028,300 shares</p> <p>CAC Holdings Corporation: 1,000,000 shares</p> <p>Asahi Paper Co., Ltd.: 600,000 shares</p> <p>The Master Trust Bank of Japan, Ltd. (retirement benefit trust account for the benefit of Nomura Research Institute, Ltd.): 500,000 shares</p> <p>transcosmos inc.: 250,000 shares</p> <p>(ii) Shares subject to the international offering by the international managers by way of purchase and subscription as listed in (1) (ii) above</p> <p>Dai Nippon Printing Co., Ltd.: 12,000,000 shares</p> <p>Sumitomo Mitsui Banking Corporation: 4,971,700 shares</p> <p>Tosho Printing Company, Limited: 4,650,000 shares</p> <p>Nomura Research Institute, Ltd.: 4,500,000 shares</p> <p>Mizuho Bank, Ltd.: 3,765,200 shares</p> <p>The Bank of Tokyo-Mitsubishi UFJ, Ltd.: 3,765,200 shares</p> <p>(iii) Maximum number of shares subject to the rights to acquire additional shares of common stock of the Company that are granted to the international managers for the purpose of international offering as listed in (1) (iii) above</p> <p>Mizuho Bank, Ltd.: 4,206,500 shares</p> <p>The Bank of Tokyo-Mitsubishi UFJ, Ltd.: 841,300 shares</p>
(3) Method of offering	<p>Japanese and international offerings will be made simultaneously.</p> <p>(i) Japanese offering by way of purchase and subscription by the underwriters</p> <p>The Japanese offering will be an offering in Japan (hereinafter the “Japanese offering by way of purchase and subscription by the underwriters”), whereby the shares in the Japanese offering by way of purchase and subscription by the underwriters will wholly be underwritten on the basis of joint purchase and subscription in the total amount by the Japanese underwriters.</p> <p>(ii) International offering</p> <p>The international offering will be an offering in the international markets (in the United States, however, is the offering will be restricted to qualified institutional investors in accordance with the Rule 144A under the U.S. Securities Act of 1933)(hereinafter the “international offering”), whereby the shares in the international offering will wholly be purchased by the international managers. The sellers listed in (2) (iii) above will grant to the international managers the rights to acquire additional shares of common stock of the Company.</p>
(4) Offer price	The offer price is currently undecided, but will be determined in accordance with the method stated in Article 25 of the Regulations

	Concerning Underwriting of Securities, etc., of the Japan Securities Dealers Association, based, in consideration of market demand and other conditions, on the preliminary pricing terms calculated by multiplying by a factor between 0.90 and 1.00, the closing price of the shares of common stock of the Company in regular trading on the Tokyo Stock Exchange Inc. (and rounding down to the nearest one yen), on certain date between Monday, September 12, 2016 and Wednesday, September 14, 2016 (hereinafter the “Offering Price Determination Date”) (or by using closing price on the business day immediately preceding such date, if no closing price was recorded on such date).
(5) Compensation for the underwriters	The underwriters will not receive an underwriting fee, but instead, will receive as the underwriters’ proceeds, the aggregate of the difference between the offer price and the underwriting value (the amount the sellers will receive as purchase price per share from the underwriters).
(6) Subscription period (for the Japanese offering)	A period between the following business day of the Offering Price Determination Date and the second business day following the Offering Price Determination Date.
(7) Share unit for subscription	100 shares
(8) Advance on subscription	The same amount as the offer price per share
(9) Settlement date	A certain date between Wednesday, September 21, 2016 and Monday, September 26, 2016, provided that such date will be the sixth business day following the Offering Price Determination Date.
(10) The Representative Director of the Company will solely be authorized to approve the offer price and all other matters necessary for this offering.	

