

**(Revision) Partial Revision to the “Presentation Material  
for Financial Results for Q1 FY2018”**

TOKYO, JAPAN (November 13, 2018) – Recruit Holdings Co., Ltd. announced today that there were partial revisions to the “Presentation Material for Financial Results for Q1 FY2018” announced on August 10, 2018. The details of the revisions are as outlined below. The revised parts are underlined.

1. Reason of the Revision

Recruit Holdings Co., Ltd. and its consolidated subsidiaries (the “Group”) has adopted IFRS 15 “Revenue from Contracts with Customers” (issued in May 2014) and “Clarifications to IFRS 15” (issued in April 2016) (collectively, “IFRS 15”) from the three months ended June 30, 2018.

During the closing process for the six months ended September 30, 2018, the Group re-examined the contracts with customers and reassessed the previous identification of a customer based on the IFRS 15 definition. As a result, it was concluded that sales agents for some transactions should be defined as the customer, whereas in prior periods the end-customers of the sales agents were instead defined as the customer.

Accordingly, revenues from certain customers which were originally presented on a gross basis are presented on a net basis. The Group recalculated the consideration for transactions with sales agents under IFRS 15, which resulted in a reduction of revenue and cost of sales of 1,803 million yen respectively.

## 2. Details of the Revision

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### ■ Q1 FY2018 Highlights

■ Consolidated revenue **+8.2%**, EBITDA **+9.5%**, Adjusted EPS **+15.9%**

Revenue and EBITDA increased in all three segments: HR Technology, Media & Solutions, and Staffing

■ Strong YoY revenue growth continued in HR Technology

Revenue increase **+56.0%** in US dollar terms <sup>(1)</sup>

■ Completed the acquisition of Glassdoor, Inc. on June 21

- Operating in the HR Technology segment
- Profits and losses will impact the consolidated results from July 2018

(1) This is the financial results of operating companies in the HR Technology segment, which differ from the IFRS-based consolidated financial results of Recruit Holdings Co., Ltd.

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### ■ Q1 FY2018 Highlights

■ Consolidated revenue **+7.8%**, EBITDA **+9.5%**, Adjusted EPS **+15.9%**

Revenue and EBITDA increased in all three segments: HR Technology, Media & Solutions, and Staffing

■ Strong YoY revenue growth continued in HR Technology

Revenue increase **+51.7%** in US dollar terms <sup>(1)</sup>

**Revenue increase +57.6% in US dollar terms, assuming IFRS 15 applied in FY2017 <sup>(1)(2)</sup>**

■ Completed the acquisition of Glassdoor, Inc. on June 21

- Operating in the HR Technology segment
- Profits and losses will impact the consolidated results from July 2018

(1) This is the financial results of operating companies in the HR Technology segment, which differ from the IFRS-based consolidated financial results of Recruit Holdings Co., Ltd.

(2) Assuming IFRS 15 was applied in FY2017 on a pro forma basis.

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## Q1 FY2018 Consolidated Financial Results

(in billions of yen, unless otherwise stated)	FY2017	FY2018	
	Q1 (Apr. - Jun.)	Q1 (Apr. - Jun.)	YoY Change
Revenue	524.3	<u>567.2</u>	+8.2%
EBITDA	71.8	78.7	+9.5%
EBITDA margin	13.7%	13.9%	+0.2pt
Operating income	56.3	67.8	+20.4%
Profit attributable to owners of the parent	40.2	47.3	+17.8%
Adjusted profit	42.3	49.0	+16.0%
Adjusted EPS (yen)	25.34	29.37	+15.9%

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## Q1 FY2018 Consolidated Financial Results

(in billions of yen, unless otherwise stated)	FY2017	FY2018	
	Q1 (Apr. - Jun.)	Q1 (Apr. - Jun.)	YoY Change
Revenue	524.3	<u>565.4</u>	+7.8%
EBITDA	71.8	78.7	+9.5%
EBITDA margin	13.7%	13.9%	+0.2pt
Operating income	56.3	67.8	+20.4%
Profit attributable to owners of the parent	40.2	47.3	+17.8%
Adjusted profit	42.3	49.0	+16.0%
Adjusted EPS (yen)	25.34	29.37	+15.9%

