

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,
Senior Managing Corporate Executive Officer
(Tel: +81-3-6835-1111)

Notification of Launch of a New Business

Recruit Holdings Co., Ltd. (hereinafter the “Company”) hereby announces that it resolved at the meeting of its board of directors held today to launch a new business as follows.

1. Purpose of launch of the new business

In the current fiscal year, the Recruit group (hereinafter the “Group”) launched a series of new financial support services for the users of the Group’s various services. These include financial services for individual customers in collaboration with SURUGA bank, Ltd. (launched on May 26, 2016), and an online service that enables users to request collective pre-examination for housing loans to several Japanese financial institutions including the three “mega banks” (launched on August 18, 2016) (collectively referred to as the “retail financial services”).

Meanwhile, the Group has been considering the potential provision of financing services in response to the demand for funds at small- and medium-sized enterprises (“SMEs”) (hereinafter the “corporate financial services”), as part of the ongoing business support services which the Group is actively promoting as part of its efforts to strengthen the client base within the domestic businesses.

After making certain progress in the consideration for the above service, the Company has resolved to launch a financing business targeting SMEs (hereinafter the “Business”) as a new business for the Group.

As a means of promoting the Business, the Group has decided to establish the Financial Service Promotion Office (scheduled for official launch on October 1, 2016), under the Media & Solution SBU of the Company in order to promote comprehensive consideration of both the retail financial services and corporate financial services. Furthermore, as part of its efforts related to corporate financial services, the Company has established Recruit Finance Partners Co., Ltd., as its wholly-owned subsidiary in order to explore the potential for a financing business to support funding demands from SMEs with a high appetite for growth investment, in line with our philosophy of creating a society in which SMEs have fair access to business and growth opportunities, and thereby contributing to the development of regional economies. We have applied for the registration of the new subsidiary as a money lending business.

2. Overview of the new business

The aim of the Business is to develop a service platform that enables the proposed financing business to be completed exclusively online by using transaction data (business transaction data) and various other data held by the Group, and thereby to enable speedy business operations throughout the entire process of application, examination and delivering of funds.

To this end, we are positioning the first three years of this Business as a preliminary testing period for all aspects of the Business ahead of any full-scale launch. During this period, while implementing the new financing operations, we will also begin data collection and market research. Meanwhile, we will actively consider collaboration with existing financial institutions as well as various Fintech (integration of finance and technology) enterprises towards the verification and full-scale launch of the Business. As part of such initiative, the Company entered into a basic agreement with Infomart Corporation on August 8, 2016 concerning the commencement of discussions for a potential collaboration.

3. Schedule

(1) Date of resolution at the meeting of the board of directors	August 24, 2016
(2) Scheduled date of launch of the new business	Summer of 2017 (planned) *Currently in preparation of administrative & other procedures and system infrastructure necessary for the launch

4. Future outlook

As the first three years after the launch of the Business is deemed to be a preliminary testing period prior to its full-scale launch, the impact of the launch of the Business on the consolidated financial results of the Company for the year ending March 31, 2017 is immaterial.

[Reference] Outline of Recruit Finance Partners Co., Ltd. (as of August 24, 2016)

(1) Name	Recruit Finance Partners Co., Ltd.	
(2) Location	7-2-6, Ginza, Chuo-ku, Tokyo	
(3) Title and name of the representative	Yasuhide Ogawa, Representative Director	
(4) Description of business	Money lending business (currently under application for the registration as a money lending business)	
(5) Capital	¥25 million	
(6) Foundation	July 4, 2016	
(7) Major shareholder and shareholding ratio	Recruit Holdings Co., Ltd. 100%	
(8) Relationship between the Company and Recruit Finance Partners Co., Ltd.	Capital relationship	Wholly-owned subsidiary of the Company.
	Human relationship	Three employees of the Company also serve as Board Directors of Recruit Finance Partners Co., Ltd., and one employee of the Company also serves as Audit & Supervisory Board Member of Recruit Finance Partners Co., Ltd.
	Business relationship	Not applicable.