2. Secondary offering of shares (offering by way of over-allotment) (Please refer to <Reference> 2. below.)

(1) Class and number of shares to be offered	<p>Shares of common stock of the Company: 3,365,200 shares</p> <p>The aforementioned number of shares to be offered represents the maximum number of shares to be offered, and the actual number of shares to be offered may decrease, or the offering by way of over-allotment may not be carried out at all, subject to market demand and other conditions for the Japanese offering by way of purchase and subscription by the underwriters. The number of shares to be offered will be decided on the Offering Price Determination Date, in consideration of market demand and other conditions for the Japanese offering by way of purchase and subscription by the underwriters.</p> <p>In addition, in case where the number of shares offered in the secondary offering by way of purchase and subscription by the underwriters decreases in connection with the share repurchase as stated in 1. (1) above, the number of shares offered in the secondary offering by way of over-allotment may decrease as well.</p>
(2) Seller	The designated Japanese underwriter
(3) Method of offering	For the purpose of the Japanese offering by way of purchase underwriting by the underwriters, the designated Japanese underwriter will, in consideration of market demand and other conditions, carry out the offering in Japan of shares of common stock of the Company, by borrowing no more than 3,365,200 shares from one of the shareholders of the Company that is a seller in the Japanese offering.

(4) Offer price	The offer price is currently undecided, but will be determined on the Offering Price Determination Date. The offer price will be the same as the offering price in the Japanese offering by way of purchase and subscription by the underwriters.
(5) Subscription period	The same subscription period as in the Japanese offering by way of purchase and subscription by the underwriters.
(6) Share unit for subscription	100 shares
(7) Advance on subscription	The same amount as the offer price per share.
(8) Settlement date	The same settlement date as in the Japanese offering by way of purchase and subscription by the underwriters.
(9) The president and Representative Director of the Company will solely be authorized to approve the offer price and all other matters necessary for this offering.	

<Reference>

1. Purpose of the secondary offering of shares

While the Company had been listed on the First Section of the Tokyo Stock Exchange Inc. since October 2014, certain of the Company's shareholders have expressed their intention to sell their shares in the Company in view of the recent growing awareness of corporate governance and increasing adoption of the Corporate Governance Code. The Company has resolved to approve this secondary offering of shares in an effort to mitigate the effect on the market price of the Company's shares from the sale of the Company's shares held by such shareholders in the market, as well as to expand its shareholders base.

2. Secondary offering of shares by way of over-allotment, etc.

Offering of shares by way of over-allotment refers to a form of the Japanese offering by way of purchase and subscription by the underwriters, in which the designated Japanese underwriter will, in consideration of market demand and other conditions, carry out the offering in Japan of shares of common stock of the Company, by borrowing no more than 3,365,200 shares from one of the shareholders of the Company that is a seller in the Japanese offering. While 3,365,200 shares are specifically scheduled to be offered under the offering of shares by way of over-allotment, such number of shares represents the maximum number of shares to be offered, and the actual number of shares to be offered may decrease, or the offering by way of over-allotment may not be carried out at all, subject to market demand and other conditions.

In the event that the offering of shares by way of over-allotment is made, the designated Japanese underwriter will be granted by the aforementioned shareholders of the Company, the rights to acquire additional shares of common stock of the Company (hereinafter the "Green Shoe Option"), not exceeding the number of shares in the offering of shares by way of over-allotment, excluding the shares in the Japanese offering by way of purchase and subscription by the underwriters, during an exercise period beginning on the settlement date of the Japanese offering by way of purchase and subscription by the underwriters and the offering by way of over-allotment, and ending on Friday, October 14, 2016.

The designated Japanese underwriter may purchase, on the Tokyo Stock Exchange Inc., a number of shares of common stock of the Company not exceeding the number of shares subject to the offering by way of over-allotment (hereinafter a "syndicate covering transaction"), for the purpose of returning the shares borrowed from the aforementioned shareholders of the Company (hereinafter the "borrowed shares"), during the period beginning on the day following the last day of the subscription period for the Japanese offering by way of purchase underwriting by the underwriters, and the offering by way of over-allotment, and ending on Tuesday, October 11, 2016 (hereinafter the "syndicate covering transaction period"). The shares of common stock of the Company acquired through a syndicate covering transaction by the designated Japanese underwriter will wholly be used for the purpose of returning the borrowed shares. Meanwhile, during the syndicate covering transaction period, the designated Japanese underwriter may not conduct any syndicate covering transactions or may terminate a syndicate covering transaction before the number of shares purchased reaches the number of shares

subject to the offering by way of over-allotment.