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## Q1 FY2018 Financial Results by Segment

Revenue (in billions of yen)	FY2017	FY2018	
	Q1 (Apr. - Jun.)	Q1 (Apr. - Jun.)	YoY Change
<b>Consolidated results</b>	524.3	567.2	+8.2%
HR Technology	46.4	71.1	+53.0%
Media & Solutions	165.2	173.5	+5.0%
Staffing	318.0	329.1	+3.5%
Eliminations and Adjustments	-5.3	-6.4	-
<b>EBITDA (in billions of yen)</b>			
<b>Consolidated results</b>	71.8	78.7	+9.5%
HR Technology	7.7	9.4	+21.6%
Media & Solutions	43.1	47.3	+9.8%
Staffing	20.6	24.0	+16.7%
Eliminations and Adjustments	0.3	-2.1	-
<b>EBITDA margin</b>			
<b>Consolidated results</b>	13.7%	13.9%	+0.2pt
HR Technology	16.7%	13.3%	-3.4pt
Media & Solutions	26.1%	27.3%	+1.2pt
Staffing	6.5%	7.3%	+0.8pt

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## Q1 FY2018 Financial Results by Segment

Revenue (in billions of yen)	FY2017	FY2018	
	Q1 (Apr. - Jun.)	Q1 (Apr. - Jun.)	YoY Change
<b>Consolidated results</b>	524.3	565.4	+7.8%
HR Technology	46.4	69.3	+49.1%
Media & Solutions	165.2	173.5	+5.0%
Staffing	318.0	329.1	+3.5%
Eliminations and Adjustments	-5.3	-6.4	-
<b>EBITDA (in billions of yen)</b>			
<b>Consolidated results</b>	71.8	78.7	+9.5%
HR Technology	7.7	9.4	+21.6%
Media & Solutions	43.1	47.3	+9.8%
Staffing	20.6	24.0	+16.7%
Eliminations and Adjustments	0.3	-2.1	-
<b>EBITDA margin</b>			
<b>Consolidated results</b>	13.7%	13.9%	+0.2pt
HR Technology	16.7%	13.6%	-3.1pt
Media & Solutions	26.1%	27.3%	+1.2pt
Staffing	6.5%	7.3%	+0.8pt

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## HR Technology

(in billions of yen, unless otherwise stated)

	FY2017	FY2018	
	Q1 (Apr. - Jun.)	Q1 (Apr. - Jun.)	YoY Change
Revenue	46.4	<u>71.1</u>	<u>+53.0%</u>
Reference: Revenue in US dollars <sup>(1)</sup> (in millions of US dollars)	418	<u>652</u>	<u>+56.0%</u>
EBITDA	7.7	9.4	+21.6%
EBITDA margin	16.7%	<u>13.3%</u>	<u>-3.4pt</u>

(1) This is the financial results of operating companies in the HR Technology segment, which differ from the IFRS-based consolidated financial results of Recruit Holdings Co., Ltd.

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## HR Technology

(in billions of yen, unless otherwise stated)

	FY2017	FY2018	
	Q1 (Apr. - Jun.)	Q1 (Apr. - Jun.)	YoY Change
Revenue	46.4	<u>69.3</u>	<u>+49.1%</u>
Reference: Revenue in US dollars <sup>(1)</sup> (in millions of US dollars)	418	<u>634</u>	<u>+51.7%</u>
Reference: Revenue in US dollars IFRS 15 applied <sup>(1),(2)</sup> (in millions of US dollars)	<u>402</u>	<u>634</u>	<u>+57.6%</u>
EBITDA	7.7	9.4	+21.6%
EBITDA margin	16.7%	<u>13.6%</u>	<u>-3.1pt</u>

(1) This is the financial results of operating companies in the HR Technology segment, which differ from the IFRS-based consolidated financial results of Recruit Holdings Co., Ltd.

(2) Assuming IFRS 15 was applied in FY2017 on a pro forma basis.

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