Also the designated Japanese underwriter may conduct stabilizing transactions in connection with the Japanese offering by way of purchase underwriting by the underwriters and the offering by way of over-allotment, in which case the shares of common stock of the Company acquired through such stabilizing transactions may wholly or partially be used for the purpose of returning the borrowed shares.

The residual portion of the borrowed shares after the returning of shares by using the shares acquired through a syndicate covering transaction and the stabilizing transactions, will be returned by the designated Japanese underwriter through its exercise of the Green Shoe Option.

Decision on whether or not the offering by way of over-allotment is to be carried out, along with the number of shares subject to such offering, if such offering is to be carried out, will be made on the Offering Price Determination Date. In the event that the offering by way of over-allotment is not to be carried out, none of the borrowing of shares of common stock of the Company by the designated Japanese underwriter from the aforementioned shareholders, grant of the Green Shoe Option to the designated Japanese underwriter by the aforementioned shareholders, and a syndicate covering transaction at the Tokyo Stock Exchange Inc. will be carried out.

The designated Japanese underwriter will carry out the aforementioned transactions in consultation with the joint lead managers of the Japanese offering by way of purchase underwriting by other underwriters.

3. Lock-up

With regard to the global offering, the sellers in the Japanese and the international offerings by way of purchase and subscription by the underwriters, Dai Nippon Printing Co., Ltd., Mizuho Bank, Ltd., DENTSU INC., Sumitomo Mitsui Banking Corporation, The Bank of Tokyo-Mitsubishi UFJ, Ltd., NTT DATA Corporation, Tosho Printing Company, Limited, Nomura Research Institute, Ltd., MITSUI & CO., LTD., CAC Holdings Corporation, Asahi Paper Co., Ltd., as well as the Company's shareholders Toppan Printing Co., Ltd., TOKYO BROADCASTING SYSTEM TELEVISION, INC., Nippon Television Network Corporation, Hakuhodo DY Holdings Inc., Oji Paper Co., Ltd., NS Solutions Corporation, TIS Inc., FUJI MEDIA HOLDINGS, INC., TV Asahi Holdings Corporation, Nippon Paper Industries Co., Ltd., an association of Recruit Group executive shareholders, DAIO PAPER CORPORATION, Kyodo Printing Co., Ltd., HOKUTOSHA Co., Ltd., and Internet Initiative Japan Inc., Shogo Ikeuchi, Akihito Fujiwara, Mio Kashiwamura (the officially registered name of Ms. Mio Kashiwamura is Mio Kawamura), Yukiko Nagashima (the officially registered name of Ms. Yukiko Nagashima is Yukiko Watanabe), Hisayuki Idekoba, Ken Asano, Masumi Minegishi, Hiroaki Ogata and Fumihiro Yamaguchi, have reached agreement with the joint global coordinators that the former will not conduct sales, etc. of shares in the Company, (excluding certain cases including the Japanese and the international offerings by way of purchase underwriting by other underwriters, sales or transfers to the trust assets of a specific share investment trust, sales or transfers conducted through a trust account, sales or transfers conducted through a special account, sales or transfers conducted through a specified money trust, and sales or transfers of the shares of common stock of the Company held as collateral, or deposited by the provider of collateral), during the period beginning on the Offering Price Determination Date, and ending on the 180th day from the settlement date of the global offering (hereinafter the "lock-up period"), without written prior consent of the joint global coordinators for the offering.

On the other hand, the Company has reached agreement with the joint global coordinators that it will, without written prior consent of the joint global coordinators, not carry out certain transactions including the issuance of shares in the Company, the issuance of securities that can be converted into or exchanged with shares in the Company, and the issuance of securities that represent the rights to acquire or receive shares of the Company (excluding such transactions associated with stock splits, etc.), during the lock-up period.

In either of the aforementioned cases, the joint global coordinators have the authority to wholly or partially waive the aforementioned agreements at their own discretion, even during the lock-up period.

Note: This document is a press release for public announcement and is not intended for soliciting investments or engaging in any other similar activities within or outside Japan.

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